

20th June 2022

Quantum Solutions Co., Ltd.

Notice Regarding the Conclusion of Letter of Intent for Business Alliance in EV Business

We hereby announce that our Company has concluded the Letter of Intent for Business Alliance in Electric Vehicles' Business" with Singulato Motors (Shanghai) Limited ("Singulato Motors") in China.

1. Reasons for the Conclusion of Letter of Intent for Business Alliance

In the "Notice Regarding the Conclusion of a Basic Agreement with FOMM Corporation for the Sale and Manufacture of Electric Vehicles" dated on 31 January 2022, we announced that our Group obtained the exclusive production and sales rights, which include sublicensing, of "FOMM ONE" (the "Authorization") in strategic countries and regions in Asia and Latin America (the "Target Regions") from FOMM Corporation ("FOMM"). Furthermore, in the "Notice of Signing of An Outsourcing Contract with FOMM Corporation for the Manufacture of Electric Vehicles and Loan Lending" dated 29 March 2022, we notified that our subsidiary Quantum FOMM Limited and FOMM signed a "Memorandum" in relation to the outsourcing of electric vehicle (EV) manufacturing, etc. with FOMM.

Based on the Authorization and Memorandum, our Group started the outsourcing of manufacturing "FOMM ONE" in Thailand in April 2022. As soon as finished vehicles will be ready, we will release them for sale in the country.

At the same time, the Group is preparing to start manufacturing EVs with an OEM in China in order to reduce the production cost and increase profitability. In process of preparation, the Group concluded the Letter of Intent for Business Alliance with a Chinese EV manufacturer, Singulato Motors. As we will enter into the Business Alliance, the Group will be able to reduce production cost, advance technological development, and develop vehicles that satisfy the markets and conform the regulations of Target Regions.

2. Contents of the Letter of Intent for Business Alliance

The conclusion of the Letter of Intent for Business Alliance with Singulato Motors aims to enhance and maximize the complementarity of the alliance between Singulato Motors and our

company in the EV business. The business alliance includes that we will collaborate based on the existing models of both parties, preferentially in AI system, in R&D for new models, in exploring new markets in Japan, China and elsewhere, in integration of management teams, and in brand unification. Both parties agreed on the issues and confirmed their intention for the business alliance.

With due diligence and required audit and approval, we will form the business alliance.

3. Summary of Singulato Motors (Shanghai) Limited

Singulato Motors is a Chinese EV company led by engineers from China and Japan. As a high-tech company, they integrate AI and innovative manufacturing technologies and internet innovation for exploring into new technologies. Their business includes EV development and manufacturing, automatic driving system, AI systems for vehicles (smart car systems), vehicle network services and solutions based on big data and cloud computing, new energy vehicle development and the development of innovative technology products. The company already have developed two EV models, namely “iS6 (SUV)” and “iC3 (small motor car)”, both of which are ready for mass production.

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| (1) Name of Company | Singulato Motors (Shanghai) Ltd. |
| (2) Address | Room 3704, No. 868 Jinqi Road, Fengxian District, Shanghai |
| (3) Name and Title of Representative | Shen Haiyin |
| (4) Business Summary | Design, manufacture and sales of electric vehicles |
| (5) Capital | 88.3728 million RMB (about 1768 million JPY) |
| (6) Date of Foundation | 17 October 2014 |
| (7) Shareholding of Major Shareholders | Shen Haiyin (23.48%) 天津智行天下科技有限公司 (14.14%) 韜蘊（北京）網絡科技有限公司 (10.32%) 銅陵欣榮銅基新材料產業發展基金 (8.74%) 深圳博雍智動未來投資合作企業 (5.82%) NEXT STATION HOLDINGS LIMITED (4.87%) ITOCHU Corporation (4.64%) 福建省奧拓豐企業管理合作企業 (4.11%) |

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【Quantum Solutions Co., Ltd. Company Information】

Company Name : Quantum Solutions Co., Ltd. (Tokyo Stock Exchange code 2338)
Address : 1-10-9 Kudankita, Chiyoda-ku, Tokyo, Japan
Representative : Shao Yun, Chairman of the Board

Capital : 2,658 million yen
Business : Application development and distribution
Software development

【Company Contact】

Quantum Solutions Co., Ltd.

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