Horizon Robotics (9660.HK): Asia Leaders Conference 2026 Takeaways: Founder/ CEO Fireside Chat: Spec upgrade on rising NOA penetration

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We hosted Horizon Robotics Founder/ CEO during the Asia Leaders Conference 2026 on Aug 31 - Sep 2 in Hong Kong. Key discussions focused on (1) Product roadmap and strategy, (2) Automotive industry dynamics and competition, and (3) Overseas market expansion.

Bottom line: Overall, management is positive on the specification upgrade of intelligent vehicles, with penetration of urban and highway NOA (Navigate on Autopilot) on new car models up to 46.8% in 1H26, despite rising competition in the automotive industry. Management notes Horizon Robotics is well-positioned in the industry, supported by its comprehensive products from ADAS to AD (highway/ urban NOA), integrated SoC platform and in-house software and expanding ecosystem across local OEMs, JV brands, and global-tier Tier-1 suppliers. The company continues to develop enhanced features (for example, HSD 2.0) and high-end products (for example, Journey 7 platform) to gain client traction. We remain constructive on the company's client expansion and mix upgrade towards high-end driving solutions carrying higher dollar content. Maintain Buy.

Key takeaways

1. Product roadmap and strategy: Comprehensive products across ADAS, NOA and integrated domain, from chipset platform to software

Horizon Robotics has been early in identifying the key ADAS/ AD market trends and has launched multiple SoCs (Journey 2/ 3/ 5/ 6 Series) since 2020. Management highlights the rising penetration of urban NOA (Navigate on Autopilot) on new car models, and the company continues to gain market share with its offering of Journey 6 platform (J6P/ J6M solution). The company released HSD (Horizon SuperDrive) with full-stack solution (chipset, software) to better empower OEM clients and recently launched HSD v2.0 featuring enhanced driving experiences. Mgmt. also highlights the company has comprehensive products including the integrated cockpit and driving solution (Starry SoC) and automotive AI agent KaKaClaw, which could offer both performance (Starry 6P at 650 TOPS) and efficiency with high

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price-to-performance ratio.

2. Industry dynamics and competition: Enhanced performance, wider coverage, and time-to-market new product launch

Management notes the accelerated roll-out of new vehicle models in 1H26 amid the rising industry competition, and specification upgrade on driving functions. The company continues to focus on the iteration of its processing structure, tool chain and software algorithm to meet rising clients' requirement on (1) time to market new product launch, and (2) price-to-performance ratio to cover wider range of models. In-terms of competition from OEM in-house driving chips, management notes the company has scale advantages, mass production track record, and accumulated know-how (performance, latency etc.), also partners with multiple OEMs to provide licenses and services to support their in-house platforms.

3. Overseas market growth: Partnership with global Tier-1 suppliers to accelerate penetration, positive on overseas market opportunities

Management is positive on the rising demand from overseas automotive market on ADAS/ AD in the long-term and incremental growth opportunities for company to go overseas. Horizon Robotics has partnered with multiple Tier-1 suppliers including Bosch, Denso, CARIZON etc. to secure the design-wins, server JV clients and expand the overseas market. Mgmt. notes the company's Journey 6 solution will be integrated into 7 new car models from VW's JV in China, then expand to more models in 2027E. The company's J6B solution also started mass production on GAC Toyota's models, showing its adaptability and quality stability.

Price Target Risks and Methodology - Horizon Robotics

Valuation: We derive our **12-month target price of HK$13.12** based on a 2030E discounted EV/EBITDA multiple of 29.0x (using our estimate of the company's 2030E EBITDA), which is based on the correlation of EBITDA growth and trading EV/EBITDA of its peers. We then discount it back to 2027E using a COE of 11.5% (equity risk premium of 6.5%, risk free rate of 3.0%, and a beta of 1.3; similar to what we apply for our coverage).

Key downside risks: (1) fiercer-than-expected competition or auto supply chain pricing pressure amid slow demand, (2) slower-than-expected product mix upgrade toward AD, (3) slower-than-expected expansion in the customer base, and (4) supply chain risks amid geopolitical tensions.

9660.HK	12m Price Target: **HK$13.12**	Price: **HK$4.42**	Upside: **196.8%**

Buy

Market cap: HK$55.8bn / $7.1bn
Enterprise value: HK$37.7bn / $4.8bn
3m ADTV: HK$881.7mn / $112.4mn
China
Greater China Technology
M&A Rank: 3
Leases incl. in net debt & EV?: Yes

GS Forecast

	12/25	12/26E	12/27E	12/28E
Revenue (Rmb mn)	3,758.3	5,662.7	10,180.4	17,879.2
EBITDA (Rmb mn)	(3,593.4)	(3,430.9)	(138.1)	4,328.7
EPS (Rmb)	(0.84)	0.10	(0.01)	0.27
P/E (X)	NM	36.5	NM	13.8
P/B (X)	6.8	4.4	4.5	3.3
Dividend yield (%)	0.0	0.0	0.0	0.0
N debt/EBITDA (ex lease,X)	–	–	–	(3.4)
CROCI (%)	NM	NM	NM	NM
FCF yield (%)	(2.9)	0.2	(1.5)	1.2

	6/26	12/26E	6/27E	12/27E
EPS (Rmb)	0.24	(0.14)	(0.02)	0.01

Source: Company data, Goldman Sachs Research estimates, FactSet. Price as of 8 Sep 2026 close.

