

Geekplus (2590 HK)

1H25 results in-line; Embodied robots the new driver

On the back of gross margin expansion, good expense control and FX gains, Geekplus core net loss significantly narrowed by 65% YoY to RMB39mn in 1H25, which is in-line with our expectations. With solid order intake in 1H25 (+30% YoY) and little impact from the US tariffs, we expect the company's revenue growth this year to remain highly visible. Meanwhile, management has revealed further details about embodied robotic arms during the post-results call, with potential 5-10% revenue contribution over the coming years. We see this as an important driver for both earnings and valuation. Reiterate **BUY** with unchanged TP of HK\$26.7 (based on 7.7x 2026E P/S)

■ **Key highlights in 1H25 results.** Revenue grew 31% YoY to RMB1bn in 1H25 (79.5% from overseas), driven by 33% YoY increase in warehouse fulfilment AMR revenue (94% of revenue) and 7% YoY increase in industrial material transport AMR (6% of revenue). Gross margin expanded 3ppt YoY to 35.1%, with overseas margin expanding 5.4ppt YoY to 46.2%. Selling & distribution expense ratio dropped 5.9ppt YoY to 23.4%. While administrative expenses increased 54% YoY, it was largely due to the listing fee which is one-off in nature. Other income was RMB79mn (vs -RMB15mn in 1H24), largely driven by FX gains. Core net loss (excluding fair value change and listing fee) narrowed 65% YoY to only RMB39mn.

■ **Solid customer base and strong order intake.** As at end-Jun, Geekplus had served >850 customers (including >65 Forbes 500 companies with repurchase rate of >80%). Total robot shipments reached 66k units across 40 countries. In 1H25, Geekplus received order intake of RMB1.76bn, which increased 30% YoY. We believe this offers strong support to revenue growth, as typically Geekplus converts 70-80% of orders to revenue in the same year (based on the rates over the past three years).

■ **Embodied intelligence to expand downstream applications.** Geekplus's embodied intelligence mainly refers to AI-powered robotic arm picking and general-purpose robots. According to management, 60-70% of human work in the warehouse can be performed by warehouse fulfilment AMRs, while the remaining 30-40% (mainly picking and packaging) can be performed by robotic arms. Geekplus believes downstream expansion can further enhance the solutions offering to customers. It expects revenue contribution from embodied robotic arms will potentially reach 5-10% over the coming years.

Earnings Summary

(YE 31 Dec)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue (RMB mn)	2,143	2,409	3,176	4,316	5,788
YoY growth (%)	47.6	12.4	31.9	35.9	34.1
Adjusted net profit (RMB mn)	(457.6)	(92.2)	112.0	401.6	673.5
EPS (Reported) (RMB cents)	0.00	0.00	5.02	27.85	47.83
YoY growth (%)	na	na	na	455.1	71.7
Consensus EPS (RMB cents)	na	na	5.79	22.50	44.55
P/S (x)	12.4	11.1	8.4	6.2	4.6
P/E (x)	ns	ns	391.3	70.5	41.1
Yield (%)	0.0	0.0	0.0	0.0	0.0
ROE (%)	na	na	na	10.8	16.2
Net gearing (%)	na	na	(60.9)	(57.6)	(45.0)

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price **HK\$26.70**
Up/Downside **24.4%**
Current Price **HK\$21.46**

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Stock Data

Mkt Cap (HK\$ mn)	29,095.5
Avg 3 mths t/o (HK\$ mn)	123.3
52w High/Low (HK\$)	NA/NA
Total Issued Shares (mn)	1355.8

Source: FactSet

Shareholding Structure

Zheng Yong (Class A, WVR)	6.1%
Zheng Yong (Class B)	4.1%

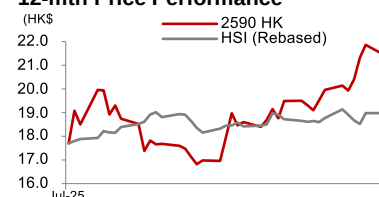
Source: HKEX

Share Performance

	Absolute	Relative
1-mth	26.4%	20.9%
3-mth	NM	NM
6-mth	NM	NM

Source: FactSet

12-mth Price Performance



Source: FactSet

Related report:

Geekplus (initiation) – A rising star in global AMR for warehouse automation; a unique play in HK market – 14 Aug 2025 ([link](#))

Figure 1: 1H25 results highlights

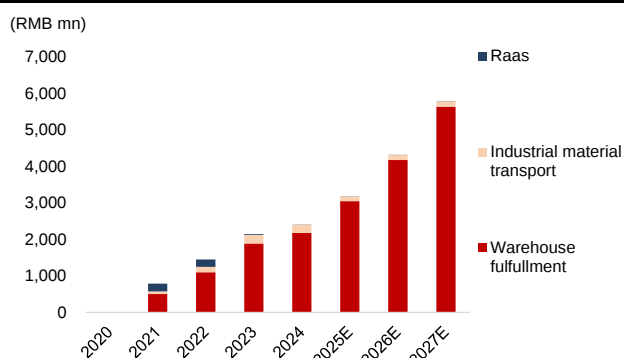
(RMB mn)	1H24	1H25	Change (YoY)
Total revenue	782	1,025	31.0%
Cost of sales	-531	-665	25.2%
Gross profit	252	360	43.1%
Other income	-15	79	n/a
S&D expenses	-230	-240	4.6%
Administrative expenses	-88	-135	53.9%
R&D expenses	-133	-147	10.5%
Impairment loss	-4	-6	52.5%
EBIT	-218	-89	-59.3%
Net finance income/(cost)	2	-1	n/a
Finance income	9	7	-23.6%
Finance expenses	-7	-7	3.5%
Other gains/(losses)	-340	21	n/a
Share of profit of JV and associate	6	22	262.2%
Pretax profit	-550	-47	-91.5%
Income tax	-0	-1	202.4%
After tax profit	-550	-48	-91.3%
MI	0	0	n/a
Net profit	-550	-48	-91.3%
Recurring net profit	-211	-39	-81.7%
D&A	29	21	-24.7%
EBITDA	-189	-67	-64.5%
Key ratios			Change (ppt)
Gross margin	32.1%	35.1%	3.0
S&D expenses ratio	29.3%	23.4%	-5.9
Administrative expense ratio	11.2%	13.2%	2.0
R&D expense ratio	17.0%	14.4%	-2.7
After-tax profit margin	-70.3%	-4.7%	65.7
Effective tax rate	-0.1%	-3.0%	-2.9

Source: Company data, CMBIGM

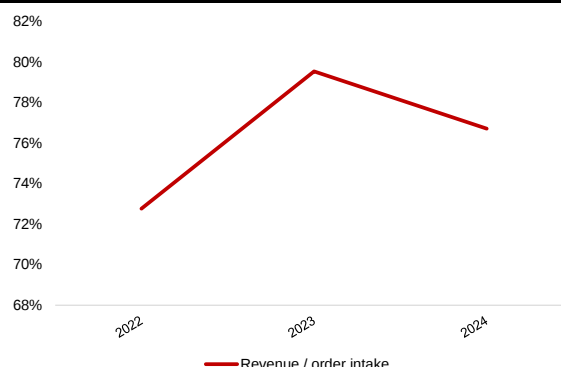
Figure 2: 1H25 segment breakdown

(RMB mn)	1H24	1H25	Change (YoY)
Revenue			
Sales of AMR solution	779	1,024	31.5%
Warehouse fulfillment	722	962	33.4%
Industrial material transport	57	61	7.2%
Raas	4	1	-71.5%
Total revenue	782	1,025	31.0%
Gross profit			
Sales of AMR solution	270	387	43.8%
Warehouse fulfillment	244	-	-
Industrial material transport	26	-	-
Raas	-4	-2	-59.7%
Write-down of inventories	-14	-26	86.3%
Total gross profit	252	360	43.1%
Gross margin			Change (ppt)
Sales of AMR solution	34.6%	37.8%	3.2
Warehouse fulfillment	33.8%	-	-
Industrial material transport	44.9%	-	-
Raas	-108.8%	-154.2%	-
Average gross margin	32.1%	35.1%	3.0

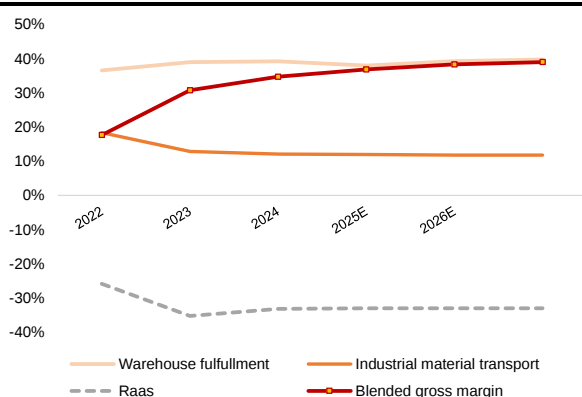
Source: Company data, CMBIGM

Figure 3: Revenue projection

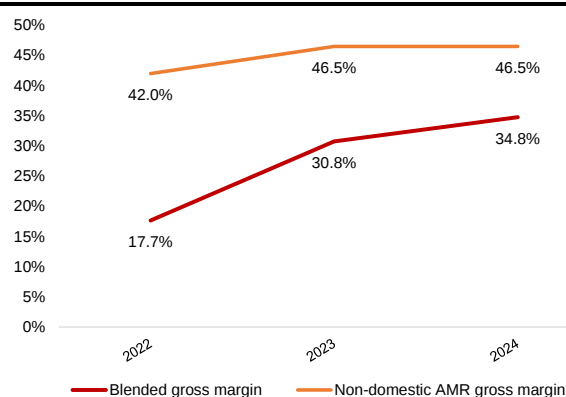
Source: Company data, CMBIGM estimates

Figure 4: Revenue / order intake

Source: Company data, CMBIGM

Figure 5: Gross margin by segment

Source: Company data, CMBIGM estimates

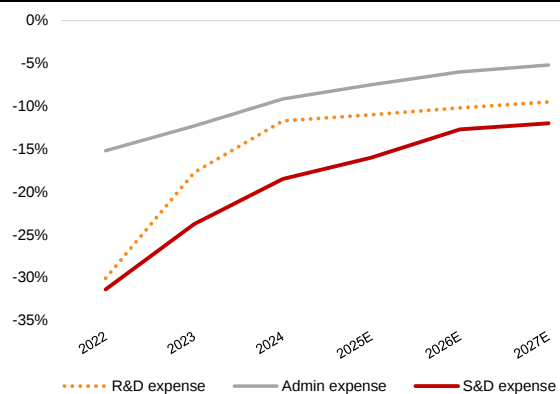
Figure 6: Gross margin by location

Source: Company data, CMBIGM

Figure 7: Key assumptions

(RMB mn)	2022	2023	2024	2025E	2026E	2027E
Revenue						
Sales of AMR solution	1,247	2,124	2,402	3,171	4,311	5,783
Warehouse fulfillment	1,099	1,885	2,176	3,047	4,174	5,635
Industrial material transport	149	240	226	124	137	148
Raas	205	19	7	5	5	5
Total revenue	1,452	2,143	2,409	3,176	4,316	5,788
Revenue growth						
Sales of AMR solution	117.1%	70.3%	13.1%	32.0%	35.9%	34.1%
Warehouse fulfillment	118.9%	71.5%	15.5%	40.0%	37.0%	35.0%
Industrial material transport	104.3%	61.2%	-5.6%	-45.0%	10.0%	8.0%
Raas	-4.8%	-90.8%	-64.5%	-20.0%	0.0%	0.0%
Total revenue growth	83.9%	47.6%	12.4%	31.9%	35.9%	34.1%
Gross profit						
Sales of AMR solution	429	766	881	1,173	1,656	2,260
Warehouse fulfillment	402	735	854	1,158	1,640	2,243
Industrial material transport	27	31	27	15	16	17
Raas	-53	-7	-2	-2	-2	-2
Write-down of inventories	-120	-100	-42	0	0	0
Total gross profit	257	659	837	1,171	1,655	2,258
Gross margin						
Sales of AMR solution	34.4%	36.1%	36.7%	37.0%	38.4%	39.1%
Warehouse fulfillment	36.6%	39.0%	39.2%	38.0%	39.3%	39.8%
Industrial material transport	18.4%	12.9%	12.1%	12.0%	11.8%	11.8%
Raas	-25.9%	-35.3%	-33.2%	-33.0%	-33.0%	-33.0%
Blended gross margin	17.7%	30.8%	34.8%	36.9%	38.3%	39.0%

Source: Company data, CMBIGM estimates

Figure 8: SG&A expense ratio

Source: Company data, CMBIGM estimates

Financial Summary

INCOME STATEMENT	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Revenue	1,452	2,143	2,409	3,176	4,316	5,788
Cost of goods sold	(1,196)	(1,484)	(1,572)	(2,005)	(2,661)	(3,530)
Gross profit	257	659	837	1,171	1,655	2,258
Selling expense	(456)	(509)	(446)	(508)	(548)	(695)
Admin expense	(221)	(264)	(220)	(238)	(259)	(301)
R&D expense	(437)	(380)	(282)	(349)	(440)	(550)
Other income	70	14	(15)	0	0	0
Other gains/(losses)	(732)	(648)	(686)	0	0	0
Share of (losses)/profits of associates/JV	(15)	15	0	1	1	1
EBITDA	(682)	(408)	(79)	105	440	746
Depreciation	125	88	62	42	44	44
EBIT	(807)	(496)	(141)	62	396	702
Interest income	3	20	14	27	43	43
Interest expense	(12)	(13)	(14)	(14)	(16)	(17)
Net Interest income/(expense)	(10)	6	(0)	13	27	26
Pre-tax profit	(1,564)	(1,123)	(827)	76	424	729
Income tax	(3)	(4)	(4)	(8)	(47)	(80)
Minority interest	0	0	0	0	0	0
Net profit	(1,567)	(1,127)	(832)	68	378	648
Adjusted net profit	(821)	(458)	(92)	112	402	673
Gross dividends	0	0	0	0	0	0
BALANCE SHEET	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Current assets	3,249	3,267	2,929	5,652	6,466	7,658
Cash & equivalents	1,121	760	636	2,470	2,631	2,510
Account receivables	373	708	714	1,027	1,338	1,833
Inventories	1,185	1,191	1,029	1,498	1,710	2,351
ST bank deposits	90	99	131	131	131	131
Financial assets at FVTPL	0	51	0	0	0	0
Other current assets	479	457	419	526	656	832
Non-current assets	185	180	276	357	417	476
PP&E	99	91	197	287	354	418
Deferred income tax	0	0	0	0	0	0
Investment in JVs & assos	21	35	32	33	34	34
Intangibles	9	12	13	13	14	14
Goodwill	0	0	0	0	0	0
Financial assets at FVTPL	0	0	0	0	0	0
Other non-current assets	56	43	34	24	16	11
Total assets	3,434	3,447	3,204	6,009	6,883	8,134
Current liabilities	7,717	8,844	9,404	2,664	3,161	3,763
Short-term borrowings	211	421	414	464	514	564
Account payables	642	821	1,000	1,308	1,754	2,307
Tax payable	2	0	2	2	2	2
Other current liabilities	6,862	7,601	7,989	891	891	891
Non-current liabilities	45	47	49	49	49	49
Long-term borrowings	0	0	0	0	0	0
Other non-current liabilities	45	47	49	49	49	49
Total liabilities	7,762	8,890	9,453	2,713	3,210	3,812
Total shareholders equity	(4,328)	(5,443)	(6,249)	3,296	3,674	4,322
Minority interest	0	0	0	0	0	0
Total equity and liabilities	3,434	3,447	3,204	6,009	6,883	8,134

CASH FLOW	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Operating						
Profit before taxation	(1,564)	(1,123)	(827)	76	424	729
Depreciation & amortization	125	124	124	42	44	44
Tax paid	(1)	(6)	(2)	(8)	(47)	(80)
Change in working capital	(134)	(382)	(282)	(581)	(207)	(760)
Others	926	916	882	(14)	(28)	(27)
Net cash from operations	(648)	(471)	(106)	(484)	187	(94)
Investing						
Capital expenditure	(36)	(46)	(97)	(120)	(100)	(100)
Acquisition of subsidiaries/ investments	0	0	0	0	0	0
Others	(184)	15	145	24	40	40
Net cash from investing	(219)	(31)	48	(96)	(60)	(60)
Financing						
Dividend paid	0	0	0	0	0	0
Net borrowings	131	210	(7)	50	50	50
Proceeds from share issues	1,450	0	0	2,379	0	0
Others	(77)	(60)	(49)	(14)	(16)	(17)
Net cash from financing	1,505	150	(56)	2,414	34	33
Net change in cash						
Cash at the beginning of the year	0	1,121	760	636	2,470	2,631
Exchange difference	484	(9)	(11)	0	0	0
Cash at the end of the year	1,121	760	636	2,470	2,631	2,510
GROWTH	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Revenue	na	47.6%	12.4%	31.9%	35.9%	34.1%
Gross profit	na	157.0%	27.0%	39.9%	41.3%	36.5%
EBITDA	na	na	na	na	321.2%	69.5%
EBIT	na	na	na	na	539.0%	77.1%
Net profit	na	na	na	na	455.1%	71.7%
Adj. net profit	na	na	na	na	258.5%	67.7%
PROFITABILITY	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Gross profit margin	17.7%	30.8%	34.8%	36.9%	38.3%	39.0%
EBITDA margin	(47.0%)	(19.0%)	(3.3%)	3.3%	10.2%	12.9%
Adj. net profit margin	(56.5%)	(21.4%)	(3.8%)	3.5%	9.3%	11.6%
Return on equity (ROE)	na	na	na	na	10.8%	16.2%
GEARING/LIQUIDITY/ACTIVITIES	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Net debt to equity (x)	na	na	na	(0.6)	(0.6)	(0.5)
Current ratio (x)	0.4	0.4	0.3	2.1	2.0	2.0
Receivable turnover days	46.9	92.1	107.7	100.0	100.0	100.0
Inventory turnover days	na	292.3	257.8	230.0	220.0	210.0
Payable turnover days	na	180.0	211.5	210.0	210.0	210.0
VALUATION	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
P/E	ns	ns	ns	391.3	70.5	41.1
P/B	na	na	ns	8.1	7.2	6.2
Div yield (%)	0.0	0.0	0.0	0.0	0.0	0.0

Source: Company data, CMBIGM estimates. Note: The calculation of net cash includes financial assets.

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