

March 21, 2024

Company Name	Kudan Inc.
Representative	CEO Daiu Ko (Securities code: 4425 TSE Growth)
Inquiries	CFO Kohei Nakayama (Tel. 03-4405-1325)

Notification of Completion of the Investment to Whale Dynamic

Kudan Inc. (headquarters in Shibuya-ku, Tokyo; CEO Daiu Ko; including its subsidiaries, hereafter “Kudan”) is pleased to announce that today it has completed the investment to Whale Dynamic Co., Ltd. (Chinese: 深圳市惠爾智能有限公司; headquartered in Shenzhen, China; CEO: David Yufei Chang; including its group companies, hereafter “Whale Dynamic”), Kudan’s business partner which develops autonomous driving solutions in China.



1. Background and reasons for the Investment

As notified in our January 31, 2024 press release [“Notification of Conclusion of Product License Sale Agreement and Investment Agreement with Whale Dynamic”](#), Kudan concluded a Product License Sale Agreement and Investment Agreement on the same date with Whale Dynamic. In accordance with the agreements, Kudan has completed the investment (hereafter “the Investment”) to Whale Dynamic worth 400 million yen (8% of the total outstanding shares).

As a result, Kudan will continue to strengthen our collaborative structure and jointly promote the sales of Whale Dynamic’s products and the spread of Kudan’s technology with two-pronged global regional expansion and product expansion, including autonomous driving for passenger cars as well as mapping and robots (autonomous mobile vehicles) in global regions such as Europe and the Middle East, as well in the Chinese market, where it has already been expanding its track record.

Also, we expect to complete the product license sales worth 240 million yen to Whale Dynamic within this month, in order for Whale Dynamic to meet the increased demand for these business expansions.

2. Overview of the partner in the Investment

(1) Name	Whale Dynamic Co., Ltd.	
(2) Head office location	H3-6 Chiwan 2nd Road, Nanshan District, Shenzhen, Guangdong, P.R. China	
(3) Name and title of representative	CEO and Founder David Yufei Chang	
(4) Nature of business	Development and sales related to autonomous driving and intelligent traffic	
(5) Amount of stated capital	1,479,042 CNY (30 million JPY) (converted at 1 CNY = 20.76 JPY (exchange rate as of March 19, 2024))	
(6) Date of establishment	October 27, 2015	
(7) Major shareholders and shareholding ratio	David Yufei Chang	91.89%
(8) Relationships with Kudan, etc.	Capital ties	Not applicable
	Personnel relationship	Not applicable
	Business relationship	A sales agreement has been concluded for licensing Kudan's software for autonomous driving-related solutions provided by Whale Dynamic.
	Status as related parties	Not applicable

* The business performance and financial condition of the company for the past three years is not included due to a request for non-disclosure by the company.

3. Future outlook

We expect the impact of the Investment on the current year's financial performance is to be minor at this time. We will promptly make an announcement if the strengthen collaborative structure and expansion of product sales of Whale Dynamic are expected to have a significant impact on the company's financial performance.

About Whale Dynamic Co., Ltd.

Whale Dynamic is a fast-growing autonomous driving technology company in Shenzhen, China, focused on autonomous driving and intelligent traffic applications. The company holds many fundamental technology patents in vehicle autonomy, including multi-sensor fusion perception, spatial-temporal synchronization, vehicle embedded systems, high-precision 3D mapping, and centimeter-level location awareness. Its technology has been widely used by many transportation operators, leading companies, universities, and other institutions. Unlike most AD solution companies which only retrofit passenger vehicles for autonomy, Whale Dynamic has used its existing full-stack passenger vehicle autonomous driving technology in self-developed autonomous

vehicles, and its meticulous operational scenario design and extensive road test results have made application to a wide range of operational use cases possible.

For more information, please refer to Whale Dynamic's website (<http://www.whaledynamic.com>).

■ Company overview

Name: Whale Dynamic Co., Ltd. (Chinese: 深圳市惠爾智能有限公司)

Representative: CEO and Founder David Yufei Chang

About Kudan Inc.

Kudan is a deep tech research and development company specializing in algorithms for artificial perception (AP). As a technology that complements artificial intelligence (AI), AP advances machines toward autonomous functioning. Currently, Kudan is using its high-level technical innovation to drive business development based on its own milestone models specializing in deep tech which will impact a wide range of industries.

For more information, please refer to Kudan's website (<https://www.kudan.io/>).

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