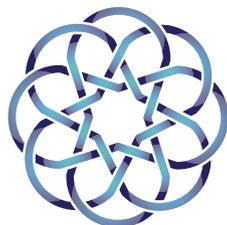


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力世紀有限公司

WE SOLUTIONS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 860)

**VOLUNTARY ANNOUNCEMENT
COLLABORATION WITH ADVANCED AUTOMOTIVE
TECHNOLOGY PROVIDER AND MANUFACTURER**

The Board is pleased to announce that as part of the Company's business plan to become a world leading EV solutions provider and execute on its strategy of building a full EV value chain, the Group has on 25 May 2018 entered into the non-legally binding Cooperation Framework Memorandum with the Advanced Auto Tech Co in relation to (i) the proposed formation of the JV Company; and (ii) the Further Investment.

The Group and the Advanced Auto Tech Co expect to form the JV Company to engage in the Business, being the design, research and development of products related to automotive technologies, including infotainment systems, advanced driver-assistance systems and other artificial intelligence and autonomous automotive products.

It is also expected that the Group will make a further investment of not less than €50 million (equivalent to approximately HK\$457.25 million) in the Advanced Auto Holdco through a subscription of its shares by the Group.

The Advanced Auto Tech Co is one of the world's leading advanced automotive technology providers and manufacturers based in Europe. It is principally engaged in researching, designing, developing, manufacturing, marketing and selling of vehicles, powertrains and battery technology systems, infotainment systems and autonomous driving systems for use in vehicles, and production of replacement parts and support equipment and related services.

The JV Company will have a crucial role in the Group's business development strategy in providing its EV solutions projects and leveraging on the reputation and experience of the Advanced Auto Tech Co. The Further Investment will also enable the Group to establish a strategic relationship with the Advanced Auto Tech Co to explore closer cooperation in the automotive market. The Board believes that the proposed establishment of the JV Company and the Further Investment would benefit the Group by enabling it to access and provide automotive customers with some of the most advanced technologies in the automotive industry to help facilitate the adoption of EVs and autonomous driving in the PRC, the world's largest automotive market.

COOPERATION FRAMEWORK MEMORANDUM

The Board is pleased to announce that as part of the Company's business plan to become a world leading EV solutions provider and execute on its strategy of building a full EV value chain, the Group has on 25 May 2018 (after trading hours) entered into the non-legally binding Cooperation Framework Memorandum with the Advanced Auto Tech Co in relation to (i) the proposed formation of the JV Company; and (ii) the Further Investment.

THE JOINT VENTURE

The Business

The Group and the Advanced Auto Tech Co expect to form the JV Company to engage in the Business, being the design, research and development of products related to automotive technologies, including infotainment systems, advanced driver-assistance systems and other artificial intelligence and autonomous automotive products.

Shareholding Structure and Contributions

Upon formation, the JV Company will be owned as to 51% by the Group and 49% by the Advanced Auto Tech Co.

It is expected that the Group will contribute up to an aggregate of US\$75 million in stages (equivalent to approximately HK\$585 million) to the JV Company whilst the Advanced Auto Tech Co will grant the JV Company a perpetual licence to use its intellectual property and know-how at no cost payable by the JV Company for the Business.

Board and Senior Management

The initial board of directors of the JV Company will comprise 5 directors, 3 of which will be appointed by the Group and the remaining 2 will be appointed by the Advanced Auto Tech Co. The parties will agree on the number and qualifications of the core team members of the Advanced Auto Tech Co to be allocated to the JV Company's operations, as well as secondment of engineers, technical and other trainings to be carried out from time to time in Hong Kong and Europe.

Non-legally Binding Effect

The Cooperation Framework Memorandum is not legally binding save for certain provisions including those relating to exclusivity, confidentiality and governing law of the Cooperation Framework Memorandum.

The Group expects to finalise and enter into a legally binding agreement with the Advanced Auto Tech Co in relation to the establishment and the terms relating to the affairs of the JV Company within 6 months from the date of the Cooperation Framework Memorandum.

FURTHER INVESTMENT

Subscription of Shares in Holding Company

The Group intends to make a further investment of not less than €50 million (equivalent to approximately HK\$457.25 million) in the Advanced Auto Holdco through a subscription of its shares. The subscription price of each share of the Advanced Auto Holdco will be determined based on the pre-money valuation of the Advanced Auto Holdco immediately prior to such Further Investment as determined by an internationally recognized accounting firm or professional valuation expert to be nominated jointly by the parties.

Conditions to Further Investment

The Further Investment is subject to entering into a legally-binding agreement(s) in relation to the subscription of shares of the Advanced Auto Holdco and is conditional upon, amongst other things, satisfactory due diligence of the Advanced Auto Group and the entering into a shareholders'

agreement with shareholders of Advanced Auto Holdco to regulate their relationships and the governance of the operations of the Advanced Auto Holdco.

The Further Investment is also subject to the JV Company having been formed and the applicable regulatory approvals having been obtained. The Further Investment is expected to be completed by 31 December 2019.

INFORMATION ON ADVANCED AUTO TECH CO

The Advanced Auto Tech Co is one of the world's leading advanced automotive technology providers and manufacturers based in Europe. It is principally engaged in researching, designing, developing, manufacturing, marketing and selling of vehicles, powertrains and battery technology systems, infotainment systems and autonomous driving systems for use in vehicles, and production of replacement parts and support equipment and related services.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Advanced Auto Tech Co and its ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS TO THE PROPOSED ESTABLISHMENT OF THE JV COMPANY AND THE FURTHER INVESTMENT

Leveraging on the Group's expertise on EVs and engineering solutions, it would be an exciting opportunity for the Company to further cement its foothold in the EV industry, integrating the EV-related businesses that the Group previously acquired or invested in and expanding the Group's existing provision of solutions to cover the design, research, development and production of automotive technologies for EVs in wider scopes, including infotainment systems, advanced driver-assistance systems and other artificial intelligence and autonomous automotive products through the establishment of the JV Company and the Further Investment. The JV Company will have a crucial role in the Group's business development strategy in providing its EV solutions projects and leveraging on the reputation and experience of the Advanced Auto Tech Co. The Further Investment will also enable the Group to establish a strategic relationship with the Advanced Auto Tech Co to explore closer cooperation in the automotive market.

The Advanced Auto Tech Co has developed competencies in areas along the EV value chain that are differentiated and have strong competitive advantages which will be valuable and attractive to the PRC automotive market.

The Board believes that the proposed establishment of the JV Company and the Further Investment would benefit the Group by enabling it to access and provide automotive customers with some of the most advanced technologies in the automotive industry to help facilitate the adoption of EVs and autonomous driving in the PRC, the world's largest automotive market.

The Cooperation Framework Memorandum is intended to record the intention of and preliminary mutual understanding between the Group and the Advanced Auto Tech Co in relation to the proposed establishment of the JV Company and the Further Investment. The Cooperation Framework Memorandum is not legally binding save for certain provisions including those relating to exclusivity, confidentiality and governing law of the Cooperation Framework Memorandum.

As at the date of this announcement, no definitive legally-binding agreement in relation to the establishment of the JV Company and the participation in the Further Investment has been entered into by the Group. As the transactions contemplated under the Cooperation Framework Memorandum may or may not materialize, the shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company. The Company will make further announcement(s) on the establishment of the JV Company and the participation in the Further Investment as and when appropriate in accordance with the Listing Rules.

DEFINITIONS

In this announcement unless the context otherwise requires, the following expressions shall have the following meanings:

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|-------------------------|--|
| “Advanced Auto Group” | the Advanced Auto Holdco and its subsidiaries |
| “Advanced Auto Holdco” | the holding company of Advanced Auto Tech Co following a proposed restructuring of the Advanced Auto Tech Co |
| “Advanced Auto Tech Co” | a European company which is principally engaged in researching, designing, developing, manufacturing, marketing and selling of vehicles, powertrains and battery technology systems, infotainment systems and autonomous driving systems for use in vehicles, and production of replacement parts and support equipment and related services |

“Board”	the board of Directors
“Business”	the business proposed to be carried out by the JV Company, being the design, research and development of products related to automotive technologies for EVs, including but not limited to infotainment systems, advanced driver-assistance systems and other artificial intelligence and autonomous automotive products
“Company”	WE Solutions Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 860)
“Cooperation Framework Memorandum”	the non-legally binding framework memorandum dated 25 May 2018 entered into between the Company and Advanced Auto Tech Co in relation to the proposed establishment of the JV Company and the Further Investment
“Director(s)”	the director(s) of the Company
“EV(s)”	electric vehicle(s)
“Further Investment”	the investment of not less than €50 million (equivalent to approximately HK\$457.25 million) in Advanced Auto Holdco through a subscription of its shares by the Group.
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	third party independent of the Company and its connected person(s) as defined in the Listing Rules
“JV Company”	a joint venture company proposed to be established by the Company and Advanced Auto Tech Co

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“€”	Euros, the lawful currency of certain members of the European Union
“%”	per cent

By order of the Board
WE Solutions Limited
Ho King Fung, Eric
Chairman

27 May 2018, Hong Kong

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Ho King Fung, Eric (Chairman) and Mr. Ho Chi Kit; one non-executive Director, namely Mr. Zhang Jinbing (Co-Chairman); and four independent non-executive Directors, namely Mr. Tam Ping Kuen, Daniel, Mr. Teoh Chun Ming, Mr. Heung Chee Hang, Eric and Mr. Peter Edward Jackson.

For illustrative purpose only, translations of the relevant currencies are based on the exchange rate of US\$1.00 to HK\$7.8 and €1.00 to HK\$9.145. Such translations should not be construed as a representation that the relevant amounts have been, could have been, or could be converted at that or any other rate or at all.