State space is

$$\dot{X}_i(t) = f_i(t, X_i, u_i) \quad (0 \le t \le T)$$
$$\dot{X}_i(t) = A * X_i(t) + B * u_i(t) = \begin{bmatrix} 0 & 1 \\ 0 & 0 \end{bmatrix} \begin{bmatrix} x_i(t) \\ v_i(t) \end{bmatrix} + \begin{bmatrix} 0 \\ 1 \end{bmatrix} u_i(t)$$

where, x_1, x_2 is the position for each vehicle, v_1, v_2 is the velocity for each vehicle.

Value function is

$$L_i(X_1, X_2, u_i) = u_i^2 + \frac{1}{\beta[(x_1 - [\frac{L_1}{2} + \frac{R_1}{2}])^2 + (x_2 - [\frac{L_2}{2} + \frac{R_2}{2}])^2] + \gamma}$$
$$V_i(X_1, X_2, t) = F_i(T) - \int_t^T L_i(X_1, X_2, u_i)dt$$
$$F_i(T) = \frac{1}{2}||x_i(T)||^2$$

where, T is the fixed parameter

$$T = \max(R_1, R_2)/\min(v_1, v_2)$$

v_1, v_2 is the initial velocity for each vehicle. Or we could give the fixed T setting.

HJI derivation process

$$\begin{aligned}
V_i(X_1, X_2, t) &= F_i(T) - \int_t^T L_i(X_1, X_2, u_i)dt \\
&= F_i(T) - \int_t^{t+\triangle t} L_i(X_1, X_2, u_i)dt - \int_{t+\triangle t}^T L_i(X_1, X_2, u_i)dt \\
&= V_i(X_1(t+\triangle t), X_2(t+\triangle t), t+\triangle t) - \int_t^{t+\triangle t} L_i(X_1, X_2, u_i)dt \\
&= V_i(X_1, X_2, t) + [\frac{\partial V_i}{\partial x_1}]^T (X_1(t+\triangle t) - X_1(t)) + [\frac{\partial V_i}{\partial x_2}]^T (X_2(t+\triangle t) - X_2(t)) \\
&+ \frac{\partial V_i}{\partial t}\triangle t + O(\triangle t^2) - L_i(X_1, X_2, u_i)\triangle t - O(\triangle t^2) \\
0 &= \frac{\partial V_i}{\partial t}\triangle t + [\frac{\partial V_i}{\partial X_1}]^T \dot{X}_1 \triangle t + [\frac{\partial V_i}{\partial X_2}]^T \dot{X}_2 \triangle t - L_i(X_1, X_2, u_i)\triangle t \\
0 &= \frac{\partial V_i}{\partial t} + [\frac{\partial V_i}{\partial x_1}]^T f_1(t, X_1, u_1) + [\frac{\partial V_i}{\partial x_2}]^T f_2(t, X_2, u_2) - L_i(X_1, X_2, u_i)
\end{aligned}$$

Hence, Hamiltonian for each vehicle is

$$
\begin{aligned}
&H_1(t, X_1, X_2, u_1, u_2, \lambda_{11}, \lambda_{12}) \\
&= [V_{1_{X_1}}(X_1, X_2, t)]^T f_1(t, X_1, u_1) + [V_{1_{X_2}}(X_1, X_2, t)]^T f_2(t, X_2, u_2) - L_1(X_1, X_2, u_1) \\
&= \lambda_{11}^T f_1(t, X_1, u_1) + \lambda_{12}^T f_2(t, X_2, u_2) - L_1(X_1, X_2, u_1)
\end{aligned}
$$

$$
\begin{aligned}
&\lambda_{11}(t) = V_{1_{X_1}}(X_1, X_2, t) \\
&\lambda_{12}(t) = V_{1_{X_2}}(X_1, X_2, t)
\end{aligned}
$$

$$
\begin{aligned}
&H_2(t, X_1, X_2, u_1, u_2, \lambda_{21}, \lambda_{22}) \\
&= [V_{2_{X_1}}(X_1, X_2, t)]^T f_1(t, X_1, u_1) + [V_{2_{X_2}}(X_1, X_2, t)]^T f_2(t, X_2, u_2) - L_2(X_1, X_2, u_2) \\
&= \lambda_{21}^T f_1(t, X_1, u_1) + \lambda_{22}^T f_2(t, X_2, u_2) - L_2(X_1, X_2, u_2)
\end{aligned}
$$

$$
\begin{aligned}
&\lambda_{21}(t) = V_{2_{X_1}}(X_1, X_2, t) \\
&\lambda_{22}(t) = V_{2_{X_2}}(X_1, X_2, t)
\end{aligned}
$$

The optimal control satisfies

$$
\begin{aligned}
u_1^* &= \arg\max_{u_1 \in U_1} H_1(t, X_1, X_2, u_1, u_2^*, \lambda_{11}, \lambda_{12}) = H_{1_{u_1}}(u_2^*) \\
u_2^* &= \arg\max_{u_2 \in U_2} H_2(t, X_1, X_2, u_1^*, u_2, \lambda_{21}, \lambda_{22}) = H_{2_{u_2}}(u_1^*)
\end{aligned}
$$

HJI equation is

$$
\begin{aligned}
V_{1_t} + \lambda_{11}^T f_1(t, X_1, u_1^*) + \lambda_{12}^T f_2(t, X_2, u_2^*) - L_1(X_1, X_2, u_1^*) = 0 \\
V_{2_t} + \lambda_{21}^T f_1(t, X_1, u_1^*) + \lambda_{22}^T f_2(t, X_2, u_2^*) - L_2(X_1, X_2, u_2^*) = 0
\end{aligned}
$$

PMP equation is

$$
\begin{aligned}
&\dot{X}_1(t) = H_{\lambda_{11}} = f_1(t, X_1, u_1^*) \\
&\dot{X}_2(t) = H_{\lambda_{22}} = f_2(t, X_1, u_2^*) \\
&\dot{\lambda}_{11}(t) = -H_{1_{X_1}} = -\nabla_{X_1} f_1(t, X_1, u_1^*) \cdot \lambda_{11} + \nabla_{X_1} L_1(X_1, X_2, u_2^*) = -A^T \lambda_{11} + \nabla_{X_1} L_1(X_1, X_2, u_2^*) \\
&\dot{\lambda}_{12}(t) = -H_{1_{X_2}} = -\nabla_{X_2} f_2(t, X_2, u_2^*) \cdot \lambda_{12} + \nabla_{X_2} L_1(X_1, X_2, u_1^*) = -A^T \lambda_{12} + \nabla_{X_2} L_1(X_1, X_2, u_1^*) \\
&\dot{\lambda}_{21}(t) = -H_{2_{X_1}} = -\nabla_{X_1} f_1(t, X_1, u_1^*) \cdot \lambda_{21} + \nabla_{X_1} L_2(X_1, X_2, u_2^*) = -A^T \lambda_{21} + \nabla_{X_1} L_2(X_1, X_2, u_2^*) \\
&\dot{\lambda}_{22}(t) = -H_{2_{X_2}} = -\nabla_{X_2} f_2(t, X_2, u_2^*) \cdot \lambda_{22} + \nabla_{X_2} L_2(X_1, X_2, u_2^*) = -A^T \lambda_{22} + \nabla_{X_2} L_2(X_1, X_2, u_2^*)
\end{aligned}
$$

Besides, we also consider the differential of value function with respect to time t

$$
\dot{V}_i = L_i(X_1, X_2, u_i^*)
$$

Therefore, we could use below five equations to solve the BVP problem

$$\begin{aligned}
&\dot{X}_1(t) = H_{\lambda_{11}} = f_1(t, X_1, u_1^*), \quad X_1(0) = X_{1_o} \\
&\dot{X}_2(t) = H_{\lambda_{22}} = f_2(t, X_1, u_2^*), \quad X_2(0) = X_{2_o} \\
&\dot{\lambda}_{11}(t) = -H_{1_{X_1}} = -\nabla_{X_1} f_1(t, X_1, u_1^*) \cdot \lambda_{11} + \nabla_{X_1} L_1(X_1, X_2, u_2^*), \quad \lambda_{11}(T) = \frac{dF_1}{dX_1}(X(T)) \\
&\dot{\lambda}_{12}(t) = -H_{1_{X_2}} = -\nabla_{X_2} f_2(t, X_2, u_2^*) \cdot \lambda_{12} + \nabla_{X_2} L_1(X_1, X_2, u_1^*), \quad \lambda_{12}(T) = \frac{dF_1}{dX_2}(X(T)) \\
&\dot{\lambda}_{21}(t) = -H_{2_{X_1}} = -\nabla_{X_1} f_1(t, X_1, u_1^*) \cdot \lambda_{21} + \nabla_{X_1} L_2(X_1, X_2, u_2^*), \quad \lambda_{21}(T) = \frac{dF_2}{dX_1}(X(T)) \\
&\dot{\lambda}_{22}(t) = -H_{2_{X_2}} = -\nabla_{X_2} f_2(t, X_2, u_2^*) \cdot \lambda_{22} + \nabla_{X_2} L_2(X_1, X_2, u_2^*), \quad \lambda_{22}(T) = \frac{dF_2}{dX_2}(X(T)) \\
&\dot{V}_1(t) = L_1(X_1, X_2, u_1^*), \quad V_1(T) = F_1(X(T)) \\
&\dot{V}_2(t) = L_2(X_1, X_2, u_2^*), \quad V_2(T) = F_2(X(T))
\end{aligned}$$

For non-cooperative differential game, policy $(u_1,\ u_2)$ should meet below condition, then the policy $(u_1^*,\ u_2^*)$ will be the Nash equilibrium of the game:

$$\Phi^A(u_1, u_2^*) \leq \Phi^A(u_1^*, u_2^*) \qquad \Phi^B(u_1^*, u_2) \leq \Phi^B(u_1^*, u_2^*)$$

where Φ^A and Φ^B are the value function of agent A and B respectively.

From above description, we could have policy of Nash equilibrium after solving the HJI equation. That is,

$$\begin{aligned}
u_1^* &= \arg\max_{u_1 \in U_1} H(t, x_1, x_2, u_1, u_2^*, \lambda_{11}, \lambda_{12}) = H_{u_1}(u_2^*) \\
u_2^* &= \arg\max_{u_2 \in U_2} H(t, x_1, x_2, u_1^*, u_2, \lambda_{21}, \lambda_{22}) = H_{u_2}(u_1^*)
\end{aligned}$$

which meets $V_1(u_1, u_2^*) \leq V_1(u_1^*, u_2^*)$ and $V_2(u_1^*, u_2) \leq V_2(u_1^*, u_2^*)$, V_1, V_2 is our defined value function.