ALICE VENTURES
STRATEGIC INTELLIGENCE

CONFIDENTIAL CLIENT REPORT
Data Update February 2026

AI in the Automotive Sector

A 2025–2030 Global OEM Analysis and Forecast

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19	Nissan Motor Corporation	Japan	20	Hyundai Motor Group	South Korea
21	Kia Corporation	South Korea	22	Genesis (Hyundai)	South Korea

Detailed profiles are provided for the top 10 OEM leaders in Section 5. All 22 OEMs were evaluated across AI investment, autonomy roadmaps, partnership ecosystems, and regional positioning.

SECTION 1

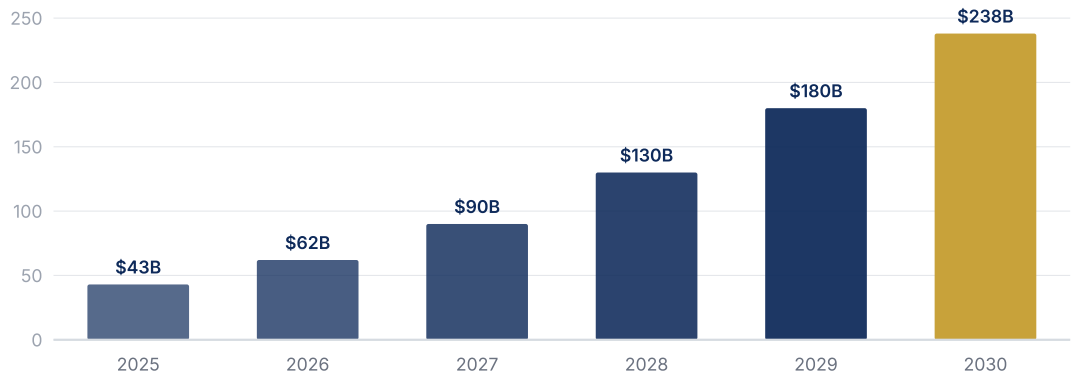
Introduction and Executive Summary

$238B	40%	~5%	35%+
MARKET BY 2030	CAGR	OEMS SUSTAINING SPEND	NA MARKET SHARE

The global automotive industry is in the midst of a seismic shift, with Artificial Intelligence emerging as the single most transformative technology since the moving assembly line. The total market opportunity for in-vehicle AI is projected to surge from approximately **$43 billion in 2025** to **$238 billion by 2030**, a compound annual growth rate of **40%**.[1,2]

EXHIBIT 1 — IN-VEHICLE AI MARKET SIZE, USD BILLIONS

CAGR 40%



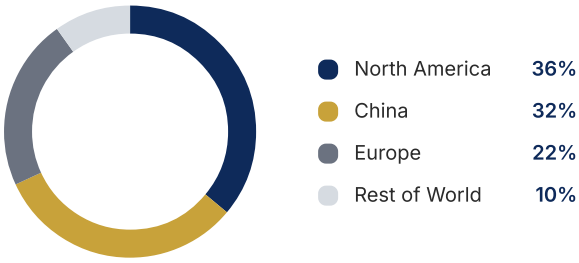
Source: Alice Ventures analysis; Gartner, Frost & Sullivan, MarketsandMarkets

This report provides a comprehensive analysis of AI spending and deployment by major global OEMs across North America, China, and Europe, offering predictive insights from 2025 to 2030.

Our analysis indicates a **market bifurcation**: a handful of AI-native companies and well-prepared incumbents are set to dominate, while many traditional players may struggle to transition from the current "AI euphoria" to tangible returns.[3]

China is solidifying its position as the epicenter of rapid AI deployment, while North America leads in foundational technology and Europe navigates a complex regulatory environment.

EXHIBIT 2 — REGIONAL MARKET SHARE, 2025 ESTIMATE



Source: Grand View Research, Alice Ventures estimates

SECTION 2

Methodology and Data Sources

This report synthesizes data from publicly available sources. Our methodology is centered on triangulation of quantitative market forecasts, qualitative strategic analysis, and company-specific announcements. A full list of sources is provided in the Appendix.

Market Sizing and Forecasts

We have aggregated and analyzed predictive models from leading market research firms including Gartner, Frost & Sullivan, MarketsandMarkets, BCC Research, and Grand View Research. These forecasts, covering the period from 2025 to 2030, form the basis of our market growth projections. Discrepancies in market size estimates are noted and contextualized, reflecting different scopes (e.g., total AI-enabled features vs. core AI hardware/software).[4]

Company and Technology Analysis

Strategic insights were derived from official company press releases, investor day presentations, and technology-focused events from OEMs (e.g., GM, Ford, VW, Mercedes-Benz, BMW, Tesla, Rivian, Lucid, XPeng, NIO, Li Auto) and key ecosystem partners (e.g., NVIDIA, Qualcomm, Mobileye, Bosch, Continental, ZF).[7,8]

Regional and Regulatory Analysis

Information on regional characteristics and regulatory frameworks, such as the EU AI Act and China's "AI+" initiative, was gathered from governmental publications, policy analyses from institutions like the RAND Corporation, and specialized news outlets.[6,18]

Predictive Modeling

Our predictions are based on an analysis of current investment trajectories, stated corporate goals, and the competitive dynamics between vertically integrated players and those relying on partnership ecosystems. A key predictive model from Gartner, which forecasts a consolidation of AI investment among top players by 2029, serves as a central thesis in our analysis.[3,5]

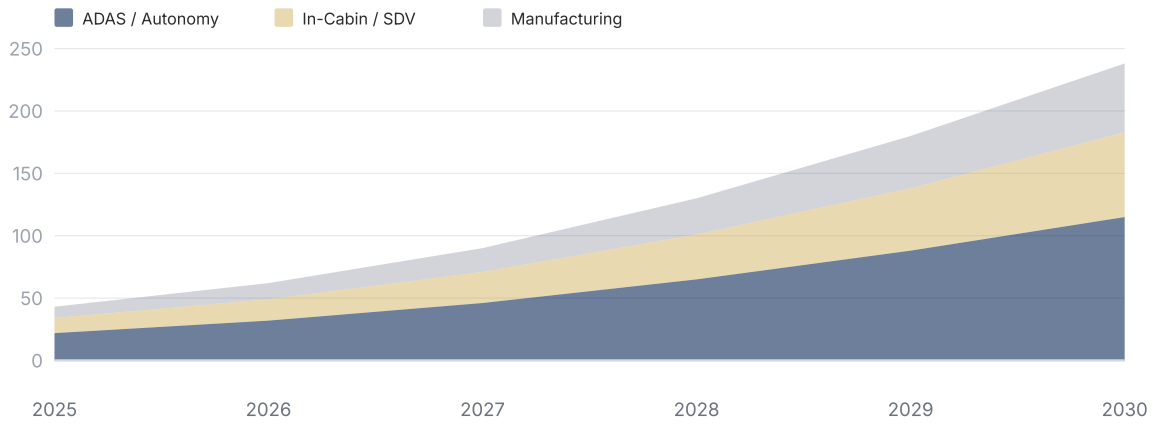
By synthesizing these diverse sources, this report aims to provide decision-makers with a robust and actionable understanding of the emerging trends in automotive AI.

SECTION 3

Key Areas of AI Investment and Rapid Deployment

OEMs are channeling billions into AI across the entire vehicle lifecycle. Three areas stand out for their investment intensity and deployment velocity.

EXHIBIT 5 — AI INVESTMENT BY CATEGORY, USD BILLIONS

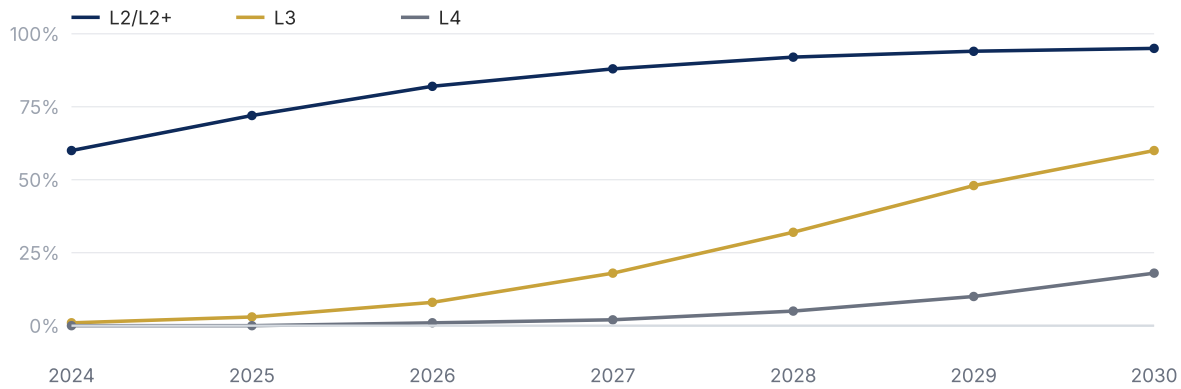


Source: Alice Ventures analysis

A. Autonomous Driving and ADAS

The largest area of AI investment, expected to be the cornerstone application through 2030.[4,23] Deep Learning drives object detection, path planning, and decision-making at scale.

EXHIBIT 3 — AUTONOMY LEVEL PENETRATION IN NEW VEHICLE SALES (%)



Source: Alice Ventures forecast model; Gartner, BCC Research

LEVEL	TYPE	KEY PLAYERS & TIMELINE
L2/L2+	Hands-Free	GM Super Cruise, Ford BlueCruise — mainstream, expanding mapped roadways
L3	Eyes-Off	BMW with Qualcomm/Arriver, H2 2025[12]; GM on Cadillac ESCALADE IQ, 2028[20,21]
L4	Mind-Off	XPeng low-speed L4 by 2026; Rivian augmenting vision with LiDAR[9]

SECTION 3 (CONTINUED)

B. In-Cabin Experience and Software-Defined Vehicles

The cockpit is being reimagined as an intelligent, interactive space. OEMs are moving beyond simple voice commands to proactive, conversational assistants.

> **AI Assistants**
>
> Mercedes-Benz plans an AI "super assistant" in 2025. Lucid's "Hey Lucid" (with SoundHound AI) avoids hallucinations and works offline.[24] GM integrates Google Gemini from 2026, with plans for proprietary driver-tuned AI.[20,21]

> **Centralized Compute**
>
> GM's 2028 platform consolidates all functions on a single core — **35× AI performance boost**.[21] NVIDIA and Qualcomm provide the high-performance chips enabling OTA feature deployment.[13,19]

C. AI in Manufacturing and Operations

AI is being deployed on the factory floor to enhance quality, reduce costs, and increase efficiency.

> **Predictive Quality**
>
> Ford and Hyundai lead AI-powered factory quality systems to catch defects pre-shipment, targeting significant warranty cost reduction.[25]

> **Digital Twins**
>
> Mercedes-Benz uses AI digital twins of factories to simulate and optimize production lines before implementation, targeting 10% production cost reduction by 2027.[9,24]

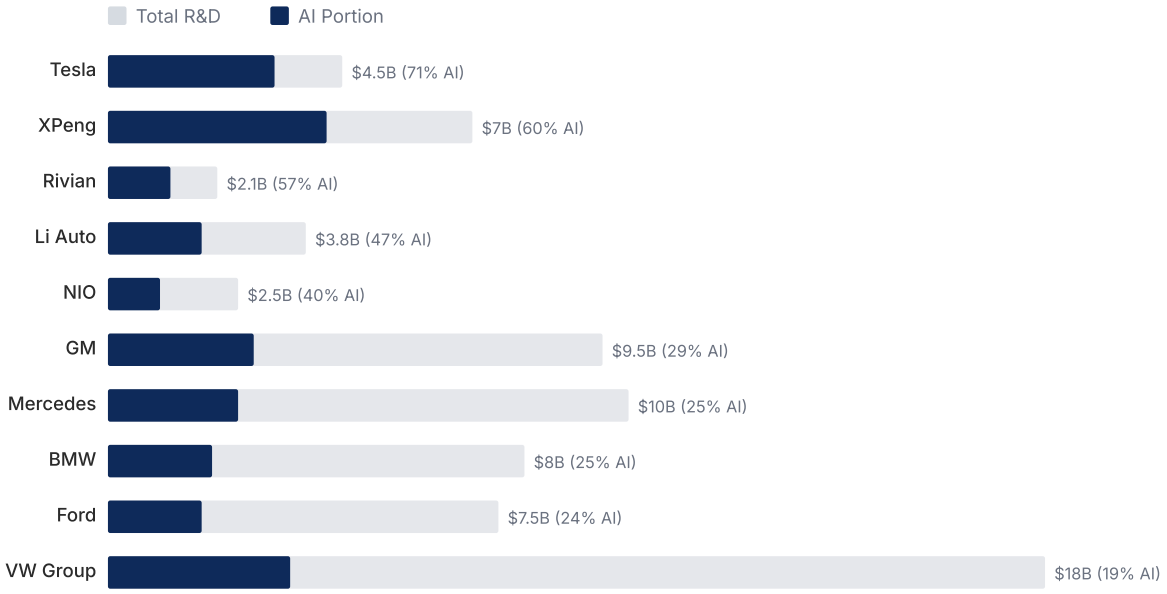
> **Humanoid Robots**
>
> BMW has signed an agreement to deploy humanoid robots from developer Figure in its US plant to handle specific manufacturing tasks.

SECTION 4

OEM Leadership and AI Strategy

The race for AI supremacy is creating a clear divide between vertically integrated "AI-first" companies and traditional OEMs rapidly forming partnerships to compete.

EXHIBIT 4 — ESTIMATED ANNUAL R&D BUDGET VS. AI ALLOCATION, USD BILLIONS



Source: Company filings, Alice Ventures estimates. AI allocation includes ADAS, SDV software, and AI infrastructure spend.

OEM	TIER	REGION	PRIMARY AI FOCUS
Tesla	1	NA	FSD neural networks, custom silicon, fleet data
XPeng	1	CN	Turing chip, L4 autonomy, $4.2B AI budget
Li Auto	1	CN	Mind GPT foundational model, robotics pivot
Rivian	1	NA	Custom silicon (RAP), L4 with LiDAR, Autonomy+
GM	2	NA	Super Cruise → L3 by 2028, Google Gemini
Mercedes-Benz	2	EU	MB.OS, certified L3, NVIDIA partnership
VW Group	2	EU	€8B AI by 2030, Bosch/Mobileye partnerships
Ford	2	NA	BlueCruise, AI manufacturing, Latitude AI
NIO	2	CN	AGI committee, NOMI assistant, NIO Capital
BMW	2	EU	L3 by H2 2025, Qualcomm, humanoid robots

SECTION 5

OEM Profiles — Top 10 Leaders

Detailed profiles of the ten leading OEMs in automotive AI, ranked by strategic positioning and AI investment intensity.

01 Tesla

TIER 1 — AI-FIRST

Austin, TX, USA

Full vertical integration. Tesla designs its own AI training chips (Dojo), inference hardware (HW4/HW5), and the entire Full Self-Driving (FSD) software stack. The company leverages its massive global fleet as a real-time data collection and validation network, creating a self-reinforcing competitive moat in training data.

AUTONOMY TARGET
L4 robotaxi (targeting 2025-2026 launch)

EST. AI INVESTMENT
Est. $3.2B annually on AI R&D; $10B+ in Dojo supercomputer infrastructure

KEY PARTNERS
Primarily in-house · TSMC (chip fabrication)

KEY INITIATIVES
- Full Self-Driving (FSD) neural network trained on fleet data from millions of vehicles
- Dojo supercomputer for in-house AI model training at scale
- Optimus humanoid robot leveraging automotive AI capabilities
- Vision-only sensor suite — removed radar and ultrasonic sensors

STRENGTHS
+ Largest real-world driving data set globally
+ Fully vertically integrated AI stack
+ Rapid OTA deployment cycle
+ AI talent density

RISKS
– Regulatory uncertainty around robotaxi operations
– Vision-only approach debated by industry
– FSD timeline credibility after repeated delays
– Brand perception issues in key markets

02 XPeng

TIER 1 — AI-FIRST

Guangzhou, China

The most aggressive Chinese OEM in AI investment. XPeng is building a full-stack AI capability including its own "Turing" AI chip, end-to-end autonomous driving models, and AI-powered manufacturing. The company positions itself as a technology company that makes cars, not the reverse.

AUTONOMY TARGET
L4 autonomy in low-speed scenarios by 2026; full urban NOA expansion

EST. AI INVESTMENT
Plans to increase annual R&D to $7B, with $4.2B (60%) dedicated to AI

KEY PARTNERS
NVIDIA (current generation) · In-house Turing chip (next generation)

KEY INITIATIVES
- XNGP — city-wide Navigate on Autopilot across 200+ Chinese cities
- Proprietary "Turing" AI chip to replace NVIDIA dependency
- End-to-end neural network for autonomous driving
- AI-powered "Flying Car" eVTOL program
- Robotics division leveraging autonomous driving AI

STRENGTHS
+ Highest AI R&D intensity among Chinese OEMs
+ Rapid iteration in China's competitive market
+ Custom silicon roadmap
+ Strong urban NOA deployment

RISKS
– Capital-intensive strategy with uncertain profitability timeline
– Dependence on Chinese domestic market
– Geopolitical barriers to Western expansion
– Chip self-sufficiency execution risk

SECTION 5 (CONTINUED)

03 Li Auto

TIER 1 — AI-FIRST

Beijing, China

Aims to transform from an automaker into a leading AI and robotics company by 2030. Li Auto dedicates nearly half of its R&D budget to AI and is developing its own foundational large language model ("Mind GPT") to power in-vehicle intelligence and autonomous driving.

AUTONOMY TARGET
Full urban NOA nationwide; advancing toward L3/L4 on highways

EST. AI INVESTMENT
Est. ~50% of total R&D budget (~$1.8B annually) dedicated to AI

KEY PARTNERS
NVIDIA (Drive Orin) · In-house AI development · Silicon Valley AI R&D center

KEY INITIATIVES
- "Mind GPT" — proprietary foundational AI model for vehicles
- Silicon Valley AI R&D center to recruit top global talent
- End-to-end autonomous driving model replacing rule-based systems
- AI-driven smart cabin with multimodal interaction
- Long-term robotics and embodied AI research

STRENGTHS
+ Strong profitability (rare among Chinese EV makers) funds sustained AI investment
+ Successful range-extended EV model provides stable cash flow
+ Rapid NOA deployment across China
+ Clear long-term AI vision

RISKS
– Foundational model development is extremely resource-intensive
– Competing for AI talent against tech giants
– Still building brand recognition outside China
– Autonomous driving regulatory uncertainty in China

04 Rivian

TIER 1 — AI-FIRST

Irvine, CA, USA

Vertical integration of autonomy hardware and software. Rivian has developed its own in-house silicon (Rivian Autonomy Processor) and compute module, enabling tight control over its full autonomy stack. The company combines vision with LiDAR for its next-generation system and is building a subscription-based autonomy service.

AUTONOMY TARGET
L4 autonomy; augmenting vision with LiDAR in next-gen hardware

EST. AI INVESTMENT
Est. $1.2B annually on AI and autonomy R&D

KEY PARTNERS
In-house silicon and software · LiDAR supplier (next-gen)

KEY INITIATIVES
- Rivian Autonomy Processor (RAP) — custom in-house silicon
- "Autonomy+" subscription service for advanced ADAS features
- Next-gen sensor suite combining cameras and LiDAR
- AI-powered adventure and off-road driving assistance
- Fleet intelligence for commercial (Amazon) vehicles

STRENGTHS
+ Full vertical integration from silicon to software
+ Strong brand affinity and customer loyalty
+ Amazon commercial fleet partnership provides scale and data
+ Clean-sheet architecture designed for AI from day one

RISKS
– Capital constraints and path to profitability
– Lower production volume limits training data vs. Tesla
– Commercial fleet dependency on Amazon relationship
– Competitive pressure from legacy OEMs with deeper pockets

SECTION 5 (CONTINUED)

05 General Motors

TIER 2 — ADAPTING AT SCALE

Detroit, MI, USA

Leveraging early Super Cruise investment and Cruise autonomous driving subsidiary experience. GM combines in-house software development (Ultifi platform) with strategic partnerships (Google Gemini) and is building a next-generation centralized computing platform to consolidate all vehicle AI functions.

AUTONOMY TARGET
L3 "eyes-off" driving by 2028, debuting on Cadillac ESCALADE IQ

EST. AI INVESTMENT
Est. $2.8B annually on AI, autonomy, and SDV development

KEY PARTNERS
Google (Gemini AI) · Qualcomm (compute) · In-house Ultifi platform

KEY INITIATIVES

- Super Cruise expansion to more models and mapped roadways
- Google Gemini integration starting 2026 for in-vehicle AI assistant
- Next-gen centralized compute platform (2028) — 35x AI performance boost
- Ultifi software platform for OTA updates and services
- Proprietary AI fine-tuned to individual vehicle and driver profiles

STRENGTHS

+ Massive production scale and established dealer network
+ Super Cruise is among the most trusted L2+ systems
+ Deep pockets to sustain long-term AI investment
+ Strategic Google partnership provides cutting-edge AI

RISKS

– Cruise autonomous driving setbacks damaged credibility
– Legacy organizational structure may slow software transformation
– Dependency on external AI partners for core capabilities
– UAW labor dynamics complicate factory automation

06 Mercedes-Benz

TIER 2 — ADAPTING AT SCALE

Stuttgart, Germany

Defending luxury leadership through technology. Mercedes is building its proprietary MB.OS operating system as the foundation for all AI features. A deep partnership with NVIDIA provides core computing and AI software infrastructure. The company is also pioneering AI in manufacturing with digital twins.

AUTONOMY TARGET
First OEM with certified L3 (DRIVE PILOT); advancing to L3+ and L4

EST. AI INVESTMENT
Est. $2.5B annually on AI, MB.OS, and automated driving

KEY PARTNERS
NVIDIA (Drive platform, AI infrastructure) · Qualcomm (cockpit compute) · Luminar (LiDAR)

KEY INITIATIVES

- MB.OS — proprietary operating system unifying all vehicle domains
- DRIVE PILOT — world's first certified L3 system (highway, up to 95 km/h)
- AI "super assistant" launching 2025 with proactive, contextual intelligence
- NVIDIA partnership for next-gen centralized compute architecture
- Digital twin factories — targeting 10% production cost reduction by 2027

STRENGTHS

+ First-mover in certified L3 autonomy
+ Premium brand commands pricing power to fund AI investment
+ Deep NVIDIA partnership provides technology access
+ Strong regulatory relationships in Europe

RISKS

– MB.OS development delays and cost overruns
– European regulatory environment adds compliance burden
– EV transition challenges in core markets
– Chinese luxury competitors (NIO, Li Auto) closing technology gap

SECTION 5 (CONTINUED)

07 Volkswagen Group

TIER 2 — ADAPTING AT SCALE

Wolfsburg, Germany

After significant challenges with its Cariad software unit, VW is reorganizing its software strategy. Plans to spend up to €8B on AI by 2030. The new approach emphasizes strong partnerships (Bosch, Mobileye, Horizon Robotics) over purely in-house development, and explores a "Large Industry Model" to pool manufacturing data.

AUTONOMY TARGET
L2+ across lineup; L3 highway via partnerships by 2027-2028

EST. AI INVESTMENT
Up to €8B ($8.7B) on AI by 2030

KEY PARTNERS
Bosch (automated driving) · Mobileye (ADAS) · Horizon Robotics (China) · Microsoft (cloud)

KEY INITIATIVES

- Cariad reorganization — shifting from centralized to brand-integrated software
- Bosch partnership for L2+ and L3 automated driving development
- "Large Industry Model" concept — pooling manufacturing data with industrial partners
- Horizon Robotics partnership for China-specific ADAS solutions
- AI-powered quality control across global production network

STRENGTHS

+ Largest automotive group by volume — massive scale advantage
+ Portfolio of brands enables tiered AI deployment
+ Strong China presence and partnerships
+ Deep manufacturing expertise for AI-powered production

RISKS

– Cariad struggles have cost time and credibility
– Organizational complexity slows decision-making
– Heavy dependency on partnerships for core AI capabilities
– Margin pressure from Chinese competitors

08 Ford Motor Company

TIER 2 — ADAPTING AT SCALE

Dearborn, MI, USA

Pursuing L2+ autonomy with BlueCruise while placing a differentiated emphasis on AI in manufacturing. Ford sees AI-powered factory quality systems as a near-term competitive advantage to tackle warranty costs. The Model e division is central to developing next-generation software and AI capabilities.

AUTONOMY TARGET
L2+ with BlueCruise expansion; L3 under development via Latitude AI

EST. AI INVESTMENT
Est. $1.8B annually on AI, ADAS, and connected vehicle technology

KEY PARTNERS
Google (Cloud, Android Automotive) · Mobileye (ADAS hardware) · In-house Latitude AI

KEY INITIATIVES

- BlueCruise hands-free highway driving — expanding mapped coverage
- Latitude AI — in-house L3/L4 autonomous driving development (post-Argo AI)
- AI-powered predictive quality systems in factories — catching defects pre-shipment
- Model e division focused on next-gen software-defined vehicles
- Google partnership for cloud AI and Android Automotive infotainment

STRENGTHS

+ Strong truck and commercial vehicle franchise generates cash
+ Early and practical focus on AI in manufacturing delivers near-term ROI
+ Latitude AI provides in-house autonomy capability
+ BlueCruise competitive with Super Cruise

RISKS

– Model e division losses create pressure to cut R&D spending
– Behind leaders in autonomous driving capability
– Organizational split (Ford Blue / Model e) creates complexity
– Quality issues persist despite AI investment

SECTION 5 (CONTINUED)

09 NIO

TIER 2 — ADAPTING AT SCALE

Shanghai, China

Embedding AI across all business functions. NIO has established an AGI (Artificial General Intelligence) committee at the executive level to drive AI integration in R&D, manufacturing, supply chain, and customer service. Its investment arm, NIO Capital, funds key AI and robotics startups to build ecosystem advantages.

AUTONOMY TARGET
Full urban NOA deployment; L3 highway system under development

EST. AI INVESTMENT
Est. $1.0B annually on AI R&D; additional venture investments via NIO Capital

KEY PARTNERS
NVIDIA (Drive Orin) · In-house software · NIO Capital portfolio companies

KEY INITIATIVES
- AGI Committee — executive-level AI strategy coordination
- NOMI — AI-powered in-vehicle assistant with emotional intelligence
- Full-stack autonomous driving with proprietary perception models
- NIO Capital strategic investments in AI and robotics startups
- AI-optimized battery swap station network management

STRENGTHS
+ Premium brand position in China with loyal community
+ Battery swap network is a unique competitive asset
+ AGI-level strategic commitment from leadership
+ NIO Capital provides ecosystem intelligence and deal flow

RISKS
– Ongoing profitability challenges
– Intense competition in Chinese premium EV segment
– Capital constraints limit AI investment vs. XPeng and Li Auto
– European expansion faces regulatory and competitive headwinds

10 BMW Group

TIER 2 — ADAPTING AT SCALE

Munich, Germany

Partnering with Qualcomm and Arriver to develop its next-generation autonomous driving platform. BMW targets L3 capability by H2 2025 and is deploying AI across manufacturing, including a pioneering agreement to use humanoid robots from Figure in its US plant.

AUTONOMY TARGET
L3 "eyes-off" highway driving by H2 2025

EST. AI INVESTMENT
Est. $2.0B annually on ADAS, SDV, and AI manufacturing

KEY PARTNERS
Qualcomm (Snapdragon Ride) · Arriver (driving software) · Figure (humanoid robots) · Amazon (Alexa integration)

KEY INITIATIVES
- Neue Klasse platform — clean-sheet architecture designed for AI and SDV
- Qualcomm/Arriver partnership for L3 autonomous driving system
- Figure humanoid robots deployed in US manufacturing plant
- AI-powered quality inspection in paint shop and assembly
- Proactive AI assistant with contextual awareness

STRENGTHS
+ Neue Klasse platform provides clean-sheet AI-native architecture
+ Strong Qualcomm partnership for cost-effective L3 deployment
+ Manufacturing innovation leadership (humanoid robots)
+ Premium pricing supports R&D investment

RISKS
– L3 timeline ambitious given regulatory requirements
– Dependency on Qualcomm/Arriver for core autonomy stack
– Chinese market share under pressure from local competitors
– Neue Klasse launch execution risk

SECTION 6

Regional Characteristics and Dynamics

North America

CHARACTERISTICS

Leads the world in AI R&D and foundational model development, driven by a nexus of tech giants, startups, and university research. Currently holds the largest market share for automotive AI at over 35%. Key OEMs: GM, Ford, Rivian, Tesla, Lucid.[5,13,26]

INVESTMENT MODEL

Primarily private-sector-led with robust venture capital ecosystem.

PREDICTION

Will remain the hub for core AI innovation but may be outpaced by China in speed and scale of mass-market deployment.

China

CHARACTERISTICS

The fastest-growing market, defined by a state-driven "AI+" initiative integrating AI across all key sectors. Creates a hyper-competitive environment where local OEMs iterate and deploy at extraordinary speed. Emerging government concerns about over-investment and overcapacity.[16,21,22]

INVESTMENT MODEL

Mix of massive state-directed funding and aggressive private investment from tech giants and automakers.

PREDICTION

Will become the world's largest market for AI-enabled vehicles by volume before 2030 and will lead in urban autonomous driving (NOA) deployment.

Europe

CHARACTERISTICS

Defined by a regulation-first approach, epitomized by the EU AI Act, which classifies autonomous driving as "high-risk." Creates compliance hurdles but provides legal predictability. OEMs forming deep partnerships to manage the high cost of compliant AI development.[6,18,19]

INVESTMENT MODEL

Public-private partnerships (€200B "InvestAI" initiative) combined with corporate R&D.

PREDICTION

Will focus on robust, safety-certified L2+ and L3 highway systems. Strict regulation will make Europe a leader in trustworthy AI but may slow innovation pace vs. China and the US.

SECTION 7

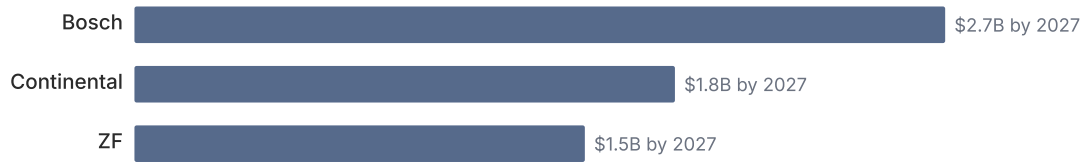
The Ecosystem: Tier-1s and Technology Enablers

No OEM can succeed in the AI race alone. A complex ecosystem of traditional suppliers and technology giants provides the critical hardware and software building blocks.

A. Global Tier-1 Suppliers in Transformation

Traditional Tier-1 suppliers are rapidly evolving from hardware suppliers to software and systems integrators.

EXHIBIT 6 — TIER-1 SUPPLIER AI INVESTMENT COMMITMENTS, USD BILLIONS



Source: Company announcements, Alice Ventures estimates

> **Bosch**
> Investing over $2.7B in AI by 2027. Pursuing modular, end-to-end AI for ADAS. Partners with VW/Cariad in Europe and WeRide/Horizon Robotics in China.[8]

> **Continental**
> Using Microsoft Azure AI Services to reduce product specification analysis effort by up to 80%. Showcasing SDV technologies from high-performance computers to AI-based in-vehicle assistants.[1,2,16]

> **ZF Friedrichshafen**
> Core offering is the "ZF ProAI" supercomputer, co-developed with NVIDIA. Partnering with Horizon Robotics to launch an L3 system for China, mass production scheduled for 2026.[22,29]

SECTION 7 (CONTINUED)

B. The Technology Platform Enablers

A few key technology companies provide the foundational compute platforms powering the automotive AI revolution.

COMPANY	PLATFORM	KEY OEM CUSTOMERS
NVIDIA	Drive (Orin, Thor)	Mercedes-Benz, Volvo, Lucid, Chinese OEMs[13,19,30]
Qualcomm	Snapdragon Ride	BMW, GM, broad mass-market base[12,13,26]
Mobileye	EyeQ + perception SW	Volkswagen, Nissan, Ford[13,19]

> **NVIDIA**
> The dominant player in high-performance automotive computing. Its Drive platform, including the Orin and upcoming Thor chips, is the solution of choice for Mercedes-Benz, Volvo, Lucid, and numerous Chinese OEMs aiming for L3/L4 autonomy.[13,19,30]

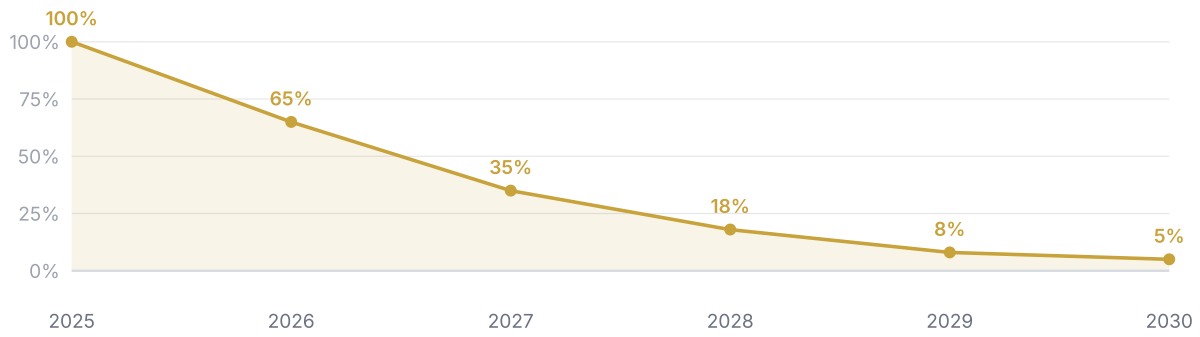
> **Qualcomm**
> A strong challenger, focusing on power-efficient and cost-effective solutions for the mass market. Its Snapdragon Ride platform is being used by BMW to develop its next-generation Level 3 system and has a broad customer base.[12,13,26]

> **Mobileye (an Intel company)**
> A pioneer in vision-based ADAS, Mobileye has deep relationships with a wide range of OEMs, including Volkswagen and Nissan. It offers a vertically integrated solution combining its EyeQ chips with proprietary perception software.[13,19]

SECTION 8

Predictions and Strategic Outlook (2025–2030)

EXHIBIT 7 — PROJECTED % OF OEMS MAINTAINING HIGH AI INVESTMENT



Source: Gartner forecast, Alice Ventures analysis

1 **The Great Consolidation (2027–2029)**

The current "AI euphoria" is unsustainable. Gartner predicts that by 2029, only 5% of automakers will maintain the high levels of AI investment seen today. Winners will be companies with deep software expertise, clear data strategy, and vertical integration (Tesla, Rivian, XPeng) or deep strategic partnerships (Mercedes-NVIDIA).[3,5]

2 **China Becomes the AI Proving Ground**

China's combination of government support, massive competitive domestic market, and rapid consumer adoption will make it the world's leading laboratory for automotive AI applications. Success in China will become a prerequisite for global AI leadership.[22]

3 **Level 3 Autonomy Becomes Mainstream by 2028**

Following initial launches by Mercedes and BMW, a wave of L3 "eyes-off" highway systems will become available on premium vehicles from GM, Ford, and others between 2027 and 2029. The primary bottleneck will be regulatory approval and liability frameworks, not technology.[20,21]

4 **The Rise of the AI-Powered Factory**

AI in manufacturing will move from niche to core pillar of operational efficiency. AI-driven quality control and predictive maintenance will deliver cost savings of 15–20% for leading adopters by 2030.[9,25]

5 **From In-Car Assistant to Life Co-Pilot**

By 2030, advanced AI assistants will be deeply integrated with the vehicle's functions, the driver's personal data (with permission), and external services, acting as a proactive co-pilot for mobility, productivity, and entertainment.[20,24]

APPENDIX

Sources and References

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