

08 Oct, 2025

RoboSense | 02498.HK

Contributions from the LiDAR for robotics may be more significant

STOCK RATING

BUY

TARGET PRICE

HK\$ 48.50

RoboSense (02498.HK) recorded revenue of RMB 783.2mn for 1H 2025, representing a YoY increase of 7.7%. This growth was primarily underpinned by the robotics LiDAR business, which surged 184.8% YoY, offsetting a 17.9% decline in sales of LiDAR for ADAS applications. Gross margin expanded to 25.9%, narrowing the net loss margin to 19.0%, reflecting ongoing improvements in scale and in-house technology adoption.

Greater market potential for the LiDAR for ADAS in Q4: The sales of LiDAR for ADAS declined 18.8% YoY, with shipments decreasing to 220,500 units. This contraction primarily stemmed from reduced orders from two major customers, of which one was adopting Tier 1 supplier LiDAR and another had ceased to adopt LiDAR applications. The mass production of EMX, a cost-effective offering, and EM4, a digital LiDAR that meets L3/L4 requirements, commenced in late Q3 2025, solidifying RoboSense's (02498.HK) leadership in digital LiDAR. The SOC integration technology simplifies the signal flow chain and reduces power consumption, providing the EM series with enhanced market prospects, and we may see greater sales opportunities in Q4. Despite ASP dropping to RMB 2,192.5 in Q2 and further downward pressure brought by an increase in the sales of EMX, there was a single-digit shipment rebound and margin improvement in Q2 due to economies of scale and further deployment of self-developed SOC's. Gross margin is projected to continue expanding, with potential reaching 20%-25%.

Strong growth momentum in LiDAR sales for robotics: RoboSense (02498.HK) delivered 46,300 units of robotics LiDAR, representing robust six-fold growth compared to last year. This growth was driven by strong demand for lawn mower robots, especially the E1R model. The Group also secured a sizeable order for 1.2mn units of automotive-grade fully solid-state LiDAR, laying a foundation for future revenue expansion. While demand in the delivery and industrial sectors exists, lawn mower applications remain the core driver. The Group has set ambitious robotics LiDAR shipment targets for both FY 2025 and FY 2026. Additionally, the Group will announce the AC2 soon. A modified version with an integration of data from cameras, LiDAR and IMUs could enhance alignment with increasingly complex downstream requirements.

Contributions from the LiDAR for robotics may be more significant: The sales performance of LiDAR for ADAS is expected to remain weak this year; therefore, we have revised our sales volume forecast down to approximately 600,000 units. However, a sharp rebound is anticipated next year, driven by contributions from the EM series. Additionally, thanks to significant orders, sales of LiDAR for robotics are expected to see notable growth in Q4. We have adjusted our forecasts by lowering estimates for FY 2025 while increasing expectations for FY 2026 and FY 2027. The contribution from LiDAR for robotics is projected to be substantial, potentially leading the Group to a profitable fiscal year in 2026. Consequently, we reaffirm our "BUY" rating with a target price of HKD 48.50 per share.

UPDATE REPORT

H F NGO, Brian, CFA

SENIOR ANALYST

brianngo@westbullsec.com.hk

+852 3896 2965

 2701 – 2703, 27/F, Infinitus Plaza, 199 Des Voeux Rd
 Central, Sheung Wan, HK

RoboSense (02498.HK)

Stock Rating (Previous Rating) **BUY** (BUY)

Target Price (Previous TP) **HK\$ 48.50** (43.50)

Current Price HK\$ 40.74

52-Week Range HK\$ 15.50 – 53.50

Market cap. (HKD, bn) HK\$ 19.3

RMB, mn	24(A)	25(E)	26(E)	27(E)
Revenue	1,648.9	2,135.6	3,523.8	5,621.0
Gross Profit	283.6	545.8	968.3	1,503.9
Gross Margin	17.2%	25.6%	27.5%	26.8%
Profit Attr.	(481.8)	(212.9)	110.0	502.6

Performance	1 mth	3 mth	6 mth	1 year
Absolute	8.4%	30.6%	27.3%	118.1%
Relative to HSI	2.5%	19.4%	2.3%	91.8%



Peers comparison

		Mkt. Cap.	P/E	Fw. P/E	P/B	P/S	Revenue	GM	ROE
		(HKD, mn)	(x)	(x)	(x)	(x)	(HKD, mn)	(%)	(%)
300552.CH	Vanjee	6,548.2	-	-	3.3	6.1	1,008.1	29.2	(17.0)
AEVA.US	Aeva	7,734.0	-	-	-	69.7	70.7	(41.8)	-
FR.FP	Valeo	22,976.5	20.1	-	0.8	0.1	181,413.6	19.0	3.7
HSAI.US	Hesai	32,669.0	262.2	52.3	5.8	10.1	2,251.2	42.6	2.5
INVZ.US	Innoviz	3,623.9	-	-	5.0	11.4	189.4	(4.8)	(72.5)
LAZR.US	Luminar	1,097.2	-	-	-	1.1	588.3	(34.1)	-
LIDR.US	AEye	907.8	-	-	3.9	133.3	1.6	(285.1)	(222.9)
OUST.US	Outster	14,712.1	-	-	8.5	13.3	866.9	36.4	(47.0)
	<i>Average</i>	<i>11,283.6</i>	<i>141.1</i>	<i>52.3</i>	<i>4.6</i>	<i>30.6</i>	<i>23,298.7</i>	<i>(29.8)</i>	<i>(58.8)</i>
02498.HK	RoboSense	19,186.8	-	-	4.6	7.7	1,787.0	17.2	(10.5)

Source: Bloomberg, West Bull Securities

Risk factors

- The demand for EM series is lower than expected
- Keen competition brought by peers and alternative solutions
- Slow monetization progress for the LiDAR for other robotic applications

Financial Statement

PnL					Balance Sheet				
(RMB, mn)	2024 (A)	2025 (E)	2026 (E)	2027 (E)	(RMB, mn)	2024 (A)	2025 (E)	2026 (E)	2027 (E)
Revenue	1,648.9	2,135.6	3,523.8	5,621.0	PPE	271.6	306.4	365.3	414.0
YoY growth	47.2%	29.5%	65.0%	59.5%	Others	223.6	197.9	186.3	175.4
COGS	(1,365.3)	(1,589.8)	(2,555.5)	(4,117.1)	Non-current assets	495.1	504.3	551.6	589.5
Gross profit	283.6	545.8	968.3	1,503.9					
Other income	33.7	41.7	44.4	47.4	Inventories	202.9	332.0	452.1	657.5
Operating expenses	(901.4)	(887.2)	(981.0)	(1,105.6)	Trade receivables	462.2	873.9	1,148.5	1,449.0
Operating profit	(584.2)	(299.8)	31.7	445.7	Cash & cash equivalents	2,836.0	2,808.6	2,887.3	3,375.1
Finance expenses	99.7	92.7	88.6	87.9	Others	143.0	559.1	632.5	743.5
JV & Ass.	10.5	-	-	-	Current assets	3,644.0	4,573.6	5,120.4	6,225.1
FV changes	(2.8)	-	-	-					
Profit before tax	(476.8)	(207.1)	120.3	533.6	Total assets	4,139.1	5,077.8	5,672.0	6,814.5
Tax	(5.0)	(2.0)	(6.0)	(26.7)					
Net profit	(481.8)	(209.1)	114.3	506.9	LT borrowings	28.2	47.4	66.2	100.7
YoY growth	N.A.	N.A.	N.A.	343.6%	Others	126.6	138.4	192.5	278.6
					Non-current liabilities	154.8	185.8	258.7	379.3
					Trade payables	475.8	489.4	615.4	801.5
					ST borrowings	121.2	203.8	284.6	432.9
					Others	314.2	299.4	405.1	486.4
					Current liabilities	911.2	992.6	1,305.0	1,720.8
					Total liabilities	1,066.0	1,178.4	1,563.7	2,100.1
					Non-controlling interests	15.9	19.7	24.0	28.3
					Controlling interests	3,057.3	3,879.8	4,084.3	4,686.1
					Total equities	3,073.2	3,899.5	4,108.3	4,714.4

Cash Flow					Financial Ratio				
(RMB, mn)	2024 (A)	2025 (E)	2026 (E)	2027 (E)		2024 (A)	2025 (E)	2026 (E)	2027 (E)
Profit before tax	(476.8)	(207.1)	120.3	533.6	Gross margin	17.2%	25.6%	27.5%	26.8%
Finance expenses, net	(100.0)	(92.7)	(88.6)	(87.9)	Operating margin	-35.4%	-14.0%	0.9%	7.9%
D&A	125.2	119.4	112.0	120.6	Net profit margin	-29.2%	-9.8%	3.2%	9.0%
Others	189.6	179.3	175.2	157.8	Return on Equity	16.1%	-6.0%	2.9%	11.5%
Change in working capital	196.9	(599.2)	(166.2)	(254.3)	Return on Assets	-13.0%	-4.5%	2.1%	8.1%
CFO	(65.1)	(600.3)	152.7	469.7	Current ratio	399.9%	460.8%	392.4%	361.8%
					Quick ratio	377.7%	401.4%	337.6%	308.0%
CAPEX	(107.1)	(118.5)	(148.5)	(143.5)	Cash ratio	311.2%	283.0%	221.2%	196.1%
Others	(13.3)	(214.8)	-	-	Debt-to-Equity ratio	4.9%	6.4%	8.5%	11.3%
CFI	(120.4)	(118.5)	(148.5)	(143.5)	Net Debt-to-Equity ratio	-87.4%	-65.6%	-61.7%	-60.3%
					Inventory turnover days	53.7	61.4	56.0	49.2
Shares issuance	1,215.0	945.4	-	-	Receivable turnover days	126.2	114.2	104.7	84.3
Net borrowings	149.4	101.8	99.6	182.7	Payable turnover days	129.1	110.8	78.9	62.8
Interest paid	-	-	-	-					
Dividend paid	-	-	-	-					
Others	(206.2)	(141.0)	(25.0)	(21.2)					
CFF	1,158.1	906.2	74.5	161.6					
FCFE	(22.8)	(617.0)	103.8	509.0					
FCFF	(167.5)	(710.8)	15.4	341.5					

Source: Company data, West Bull Securities

West Bull Securities is a dedicated small/mid cap stock brokerage house. Find our research on: Alphasense, FactSet, Capital IQ, Refinitiv, Wind, Choice, Hibor and 同花顺.

Ratings of West Bull Securities:

STRONG BUY	: absolute upside of >50% over the next 12 months
BUY	: absolute upside of >10% over the next 12 months
HOLD	: absolute return of -10% to +10% over the next 12 months
SELL	: absolute downside of >10% over the next 12 months
STRONG SELL	: absolute downside of >50% over the next 12 months

Investors should assume that West Bull Securities is seeking or will seek investment banking or other related businesses with the companies in this report.

Analyst certification: The views expressed in this report accurately reflect the analyst's personal views of the subject securities and that the analyst has not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report.

Disclaimer:

This research report is not an offer to sell or the solicitation of an offer to buy or subscribe for any securities. The securities referred to in this report may not be eligible for sale in some jurisdictions. The information contained in this report has been compiled by the Research Department of West Bull Securities Limited ('West Bull Securities') from sources that it believes to be reliable but no representation, warranty or guarantee is made or given by West Bull Securities Securities or any other person as to its accuracy or completeness. All opinions and estimates expressed in this report are (unless otherwise indicated) entirely those of West Bull Securities as of the date of this report only and are subject to change without notice. Neither West Bull Securities nor any other person, accepts any liability whatsoever for any loss howsoever arising from any use of this report or its contents or otherwise arising in connection therewith. Each recipient of this report shall be solely responsible for making its own independent investigation of the business, financial condition and prospects of the companies referred to in this report. West Bull Securities and their respective officers, directors and employees, including persons involved in the preparation or issuance of this report, may from time to time (1) have positions in, and buy or sell, the securities of companies referred to in this report (or related investments); (2) have a consulting, investment banking or broking relationship with any company referred to in this report; and (3) to the extent permitted under applicable law, have acted upon or used the information contained or referred to in this report including effecting transactions for their own account in an investment (or related investment) in respect of any company referred to in this report, prior to or immediately following its publication. This report may not have been distributed to all recipients at the same time. This report is issued only for the information of and may only be distributed to professional investors and dealers in securities and must not be copied, published, reproduced or redistributed (in whole or in part) by any recipient for any purpose. Any recipient of this report who requires further information regarding any securities referred to in this report should contact the relevant office of West Bull Securities located in such recipient's home jurisdiction.

Copyright© West Bull Securities Limited. All rights reserved.