

INDUSTRY OVERVIEW

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OVERVIEW OF THE ROAD FREIGHT MARKET

Road freight is the backbone of global commerce, powering the seamless flow of goods across economies. In 2025, the global road freight market reached USD3.9 trillion in terms of service fee. Fueled by surging e-commerce demand, ongoing infrastructure upgrades, and rising efficiency needs, the global road freight markets are projected to soar to USD4.8 trillion by 2030.

The enormous global road freight market has also nurtured a sizable heavy-duty truck market. Heavy-duty trucks, defined as trucks with a Gross Vehicle Weight Rating (GVWR) exceeding 14 tons, occupy a core position in the road freight market. In 2025, heavy-duty trucks accounted for just 24.8% of the total operating truck, at 28.2 million units. Yet they handled approximately half of the road freight market. Heavy-duty trucks span diverse transportation scenarios ranging from raw materials, semi-finished products to finished products.

In 2025, the global sales volume and sales revenue of heavy-duty trucks were 2.3 million units and USD168.5 billion, accounting for 13.5% and 21.1% in the total truck market, respectively. Stable economic development, growing logistics demand, and the replacement of aged heavy-duty truck driven by electrification will continue to drive the prosperous development of the global heavy-duty truck market. These figures are expected to grow to 2.8 million units and USD248.0 billion by 2030, with CAGR of 4.2% and 8.0%, respectively.

Pain-points of the road freight market

Despite its massive scale, the road freight industry is dominated by fleet operators who are under constant pressure to remain profitable. Unlike consumers who purchase passenger vehicles for optimized driving experience, these operators view heavy-duty trucks as income-generating assets. However, traditional fuel-powered fleets face mounting environmental regulations, rising costs, and safety risks, all of which erode profitability and add to operational complexity. As a result, fleet operators are urgently seeking cleaner and more efficient alternatives:

- **Serious environmental impact.** Fuel-powered heavy-duty trucks feature extensive annual driving mileage, inefficient energy conversion, and high emission, leading to significant fuel consumption and pollution. While fuel-powered heavy-duty trucks comprised merely 3% of China’s total vehicles, they produced approximately 85% of the entire vehicle emissions in nitrogen oxides, according to CIC. A single fuel-powered truck is nearly equivalent to 100 fuel-powered passenger vehicles in terms of annual carbon emission. The serious environmental impact of fuel-powered heavy-duty truck therefore calls for an imperative new-energy transition to curb emissions.

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- **High operation cost.** More than 30% of the operating expenses of heavy-duty trucks are allocated to refueling. The labor costs also account for a significant share and is expected to increase due to driver shortage. Furthermore, fuel-powered heavy-duty trucks use traditional internal combustion engines and transmission systems, which are not only prone to failures but also require regular oil changes and filter replacements, thereby increasing maintenance costs.
- **High safety risks.** Compared to other commercial vehicles, heavy-duty trucks have higher chassis, greater weight, and longer bodies. As a result, they are more challenging to maneuver, especially during turning and braking, and have more blind spots for drivers. These factors increase the likelihood of traffic accidents in emergencies, posing serious threats to driver and road safety and undermining logistics efficiency.

OVERVIEW OF THE NEW-ENERGY INTELLIGENT ROAD FREIGHT TECHNOLOGIES

New energy heavy-duty trucks are emerging as the backbone of modern road freight markets. These vehicles integrate environment-friendly energy powertrains with advanced intelligent systems to achieve greater efficiency, lower emissions, and improved safety than traditional fuel fleets.

The transformation toward intelligent new energy heavy-duty trucks includes two elements. On the one hand, electrification enables new energy heavy-duty trucks to cut emissions and fuel costs while simplifying vehicle structure to reduce maintenance costs. This improved efficiency and provides a simplified vehicle architecture suitable for the intelligent transformation. On the other hand, intelligent new energy heavy-duty trucks use advanced driver-assistance systems to ease the driving workload and reduce driver fatigue, addressing rising labor costs and safety risks. With real-time perception and early hazard warnings, these trucks also set new benchmarks for safety and operational efficiency, transforming fleet management.

Around these trucks, a range of value-added services such as energy replenishment, maintenance, insurance, and digital freight platforms has emerged, constituting a suite of comprehensive new-energy intelligent road freight technologies. Projections indicate that the global market size of new-energy intelligent road freight technologies will increase from approximately USD0.2 trillion in 2025 to USD0.8 trillion by 2030. With its prominent role across the globe, China’s market size of new-energy intelligent road freight technologies is estimated to increase from RMB1.2 trillion in 2025 to RMB2.8 trillion in 2030.

OVERVIEW OF THE NEW ENERGY HEAVY-DUTY TRUCK MARKET

Based on energy type, new energy heavy-duty trucks can be classified into the following categories:

- **Battery electric heavy-duty trucks.** These trucks are powered by rechargeable batteries. Energy replenishment can be achieved through conventional charging or battery swapping.
- **Fuel cell heavy-duty trucks.** Powered primarily by hydrogen fuel cells, these trucks use hydrogen as their main energy source.
- **Plug-in hybrid heavy-duty trucks** (including range-extended heavy-duty truck). These trucks combine internal combustion engines with electric motors and can be charged via external power sources, providing power through a hybrid drivetrain.

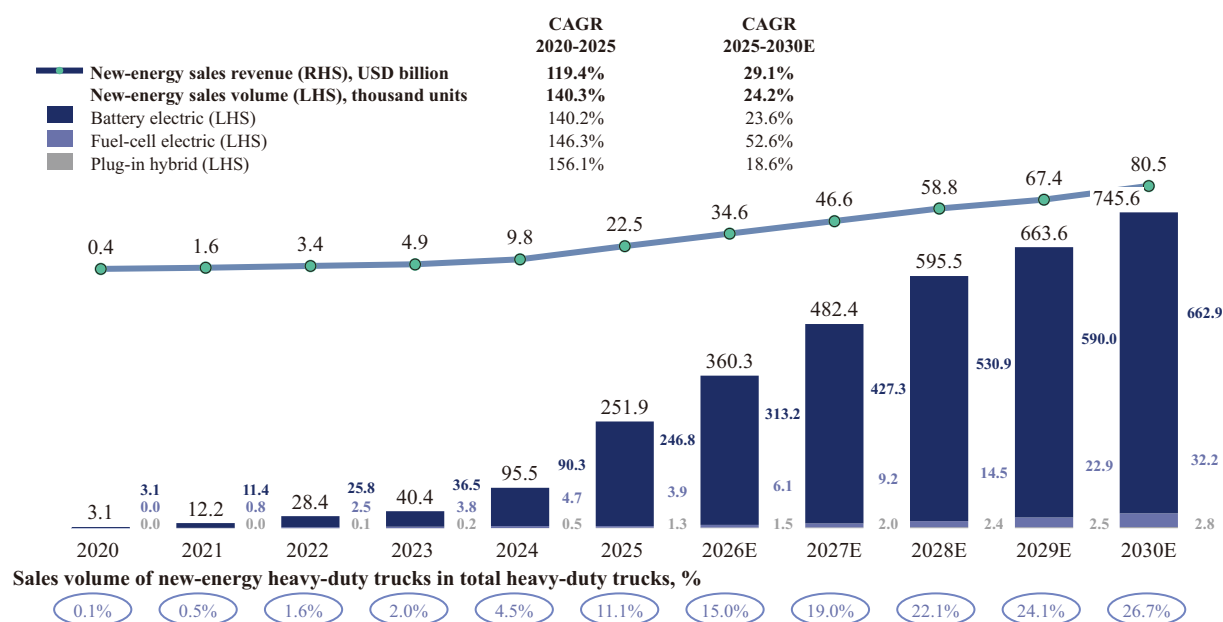
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Driven by mature technological advancements, significant total TCO benefits, and increasingly comprehensive energy replenishment infrastructure, battery-electric heavy-duty trucks are currently the primary force in the new energy heavy-duty truck market, accounting for over 95% of sales volume in 2025, both globally and in China.

Market size of the new energy heavy-duty truck market

Global sales of new energy heavy-duty trucks reached 251.9 thousand units in 2025, with the market size climbing to USD22.5 billion. As heavy-duty trucks are commercial vehicles driven by return on investment, adoption is expected to accelerate significantly once end users recognize their effectiveness in addressing key pain points such as fuel costs, emissions, and safety. With these advantages becoming increasingly clear, global sales are projected to surge to 745.6 thousand units by 2030, driving the market size to USD80.5 billion.

Sales volume and revenue of global new energy heavy-duty truck, by energy type, 2020–2030E



Source: News, industry publications, expert interviews, CIC

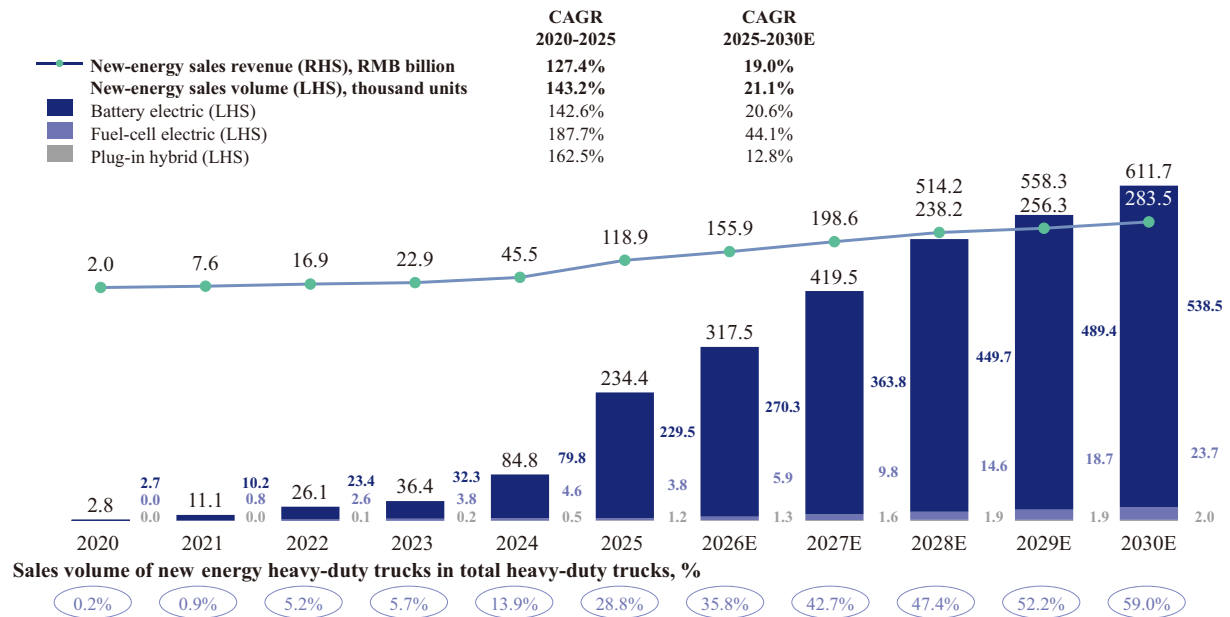
China spearheaded the global transition to new energy in heavy-duty trucks. In 2025, China’s sales volume of new energy heavy-duty trucks reached 234.4 thousand units, generating a sales revenue of RMB118.9 billion. During the same year, China contributed 93.1% of global sales volume and 81.5% of global sales revenue.

Strong policy support, continuous technological advancement, expanding energy-replenishment infrastructure, and the emergence of higher-performance models are expected to accelerate further the domestic adoption in China. Moreover, China’s advantages in technology and supply chain capabilities are enabling its new energy heavy-duty trucks to gain traction in international markets, opening up new growth opportunities abroad. The dual momentum from both domestic and global markets is set to drive rapid growth. Within the broader heavy-duty truck market, the sales volume and revenue of China’s new energy heavy-duty market accounts for 28.8% and 26.6% in the total heavy-duty truck market in 2025. Such

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figures are expected to further increase, reaching 59.0% and 43.7% by 2030. By 2030, China’s new energy heavy-duty truck penetration rate is projected to reach 59.0%, with annual sales reaching 611.7 thousand units and a market size of RMB283.5 billion, representing CAGR of 21.1% and 19.0%, respectively.

Sales volume and revenue of China new energy heavy-duty truck, by energy type, 2020–2030E

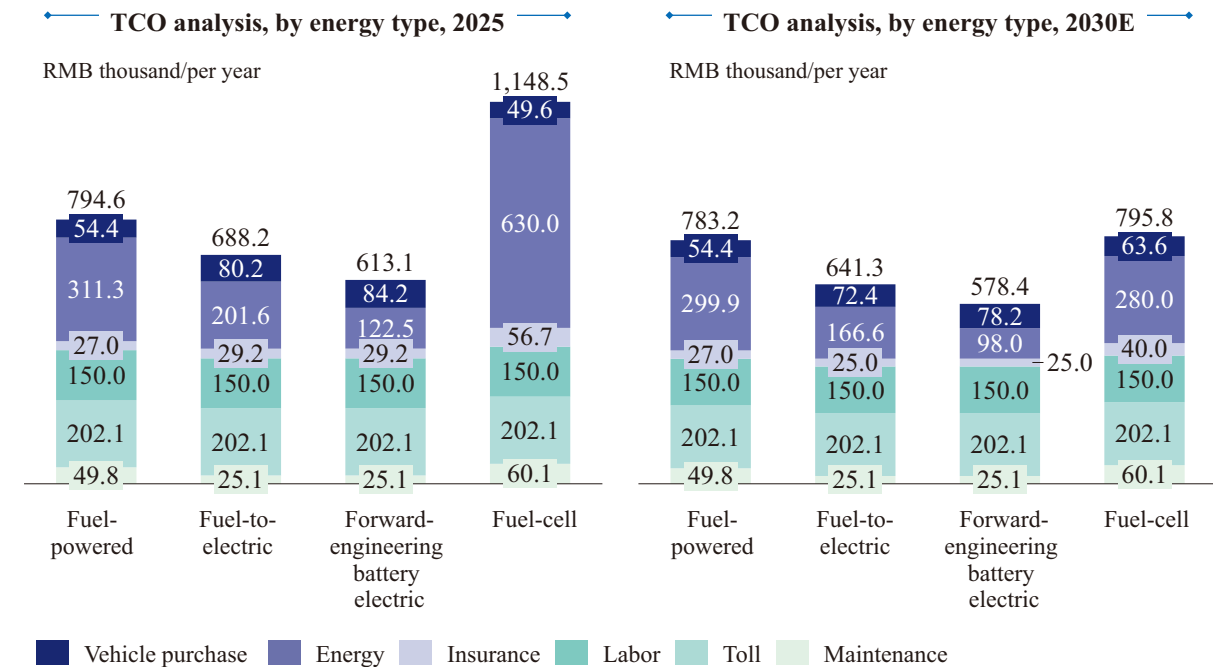


Source: News, industry publications, expert interviews, CIC

Key drivers and trends for the new energy heavy-duty truck market

- Superior total cost of ownership (TCO) economics.** Forward-engineered battery electric heavy-duty trucks, purpose-built for the energy transition, can reduce the TCO to RMB613.1 thousand per year, representing a 22.8% decrease compared to fuel-powered counterparts. Battery packs constitute over 50% of the total purchase cost of battery electric heavy-duty trucks. As battery production scales up, battery pack cost is projected to decline by nearly 18.4% between 2025 and 2030, reducing the TCO of forward-engineering battery electric heavy-duty trucks to RMB578.4 thousand by 2030. The expanding TCO advantage is anticipated to accelerate the replacement of traditional fuel-powered trucks with new energy models.

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Source: News, industry publications, expert interviews, CIC

Note: assume forward-engineering battery electric heavy-duty truck is equipped with a 513kWh battery

- Advancements in battery technologies.** Continuous improvements in battery technology are significantly increasing energy density, enabling new energy heavy-duty trucks to store more power while reducing battery size and weight. This advancement extends driving range, decreases the need for frequent charging during operations, and minimizes downtime. The saved space can be utilized for additional cargo, enhancing freight efficiency per trip. Moreover, the increase in battery cycle life extends service duration, lowers replacement frequency and maintenance costs, and enhances the viability of new energy heavy-duty trucks for long-haul transportation, thereby broadening their application scenarios.
- Advancements in energy replenishment technologies and infrastructures.** Innovations in energy replenishment are reducing operational downtime for new energy heavy-duty trucks. For instance, the advent of bottom-swapping technology has cut energy replenishment time to under six minutes. Additionally, the development of ultra-fast charging stations, which offer greater site adaptability and lower construction costs, is laying the groundwork for widespread deployment. In China, the number of heavy truck-compatible charging stations and battery swapping stations is projected to increase from approximately 100 thousand units and more than one thousand stations in 2025 to roughly 790 thousand units and around seven thousand stations by 2030.
- Policy tailwind.** Recognizing the environmental benefits of new energy heavy-duty trucks, governments worldwide are implementing favorable policies to promote their adoption. China has introduced a series of initiatives to accelerate the development of new energy heavy-duty trucks. Major cities like Beijing, Shanghai, and Shenzhen grant new energy trucks the highest road access privileges, allowing them unrestricted entry during periods and in areas where fuel-powered trucks face limitations. Furthermore, in June 2024, China’s Ministry of Transport and Ministry of Finance jointly issued a notice to expedite the scrapping of high-emission, high-consumption aged

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fuel-powered heavy-duty trucks, offering subsidies of up to RMB140 thousand for purchasing new energy heavy-duty trucks. Such policies not only accelerate the transition from traditional fuel-powered trucks but also underscore the government’s strong support for the industry’s growth.

- **Overseas opportunities.** China’s new energy heavy-duty trucks are also gaining traction internationally. Leveraging robust supply chains and competitive pricing, China’s new energy heavy-duty trucks are expanding their presence abroad. According to CIC, China’s new energy heavy-duty truck exports reached three thousand units in 2025. As countries worldwide advance their carbon neutrality strategies, demand for China’s new energy heavy-duty trucks is expected to rise, with exports projected to around 97 thousand units by 2030, presenting substantial growth opportunities for the domestic industry.

Forward-engineering battery electric heavy-duty trucks can precisely address industry pain points

Aside from classification by energy type, new energy heavy-duty trucks may also be classified by technology approach. In terms of technology approach, new energy heavy-duty trucks can be categorized into fuel-to-electric and forward-engineering heavy-duty trucks. This classification is independent from classification by energy type (i.e., battery electric, fuel-cell electric and plug-in electric), as it describes how a vehicle is designed and built rather than the energy source on which it operates. Currently, many battery-electric heavy-duty trucks are fuel-to-electric, which are converted from traditional fuel-powered trucks by removing components such as the engine, transmission and fuel tank and directly installing electric drive systems. These models face several limitations in range, stability, and intelligent system integration: To address these challenges, the industry is progressively shifting towards the development of forward-engineering new energy heavy-duty trucks. These forward-engineered electric vehicles are vehicles designed from the ground up to optimize electric powertrains, enhance safety, and facilitate the integration of intelligent systems, rather than vehicles developed by adapting an internal-combustion platform or through fuel-to-electric conversion, thereby better addressing the evolving demands of long-haul transportation and diverse operating scenarios. Forward engineering battery electric heavy-duty trucks offer several advantages:

Expanded operational scenarios. Fuel-to-electric heavy-duty trucks typically use rear-mounted batteries, which limits pack size and reduces behind-the-cab space, while retaining higher-drag cab-over designs and central-motor drivetrains with driveline losses. These constraints make them best suited to short-haul routes typically within roughly 200 km, with daily ranges generally under around 300 km. By contrast, forward-engineered electric heavy-duty trucks integrate batteries into the chassis to unlock larger capacities without sacrificing cargo space, and use distributed e-motors plus more aerodynamic designs to reduce transmission losses and wind resistance. This enables longer-distance operations where daily mileage often exceeds 300 km, such as express delivery, bulk cargo, and port logistics.

Enhanced stability and safety. Traditional diesel-truck chassis are not designed with reserved space for electric systems, so batteries and motors are often squeezed into drivetrain areas. This can weaken redundancy in power, steering, and braking in fuel-to-electric new energy heavy-duty trucks, and may raise the vehicle’s center of gravity, increasing safety risks and limiting speed performance. The mismatch between powertrain and chassis can also elevate failure risk, such as overheating or abnormal vibrations. By contrast, forward-engineered electric heavy-duty trucks build in redundant power, braking, and steering systems from the start, adding layered protection against single-point failures and improving reliability under heavy loads and complex road conditions. Integrating the battery pack beneath the chassis also lowers the center of gravity, improving vehicle stability.

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Advanced intelligent capabilities. Fuel-to-electric heavy-duty trucks often adopt distributed electronic and electrical architectures, creating isolated subsystems that limit cross-domain coordination, increase system latency, and raise failure rates, while also driving up development cycles and costs and constraining the rollout of advanced intelligent features. By contrast, centralized electronic and electrical architectures enable tighter integration of intelligent hardware and data processing needs, and support over-the-air updates for independent, remote upgrades of intelligent modules, reducing iteration costs and accelerating progress toward higher levels of vehicle intelligence.

Competitive landscape of the new energy heavy-duty truck market

The new energy heavy-duty truck market is currently shaped by two main groups of players: traditional fuel-powered heavy-duty truck OEMs, which predominantly offer fuel-to-electric models within their new-energy segment, and emerging market entrants developing forward-engineering products. At present, the Group primarily competes with traditional OEMs, as fuel-to-electric models still account for the majority of market sales. Looking ahead, as forward-engineering heavy-duty trucks gain broader adoption, the Group expects to increasingly compete with technology-oriented players and other market entrants focusing on forward-engineering offerings. While traditional OEMs generally benefit from stronger manufacturing scale, channel coverage and customer reach, the Group believes its differentiated product positioning and early-mover advantages in forward-engineering heavy-duty trucks will enable it to compete effectively as the market evolves.

Such competitive landscape was also reflected in the market structure in 2025. The new energy heavy-duty truck market remained highly concentrated, with the top 10 players accounting for over 90% of total sales volume, and these leading players were predominantly traditional OEMs offering fuel-to-electric products. Against this backdrop, according to CIC, the Company ranked 9th in China in terms of sales volume of new energy heavy-duty trucks in 2025, distinguishing itself as a pure-play technology company focused on forward-engineering new energy heavy-duty trucks.

In the broader heavy-duty trucks market including both new-energy and fuel-powered heavy-duty trucks, we also ranked the ninth in terms of sales volume in 2025, with a market share of approximately 1%, according to CIC.

The below chart illustrates the competitive landscape of China new energy heavy-duty truck market in 2025:

Company	Sales volume , thousand units, 2025	Market share in terms of sales volume, %, 2025	Percentage of forward-engineering heavy-duty trucks in sales volume
Company A	34.3	14.6%	○
Company B	33.1	14.1%	○
Company C	31.8	13.6%	○
Company D	30.0	12.8%	○
Company F	25.3	10.8%	○
Company H	17.4	7.4%	○
Company E	13.3	5.7%	○

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Company	Sales volume , thousand units, 2025	Market share in terms of sales volume, %, 2025	Percentage of forward-engineering heavy-duty trucks in sales volume
Company I	9.3	4.0%	
The Company	8.0	3.4%	
Company G	4.4	1.9%	

Source: expert interviews, public information, CIC

Notes:

1.  means high percentage in sales volume.  means low percentage in sales volume.
2. Established in 2011 and headquartered in Xuzhou, Company A is a subsidiary of a public company listed on the Shenzhen Stock Exchange focusing manufacturing of heavy-duty trucks, with registered capital of above RMB2.6 billion.
3. Established in 2000 and headquartered in Changsha, Company B is a private company with several of its subsidiaries listing on Hong Kong Stock Exchange and Shanghai Stock Exchange, focusing on new energy commercial vehicles. Company B records a registered capital of over RMB320 million.
4. Established in 2003 and headquartered in Changchun, Company C is a company listed on the Shenzhen Stock Exchange, specializing in the R&D and manufacturing of medium- and heavy-duty trucks. Its business covers the production of medium, heavy, and light trucks as well as buses, with its tractor, cargo, and natural gas vehicle segments holding leading market shares. The company has a registered capital of over RMB4.9 billion.
5. Established in 1956 and headquartered in Jinan, Company D is listed on the Hong Kong Stock Exchange and is one of China's largest heavy-duty truck manufacturers. With a registered capital of RMB1.0 billion, the company has sold over 3 million trucks to more than 150 countries and regions.
6. Established in 1969 and headquartered in Wuhan, Company E is private company with its parent company listed on Hong Kong Stock Exchange, focusing specially on the production and development of medium and heavy-duty trucks with a registered capital of RMB9.2 billion.
7. Established in 1968 and headquartered in Xi'an, Company F is a private company with a registered capital of RMB2.1 billion. It primarily focuses on the manufacturing of heavy-duty trucks, military vehicles, and other commercial vehicles with its business footprint expanding over 150 countries and regions.
8. Established in 1963 and headquartered in Zhengzhou, Company G is a private company with a registered capital of RMB above 800 million. It has two subsidiaries listed on the Shanghai Stock Exchange. The company mainly focuses on developing and manufacturing buses, trucks, and specialized commercial vehicles, with its products sold to over 60 countries and regions.
9. Established in 1996 and headquartered in Beijing, Company H is listed on the Shanghai Stock Exchange with a registered capital of RMB7.9 billion. Specializing in new energy and intelligent vehicle technologies, it has achieved cumulative sales of over 11 million units, with products sold to over 130 countries and regions.
10. Established in 2016 and headquartered in Hangzhou, Company I is a full-scenario provider of electrification and intelligent solutions covering new energy commercial vehicles, including electric and methanol-powered trucks, vans, and other logistics vehicles, with its products sold to over 26 countries and regions.

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Given the Group’s focus on forward-engineering products, the below chart illustrates the competitive landscape of global forward-engineering new energy heavy-duty truck market:

Company	2025 Sales volume (000 units)	Maximum range (kilometer)	Drag coefficient	Key intelligent features
The Company	8.0	660	0.35	IPTS, ICA, ACC, etc.
Company I	1.5	400-500	0.34	ALC, ACC, AEB, etc.
Company J	<0.1	~800	0.36	AEB, ALK, FCW, etc.
Company K	<0.1	~650-680	0.28	ALC, ACC, AEB, etc.

Source: expert interviews, public information, CIC

Note:

11. Established in 2003 and headquartered in Austin, Texas, United States, Company J is a company listed on the Nasdaq Stock Exchange as a global leader in electric vehicles and autonomous driving technologies. In 2025, it has achieved around USD100 billion in revenue, delivered over 1.5 million new energy vehicles around the globe.
12. Established in 2022 and headquartered in Hefei, China, Company K is a private manufacturer of forward-engineering new energy heavy-duty trucks. With a registered capital of RMB30 million, it focuses on R&D and commercialization, serving markets in China, the US, Europe, Australia, and New Zealand.

Entry barriers and key success factors for forward-engineering new energy heavy-duty truck market

- **Competitive forward-engineering products.** Leading industry participants have developed forward-engineering models that offer superior energy efficiency, enhanced operational safety, and high reliability under demanding conditions. These advancements address the long-standing challenges in the industry and align closely with users’ core needs to reduce costs and improve operational efficiency. By continuously strengthening product and technological competitiveness, these companies are better positioned to capture future demand and sustain leadership as the market shifts toward high-performance new energy heavy-duty trucks.
- **First-mover advantage through mass production.** Leading industry players have leveraged robust supply chains and quality control systems to launch advanced forward-engineering new energy heavy-duty trucks. By deploying a significant number of vehicles in real-world operations, these companies gather valuable user feedbacks on factors such as humidity, temperature, and terrain gradients which later informs continuous product design improvements, enhancing performance and stability.
- **Ecosystem collaboration advantage.** Top-tier participants have established comprehensive ecosystems encompassing vehicle design, component supply, vehicle customization, sales, after-sales service, financing solutions, and energy replenishment services. Collaborations with ecosystem partners enable them to offer additional value-added services to downstream clients, creating new revenue streams. Building such an integrated ecosystem requires substantial time, resources, industry expertise, and a strong reputation, posing significant challenges for new entrants.
- **Cost advantage through in-house development of core components.** By leveraging internal technological capabilities and talent, leading companies develop key components such as battery, electric drive and electronic control. This in-house development allows for precise alignment with market insights and customer needs, reducing production costs and enhancing product competitiveness. Additionally, advancements in fast-charging and battery-swapping technologies further improve operational efficiency and product appeal.

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OVERVIEW OF INTELLIGENT HEAVY-DUTY TRUCK

Intelligent heavy-duty truck is a key enabler for smart freight transportation

Intelligent heavy-duty trucks serve as the core enablers of smart freight logistics transition. Equipped with advanced sensors and AI-driven systems, these heavy-duty trucks can significantly improve safety, operational efficiency, and reduce driver workload.

Intelligent heavy-duty trucks primarily offer three key capabilities, namely Intelligent driving, OTA updates, and Intelligent cockpit. Intelligent driving can be broadly categorized into advanced driver-assistance system (ADAS) and driverless models based on their level of automation, where ADAS heavy-duty trucks assist drivers in steering, acceleration, and braking to ease driver workload and enhance driving safety, while driverless heavy-duty trucks are capable of operating autonomously under specific or all conditions with minimal or no human intervention. Meanwhile, OTA updates facilitate remote updates of vehicle software and systems via wireless networks, enabling continuous improvement of intelligent driving algorithms without physical interventions, maximizing the potential of onboard hardware, and supporting subscription-based services that unlock new revenue streams through software and data-driven offerings while shifting from one-time sales to comprehensive lifecycle services. Intelligent cockpit serves as the vehicle’s human-machine interaction hub, employing multimodal perception and intelligent control technologies to enhance safety and driving experience by monitoring driver fatigue indicators in real time and providing alerts through voice prompts or seat vibrations, while also utilizing identity recognition to automatically adjust settings to driver preferences, significantly improving comfort and personalization.

ADAS heavy-duty truck is the current market driver

ADAS heavy-duty trucks are poised to be the primary growth drivers in China’s intelligent freight sector in the near term. These vehicles enhance driving safety, improve energy efficiency, and alleviate driver fatigue, benefiting from higher technological maturity. In 2025, the shipment of ADAS heavy-duty trucks in China reached 289 thousand units, achieving a market penetration rate of approximately 35%. The introduction and enforcement of mandatory Advanced Emergency Braking (AEB) regulations are expected to further accelerate the adoption of ADAS heavy-duty trucks. By 2030, the shipment of these heavy-duty trucks in China is projected to reach 989.9 thousand units.

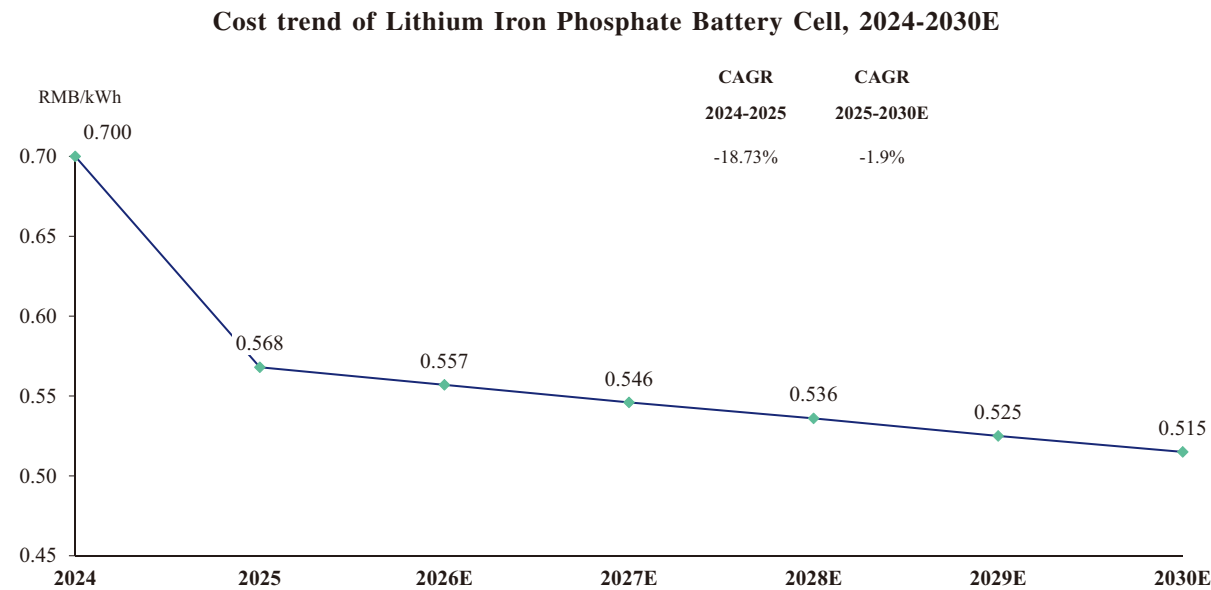
Driverless heavy-duty trucks will unlock significant opportunity in foreseeable future

Driverless heavy-duty trucks offers a more cost-effective logistics solution by further optimizing labor expenses, potentially transforming China’s road freight market worthy of trillions RMB. Emerging technologies such as truck platooning also accelerate the acceptance and deployment of driverless heavy-duty trucks. Truck platooning enables multiple heavy-duty trucks to travel in a coordinated convoy, typically with a driver in the lead vehicle and driverless operation in the following vehicles. This model serves as a transitional form toward driverless operations, enabling earlier realization of automation benefits by reducing the number of human drivers required per fleet. By 2030, China’s driverless heavy-duty truck shipment is projected to reach 37.2 thousand units. Simultaneously, new business models will present fresh commercial opportunities for industry participants. With the large-scale deployment of driverless heavy-duty trucks, industry participants can explore new revenue streams by offering operational services and by charging technology subscription fees, leading to more sustainable income sources. By 2030, China’s market size of driverless heavy-duty trucks is projected to reach RMB107.3 billion.

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Major cost component of new energy heavy-duty trucks

Battery is not only the major power source of the new energy heavy-duty truck, but also the major component in vehicle cost, accounting for over 50% of the total vehicle cost. According to CIC, this share is expected to decline over time, as battery pack cost optimizes over time decreasing from 0.57 RMB/kWh in 2025 to 0.51 RMB/kWh in 2030, primarily driven by continued declines in critical mineral prices, broader adoption of lower-cost battery chemistries such as lithium iron phosphate, ongoing improvements in manufacturing efficiency and yields, and economies of scale arising from capacity expansion across the battery supply chain. The following chart sets forth the unit price of battery pack for new energy heavy-duty trucks:



Source: News, industry publications, expert interviews, CIC

SOURCE OF INFORMATION

We commissioned CIC, an independent market research and consulting company, to conduct detailed research on and analysis of the global and China’s new energy intelligent freight solutions market. We have agreed to pay a fee of RMB680,000 to CIC in connection with the preparation of the CIC Report. We have extracted certain information from the CIC Report in this section and elsewhere in this Document to provide our potential [REDACTED] with a more comprehensive presentation of the industries where we operate. Except as otherwise noted, all of the data and forecasts contained in this section and elsewhere in this Document are derived from the CIC Report.

During the preparation of the CIC Report, CIC performed both primary and secondary research using various resources, and obtained knowledge, statistics, information, and industry insights on the industry trends of the target markets. Primary research involved interviewing key industry experts and leading industry participants. Secondary research involved analyzing data from multiple publicly available data sources, including the National Bureau of Statistics of China, Ministry of Industry and Information Technology of PRC and other Chinese government releases, annual reports published by relevant industry participants and industry associations, and CIC’s own internal databases.

The CIC Report was compiled based on the following assumptions: (i) the overall global social, economic, and political environment is expected to maintain a stable trend over the next decade, (ii) related key industry drivers are likely to continue driving the growth of the global and China’s new energy intelligent freight solutions market during the forecast period, and (iii) there is no extreme force majeure or industry regulations which may dramatically or fundamentally affect the market situation.