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地平线

Horizon Robotics

(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)

(Stock code: 9660)

REVISION OF ANNUAL CAPS OF CONTINUING CONNECTED TRANSACTIONS

Reference is made to the chapter headed "CONNECTED TRANSACTIONS" contained in the Prospectus of the Company dated October 16, 2024 in relation to, among other things, the Product Solutions Sales Framework Agreement. Pursuant to the Product Solutions Sales Framework Agreement, D-Robotics Group agrees to purchase product solutions for the development of their non-automotive businesses from the Group (other than D-Robotics Group) for a term commencing on the Listing Date and ending on December 31, 2026.

On August 27, 2025, the Company entered into the Supplemental Agreement with D-Robotics to amend the existing annual caps for the years ending December 31, 2025 and December 31, 2026 for the continuing connected transactions under the Product Solutions Sales Framework Agreement.

LISTING RULES IMPLICATIONS

D-Robotics is a non-wholly owned subsidiary of the Company, and Dr. Kai Yu, our executive director, can exercise or control the exercise of 10% or more of the voting power at the general meeting of D-Robotics. Thus, D-Robotics and its subsidiaries are connected subsidiaries hence constituting the connected persons of the Company and the transactions contemplated under the Product Solutions Sales Framework Agreement and Supplemental Agreement, and the Revised Annual Caps, constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the revision contemplated under the Supplemental Agreement constitutes a material change to the continuing connected transactions under the Product Solutions Sales Framework Agreement, the Company must re-comply with the provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions. As one or more of the applicable percentage ratios with reference to the Revised Annual Caps is more than 0.1% but less than 5%, the revision of the Product Solutions Sales Framework Agreement contemplated under the Supplemental Agreement are subject to reporting, annual review and announcement requirements, but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the chapter headed "CONNECTED TRANSACTIONS" contained in the Prospectus of the Company dated October 16, 2024 in relation to, among other things, the Product Solutions Sales Framework Agreement. Pursuant to the Product Solutions Sales Framework Agreement, D-Robotics Group agrees to purchase product solutions for the development of their non-automotive businesses from the Group (other than D-Robotics Group) for a term commencing on the Listing Date and ending on December 31, 2026.

The Board hereby announces that the Board has reviewed and assessed the continuing connected transactions under the Product Solutions Sales Framework Agreement and expects that the actual amount of the transactions under the Product Solutions Sales Framework Agreement will exceed its previous forecast such that the existing annual caps for the transactions under the Product Solutions Sales Framework Agreement for the years ending December 31, 2025 and December 31, 2026 will be insufficient to satisfy the business needs of the Group. Accordingly, on August 27, 2025, the Company entered into the Supplemental Agreement with D-Robotics to amend the existing annual caps for the years ending December 31, 2025 and December 31, 2026 for the continuing connected transactions under the Product Solutions Sales Framework Agreement.

SUPPLEMENTAL AGREEMENT

The principal terms of the Supplemental Agreement are set out below:

Date:		August 27, 2025
Parties:	(i)	the Company (for itself and on behalf of its subsidiaries other than D-Robotics Group); and
	(ii)	D-Robotics.
Revision of annual caps:	(i)	The annual cap for the year ending December 31, 2025 was revised from RMB38.0 million to RMB62.8 million; and
	(ii)	The annual cap for the year ending December 31, 2026 was revised from RMB38.6 million to RMB119.0 million.

Save for the above revision, all other terms of the Product Solutions Sales Framework Agreement remain unchanged.

PRICING POLICY

The fees charged for the product solutions under the Product Solutions Sales Framework Agreement are determined on an arm's length basis between the Group (other than D-Robotics Group) and D-Robotics Group with reference to factors including (i) costs incurred by the Group (other than D-Robotics Group) for the development and commercialization of product solutions, including but not limited to R&D, costs of manufacture and administration, and (ii) the fees charged by the Group for similar product solutions from customers who are Independent Third Parties. To ensure fees to be charged by the Group (other than D-Robotics Group) are on normal commercial terms, are fair and reasonable and in the interests of the Shareholders as a whole, for each transactions under the Product Solutions Sales Framework Agreement, the Group will take into account fee quotes offered to Independent Third Parties for product solutions of the same or similar type at least on an annual basis and/or before entering into any definitive agreements to ensure the terms offered to D-Robotics Group are similar to or better than the terms offered to Independent Third Parties in similar circumstances.

HISTORICAL TRANSACTION AMOUNTS AND REVISED ANNUAL CAPS

As disclosed in the Prospectus, the original annual caps under the Product Solutions Sales Framework Agreement are approximately RMB37.1 million, RMB38.0 million and RMB38.6 million for the three years ending December 31, 2024, 2025 and 2026, respectively, while the historical transaction amounts under the Product Solutions Sales Framework Agreement for the year ended December 31, 2024 and for the six months ended June 30, 2025 are approximately RMB37.1 million and RMB33.2 million, respectively.

As at the date of this announcement, the continuing connected transactions between the Company and D-Robotics under the Product Solutions Sales Framework Agreement have not exceeded the existing annual cap for the year ending December 31, 2025 under the Product Solutions Sales Framework Agreement.

The following table sets out the Revised Annual Caps under the Product Solutions Sales Framework Agreement (as amended by the Supplement Agreement) for the year ending December 31, 2025 and December 31, 2026.

	For the year ending December 31, 2025 *(RMB in millions)*	For the year ending December 31, 2026 *(RMB in millions)*
Revised Annual Caps	62.8	119.0

Basis of Determination of the Revised Annual Caps

The revised annual caps were determined after arm's length negotiations between the Company and the D-Robotics based on (i) the historical transaction amount; (ii) the high utilization rates of the original annual caps under the Product Solutions Sales Framework Agreement, which reached to nearly 100% for the year ended December 31, 2024 and approximately 87% as of June 30, 2025, respectively; (iii) the significantly increased shipment volume of D-Robotics Group during the six months ended June 30, 2025 and this upward trend is expected to continue through 2026; and (iv) the increased current and projected market demand for high-end products of the D-Robotics Group.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE SUPPLEMENTAL AGREEMENT

The Group's core business is automotive solutions. In addition, through our connected subsidiary D-Robotics, we also provide non-automotive solutions that enable device manufacturers to design and manufacture intelligent devices and appliances with enhanced levels of intelligence. D-Robotics can offer non-automotive solutions for our customers, such as OEMs (Original Equipment Manufacturers) of consumer products and distributors. Our non-automotive solutions also enable device manufacturers to design and manufacture devices and appliances, such as lawn mowers and companion robots, emphasizing on scenarios and applications in consumer products and with enhanced levels of intelligence, leading to better user experience.

Our non-automotive solutions enjoy significant synergies with our automotive solutions, and the Group has been providing product solutions to D-Robotics Group in the past. D-Robotics integrates consumer-oriented algorithms and software for various application scenarios upon such product solutions, thereby enabling the development of customized application and supporting D-Robotics Group's production processes. The Group's continued supply of product solutions is therefore essential to the D-Robotics Group's ongoing operations, as well as to its business expansion and growth in the robotics sector.

In the first half of the year, the robotics market grew rapidly, with its overall size increasing from about US$70 billion last year to around US$81 billion this year. Among different categories, lawn-mowing robots and companion robots showed especially strong growth, each rising by more than 150%. Research institutions expect that the global robotics market will continue to expand at a compound annual growth rate of over 16% up to 2030. The emergence and commercialization of new types of robots, have further broadened product diversity, stimulated incremental demand across the robotics sector, and drove a surge in demand for premium solutions with higher commercial value. Considering the prevailing market dynamics, the Board is of the view that the strong growth momentum of the robotics sector is expected to continue in 2026.

Benefitting from the development of industry and the Group's technological strengths and industry position, the Company's gross profit for non-automative solutions recorded a year-on-year increase of approximately 74.0% for the six months ended June 30, 2025, and D-Robotics Group's shipment volume recorded a year-on-year growth of 141% during the six months ended June 30, 2025.

As the utilization rate of the original annual cap under the Product Solutions Sales Framework Agreement for the year ending December 31, 2025 has reached approximately 87% as of June 30, 2025, it is reasonably expected that the original annual cap will not be sufficient to support the operation of the D-Robotics Group. In this connection, the Supplemental Agreement has been entered into to revise the annual caps for the Product Solutions Sales Framework Agreement to enable the Group to continue to supply the product solutions to the D-Robotics Group and support its growth.

The Company considers that the entering into of the Supplemental Agreement to increase the annual caps for the continuing connected transactions under the Product Solutions Sales Framework Agreement for the year ending December 31, 2025 and December 31, 2026 is based on the actual business needs of the Group, in particular, to cater for its market expansion and business strategies. These continuing connected transactions will help enhance the market coverage of the Group's products and facilitate its business expansion in the field of non-automotive businesses, which is expected to have a positive impact on the Group's revenue and profit.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Supplemental Agreement (including the Revised Annual Caps) and transactions contemplated thereunder are fair and reasonable, on normal commercial terms and are conducted in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

INTERNAL CONTROL MEASURES AND PROCEDURES

In order to ensure the terms and conditions of the continuing connected transactions contemplated under the Product Solutions Sales Framework Agreement are on normal commercial terms and fair and reasonable to the Company and Shareholders and are no less favourable from Independent Third Parties, the Company has adopted the following internal control procedures:

(i) For the continuing connected transactions to be conducted under the Product Solutions Sales Framework Agreement, the Group will ensure that the terms and conditions (including the pricing policy) of the transactions are fair and reasonable by following the below procedures: the relevant personnel of the business department of the Company will continuously monitor the terms and conditions under each specific agreement with respect of the sale of product solutions to D-Robotics Group by the Group for the purpose of considering if they are no less favourable to the Group than the terms available from Independent Third Parties for similar type of services or products.

(ii) The designated staff of the finance department of the Company will closely monitor the actual amounts incurred for the purpose of ensuring the relevant annual caps are not exceeded. They will closely monitor the continuing connected transactions and report the latest status to the finance department of the Company on a monthly basis. The finance department of the Company will report to the senior management and the Directors (including the independent non-executive Directors) on a regular basis in relation to the transaction status.

(iii) The independent non-executive Directors will conduct annual review of continuing connected transactions and provide annual confirmations in the Company's annual report on whether the continuing connected transactions are conducted: (1) in the ordinary course of business; (2) in accordance with normal commercial terms or better and on terms that are fair and reasonable; (3) in accordance with the terms of the relevant agreements; and (4) in the interests of the Company and the Shareholders as a whole.

(iv) The Company's external auditors will also conduct an annual review of the continuing connected transactions of the Group and provide annual confirmation to ensure that the transactions are conducted in accordance with the terms of the framework agreements (including the pricing policies and the annual caps thereof), on normal commercial terms and aligned with the pricing policy.

GENERAL INFORMATION OF THE PARTIES

Horizon Robotics is a market-leading intelligent driving technology company, empowered by our proprietary software and hardware technologies. Our solutions combine algorithms, purpose-built software and processing hardware, providing the core technologies for intelligent assisted driving that enhance the safety and experience of drivers and passengers.

D-Robotics was incorporated in September 2023 as a subsidiary of the Company, and the business operated by D-Robotics Group was managed by our Group as one of our business departments prior to its incorporation. D-Robotics Group is primarily engaged in development and commercialization of product solutions of home appliances. D-Robotics adopted the WVR structure with each class A ordinary share entitling the holder to exercise ten votes and each class B ordinary share and preferred share entitling the holder to exercise one vote on any resolutions tabled at D-Robotics general meetings.

As at the date of this announcement, Dr. Kai Yu, Dr. Chang Huang and Ms. Feiwen Tao, through his or her controlled entities, (i) are ultimate beneficial owners of shares of D-Robotics, representing approximately 15.16%, 0.65% and 0.28% of the total issued share capital of D-Robotics, respectively, and (ii) hold the voting rights of D-Robotics as to approximately 61.92%, 2.66% and 1.16% in its general meetings, respectively. As at the date of this announcement, Mr. Qin Liu is deemed to be interested in approximately 1.82% of issued shares of D-Robotics through 5Y Capital Evolution Fund II, L.P. and 5Y Capital Evolution Fund II Co-Investment, L.P..

As at the date of this announcement, based on an acting-in-concert agreement between Horizon Together Holding Ltd. (a wholly owned subsidiary of the Company) and D-GUA Brother LP (the employee stock ownership platform of D-Robotics as one of controlled entities of Dr. Kai Yu, together with a power of attorney granted from the Company's founders to Horizon Together on the matter of appointment of the board members of D-Robotics), the Group controls D-Robotics through its holding of 52.23% issued share capital, its controlling of 71.45% of the voting rights in D-Robotics and right to appoint the majority of the board members of D-Robotics.

Save as disclosed above, based on the information available to the Directors, (i) no shareholder of D-Robotics holds 10% or more equity interest or voting rights in D-Robotics; and (ii) other shareholders of D-Robotics and their respective ultimate beneficial owners are Independent Third Parties.

LISTING RULES IMPLICATIONS

D-Robotics is a non-wholly owned subsidiary of the Company, and Dr. Kai Yu, our executive director, can exercise or control the exercise of 10% or more of the voting power at the general meeting of D-Robotics. Thus, D-Robotics and its subsidiaries are connected subsidiaries hence constituting the connected persons of the Company and the transactions contemplated under the Product Solutions Sales Framework Agreement and Supplemental Agreement, and the Revised Annual Caps, constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the revision contemplated under the Supplemental Agreement constitutes a material change to the continuing connected transactions under the Product Solutions Sales Framework Agreement, the Company must re-comply with the provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions. As one or more of the applicable percentage ratios with reference to the Revised Annual Caps is more than 0.1% but less than 5%, the revision of the Product Solutions Sales Framework Agreement contemplated under the Supplemental Agreement are subject to reporting, annual review and announcement requirements, but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Dr. Kai Yu, Dr. Chang Huang, and Mr. Qin Liu, being our current Directors who hold shares in D-Robotics, are deemed to have interest in the Supplemental Agreement (including the Revised Annual Caps), and thus had abstained from approving the relevant Board resolutions in relation to the Supplemental Agreement thereunder. Save as disclosed above, none of the other Directors has a material interest in the Supplemental Agreement (including the Revised Annual Caps) which would require them to abstain from voting on the relevant Board resolutions.

DEFINITIONS

In this announcement, unless otherwise defined or the context other requires, the following terms or expressions shall have the following meanings:

"Board"	the board of Directors
"Class B Ordinary Share(s)"	class B ordinary share(s) in the share capital of the Company with a par value of US$0.0000025 each, conferring a holder of a class B ordinary share one vote per Share on any resolution tabled at the Company's general meetings
"Company"	Horizon Robotics, an exempted company incorporated in the Cayman Islands with limited liability on July 21, 2015 and whose Class B Ordinary Shares are listed on the Stock Exchange
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"D-Robotics Group"	D-Robotics and its subsidiaries
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries, or any one of them as the context may require, and where the context requires, the businesses operated by our Company and/or its subsidiaries and their predecessors (if any)
"Independent Third Party(ies)"	person(s) or company(ies) who/which is (are) independent of the Company and its connected persons
"Listing Date"	October 24, 2024, the date on which the Class B Ordinary Shares were listed on the Stock Exchange
"Listing Rules"	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
"Product Solutions Sales Framework Agreement"	the product solutions sales framework agreement dated October 10, 2024, entered into between the Company (for itself and on behalf of its subsidiaries other than D-Robotics Group) and D-Robotics
"Prospectus"	the prospectus of the Company dated October 16, 2024
"Revised Annual Caps"	the revised annual caps for the years ending December 31, 2025 and 2026 under the Supplemental Agreement
"Share(s)"	ordinary and/or preferred shares in the share capital of our Company of US$0.0000025 each

"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supplemental Agreement"	the supplemental agreement to the Product Solutions Sales Framework Agreement dated August 27, 2025, entered into between the Company (for itself and on behalf of its subsidiaries other than D-Robotics Group) and D-Robotics
"%"	per cent

By order of the Board
Horizon Robotics
Dr. Kai Yu
Chairman and Executive Director

Hong Kong, August 27, 2025

As of the date of this announcement, the Board comprises (i) Dr. Kai Yu, Dr. Chang Huang, Dr. Jian Xu and Dr. Liming Chen as executive Directors; (ii) Mr. Liang Li, Mr. Qin Liu, Dr. André Stoffels and Mr. Jianjun Zhang as non-executive Directors; and (iii) Dr. Jun Pu, Mr. Yingqiu Wu, Dr. Katherine Rong XIN and Dr. Ya-Qin Zhang as independent non-executive Directors.