



地平线

Horizon Robotics

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

Stock Code : 9660

2025

INTERIM REPORT



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr. Kai Yu (余凱)

(Founder, Chairman and Chief Executive Officer)

Dr. Chang Huang (黃暢)

Ms. Feiwen Tao (陶斐雯) *(resigned on August 27, 2025)*

Dr. Jian Xu (徐健) *(appointed on August 27, 2025)*

Dr. Liming Chen (陳黎明)

Non-executive Directors

Mr. Liang Li (李良)

Mr. Qin Liu (劉芹)

Dr. André Stoffels

Dr. Juehui Zhang (張覺慧)

(resigned on August 27, 2025)

Mr. Jianjun Zhang (張堅俊)

(appointed on August 27, 2025)

Independent Non-executive Directors

Dr. Jun Pu (浦軍)

Mr. Yingqiu Wu (吳迎秋)

Dr. Katherine Rong XIN

Dr. Ya-Qin Zhang (張亞勤)

AUDIT COMMITTEE

Dr. Jun Pu (浦軍) *(Chairman)*

Dr. Katherine Rong XIN

Dr. Ya-Qin Zhang (張亞勤)

REMUNERATION COMMITTEE

Dr. Ya-Qin Zhang (張亞勤) *(Chairman)*

Dr. Katherine Rong XIN

Dr. Kai Yu (余凱)

NOMINATION COMMITTEE

Mr. Yingqiu Wu (吳迎秋) *(Chairman)*

Dr. Katherine Rong XIN

Dr. Kai Yu (余凱)

CORPORATE GOVERNANCE COMMITTEE

Dr. Ya-Qin Zhang (張亞勤) *(Chairman)*

Dr. Jun Pu (浦軍)

Mr. Yingqiu Wu (吳迎秋)

JOINT COMPANY SECRETARIES

Ms. Qi Zhao (趙奇)

Ms. Ka Man So (蘇嘉敏)

AUTHORISED REPRESENTATIVES

Dr. Jian Xu (徐健) *(appointed on August 27, 2025)*

Ms. Feiwen Tao (陶斐雯) *(ceased from August 27, 2025)*

Ms. Ka Man So (蘇嘉敏)

REGISTERED OFFICE

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Shanghai

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CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR

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HONG KONG BRANCH SHARE REGISTRAR

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COMPLIANCE ADVISER

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STOCK CODE

9660

WEBSITE

<https://www.horizon.auto>



Financial Performance Highlights

	For the Six Months Ended June 30,		
	2025	2024	Change (%)
(RMB in thousands, except for percentages)			
Revenue from contracts with customers	1,566,756	934,599	67.6%
Gross profit	1,023,972	738,738	38.6%
Operating loss	(1,592,102)	(1,105,418)	44.0%
Loss for the period	(5,232,979)	(5,098,105)	2.6%
Non-IFRS Financial Measures:			
Adjusted operating loss	(1,111,261)	(823,980)	34.9%
Adjusted net loss	(1,332,500)	(803,941)	65.7%

Note:

Please refer to section headed "Non-IFRS Measures" in this interim report for more details.

Business Review and Outlook

Business Review for the Reporting Period

According to industry data, Chinese domestic brands demonstrated robust sales growth in the first half of 2025, securing more than 63% market share in China's passenger vehicle market. Concurrently, the penetration rate of intelligent assisted driving vehicles among these brands increased from 51% at year-end 2024 to 59% in the first half of this year. As a result of these combined factors, the Company experienced a more than doubling shipment volumes.

Notably, vehicles equipped with advanced intelligent assisted driving features – namely, highway and urban navigate on autopilot (NOA) features – now account for a significant portion of intelligent vehicle sales, increasing from 20% at the end of 2024 to 32% in the first half of 2025. This means that, out of every ten new passenger vehicles sold in China, more than six are equipped with intelligent assisted driving features, and more than two of these possess advanced functions. We believe that enhanced user experience, more stringent regulatory frameworks, and the ongoing democratization of intelligent assisted driving technology will drive a higher dollar content per vehicle and reshape the value chain. This transformation brings a higher dollar-content-per-vehicle for the Company, and partners throughout the industry ecosystem.

Against this backdrop, during the Reporting Period, the Company achieved several significant milestones, through doubled shipment volumes and substantially increased content value per vehicle:

- **Maintaining Market Leading Position:** In the first half of 2025, the Company continued to secure the top market share in both ADAS solutions (45.8%) and overall intelligent assisted driving solutions (32.4%) among Chinese OEMs, further strengthening our leadership in China.
- **Doubling Delivery Volumes, with Highway NOA Solutions as the Growth Engine:** Fueled by the industry-wide movement to democratize intelligent driving, and by consumers' increasing acceptance of advanced driving automation functions, the Company shipped 1.98 million units automotive-grade processing hardware during the Reporting Period, more than doubling year-on-year. In particular, the shipments of highway NOA-capable processing hardware reached 0.98 million units – accounting for 49.5% of total shipments and representing a sixfold increase over the prior year. This growth was primarily driven by our latest Journey 6 series products, establishing it as the main catalyst for our business expansion.
- **Record-High Nominations and a Robust Pipeline:** By the end of 2024, the Company's cumulative number of nominations exceeded 310. As the end of the Reporting Period, we have cumulatively secured nearly 400 new model nominations, including over 100 nominations with highway NOA functions and above. More than 15 models equipped with our advanced intelligent assisted driving solutions entered mass production in the first half of 2025.



- **Overseas Expansion Beginning to Materialize:** Through close collaboration with global partners and leveraging our next-generation ADAS solution Horizon Mono based on Journey 6B processing hardware, the Company has secured design-wins from two Japanese OEMs for markets outside China, we expect these nominated models will bring us a total delivery volume contribution of over 7.5mn units throughout their lifecycle. Furthermore, joint ventures by overseas automakers in China are now upgrading intelligent assisted driving features for their existing vehicle models. Including Volkswagen and Japan's largest automotive group, a total of 9 joint venture automakers in China have nominated our solutions for 30 vehicle models. Some of these models will begin mass production by the end of this year. This demonstrates that following our partnership with Volkswagen, we have successfully expanded our international product footprint and enhanced our global brand influence.

For the first six months of 2025, we recorded the revenue of RMB1,566.8 million, reflecting a year-on-year growth of 67.6%, and a gross margin of 65.4%. After excluding cloud expenses associated with model training, our operational efficiency would have steadily improved. However, the transition toward advanced intelligent assisted driving solutions is anticipated to emerge as the mega trend during the forthcoming period, creating growing demand for cloud services from advanced algorithms and software. We are advancing the development of our full-scenario urban-NOA solution, Horizon SuperDrive (HSD), and firmly believe that HSD could serve as the technological foundation for future robotaxi operating companies. Consequently, we have strategically increased our research and development expenditure on cloud-related services, resulting in an adjusted operating loss of RMB1,111.3 million. We are convinced that these investments will empower the Company to harness the profound structural shifts in the intelligent assisted driving market and translate them into substantial growth opportunities, and further enables the Company to accelerate its transformation into fundamental infrastructure for the entire industry in the coming era of intelligent driving.

Products and Solutions

- The increased proportion of deliveries for the Company's highway-NOA capable processing hardware has driven higher dollar content per-vehicle. Together with the doubling of total shipments during the reporting period, our automotive products and solutions revenue reached RMB777.8 million, a year-on-year increase of 250.0%, with over 80% contributed by solutions that support highway NOA features. This robust growth demonstrates the Company's ability to capture this megatrend, and reflects our sustainable growth driven by both volume and ASP.
- The Company is actively developing Horizon SuperDrive (HSD), a solution designed to handle more complex driving scenarios, deliver human-like driving experiences, and enable seamless nationwide deployment. HSD has already been nominated by multiple OEMs for more than ten models, with mass production scheduled for the second half of 2025.

License and Services

Leveraging world-class algorithmic capabilities, the Company has established itself as a pioneer in advanced intelligent assisted driving algorithms, driving transformation through software-defined vehicles. During the Reporting Period, we licensed algorithms and software, and provided design and technical services to over 30 automakers and eco-system partners, helping customers shorten product development cycles and reduce upfront development costs. Licensing and services revenue reached RMB738.5 million, representing a year-on-year increase of 6.9% and maintaining steady.

RECENT DEVELOPMENTS AFTER THE REPORTING PERIOD

- In August 2025, cumulative shipments of the Journey series processing hardware surpassed 10 million units, making Horizon the first intelligent driving technology company in China to achieve this milestone and setting a new industry benchmark.
- On the product front, the Journey 6B processing hardware has been successfully powered up. With highly integrated design, Journey 6B doubles the performance of integrated front-view ADAS systems, while significantly reduces system cost, power consumption, and size. This not only facilitates the widespread adoption of intelligent assisted driving technology but also helps customers achieve greater efficiency and cost savings. The Journey 6 series processing hardware now offers a comprehensive portfolio covering high, medium, and low processing capacities, serving both mainstream and premium markets and providing a solid foundation for our future revenue growth.

BUSINESS OUTLOOK

Intelligent assisted driving has become an industry consensus. As the penetration of advanced features such as urban assisted driving continues to rise and cost structures improve, we anticipate that the price range for models equipped with urban assisted driving solutions will further decrease to the RMB150,000 segment. This will accelerate the adoption of intelligent assisted driving, creating substantial incremental opportunities and potential for Horizon's HSD solutions.

Advancements in technology, the leadership of overseas industry pioneers, regulatory support, and the participation of new market entrants are all opening new possibilities for the robotaxi industry. We believe there is a clear path for intelligent assisted driving technologies evolving from L2 to L4. With our world-class algorithm capabilities and cutting-edge processing hardware, we anticipate establishing partnerships with several operating companies of robotaxi during the second half of this year, providing technological infrastructure and helping them build core competitiveness.

Looking ahead, the Company will remain committed to innovation and open collaboration, pursuing a holistic approach integrating hardware and software, and increasing investment in intelligent assisted driving software. We will continue to expand our global footprint, deepen partnerships with leading international automakers and partners, and further develop the global intelligent assisted driving ecosystem.



Management Discussion and Analysis

Six Months Ended June 30, 2025 Compared to Six Months Ended June 30, 2024

The following table sets forth the comparative figures for the six months ended June 30, 2025 and 2024:

	Six months ended June 30,	
	2025	2024
	(in thousands of RMB)	
Revenue from contracts with customers	1,566,756	934,599
Cost of sales	(542,784)	(195,861)
Gross profit	1,023,972	738,738
Research and development expenses	(2,300,002)	(1,419,656)
Administrative expenses	(307,157)	(243,144)
Selling and marketing expenses	(272,106)	(198,421)
Net impairment losses on financial assets	(14,770)	(53,237)
Other income	216,725	34,109
Other gains – net	61,236	36,193
Operating loss	(1,592,102)	(1,105,418)
<i>Add back:</i>		
Share-based payments	480,365	240,600
Non-recurring capital-raising expenses	476	40,838
Adjusted operating loss (non-IFRS measure)	(1,111,261)	(823,980)
Operating loss	(1,592,102)	(1,105,418)
Finance income	173,833	214,552
Finance costs	(3,708)	(3,789)
Finance income – net	170,125	210,763
Share of results of investments accounted for using the equity method	(400,123)	(181,633)
Fair value changes of preferred shares and other financial liabilities	(3,406,730)	(4,012,726)
Loss before income tax	(5,228,830)	(5,089,014)
Income tax expense	(4,149)	(9,091)
Loss for the period	(5,232,979)	(5,098,105)
<i>Add back:</i>		
Share-based payments	493,273	240,600
Non-recurring capital-raising expenses	476	40,838
Fair value changes of preferred shares and other financial liabilities	3,406,730	4,012,726
Adjusted net loss (non-IFRS measure)	(1,332,500)	(803,941)

Revenues

Revenues increased by 67.6% year-on-year to RMB1,566.8 million for the six months ended June 30, 2025. The following table sets forth our revenues by revenue source for the six months ended June 30, 2025 and 2024:

	Six months ended June 30,			
	2025		2024	
	Amount	% of total revenues	Amount	% of total revenues
<i>(in thousands of RMB, except for percentages)</i>				
Automotive solutions				
Product solutions	777,848	49.7%	222,264	23.8%
License and services	738,484	47.1%	690,830	73.9%
Subtotal	1,516,332	96.8%	913,094	97.7%
Non-Automotive solutions	50,424	3.2%	21,505	2.3%
Total revenues	1,566,756	100%	934,599	100%

Revenues from automotive solutions increased by 66.1% year-on-year to RMB1,516.3 million for the six months ended June 30, 2025. This growth was driven by:

- Revenues from product solutions increased by 250.0% year-on-year to RMB777.8 million for the six months ended June 30, 2025. This growth is mainly driven by a more than doubling of delivery volumes compared to the first half of last year, and also a higher average selling price primarily contributed by the rapidly growing shipments of product solutions embedded on our Journey 6 processing hardware. The Company continued attaining the customer's recognition and demand for our product in the industrial tide of intelligent assisted driving democratization and the accelerating adoption of advanced intelligent assisted driving functions.
- Revenues from license and services increased by 6.9% year-on-year to RMB738.5 million for the six months ended June 30, 2025, we maintained our IP licensing business steady as clients increasingly integrate our IP into their software stacks. As compared to the same period of last year, more undergoing and accomplished service projects generated additional revenue, in line with the growth of the Company's cumulative number of model nominations and corresponding technical cooperation implemented to accelerate the intelligent assisted driving features.

Cost of Sales

Cost of sales was RMB542.8 million for the six months ended June 30, 2025, which increased by 177.1% year-on-year. By revenue source, cost of Automotive product solutions increased by 226.7%, and cost of Automotive license and services increased by 56.0%, respectively. By nature, cost of inventories sold increased by 185.4%, and cost of employee benefit increased by 83.5%, respectively.



Gross Profit and Gross Profit Margin

Gross profit was RMB1,024.0 million for the six months ended June 30, 2025, which increased by 38.6% year-on-year. Gross profit margin decreased to 65.4% for the six months ended June 30, 2025 from 79.0% for the six months ended June 30, 2024. This margin fluctuation was primarily driven by changes in the revenue mix, specifically the notably rising proportion of Automotive product solution revenue along with our rapidly growing delivery volume. Despite a year-on-year higher gross profit margin for Automotive product solution revenue, the smaller revenue portion from the higher-margin license and services business resulted in the decrease in blended gross profit margin. Our license and services typically have higher gross profit margin compared to our product solutions because our license and services incur lower cost of inventories sold as compared to our product solutions.

The following table sets forth our gross profit and gross profit margin by line of business of our automotive solutions for the six months ended June 30, 2025 and 2024:

	Six months ended June 30,			
	2025	Gross profit margin	2024	Gross profit margin
	Gross profit		Gross profit	
	(in thousands of RMB, except for percentages)			
Automotive solutions				
Product solutions	354,745	45.6%	92,745	41.7%
License and services	662,607	89.7%	642,188	93.0%
Total	1,017,352	67.1%	734,933	80.5%

- Gross profit for automotive solutions increased by 38.4% year-on-year to RMB1,017.4 million for the six months ended June 30, 2025, and gross profit margin of automotive solutions decreased to 67.1% from 80.5% for the corresponding period in 2024. These fluctuations are primarily the results of:
 - Gross profit for product solutions increased by 282.5% year-on-year to RMB354.7 million for the six months ended June 30, 2025, and gross profit margin increased to 45.6% from 41.7% for the corresponding period in 2024. The increase in both gross profit and gross profit margin were primarily driven by the growth in our delivery volume, reflecting strong customer demand and industry growth, as well as the higher average selling price along with the rapidly growing shipments of product solutions embedded on our latest generation of processing hardware.
 - Gross profit for license and services increased by 3.2% year-on-year to RMB662.6 million for the six months ended June 30, 2025, and gross profit margin decreased to 89.7% from 93.0% for the corresponding period in 2024. The slight decrease in gross profit margin were primarily attributable to the heavier manpower participating in technical service projects for deployment of our more advanced solutions embedded on the latest generation of processing hardware, as compared to those services rendered in the corresponding period in last year, primarily for existing solutions at that time with less employee benefit expenses incurred.
- Gross profit for non-automotive solutions increased by 74.0% year-on-year to RMB6.6 million for the six months ended June 30, 2025, and gross profit margin decreased to 13.1% from 17.7% for the six months ended June 30, 2024.

Research and Development Expenses

Research and development expenses increased by 62.0% year-on-year to RMB2,300.0 million for the six months ended June 30, 2025, primarily due to the increases of (i) cloud service fees and other technical service procurement, and (ii) R&D related labor expenses, particularly share based compensation for R&D personnel.

Administrative Expenses

Administrative expenses increased by 26.3% year-on-year to RMB307.2 million for the six months ended June 30, 2025, comprising of (i) an increase in administrative employee benefit expenses, primarily for share-based compensation, and (ii) a decrease in service fees to external professional vendors.

Selling and Marketing Expenses

Selling and marketing expenses increased by 37.1% year-on-year to RMB272.1 million for the six months ended June 30, 2025, primarily driven by increases in (i) selling and marketing employee benefit expenses, including share-based compensation, and (ii) marketing, conference, brand and product advertising expenses, reflecting our increased promotion and marketing efforts.

Net Impairment Losses on Financial Assets

We recorded net impairment losses on financial assets of RMB14.8 million for the six months ended June 30, 2025, decreased by 72.3% year-on-year, primarily due to the decrease in expected credit loss allowance for trade and other receivables, contributed by our efforts on improving collectability management.

Other Income

Other income increased significantly to RMB216.7 million for the six months ended June 30, 2025, driven by key R&D milestone accomplishments and other precondition fulfillments required by financial subsidy projects.

Other Gains – Net

Other gains – net increased to a gain of RMB61.2 million for the six months ended June 30, 2025, driven by (i) gains in wealth management product, and (ii) fair value gains in financial assets at fair value through profit or loss.

Finance Income – Net

Finance income – net decreased to RMB170.1 million for the six months ended June 30, 2025. This decrease was driven by less interest income from bank deposits as we kept our deposit amount relatively stable and invested more in wealth management product against the recent backdrop of interest rate cuts.

Share of Results of Investments Accounted for Using the Equity Method

We recorded share of losses of investments accounted for using the equity method of RMB400.1 million for the six months ended June 30, 2025, compared to RMB181.6 million for the corresponding period in 2024. This increase in loss was primarily attributable to our increased shared loss of CARIZON, which is still in its ramping up stage with increased R&D expenses for the six months ended June 30, 2025.

Fair Value Changes of Preferred Shares and Other Financial Liabilities

We recorded losses on fair value changes of preferred shares and other financial liabilities of RMB3,406.7 million for the six months ended June 30, 2025, primarily for the fair value change of our convertible loan issued to CARIAD in relation to our stock price fluctuations. While a loss of RMB4,012.7 million was recorded for the corresponding period in 2024, mainly pertained to the fair value change of our preferred shares then-existing, which were eventually converted into ordinary shares upon the completion of our public listing.



Loss for the period

Loss for the period was RMB5,233.0 million for the six months ended June 30, 2025, as compared to the loss of RMB5,098.1 million for the six months ended June 30, 2024.

Share-based Payments

Share-based payments increased by 105.0% year-on-year to RMB493.3 million for the six months ended June 30, 2025, primarily due to the additional grants of incentive shares under our share incentive schemes as well as higher grant date incentive value for these shares along with our stock price soars.

Non-recurring capital-raising expenses

We had non-recurring capital-raising expenses of RMB0.5 million for the six months ended June 30, 2025 in connection with our top-up issuance capital raising consummated in June, as compared to expenses of RMB40.8 million in relation to our HK IPO and global offering incurred during the six months ended June 30, 2024.

Adjusted Operating Loss (non-IFRS measure)

Our adjusted operating loss (non-IFRS measure), by adding back share-based payments and non-recurring capital-raising expenses, was RMB1,111.3 million for the six months ended June 30, 2025, as compared to RMB824.0 million for the six months ended June 30, 2024.

Adjusted Net Loss (non-IFRS measure)

Our adjusted net loss (non-IFRS measure), by adding back share-based payments, non-recurring capital-raising expenses and fair value changes of preferred shares and other financial liabilities to loss for the period, was RMB1,332.5 million for the six months ended June 30, 2025, as compared to RMB803.9 million for the six months ended June 30, 2024.

Non-IFRS Measures

To supplement our consolidated statements of profit or loss which are presented in accordance with IFRS, we use adjusted operating loss and adjusted net loss as non-IFRS measures, which are not required by, or presented in accordance with IFRS. We define adjusted operating loss as operating loss for the periods adjusted by adding back (i) share-based payments, which are non-cash in nature, and (ii) non-recurring capital-raising expenses, which relate to our Hong Kong IPO and global offering, and top-up placing. We define adjusted net loss as loss for the periods adjusted by adding back (i) share-based payments, which are non-cash in nature, (ii) non-recurring capital-raising expenses, which relate to our Hong Kong IPO and global offering, and top-up placing, and (iii) fair value changes on preferred shares and other financial liabilities, which are non-cash items. All preferred shares and other financial liabilities will be reclassified to equity upon conversion, and no longer measured at fair value going forward once converted. For the reconciliation of non-IFRS financial indicators, please refer to the table on page 8.

We believe that the non-IFRS financial measures help identify underlying trends in our business and enhance the overall understanding of the Company's past performance and future prospects. We also believe that the non-IFRS financial measures allow for greater visibility with respect to key metrics used by the Company's management in its financial and operational decision-making. The non-IFRS financial measures are not presented in accordance with IFRS and may be different from non-IFRS methods of accounting and reporting used by other companies. The non-IFRS financial measures have limitations as analytical tools and when assessing the Company's operating performance, investors should not consider them in isolation, or as a substitute for net loss or other consolidated statements of comprehensive loss data prepared in accordance with IFRS. We encourage investors and others to review its financial information in its entirety and not rely on a single financial measure.

Liquidity and Source of Funding

During the six months ended June 30, 2025, we funded our cash requirements principally through cash generated from capital raising and our operations. Our cash and cash equivalents increased by 4.5% from RMB15.4 billion as of December 31, 2024 to RMB16.1 billion as of June 30, 2025.

Loans and Borrowings

The Group had total borrowings of RMB448,551,000 as of June 30, 2025 (December 31, 2024: RMB407,272,000). For more details, please refer to Note 26 to the Interim Condensed Consolidated Financial Information.

Significant Investments

The Group did not make or hold any significant investments (including any investment in an investee company) with a value of 5% or more of the Group's total assets as of June 30, 2025.

Material Acquisitions and Disposals

The Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities, associates or joint ventures during the six months ended June 30, 2025.

Charge on Assets

The Group did not have any pledge or charge on assets as of June 30, 2025.

Future Plans for Material Investments or Capital Assets

The Group did not have detailed future plans for material investments or capital assets as of June 30, 2025.

Gearing Ratio

As of June 30, 2025, the Company's gearing ratio (equals total liabilities divided by total assets, in percentage) was 51.2% (December 31, 2024: 41.5%).

Foreign Exchange Risk Exposure

Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the respective functional currency of our subsidiaries. Our functional currency outside mainland China is USD whereas the functional currency of the subsidiaries operating in mainland China is RMB. We manage our foreign exchange risk by performing regular reviews of our Group's net foreign exchange exposures and trying to minimize these exposures through natural hedges, wherever possible.

Contingent Liabilities

The Company had no material contingent liabilities as of June 30, 2025.

Capital Commitment

As of June 30, 2025, capital commitment of the Company was RMB191.1 million (December 31, 2024: RMB161.8 million), mainly related to capital expenditure on intangible assets, property, plant and equipment.

As of June 30, 2025, commitments in respect of associates and joint ventures was RMB1,501.0 million (December 31, 2024: RMB1,513.5 million).

Employees and Remuneration

As of June 30, 2025, the Company had a total of 2,177 full-time employees (December 31, 2024: 2,078). The total employee remuneration expenses for the six months ended June 30, 2025, including share-based compensation expenses, were RMB1,460.4 million, as compared to RMB1,118.2 million for the six months ended June 30, 2024.

Our employees' remuneration mainly comprises salaries, bonuses, social security contributions and other employee benefits. We participate in housing fund and various employee social security schemes organized by applicable local municipal and provincial governments, including housing, pension, medical, maternity, work-related injury and unemployment benefit plans, under which we make contributions at specified percentages of the salaries of our employees. We also purchase commercial health insurance for our employees.

We maintain high standards in recruitment with strict procedures to ensure the quality of new hires and provide specialized training tailored to the needs of our employees in different departments. We also conduct periodic performance reviews for our employees, and their remuneration is performance-based. We have also adopted the 2018 Share Incentive Plan and the Post-IPO Share Incentive Plan.

No Material Changes

Save as disclosed in this interim report, during the Reporting Period, there were no material changes affecting the Company's performance that need to be disclosed under paragraphs 32 and 40(2) of Appendix D2 to the Listing Rules.



Corporate Governance

WEIGHTED VOTING RIGHTS

The Company has a weighted voting rights structure. Under our weighted voting rights structure, our share capital comprises Class A Ordinary Shares and Class B Ordinary Shares. Each Class A Ordinary Share entitles the holder to exercise ten votes, and each Class B Ordinary Share entitles the holder to exercise one vote, respectively, on any matters subject to the vote at general meetings of the Company, subject to Rule 8A.24 of the Listing Rules that requires the Reserved Matters to be voted on a one vote per share basis.

The WVR structure enables the WVR Beneficiary to exercise voting control over the Company notwithstanding that the WVR Beneficiary does not hold a majority economic interest in the share capital of the Company. This will enable the Company to benefit from the continuing vision and leadership of the WVR Beneficiary who will control the Company with a view to its long-term prospects and strategy.

Investors are advised to be aware of the potential risks of investing in companies with a WVR structure, in particular that the interests of the WVR Beneficiary may not necessarily always be aligned with those of our Shareholders as a whole, and that the WVR Beneficiary will be in a position to exert significant influence over the affairs of our Company and the outcome of Shareholders' resolutions. Investors should make the decision to invest in the Company only after due and careful consideration.

The table below sets out the ownership and voting rights held by the WVR Beneficiary as of June 30, 2025:

	Number of Class A Ordinary Shares held	Number of Class B Ordinary Shares held ⁽¹⁾	Approximate percentage of beneficial interests in the issued share capital	Approximate percentage of voting rights ⁽²⁾
Dr. Kai Yu	1,733,612,127	71,933,093	13.01%	52.53%
Dr. Chang Huang	390,777,143	3,610,633	2.84%	11.84%

(1) As of June 30, 2025, each of Dr. Kai Yu and Dr. Chang Huang was entitled to receive up to 71,933,093 and 3,610,633 Class B Ordinary Shares, respectively, pursuant to the share awards granted to them under the 2018 Share Incentive Plan, subject to the terms and conditions of such share awards.

(2) On the basis that each Class B Ordinary Share entitles the Shareholder to one vote per Share and each Class A Ordinary Share entitles the Shareholder to ten votes per Share.

Class A Ordinary Shares may be converted into Class B Ordinary Shares on a one to one basis. As of June 30, 2025, assuming the conversion of all the issued and outstanding Class A Ordinary Shares into Class B Ordinary Shares, the Company will issue 2,124,389,270 Class B Ordinary Shares, representing approximately 18.07% of the total number of issued Class B Ordinary Shares.

The weighted voting rights attached to our Class A Ordinary Shares will cease when the WVR Beneficiaries cease to have beneficial ownership of any of our Class A Ordinary Shares, in accordance with Rule 8A.22 of the Listing Rules. This may occur:

- (i) upon the occurrence of any of the circumstances set out in Rule 8A.17 of the Listing Rule, in particular where the WVR Beneficiaries are: (1) deceased; (2) no longer a member of our Board; (3) deemed by the Stock Exchange to be incapacitated for the purpose of performing his duties as a director; or (4) deemed by the Stock Exchange to no longer meet the requirements of a director set out in the Listing Rules;
- (ii) when the holders of Class A Ordinary Shares have transferred to another person the beneficial ownership of, or economic interest in, the Class A Ordinary Shares or the control over the voting rights attached to them, other than in the circumstances permitted by Rule 8A.18 of the Listing Rule;

- (iii) where a vehicle holding Class A Ordinary Shares on behalf of a WVR Beneficiary no longer complies with Rule 8A.18(2) of the Listing Rule; or
- (iv) when all of the Class A Ordinary Shares have been converted to Class B Ordinary Shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Reporting Period, we have complied with all of the applicable code provisions of the Corporate Governance Code, save for the followings:

- Pursuant to Code Provision C.2.1 of part 2 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be separate and should not be performed by the same individual. We do not have a separate chairman and chief executive officer and Dr. Kai Yu currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively.
- Pursuant to Code Provision C.5.3 of part 2 of the Corporate Governance Code, a notice of at least 14 days should be given of a regular board meeting to give all directors an opportunity to attend; for all other board meetings, reasonable notice should be given. Due to the practical scheduling issues and with no objections from any Director, a shorter reasonable notice was given to the Directors for a regular Board meeting held in the Reporting Period.

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure that they comply with statutory and professional standards and align with the latest development.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code to regulate all dealings by Directors and relevant employees who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company's securities.

Specific enquiry has been made of all the Directors and the relevant employees and they have confirmed that they have complied with the Model Code during the Reporting Period. No incident of non-compliance of the Model Code was noted by the Company during the Reporting Period.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process, the risk management and internal controls systems of the Group, to review connected transactions and to advise the Board. The Audit Committee comprises three independent non-executive Directors, namely, Dr. Jun Pu, Dr. Katherine Rong XIN and Dr. Ya-Qin Zhang. The chairman of the Audit Committee is Dr. Jun Pu who possesses the appropriate professional qualification, and accounting and financial management expertise as required under Rule 3.10(2) of the Listing Rules.

The Audit Committee has reviewed the unaudited consolidated financial statements for the six months ended June 30, 2025 with the management of the Company and agreed with the accounting treatment adopted by the Group. The Audit Committee considered that the interim results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.



CORPORATE GOVERNANCE COMMITTEE

The Company has established the Corporate Governance Committee with written terms of reference in compliance with Rule 8A.30 of the Listing Rules and the Corporate Governance Code. The primary duties of the Corporate Governance Committee are to ensure that the Company is operated and managed for the benefit of all Shareholders and to ensure the Company's compliance with the Listing Rules and safeguards relating to the weighted voting rights structure of the Company. The Corporate Governance Committee comprises three independent non-executive Directors, namely, Dr. Ya-Qin Zhang, Dr. Jun Pu and Mr. Yingqiu Wu. Dr. Ya-Qin Zhang is the chairman of the Corporate Governance Committee.

During the Reporting Period, the Corporate Governance Committee has held one meeting, in which the Corporate Governance Committee has performed the following major tasks:

- reviewed the Company's compliance with laws, regulations and the Corporate Governance Code, and the disclosure in the Corporate Governance Report;
- reviewed the deviation from the code provisions of the Corporate Governance Code, and considered reasons and explanation in respect of the deviation;
- reviewed and monitored whether the Company is operated and managed for the benefits of all its Shareholders;
- reviewed and monitored the management of conflicts of interests between the Group/ the Shareholders on one hand and the WVR Beneficiaries on the other;
- reviewed and confirmed the WVR Beneficiaries had complied with Rules 8A.14, 8A.15, 8A.18 and 8A.24 of the Listing Rules;
- reviewed and monitored all risks related to the weighted voting rights structure;
- reviewed and monitored the training and continuous professional development of Directors and senior management;

- reviewed the remuneration, the terms of appointment of the Company's compliance adviser; and
- reviewed the implementation and effectiveness of the shareholders' communication policy.

The Corporate Governance Committee has confirmed to the Board that (i) the WVR Beneficiaries have been members of the Board throughout the Reporting Period and (ii) it was of the view that the Company has adopted sufficient corporate governance measures to manage the potential conflict of interests between the Group and the WVR Beneficiaries in order to ensure that the operations and management of the Company are in the interests of the Shareholders as a whole. These measures include the Corporate Governance Committee ensuring that (i) any connected transactions are disclosed and dealt with in accordance with the requirements of the Listing Rules, (ii) any Directors who have a conflict of interest abstain from voting on the relevant board resolution, and (iii) the compliance adviser is consulted on any matters related to transactions involving the WVR Beneficiaries or a potential conflict of interest between the Group and the WVR Beneficiaries. The Corporate Governance Committee recommended the Board to continue the implementation of these measures and to periodically review their efficacy towards these objectives.

Having reviewed the remuneration and the terms of engagement of the compliance adviser, the Corporate Governance Committee confirmed to the Board that it was not aware of any factors that would require it to consider either the removal of the current compliance adviser or the appointment of a new compliance advisor during the Reporting Period. As a result, the Corporate Governance Committee recommended that the Board retain the services of compliance adviser of the Company.

CHANGE IN INFORMATION OF DIRECTORS AND CHIEF EXECUTIVE UNDER RULE 13.51B(1) OF THE LISTING RULES

Save as disclosed in this interim report, there were no other changes in the information of Directors and chief executive of the Company which shall be subject to disclosure pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As of June 30, 2025, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations within the meaning of Part XV of the SFO, which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(a) Interest in Shares of the Company

Name	Nature of interest ⁽¹⁾	Number of Shares	Approximate percentage of shareholding of relevant class of shares in the Company ⁽²⁾	Approximate percentage of shareholding in the total issued share capital of the Company ⁽²⁾
<i>Class A Ordinary Shares – Dr. Kai Yu</i>				
Dr. Kai Yu	Interest in controlled corporations, founder and beneficiary of a trust ⁽³⁾ (L)	1,733,612,127	81.61%	12.49%
Trident Trust Company (HK) Limited	Trustee ⁽³⁾ (L)	1,733,612,127	81.61%	12.49%
Bigsur Robotics Limited	Interest in controlled corporations ⁽³⁾ (L)	1,733,612,127	81.61%	12.49%
Horizon Robotics, Inc.	Interest in controlled corporations ⁽³⁾ (L)	1,733,612,127	81.61%	12.49%
Everest Robotics Limited	Beneficial owner (L)	1,733,612,127	81.61%	12.49%
<i>Class A Ordinary Shares – Dr. Chang Huang</i>				
Dr. Chang Huang	Interest in controlled corporations, founder and beneficiary of a trust ⁽⁴⁾ (L)	390,777,143	18.39%	2.82%
Trident Trust Company (HK) Limited	Trustee ⁽⁴⁾ (L)	390,777,143	18.39%	2.82%
Gravitational Wave Technology Limited	Interest in controlled corporations ⁽⁴⁾ (L)	390,777,143	18.39%	2.82%
Grace Robotics, Inc.	Interest in controlled corporations ⁽⁴⁾ (L)	390,777,143	18.39%	2.82%
String Theory Robotics Limited	Beneficial owner (L)	390,777,143	18.39%	2.82%
<i>Class B Ordinary Shares – Dr. Kai Yu</i>				
Dr. Kai Yu	Beneficial owner ⁽³⁾ (L)	71,933,093	0.61%	0.52%
<i>Class B Ordinary Shares – Dr. Chang Huang</i>				
Dr. Chang Huang	Beneficial owner ⁽⁴⁾ (L)	3,610,633	0.03%	0.03%



Name	Nature of interest ⁽¹⁾	Number of Shares	Approximate percentage of shareholding of relevant class of shares in the Company ⁽²⁾	Approximate percentage of shareholding in the total issued share capital of the Company ⁽²⁾
<i>Class B Ordinary Shares – Ms. Feiwen Tao</i>				
Ms. Feiwen Tao	Interest in controlled corporation, founder and beneficiary of a trust ⁽⁵⁾ (L)	169,543,255	1.44%	1.22%
Trident Trust Company (HK) Limited	Trustee ⁽⁵⁾ (L)	169,543,255	1.44%	1.22%
Kai Robotics, Inc.	Interest in controlled corporations ⁽⁵⁾ (L)	169,543,255	1.44%	1.22%
Venus Robotics Limited	Interest in controlled corporations ⁽⁵⁾ (L)	169,543,255	1.44%	1.22%
HOPE Robotics Holdings Inc.	Beneficial owner (L)	169,543,255	1.44%	1.22%
Ms. Feiwen Tao	Beneficial owner ⁽⁵⁾ (L)	1,564,378	0.01%	0.01%
<i>Class B Ordinary Shares – Dr. Liming Chen</i>				
Dr. Liming Chen	Beneficial owner ⁽⁶⁾ (L)	12,083,446	0.10%	0.09%
<i>Class B Ordinary Shares – Mr. Qin Liu</i>				
Mr. Qin Liu	Interest in controlled corporations ⁽⁷⁾ (L)	647,537,121	5.51%	4.66%
<i>Class B Ordinary Shares – Dr. Ya-Qin Zhang</i>				
Dr. Ya-Qin Zhang	Beneficial owner ⁽⁸⁾ (L)	847,236	0.01%	0.01%

Notes:

- (1) The letter "L" denotes long position.
- (2) As of June 30, 2025, the Company had 13,881,293,682 issued Shares in total, comprising 2,124,389,270 Class A Ordinary Shares and 11,756,904,412 Class B Ordinary Shares.

- (3) The entire interest of 1,733,612,127 Class A Ordinary Shares was held by Everest Robotics Limited, which was held by Bigsur Robotics Limited as to 99% and Horizon Robotics, Inc. as to 1%. Horizon Robotics, Inc. was wholly-owned by Dr. Kai Yu. Bigsur Robotics Limited was wholly-owned by Trident Trust Company (HK) Limited as trustee of Rock Street Trust, the family trust established by Dr. Kai Yu (as settlor) for the benefit of Dr. Kai Yu and his family. Each of Horizon Robotics, Inc., Bigsur Robotics Limited, Trident Trust Company (HK) Limited and Dr. Kai Yu was deemed to be interested in the Class A Ordinary Shares held by Everest Robotics Limited under the SFO.

Dr. Kai Yu was entitled to receive up to 71,933,093 Class B Ordinary Shares pursuant to the share awards granted to him under the 2018 Share Incentive Plan, subject to the terms and conditions of such share awards.

- (4) The entire interest of 390,777,143 Class A Ordinary Shares was held by String Theory Robotics Limited, which was held by Gravitational Wave Technology Limited as to 99% and Grace Robotics, Inc. as to 1%. Grace Robotics, Inc. was wholly-owned by Dr. Chang Huang. Gravitational Wave Technology Limited was wholly-owned by Trident Trust Company (HK) Limited as trustee of Gravitational Wave Trust, the family trust established by Dr. Chang Huang (as settlor) for the benefit of Dr. Chang Huang and his family. Each of Grace Robotics, Inc., Gravitational Wave Technology Limited, Trident Trust Company (HK) Limited and Dr. Chang Huang was deemed to be interested in the Class A Ordinary Shares held by String Theory Robotics Limited under the SFO.

Dr. Chang Huang was entitled to receive up to 3,610,633 Class B Ordinary Shares pursuant to the share awards granted to him under the 2018 Share Incentive Plan, subject to the terms and conditions of such share awards.

- (5) The entire interest of 169,543,255 Class B Ordinary Shares was held by HOPE Robotics Holdings Inc., which is held by Venus Robotics Limited as to 99% and Kai Robotics, Inc. as to 1%. Kai Robotics, Inc. was wholly-owned by Ms. Feiwen Tao. Venus Robotics Limited was wholly-owned by Trident Trust Company (HK) Limited as trustee of TAO Trust, the family trust established by Ms. Feiwen Tao (as settlor) for the benefit of Ms. Feiwen Tao and her family. Each of Kai Robotics, Inc., Venus Robotics Limited, Trident Trust Company (HK) Limited and Ms. Feiwen Tao was deemed to be interested in the Class B Ordinary Shares held by HOPE Robotics Holdings Inc. under the SFO.

Ms. Feiwen Tao was entitled to receive up to 1,564,378 Class B Ordinary Shares pursuant to the share awards granted to her under the 2018 Share Incentive Plan, subject to the terms and conditions of such share awards.

Ms. Feiwen Tao has resigned as an executive Director with effect from August 27, 2025.

- (6) Dr. Liming Chen was entitled to receive up to (i) 4,000,000 Class B Ordinary Shares pursuant to the share awards granted to him under the 2018 Share Incentive Plan and (ii) 8,630 Class B Ordinary Shares granted to him from existing shares under the Post-IPO Share Incentive Plan, which forms part of his remuneration package under the service contract, subject to the terms and conditions of such share awards.
- (7) Morningside China TMT Fund IV, L.P. and Morningside China TMT Fund IV Co-Investment, L.P. were controlled by their general partner, Morningside China TMT GP IV, L.P.. Morningside China TMT GP IV, L.P. was controlled by its general partner, TMT General Partner Ltd. Consequently, TMT General Partner Ltd. was deemed to be interest in the Shares in which Morningside China TMT Fund IV, L.P. and Morningside China TMT Fund IV Co-Investment, L.P. had an interest.

Mr. Qin Liu was entitled to exercise or control the exercise of one-third of the voting power of all issued shares in TMT General Partner Ltd. at its general meeting and was therefore deemed to be interested in the Shares in which TMT General Partner Ltd. was interested.

Each of Evolution Special Opportunity Fund I, L.P., Evolution Fund I Co-investment, L.P., 5Y Capital Growth Fund I, L.P. and 5Y Capital Growth Fund I Co-Investment, L.P. was controlled by their general partner 5Y Capital GP Limited. Consequently, 5Y Capital GP Limited is deemed to be interest in the Shares in which Evolution Special Opportunity Fund I, L.P., Evolution Fund I Co-investment, L.P., 5Y Capital Growth Fund I, L.P. and 5Y Capital Growth Fund I Co-Investment, L.P. had an interest.

Mr. Qin Liu was entitled to exercise or control the exercise of one-half of the voting power of all issued shares in 5Y Capital GP Limited at its general meeting and was therefore deemed to be interested in the Shares in which 5Y Capital GP Limited is interested.

- (8) Dr. Ya-Qin Zhang was entitled to receive up to 847,236 Class B Ordinary Shares, pursuant to the share awards granted to him under the 2018 Share Incentive Plan, subject to the terms and conditions of such share awards.



(b) Interest in associated corporation

Name of director or chief executive	Nature of interest ⁽¹⁾	Associated corporations	Number and class of shares interested in	Approximate percentage of shareholding in the relevant class of shares in associated corporation	Approximate percentage of shareholding in the total issued share capital of associated corporation
Dr. Kai Yu	Interest in controlled entity ⁽²⁾ (L)	D-Robotics	120,707,295 class A ordinary shares	91.83%	13.09%
			600,000,000 class B ordinary shares	100%	65.07%
Dr. Chang Huang	Interest in controlled entity ⁽³⁾ (L)	D-Robotics	7,485,326 class A ordinary shares	5.69%	0.81%
Ms. Feiwen Tao	Interest in controlled entity ⁽⁴⁾ (L)	D-Robotics	3,247,597 class A ordinary shares	2.47%	0.35%
Mr. Qin Liu	Interest in controlled entity ⁽⁵⁾ (L)	D-Robotics	14,945,653 series A1 preferred shares	11.71%	1.62%
	Interest in controlled entity ⁽⁵⁾ (L)	D-Robotics	1,799,457 series A2 preferred shares	2.85%	0.20%

Notes:

- (1) The letter "L" denotes long position.
- (2) The entities controlled by Dr. Kai Yu held a total of 120,707,295 class A ordinary shares in D-Robotics. Horizon Together Holding Ltd., a wholly owned subsidiary of the Company, held 600,000,000 class B ordinary shares of D-Robotics. Therefore, Dr. Kai Yu was deemed to be interested in 120,707,295 class A ordinary shares and 600,000,000 class B ordinary shares in D-Robotics under the SFO.
- (3) A shareholding vehicle wholly owned by Dr. Chang Huang held 7,485,326 class A ordinary shares and Dr. Chang Huang was therefore deemed to be interested in the 7,485,326 class A ordinary shares in D-Robotics under the SFO.
- (4) A shareholding vehicle wholly owned by Ms. Feiwen Tao held 3,247,597 class A ordinary shares and Ms. Feiwen Tao was therefore deemed to be interested in the 3,247,597 class A ordinary shares in D-Robotics under the SFO. Ms. Feiwen Tao has resigned as an executive Director with effect from August 27, 2025.
- (5) 5Y Capital Evolution Fund II, L.P. and 5Y Capital Evolution Fund II Co-Investment, L.P. held an aggregate of 14,945,653 series A1 preferred shares and 1,799,457 series A2 preferred shares in D-Robotics. Both 5Y Capital Evolution Fund II, L.P. and 5Y Capital Evolution Fund II Co-Investment, L.P. were controlled by their general partner 5Y Capital GP Limited. Mr. Qin Liu was entitled to exercise or control the exercise of one-half of the voting power of all issued shares in 5Y Capital GP Limited at its general meeting. Therefore, Mr. Qin Liu was deemed to be interested in 14,945,653 series A1 preferred shares and 1,799,457 series A2 preferred shares in D-Robotics under the SFO.

Save as disclosed above, as of June 30, 2025, so far as is known to any Director or the chief executive of the Company, none of the Directors nor the chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (b) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of June 30, 2025, the following persons (other than the Directors and chief executives whose interests have been disclosed in this interim report), had interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name	Nature of interest ⁽¹⁾	Number of Shares	Approximate percentage of shareholding of relevant class of shares in the Company ⁽²⁾	Approximate percentage of shareholding in the total issued share capital of the Company ⁽²⁾
<i>Class B Ordinary Shares – CARIAD Estonia AS</i>				
Ferdinand Porsche Familien-Privatstiftung	Interest in controlled corporations ⁽³⁾ (L)	269,711,694 ⁽⁴⁾ 1,998,875,035 ⁽⁵⁾	2.29% 17.00%	1.94% 14.40%
Ferdinand Porsche Familien-Holding GmbH	Interest in controlled corporations ⁽³⁾ (L)	269,711,694 ⁽⁴⁾ 1,998,875,035 ⁽⁵⁾	2.29% 17.00%	1.94% 14.40%
Ferdinand Alexander Porsche Zweite GmbH	Interest in controlled corporations ⁽³⁾ (L)	269,711,694 ⁽⁴⁾ 1,998,875,035 ⁽⁵⁾	2.29% 17.00%	1.94% 14.40%
Familie Porsche Beteiligung GmbH	Interest in controlled corporations ⁽³⁾ (L)	269,711,694 ⁽⁴⁾ 1,998,875,035 ⁽⁵⁾	2.29% 17.00%	1.94% 14.40%
Porsche Automobil Holding SE	Interest in controlled corporations ⁽³⁾ (L)	269,711,694 ⁽⁴⁾ 1,998,875,035 ⁽⁵⁾	2.29% 17.00%	1.94% 14.40%
Volkswagen AG	Interest in controlled corporations ⁽³⁾ (L)	269,711,694 ⁽⁴⁾ 1,998,875,035 ⁽⁵⁾	2.29% 17.00%	1.94% 14.40%
Volkswagen Group Beteiligungen GmbH	Interest in controlled corporations ⁽³⁾ (L)	269,711,694 ⁽⁴⁾ 1,998,875,035 ⁽⁵⁾	2.29% 17.00%	1.94% 14.40%
CARIAD SE	Interest in controlled corporations ⁽³⁾ (L)	269,711,694 ⁽⁴⁾ 1,998,875,035 ⁽⁵⁾	2.29% 17.00%	1.94% 14.40%
CARIAD Estonia AS	Beneficial owner (L)	269,711,694 ⁽⁴⁾ 1,998,875,035 ⁽⁵⁾	2.29% 17.00%	1.94% 14.40%
<i>Class B Ordinary Shares – SAIC QIJUN I Holdings Limited</i>				
Ji Feng	Interest in controlled corporations ⁽⁶⁾ (L)	1,025,310,055	8.72%	7.39%
SAIC Motor	Interest in controlled corporations ⁽⁶⁾ (L)	1,025,310,055	8.72%	7.39%
SAIC Investment	Interest in controlled corporations ⁽⁶⁾ (L)	1,025,310,055	8.72%	7.39%
SAIC Changzhou	Interest in controlled corporations ⁽⁶⁾ (L)	1,025,310,055	8.72%	7.39%
Shanghai Qiyuan	Interest in controlled corporations ⁽⁶⁾ (L)	1,025,310,055	8.72%	7.39%
Shangqi Capital	Interest in controlled corporations ⁽⁶⁾ (L)	1,025,310,055	8.72%	7.39%
Shanghai Qimeng	Interest in controlled corporations ⁽⁶⁾ (L)	1,025,310,055	8.72%	7.39%
SAIC QIJUN I Holdings Limited	Beneficial owner (L)	1,025,310,055	8.72%	7.39%
<i>Class B Ordinary Shares – 5Y Shareholders</i>				
Yuanyuan Ni	Interest of Spouse ⁽⁷⁾ (L)	647,537,121	5.51%	4.66%



Notes:

- (1) The letter "L" denotes long position.
- (2) As of June 30, 2025, the Company had 13,881,293,682 issued and outstanding share capital in total, comprising 2,124,389,270 Class A Ordinary Shares and 11,756,904,412 Class B Ordinary Shares.
- (3) CARIAD Estonia AS was wholly-owned by CARIAD SE, which was in turn wholly-owned by Volkswagen Group Beteiligungen GmbH ("VGB"), a wholly-owned subsidiary of Volkswagen AG, a company listed on a number of stock exchanges including the Frankfurt Stock Exchange (ticker symbol: VOW and VOW3). Porsche Automobil Holding SE ("PSE") held approximately 53.35% voting interest in Volkswagen AG, and Familie Porsche Beteiligung GmbH ("FPB") held approximately 55.46% voting interest in PSE. FPB was wholly-owned by Ferdinand Alexander Zweite Porsche GmbH ("FAZP"), which was in turn wholly-owned by Ferdinand Porsche Familien-Holding GmbH ("FPFH"). Ferdinand Porsche Familien-Privatstiftung ("PoPS"), a private foundation established in Austria, holds 90% of FPFH.

By virtue of the SFO, each of CARIAD SE, VGB, Volkswagen AG, PSE, FPB, FAZP, FPFH and PoPS was deemed to have an interest in the Class B Ordinary Shares directly held by CARIAD Estonia AS and the Class B Ordinary Shares to be issued to CARIAD Estonia AS, as the lender of a convertible loan which, upon maturity, shall be automatically and mandatorily converted into Class B Ordinary Shares. For further details of the convertible loan and the conversion mechanism, please refer to "History, Reorganization and Corporate Structure" in the Prospectus.

- (4) This refers to the number of Class B Ordinary Shares as of June 30, 2025.
- (5) This refers to the number of Class B Ordinary Shares to be issued to CARIAD Estonia AS upon conversion of the convertible loan at maturity pursuant to the Convertible Loan Agreement. Please refer to the Prospectus for details.
- (6) SAIC QIJUN I Holdings Limited was wholly-owned by Shanghai Qimeng Management Partnership (Limited Partnership) (上海頤盟企業管理合夥企業(有限合夥)) ("Shanghai Qimeng"), of which the general partner was Shangqi Capital (上海尚頤投資管理合夥企業(有限合夥)), whose general partner was Shanghai Qiyuan Business Consulting Co., Limited (上海頤元商務諮詢有限公司) ("Shanghai Qiyuan"), which was ultimately controlled by Ji Feng (馮戟) ("Mr. Feng").

Shanghai Qimeng was owned as to approximately 99.95% by its limited partner SAIC (Changzhou) Innovation and Development Investment Fund Co., Ltd. (上汽(常州)創新發展投資基金有限公司) ("SAIC Changzhou"), which was held as to 99.5% by Shanghai Automobile Group Investment Management Co., Ltd. (上海汽車集團投資管理有限公司) ("SAIC Investment"), which was wholly-owned by SAIC Motor Corporation Limited (上海汽車集團股份有限公司) ("SAIC Motor").

Therefore, each of Shanghai Qimeng, Shangqi Capital, Shanghai Qiyuan, Mr. Feng, SAIC Changzhou, SAIC Investment and SAIC Motor is deemed to be interested in the 1,025,310,055 Class B Ordinary Shares directly held by SAIC QIJUN I Holdings Limited under the SFO.

- (7) Ms. Yuanyuan Ni is the spouse of Mr. Qin Liu. She was deemed to be interested in the Shares in which Mr. Qin Liu was interested.

Save as disclosed above, as of June 30, 2025, no person, other than the Directors whose interests are set out in the section headed “Directors’ and Chief Executives’ Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or any of its Associated Corporations” had an interest or short position in the shares and underlying shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE INCENTIVE PLANS

2018 Share Incentive Plan

The 2018 Share Incentive Plan was adopted by the Company in November 2018. No further grant of awards will be made by the Company after the Listing, and the 2018 Share Incentive Plan is not subject to Chapter 17 of the Listing Rules.

As disclosed in the Prospectus, all Class B Ordinary Shares granted under the 2018 Share Incentive Plan have been issued to employee shareholding platforms set up by our Company with independent professional trustee companies. Accordingly, there will not be any dilution effect on the shareholdings nor any impact on the earnings per share arising from the full vesting or exercise of the outstanding options and share awards after Listing.

The following is a summary of the principal terms of the 2018 Share Incentive Plan.

Purpose

The purposes of the 2018 Share Incentive Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentives to selected employees, Directors and consultants and to promote the success of the Company’s business by offering these individuals or entities an opportunity to acquire a proprietary interest in the success of the Company, or to increase this interest by permitting them to acquire Shares of the Company.

Eligible Participants

Only employees, Directors, and consultants, or trusts or companies established in connection with any employee benefit plan of the Company for the benefit of an employee, Director or consultant, shall be eligible for the grant of awards. Options may be granted to employees only. Awards other than options may be granted to employees, Directors and consultants.

Restricted Period

The Restricted Period shall commence on the grant date and end at the time or times set forth on a schedule established by the Administrator in the applicable award agreement (the “**Restricted Period**”); provided, however, that notwithstanding any such vesting dates, the Administrator may in its sole discretion accelerate the vesting of any restricted award at any time and for any reason.

Options

(i) Exercise Price

Each option agreement shall specify the exercise price. The exercise price of an option shall be determined by the Administrator in its sole discretion which may be a fixed or variable price related to the fair market value of the shares on the date of grant, provided, however, that the exercise price may be not less than the fair market value on the date of grant, without compliance with Section 409A of the U.S. Internal Revenue Code of 1986 (the “**Code**”), or the optionee’s consent; provided further, that the exercise price of any option granted to any individual who, upon the date of grant, owns shares possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Company may not be less than one-hundred and ten percent (110%) of fair market value on the date of grant. Notwithstanding anything to the contrary in the foregoing, in the event of a transaction described in Section 424(a) of the Code, options may be issued at an exercise price other than as required by the foregoing.



(ii) Vesting Schedule

Fifty percent (50%) of the optioned shares shall vest on the first vesting date (such day to be deemed to be the last day of the month, when necessary), and remaining 50% optioned shares shall vest in equal annual installments over the following two (2) years, subject to the optionee's continuing to be an employee, Director, or consultant through these dates. Before or after execution of the option agreement, the vesting schedule may be modified or changed by the Administrator in its sole discretion as it deems necessary or appropriate where new agreement between the Company and the optionee shall be entered into regarding the said modification or change.

(iii) Term of Option

The option agreement shall specify the term of the option; provided, however, that the term shall not exceed ten (10) years from the date of grant; and further provided that any option shall not be exercisable for more than five (5) years from the date of grant if such option are granted to certain individual who, upon the date of grant, owns shares possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Company. Subject to the preceding sentence, the Administrator in its sole discretion shall determine when an option is to expire.

Restricted Share Units ("RSUs")

(i) General

The terms and conditions of a grant of RSUs shall be reflected in an award agreement. No Shares shall be issued at the time a RSU is granted, and the Company will not be required to set aside funds for the payment of any such award. A participant shall have no voting rights with respect to any RSU granted hereunder. To the extent provided in an award agreement, the holder of RSUs shall be entitled to be credited with dividend equivalent payments (upon the payment by the Company of dividends on Shares) either in cash or, at the sole discretion of the Administrator, in Shares having a fair market value equal to the amount

of such dividends (and interest may, at the sole discretion of the Administrator, be credited on the amount of cash dividend equivalents at a rate and subject to such terms as provided by the Administrator), which accumulated dividend equivalents (and interest thereon, if applicable) shall be payable to the participant upon the release of restrictions on such RSUs, and if such RSUs are forfeited, the participant shall have no right to such dividend equivalent payments.

(ii) Restrictions

RSUs awarded to a participant shall be subject to (a) forfeiture until the expiration of the Restricted Period and satisfaction of any applicable performance goals during such period, to the extent provided in the applicable award agreement, and to the extent such RSUs are forfeited, all rights of the participant to such RSUs shall terminate without further obligation on the part of the Company and (b) such other terms and conditions as may be set forth in the applicable award agreement.

(iii) Settlement of RSUs

Upon the expiration of the Restricted Period with respect to any outstanding RSUs, the Company shall deliver to the Participant, or his or her beneficiary, without charge, one Share for each outstanding RSU and any dividend equivalent payments credited to the participant's account with respect to such RSUs and the interest thereon, if any; provided, however, that if explicitly provided in the award agreement, the Administrator may, in its sole discretion, elect to pay part cash or part cash and part Shares in lieu of delivering only Shares for vested RSUs. If a cash payment is made in lieu of delivering Shares, the amount of such payment shall be equal to the fair market value of the Shares as of the date on which the Restricted Period lapsed.

Duration

The term of the 2018 Share Incentive Plan shall be ten years commencing on the date of its adoption. As of the date of this interim report, the remaining life of the 2018 Share Incentive Plan was approximately three years and one month.

Outstanding Share Options Granted under the 2018 Share Incentive Plan

The table below shows the details of movements of share options granted under the 2018 Share Incentive Plan during the Reporting Period:

Participant	Date of Grant	Exercise price (US\$/Share)	Vesting period	Exercise period	Outstanding as of January 1, 2025	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2025
Employee participants (Note 1)	June 11, 2015 to July 15, 2024	\$0.000025- \$0.4677	1 year or 4 years	10 years from the date of grant	398,684,475	-	25,249,497	-	-	373,434,978
Total					398,684,475	-	25,249,497	-	-	373,434,978

Note 1: Employee participants include Mr. Yufeng Zhang, who served as a director of the Company from May 2020 to March 2024.

Note 2: All of the share options granted under the 2018 Share Incentive Plan were granted prior to the Listing Date. No further grant under the 2018 Share Incentive Plan has been or will be made by the Company after the Listing.

Outstanding RSUs Granted under the 2018 Share Incentive Plan

The table below shows the details of movements of RSUs granted under the 2018 Share Incentive Plan during the Reporting Period:

Participant	Date of Grant	Purchase price of the awards granted	Vesting period	Outstanding as of January 1, 2025	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2025
Directors									
Kai Yu	July 26, 2024	Nil	4 years	71,933,093	-	-	-	-	71,933,093
Chang Huang	July 26, 2024	Nil	4 years	3,610,633	-	-	-	-	3,610,633
Feiwen Tao (Note 1)	July 26, 2024	Nil	4 years	1,564,378	-	-	-	-	1,564,378
Liming Chen	December 25, 2021 to July 15, 2024	Nil	1 year or 4 years	12,339,416	-	8,339,416	-	-	4,000,000
Ya-Qin Zhang	January 23, 2020	Nil	4 years	847,236	-	847,236	-	-	-
Employee participants (Note 2)	April 5, 2016 to July 15, 2024	Nil	1 year or 4 years	842,832,097	-	579,178,673	-	12,311,474	251,341,950
Total				933,126,853	-	588,365,325	-	12,311,474	332,450,054

Note 1: Ms. Feiwen Tao has resigned as an executive Director with effect from August 27, 2025.

Note 2: Employee participants include (i) Mr. Yufeng Zhang, who served as a director of the Company from May 2020 to March 2024; and (ii) Mr. Feng Zhou, who served as a director of the Company from August 2018 to March 2023.

Note 3: All of the RSUs granted under the 2018 Share Incentive Plan were granted prior to the Listing Date. No further grant under the 2018 Share Incentive Plan has been or will be made by the Company after the Listing.

Post-IPO Share Incentive Plan

The Post-IPO Share Incentive Plan was adopted by the Company in compliance with Chapter 17 of the Listing Rules by an extraordinary general meeting of our Shareholders on October 8, 2024.

The following is a summary of the principal terms of the Post-IPO Share Incentive Plan.

Purpose

The purpose of the Post-IPO Share Incentive Plan is to incentivize and reward the Eligible Participants (as defined below) for their contribution to the Group and to align their interests with that of our Company so as to encourage them to work towards enhancing the value of our Company.

Eligible Participants

The Board (which expression shall, for the purpose of this paragraph, include the Board or such duly authorized person(s) by the Board) may, at its absolute discretion, offer to grant an option or a share award to subscribe for such number of Class B Ordinary Shares as the Board may determine to (a) an employee (whether full time or part-time) or a director of our Company or any of its subsidiaries (the "Eligible Employee(s)") and (b) a consultant who provides services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are material to the long term growth of the Group ("Service Provider(s)"), and (c) directors and employees of the holding companies, fellow subsidiaries or associated companies of the Company (together with the Eligible Employees and Service Providers hereinafter referred as the "Eligible Participant(s)").

Service Providers shall exclude placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions, and any professional service providers such as auditors or valuers.

Maximum Number of Shares

Plan Mandate Limit	the total number of Class B Ordinary Shares which may be issued upon exercise of all options and share awards to be granted under the Post-IPO Share Incentive Plan shall not in aggregate exceed 5.0% of the total number of Shares in issue (but excluding any treasury shares) on the Listing Date, being October 24, 2024.
Service Providers Sublimit	the total number of Class B Ordinary Shares which may be issued upon exercise of all options and share awards to be granted to Service Providers shall not exceed 1.0% of the total number of Shares in issue (but excluding any treasury shares) on the Listing Date, being October 24, 2024.

The Plan Mandate Limit and the Service Providers Sublimit may be refreshed by Shareholders at general meeting in accordance with Rule 17.03C and the relevant requirements of the Listing Rules.

Individual Limit

Where any grant of options or share awards to a participant would result in the Class B Ordinary Shares issued and to be issued upon exercise of all options and/or share awards granted and to be granted to such participant (excluding any options and share awards lapsed in accordance with the terms of the Post-IPO Share Incentive Plan) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue (but excluding any treasury shares), such grant must be separately approved by the Shareholders in general meeting with such participant and his/her close associates (or his/her associates if the participant is a connected person) abstaining from voting. The number and terms (including the exercise price) of options and/or share awards to be granted to such participant must be fixed before Shareholders' approval.

Amount Payable on Application or Acceptance of the Option or Award

An option or a share award shall be deemed to have been granted and accepted and to have taken effect when the duplicate letter comprising acceptance of the offer of the grant of the option or share award duly signed by the grantee together with a payment to our Company and/or any of its subsidiaries of HK\$1 (or the equivalent of HK\$1 in the local currency of any jurisdiction where our Company and/or its subsidiaries operate, as the Board or such duly authorized person(s) by the Board may in its absolute discretion determine) by way of consideration for the grant thereof is received by our Company within the time period specified in the offer of the grant of the option or share award.

Exercise Period

An option may be exercised in accordance with the terms of the Post-IPO Share Incentive Plan at any time during a period to be determined and notified by the Board to each grantee, which period may commence on a day falling at least 12 months after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date on which an option is offered to a participant, subject to the provisions for early termination under the Post-IPO Share Incentive Plan.

Vesting Period

The minimum period for which an option or a share award must be held before it can be vested or exercised (if applicable) shall be 12 months from the date of grant of such option or share award, except that any options or share awards granted to an Eligible Employee may be subject to a short vesting period as specified under the Post-IPO Share Incentive Plan.

Exercise Price of Option and Purchase Price of Awards

The amount payable for each Class B Ordinary Share to be subscribed for under an option in the event of the option being exercised shall be determined by the Board or such duly authorized person(s) by the Board at its absolute discretion, which shall be not less than the highest of: (i) the nominal value of a Class B Ordinary Share; (ii) the closing price of the Class B Ordinary Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; and (iii) the average closing price of the Class B Ordinary Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant.

The amount payable for each Class B Ordinary Share to be subscribed for under a share award shall be determined by the Board or such duly authorized person(s) by the Board at its absolute discretion, based on considerations such as the prevailing closing price of the Class B Ordinary Shares, the purpose of the share award and the contribution of the Eligible Participant.

Duration

The term of the Post-IPO Share Incentive Plan shall be ten years commencing on the Listing Date. As of the date of this interim report, the remaining life of the Post-IPO Share Incentive Plan was approximately nine years and one month.



Outstanding Awards Granted under the Post-IPO Share Incentive Plan

The table below shows the details of movements of awards (with Shares to be issued as underlying Shares) granted under the Post-IPO Share Incentive Plan during the Reporting Period:

Participant	Date of grant	Purchase price	Vesting period	Outstanding as of January 1, 2025	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as of June 30, 2025	Closing price of Class B Ordinary Shares immediately before the date of grant	Fair value of awards as at the date of grant (per Share) (Note 2)
Employee participants	January 15, 2025	Nil	40 months to 47 months	-	35,004,895	-	-	2,185,830	32,819,065	HK\$3.72	HK\$3.60
	April 29, 2025	Nil	39 months to 48 months	-	8,082,500	-	-	440,730	7,641,770	HK\$5.69	HK\$6.47
Service Provider Grantee	January 15, 2025	Nil	40 months to 47 months	-	1,000,000	-	-	-	1,000,000	HK\$3.72	HK\$3.60
Related Entity Grantees	January 15, 2025	Nil	40 months to 47 months	-	700,000	-	-	-	700,000	HK\$3.72	HK\$3.60
Total				-	44,787,395	-	-	2,626,560	42,160,835		

Note 1: All of the grant of awards mentioned above during the Reporting Period were made without any performance targets.

Note 2: The fair value of each award at the date of grant is determined by reference to the fair value of the underlying Class B Ordinary Share on the date of grant. For relevant accounting standard and policy adopted in respect of fair value of awards granted, please refer to Note 23 to the interim condensed consolidated financial information.

As of June 30, 2025, 37,205,090 RSUs were granted with existing Shares as underlying Shares to eligible participants. Details will be disclosed in next annual report following requirements under Listing Rule 17.12.

As of January 1, 2025, 651,493,304 and 130,298,660 underlying Class B Ordinary Shares were available for grants under the Plan Mandate Limit and Service Providers Sublimit, respectively. As of June 30, 2025, 609,332,469 and 129,298,660 underlying Class B Ordinary Shares were available for grants under the Plan Mandate Limit and Service Providers Sublimit, respectively.

The number of Class B Ordinary Shares that may be issued in respect of options and awards granted under all share schemes of the Company during the Reporting Period divided by the weighted average number of Class B Ordinary Shares in issue (excluding treasury shares) for the Reporting Period is 0.40%.

USE OF PROCEEDS

Use of proceeds from the Global Offering

On October 24, 2024, the Class B Ordinary Shares were listed on the Main Board of the Stock Exchange. The net proceeds received by the Company from the Global Offering were approximately HK\$5,217 million (after deducting the listing expenses). In addition, following the partial exercise of the over-allotment option, the Company received the additional net proceeds of approximately HK\$656 million (after deducting the underwriting fees, commissions and expenses).

As of the date of this interim report, there had been no change in the intended use of net proceeds from the Global Offering as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

As of June 30, 2025, the Group had utilized the net proceeds from the Global Offering as set out in the table below:

Intended use of net proceeds	Net proceeds from the Global Offering (including the proceeds from the partial exercise of the over-allotment option) (HK\$ million)	Percentage of net proceeds as stated in the Prospectus	Net proceeds unutilized as of January 1, 2025 (HK\$ million)	Utilized net proceeds during the Reporting Period (HK\$ million)	Net proceeds unutilized as of June 30, 2025 (HK\$ million)	Expected timeline of full utilization of the net proceeds
For research and development purposes, including ADAS and advanced intelligent assisted driving solutions and technology pillars	4,111.2	70%	4,111.2	1,555.4	2,555.8	Before December 31, 2026
For sales and marketing related expenses	587.3	10%	587.3	246.6	340.7	Before December 31, 2026
For future strategic investment into our joint ventures, particularly CARIZON	587.3	10%	587.3	221.2	366.1	Before December 31, 2026
For general corporate purposes and working capital needs	587.3	10%	581.9	214.7	367.2	Before December 31, 2026
Total	5,873.1	100%	5,867.7	2,237.9	3,629.8	

Use of proceeds from the Top-up Placing

On June 23, 2025, the Company allotted and issued 681,000,000 new Class B Ordinary Shares to the Existing Shareholders following the completion of the Placing. The net proceeds from the Subscription (after deducting all fees, costs and expenses properly incurred by the Existing Shareholders and the Company (including the Managers' commission, the stamp duty, the Stock Exchange trading fee and the SFC transaction levy) to be borne by the Company, and other expenses incurred by the Company, in connection with the Placing and the Subscription) amount to approximately HK\$4,674.0 million.

As of the date of this interim report, there had been no change in the intended use of net proceeds from the top-up Placing as previously disclosed in the Placing Announcement.



Corporate Governance

As of June 30, 2025, the Group had utilized the net proceeds from the top-up Placing as set out in the table below:

Intended use of net proceeds	Net proceeds from the from the top-up Placing (HK\$ million)	Percentage of net proceeds as stated in the Placing Announcement	Utilized net proceeds during the Reporting Period (HK\$ million)	Net proceeds unutilized as of June 30, 2025 (HK\$ million)	Expected timeline of full utilization of the net proceeds
For acceleration of its business expansion	674	14.42%	120.6	553.4	Before December 31, 2025
For investments in research and development to further advance its technological capabilities	2,000	42.79%	104.1	1,895.9	Before December 31, 2026
For other general corporate purposes	2,000	42.79%	0.0	2,000.0	Before December 31, 2026
Total	4,674	100%	224.7	4,449.3	

OTHER INFORMATION

Purchase, Sale or Redemption of the Company's Listed Securities or Sale of Treasury Shares

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange or sold any treasury Shares (as defined under the Listing Rules).

As of June 30, 2025, the Company did not hold any treasury Shares (as defined under the Listing Rules).

Issue of Class B Ordinary Shares

Considering the market condition, the macroenvironment and investor interests indicated and in order to raise capital for the Company and broaden Shareholder base, on June 12, 2025 (before trading hours), the Company, the Existing Shareholders and the Managers entered into the Placing and Subscription Agreement, pursuant to which, (1) on June 16, 2025, an aggregate of 681,000,000 existing Class B Ordinary Shares were successfully placed by the Managers to not less than six placees at the placing price of HK\$6.93 for each Class B Ordinary Share, and (2) on June 23, 2025, the Company allotted and issued 681,000,000 new Class B Ordinary Shares to the Existing Shareholders at the subscription price of HK\$6.93 for each Class B Ordinary Share, with the aggregate nominal value of US\$1,702.5 (equivalent to approximately HK\$13,362.0) and the net subscription price of approximately HK\$6.86 per Subscription Share (after deducting relevant fees, costs and expenses). The closing price of Class B Ordinary Shares quoted on the Stock Exchange on June 12, 2025, being the date on which the terms of Placing and Subscription Agreement were fixed, was HK\$7.15 per Class B Ordinary Share.

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, the placees and their ultimate beneficial owners are Independent Third Parties. None of the placees has become a substantial shareholder of the Company immediately after the completion of the Placing.

For more details, please refer to the section headed "Use of proceeds from the Top-up Placing" in this interim report and the announcements of the Company dated June 12, 2025 and June 23, 2025.

Continuing Disclosure Obligations Pursuant to the Listing Rules

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

Auditor

The auditor of the Company, PricewaterhouseCoopers, has reviewed the Group's unaudited financial statements for the six months ended June 30, 2025 in accordance with International Standard on Review Engagements 2410 "Review of interim financial information performed by the independent auditor of the entity" issued by the International Auditing and Assurance Standards Board.

Interim Dividend

The Board did not recommend the distribution of an interim dividend for the six months ended June 30, 2025.

Material Litigation

The Company was not involved in any material litigation or arbitration during the Reporting Period which could have a material and adverse effect on our financial condition or results of operations. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the Reporting Period and up to the date of this announcement which could have a material and adverse effect on our financial condition or results of operations.

Events after the Reporting Period

During June and July 2025, the Company's subsidiary, D-Robotics, which operates our non-automotive business, entered into share purchase agreements to issue a total of 249,736,023 series B preferred shares to certain investors for an aggregated cash consideration of US\$119.1 million. From July to the date of this interim report, D-Robotics has received cash consideration amounting to US\$83.1 million. In July 2025, D-Robotics issued 53,460,836 class A ordinary shares to D-GUA Brother LP, the employee stock ownership platform of D-Robotics. The Company will continue to control D-Robotics following its series B financing and class A ordinary share issuance. The transactions contemplated under the agreements do not constitute any notifiable transactions or connected transactions of the Company under the Listing Rules.

Save as disclosed above, there were no significant events that might affect the Company since June 30, 2025 and up to date of this interim report.



Report on Review of Interim Financial Information

To the Board of Directors of Horizon Robotics

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 33 to 88, which comprises the interim condensed consolidated statement of financial position of Horizon Robotics (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2025 and the interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, August 27, 2025

Interim Condensed Consolidated Statement of Profit or Loss

	Notes	Six months ended June 30,	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Revenue from contracts with customers	6	1,566,756	934,599
Cost of sales	9	(542,784)	(195,861)
Gross profit		1,023,972	738,738
Research and development expenses	9	(2,300,002)	(1,419,656)
Administrative expenses	9	(307,157)	(243,144)
Selling and marketing expenses	9	(272,106)	(198,421)
Net impairment losses on financial assets		(14,770)	(53,237)
Other income	7	216,725	34,109
Other gains – net	8	61,236	36,193
Operating loss		(1,592,102)	(1,105,418)
Finance income	10	173,833	214,552
Finance costs	10	(3,708)	(3,789)
Finance income – net		170,125	210,763
Share of results of investments accounted for using the equity method	11	(400,123)	(181,633)
Fair value changes of preferred shares and other financial liabilities	25	(3,406,730)	(4,012,726)
Loss before income tax		(5,228,830)	(5,089,014)
Income tax expenses	12	(4,149)	(9,091)
Loss for the period		(5,232,979)	(5,098,105)
Loss is attributable to:			
Owners of Horizon Robotics		(5,232,879)	(5,098,088)
Non-controlling interests		(100)	(17)
Loss per share for loss attributable to the ordinary equity holders of the Company (expressed in RMB per share):			
Basic and diluted loss per share	13	(0.42)	(1.81)

Interim Condensed Consolidated Statement of Comprehensive Income

	Notes	Six months ended June 30,	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Loss for the period		(5,232,979)	(5,098,105)
Other comprehensive loss			
<i>Items that will not be reclassified to profit or loss</i>			
Currency translation differences	22	(8,820)	(208,038)
Effects of changes in credit risk for financial liabilities designated as at fair value through profit or loss	25	40,935	(85,118)
Other comprehensive income/(loss) for the period, net of nil tax		32,115	(293,156)
Total comprehensive loss for the period		(5,200,864)	(5,391,261)
Total comprehensive loss for the period is attributable to:			
Owners of Horizon Robotics		(5,200,787)	(5,391,244)
Non-controlling interests		(77)	(17)

Interim Condensed Consolidated Statement of Financial Position

		As at June 30, 2025	As at December 31, 2024
	Notes	RMB'000 (Unaudited)	RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	14	900,037	773,972
Right-of-use assets	15	215,187	211,517
Deferred tax assets	27	103,701	106,911
Intangible assets	16	278,462	320,251
Investments accounted for using the equity method	11	894,200	1,038,161
Financial assets at fair value through profit or loss	3	1,769,960	629,638
Restricted cash	20	8,135	8,141
Prepayments and other non-current assets	18	64,634	94,803
Total non-current assets		4,234,316	3,183,394
Current assets			
Inventories	19	791,509	585,414
Prepayments and other current assets	18	1,091,520	533,589
Trade receivables	17	1,092,859	678,770
Financial assets at fair value through profit or loss	3	108,144	–
Financial assets at fair value through other comprehensive income	17	14,857	26,900
Restricted cash	20	18,416	–
Cash and cash equivalents	20	16,069,125	15,370,925
Total current assets		19,186,430	17,195,598
Total assets		23,420,746	20,378,992
LIABILITIES			
Non-current liabilities			
Lease liabilities	15	74,333	81,539
Preferred share and other financial liabilities at FVPL	25	9,699,903	6,383,299
Borrowings	26	438,551	392,605
Deferred tax liabilities	27	5	1,626
Other non-current liabilities	24	208,863	327,289
Total non-current liabilities		10,421,655	7,186,358

Interim Condensed Consolidated Statement of Financial Position

		As at June 30, 2025	As at December 31, 2024
	Notes	RMB'000 (Unaudited)	RMB'000 (Audited)
Current liabilities			
Trade payables	24	87,953	14,552
Contract liabilities		46,305	248,693
Borrowings	26	10,000	14,667
Lease liabilities	15	84,439	71,751
Employee benefit obligations		322,757	416,898
Accruals and other payables	24	467,743	306,851
Preferred shares and other financial liabilities at FVPL	25	556,101	204,410
Total current liabilities		1,575,298	1,277,822
Total liabilities		11,996,953	8,464,180
Net current assets		17,611,132	15,917,776
Net assets		11,423,793	11,914,812
EQUITY			
Equity attributable to owners of Horizon Robotics			
Share capital	21	228	205
Share premium	21	39,457,564	34,087,735
Treasury Stock		(73,124)	–
Other reserves	22	61,993	616,784
Accumulated losses		(28,023,597)	(22,790,718)
Equity attributable to owners of Horizon Robotics		11,423,064	11,914,006
Non-controlling interests		729	806
Total equity		11,423,793	11,914,812

The accompanying notes on pages 40 to 88 are an integral part of this interim financial information.

On behalf of the Board

Kai Yu
Director

Chang Huang
Director

Interim Condensed Consolidated Statement of Changes in Equity

Notes	Equity attributable to owners of Horizon Robotics						Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Treasury Stock	Accumulated losses	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2025	205	34,087,735	616,784	-	(22,790,718)	11,914,006	806	11,914,812
Loss for the period	-	-	-	-	(5,232,879)	(5,232,879)	(100)	(5,232,979)
Effects of changes in credit risk for financial liabilities designated as at fair value through profit or loss	25	-	40,912	-	-	40,912	23	40,935
Currency translation differences		-	(8,820)	-	-	(8,820)	-	(8,820)
Total comprehensive loss for the period		-	32,092	-	(5,232,879)	(5,200,787)	(77)	(5,200,864)
Transactions with owners in their capacity as owners:								
Placing of ordinary shares	23	12	4,269,775	-	-	4,269,787	-	4,269,787
Share-based payments		-	-	480,365	-	480,365	-	480,365
Exercise and settle of options and share awards		11	1,100,054	(1,080,156)	-	19,909	-	19,909
Repurchase of own shares		-	-	-	(73,124)	(73,124)	-	(73,124)
Deemed investment arising from share-based compensation		-	-	12,908	-	12,908	-	12,908
Balance at June 30, 2025 (Unaudited)		228	39,457,564	61,993	(73,124)	(28,023,597)	11,423,064	729 11,423,793



Interim Condensed Consolidated Statement of Changes in Equity

	Notes	Equity attributable to owners of Horizon Robotics					Non-controlling interests RMB'000	Total deficits RMB'000
		Share capital RMB'000	Share premium RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000		
Balance at January 1, 2024		39	146,257	759,842	(25,571,415)	(24,665,277)	(107)	(24,665,384)
Loss for the period		–	–	–	(5,098,088)	(5,098,088)	(17)	(5,098,105)
Effects of changes in credit risk for financial liabilities designated as at fair value through profit or loss	25	–	–	(85,118)	–	(85,118)	–	(85,118)
Currency translation differences		–	–	(208,038)	–	(208,038)	–	(208,038)
Total comprehensive loss for the period		–	–	(293,156)	(5,098,088)	(5,391,244)	(17)	(5,391,261)
Transactions with owners in their capacity as owners:								
Share-based payments	23	–	–	236,639	–	236,639	–	236,639
Deemed investment arising from share-based payments to Joint ventures' employee		–	–	3,961	–	3,961	–	3,961
Capital contributions from non-controlling interests shareholders		–	–	–	–	–	985	985
Balance at June 30, 2024 (Audited)		39	146,257	707,286	(30,669,503)	(29,815,921)	861	(29,815,060)

Interim Condensed Consolidated Statement of Cash Flows

	Notes	Six months ended June 30,	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Cash flows from operating activities			
Cash used in operating activities		(2,318,218)	(933,614)
Interest received		175,277	214,549
Income taxes paid		(394)	(6,889)
Net cash outflow from operating activities		(2,143,335)	(725,954)
Cash flows from investing activities			
Payments for land-use right, property, plant and equipment		(170,600)	(241,948)
Payments for intangible assets		(131,275)	(271,075)
Purchase of investments accounted for using the equity method		(202,710)	(31,420)
Payments for financial assets at fair value through profit or loss	3	(14,883,482)	(5,404,154)
Proceeds from sale of property, plant and equipment		306	1,136
Proceeds from sale of financial assets at fair value through profit or loss	3	13,692,129	5,421,332
Net cash outflow from investing activities		(1,695,632)	(526,129)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		4,272,033	–
Proceeds from issuance of preferred shares and other financial liabilities	25	341,970	185,192
Proceeds from exercise options	22	19,909	–
Capital contributions from non-controlling interest shareholders		–	985
Payments for listing expenses		–	(2,375)
Payments for share repurchase to settle employee tax		(73,124)	–
Principal elements of lease payments	15	(35,474)	(26,330)
Interest elements of lease payments	15	(3,708)	(3,789)
Proceeds from borrowings	26	55,946	131,051
Net cash inflow from financing activities		4,577,552	284,734
Net increase/(decrease) in cash and cash equivalents		738,585	(967,349)
Cash and cash equivalents at the beginning of the period	20	15,370,925	11,359,641
Effects of exchange rate changes on cash and cash equivalents		(40,385)	60,157
Cash and cash equivalents at the end of the period	20	16,069,125	10,452,449

Notes to the Interim Condensed Consolidated Financial Information

1 GENERAL INFORMATION

Horizon Robotics (the “Company”) was incorporated in the Cayman Islands on July 21, 2015, as an exempted company with limited liability under the Companies Act (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in providing automotive solutions for passenger vehicles with proprietary software and hardware. The Group also provides non-automotive solutions to enable device manufacturers to design and manufacture devices and appliances with enhanced levels of intelligence.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 Basis of preparation

This interim condensed consolidated financial information for the six months ended June 30, 2025 (“Interim Financial Information”) has been prepared in accordance with Accounting Standard IAS 34 Interim Financial Reporting. The Interim Financial Information is presented in Renminbi (“RMB”), unless otherwise stated.

The Interim Financial Information does not include all the notes of the type normally included in annual financial statements. Accordingly, it should be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2024, which have been prepared in accordance with International Financial Reporting Standards, as set out in the 2024 annual report of the Group (the “2024 Financial Statements”).

2.2 Accounting policies

The accounting policies applied herein are consistent with those of the 2024 Financial Statements.

New Standards and amendments to standards not yet adopted

Standards and amendments	Effective for accounting periods beginning on or after
Amendments to IFRS 10 and IAS 28 ‘Sale or Contribution of Assets between an Investor and its Associate or Joint Venture’	To be determined
Amendments to IFRS 9 and IFRS 7, ‘Amendments to the Classification and Measurement of Financial Instruments’	1 January 2026
Amendments to IFRS 9 and IFRS 7, ‘Contracts referencing nature-dependent electricity’	1 January 2026
Annual Improvements – Volume 11 IFRS accounting standards	1 January 2026
IFRS 18, ‘Presentation and Disclosure in Financial Statements’	1 January 2027
IFRS 19, ‘Subsidiaries without Public Accountability: Disclosures’	1 January 2027

The Group has already commenced an assessment of the impact of these new or revised standards and amendments and no significant impact on the financial performance and positions of the Group is expected when they become effective.

3 FINANCIAL RISK MANAGEMENT

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

(a) Financial instruments carried at fair value

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the Group's assets and liabilities that were measured at fair value as at June 30, 2025 and December 31, 2024:

(Unaudited) At June 30, 2025	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets				
<i>Financial assets at FVPL</i>				
Investment in a listed company	16,855	–	–	16,855
Investment in unlisted companies	–	–	1,753,105	1,753,105
Wealth management products	–	–	108,144	108,144
<i>Financial assets at FVOCI</i>				
Financial assets at FVOCI	–	–	14,857	14,857
Total financial assets	16,855	–	1,876,106	1,892,961
Financial liabilities				
<i>Preferred shares and other financial liabilities at FVPL</i>				
Preferred shares	–	–	501,981	501,981
Convertible loans	–	–	9,754,023	9,754,023
Total financial liabilities	–	–	10,256,004	10,256,004



3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial instruments carried at fair value (Continued)

(i) Fair value hierarchy (Continued)

(Audited) At December 31, 2024	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets				
<i>Financial assets at FVPL</i>				
Investment in a listed company	12,483	–	–	12,483
Investments in unlisted companies	–	–	617,155	617,155
<i>Financial assets at FVOCI</i>				
Note receivables classified as financial assets at FVOCI	–	–	26,900	26,900
Total financial assets	12,483	–	644,055	656,538
Financial liabilities				
<i>Preferred shares and other financial liabilities at FVPL</i>				
Preferred shares	–	–	204,410	204,410
Convertible loan	–	–	6,383,299	6,383,299
Total financial liabilities	–	–	6,587,709	6,587,709

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period presented.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial instruments carried at fair value (Continued)

(i) Fair value hierarchy (Continued)

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The level 3 instruments mainly include investment in unlisted companies, commitment derivative and wealth management products, as well as the financial liabilities at fair value through profit or loss, including the preferred shares and convertible loan. As these instruments are not trade in an active market, their fair values have been determined using various applicable methodologies.

(ii) Valuation techniques used to determine fair values and process

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;
- the discounted cash flow model and unobservable inputs mainly including assumptions of expected future cash flows and discount rate;
- the latest round financing, i.e. the prior transaction price or the third-party pricing; and
- a combination of observable and unobservable inputs, including risk-free rate, expected volatility, discount rate for lack of marketability ("DLOM"), market multiples, etc.

The Group has a team that manages the valuation exercise of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the financial instruments on a case-by-case basis. At least once every year, the team would use valuation techniques to determine the fair value of the Group's level 3 instruments. External valuation experts will be involved when necessary.



3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial instruments carried at fair value (Continued)

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 financial assets for the six months ended June 30, 2025 and 2024:

	Investments in unlisted companies RMB'000	Wealth management products RMB'000	Notes receivables RMB'000
At January 1, 2025	617,155	–	26,900
Acquisitions	1,129,161	13,754,321	8,867
Disposals	–	(13,692,129)	(20,910)
Changes in fair value	10,360	47,263	–
Foreign currency translation recorded in other comprehensive loss	(3,571)	(1,311)	–
At June 30, 2025 (Unaudited)	1,753,105	108,144	14,857
Includes unrealised gains recognised in profit or loss attributable to balances held at the end of the reporting period	10,360	773	–

	Investments in unlisted companies	Wealth management products
At January 1, 2024	80,825	–
Acquisitions	1,500	5,402,654
Disposals	–	(5,421,332)
Changes in fair value	3,104	18,678
Foreign currency translation recorded in other comprehensive loss	210	–
At June 30, 2024 (Audited)	85,639	–
Includes unrealised gains recognised in profit or loss attributable to balances held at the end of the reporting period	3,104	–

The changes of preferred shares and other financial liabilities at FVPL and the valuation techniques and significant unobservable inputs for the six months ended June 30, 2025 have been disclosed in Note 25.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Financial instruments carried at fair value (Continued)

(iv) Valuation inputs and relationships to fair value of financial assets

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value:

Description	Fair Value		Significant unobservable inputs	Range of inputs		Relationship of unobservable inputs to fair values
	At	At		At	At	
	June 30, 2025	December 31, 2024		June 30, 2025	December 31, 2024	
	RMB'000 (Unaudited)	RMB'000 (Audited)		(Unaudited)	(Audited)	
Investments in unlisted companies	1,753,105	617,155	DLOM	5.0%-20.0%	5.0%-27.0%	The higher the DLOM, the lower the fair value
			Volatility	41.29%-97.94%	37.2%-89.4%	The higher the volatility, the lower the fair value
Wealth management products	108,144	–	Bond Yield	2.88%	NA	The higher the bond yield, the higher the fair value
Notes receivables measured at FVOCI	14,857	26,900	Discount Rate	1.51%-1.78%	1.3%-1.8%	The higher the discount rate, the lower the fair value

If the fair values of the investments in unlisted companies held by the Group had been 10% higher/lower, loss for the six months ended June 30, 2025 would have been approximately RMB113,952,000 lower/higher, respectively.

If the expected-return rate would have been higher/lower by 5%, the fair value of wealth management products would have been approximately RMB1,341,000 higher/lower respectively.

(b) Financial instruments carried at other than fair value

The carrying amounts of the Group's financial assets carried at other than fair value, including cash and cash equivalents, restricted cash, term deposits, trade receivables, and other receivables, and the Group's financial liabilities carried at other than fair value, including trade payables, other payables and accruals, borrowings and lease liabilities, approximate to their fair values as of June 30, 2025.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense.

In preparing this Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the Underlying Financial Statement.

5 SEGMENT INFORMATION

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the chief operating decision maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer of the Group that makes strategic decisions.

The CODM reviews the Group's internal reporting in order to assess performance, allocate resources, and determine the operating segments based on these reports. The Group has the following reportable segments for the six months ended June 30, 2025 and 2024:

- Automotive solutions; and
- Non-Automotive solutions

The CODM assesses the performance of the operating segments mainly based on segment revenue and gross profit of each operating segment. The research and development expenses, administrative expenses and selling and marketing expenses are common costs incurred for these operating segments as a whole and therefore, they are not included in the measure of the segments' performance which is used by the CODM as a basis for the purpose of resource allocation and assessment of segment performance. Net impairment losses on financial assets, other income, other gains – net, finance income, finance cost, share of results of investments accounted for using the equity method, fair value losses of preferred shares and other financial liabilities and income tax expense are not allocated to individual operating segment, either.

There were no material inter-segment sales during the six months ended June 30, 2025 and 2024. The revenues from external customers reported to the CODM are measured in a manner consistent with that applied in the interim condensed consolidated statement of profit or loss.

Other information, together with the segment information, provided to the CODM, is measured in a manner consistent with that applied in this interim condensed consolidated statement of financial position. There was no segment assets or segment liabilities information provided to the CODM.

The segment information provided to the CODM for the reportable segments for the six months ended June 30, 2025 and 2024 is as follows:

	Six months ended June 30, 2025		
	Automotive solutions RMB'000 (Unaudited)	Non-Automotive solutions RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue	1,516,332	50,424	1,566,756
Cost of sales	(498,980)	(43,804)	(542,784)
Gross profit	1,017,352	6,620	1,023,972

5 SEGMENT INFORMATION (CONTINUED)

	Six months ended June 30, 2024		
	Automotive solutions RMB'000 (Audited)	Non-Automotive solutions RMB'000 (Audited)	Total RMB'000 (Audited)
Segment revenue	913,094	21,505	934,599
Cost of sales	(178,161)	(17,700)	(195,861)
Gross profit	734,933	3,805	738,738

As at June 30, 2025 and 2024, substantially all of the non-current assets of the Group were located in the mainland China. Therefore, no geographical segments are presented.

6 REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) Disaggregation of revenue from contracts with customers

In the following table, revenue of the Group from contracts with customers is disaggregated by revenue source and by timing of revenue recognition. The table also includes a reconciliation to the segment information (Note 5).

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Automotive solutions		
Product solutions	777,848	222,264
License and services	738,484	690,830
	1,516,332	913,094
Non-Automotive solutions	50,424	21,505
Total Revenue	1,566,756	934,599



6 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

(a) Disaggregation of revenue from contracts with customers (Continued)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Automotive solutions		
At a point in time	1,438,257	846,820
Over time	78,075	66,274
	1,516,332	913,094
Non-Automotive solutions		
At a point in time	50,424	21,505
Total Revenue	1,566,756	934,599

No geographical segment information is presented as the majority of the revenue and operating losses of the Group are derived within mainland China and the majority of the operating assets of the Group are located in the mainland China, which is considered as one geographic location with similar risks and returns.

The major customers which contributed more than 10% of total revenue of the Group for the six months ended June 30, 2025 and 2024 are listed as below:

	Six months ended June 30,	
	2025	2024
Percentage of revenue from the major customers to the total revenue of the Group		
Customer A	19.70%	3.27%
Customer B	12.76%	3.59%
Customer C	11.16%	37.62%
Customer D	7.83%	10.46%
Customer E	1.03%	22.85%

7 OTHER INCOME

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Financial subsidies	193,971	20,669
Tax refund	22,754	13,440
Total	216,725	34,109

8 OTHER GAINS, NET

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Fair value changes of financial assets at FVPL	62,061	21,782
Net foreign exchange differences	(1,139)	11,149
Others	314	3,262
Total	61,236	36,193



9 EXPENSES BY NATURE

The expenses charged to cost of sales, selling and marketing expenses, administrative expenses and research and development expenses are analyzed below:

	Notes	Six months ended June 30,	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Employee benefit expenses		1,460,379	1,118,164
Depreciation and amortization	14,15,16	220,748	222,317
Cost of inventories	19	467,840	180,019
Technical service fee		830,445	219,460
Professional service and other consulting fee		42,012	38,623
Marketing, conference and traveling expenses		87,739	55,229
Outsourcing fee		117,749	122,569
Tape-out fee and consumables used		156,214	34,200
Utilities, property management and administrative expenses		23,077	14,551
Non-recurring capital rising expense		476	40,838
Other expenses		15,370	11,112
Total		3,422,049	2,057,082

10 FINANCE INCOME, NET

	Notes	Six months ended June 30,	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
<i>Finance income</i>			
Interest income from financial assets held for cash management purposes		173,833	214,552
Finance income		173,833	214,552
<i>Finance costs</i>			
Interest for lease liabilities	15	(3,708)	(3,789)
Finance costs		(3,708)	(3,789)
Net finance income		170,125	210,763

Interest income on financial assets at amortised cost held for cash management purposes is calculated using the effective interest method.

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The amounts of investments accounted for using the equity method recognized in the interim condensed consolidated statement of financial position are as follows:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Associates	19,578	75,898
Joint ventures	874,622	962,263
	894,200	1,038,161

The movements of investments in associates and joint ventures during the six months ended June 30, 2025 and 2024 are as below:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
At the beginning of the period	1,038,161	1,107,659
Additions	215,618	35,381
Share of results of associates and joint ventures	(400,123)	(181,633)
Elimination of unrealized profits and losses from downstream transactions	44,226	(113,305)
Currency translation differences	(3,682)	5,393
At the end of the period	894,200	853,495

The associates and joint ventures of the Group have been accounted by using the equity method based on the financial information of the associates and joint ventures prepared under the accounting policies consistent with the Group.

The Company grants restricted share units ("RSU") to the employees of its joint ventures and does not charge the relevant costs to these joint ventures. In the separate financial statement, the Company capitalizes the grant date fair value of related RSUs as additional cost of investment in these joint ventures. In the interim condensed consolidated financial statements, as other joint ventures do not provide an equivalent contribution into the joint venture, the Company records all related share-based payment expenses when applying equity method accounting during the six months ended June 30, 2025.

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)**(i) Commitments in respect of associates and joint ventures:**

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
<i>Commitments – joint ventures</i>		
Commitment to provide funding for joint ventures' capital commitments	1,300,535	1,513,049
<i>Commitments – associates</i>		
Commitment to provide funding for associates' capital commitments	200,500	500
	1,501,035	1,513,549

Besides the above-mentioned commitments, there are no commitments and contingent liabilities relating to the Group's interests in associates and joint ventures.

12 INCOME TAX EXPENSES

The income tax expenses of the Group during the six months ended June 30, 2025 and 2024 are analysed as follows:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Current income tax	(2,560)	(9,772)
Deferred income tax (Note 27)	(1,589)	681
Income tax expenses	(4,149)	(9,091)

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

(i) Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gain. Additionally, upon payments of dividends by the Company in the Cayman Islands to its shareholders, no Cayman Islands withholding tax will be imposed.

(ii) Hong Kong

Under the current Hong Kong Inland Revenue Ordinance, from the year of assessment 2018/2019 onwards, the subsidiaries in Hong Kong are subject to profits tax at the rate of 8.25% on assessable profits up to HK\$2 million, and 16.5% on any part of assessable profits over HK\$2 million. The payments of dividends by these companies to their shareholders are not subject to any Hong Kong withholding tax.

12 INCOME TAX EXPENSES (CONTINUED)

(iii) PRC corporate income tax

Under the PRC Enterprise Income Tax Law ("EIT Law"), the standard enterprise income tax rate is 25%. Preferential tax treatments are granted to entities qualify as "Software Enterprises", "Key Software Enterprises" and/or "High and New Technology Enterprises" ("HNTEs").

The aforementioned preferential tax rates are subject to annual review by the relevant tax authorities in mainland China. Certain subsidiaries of the Company were entitled to a preferential corporate income tax rate of 15%. They have obtained their High and New Technology Enterprises status, and hence they are entitled to a preferential tax rate of 15% for a three-year period. This status is subject to a requirement that they reapply for HNTE status every three years. The Company will apply for the renewal of the HNTE status for all of these subsidiaries, and the Company believes it is more likely than not that each of these subsidiaries will continue to qualify as a HNTE after the three-year period. Therefore, deferred tax of these entities were calculated at a rate of 15% starting from the year when they were accredited as HNTEs.

All other major mainland China incorporated entities of the Company were subject to a 25% income tax rate for all the periods presented.

According to the relevant laws and regulations promulgated by the State Taxation Administration of the PRC, enterprises engaging in research and development activities are entitled to claim 175% from 2018 onwards (subsequently raised to 200% from 2022 onwards) of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that year (the "Super Deduction").

13 LOSS PER SHARE

The basic loss per share is calculated by dividing the loss attributable to ordinary shareholders of the Company by the weighted average number of outstanding ordinary shares issued during the six months ended June 30, 2025 and 2024.

	Six months ended June 30,	
	2025 (Unaudited)	2024 (Audited)
Loss attributable to ordinary shareholders of the Company (RMB'000)	(5,232,879)	(5,098,088)
Weighted average number of ordinary shares in issue – basic and diluted (in "000")	12,313,356	2,813,597
Loss per share (expressed in RMB per share) – basic and diluted	(0.42)	(1.81)

Basic and diluted loss per ordinary share is computed using the weighted average number of ordinary shares outstanding during the period. Both Class A, Class B ordinary shares and vested RSUs are included in the calculation of the weighted average number of ordinary shares outstanding.

The Company has four categories of dilutive potential ordinary shares: preferred shares, convertible loans, unvested RSUs, and share options. As the Group incurred losses for the six months ended June 30, 2025 and 2024, the dilutive potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the six months ended June 30, 2025 and 2024 are the same as basic loss per share of the respective periods.

14 PROPERTY, PLANT AND EQUIPMENT

	Computers and electronic equipment RMB'000	Leasehold improvements RMB'000	Vehicles and vehicle devices RMB'000	Office furniture and equipment RMB'000	Construction in progress RMB'000	Total RMB'000
At January 1, 2025						
Cost	522,110	66,758	97,260	9,241	437,166	1,132,535
Accumulated depreciation	(279,844)	(49,446)	(22,837)	(6,436)	–	(358,563)
Net book amount	242,266	17,312	74,423	2,805	437,166	773,972
(Unaudited)						
Six months ended June 30, 2025						
Opening net book amount	242,266	17,312	74,423	2,805	437,166	773,972
Additions	82,088	1,869	35,457	61	66,117	185,592
Increase in capitalized interest	–	–	–	–	4,263	4,263
Disposals	(17)	–	(512)	–	–	(529)
Depreciation charge	(46,152)	(5,866)	(10,778)	(453)	–	(63,249)
Currency translation differences	(11)	–	(1)	–	–	(12)
Closing net book amount	278,174	13,315	98,589	2,413	507,546	900,037
(Unaudited)						
At June 30, 2025						
Cost	603,808	68,627	131,739	9,300	507,546	1,321,020
Accumulated depreciation	(325,634)	(55,312)	(33,150)	(6,887)	–	(420,983)
Net book amount	278,174	13,315	98,589	2,413	507,546	900,037
At January 1, 2024						
Cost	378,116	54,867	48,499	9,185	197,298	687,965
Accumulated depreciation	(199,443)	(35,735)	(14,114)	(5,412)	–	(254,704)
Net book amount	178,673	19,132	34,385	3,773	197,298	433,261
(Audited)						
Six months ended June 30, 2024						
Opening net book amount	178,673	19,132	34,385	3,773	197,298	433,261
Additions	82,973	2,366	21,817	138	89,597	196,891
Increase in capitalized interest	–	–	–	–	2,361	2,361
Disposals	(20)	–	(32)	–	–	(52)
Depreciation charge	(41,376)	(6,067)	(5,921)	(686)	–	(54,050)
Currency translation differences	18	–	2	1	–	21
Closing net book amount	220,268	15,431	50,251	3,226	289,256	578,432
(Audited)						
At June 30, 2024						
Cost	460,782	57,233	70,223	9,326	289,256	886,820
Accumulated depreciation	(240,514)	(41,802)	(19,972)	(6,100)	–	(308,388)
Net book amount	220,268	15,431	50,251	3,226	289,256	578,432

15 LEASES

This note provides information for leases where the Group is a lessee.

(i) Amounts recognised in the interim condensed consolidated statement of financial position

The interim condensed consolidated statement of financial position shows the following amounts relating to leases:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Right-of-use assets		
Land-use right	64,821	65,519
Office buildings	89,153	108,172
Others	61,213	37,826
	215,187	211,517
Lease liabilities		
Current	84,439	71,751
Non-current	74,333	81,539
	158,772	153,290

(ii) Amounts recognized in the interim condensed consolidated statement of profit or loss

The interim condensed consolidated statement of profit or loss and the interim condensed consolidated statement of cash flows contain the following amounts relating to leases:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Depreciation charge of right-of-use assets		
Land-use right	698	698
Office buildings	24,058	22,927
Others	11,930	3,714
	36,686	27,339
	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Interest expense (included in finance cost)	3,708	3,789
Expense relating to short-term leases not included in lease liabilities	11,936	1,994

The total cash outflows for lease payments during the six months ended June 30, 2025 and 2024 were RMB52,192,000 and RMB32,232,000, respectively.

16 INTANGIBLE ASSETS

	Licensed technology RMB'000	Computer software RMB'000	Total RMB'000
At January 1, 2025			
Cost	839,647	367,699	1,207,346
Accumulated amortization	(646,177)	(240,918)	(887,095)
Net book amount	193,470	126,781	320,251
(Unaudited)			
Six months ended June 30, 2025			
Opening net book amount	193,470	126,781	320,251
Additions	61,369	18,048	79,417
Amortization charge	(84,176)	(37,030)	(121,206)
Closing net book amount	170,663	107,799	278,462
(Unaudited)			
At June 30, 2025			
Cost	901,016	385,747	1,286,763
Accumulated amortization	(730,353)	(277,948)	(1,008,301)
Net book amount	170,663	107,799	278,462
At January 1, 2024			
Cost	674,153	250,364	924,517
Accumulated amortization	(448,403)	(173,208)	(621,611)
Net book amount	225,750	77,156	302,906
(Audited)			
Six months ended June 30, 2024			
Opening net book amount	225,750	77,156	302,906
Additions	110,713	11,507	122,220
Amortization charge	(109,348)	(32,246)	(141,594)
Closing net book amount	227,115	56,417	283,532
(Audited)			
At June 30, 2024			
Cost	784,866	261,871	1,046,737
Accumulated amortization	(557,751)	(205,454)	(763,205)
Net book amount	227,115	56,417	283,532

16 INTANGIBLE ASSETS (CONTINUED)

Amortization expenses have been charged to the interim condensed consolidated statement of profit or loss as follows:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Research and development expenses	120,779	140,980
Administrative expenses	422	611
Selling and marketing expense	5	3
Total amortization expenses charged to profit or loss	121,206	141,594

(i) Licensed technology

Separately acquired licensed technologies are shown at historical cost. They have limited useful lives and are subsequently carried at cost less accumulated amortisation and impairment losses.

(ii) Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire the specific software.

(iii) Research and development

Research expenditure is recognized as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new and improved products) are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

16 INTANGIBLE ASSETS (CONTINUED)

(iv) Amortisation methods and periods

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

- Licensed technology 3-5 years
- Computer software 3-5 years

17 TRADE AND NOTE RECEIVABLES

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Non-current:		
Trade receivables		
Third party debtors	16,827	26,303
Total trade and note receivables, gross	16,827	26,303
Less: Credit loss allowance	(677)	(1,473)
Total non-current trade receivables, net	16,150	24,830
Current:		
Trade receivables		
Third party debtors	1,119,736	704,819
Related parties	74,875	66,647
Total trade receivables, gross	1,194,611	771,466
Less: Credit loss allowance	(101,752)	(92,696)
Total current trade receivables, net	1,092,859	678,770
Total trade receivables, net	1,109,009	703,600
Financial assets at FVOCI		
Note receivables classified as financial assets at FVOCI	14,857	26,900
Total trade-related receivables	1,123,866	730,500

17 TRADE AND NOTE RECEIVABLES (CONTINUED)

The aging analysis of trade receivables based on revenue recognition date is as follows:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Up to 3 months	847,100	355,571
3 to 6 months	78,967	166,861
6 to 9 months	61,669	123,491
9 to 12 months	107,810	27,127
Over 12 months	115,892	124,719
Total	1,211,438	797,769

18 PREPAYMENTS, OTHER CURRENT ASSETS AND OTHER NON-CURRENT ASSETS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Non-current:		
Rental deposits	19,002	18,260
Trade receivables	16,827	26,303
Prepaid bonuses	12,616	25,233
Prepayments for property, plant and equipment	10,641	9,033
Prepayments for intangible assets	3,207	3,271
Other receivables	2,971	675
Prepayments for construction in progress	47	13,501
Less: Credit loss allowance	(677)	(1,473)
Total prepayments and other non-current assets	64,634	94,803
Current:		
Receivables related to employee individual tax settlement	701,834	–
Prepayments to suppliers	269,583	434,528
Input VAT to be deducted	95,239	64,264
Prepaid bonuses	25,801	26,370
Other receivables	4,279	8,134
Rental and other deposits	1,453	424
Less: Credit loss allowance	(6,669)	(131)
Total prepayments and other current assets	1,091,520	533,589
Total prepayments, other current assets and other non-current assets	1,156,154	628,392

Total prepayments, other current assets and other assets are mainly denominated in RMB.

19 INVENTORIES

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Finished goods	277,636	239,466
Working in progress	475,169	332,706
Raw materials	43,130	9,193
Contract fulfilment costs	11,628	20,103
Inventories, gross	807,563	601,468
Less: provision for impairment	(16,054)	(16,054)
	791,509	585,414

	Six months ended June 30,	
	2025 RMB'000	2024 RMB'000
Cost of inventories sold	467,840	170,425
Provision for impairment of inventories	–	9,699
Reversal of provision for impairment of inventories	–	(105)
Total	467,840	180,019

Inventories are stated at the lower of cost and net realisable value. Cost mainly comprises bill of materials for processing hardware. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

20 CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TERM DEPOSITS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Cash at banks	16,095,676	15,379,066
Less: restricted cash	(26,551)	(8,141)
Cash and cash equivalents	16,069,125	15,370,925
Balances per consolidated statement of cash flows	16,069,125	15,370,925

Cash and cash equivalents are denominated in:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
RMB	4,226,296	5,193,256
US\$	7,443,123	10,065,726
HK\$	4,399,706	111,943
	16,069,125	15,370,925

Restricted cash is denominated in:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
RMB	23,839	5,423
US\$	2,712	2,718
	26,551	8,141

21 SHARE CAPITAL AND SHARE PREMIUM

Share capital

	Class A ordinary shares		Class B ordinary shares	
	Number	Nominal value USD	Number	Nominal value USD
Authorised, US\$0.0000025 each:				
At January 1, 2024,	2,350,582,688	5,876	9,271,123,237	23,178
At December 31, 2024	2,124,389,270	5,311	17,875,610,730	44,689
At June 30, 2025	2,124,389,270	5,311	17,875,610,730	44,689

	Class A ordinary shares		Class B ordinary shares	
	Number	Amount RMB'000	Number	Amount RMB'000
Issued and fully paid, US\$0.0000025 each:				
At January 1, 2024 (Audited)	2,305,932,525	38	125,471,515	1
At December 31, 2024 (Audited)	2,124,389,270	35	11,075,904,412	170
Placing of ordinary shares	–	–	681,000,000	12
Exercise and settle of options and share awards	–	–	–	11
At June 30, 2025 (Unaudited)	2,124,389,270	35	11,756,904,412	193

Share premium

	RMB'000
At January 1, 2024 (Audited)	146,257
At December 31, 2024 (Audited)	34,087,735
Placing of shares, netting of underwriting commissions and other issuance costs	4,269,775
Exercise and settle of options and share awards	1,100,054
As at June 30, 2025 (Unaudited)	39,457,564

On August 10, 2024, the Company issued an aggregate of 1,444,950,216 Class B ordinary shares to its employee shareholding platforms, namely Pirates Gold Holding Limited, Pirates Silver Holding Limited and Pirates Bronze Holding Limited for the 2018 Share Incentive Plan. As at June 30, 2025, 581,084,964 Class B ordinary shares related to exercised options and settled RSUs are considered outstanding from accounting perspective.

On June 23, 2025, the Company allotted and issued 681,000,000 Class B ordinary shares to the existing shareholders at HK\$6.93 per share. The issuance of these Class B ordinary shares, net of underwriting commission and other issuance cost, resulting in an increase of share capital and share premium by RMB12,209 and RMB4,269,775,000, respectively.

22 OTHER RESERVES

	Share-based payments RMB'000	Changes in the fair value attributable to credit risk changes RMB'000	Statutory reserve RMB'000	Currency translation differences RMB'000	Repurchase of non-controlling interests RMB'000	Total RMB'000
As at January 1, 2025	1,415,687	–	1,464	(793,624)	(6,743)	616,784
Share-based payments – Share Incentive Plans (Note 23(a))	480,365	–	–	–	–	480,365
Share-based payments to Joint ventures' employees (Note 11)	12,908	–	–	–	–	12,908
Exercise and vesting of share-based awards	(1,080,156)	–	–	–	–	(1,080,156)
Fair value changes on convertible redeemable preferred shares due to own credit risk (Note 25)	–	40,912	–	–	–	40,912
Currency translation differences	–	–	–	(8,820)	–	(8,820)
As at June 30, 2025 (Unaudited)	828,804	40,912	1,464	(802,444)	(6,743)	61,993
As at January 1, 2024	852,764	510,343	1,464	(597,986)	(6,743)	759,842
Share-based payments – Share Incentive Plans (Note 23(a))	223,733	–	–	–	–	223,733
Share-based payments to Joint ventures' employees (Note 11)	3,961	–	–	–	–	3,961
Share-based payments – Warrant of D-Robotics issued to founders	12,906	–	–	–	–	12,906
Fair value changes on convertible redeemable preferred shares due to own credit risk (Note 25)	–	(85,118)	–	–	–	(85,118)
Currency translation differences	–	–	–	(208,038)	–	(208,038)
As at June 30, 2024 (Audited)	1,093,364	425,225	1,464	(806,024)	(6,743)	707,286



23 SHARE-BASED PAYMENTS

Total expenses arising from share-based payment transactions recognised during the six months ended June 30, 2025 and 2024 were as follows:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Share Incentive Plans of the Company (a)	457,553	223,733
Share Incentive Plans of D-Robotics (b)	22,812	–
Warrant of D-Robotics issued to founders (c)	–	12,906
	480,365	236,639

(a) Share Incentive Plans of the Company

In November 2015, the Company adopted the 2015 share incentive plan (the "2015 Share Incentive Plan"). On November 16, 2018, the 2018 share incentive plan (the "2018 Share Incentive Plan") was adopted by the Company to replace the 2015 Share Incentive Plan.

On October 8, 2024, the Company adopted the Post-IPO Share Incentive Plan. As of June 30, 2025, a total of 44,787,395 share awards have been granted in accordance with the terms of the Post-IPO Share Incentive Plan.

Under the 2018 Share Incentive Plan and the Post-IPO Share Incentive Plan, the Company have granted share options and RSUs to relevant directors, employees and service providers of the Company. The fair value of the services received in exchange for the grant of equity instruments (share options and RSUs) is recognised as an expense in the interim consolidated statement of profit or loss with a corresponding increase in other reserve.

The total amount to be expensed is determined by reference to the fair value of the options and RSUs granted:

- including any market performance conditions,
- excluding the impact of any service and non-market performance vesting conditions, and
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of shares that are expected to vest based on the service conditions. The expected retention rate of grantees was 89% and 92% respectively in the six months ended June 30, 2025 and 2024. The Company recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

23 SHARE-BASED PAYMENTS (CONTINUED)

(a) Share Incentive Plans of the Company (Continued)

Most of options and RSUs vest over a one-year or four-year requisite service period, depending on the terms of each award agreement. And granted options and RSUs generally follow one of the three vesting schedules ("Schedule A", "Schedule B", "Schedule C") below:

- Schedule A: 25% of the awards vest upon each of the four anniversaries of vesting commencement date;
- Schedule B: 50% of the awards vest upon the second anniversary of vesting commencement date, and 25% of the awards vest upon the third and fourth anniversary respectively;
- Schedule C: 100% of the awards vest on the first anniversary of vesting commencement date.

(i) 2018 Share Incentive Plan

Set out below are summaries of options granted under the 2018 Incentive Plan:

	Weighted Average exercise price per share option US\$	Number of options	Weighted- average remaining contract life	Weighted average fair value of options exercised during the period US\$
(Unaudited)				
Outstanding at January 1, 2025	0.13	398,684,475	2.73	
Exercised	0.11	(25,249,497)		0.77
Outstanding at June 30, 2025	0.13	373,434,978	2.24	
Exercisable as of June 30, 2025	0.13	373,384,978		



23 SHARE-BASED PAYMENTS (CONTINUED)

(a) Share Incentive Plans of the Company (Continued)

(i) 2018 Share Incentive Plan (Continued)

Share options outstanding at the end of the period/year have the following expiry date and exercise prices:

Grant Date	Expiry date	Exercise price per share option US\$	Number of share options	
			June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
2015	2025	0.000025	118,275,150	128,875,150
2016	2026	0.000025-0.0625	46,281,380	46,726,740
2017	2027	0.000025-0.09175	17,497,360	19,706,960
2018	2028	0.00025-0.302	82,253,448	88,972,415
2019	2029	0.001-0.3777	67,388,430	70,017,800
2020	2030	0.05408-0.3777	15,587,550	16,059,350
2021	2031	0.10249-0.4677	23,656,660	25,721,060
2022	2032	0.4677	2,195,000	2,305,000
2024	2034	0.4677	300,000	300,000
Total			373,434,978	398,684,475

Set out below are summaries of RSUs granted under the 2018 Incentive Plan:

	Number of RSUs	Weighted- average remaining contract life
(Unaudited)		
Outstanding at January 1, 2025	933,126,853	7.53
Forfeited	(12,311,474)	
Vested	(588,365,325)	
Outstanding at June 30, 2025	332,450,054	7.02

23 SHARE-BASED PAYMENTS (CONTINUED)

(a) Share Incentive Plans of the Company (Continued)

(i) 2018 Share Incentive Plan (Continued)

RSUs outstanding at the end of the period/year have the following expiry date:

Grant Date	Expiry date	Number of RSUs	
		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
2015	2025	–	–
2016	2026	–	7,967,430
2017	2027	–	–
2018	2028	–	89,478,400
2019	2029	–	19,713,439
2020	2030	21,850	108,809,319
2021	2031	5,000,000	71,284,715
2022	2032	20,452,403	143,656,303
2023	2033	73,141,573	202,103,776
2024	2034	233,834,228	290,113,471
Total		332,450,054	933,126,853

(ii) Post-IPO Share Incentive Plan

Set out below are summaries of RSUs granted under the Post-IPO Share Incentive Plan:

	Number of RSUs	Weighted- average remaining contract life	Weighted average fair value of RSUs granted during the period US\$
Outstanding at January 1, 2025	–	–	
Granted	81,992,485		0.67
Forfeited	(3,039,200)		
Outstanding at June 30, 2025	78,953,285	9.71	

23 SHARE-BASED PAYMENTS (CONTINUED)

(a) Share Incentive Plans of the Company (Continued)

(ii) Post-IPO Share Incentive Plan (Continued)

RSUs outstanding at the end of the period/year have the following expiry date:

Grant Date	Expiry date	Number of RSUs	
		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
2025	2035	78,953,285	–
Total		78,953,285	–

(b) Share Incentive Plans of D-Robotics

On March 26, 2025, the Company has adopted the D-Robotics 2025 Share Incentive Plan with the purpose of attracting, motivating, retaining and rewarding certain employees, directors and other eligible persons.

The total amount to be expensed is determined by reference to the fair value of the options and RSUs granted:

- including any market performance conditions,
- excluding the impact of any service and non-market performance vesting conditions, and
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, D-Robotics revises its estimates of the number of shares that are expected to vest based on the service conditions. The expected retention rate of grantees was 89% in the six months ended June 30, 2025. D-Robotics recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Most of options vest over a four-year requisite service period 50% of the awards vest upon the second anniversary of vesting commencement date, and 25% of the awards vest upon the third and fourth anniversary respectively.

23 SHARE-BASED PAYMENTS (CONTINUED)

(b) Share Incentive Plans of D-Robotics (Continued)

Set out below are summaries of options granted under the D-Robotics' 2025 Incentive Plan:

	Weighted Average exercise price per share option US\$	Number of options	Weighted- average remaining contract life	Weighted average fair value of options granted during the period US\$
Outstanding at January 1, 2025	–	–	–	
Granted	0.0001	39,125,303		0.17
Outstanding at June 30, 2025	0.0001	39,125,303	9.80	
Exercisable as of June 30, 2025	–	–		

Share options outstanding at the end of the year/period have the following expiry date and exercise prices:

Grant Date	Expiry date	Exercise price per share option US\$	Number of share options	
			June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
2025	2035	0.0001	39,125,303	–
Total			39,125,303	–



23 SHARE-BASED PAYMENTS (CONTINUED)

(b) Share Incentive Plans of D-Robotics (Continued)

Fair value of options and RSUs granted

Prior to the IPO, the directors have used the discounted cash flow method to determine the underlying equity fair value of the Company and D-Robotics and adopted the equity allocation model to determine the fair value of the underlying ordinary shares. Key assumptions, such as projections of future performance, are determined by the directors with best estimate.

The fair value of the underlying ordinary shares of the Company and D-Robotics on the dates of grant are as follows:

The Company	Six months ended June 30,	
	2025 (Unaudited)	2024 (Audited)
Fair value of underlying ordinary shares (US\$)- under the Post-IPO Incentive Plan:	0.46~0.83	N/A
Fair value of underlying ordinary shares (US\$)- under the 2018 Incentive Plan:	N/A	0.47~0.55

D-Robotics	Six months ended June 30,	
	2025 (Unaudited)	2024 (Audited)
Fair value of underlying ordinary shares (US\$):	0.17	N/A

23 SHARE-BASED PAYMENTS (CONTINUED)

(b) Share Incentive Plans of D-Robotics (Continued)

Fair value of options and RSUs granted (Continued)

Key assumptions used by directors to estimate the underlying ordinary shares' fair value are set as below:

The Company	Six months ended June 30,	
	2025 (Unaudited)	2024 (Audited)
Discount rate	N/A	20%
Risk-free interest rate	N/A	4.45%-5.45%
DLOM	N/A	4%
Volatility	N/A	36.69%-41.72%

D-Robotics	Six months ended June 30,	
	2025 (Unaudited)	2024 (Audited)
Risk-free interest rate	3.97%	N/A
DLOM	13%	N/A
Volatility	60.83%	N/A

Based on fair value of the underlying ordinary shares, the directors use binomial model to determine the fair value of the share options as of the grant date.

D-Robotics	Six months ended June 30,	
	2025 (Unaudited)	2024 (Audited)
Risk-free interest rate	4.35%	N/A
Volatility	60.95%	N/A
Expected dividend yield	0	N/A

The fair value of RSUs at the grant date was determined by reference to the fair value of the underlying ordinary shares on the dates of grant.



23 SHARE-BASED PAYMENTS (CONTINUED)

(c) Warrant of D-Robotics issued to founders

On June 25, 2024, during the D-Robotics Financing, 43,940,218 class A ordinary shares of D-Robotics were issued to the three founders of the Company. Among the class A ordinary shares of D-Robotics issued to the three founders of the Company, 413,435 shares have been fully paid at price specified in the share purchase agreement dated June 25, 2024. For the remaining unpaid shares, founders have the right to pay the consideration for these shares at the same price specified in share purchase agreement at any time to entitle the economic rights and interests of these unpaid shares. Founders have been in-substance granted a warrant without any condition to buy 43,526,783 class A ordinary shares of D-Robotics at the predetermined subscription price on June 25, 2024. The Group recognized share-based payment expenses of RMB12,906,000 at the grant date fair value of the warrant which is derived using the Black-Scholes model. Significant assumptions including, 56.58% expected volatility and 4.25% risk-free interest, rate are made by the directors with reference to a third-party valuation report.

24 TRADE PAYABLES, ACCRUALS, OTHER PAYABLES AND OTHER NON-CURRENT LIABILITIES

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Current liabilities		
Trade payables (i)	87,953	14,552
Tax liabilities		
– Income tax payable	351	492
– Other taxes payable	32,955	29,627
Other payables		
– Payables for purchase of intangible assets	16,641	62,806
– Payables for third-party service fees and deposit	335,673	167,414
– Payables for construction in progress	4,044	17,669
– Payables for purchase of property, plant and equipment	41,922	353
– Accrued warranty liabilities	6,259	4,171
– Payables for an investment	3,579	3,594
– Accrued non-recurring capital raising expenses	2,722	616
– Others	23,597	20,109
Total trade payables and accruals and other payables	555,696	321,403

24 TRADE PAYABLES, ACCRUALS, OTHER PAYABLES AND OTHER NON-CURRENT LIABILITIES (CONTINUED)

(i) The aging analysis of the trade payables based on purchase date were as follows:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Up to 3 months	48,908	13,670
3 to 6 months	30,732	458
6 months to 1 year	7,896	112
1 to 2 years	150	60
Over 2 years	267	252
Total trade payables	87,953	14,552

Other non-current liabilities

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Payables for purchase of intangible assets	31,673	31,673
Deferred income in relation to financial subsidies	177,190	295,616
Total other non-current liabilities	208,863	327,289

25 PREFERRED SHARES AND OTHER FINANCIAL LIABILITIES AT FVPL

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Preferred shares (a)		
D-Robotics	501,981	204,410
Convertible loan (b)		
The Company (i)	9,699,903	6,383,299
D-Robotics (ii)	54,120	–
	10,256,004	6,587,709

25 PREFERRED SHARES AND OTHER FINANCIAL LIABILITIES AT FVPL (CONTINUED)

(a) Preferred shares

Preferred shares of D-Robotics

Since 2024, the Company's subsidiary D-Robotics has completed several external financings by issuing preferred shares to investors.

The details of the issuance are set out in the table below:

	Issue Price per Share US\$	Number of shares as of 1, January 2025	Number of Shares as of 30, June 2025	Total consideration received by 30, June 2025 US\$'000
Series A1 Preferred Shares	0.33	80,706,526	83,695,656	28,000
Series A2 Preferred Shares	0.33	–	118,375,550	39,602
		80,706,526	202,071,206	67,602

The details of the movements of number of preferred shares issued by D-Robotics during the Track Record Period are as follows:

	Number of shares
Opening as of January 1, 2025	80,706,526
Issuance of Series A1 preferred shares	2,989,130
Issuance of Series A2 preferred shares (i)	118,375,550
Outstanding as of June 30, 2025	202,071,206

- (i) Including 55,298,915 deemed issued Series A2 preferred shares. Certain investors were granted warrants to purchase Series A2 preferred shares of D-Robotics. Concurrently, these investors also entered into loan agreements with one of D-Robotics' subsidiary in PRC and the principal shall be due and payable by the subsidiary on specified maturity date. Depending on whether the investor was able to obtain the required registration and filing for the outbound investment before the maturity date of the loan, this repayment would either be for 1) the investor's payment for the exercise of the warrants to concurrently repurchase the Series A2 preferred shares at issuance price; or 2) for D-Robotics to terminate the warrant currently with the loan repayment. As each of the warrant was not detachable with the related loan and could not be separately transferred or exercised and warrant holders have all the rights and obligations of Series A2 preferred shares of D-Robotics. Therefore, the warrant and the related loan were viewed as deemed issued Series A2 preferred shares.

25 PREFERRED SHARES AND OTHER FINANCIAL LIABILITIES AT FVPL (CONTINUED)

(a) Preferred shares (Continued)

Preferred shares of D-Robotics (Continued)

The key terms of the preferred shares issued by D-Robotics are as follows:

Conversion rights

Unless converted earlier pursuant to the provisions with respect to automatic conversion as set out below, preferred shares shall be convertible, at the option of the holder thereof, at any time into such number of fully paid Class B ordinary shares at an initial conversion ratio of 1:1, and thereafter shall be subject to adjustment and readjustment from time to time for (a) share splits and combinations, (b) ordinary share dividends and distributions, (c) other dividends, (d) reorganizations, mergers, consolidations, reclassifications, exchanges, substitution, (e) dilutive issuance.

Each preferred share shall automatically be converted, based on the then-effective conversion price, without the payment of any additional consideration, into fully-paid Class B ordinary shares upon the earlier of (i) the consummation of the qualified initial public offering of D-Robotics ("Qualified IPO of D-Robotics"), or (ii) the date specified by the written consent or agreement of at least two-thirds (2/3) of the voting power of the then outstanding preferred shares.

Redemption rights

Preferred shareholders may redeem of all or any part of the then outstanding shares held, at any time after the occurrence of (i) the failure by D-Robotics to consummate a Qualified IPO prior to March 18, 2030, (ii) any occurrence of a material breach or violation of the transaction documents or relevant laws, (iii) occurrence of any other factors, which has resulted in the Kai Yu losing control of D-Robotics, or (iv) any share required to be redeemed by any preferred shareholders of D-Robotics.

The redemption price of each share to be redeemed shall equal to (i) 100% of each series stated issue price with a compounded rate of ten percent (10%) per annum return, plus (ii) any accrued or declared but unpaid dividends on each applicable preferred shares.

Voting rights

Each preferred share has voting rights equivalent to the number of Class B ordinary shares into which such preferred shares could be then convertible.

Dividend rights

Each preferred shareholder shall be entitled to receive, when, as and if declared by the Board of D-Robotics, out of any assets of D-Robotics legally available therefor, such dividends as may be declared from time to time by the Board of D-Robotics.



25 PREFERRED SHARES AND OTHER FINANCIAL LIABILITIES AT FVPL (CONTINUED)

(a) Preferred shares (Continued)

Preferred shares of D-Robotics (Continued)

Liquidation preference

In the event of any liquidation or deemed liquidation, dissolution, termination or winding up of D-Robotics, whether voluntary or involuntary, all assets and funds of D-Robotics legally available for distribution to shareholders in the following manner and order:

Each preferred shareholder shall be entitled to receive, prior and in preference to any distribution of any of the assets or funds of the D-Robotics to the holders of any ordinary shares, the amount equal to one hundred and ten percent (110%) of the original issue price on each preferred shares, plus all declared but unpaid dividends thereon up to the date of liquidation. The liquidation preference amount will be paid firstly to holders of preferred shares. After distributing or paying in full the liquidation preference amount to all of the preferred shareholders, the remaining assets of the D-Robotics available for distribution, if any, shall distributed to the holders of ordinary shares and the preferred shareholders on a pro rata basis, based on the number of ordinary shares then held by each shareholder on an as-converted basis. If the value of the remaining assets of the D-Robotics is less than aggregate liquidation preference amount payable to the holders of series A preferred shares, then the remaining assets of the D-Robotics shall be distributed pro rata amongst the holders of all outstanding preferred shares of that series.

Deemed Liquidation Event

Deemed Liquidation Events (as defined in the D-Robotics' memorandum and articles of association) include: (1) any consolidation, amalgamation, scheme of arrangement or merger of any D-Robotics or its subsidiaries with or into any other Person or other reorganization in which the shareholders of D-Robotics immediately prior to such consolidation, amalgamation, merger, scheme of arrangement or reorganization own less than fifty percent (50%) of D-Robotics' voting power in the aggregate immediately after such consolidation, merger, amalgamation, scheme of arrangement or reorganization, or any transaction or series of related transactions to which D-Robotics is a party in which in excess of fifty percent (50%) of D-Robotics' voting power is transferred; or (2) a sale, transfer, lease or other disposition of all or substantially all of the assets of the Company and/or its subsidiaries; or (3) exclusive and irrevocable licensing of all or substantially all of the Company and/or its subsidiaries' intellectual property to a third party.

The preferred shares issued by D-Robotics have been presented as current liabilities as the preferred shares may be converted into ordinary shares at the option of the preferred shareholders at any time, and the conversion option doesn't meet the definition of equity instrument.

25 PREFERRED SHARES AND OTHER FINANCIAL LIABILITIES AT FVPL (CONTINUED)

(a) Preferred shares (Continued)

Preferred shares of D-Robotics (Continued)

Deemed Liquidation Event (Continued)

The movements of the preferred shares carrying amount are set out as below:

D-Robotics	RMB'000
At January 1, 2025	204,410
Issuance of Series A1 Preferred Shares	7,171
Issuance of Series A2 Preferred Shares	284,464
Change in fair value through profit or loss	39,172
Change in fair value through other comprehensive income	(32,050)
Currency translation differences	(1,186)
At June 30, 2025 (Unaudited)	501,981

(b) Convertible loan

(i) Convertible loan of the Company

In November 2022, the Company entered into an agreement to issue a convertible loan with the principal amount of US\$924,855,000 with CARIAD, which is also a Series D preferred share investor. The convertible loan has a repayment term of three years from the closing date ("Maturity date") and with an interest rate of 2% for the first two annum and an 5% for the remaining annum.

Pursuant to the agreement, at any time after the date of closing and prior to the repayment in full, the convertible loan shall be automatically and mandatorily converted into the relevant equity interests in the Company when any of the following events occurs:

- In the event the Company consummates a Qualified IPO prior to the Maturity Date, upon the closing of the Qualified IPO, all the principal amount and accrued interest (the "Conversion Amount") shall be automatically and mandatorily converted into Class B Ordinary shares of the Company at a conversion price equal to the final per share offer price for the Qualified IPO, subject to the total beneficial interests cap of CARIAD in the Company being 9.90% upon Listing. The Company will repay the remaining Conversion Amount by cash on the Listing date, if any.
- In the event the Company fails to consummate a Qualified IPO but one or more rounds of Qualified Financing occurs prior to the Maturity Date, on the Maturity Date, the convertible loan shall be automatically and mandatorily converted into the same class of shares issued by the Company to the investors in the Qualified Financing at a conversion price equal to the price per share for the relevant class of shares.
- In the event neither a Qualified IPO nor a Qualified Financing occurs prior to the Maturity Date, on the Maturity Date, the convertible loan shall be automatically and mandatorily converted into the most senior series shares at a conversion price which implies a pre-determined valuation agreed by both parties.

25 PREFERRED SHARES AND OTHER FINANCIAL LIABILITIES AT FVPL (CONTINUED)**(b) Convertible loan (Continued)****(i) Convertible loan of the Company (Continued)**

Qualified Financing means a bona fide equity financing of the Company that takes place after the closing of the share purchase transaction under the Series D Preferred Share Purchase Agreement, the amount of total proceeds to the Company from which shall be no less than US\$350,000,000 and at least US\$100,000,000 of such total proceeds shall be invested by a single external investor.

The lender has rights to ask the Company to repay all outstanding and unpaid principal amount when some default event occurs. Therefore, the Company does not have the unconditional right to avoid delivering cash to settle the loan.

The Group does not bifurcate any embedded derivatives from the host instruments and designates the entire convertible loan as financial liabilities at fair value through profit or loss with the changes in the fair value recorded in the interim consolidated statement of profit or loss and the component of fair value changes relating to the Company's own credit risk is recognised in other comprehensive income.

In December 2023, the closing conditions of the convertible loan agreement have been satisfied and the Company received the total cash consideration of US\$800,000,000 from the lender.

The movements of the convertible loan carrying amount are set out as below:

	RMB'000
At January 1, 2025	6,383,299
Change in fair value through profit or loss	3,363,773
Change in fair value through other comprehensive income	(8,885)
Currency translation differences	(38,284)
At June 30, 2025 (Unaudited)	9,699,903

25 PREFERRED SHARES AND OTHER FINANCIAL LIABILITIES AT FVPL (CONTINUED)**(b) Convertible loan (Continued)****(ii) Convertible loan of D-Robotics**

In May 2025, D-Robotics entered into an agreement to issue an interest-free convertible loan with the principal amount of US\$7,000,000 with an investor, which is also a Series A2 preferred share investor of D-Robotics. The convertible loan has a repayment term of one year from the convertible loan payment date ("Maturity date").

Pursuant to the agreement, at any time after the date of the convertible loan payment date, if an Qualified Financing occurs prior to the Maturity Date, the convertible loan shall be automatically converted into the same class of shares issued by D-Robotics to the investors in the Qualified Financing at a conversion price equal to the 93% of the price per share for the relevant class of shares.

Qualified Financing means a bona fide equity financing of D-Robotics with the amount of total proceeds to D-Robotics from which shall be no less than US\$15,000,000 and the pre-financing valuation shall be no less than US\$450,000,000.

The lender has the right to ask the Group to repay all outstanding and unpaid principal amount when some default event occurs. Therefore, the Group does not have the unconditional right to avoid delivering cash to settle the loan.

The Group does not bifurcate any embedded derivatives from the host instruments and designates the entire convertible loan as financial liabilities at fair value through profit or loss with the changes in the fair value recorded in the interim condensed consolidated statement of profit or loss.

The movements of the convertible loan carrying amount are set out as below:

	RMB'000
At January 1, 2025	–
Addition	50,335
Change in fair value through profit or loss	3,785
Currency translation differences	–
At June 30, 2025 (Unaudited)	54,120



25 PREFERRED SHARES AND OTHER FINANCIAL LIABILITIES AT FVPL (CONTINUED)**(c) Fair value measurements*****Fair value of the preferred shares***

The Group applied the discounted cash flow method and Back-solved method to determine the underlying equity value of D-Robotics and adopted equity allocation model to determine the fair value of the convertible redeemable preferred shares. Key assumptions are set as below:

	As at June 30, 2025	As at December 31, 2024
Discount rate	N/A	21%
Risk-free interest rate	3.79%	4.35%
DLOM	12.87%	12.5%
Volatility	59.89%	60.41%

Discount rate (post-tax) was estimated by weighted average cost of capital as at each valuation date. Management estimated the risk-free interest rate based on the yield to maturity of U.S. treasury bonds denominated in US\$ with maturity close to expected liquidation date/redemption date as at the valuation date. The DLOM was estimated based on the option-pricing method. Under option-pricing method, the cost of put option, which can hedge the price change before the privately held share can be sold, was considered as a basis to determine the lack of marketability discount. Volatility was estimated based on annualized standard deviation of the daily return embedded in historical stock prices of comparable companies with a time horizon close to the expected term. In addition to the assumptions adopted above, D-Robotics' projections of future performance were also factored into the determination of the fair value of preferred shares on each valuation date.

The Group performed sensitivity test to changes in unobservable inputs in determining the fair value of the preferred shares. The changes in unobservable inputs including discount rate will result in a significantly higher or lower fair value measurement. The increase in the fair value of the preferred shares would increase the loss of fair value change of preferred shares and other financial liabilities in the interim condensed consolidated statement of profit or loss. When performing the sensitivity test, management applied an increase or decrease to each unobservable input, which represents management's assessment of reasonably possible change to these unobservable inputs.

If D-Robotics' key valuation assumptions used to determine the fair value of the preferred shares had increased/decreased certain percentage, the estimated fair value changes from carrying amount ended June 30, 2025 and December 31, 2024 respectively listed in below table (assuming the change of key assumptions would not have significant impact on fair value change attributable to credit risk)

25 PREFERRED SHARES AND OTHER FINANCIAL LIABILITIES AT FVPL (CONTINUED)**(c) Fair value measurements (Continued)**

	As at June 30, 2025 RMB'000	As at December 31, 2024 RMB'000
Risk-free interest rate+10%	(762)	(1,718)
Risk-free interest rate -10%	757	1,742

	As at June 30, 2025 RMB'000	As at December 31, 2024 RMB'000
DLOM +10%	(9,442)	(2,890)
DLOM -10%	10,510	2,890

	As at June 30, 2025 RMB'000	As at December 31, 2024 RMB'000
Volatility +10%	(7,430)	(4,745)
Volatility -10%	7,430	4,170

Fair value of the convertible loan

The Group estimated the fair value using the scenario analysis method with key assumptions are as follows:

The Company	As at June 30, 2025	As at December 31, 2024
Bond yield	11.20%	11.30%

The changes in unobservable input including bond yield will result in a significantly higher or lower fair value measurement. If the bond yield had been 10% higher, loss for the six months ended June 30, 2025 would have been approximately RMB35,920,000 lower and profit for the year ended December 31, 2024 would have been approximately RMB49,789,000 higher. If the bond yield had been 10% lower, loss for the six months ended June 30, 2025 would have been approximately RMB35,920,000 higher and profit for the year ended December 31, 2024 would have been approximately RMB49,789,000 lower.

26 BORROWINGS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Non-current		
Bank loan – secured	438,551	392,605
Current		
Bank loan – secured	10,000	–
Bank borrowing – unsecured	–	14,667
	448,551	407,272

A subsidiary of the Company entered into a bank loan agreement in December 2022. Under this loan agreement, the bank agreed to lend RMB844,500,000 to this subsidiary for a construction project, with a land use right mortgaged as the collateral for the loan (Note 15(i)). The loan period is from December 15, 2022 until December 14, 2037, and all drawdowns shall be made by December 14, 2025. The interest rate is reset on January 1 of each year during the loan period. The interests are paid quarterly, while the principal will be paid in instalments as agreed starting from June 15, 2026 until the end of the loan period.

As at the end of each reporting period, the Group's borrowings were repayable as follows:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Less than 1 years	10,000	14,667
Between 1 and 2 years	20,000	20,000
Between 2 and 5 years	105,000	90,000
Over 5 years	313,551	282,605
	448,551	407,272

As at June 30, 2025, the weighted average effective interest rate for borrowings was 2.30%.

27 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax recoverable against current income tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The following amounts, determined after appropriate offsetting, are shown in the interim condensed consolidated statement of financial position:

(i) Deferred tax assets

The balance comprises temporary differences attributable to:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Lease liabilities	25,748	20,998
Tax losses carried forward	103,888	106,911
Others	2,567	128
Total gross deferred tax assets	132,203	128,037
Deferred tax assets:		
– to be realized within 12 months	14,153	10,823
– to be realized after 12 months	118,050	117,214
Set-off of deferred tax assets pursuant to set-off provisions	(28,502)	(21,126)
Net deferred tax assets	103,701	106,911

(ii) Deferred tax liabilities

The balance comprises temporary differences attributable to:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Right-of-use assets	25,152	20,711
Financial assets measured at fair value	3,355	2,041
Total gross deferred tax liabilities	28,507	22,752
Set-off of deferred tax liabilities pursuant to set-off provisions	(28,502)	(21,126)
Net deferred tax liabilities	5	1,626

27 DEFERRED INCOME TAX (CONTINUED)

(iii) The movement on the carrying amount of deferred income tax assets is as follows:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
At the beginning of the period	128,037	118,478
Credited/(charged) to consolidated statement of comprehensive loss	4,166	(1,164)
At the end of the period	132,203	117,314

(iv) The movement on the carrying amount of deferred income tax liabilities is as follows:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
At the beginning of the period	22,752	18,511
Credited/(charged) to consolidated statement of comprehensive loss	5,755	(1,845)
At the end of the period	28,507	16,666

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realization of the related tax benefit through the future taxable profits is probable.

28 COMMITMENTS**(a) Capital commitments**

Significant capital expenditures contracted for at the end of the reporting period but not recognised as liabilities yet are as follows:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Property, plant and equipment	176,751	96,273
Intangible assets	14,312	65,506
Total	191,063	161,779

28 COMMITMENTS (CONTINUED)

(b) Operating commitments

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Processor and related purchases	370,916	619,308
Technical service fee	771,000	875,000
Others	137,159	50,011
Total	1,279,075	1,544,319

For commitments in respect of associates and joint ventures please see Note 11(i).

29 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subjected to common control. Members of key management and their close family members of the Group are also considered as related parties.

The following significant transactions were carried out between the Group and its related parties during the periods presented. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

(a) Names and relationships with related parties

The following companies are significant related parties of the Group that had transactions and/or balances with the Group during the six months ended June 30, 2025 and 2024:

Company	Relationship
SAIC Motor Co., Ltd, and its subsidiaries ("SHAIC")	Shareholder of the Company
Nanjing Yuxin Technology Co., Ltd. ("NYX")	An Associate of the Company
Carizon (Beijing) Technology Co., Ltd. ("CARIZON")	A Joint venture of the Company
Chongqing Juchuangzhixing Technology Co., Ltd. ("JC")	An Associate of the Company
Horizon Continental Technology (Shanghai) Co., Ltd. ("HCT")	An Associate of the Company



29 RELATED PARTY TRANSACTIONS (CONTINUED)**(b) Significant transactions with related parties**

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Sales to related parties		
Product solutions, License and services to SHAIC	9,053	19,870
Product solutions, License and services to HCT	42,807	33,019
Product solutions, License and services to CARIZON	133,953	457,106
License and services to JC	919	1,050
Product solutions, License and services to NYX	13	234
Total	186,745	511,279

The transactions with HCT for the six months ended June 30, 2025 and 2024 include RMB3,268,000 and RMB7,847,000 profits from downstream transactions eliminated when applying equity method accounting.

The transactions with CARIZON for the six months ended June 30, 2025 and 2024 include RMB40,958,000 and RMB105,458,000 profits from downstream transactions eliminated when applying equity method accounting.

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Purchases from related parties		
Services from NYX	24,136	18,599
Services from JC	13,658	18,365
Total	37,794	36,964

29 RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Period end balances with related parties

	As at June 30, 2025 RMB'000 Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Account receivables due from related parties		
Due from SHAIK	39,301	51,789
Due from HCT	27,711	8,623
Due from CARIZON	6,266	5,017
Due from JC	1,597	1,218
Total	74,875	66,647
Other receivables due from related parties		
Due from CARIZON	499	–
Due from HCT	256	–
Total	755	–
Other payables due to related parties		
Due to NYX	5,726	6,266
Due to JC	3,386	3,641
Due to HCT	–	162
Total	9,112	10,069
Contract liabilities due to related parties		
Due to SHAIK	439	576
Due to Carizon	20,000	150,000
Total	20,439	150,576



29 RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Key management personnel compensation

The compensations to key management personnel as directors are shown below:

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Audited)
Director fees	898	249
Wages, salaries and bonuses	5,068	5,537
Share-based payments (i)	74,402	7,161
Pension costs-defined contribution plans	105	135
Housing fund, medical insurance and other social insurance	177	189
Other employee benefits	662	169
Total	81,312	13,440

(i) Represents the amount recognized as an expense during the six months ended June 30, 2025 and 2024 in accordance with IFRS 2 Share-based Payment.

30 CONTINGENT LIABILITIES

There are no material contingent liabilities as at June 30, 2025.

31 DIVIDEND

No dividend has been paid or declared by the Company during the six months ended June 30, 2025 and 2024.

32 EVENTS OCCURRING AFTER THE REPORTING PERIOD

During June and July, 2025, the Company's subsidiary, D-Robotics, entered into share purchase agreements to issue a total of 249,736,023 series B preferred shares to certain investors for an aggregated cash consideration of US\$119.1 million. From July to the date of this interim results announcement, D-Robotics has received cash consideration amounting to US\$83.1 million. In July, 2025, D-Robotics issued 53,460,836 class A ordinary shares to D-GUA Brother LP, the employee stock ownership platform of D-Robotics. The Company will continue to control D-Robotics following its series B financing and class A ordinary share issuance.

Except the above mentioned event, there have been no material events subsequent to the six months ended June 30, 2025.

Definitions

"2018 Share Incentive Plan"	the share incentive plan adopted by the Company in 2015 and amended on November 16, 2018
"Articles of Association"	the articles of association of the Company, as amended from time to time
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Auditor"	PricewaterhouseCoopers, the auditor of the Company
"Board"	the board of Directors
"CARIZON"	Carizon (Beijing) Technology Co., Ltd (酷睿程(北京)科技有限公司), the joint venture established by the Company through its wholly-owned subsidiary Horizon Together Holding Ltd. and CARIAD Estonia AS in the PRC on November 20, 2023
"China" or "the PRC"	the People's Republic of China, unless the context requires otherwise, excluding, for the purposes of this interim report only, the regions of Hong Kong, Macau and Taiwan of the People's Republic of China
"Class A Ordinary Share(s)"	class A ordinary share(s) in the share capital of the Company with a par value of US\$0.0000025 each, conferring weighted voting rights in the Company such that a holder of a class A ordinary share is entitled to 10 votes per Share on any resolution tabled at the Company's general meetings, save for resolutions with respect to any Reserved Matters, in which case they shall be entitled to one vote per share
"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
"Companies Act"	the Companies Act (As Revised) of the Cayman Islands
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"close associate(s)"	has the meaning ascribed thereto under the Listing Rules
"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



Definitions

"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules and refers to Dr. Kai Yu, Everest Robotics Limited and Horizon Robotics, Inc.
"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"Corporate Governance Committee"	the corporate governance committee of the Board
"date of this interim report"	August 27, 2025
"Director(s)"	the director(s) of the Company
"Existing Shareholders"	Morningside China TMT Fund IV, L.P., Morningside China TMT Fund IV Co-Investment, L.P., Evolution Special Opportunity Fund I, L.P., Evolution Fund I Co-Investment, L.P., 5Y Capital Growth Fund I, L.P., 5Y Capital Growth Fund I Co-Investment, L.P. and HRRB Holdings Limited
"Global Offering"	the global offering 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)
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IFRS"	the IFRS Accounting Standards, which include standards, amendments and interpretations promulgated by International Accounting Standards Board
"Independent Third Party(ies)"	any person(s) or entity(ies) who is not a connected person of the Company within the meaning of the Listing Rules
"IPO"	the initial public offering of the Company
"Listing"	the listing of the Class B Ordinary Shares on the Main Board

"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 (as amended, supplemented or otherwise modified from time to time)
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Managers"	Goldman Sachs (Asia) L.L.C., Morgan Stanley Asia Limited and UBS AG Hong Kong Branch
"Memorandum"	the memorandum of association of the Company, as amended from time to time
"Memorandum and Articles"	the Memorandum and the Articles
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"OEM"	original equipment manufacturer
"Post-IPO Share Incentive Plan"	the share incentive plan adopted by the Company on October 8, 2024 and taking effect on the Listing Date
"Placing"	the placement of 681,000,000 Placing Shares to independent investors at the Placing Price
"Placing Announcement"	the announcement of the Company dated June 23, 2025
"Placing and Subscription Agreement"	the placing and subscription agreement entered into between the Company, the Existing Shareholders and the Managers dated June 12, 2025 in respect of the Placing and the Subscription
"Prospectus"	the prospectus of the Company dated October 16, 2024
"Reporting Period"	the six months ended June 30, 2025



Definitions

"Reserved Matters"	those matters resolutions with respect to which each Share is entitled to one vote at general meetings of the Company pursuant to Rule 8A.24 of the Listing Rules, being: (i) any amendment to the Memorandum and Articles, (ii) the variation of the rights attached to any class of Shares, (iii) the appointment or removal of an independent non-executive Director, (iv) the appointment or removal of the Company's auditors, and (v) the voluntary winding-up of the Company
"RMB"	the lawful currency of the PRC
"R&D"	research and development
"SFO"	the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Share(s)"	the Class A Ordinary Shares and/or Class B Ordinary Shares in the share capital of the Company, as the context so requires
"Shareholder(s)"	holder(s) of Share(s)
"Share Incentive Plans"	the 2018 Share Incentive Plan and the Post-IPO Share Incentive Plan
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription"	the subscription of the Subscription Shares by the Existing Shareholders pursuant to the Placing and Subscription Agreement
"Subscription Shares"	new Class B Ordinary Shares to be allotted and issued by the Company and subscribed by the Existing Shareholders under the Placing and Subscription Agreement
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"treasury Shares"	has the meaning ascribed thereto under the Listing Rules
"US\$" or "USD"	United States dollars, the lawful currency of the United States of America
"weighted voting rights"	has the meaning ascribed thereto under the Listing Rules
"WVR Beneficiary(ies)"	has the meaning ascribed thereto under the Listing Rules and unless the context otherwise requires, refers to Dr. Kai Yu and Dr. Chang Huang, being the holders of Class A Ordinary Shares
"WVR structure"	has the meaning ascribed to it under the Listing Rules
"%"	per cent



Horizon Robotics