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17 UNITED STATES DISTRICT COURT
18 SOUTHERN DISTRICT OF CALIFORNIA

19 NORMAN WILHOITE and JUDITH
20 WILHOITE, derivatively on behalf of
21 TUSIMPLE HOLDINGS, INC.,

22 Plaintiffs,

23 vs.

24 XIAODI HOU, MO CHEN, CHENG
25 LU, GUOWEI "CHARLES" CHAO,
26 and HYDRON, INC.,

27 Defendants,

28 - and -

29 TUSIMPLE HOLDINGS, INC.,
30 Nominal Defendant.

Case No. 23cv2333 BEN (MSB)

**NOTICE OF PENDENCY AND
PROPOSED SETTLEMENT OF
DERIVATIVE ACTIONS**

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

1 TO: ALL PERSONS OR ENTITIES WHO OR WHICH HOLD SHARES OF
2 TUSIMPLE HOLDINGS, INC. (“TUSIMPLE” OR THE “COMPANY”)
3 COMMON STOCK.

4 The purpose of this Notice is to inform you of: (i) the pendency of the
5 stockholder derivative action captioned *Wilhoite, et al. v. Hou, et al.*, Case No. 3:23-
6 cv-02333-BEN-MSB, pending in the United States District Court for the Southern
7 District of California (the “California Court”), and the stockholder derivative action
8 captioned *In re TuSimple Holdings, Inc. Stockholder Litigation*, C.A. No. 2022-
9 1095-PAF (the “Delaware Action” and, together with the California Action, the
10 “Actions”) pending in the Court of Chancery of the State of Delaware (the
11 “Delaware Court”); (ii) a proposed settlement of the Actions (the “Settlement”),
12 subject to approval of the California Court, as provided in the Stipulation of
13 Settlement dated as of December 18, 2024 (the “Stipulation”); (iii) the hearing that
14 the California Court will hold on July 9, 2025, at 10:30 a.m. to determine whether
15 to approve the proposed Settlement and to consider the application by California
16 Plaintiffs’ Lead Counsel, on behalf of all Plaintiffs’ Counsel, for an award of
17 attorneys’ fees and litigation expenses, including any application for an incentive
18 award to each of the Plaintiffs (the “Fee and Expense Application”); and
19 (iv) TuSimple stockholders’ rights with respect to the proposed Settlement and the
20 Fee and Expense Application.¹

21 **PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.**
22 **YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED**
23 **SETTLEMENT OF THIS ACTION.**

24 The Stipulation was entered into as of December 18, 2024, between and
25 among (i) plaintiffs in the California Action: Norman Wilhoite and Judith Wilhoite
26 (the “California Plaintiffs”), derivatively on behalf of TuSimple; (b) settling
27 defendants in the California Action: Guowei “Charles” Chao, Cheng Lu, Mo Chen,
28 and Hydron, Inc. (“Hydron”) and Nominal Defendant TuSimple (collectively, the
“Settling California Defendants”); (c) plaintiffs in the Delaware Action: Jason
Nusbaum and Richard A. Green (collectively, the “Delaware Plaintiffs” and,
together with the California Plaintiffs, “Plaintiffs”); (d) settling defendants in the
Delaware Action: Mo Chen, Brad Buss, Karen Francis, Reed Werner, and Hydron
and Nominal Defendant TuSimple (collectively, the “Settling Delaware Defendants”
and, together with the Settling California Defendants, “Settling Defendants”); and

¹ All capitalized terms not otherwise defined in this Notice shall have the meaning provided in the Stipulation, which is available at the “Investor Relations” section of the Company’s website, <https://ir.tusimple.com/overview/default.aspx>.

1 (e) the Special Litigation Committee (the “SLC”) of the Board of Directors of
2 TuSimple, acting for and on behalf of TuSimple (Plaintiffs, Settling Defendants, and
3 the SLC, together, the “Settling Parties”), subject to the approval of the California
4 Court pursuant to Rule 23.1 of the Federal Rules of Civil Procedure.

5 As described on page 9 below, the Settlement provides for a cash payment of
6 \$42,500,000, which, after any deductions for attorneys’ fees and expenses for
7 Plaintiffs’ Counsel (including any incentive awards to Plaintiffs) and any applicable
8 taxes and tax expenses, will be paid to the Company. Additionally, pursuant to the
9 Settlement (i) Settling Defendants and TuSimple acknowledge that the Actions
10 played a substantial role in the amendment of the Amended and Restated
11 Cooperation Agreement, dated April 3, 2024, by and among TuSimple and Mo Chen
12 and (ii) TuSimple and Hydron affirm that they are parties to the Mutual
13 Confidentiality and Nondisclosure Agreement that continues to remain binding on
14 TuSimple and Hydron.

15 Because the Actions were brought as derivative actions, which means that the
16 Actions were brought by Plaintiffs on behalf of, and for the benefit of, TuSimple,
17 the cash recovery from the Settlement will go to the Company. Individual TuSimple
18 stockholders will not receive any direct payment from the Settlement.

19 **PLEASE NOTE: THERE IS NO PROOF OF CLAIM FORM FOR**
20 **STOCKHOLDERS TO SUBMIT IN CONNECTION WITH THIS**
21 **SETTLEMENT, AND STOCKHOLDERS ARE NOT REQUIRED TO TAKE**
22 **ANY ACTION IN RESPONSE TO THIS NOTICE.**

23 **WHAT IS THE PURPOSE OF THIS NOTICE?**

24 1. The purpose of this Notice is to explain the Actions, the terms of the
25 proposed Settlement, and how the proposed Settlement affects TuSimple
26 stockholders’ legal rights.

27 2. In a derivative action, one or more persons or entities who are current
28 stockholders of a corporation sue on behalf of, and for the benefit of, the corporation,
seeking to enforce the corporation’s legal rights. In this case, Plaintiffs have filed
suit against Defendants on behalf of, and for the benefit of, TuSimple.

3. The California Court has scheduled a hearing to consider the fairness,
reasonableness, and adequacy of the Settlement and the Fee and Expense
Application (the “Settlement Fairness Hearing”). See page 16 below for details

1 about the Settlement Fairness Hearing, including the location, date, and time of the
2 hearing.

3 **WHAT ARE THESE CASES ABOUT? WHAT HAS HAPPENED**
4 **SO FAR?**

5 THE FOLLOWING DESCRIPTION OF THE ACTIONS AND THE
6 SETTLEMENT HAS BEEN PREPARED BY COUNSEL FOR THE
7 SETTLING PARTIES AND DOES NOT CONSTITUTE FINDINGS OF THE
8 CALIFORNIA COURT OR THE DELAWARE COURT. IT SHOULD NOT BE
9 UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF THE COURTS
10 AS TO THE MERITS OF ANY OF THE CLAIMS OR DEFENSES RAISED
11 BY ANY OF THE SETTLING PARTIES OR THE FAIRNESS OR
12 ADEQUACY OF THE PROPOSED SETTLEMENT.

11 **A. The California Action**

12 **The TRO and PI Proceedings in the California Court**

13 4. The California Plaintiffs commenced the California Action on
14 December 22, 2023, alleging, among other things, that the California Defendants
15 caused TuSimple to transfer its trade secrets to Hydron, a company under Chen’s
16 control, without proper consideration. The California Plaintiffs asserted three claims
17 derivatively on behalf of TuSimple: (1) violations of the Defend Trade Secrets Act
18 of 2016, 18 U.S.C. § 1836 *et seq.*; (2) violations of the California Uniform Trade
19 Secrets Act, Cal. Civ. Code § 3426.1 *et seq.*; and (3) civil conspiracy. On January
20 5, 2024, the California Plaintiffs moved for a temporary restraining order (“TRO”)
and expedited discovery on the basis that, absent injunctive relief, the California
Defendants could continue expatriating TuSimple’s trade secrets to Hydron and to
China.

21 5. The Court heard oral argument on the TRO motion on January 22, 2024
22 and subsequently entered a TRO and discovery order that, among other things,
23 restricted the flow of TuSimple’s U.S.-based trade secrets to Hydron and TuSimple’s
24 China-based business and limited the use of TuSimple’s U.S.-based assets. The
25 Court determined that the California Plaintiffs raised “serious questions regarding
the merits” of their claims. After further briefing, the Court modified the TRO on
February 2, 2024, based on TuSimple’s input.

26 6. The TRO and discovery order also allowed the California Plaintiffs to
27 obtain discovery in support of their anticipated motion for preliminary injunction

1 (“PI”). The TRO required TuSimple to produce, by February 6, 2024, “documents
2 in their possession, custody or control” sufficient to “show the location of
3 TuSimple’s trade secrets” and “identify any proprietary information and/or
4 intellectual property belonging to TuSimple that has been disclosed or transferred to
Hydron.”

5 7. TuSimple moved to dismiss the California Complaint (defined below)
6 on January 16, 2024 based on: (1) the forum-selection clause for derivative litigation
7 in TuSimple’s Certificate of Incorporation designating Delaware as the exclusive
8 forum; (2) the California Plaintiffs’ alleged failure to plead demand futility under
9 Rule 23.1; and (3) the California Plaintiffs’ alleged failure to state a claim for trade-
10 secret misappropriation and conspiracy. The Court convened a hearing on February
11 12, 2024, concerning TuSimple’s motion to dismiss. Although the Court stated its
tentative inclination to “deny the motion to dismiss without prejudice ... on all three
12 grounds,” the Court has not ruled on TuSimple’s motion to dismiss, which remains
13 pending.

14 8. On February 9, 2024, the California Plaintiffs moved to direct
15 TuSimple to comply with the discovery order and produce responsive documents in
16 the possession of TuSimple’s wholly-owned Chinese subsidiaries. On March 7,
17 United States Magistrate Judge Berg granted Plaintiffs’ motion to compel.
18 TuSimple moved to set aside Magistrate Judge Berg’s order on March 15, which
19 motion remains pending.

20 9. On February 9, 2024, the California Plaintiffs moved for a PI. The
21 Court heard argument on the motion on March 12. After hearing arguments, the
22 Court continued the PI hearing to allow the California Plaintiffs to conduct further
discovery. The Court issued an order on March 13, extending the TRO through
23 April 8, “[b]ased on the strength of the circumstantial evidence and the need for a
24 fully developed record consistent with the goals of expedited discovery[.]” The
25 Court separately granted the California Plaintiffs leave to depose Defendant Chen
26 (TuSimple’s co-founder, former Executive Chairman and CEO, and current director)
27 and others.

28 10. To allow sufficient time to conduct further discovery, on March 28,
2024, the California Plaintiffs moved to extend the TRO, which motion TuSimple
opposed. On March 29, the Court granted the motion and extended the TRO to April
29. On April 17, the California Plaintiffs moved again to extend the TRO, which
motion TuSimple opposed. The Court granted the California Plaintiffs’ motion on
April 22 and extended the TRO to May 13.

1 11. After additional briefing and hearings on discovery issues, in April
2 2024, the California Plaintiffs deposed Chen, Lu (TuSimple CEO from June 2020 to
3 March 2022, and from November 2022 to the present), as well as former interim
4 TuSimple CEO Ersin Yumer. TuSimple also produced documents to the California
5 Plaintiffs.

6 12. On May 3, 2024, the California Plaintiffs submitted supplemental
7 briefing on their PI motion. On May 8, the California Defendants responded to the
8 California Plaintiffs' supplemental brief. Upon receipt of the parties' supplemental
9 briefing and evidence, on May 9, the Court *sua sponte* extended the TRO to June 10
10 and set the PI hearing for the same day. The PI motion remains pending.

11 **The Proceedings in the Ninth Circuit**

12 13. On March 15, 2024, TuSimple sought interlocutory review in the
13 United States Court of Appeals for the Ninth Circuit of the March 13, 2024 order
14 extending the TRO, as well as the TRO-related rulings. On March 18, TuSimple
15 sought an emergency stay of the TRO and related discovery pending appeal. The
16 California Plaintiffs opposed TuSimple's emergency motion and sought dismissal
17 for want of appellate jurisdiction. On March 26, the Ninth Circuit denied
18 TuSimple's emergency motion for a stay and denied the California Plaintiffs'
19 request for dismissal "without prejudice to renewing the arguments in the answering
20 brief."

21 14. TuSimple subsequently appealed the orders extending the TRO dated
22 March 29, 2024, April 22, 2024, and May 9, 2024. TuSimple's appeals were
23 consolidated and proceeded to merits briefing on an expedited basis. TuSimple filed
24 its opening brief on April 15. The California Plaintiffs filed their answering brief on
25 May 20. TuSimple filed its reply brief on June 10. The California Plaintiffs filed a
26 supplemental brief on June 25.

27 **The Status of Proceedings**

28 15. Between April and June 2024, Lu, Chen, and Hou moved to dismiss the
California Complaint (defined below). Those motions remain pending. On May 20,
Hydron answered the California Complaint.

16. In April 2024, while TuSimple's appeals were proceeding in the Ninth
Circuit, the California Plaintiffs and TuSimple submitted competing briefs to the
Court (in response to the Court's request) regarding the scope of the Court's
jurisdiction during the pendency of TuSimple's appeals. Based on this briefing, on
June 5, 2024, the Court extended the TRO to September 15, 2024, and stayed all

1 proceedings pending resolution of TuSimple’s appeals. The extended TRO expired
2 on September 15, 2024.

3 17. On July 10, 2024, the Ninth Circuit issued an order granting TuSimple’s
4 unopposed motion to stay in light of the Settlement and staying all appellate
5 proceedings until October 8, 2024. On October 16, 2024, the Ninth Circuit ordered
6 the California Plaintiffs and TuSimple to submit supplemental briefing by December
7 16, 2024 regarding the Ninth Circuit’s jurisdiction to hear TuSimple’s appeals given
8 the expiration of the injunction on September 15, 2024.

9 **B. The Delaware Action**

10 **The Delaware Plaintiffs File Suit**

11 18. The lawsuits that constitute the Delaware Action were commenced
12 between November 28, 2022 and March 6, 2023, with the operative complaint in the
13 Delaware Action filed on July 24, 2023 and alleging, among other things, that the
14 Delaware Defendants caused TuSimple to transfer its trade secrets to Hydron
15 without proper consideration, and that Chen and Hou orchestrated a purge that
16 removed all directors other than Hou from TuSimple’s board of directors and
17 reinstated Chen and Lu as directors.

18 19. The Delaware Plaintiffs asserted six claims derivatively on behalf of
19 TuSimple: (1) breach of fiduciary duty by Chen and Hou for transfer of TuSimple’s
20 intellectual property to Hydron; (2) breach of fiduciary duty by Chen and Hou for
21 removing the directors of TuSimple other than Hou; (3) unjust enrichment against
22 Chen and Hou; (4) breach of fiduciary duty by certain of the Delaware Defendants
23 who were members of the audit committee of TuSimple’s board of directors; (5) an
24 aiding and abetting claim against Hydron; and (6) an unjust enrichment claim against
25 Hydron. Prior to filing the operative complaint in the Delaware Action, the
26 Delaware Plaintiffs obtained 551 pages of internal, non-public documents from
27 TuSimple pursuant to 8 *Del. C.* § 220 relating to the claims alleged.

28 20. On March 13, 2023, TuSimple’s board of directors formed a special
litigation committee (the “SLC”) to assess and determine whether the pursuit of
derivative claims in the Delaware Action would be in the Company’s best interests.

The Stay

21. On August 18, 2023, the Delaware Court entered an agreed Stay Order,
which stayed the Delaware Action until February 9, 2024 to permit the SLC to
conduct its investigation. In exchange for the Delaware Plaintiffs agreeing to stay

1 the Action, the SLC agreed to provide— and did provide—the Delaware Plaintiffs
2 with periodic updates regarding the status of its investigation, as well as copies of
3 its enabling resolutions. Delaware Plaintiffs met with the SLC on January 19, 2024
4 and March 10, 2024 to discuss the status of the investigation and provide the
5 Delaware Plaintiffs’ input and suggestions for the investigation.

6 22. Between August 2023 and April 2024, the SLC directed its counsel to
7 conduct an investigation of the matters forming the basis of the Delaware Action.
8 This included interviews with the named Defendants in the Action and other
9 Company personnel, review and analysis of numerous documents, and engagement
10 of experts to assist the SLC with its review.

11 23. On February 5, 2024, the Court entered an agreed Order extending the
12 Stay Order until April 9, 2024, and on April 10, 2024, the Court entered an Order
13 extending the Stay Order until June 4, 2024.

14 **The Mediation**

15 24. In April 2024, Plaintiffs and Defendants commenced a mediation
16 process under the supervision of the Hon. Layn R. Phillips (Ret.) of Phillips ADR
17 Enterprises (“Judge Phillips”). On May 2, 2024, Plaintiffs, Defendants, the SLC,
18 and their respective counsel participated in an all-day in-person mediation session
19 before Judge Phillips in New York City. The mediation session was preceded by
20 the submission of mediation statements. In advance of the mediation session,
21 TuSimple provided the Delaware Plaintiffs with nearly 5,000 pages of documents
22 produced in connection with the California Action, including copies of the
23 transcripts of depositions taken in the California Action. Following the mediation
24 session, the parties engaged in further settlement negotiations mediated by Judge
25 Phillips.

26 25. On July 3, 2024, Judge Phillips issued a mediator’s proposal. On July
27 8, the Settling Parties accepted Judge Phillips’s proposal to settle the California
28 Action and the Delaware Action in exchange for a cash payment of \$42.5 million
for the benefit of TuSimple, subject to the negotiation of the terms of a Stipulation
of Settlement and approval by the Court. The Settling Parties’ agreement-in-
principle to settle the Actions was memorialized in a Settlement Term Sheet
executed on September 19, 2024 (the “Term Sheet”).

29 26. In connection with the appeal in the California Action, the Ninth Circuit
on July 10, 2024, issued an order granting TuSimple’s unopposed motion to stay in
light of the Settlement and staying all appellate proceedings until October 8, 2024.

1 27. In connection with the Delaware Action, the Delaware Court on July 9,
2 2024, entered an Order extending the Stay Order until the California Court renders
3 a decision concerning the Settlement.

4 **C. Stipulation of Settlement and Preliminary Approval of Settlement**

5 28. After additional negotiations regarding the specific terms of their
6 agreement, the Settling Parties entered into the Stipulation of Settlement (the
7 “Stipulation”) on December 18, 2024. The Stipulation, which reflects the final and
8 binding agreement among the Settling Parties on the terms and conditions of the
9 Settlement, can be viewed at the “Investor Relations” section of the Company’s
10 website, <https://ir.tusimple.com/overview/default.aspx>.

11 29. On April 16, 2025, the California Court preliminarily approved the
12 Settlement, authorized this Notice to be provided to TuSimple stockholders, and
13 scheduled the Settlement Fairness Hearing to consider whether to grant final
14 approval of the Settlement.

15 **WHAT ARE THE TERMS OF THE SETTLEMENT?**

16 30. The full terms and conditions of the Settlement are embodied in the
17 Stipulation, which was filed with the California Court. The following is only a
18 summary of the Stipulation.

19 31. In full and final settlement of the claims asserted in the Actions and in
20 consideration of the releases specified in paragraphs 4.1-4.2 of the Stipulation (and
21 in paragraph 34 below), the Settling Parties have agreed to the following:

22 (i) **Monetary Consideration**: Settling Defendants shall cause the
23 Settlement Amount (\$42,500,000) to be paid into an escrow account
24 controlled by Plaintiffs’ Lead Counsel (the “Escrow Account”), subject to
25 refund if the Settlement is terminated or cancelled pursuant to the Stipulation.
26 Within 20 Business Days of the occurrence of the Settlement’s Effective Date,
27 Plaintiffs’ Lead Counsel shall transfer the Net Settlement Fund to TuSimple
28 (*i.e.*, the Settlement Amount plus any interest earned thereon (the “Settlement
Fund”), less: (i) any Court-awarded attorneys’ fees and expenses paid or
payable to Plaintiffs’ Counsel and any reserve to account for any potential
future awards to Plaintiffs’ Counsel (including any Court-awarded incentive
payments to Plaintiffs to be paid out of the fees and expenses awarded to
Plaintiffs’ Counsel); and (ii) any required Taxes and Tax Expenses, shall be
transferred to TuSimple).

1 (ii) **Governance:** Defendants and TuSimple acknowledge that the
2 California and Delaware Actions played a substantial role in the amendment
3 of the Amended and Restated Cooperation Agreement, dated April 3, 2024,
4 by and among TuSimple and Mo Chen, whereby, among other things, Mr.
5 Chen, including through his family members and affiliates, directly or
6 indirectly, agrees not to “solicit, initiate, discuss, negotiate, enter into or
7 effectuate, directly or indirectly, any related party transaction between the
8 Company or any of its subsidiaries and Hydron, Inc. or any of its subsidiaries,
9 or . . . cause any funds of the Company or any of its subsidiaries to be used
10 for or to advance the business of Hydron, Inc. or its subsidiaries,” for a period
11 of two years from January 16, 2024.

12 (iii) **Nondisclosure Agreement Reaffirmation:** TuSimple and
13 Hydron affirm that they are parties to the Mutual Confidentiality and
14 Nondisclosure Agreement (the “Nondisclosure Agreement”), entered into
15 effective as of June 21, 2022, and that the Nondisclosure Agreement continues
16 to remain binding on TuSimple and Hydron.

17 **WHAT ARE THE SETTLING PARTIES’ REASONS FOR THE**
18 **SETTLEMENT?**

19 32. Plaintiffs, through Plaintiffs’ Counsel, have conducted an extensive
20 investigation and engaged in discovery relating to the claims and underlying events
21 and transactions alleged in the Actions. Plaintiffs’ Counsel have analyzed the
22 evidence adduced during their investigation and discovery and have also researched
23 the applicable law with respect to the claims asserted in the Actions and the potential
24 defenses thereto. In negotiating and evaluating the terms of the Settlement, Plaintiffs
25 and Plaintiffs’ Counsel considered the significant legal and factual defenses to
26 Plaintiffs’ claims and the expense, length, and risk of pursuing their claims through
27 trial and appeals. While Plaintiffs brought their claims in good faith and continue to
28 believe that their claims have merit, Defendants vigorously argued that they had
acted appropriately and are not subject to liability or damages. In light of the
substantial monetary recovery and valuable governance changes achieved by the
Settlement, Plaintiffs and Plaintiffs’ Counsel have determined that the proposed
Settlement is fair, reasonable, adequate, and in the best interests of TuSimple and its
stockholders. The Settlement provides substantial immediate benefits to TuSimple
without the risk that continued litigation could result in obtaining similar or lesser
relief for TuSimple after continued extensive and expensive litigation, including trial
and the appeals that were likely to follow.

1 33. Throughout the course of the Actions and in the Stipulation, Settling
2 Defendants expressly have denied, and continue to deny, any and all of the claims
3 alleged in the respective Actions, including any and all allegations of fault,
4 negligence, liability, wrongdoing, or damages whatsoever. Without limiting the
5 foregoing in any way, Settling Defendants expressly have denied, and continue to
6 deny, each and all of the claims and contentions alleged by Plaintiffs in the respective
7 Actions, including claims that they have committed any breach of fiduciary duty or
8 wrongdoing. Settling Defendants in the respective Actions expressly have denied,
9 and continue to deny, that they have committed any wrongdoing or violations of law
10 or statutory duty as alleged in any complaint in the Actions or that could have been
11 alleged in the Actions, and Settling Defendants maintain that their conduct was at
12 all times proper and in compliance with applicable provisions of law. Settling
13 Defendants in the respective Actions also expressly have denied, and continue to deny,
14 that any Settling Defendant breached their fiduciary duties, was unjustly enriched,
15 misappropriated trade secrets, or engaged in any conspiracy in connection with the
16 sharing of any information belonging to TuSimple with Hydron or the reconstituting
17 of TuSimple’s Board of Directors in November 2022; that the California Action was
18 brought in the appropriate forum; that demand on the TuSimple’s Board of Directors
19 was excused for the filing of the California Action; or that the Court had any legal
20 basis or authority to enter a TRO or injunction of any kind. Settling Defendants
21 maintain that they have meritorious defenses to all claims alleged in the respective
22 Actions.

16 **WHAT WILL HAPPEN IF THE SETTLEMENT IS APPROVED? WHAT**
17 **CLAIMS WILL THE SETTLEMENT RELEASE?**

18 34. If the Settlement is approved, the parties to the California Action will
19 request that the California Court enter a Final Judgment and Order of Dismissal with
20 Prejudice (the “Judgment”). Pursuant to the Judgment, upon the Effective Date of
21 the Settlement, the following releases will occur:

22 **Release of Claims by Plaintiffs, the Company, the SLC, and the**
23 **Company’s current stockholders:** Plaintiffs, the Company, the SLC, and
24 the Company’s current stockholders (collectively, the “Releasing Plaintiffs
25 Persons”) shall be deemed to have, and by operation of the Judgment shall
26 have, irrevocably and unconditionally, fully, finally, and forever waived,
27 released, relinquished, discharged, and dismissed with prejudice each and
28 every one of the Released Plaintiffs Claims (defined below) against each and
every one of the Released Defendants Persons (defined below) and shall
forever and permanently be barred and enjoined from filing, commencing,

1 instituting, prosecuting, continuing, asserting, intervening in, maintaining, or
2 enforcing any action or other proceeding in any forum (including, but not
3 limited to, any foreign, federal, state or local court of law or equity, arbitration
4 tribunal, or administrative forum), asserting any of the Released Plaintiffs
Claims against any and all of the Released Defendants Persons.

5 “Released Plaintiffs Claims” means any and all Claims that (i) the California
6 Plaintiffs (x) asserted in the Verified Shareholder Derivative Complaint dated
7 December 22, 2023 (the “California Complaint”) or (y) could have asserted
8 derivatively on behalf of the Company in the California Complaint or in any
9 other forum that are based on, arise out of, or relate to the allegations or
10 circumstances set forth in the California Complaint, except for claims relating
11 to the enforcement of the Settlement; or (ii) that the Delaware Plaintiffs (x)
12 asserted in any of the complaints filed in the Delaware Action, including the
13 Verified Amended Derivative Complaint dated July 24, 2023 (the
14 “Consolidated Delaware Complaint”) and the Verified Derivative Complaints
15 filed on November 28, 2022, December 15, 2022, and March 6, 2023 (the
16 “Predecessor Delaware Complaint”), or (y) could have asserted derivatively
17 on behalf of the Company in the Consolidated Delaware Complaint or in any
18 other forum that are based on, arise out of, or relate to the allegations or
19 circumstances set forth in the Consolidated Delaware Complaint or
20 Predecessor Delaware Complaints, except for claims relating to the
21 enforcement of the Settlement. For the avoidance of doubt, the Released
22 Plaintiffs Claims do not cover, include, or release (i) any and all direct Claims
23 of any current or former stockholder of TuSimple, including without
24 limitation any claims asserted under the federal securities laws, including
25 without limitation the claims asserted in *Dicker, et al. v TuSimple Holdings,*
26 *Inc., et al.*, Case No. 3:22-cv-01300-BEN-MSB (S.D. Cal.); (ii) Hou
27 Unreleased Claims; and (iii) any and all direct or derivative Claims arising out
28 of or relating to actions taken by directors and officers of TuSimple after
December 23, 2023, that do not relate to or arise from, in whole or in part, the
safety of TuSimple’s technology or the Transfer of Information by Released
Defendants Persons with Hydron and any person or entity acting on its behalf.

“Released Defendants Persons” means Defendants, any other individual
named as a defendant in any complaint filed in the Delaware Action or the
California Action, the Company, and any entity in which the Company has a
controlling interest, as well as their respective current and former parents,
affiliates, subsidiaries, officers, directors, agents, successors, predecessors,
assigns, assignees, partnerships, partners, committees, joint ventures, trustees,
trusts, employees, immediate family members, heirs, insurers and reinsurers

1 (in their capacities as such), consultants, experts, and attorneys (in their
2 capacities as such).

3 “Unknown Claims” means (a) any and all Released Claims which any of the
4 Releasing Plaintiffs Person do not know or suspect to exist in his, her, or its
5 favor at the time of the release of the Released Defendants Persons, which, if
6 known by him, her, or it, might have affected his, her, or its settlement with and
7 release of the Released Defendants Person, or might have affected his, her, or
8 its decision(s) with respect to the Settlement, including, but not limited to,
9 whether or not to object to this Settlement; and (b) any and all Released
10 Defendants Claims that any of the Releasing Defendants Persons do not know
11 or suspect to exist in his, her, or its favor at the time of the release of the
12 Released Plaintiffs Persons, which, if known by him, her, it, or them might have
13 affected his, her, its, or their settlement and release of the Released Plaintiffs
14 Persons. With respect to (a) any and all Released Plaintiffs Claims against the
15 Released Defendants Persons, and (b) any and all Released Defendants Claims
16 against the Released Plaintiffs Persons, the Settling Parties stipulate and agree
17 that, upon the Effective Date, the Settling Parties shall expressly waive, and
18 each of the Releasing Plaintiffs Parties and Releasing Defendants Parties shall
19 be deemed to have, and by operation of the Judgment shall have expressly
20 waived, the provisions, rights, and benefits of California Civil Code §1542,
21 which provides:

22 A general release does not extend to claims that the creditor or
23 releasing party does not know or suspect to exist in his or her
24 favor at the time of executing the release and that, if known by
25 him or her, would have materially affected his or her settlement
26 with the debtor or released party.

27 The Settling Parties shall expressly waive, and each of the Releasing Plaintiffs
28 Persons and Releasing Defendants Persons shall be deemed to have, and by
operation of the Judgment shall have, expressly waived any and all provisions,
rights, and benefits conferred by any law of any state or territory of the United
States, or principle of common law, which is similar, comparable, or
equivalent to California Civil Code §1542. The Releasing Plaintiffs Persons
and Releasing Defendants Persons acknowledge that they may hereafter
discover facts, legal theories, or authorities in addition to or different from
those which he, she, it, or their counsel now knows or believes to be true with
respect to the subject matter of the Released Plaintiffs Claims or Released
Defendants Claims, but (a) the Releasing Plaintiffs Persons shall expressly
fully, finally, and forever waive, compromise, settle, discharge, extinguish,

1 and release, and each of the Releasing Plaintiffs Persons shall be deemed to
2 have waived, compromised, settled, discharged, extinguished, and released,
3 and upon the Effective Date, and by operation of the Judgment shall have
4 waived, compromised, settled, discharged, extinguished, and released, fully,
5 finally, and forever, any and all Released Plaintiffs Claims against the
6 Released Defendants Persons, known or unknown, suspected or unsuspected,
7 contingent or non-contingent, accrued or unaccrued, whether or not concealed
8 or hidden, which now exist, or heretofore have existed, or may hereafter exist,
9 upon any theory of law or equity now existing or coming into existence in the
10 future, without regard to the subsequent discovery or existence of such
11 different or additional facts, legal theories, or authorities, and (b) the
12 Releasing Defendants Persons shall expressly fully, finally, and forever
13 waive, compromise, settle, discharge, extinguish, and release, and each of the
14 Releasing Defendants Persons shall be deemed to have waived, compromised,
15 settled, discharged, extinguished, and released, and upon the Effective Date,
16 and by operation of the Judgment shall have waived, compromised, settled,
17 discharged, extinguished, and released, fully, finally, and forever, any and all
18 Released Defendants Claims against the Released Plaintiffs Persons, known
19 or unknown, suspected or unsuspected, contingent or non-contingent, accrued
20 or unaccrued, whether or not concealed or hidden, which now exist, or
21 heretofore have existed, or may hereafter exist, upon any theory of law or
22 equity now existing or coming into existence in the future, without regard to
23 the subsequent discovery or existence of such different or additional facts,
24 legal theories, or authorities. The Settling Parties acknowledge, and the
25 Releasing Plaintiffs Person and Releasing Defendants Persons shall be
26 deemed by operation of the Judgment to have acknowledged, that the
27 foregoing waiver was separately bargained for and is an essential element of
28 the Settlement of which this release is a part.

Release of Claims by Settling Defendants, the Company, and the SLC:
Settling Defendants, the Company, and the SLC (collectively, the “Releasing
Defendants Persons”) shall be deemed to have, and by operation of the
Judgment shall have, irrevocably and unconditionally, fully, finally, and
forever waived, released, relinquished, discharged, and dismissed with
prejudice each and every one of the Released Defendants Claims (defined
below) against each and every one of the Released Plaintiffs Persons (defined
below) and shall forever and permanently be barred and enjoined from filing,
commencing, instituting, prosecuting, continuing, asserting, intervening in,
maintaining, or enforcing any action or other proceeding in any forum
(including, but not limited to, any foreign, federal, state or local court of law
or equity, arbitration tribunal, or administrative forum), asserting any of the

1 Released Defendants Claims against any and all of the Released Plaintiffs
2 Persons.

3 “Released Defendants Claims” means any and all Claims that arise out of or
4 relate in any way to the institution, prosecution, or settlement of the California
5 Action or the Delaware Action, except for claims relating to the enforcement
6 of the Settlement.

7 “Released Plaintiffs Persons” means California Plaintiffs and the Delaware
8 Plaintiffs, and any entity in which the California Plaintiffs or the Delaware
9 Plaintiffs has a controlling interest, as well as their respective current and
10 former parents, affiliates, subsidiaries, officers, directors, agents, successors,
11 predecessors, assigns, assignees, partnerships, partners, committees, joint
12 ventures, trustees, trusts, employees, immediate family members, heirs,
13 insurers and reinsurers (in their capacities as such), consultants, experts, and
14 attorneys (in their capacities as such).

15 35. By Order of the Court, (i) all proceedings in the California Action other
16 than proceedings necessary to carry out or enforce the terms and conditions of the
17 Stipulation have been stayed until otherwise ordered by the Court; and (ii) pending
18 final determination of whether the Settlement should be approved, the
19 commencement or prosecution of any action asserting any Released Plaintiffs
20 Claims against any of the Released Defendants Persons, as well as any action
21 asserting any Released Plaintiffs Claims against any of the Released Defendants
22 Persons, have been barred and enjoined.

23 HOW WILL THE ATTORNEYS BE PAID?

24 36. Plaintiffs’ Counsel have not received any payment for their services in
25 pursuing the claims asserted in the Actions, nor have Plaintiffs’ Counsel been paid
26 for their out-of-pocket expenses. Plaintiffs’ Counsel invested their own resources
27 for pursuing the claims asserted in the Actions on a contingency basis, meaning they
28 would only recover their expenses and be compensated for their time if they created
benefits through this litigation. In light of the risks undertaken in pursuing the
Actions on a contingency basis and the benefits created for TuSimple and its
stockholders through the Settlement and the prosecution of the claims asserted in the
Actions, Plaintiffs’ Lead Counsel, on behalf of all Plaintiffs’ Counsel, intend to file
with the California Court a Fee and Expense Application seeking an award of
attorneys’ fees and litigation expenses to be paid from (and out of) the Settlement
Fund. The Fee and Expense Application will seek an award of attorneys’ fees for all
Plaintiffs’ Counsel in an amount up to 30% of the Settlement Fund (\$12,750,000),

1 with due consideration given to both the cash settlement and the corporate
2 governance reforms, and payment of litigation expenses in an amount not to exceed
3 \$450,000. The Fee and Expense Application may include a petition for proposed
4 incentive awards not to exceed \$7,500 for each of the Plaintiffs in recognition of the
5 benefits they have helped to create for TuSimple and its stockholders (the “Service
Awards”). Any Service Awards approved by the Court shall be funded from the
portion of the Fee and Expense Award distributed to the Plaintiffs’ Counsel.

6 37. The California Court will determine the amount of any attorney fee and
7 expense award to Plaintiffs’ Counsel (the “Fee and Expense Award”), including any
8 Service Awards to Plaintiffs, which, if awarded, will be paid out the Fee and Expense
9 Award. Any Court-approved Fee and Expense Award will be paid from the
10 Settlement Fund. TuSimple stockholders are not personally liable for any such fees
or expenses.

11 **WHEN AND WHERE WILL THE SETTLEMENT FAIRNESS HEARING**
12 **BE HELD? DO I HAVE THE RIGHT TO APPEAR AT THE**
13 **SETTLEMENT FAIRNESS HEARING? MAY I OBJECT TO THE**
14 **SETTLEMENT AND SPEAK AT THE HEARING IF I DON’T LIKE THE**
SETTLEMENT?

15 38. The Court will consider the Settlement and all matters related to the
16 Settlement at the Settlement Fairness Hearing. The Settlement Fairness Hearing will
17 be held on July 9, 2025, at 10:30 a.m., before the Honorable Roger T. Benitez at the
18 United States District Court for the Southern District of California, Courtroom 5A
19 (Fifth Floor) of the Edward J. Schwartz United States Courthouse, 221 West
Broadway, San Diego, CA 92101.

20 39. At the Settlement Fairness Hearing, the California Court will, among
21 other things: (i) determine whether the California Plaintiffs and California Plaintiffs’
22 Lead Counsel have adequately represented the interests of TuSimple and its
23 stockholders; (ii) determine whether the proposed Settlement on the terms and
24 conditions provided for in the Stipulation is fair, reasonable, and adequate to
25 TuSimple and its stockholders, and should be approved by the Court; (iii) determine
26 whether the Judgment, substantially in the form attached as Exhibit B to the
27 Stipulation, should be entered dismissing the California Action with prejudice;
28 (iv) determine whether the Fee and Expense Application should be approved; and
(v) consider any other matters that may properly be brought before the Court in
connection with the Settlement.

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Robert Kingsley Smith
Wilmer Cutler Pickering Hale and Dorr LLP
60 State Street
Boston, MA 02109

42. Any objections, filings, and other submissions must: (a) state the name, address, and telephone number of the objector and, if represented by counsel, the name, address, and telephone number of his, her, or its counsel; (b) be signed by the objector; (c) state that the objection is being filed with respect to “*Wilhoite, et al. v. Hou, et al.*, Case No. 3:23-cv-02333-BEN-MSB (S.D. Cal.)”; (d) contain a specific, written statement of the objection(s) and the specific reason(s) for the objection(s), including any legal and evidentiary support the objector wishes to bring to the Court’s attention, and if the objector has indicated that he, she, or it intends to appear at the Settlement Fairness Hearing, the identity of any witnesses the objector may call to testify and any exhibits the objector intends to introduce into evidence at the hearing; and (e) include (i) documentation sufficient to prove the date on which the objector acquired shares of TuSimple common stock, (ii) documentation sufficient to prove that the objector continues to hold shares of TuSimple common stock as of the date of filing of the objection, and (iii) a statement that the objector will continue to hold shares of TuSimple common stock as of the date of the Settlement Fairness Hearing. Documentation establishing ownership of TuSimple common stock must consist of copies of an official brokerage account statement, a screen shot of an official brokerage account, or an authorized statement from the objector’s broker containing the information found in an account statement. The Settling Parties are authorized to request from any objector additional information or documentation sufficient to prove his, her, or its holdings of TuSimple common stock.

43. TuSimple stockholders who or which continue to hold shares of TuSimple common stock as of the date of the Settlement Fairness Hearing may file a written objection without having to appear at the Settlement Fairness Hearing. Unless the Court orders otherwise, however, such persons may not appear at the Settlement Fairness Hearing to present their objections unless they first filed and served a written objection in accordance with the procedures described above.

44. Persons who file and serve a timely written objection as described above and who wish to be heard orally at the Settlement Fairness Hearing in opposition to the approval of the Settlement or the Fee and Expense Application, must also file a notice of appearance with the Clerk of the Court and serve it on California Plaintiffs’ Lead Counsel and TuSimple’s Counsel at the addresses set forth in paragraph 41 above so that it is *received* on or before June 18, 2025. Persons who intend to object and desire to present evidence at the Settlement Fairness

1 Hearing must include in their written objection or notice of appearance the identity
2 of any witnesses they may call to testify and exhibits they intend to introduce into
3 evidence at the hearing. Such persons may be heard orally at the discretion of the
4 Court.

4 45. You are not required to hire an attorney to represent you in making
5 written objections or in appearing at the Settlement Fairness Hearing. However, if
6 you decide to hire an attorney, it will be at your own expense, and that attorney must
7 file a notice of appearance with the Court and serve it on California Plaintiffs' Lead
8 Counsel and TuSimple's Counsel at the addresses set forth in paragraph 41 above so
9 that the notice is *received* on or before June 18, 2025.

9 46. Unless the Court orders otherwise, any person or entity who or which
10 does not make his, her, or its objection in the manner set forth above will: (i) be
11 deemed to have waived and forfeited his, her, or its right to object, including any
12 right of appeal, to any aspect of the proposed Settlement and the Fee and Expense
13 Application; (ii) be forever barred and foreclosed from objecting to the fairness,
14 reasonableness, or adequacy of the Settlement, the Judgment to be entered approving
15 the Settlement, or the attorneys' fees and expenses requested or awarded, including
16 any Service Awards to the Plaintiffs; and (iii) be deemed to have waived and forever
17 barred and foreclosed from being heard, in this or any other proceeding, including
18 on any appeal, with respect to any matters concerning the Settlement or the requested
19 or awarded attorneys' fees and expenses, including any Service Awards to the
20 Plaintiffs.

17 CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I
18 HAVE QUESTIONS?

19 47. This Notice summarizes the proposed Settlement. For the precise terms
20 and conditions of the Settlement, please see the Stipulation available at the "Investor
21 Relations" section of the Company's website, <https://ir.tusimple.com/overview/default.aspx>. You may also view a copy of the
22 Stipulation by accessing the Court docket in the California Action, for a fee, through
23 the Court's Public Access to Court Electronic Records (PACER) system at
24 <https://ecf.casd.uscourts.gov>, or by visiting the Office of the Clerk of the Court,
25 United States District Court for the Southern District of California, 333 West
26 Broadway, Suite 420, San Diego, CA 92101, between 8:30 a.m. and 4:00 p.m.,
27 Monday through Friday, excluding Court holidays. Copies of the Stipulation and
28 other important case documents are also available on California Plaintiffs' Lead
Counsel's websites: www.blbglaw.com and www.bottinilaw.com. If you have
questions regarding the Actions or the Settlement, you may write, call, or email

1 California Plaintiffs' Lead Counsel: Jeroen van Kwawegen, Bernstein Litowitz
2 Berger & Grossmann LLP, 1251 Avenue of the Americas, New York, NY 10020,
3 (800) 380-8496, settlements@blbglaw.com; Francis A. Bottini, Jr., Albert Y. Chang,
4 Bottini & Bottini, Inc., 7817 Ivanhoe Avenue, Suite 102, La Jolla, CA 92037, (858)
5 914-2001, fbottini@bottinilaw.com, achang@bottinilaw.com.

6 **PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE**
7 **CLERK OF THE COURT TO INQUIRE ABOUT THIS SETTLEMENT**

8 Dated: April 17, 2025

9 By Order of the Court
10 United States District Court
11 Southern District of California