
SUMMARY

This summary aims to give you an overview of the information contained in this Document. As this is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be read in conjunction with, the full text of this Document. You should read the entire document before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in the section headed “Risk Factors” in this Document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED]. Various expressions used in this section are defined in the sections headed “Definitions” and “Glossary of Technical Terms” in this Document.

OVERVIEW

Who We Are

We are a leader in the global AMR market. We offer a series of AMR solutions to empower warehouse fulfillment and industrial material transport, enhancing supply chain efficiency while reducing reliance on manual labor. We have been the world’s largest warehouse fulfillment AMR solution provider in terms of revenue in 2024, which is the sixth consecutive year we have maintained this leading position, according to CIC. We offer the most extensive range of warehouse fulfillment AMR solutions in the industry, according to CIC, covering a wide variety of use cases and technology approaches. Our technology innovations, commitment to product quality and long-term reliable service are well recognized and widely accepted by approximately 800 end customers worldwide, making us the warehouse fulfillment AMR solution provider with the largest global customer base, according to CIC. As of December 31, 2024, we have shipped approximately 56,000 AMRs across over 40 countries and regions worldwide. The global warehouse fulfillment AMR solution market in which we operate is a sub-set of the global warehouse automation solution market. According to CIC, in 2024, we occupied a 9.0% market share in the overall global warehouse fulfillment AMR solution market and approximately 1% market share of the global warehouse automation solution market.

SUMMARY

The following diagram illustrates our global market leadership, solid customer base, and robust growth at scale, highlighting our strong capabilities in automation and solutions for warehouse and logistics operations:

Global Market Leadership		Solid Customer Base		Robust Growth at Scale	
World's Largest Warehouse Fulfillment AMR Solution Provider ⁽¹⁾		800+ Cumulative Number of End Customers Served ⁽³⁾		1,500+ Cumulative Number of Projects Deployed Globally ⁽³⁾	
Most Extensive Range of Warehouse Fulfillment AMR Solutions ⁽²⁾		60+ Cumulative Number of Fortune 500 Customers Served ⁽³⁾		RMB3.1Bn 2024 Order Intake	
40+ Countries and Regions Covered ⁽³⁾		~75% Customer Repurchase Rate ⁽³⁾		25%+ 22-24 Order Intake CAGR	

Notes:

- (1) In terms of revenue in 2024; according to CIC.
- (2) According to CIC.
- (3) In 2024. See “Glossary of Technical Terms” for the definition of repurchase rate and how it is calculated.

Market Challenges

Hindered by inefficiencies, unreliability, high operational costs and inflexibility, traditional unautomated warehouse solutions and current rigid warehouse automation solutions are facing significant challenges to keep up with the fast-paced demands of modern commerce, particularly as labor costs rise and the workforce shrinks.

- **Inefficiency:** Traditional warehouse solutions rely heavily on manual labor who spend 70% of time in walking to shelves to pick goods, according to CIC. In addition, manual operations typically require wide aisles and ample space for workers and usually lead to inefficient layout and space management, which limits the overall warehouse space utilization.
- **Unreliability:** Labor intensive warehouse solutions increase the risk of human errors, which may result in incorrect order processing, as well as inventory misplacement and delays.
- **High operational costs:** Rising global wages, combined with increasing labor shortages due to factors like an aging workforce, are significantly driving up operational costs. Businesses are incurring higher expenses to recruit, train and retain workers. Additionally, the need for extra staffing during peak period further escalates costs, making it difficult to maintain efficiency and profitability in warehouse process.

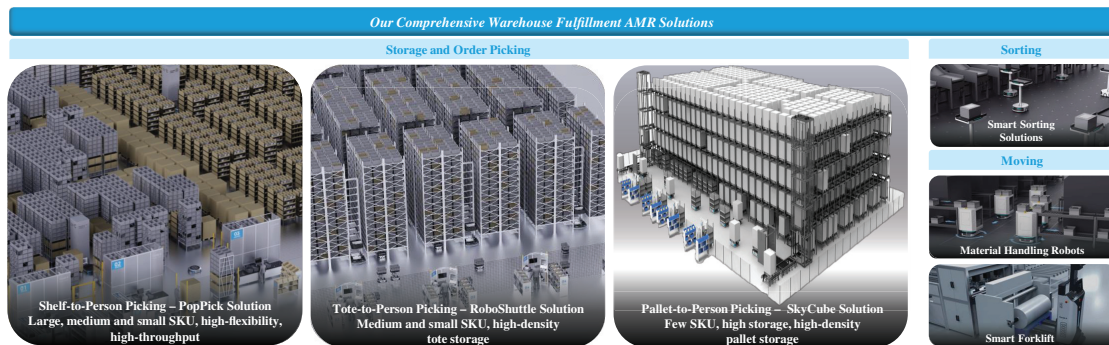
SUMMARY

- **Inflexibility:** Rigid warehouse automation solutions are designed for specific tasks, making them less capable of handling the variability and complexity of modern logistics operations. Any required changes often involve costly and time-consuming adjustments to the infrastructure.

As warehousing scenarios become increasingly complex, businesses today are yearning for solutions that are highly adaptable in the fast-changing and dynamic environments.

Our Solutions

We emerge as the facilitator in the industry, offering efficient, reliable and flexible AMR solutions that help businesses maintain operational efficiency and meet evolving market demands. As the global market leader, we pioneered a range of advanced AMR solutions, as demonstrated by the following diagram.



We offer flexible solutions and functionalities enabling the entire warehouse automation process:

- **Geek+ Shelf-to-Person Picking Solution:** Our Geek+ Shelf-to-Person Picking Solution comprises (i) standard solution featuring our P-series robots and (ii) our PopPick Solution empowered by P-series robots and PopPick workstations. Our PopPick Solution focuses on transporting movable shelves to designed workstations, offering high flexibility for handling various item sizes and types efficiently. We are the world’s first AMR solution provider to offer an innovative, all-in-one PopPick Solution, according to CIC, which swiftly brings the goods to the human picker, addressing end customers’ needs for high throughput, compatibility, storage, and efficiency in warehousing. According to CIC, our PopPick Solution leads the industry in terms of compatibility, throughput efficiency, storage capacity, and overall operation effectiveness as compared to the solutions of our peers. The Geek+ Shelf-to-Person Picking Solution achieves a picking efficiency of up to 400 units per hour per workstation (with one operator), significantly higher than the industry average of less than 180 units, and delivers a picking accuracy of 99.99%, compared to the industry average of below 99.90%.

SUMMARY

- **Geek+ Tote-to-Person Picking Solution:** We are the world’s first AMR solution provider to offer Geek+ Tote-to-Person Picking Solution featuring RS-series and P-series robots with a high degree of personalization, according to CIC, which is designed to optimize the efficiency of box-based picking operations. It is specifically designed for vertical storage, making it ideal for industries that require high storage density with moderate throughput. This solution is engineered for optimizing storage density, cost efficiency, and operational flexibility. According to CIC, our Geek+ Tote-to-Person Picking Solution sets industry-leading standards in the utilization of storage volume. Our Geek+ Tote-to-Person Picking Solution features a storage height of up to 12 meters, exceeding the industry average of less than 10 meters, and supports a minimum aisle width of 1000 mm, compared to the industry average of over 1100 mm.
- **Geek+ Pallet-to-Person Picking Solution:** We are the first in the world to launch the Geek+ Pallet-to-Person Picking Solution, a high-density, high-throughput integrated storage and picking system which increases both storage capacity and operational efficiency, according to CIC. This solution is designed for handling whole pallets and original containers, making it ideal for bulk operations where quick access to large quantities is essential. According to CIC, our Geek+ Pallet-to-Person Picking Solution offers industry-leading storage capabilities, with the highest storage height reaching up to 10 meters. Moreover, with Geek+’s Pallet-to-Person solution, storage efficiency is increased by over five times, saving 60% of aisle space compared to traditional forklifts, and maximizing warehouse capacity by up to 500%, according to CIC.
- **Smart Sorting Solution:** We adopted one of the world’s first robotic flexible sorting solutions, namely our FleetSort Solution, according to CIC. We are the first in the AMR market to introduce a flexible sorting solution that operates without the need for a steel platform, according to CIC. This solution is designed to efficiently sort small to medium-sized parcels at floor level. It offers versatile sorting capabilities that support replenishment, returns and fulfillment processes. Moreover, the sorting efficiency achieved by our robotic flexible sorting solution is 10 times more efficient than manual processing, with rapid deployment times enabling quick returns on investment. According to CIC, our robotic flexible sorting solution leads the industry in automation, efficiency, flexibility, and ROI.
- **Smart Moving Solution:** Our smart moving solution comprises (i) material handling solution and (ii) forklift solution. Our smart moving solution covers various processes in warehouses and factories, spanning across raw material storage and retrieval, material handling and transportation, and finished product warehousing. Our smart moving solution is designed for production lines that require raw material feeding, improving material flow and streamlining loading and unloading processes on conveyors or production lines. It replaces manual carts with automated systems. Our forklift solution automates pallet transportation, efficiently addressing the needs of various inter-area transport scenarios. According to CIC, we are one of the leaders in the global AMR solution market that introduces laser-vision fusion SLAM navigation technology that equips our AMRs with one of the most advanced positioning capabilities in the industry.

SUMMARY

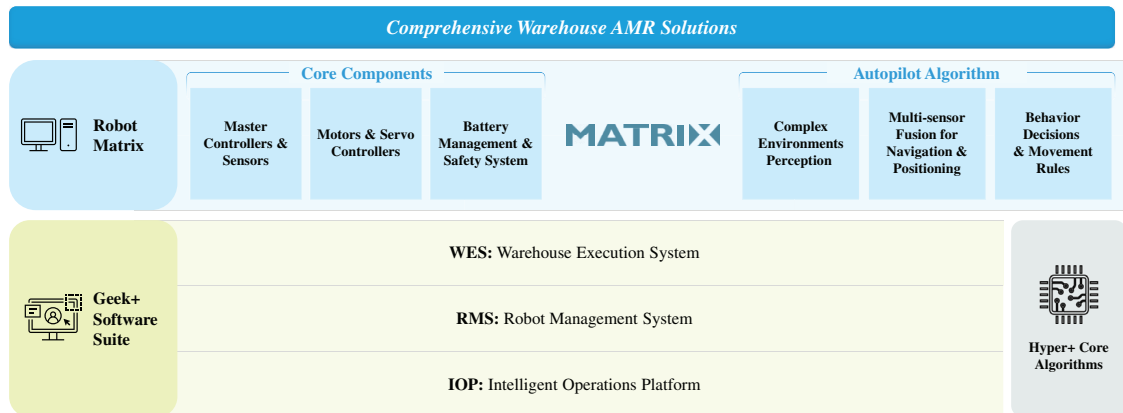
Our Value Propositions

Our modular and standardized design allows our AMR solutions to adapt, scale, and adjust to diverse scenarios, providing significant value to end customers.

- **Optimal Operating Efficiency.** Our AMR solutions significantly enhance operational efficiency and reduce labor costs through fully automated process management and rapid deployment. According to CIC, our AMRs have industry leading performance in moving speed and endurance, with a 4.5 m/s maximum no-load speed — significantly higher than the industry average maximum no-load speed of less than 2 m/s — and a work duration of over eight hours under rated conditions. Moreover, according to CIC, the P-series robots have a maximum no-load speed of 4.5 meters per second and a full-load speed of 2 meters per second, well above the industry average level.
- **High Reliability and Accuracy.** Our AMR solutions are powered by proprietary technologies that ensure exceptional reliability and precision. According to CIC, our AMRs demonstrate industry leading robot control and scheduling technology as compared to AMRs developed by our peers. The AMRs achieve a 99.99% picking accuracy rate and support complex mixed scheduling for various robot types and operations, making them highly effective in diverse industrial environments.
- **Fast Payback Period.** Our AMR solutions deliver a significant reduction in labor costs, typically achieving a short payback period of within 12-36 months, while the industry average is more than 24 months.
- **Dynamic Flexibility and Scalability.** Our diverse range of robots can meet specific operational needs, offering high flexibility and rapid deployment. Compared to the industry average of more than 3 months, full system deployment of our solutions can be completed within one to three months, allowing businesses to quickly adapt to changing demands.

Our Technology Architecture

The following graphic demonstrates our advanced technology architecture, seamlessly integrating hardware, software, and algorithms to deliver advanced solutions:



SUMMARY

Robot Matrix

We designed and developed the world’s first robotic general technology platform, Robot Matrix, to empower the development of high-quality and high-performance AMRs, according to CIC. As a modular and configurable platform, Robot Matrix provides a comprehensive suite of ready-to-use technologies, enabling us to efficiently innovate, design, and develop warehousing robotics. Empowered by Robot Matrix, we have launched a comprehensive matrix of AMRs with great breadth and versatility that conform to the latest technological developments with more advanced functions compared to peers.

Geek+ Software Suite

We have developed the most comprehensive software suite in the AMR market, according to CIC, comprising a collection of modular software solutions designed to support efficient, reliable, and flexible robot-based smart warehousing. The suite consists of three core systems essential for site deployment: RMS, WES and IOP.

Our Geek+ Software Suite enables efficient utilization of robot resources, thus preventing scheduling deadlock or congestion and further improving warehousing efficiency through automated tally and a combination of push/pull picking.

Our software suite is designed for superior flexibility and compatibility, integrating rapidly and seamlessly with end customers’ existing business systems, allowing for a smooth and efficient integration.

Hyper+ Core Algorithms

Through our focus on researching high-performance, high-speed optimization algorithms, we have developed one of the most advanced algorithms in the AMR market, namely our Hyper+ Core Algorithms that consist of traffic management and task allocation, warehouse management and supply chain algorithms. When compared to similar algorithms developed by our competitors, our Hyper+ Core Algorithms support one of the widest ranges of algorithm types and the largest cluster scheduling scales, according to CIC.

Our Global Presence

We strategically targeted the global market early on. This global mindset has enabled us to establish a strong international presence with over 70% of total revenue generated from non-domestic markets outside Chinese mainland in 2024.

According to CIC, we have the broadest global presence in the global AMR market, with operations, partnerships, and deployments spreading across over 40 countries and regions as of December 31, 2024. This extensive footprint is supported by local sales, solutions, project management, and service teams, as well as a network of local distribution and service partners. Our global presence is also evidenced by our over 48 service stations and service partner sites globally, 13 spare parts centers worldwide, and over 305 engineers as of December 31, 2024.

SUMMARY

Our Go-To Market Strategy and Solid Customer Base

We adopt an effective customer-centric go-to market strategy. We strategically focus on establishing a strong presence and building long-term relationships with large and influential end customers. By collaborating with those industry leaders, we design and deliver large-scale projects that set new industry standards, showcase our capabilities and solidify our reputation in the AMR market. As mid- and small-sized end customers usually follow those industry opinion leaders by adopting similar solutions, our partnerships with established end customers reinforce our market leadership and allow us to further expand our market share. These partnerships also generate valuable industry insights and deepen our understanding of industry needs, leading to premium-quality solutions and improved customer experience.

Our broad solution array creates significant upselling and cross-selling opportunities, which strengthen our relationships with existing customers and ensure their loyalty. End customers may begin with one solution in a certain market, then adopt more of our solutions across their warehouses in different countries as their businesses scale. This land-and-expand strategy has led to some of our largest deployments and is a key driver of our growth. The repurchase rate for our customers in 2024 reached 74.6%.

In the meantime, we plan to strengthen our partner network to leverage the local know-how and resources to adapt our solutions more effectively to local cultures and business environments.

Our Proven Success

We have achieved remarkable growth in recent years. We generated RMB1,995.6 million, RMB2,694.1 million and RMB3,140.3 million of order intake in 2022, 2023 and 2024, respectively. Our total revenue increased from RMB1,452.2 million in 2022 to RMB2,142.9 million in 2023, and further to RMB2,409.0 million in 2024.

In 2022, 2023 and 2024, our EBITDA (non-IFRS measure) was RMB(1,429.4) million, RMB(1,041.0) million and RMB(764.7) million, respectively; our adjusted EBITDA (non-IFRS measure) was RMB(683.3) million, RMB(372.0) million and RMB(25.4) million, respectively; and our adjusted net loss (non-IFRS measure) was RMB820.9 million, RMB457.6 million and RMB92.2 million, respectively.

OUR COMPETITIVE STRENGTHS

Our competitive strengths include: (1) global AMR leader and pioneer focused on warehouse fulfillment; (2) widest market presence and largest customer base with strong loyalty; (3) flexible, modular and integrated AMR solutions that drive superior value; (4) robust technology platform for sustained innovation; (5) customer-centric service and efficient supply chain; (6) forward-thinking management team shaping our corporate values.

See “Business — Our Competitive Strengths.”

SUMMARY

OUR GROWTH STRATEGIES

Our growth strategies include: (1) increase R&D efforts to reinforce market leadership; (2) solidify market presence, customer base and brand image globally; (3) broaden solution matrix to pursue untapped market potentials; (4) improve supply chain capability and operating efficiency; (5) drive green and sustainable development with high ESG standards; (6) attract and cultivate global talents to fuel growth and advance strategic goals.

See “Business — Our Growth Strategies.”

OUR CUSTOMERS AND SUPPLIERS

Our customers include corporations and businesses seeking innovative and reliable warehouse automation solutions. A significant portion of our customer base consists of leading e-commerce, FMCG, and third-party logistics companies, which continue to invest in automation to strengthen their market leadership and improve efficiency. Additionally, our customers include (i) channel partners who integrate our AMR solutions as key components into their broader, customized warehousing solutions that they offer to end customers. We refer to these channel partners as integrators; and (ii) channel partners who directly promote and resell our AMR solutions to end customers based on their understanding and knowledge of our AMR solutions. In this process, they also provide a suite of supporting services to end customers, such as design, implementation and maintenance. During the Track Record Period, the vast majority of revenue generated from channel partner sales came from integrators. According to CIC, we have one of the widest industry coverages in the global AMR market, as well as the world’s largest AMR solution provider in the e-commerce, FMCG and third-party logistics sectors in terms of revenue in 2024. For each year during the Track Record Period, revenue generated from our five largest customers accounted for 30.8%, 45.3% and 42.1%, respectively, of our total revenue during each period. For each period during the Track Record Period, revenue generated from our single largest customer accounted for 9.3%, 15.4% and 15.5%, respectively, of our total revenue. Geekplus JP, one of our five largest customers in 2024, is a Japanese company in which we own approximately 39.6% equity shares. Geekplus JP operates as a channel partner in Japanese market who contributed to 2.8%, 4.9% and 7.3% of our total revenue in each year during the Track Record Period, respectively. See “Business — Our Customers” for details. To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, except for Geekplus JP, none of our Directors, their associates or any of our shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five largest customers.

For each year during the Track Record Period, our top five suppliers collectively represented 14.7%, 15.1% and 17.5%, respectively, of total procurement in 2022, 2023 and 2024. For the same periods, our single largest supplier accounted for 3.6%, 3.8% and 4.4%, respectively, of our total procurement. For each year during the Track Record Period, we did not have any single supplier who accounted for more than 5% of our total procurement for each of the period. We believe we are not exposed to concentration risk or reliant on any single supplier. Our Directors confirmed that, during the Track Record Period, we have not

SUMMARY

experienced any significant material fluctuation in prices set by our suppliers, material breach of contract on the part of our suppliers or material delay in delivery of our orders from our suppliers. To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, none of our Directors, their associates or any of our shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers. See “Business — Our Suppliers” for details.

OUR REVENUE SOURCE

Our revenue is primarily derived from the sales of AMR solutions, the core of our offerings. Revenue from AMR solutions has shown consistent growth, both in absolute terms and as a proportion of our total revenue, throughout the Track Record Period. This growth aligns with the steady increase in the continued increase in our order intake, a key metric used to evaluate our business performance, over the same period. In 2022, 2023 and 2024, we achieved order intake of RMB1,995.6 million, RMB2,694.1 million and RMB3,140.3 million, respectively.

In addition to our AMR sales, we generate a smaller portion of revenue from RaaS services. RaaS refers to standardized robot leasing services, combined with a suite of operational support and management tools designed to help end customers optimize their warehousing operations. Unlike our AMR solutions business, which involves the sale of both hardware and software, the RaaS model is service-based. We initially offered RaaS as a way to introduce customers to our AMR technologies and to test our solutions through real-world use cases. As our products matured and full-scale deployments became the norm, we have since scaled down this business to focus on more scalable, higher-margin AMR solution sales.

RISK FACTORS

Our business and the [REDACTED] involve certain risks as set out in “Risk Factors” in this Document. You should read that section in its entirety carefully before you decide to [REDACTED] in the [REDACTED]. Some of the major risks we face include the following: (1) If we fail to continue to research and develop or effectively respond to the evolving technology and market dynamics of the AMR solution industry, our business and financial condition, results of operations and prospects would be materially and adversely affected; (2) We operate in a fast-changing and competitive market. If we fail to meet evolving customer needs or the pace of industry innovation by improving our existing AMR solutions and introducing new products and solutions in a timely and cost-effective manner, our competitive position would be impacted and our business, results of operations and financial condition may be materially adversely affected; (3) We cannot ensure that there will be sufficient future market adoption of our AMR solutions to drive our continued growth, nor can we ensure that industry developments as well as market acceptance of AMR solutions will develop in our favor; (4) We have a limited operating history, which makes it difficult to forecast our future results of operations, and our historical growth may not be indicative of our future performance; (5) As we continue to grow, we may not be able to effectively manage our growth and expand our operations, which could negatively impact our operational performance,

SUMMARY

financial condition, and results of operations; (6) We have been and intend to continue investing heavily on our R&D and such investments may not generate the results we expect to achieve; (7) We have incurred operating loss and net loss during the Track Record Period, and may not be able to achieve or subsequently maintain profitability in the future; (8) If we fail to maintain existing customers and attract new end customers, or fail to do so in a cost-effective manner, our business may be adversely affected; (9) We currently generate a significant share of our revenue from our key customers; (10) If we fail to recruit, retain and motivate highly skilled personnel, or maintain our corporate culture as we grow, we could lose the innovation, collaboration, and focus that contribute to our business.

INNOVATIVE COMPANY

We believe we satisfy the suitability requirement of being an innovative company as defined in paragraph 4 of Chapter 2.2 of the Guide for New Listing Applicants. We believe our innovativeness is demonstrated by the following:

- **Technological innovation.** Our success is rooted in the development and application of advanced technologies, setting us apart from peers. For example, we are a pioneer in AMRs, leveraging advanced laser and vision fusion SLAM technology. Additionally, our industry-first innovations, such as the PopPick Solution and Geek+ Tote-to-Person Picking Solution, redefine warehouse automation, achieving superior storage density and throughput.
- **Innovative products and comprehensive solutions.** We offer one of the most extensive and diverse AMR portfolios in the market, according to CIC. Through our diverse and innovative portfolio, we empower various operational demands, enhancing productivity and operational efficiency in warehousing operation.
- **Innovative business model.** We provide modular and flexible AMR solutions adaptable to diverse industries and evolving operational needs. This agility ensures seamless deployment, reduced infrastructure changes, and optimized workflows, setting a new standard for scalability and cost-efficiency in warehouse automation.
- **Research and development excellence.** R&D is central to our strategy, representing a significant component of our operations and expenses. Our commitment to innovation is evidenced by 1,867 patents as of December 31, 2024 and proprietary advancements such as the Robot Matrix platform, which accelerates AMR innovation and deployment.
- **Recognition and market leadership.** Our leadership is validated by global accolades. With a presence in over 40 countries and regions, we are the world’s largest warehouse fulfillment AMR solution provider by revenue and customer base in 2024.

SUMMARY

- **Customer-centric approach and value creation.** Our solutions empower end customers to achieve higher operational efficiency, flexibility, and return on investment. Our key achievements include serving approximately 806 end customers across various geographic regions and industry verticals, including approximately 63 Fortune 500 customers as of December 31, 2024.

These achievements highlight our sustained commitment to innovation, positioning us as a leader in transforming the global AMR solution industry.

H-SHARE WEIGHTED VOTING RIGHTS STRUCTURE

The Company has an H-Share weighted voting rights structure. Under our current weighted voting rights structure, our share capital comprises Class A Ordinary Shares and Class B Ordinary Shares. As of the Latest Practicable Date, each Class A Ordinary Share entitles the holder to exercise five votes (except for resolutions with respect to the Special Matters with each Share entitling the holder to exercise one vote) and each Class B Ordinary Share entitles the holder to exercise one vote. Upon the completion of the [REDACTED], each Class A Ordinary Share shall entitle the holder to exercise ten votes and each Class B Ordinary Share shall entitle 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 and the PRC Company Law that require the Reserved Matters and the Special Matters to be voted on a one vote per share basis.

The table below sets out the beneficial interests and voting rights that the WVR Beneficiaries will hold in the Class A Ordinary Shares through their controlled entities upon the completion of the [REDACTED] (assuming the [REDACTED] and the [REDACTED] are not exercised):

	Number of Class A Ordinary Shares held	Approximate percentage of beneficial interests in our total share capital	Approximate percentage of voting rights ⁽¹⁾
Mr. Zheng ⁽²⁾	83,351,729	[REDACTED]%	[REDACTED]%
Mr. Li ⁽²⁾	56,194,987	[REDACTED]%	[REDACTED]%
Mr. Liu ⁽²⁾	39,506,859	[REDACTED]%	[REDACTED]%
Mr. Chen ⁽²⁾	39,506,859	[REDACTED]%	[REDACTED]%

Notes:

- (1) 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.
- (2) For details of the shareholding structure of our WVR Beneficiaries, see “History, Development and Corporate Structure — Capitalization” and “History, Development and Corporate Structure — Our Corporate Structure.”

SUMMARY

Our Company adopts the WVR structure to enable the WVR Beneficiaries to exercise voting control over our Company. This enables our Company to benefit from the continuing vision and leadership of the WVR Beneficiaries who controls our Company with a view to its long-term prospects and strategy. Taking into account the WVR Beneficiaries’ contribution to the Group, such arrangement is in the best interests of the Company and its Shareholders as a whole.

Upon [REDACTED], the H Shares will comprise Class B Ordinary Shares only and all Class A Ordinary Shares will remain [REDACTED].

Prospective [REDACTED] are advised to be aware of the potential risks of [REDACTED] in companies with weighted voting rights structures, in particular that interests of the WVR Beneficiaries may not necessarily always be aligned with those of our Shareholders as a whole, and that the WVR Beneficiaries will be in a position to exercise their higher voting power to influence the affairs of our Company and the outcome of Shareholders’ resolutions, irrespective of how other Shareholders vote.

Prospective [REDACTED] should make the decision to [REDACTED] in the Company only after due and careful consideration. For further information about the risks associated with the WVR structure adopted by the Company, see “Risk Factors — Risks Relating to the WVR Structure.” Save for the weighted voting rights attached to Class A Ordinary Shares, the rights attached to Class A Ordinary Shares and Class B Ordinary Shares are identical. For further information about the rights, privileges and restrictions of the Class A Ordinary Shares and Class B Ordinary Shares, see “Appendix III—Summary of Articles of Association.”

OUR CONTROLLING SHAREHOLDERS

In June 2017 and March 2021, Mr. Zheng, Mr. Li, Mr. Liu and Mr. Chen, namely the WVR Beneficiaries, entered into the Concert Party Agreements, further amended in November 2024, pursuant to which, among other things, they acknowledged and confirmed their historical relationship of acting in concert, and Mr. Li, Mr. Liu and Mr. Chen agreed to, and to procure their controlled entities to, act in concert with Mr. Zheng in board meetings and general meetings of the Company. See “History, Development and Corporate Structure — Concert Party Agreements” and “Relationship with Controlling Shareholders — Overview.”

As of the Latest Practicable Date and immediately prior to the [REDACTED], 218,560,434 Class A Ordinary Shares and 32,989,645 Class B Ordinary Shares, representing approximately (i) 55.36% of the voting shares in our issued share capital in general meetings (except for resolutions with respect to the Special Matters) with each Class A Ordinary Share entitling the holder to exercise five votes and each Class B Ordinary Share entitling the holder to exercise one vote, and (ii) 21.70% of the voting rights in our issued share capital in general meetings for resolutions with respect to the Special Matters with each Share entitling the holder to exercise one vote, were held by the Management Shareholders in aggregate, which are controlled by the WVR Beneficiaries. As of the Latest Practicable Date, the WVR Beneficiaries (being the ultimate Controlling Shareholders) and the Management Shareholders together were a group of Controlling Shareholders of our Company.

SUMMARY

On November 26, 2024, our Shareholders resolved that effective upon the [REDACTED], each Class A Ordinary Share shall entitle the holder to exercise ten votes, and each Class B Ordinary Share shall entitle 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 and the PRC Company Law that require the Reserved Matters and the Special Matters to be voted on a one vote per share basis. See “History, Development and Corporate Structure — Corporate Development and Major Shareholding Changes,” “Share Capital,” “Relationship with Controlling Shareholders” and “Appendix IV — Statutory and General Information — Further Information about Our Company.”

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] and the [REDACTED] are not exercised), 218,560,434 Class A Ordinary Shares and [REDACTED] Class B Ordinary Shares, representing approximately (i) [REDACTED]% of the voting rights in our issued share capital in general meetings (except for resolutions with respect to the Reserved Matters and the Special Matters) with each Class A Ordinary Share entitling the holder to exercise ten votes and each Class B Ordinary Share entitling the holder to exercise one vote, and (ii) [REDACTED]% of the voting rights in our issued share capital in general meetings for resolutions with respect to the Reserved Matters and the Special Matters with each Share entitling the holder to exercise one vote, will be held by the Management Shareholders in aggregate, which are controlled by the WVR Beneficiaries. The WVR Beneficiaries (being the ultimate Controlling Shareholders) and the Management Shareholders together will constitute a group of Controlling Shareholders of our Company after the [REDACTED]. See “Relationship with Controlling Shareholders.”

PRE-[REDACTED] INVESTMENTS

We have undertaken several rounds of Pre-[REDACTED] Investments. For details of the background of our major Pre-[REDACTED] Investors and the principal terms of the Pre-[REDACTED] Investments, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments.”

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following table sets forth summary financial data from our consolidated financial information for the Track Record Period, extracted from the Accountants’ Report set out in Appendix I to this Document. The summary financial data set forth below should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements in this document, including the related notes. Our consolidated financial information was prepared in accordance with IFRS Accounting Standards.

The following table sets forth our consolidated statements of profit or loss and other comprehensive income with line items in absolute amounts and as percentages of our revenues for the periods indicated. Our historical results presented below are not necessarily indicative of the results that may be expected for any future period.

SUMMARY

	For the year ended December 31,					
	2022		2023		2024	
	RMB	% of Revenue	RMB	% of Revenue	RMB	% of Revenue
	<i>(in thousands, except percentages and per share data)</i>					
Revenue	1,452,163	100.0	2,142,927	100.0	2,409,011	100.0
Cost of sales	(1,195,615)	(82.3)	(1,483,653)	(69.2)	(1,571,844)	(65.2)
Gross profit	256,548	17.7	659,274	30.8	837,167	34.8
Research and development expenses	(436,788)	(30.1)	(379,872)	(17.7)	(282,048)	(11.7)
Selling and marketing expenses	(455,697)	(31.4)	(509,169)	(23.8)	(445,637)	(18.5)
Administrative expenses	(220,765)	(15.2)	(263,594)	(12.3)	(220,289)	(9.1)
Other income and loss, net	73,223	5.0	33,186	1.5	(1,595)	(0.1)
Impairment loss recognized on trade and other receivables	(11,288)	(0.8)	(9,864)	(0.5)	(15,173)	(0.6)
Impairment losses of non-current assets	(9,859)	(0.7)	–	0.0	–	–
Impairment loss of property, plant and equipment	–	0.0	(6,094)	(0.3)	–	–
Loss from operations	(804,626)	(55.5)	(476,133)	(22.3)	(127,575)	(5.2)
Finance costs	(12,487)	(0.9)	(13,284)	(0.6)	(13,923)	(0.6)
Changes in the carrying amount of redemption liabilities	(731,974)	(50.4)	(648,006)	(30.2)	(685,807)	(28.5)
Share of (losses)/profits of an associate	(14,967)	(1.0)	14,904	0.7	24	0.0
Loss before taxation	(1,564,054)	(107.8)	(1,122,519)	(52.4)	(827,281)	(34.3)
Income tax	(3,054)	(0.2)	(4,164)	(0.2)	(4,220)	(0.2)
Loss for the year	(1,567,108)	(108.0)	(1,126,683)	(52.6)	(831,501)	(34.5)
Other comprehensive income for the year (after tax):						
Items that may be reclassified subsequently to profit or loss:						
Exchange difference on translation of financial statements of overseas subsidiaries	(3,844)	(0.3)	(9,598)	(0.4)	(3,726)	(0.2)
Other comprehensive income for the year	(3,844)	(0.3)	(9,598)	(0.4)	(3,726)	(0.2)
Total comprehensive income for the year attributable to equity shareholders of the Company	(1,570,952)	(108.3)	(1,136,281)	(53.0)	(835,227)	(34.7)
Loss per share						
Basic and diluted (RMB)	(1.46)		(0.97)		(0.72)	

SUMMARY

NON-IFRS MEASURES

To supplement our consolidated financial statements presented in accordance with IFRS Accounting Standards, we use adjusted net loss (non-IFRS measure) for the year, EBITDA (non-IFRS measure), and adjusted EBITDA (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS Accounting Standards. We believe that these non-IFRS measures facilitate comparisons of operating performance from year to year and company to company. We believe that these measures provide useful information to [REDACTED] in understanding and evaluating our consolidated results of operations in the same manner as they help management. However, presentation of adjusted net loss (non-IFRS measure) for the year, EBITDA (non-IFRS measure), and adjusted EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and [REDACTED] should not consider them in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

We define adjusted net loss (non-IFRS measure) as loss for the year, adjusted for share-based compensation, [REDACTED] expenses, and changes in the carrying amount of redemption liabilities. Share-based compensation relates to the share-based awards that we grant to participants of our share incentive schemes and is a non-cash expense. [REDACTED] expenses relate to our [REDACTED]. Changes in the carrying amount of redemption liabilities arise from the shares with special rights that we issued to certain pre-[REDACTED] investors in the past. Such special rights will all be automatically terminated upon the [REDACTED]. Changes in the carrying amount of redemption liabilities are non-cash in nature. For details of such shares with special rights, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments.”

We define EBITDA (non-IFRS measure) as loss for the year, adjusted for income tax expenses, net finance cost, and depreciation and amortization. We add back share-based compensation, [REDACTED] expenses, changes in the carrying amount of redemption liabilities.

The following tables reconcile our non-IFRS financial measures with their corresponding figures presented in accordance with IFRS Accounting Standards for the periods indicated.

	For the Year Ended December 31,		
	2022	2023	2024
	<i>(RMB in thousands)</i>		
Loss for the year	(1,567,108)	(1,126,683)	(831,501)
Adjusted for:			
Equity-settled share-based payment			
expenses	14,189	21,030	29,494
[REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Changes in the carrying amount of			
redemption liabilities	731,974	648,006	685,807
Adjusted net loss (non-IFRS			
measure)	<u>(820,945)</u>	<u>(457,647)</u>	<u>(92,237)</u>

SUMMARY

	For the Year Ended December 31,		
	2022	2023	2024
	<i>(RMB in thousands)</i>		
Loss for the year	(1,567,108)	(1,126,683)	(831,501)
Adjusted for:			
Income tax expenses	3,054	4,164	4,220
Net finance cost	9,676	(6,394)	123
Depreciation and amortization	124,952	87,901	62,481
EBITDA (non-IFRS measure)	(1,429,426)	(1,041,012)	(764,677)
Adjusted for:			
Equity-settled share-based payment expenses	14,189	21,030	29,494
[REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Changes in the carrying amount of redemption liabilities	731,974	648,006	685,807
Adjusted EBITDA (non-IFRS measure)	(683,263)	(371,976)	(25,413)

In 2022, 2023 and 2024, we recorded net loss of RMB1,567.1 million, RMB1,126.7 million and RMB831.5 million, respectively. During the same periods, we recorded adjusted net loss (non-IFRS measure) of RMB820.9 million, RMB457.6 million and RMB92.2 million, respectively. Our historical net loss positions and their fluctuations during the Track Record Period were mainly driven by our strategy to prioritize business expansion and innovation in a competitive and rapidly evolving market. This strategy was intentionally focused on long-term value creation rather than seeking immediate financial returns. By investing in the development of new products, technologies, and market reach, we aimed to establish a strong and sustainable foundation for future growth and profitability. See “Business — Business Sustainability” for a detailed discussion of our historical loss-making position and path to future profitability.

SUMMARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below sets forth the selected information from our consolidated statements of financial position as of the dates indicated, which have been extracted from our consolidated financial statements included in Appendix I to this Document.

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Total non-current assets	184,822	180,467	275,795
Total current assets	3,248,976	3,266,913	2,928,635
Total assets	3,433,798	3,447,380	3,204,430
Total non-current liabilities	44,657	46,917	48,765
Total current liabilities	7,716,956	8,843,529	9,404,464
Total liabilities	7,761,613	8,890,446	9,453,229
Net liabilities	(4,327,815)	(5,443,066)	(6,248,799)
Capital and reserves:			
Share capital	1,159,211	1,159,211	1,159,211
Reserves	(5,487,026)	(6,602,277)	(7,408,010)
Total deficit attributable to equity shareholders of the Company	(4,327,815)	(5,443,066)	(6,248,799)
Total deficit	(4,327,815)	(5,443,066)	(6,248,799)

The following table sets forth our current assets and current liabilities as of the dates indicated.

	As of December 31,			As of March 31,
	2022	2023	2024	2025
	(RMB in thousands)			(unaudited)
Current assets				
Inventories	1,185,313	1,190,598	1,029,457	1,379,332
Trade and bills receivables . .	373,317	708,280	713,556	560,036
Contract assets	20,529	38,720	41,564	43,808
Prepayments and other receivables	208,846	226,758	277,098	286,074
Financial assets measured at fair value through profit or loss	—	51,146	—	—
Restricted cash	89,799	99,014	130,983	94,488
Time deposits	250,000	192,000	100,000	100,000
Cash and cash equivalents . .	1,121,172	760,397	635,977	632,691
Total current assets	3,248,976	3,266,913	2,928,635	3,096,429

SUMMARY

	As of December 31,			As of March 31,
	2022	2023	2024	2025
				(unaudited)
	(RMB in thousands)			
Current liabilities				
Trade payables	641,610	821,482	999,760	1,066,996
Other payables and accruals	221,249	266,000	280,062	207,850
Contract liabilities	852,382	914,057	610,674	874,581
Bank loans	210,911	421,168	413,900	507,022
Lease liabilities	49,128	27,571	15,096	11,264
Redemption liabilities	5,714,813	6,362,819	7,048,626	7,041,382
Provisions	24,865	30,432	34,579	26,478
Current taxation.	1,998	—	1,767	—
Total current liabilities	7,716,956	8,843,529	9,404,464	9,735,573
Net current liabilities	(4,467,980)	(5,576,616)	(6,475,829)	(6,639,144)

As of December 31, 2022, 2023 and 2024 and March 31, 2025, our net current liabilities amounted to RMB4,468.0 million, RMB5,576.6 million, RMB6,475.8 million and RMB6,639.1 million. The changes in our net current liabilities across December 31, 2022, 2023 and 2024 were mainly due to (i) the sustained increase in redemption liabilities, driven by the expansion of our financing activities to support business growth and market reach; (ii) continued increases in trade payables and other payables and accruals, driven by the growth in customer prepayments and our procurement volumes to support business expansion; and (iii) the increase in provisions, reflecting our increased warranty provisions as a result of higher sales volume.

As of December 31, 2022, 2023 and 2024, our net liabilities amounted to RMB4,327.8 million, RMB5,443.0 million and RMB6,248.8 million, respectively. The changes in our net liabilities across December 31, 2022, 2023 and 2024 were mainly due to (i) recognition of redemption liabilities derived from capital reserve of RMB1,458.8 million, nil and nil in 2022, 2023 and 2024, respectively; (ii) equity-settled share-based payment expenses recognized from share-based payment reserve of RMB14.2 million, RMB21.0 million and RMB29.5 million in 2022, 2023 and 2024, respectively; and (iii) other comprehensive income derived from exchange reserve of RMB3.8 million, RMB9.6 million and RMB3.7 million in 2022, 2023 and 2024, respectively. Our redemption liabilities will be re-designated from liabilities to equity as a result of automatic conversion into ordinary shares upon the [REDACTED] such that the net liabilities position would turn into net assets.

For a detailed discussion of our current assets and current liabilities during the Track Record Period, see “Financial Information — Discussion of Certain Key Items from Our Consolidated Statements of Financial Position.”

SUMMARY

The following table sets forth our cash flows for the periods indicated.

	For the year ended December 31,		
	2022	2023	2024
	<i>(RMB in thousands)</i>		
Cash used in operations	(648,099)	(471,264)	(105,648)
Tax paid	(1,056)	(6,162)	(2,453)
Net cash used in operating activities . . .	(649,155)	(477,426)	(108,101)
Net cash (used in)/generated from			
investing activities	(219,403)	(31,269)	48,044
Net cash generated from/(used in)			
financing activities	1,504,574	150,388	(56,148)
Net increase/(decrease) in cash and			
cash equivalents	636,016	(358,307)	(116,205)
Cash and cash equivalents at the			
beginning of the year	475,343	1,121,172	760,397
Effect of foreign exchange rate changes . .	9,813	(2,468)	(8,215)
Cash and cash equivalents at the			
end of the year	1,121,172	760,397	635,977

Our net cash used in operating activities in 2022, 2023 and 2024 was RMB649.2 million, RMB477.4 million and RMB108.1 million, respectively. During the Track Record Period, we consistently recorded net cash outflows from operations with fluctuations, primarily due to the combination of our net losses and changes in working capital driven by market penetration and product development. Significant factors included adjustments for non-cash and non-operating items such as impairment losses, depreciation, and share-based payment expenses. Additionally, substantial increases in inventories as we scaled our operations also contributed to our net cash used in operating activities.

For a detailed analysis of our cash flow during the Track Record Period, see “Financial Information — Liquidity and Capital Resources — Cash Flow Analysis.”

SUMMARY

KEY FINANCIAL AND OPERATING METRICS

The following table sets forth certain of our key financial ratios for the periods indicated.

	For the year ended December 31,		
	2022	2023	2024
Overall gross margin ⁽¹⁾	17.7%	30.8%	34.8%
Gross margin for non-domestic markets ⁽¹⁾	42.0%	46.4%	46.5%
Gross margin for warehouse fulfillment AMR solutions ⁽¹⁾	36.6%	39.0%	39.2%
Gross margin for industrial material transport AMR solutions ⁽¹⁾⁽³⁾	18.4%	12.9%	12.1%
Adjusted net margin (non-IFRS measure) ⁽²⁾	(56.5)%	(21.4)%	(3.8)%

Notes:

- (1) Refer to “Financial Information — Description of Major Components of Our Results of Operations — Gross Profit and Margin.”
- (2) Adjusted net margin (non-IFRS measure) for a given period refers to adjusted net profit/(loss) (non-IFRS measure) as a percentage of total revenue for that period. For a reconciliation of adjusted net profit/(loss) (non-IFRS measure) to profit/(loss) for the year, see “Financial Information — Non-IFRS Measures.”
- (3) The gross profit margin of sales of our AMR solutions for industrial material transport decreased from 18.4% in 2022 to 12.9% in 2023, and further to 12.1% in 2024, primarily due to intense competition in the industrial logistics sector and weaker pricing power with large enterprise customers, particularly in the lithium battery and new energy industries.

The following table sets forth certain of our key operating and financial metrics for the periods indicated.

	For the year ended December 31,		
	2022	2023	2024
Total AMR solution end customers . . .	254	296	324
Repeat end customers	162	214	263
New end customers	92	82	61
Key account end customers	42	58	71
Non-key end account customers	212	238	253
Repurchase rate	58.3%	70.9%	74.6%

SUMMARY

	For the year ended December 31,		
	2022	2023	2024
<i>(In millions of RMB)</i>			
Total AMR solution revenue	1,247.44	2,124.05	2,402.31
Repeat end customers revenue	726.83	1,506.66	1,792.43
Average revenue per AMR solution			
end customer	4.91	7.18	7.41
Average revenue per repeat end			
customer	4.49	7.04	6.82

As used in the tables above,

- “Repeat end customers” for a given period refers to end customers, excluding channel partners, who meet both of the following criteria: (i) we recognized revenue during the given period from a purchase made by such customers (regardless of whether the purchase was made in that period or a prior period); and (ii) they had made at least one prior purchase before the purchase referenced in (i).
- “New end customers” for a given period refer to end customers, excluding channel partners, who generated revenue during that period and had not previously purchased our solutions in any prior period;
- “Key account end customers” for a given period refer to those end customers, excluding channel partners, whose cumulative orders exceeded RMB20 million during that period; accordingly, “non-key account end customers” refer to end customers whose cumulative orders did not exceed RMB20 million during that period;
- The number of customer counts (e.g. repeat end customers, new end customers, key account end customers, and non-key account end customers); repurchase rate; and metrics calculated on a per-customer basis (i.e. average revenue per AMR solution customer), are based on the number of “end customers.” Please refer to the section entitled “Glossary of Technical Terms” for the definition of “end customers.”

BUSINESS SUSTAINABILITY

Our commitment to business sustainability underpins every aspect of our operations, focusing on long-term value creation and resilience. In a rapidly evolving and competitive market, we prioritize strategic investments, operational efficiency, and innovation to establish and strengthen our position as a market leader. The discussion below highlights our approach to leveraging growth opportunities, solidifying market leadership, and implementing key strategies that pave the way for our sustained profitability.

SUMMARY

Strategic Investments to Drive Growth and Build a Strong Foundation

We are in an early and transformative growth phase, investing strategically to establish a solid foundation for future success. Despite temporary losses, our remarkable growth in revenue, market share, and operational metrics highlights the strength of our business model and positions us as a leader in the dynamic AMR market.

We are in a rapid growth phase, achieving strong revenue and order intake driven by high customer demand and expanding opportunities. Our revenue grew by 47.6% from RMB1,452.2 million in 2022 to RMB2,142.9 million in 2023, and further by 12.4% to RMB2,409.0 million in 2024, representing a CAGR of 28.8%. Our gross profit grew from RMB256.5 million in 2022 to RMB837.2 million in 2024, representing a CAGR of 80.6%. Revenue from the sales of AMRs, our core business, surged by 70.3% from RMB1,247.4 million in 2022 to RMB2,124.0 million in 2023 and by 13.1% to RMB2,402.3 million in 2024, achieving a CAGR of 38.8%. Similarly, our order intake, a key measure used to assess our performance, has shown consistent growth, increasing by 35.0% from RMB1,995.6 million in 2022 to RMB2,694.1 million in 2023, and further by 16.6% to RMB3,140.3 million in 2024.

Investments Necessary to Strengthen Market Leadership

Our historical losses are, to a large extent, attributable to the unique characteristics and early-stage development of the global AMR solutions market, coupled with our strategic focus on business expansion and innovation. During the nascent stage of the AMR industry, substantial R&D investments are required to advance technology, intensive efforts are needed to educate potential customers on the benefits of AMR adoption, and the highly competitive landscape demands significant upfront expenditures in sales, marketing, and global expansion. As a result, incurring losses is a natural and expected part of scaling a business in this sector. These factors provide a clear context for why we — and many of our peers — have not yet achieved profitability, even as we continue to expand our business and improve market penetration. This reflects the typical trajectory of companies in emerging, high-growth industries, where early investments lay the groundwork for long-term success.

The global AMR solutions market is highly competitive. This competitive environment places pressure on AMR providers to innovate, invest in marketing, and maintain competitive pricing, delaying the break-even point. Like many emerging tech industries, our early development phase was focused on market building, acquiring customers and building long-term value rather than achieving immediate profitability. For a more detailed discussion of the markets in which we operate and the competition we face, see “Industry Overview.”

We view these short-term losses as essential, strategic investments that will yield substantial long-term rewards, while building a robust foundation for future profitability.

SUMMARY

More specifically,

- **Selling and marketing expenses:** As a relatively new warehouse automation solution, AMR providers must invest heavily in sales and marketing to educate the market and acquire customers. These resources are allocated not only for customer acquisition but also to promote awareness and acceptance of AMR technologies among potential customers and system integrators. In industries where robotics has not yet been widely adopted, significant customer education is required. These upfront investments in market education and development often exceed early-stage revenues, contributing to short-term losses and delaying profitability. We have also invested heavily in educating potential customers, including funding a dedicated salesforce and pilot projects to gain traction. These efforts, while critical for long-term success, have contributed to short-term loss. We incurred sales and marketing expenses of RMB455.7 million, RMB509.2 million and RMB445.6 million, respectively, in 2022, 2023 and 2024. These expenses primarily comprised employee benefits for sales personnel and costs related to advertising and promotional activities. These expenses were directed toward growing our customer base, enhancing brand visibility, and driving adoption of our AMR solutions in competitive global markets.
- **Research and development expenses:** According to CIC, AMR solutions are highly R&D-intensive, requiring substantial upfront investments in hardware and software development to create competitive products and services. These include innovations in areas such as computer vision, sensor fusion, path planning, mechanical design, and battery technology. These investments are necessary to optimize and integrate technologies that meet market demands, requiring significant financial and time commitments. In the AMR industry, the product development cycle is long, typically spanning years from prototyping to production, particularly for companies in their startup and early development stages. Substantial upfront investments in R&D and product enhancement are required. While revenues may grow, much of it is reinvested into further product development, such as creating robots for more complex environments. Continuous product updates and iterations to meet evolving customer needs also extend the R&D cycle. Since our inception, we have achieved several key breakthroughs in platform development that have significantly improved the efficiency, scalability and adaptability of our AMR solutions. A core example is Robot Matrix, our proprietary general-purpose robotics technology platform, which has been under continuous development since its initial launch in 2019. We have made substantial long-term investments in Robot Matrix to support the design and deployment of high-performance, high-reliability AMRs across a wide range of use cases. These investments are beginning to yield strong returns. Robot Matrix has enabled us to accelerate the rollout of diverse AMR models that incorporate the latest technological advancements and meet rigorous safety and operational standards. Robot Matrix has also allowed us to efficiently develop AMR solutions tailored to the needs of different industries and complex warehouse environments. According to CIC, we are among the leading global AMR solution providers to

SUMMARY

implement laser-vision fusion SLAM technology, integrating LiDAR and RGBD camera sensors, enabled in part by the positioning and environmental awareness capabilities built into Robot Matrix. For more information about Robot Matrix, see “Business — Our AMR Technology — Key Components — Robot Matrix.” More recent example of our R&D breakthroughs include (i) the Pallet-to-Person Solution, which was adopted in 2021, and (ii) Robot Matrix platform 2.0, a comprehensive hardware and software technology platform, launched in 2022. See “Business — Solutions” for more information about our Pallet-to-Person Solution. Additionally, early-stage AMR companies often incur substantial upfront costs to scale manufacturing and optimize supply chains. This prolonged development process means revenues from AMR solutions often lag behind significant initial investments, resulting in early-stage losses. We incurred research and development expenses of RMB436.8 million, RMB379.9 million and RMB282.0 million, respectively, in 2022, 2023 and 2024, mainly for employee salaries and investments in R&D materials. These investments were critical to maintaining our technological edge and leadership in the global AMR market. Our focus on continuous innovation ensures that we meet evolving customer needs and differentiate ourselves from competitors.

- **Administrative expenses:** Our administrative expenses totaled RMB220.8 million, RMB263.6 million and RMB220.3 million in 2022, 2023 and 2024, primarily attributed to employee benefits for administrative staff, depreciation of right-of-use assets and property, plant and equipment, and amortization of intangible assets. These costs reflect necessary investments in personnel, infrastructure, and systems to support our rapid expansion and operational scalability.

Despite the continued loss-making position during the Track Record Period, we are making measurable progress in narrowing our losses. We recorded loss from operations of RMB804.6 million and RMB476.1 million, respectively, in 2022 and 2023. Our loss from operations also narrowed from RMB476.1 million in 2023 to RMB127.6 million in 2024. Adjusted net loss (non-IFRS measure) on a non-IFRS basis declined significantly from RMB820.9 million in 2022 to RMB92.2 million in 2024, representing a substantially reduced adjusted net loss (non-IFRS measure) as a percentage of revenue (RMB1,452.2 million, RMB2,142.9 million and RMB2,409.0 million in 2022, 2023 and 2024, respectively) from 56.5% to 3.8%. This trend demonstrates our increasing operational efficiency and improved scalability as we grow. Despite current losses, we believe our strong order intake and revenue growth affirm our trajectory toward profitability. The consistent narrowing of losses, coupled with substantial market demand for AMR solutions, positions us as a leading player with significant long-term growth potential. For a reconciliation of adjusted net loss (non-IFRS measure) to net loss, see “Financial Information — Non-IFRS Measures.”

SUMMARY

Our Economies of Scale and Key Strategies for Achieving Profitability

Despite temporary losses, following years of substantial upfront investments in R&D, market education, and sales and marketing during our early development stage, we believe we have reached an inflection point, achieving significant economies of scale that position us to break even in the near term. Our progress toward economies of scale is evident in the improvements in our gross profit margins and the increasing efficiency of our operational expenses. While short-term losses are part of scaling, the following measures will drive long-term sustainable growth and profitability: (1) expanding in a growing market, (2) deepening relationships with existing customers, (3) expanding coverage and penetration, (4) strengthening global market presence, (5) enhancing AMR solution offerings, (6) iteration and operational excellence, and (7) strengthening operating leverage.

COMPETITION

As a pioneer in the AMR industry, we operate in a highly competitive market shaped by rapid technological advancements and increasing global demand for warehouse automation and efficient logistics solutions. Intensifying competition from established global corporations and agile domestic players poses challenges as they expand their technological capabilities and product offerings. The fast-paced innovation in the AMR sector offers significant opportunities but requires us to stay aligned with industry trends and customer needs. For a more detailed discussion of the markets in which we operate and the competition we face, see “Industry Overview.”

DIVIDENDS

No dividend was paid or declared by us or any of our subsidiaries since our incorporation. After the Track Record Period and as of the date of this Document, we did not declare any dividends to our Shareholders.

We do not maintain a formal dividend policy or have a fixed dividend distribution ratio, and we may distribute dividends by way of cash or by other means that our Board considers appropriate. Any proposed distribution of dividends is subject to the discretion of our Board and the approval of our Shareholders. Pursuant to the Articles of Association, our Board may recommend a distribution of dividends in the future after taking into account our results of operations, financial condition, operating requirements, capital requirements, Shareholders’ interests and any other conditions that our Board may deem relevant. We cannot assure you that we will be able to distribute dividends of the above amount or any amount, or at all, in any year. The declaration and payment of dividends may also be limited by legal restrictions and by loan or other agreements that our Company and our subsidiaries have entered into or may enter into in the future. Under applicable PRC laws, dividends may be paid only out of distributable profits, which refer to after-tax profits less any recovery of accumulated losses and required allocations to statutory capital reserve funds. As advised by our PRC Legal Adviser, we cannot pay dividends to shareholders as there is no distributable profits in view of the accumulated losses. Furthermore, in the future, we may not have sufficient or any distributable profit to

SUMMARY

enable us to make dividend distributions to our Shareholders, including in years in which we are profitable. For details, see “Risk Factors — Risks Relating to Our Business and Industry — There can be no assurance that we will declare and distribute any amount of dividends in the future.” In addition, our ability to distribute dividends in the future also depends on whether we can receive dividends from our subsidiaries.

[REDACTED] EXPENSES

Our [REDACTED] expenses mainly include (i) [REDACTED]-related expenses, such as [REDACTED] fees and [REDACTED], and (ii) [REDACTED]-related expenses, comprising professional fees paid to our legal advisers and Reporting Accountants for their services rendered in relation to the [REDACTED] and the [REDACTED], and other fees and expenses. Assuming full payment of the discretionary incentive fee, the estimated total [REDACTED] expenses (based on the mid-point of the [REDACTED] and assuming that the [REDACTED] and [REDACTED] is not exercised) for the [REDACTED] are approximately HK\$[REDACTED], accounting for approximately of [REDACTED]% of our gross [REDACTED]. Among such estimated total [REDACTED] expenses, we expect to pay [REDACTED]-related expenses of HK\$[REDACTED], professional fees for our legal advisers and Reporting Accountants of HK\$[REDACTED] and other fees and expenses of HK\$[REDACTED]. An estimated amount of HK\$[REDACTED] for our [REDACTED] expenses, accounting for approximately [REDACTED]% of our gross [REDACTED], is expected to be expensed through the statement profit or loss and other comprehensive income and the remaining amount of HK\$[REDACTED] is expected to be recognized directly as a deduction from equity upon the [REDACTED].

SUMMARY

[REDACTED]

SUMMARY

USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED], after deducting [REDACTED], fees and estimated expenses payable by us in connection with the [REDACTED], assuming the [REDACTED] and the [REDACTED] is not exercised, at the [REDACTED] of HK\$[REDACTED] per H Share.

We intend to use the net [REDACTED] we will receive from the [REDACTED] for the following purposes:

- Approximately [REDACTED]% of the net [REDACTED] will be used for investing in research and development and product iteration initiatives that are integral to advancing and differentiating our AMR solutions within the global market;
- Approximately [REDACTED]% of the net [REDACTED] will be used for scaling our sales and service network to strengthen our international brand presence and market engagement;
- Approximately [REDACTED]% of the net [REDACTED] will be used for supporting our expanding supply chain development, including the establishment of strategically located production centers and supply chain hubs in high-demand regions;
- Approximately [REDACTED]% of the net [REDACTED] will be used for developing an advanced digital management platform and upgrading cybersecurity IT infrastructure; and
- Approximately [REDACTED]% of the net [REDACTED] will be used for our working capital and general corporate purposes.

For details, see “Future Plans and Use of [REDACTED].”

[REDACTED]

SUMMARY

IMPACT OF COVID-19 PANDEMIC

On January 30, 2020, the World Health Organization (WHO) declared the outbreak of COVID-19 a public health emergency of international concern, and later, on March 11, 2020, classified it as a global pandemic. In 2022, the virus continued to spread across the regions where we operate, impacting our customers, suppliers, and business partners. To ensure the health and safety of our employees, we implemented a range of precautionary measures, including remote work, social distancing, mask mandates, and other location-specific protocols. Despite these challenges, our production, supply chain, and daily operations remained stable throughout the Track Record Period. With the pandemic now largely under control, we do not foresee any further impact on our business or financial performance.

LEGAL PROCEEDINGS AND COMPLIANCE

Our Directors confirm that, during the Track Record Period and as of the Latest Practicable Date, we had not been and were not a party to any material legal, arbitral, administrative proceedings or non-compliance incidents that led to fines, enforcement actions or other penalties, which could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations. Our Directors are of the view that, we had complied, in all material respects, with all relevant laws and regulations in the PRC during the Track Record Period and up to the Latest Practicable Date.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Our business has continued to gain momentum following the Track Record Period. In the first quarter of 2025, we recorded an order intake of RMB701.9 million, representing a robust year-over-year increase of 31% compared to RMB535.9 million in the same period of 2024. This growth reflects continued strong demand from both repeat end customers and new end customers across core verticals such as e-commerce, third-party logistics, and manufacturing.

We expect to incur net loss in 2025, attributable in part to non-recurring and non-cash items, including share-based compensation and [REDACTED] expenses incurred in connection with the [REDACTED]. [REDACTED] should note that the financial projections are based on our current expectations and preliminary internal estimates and are forward-looking in nature. These projections are subject to inherent uncertainties, assumptions, and risks, many of which are beyond our control or are difficult to predict, including but not limited to changes in global economic conditions, industry trends, customer demand, input costs, tariffs and trade restrictions, regulatory developments, and other factors outlined in the “Risk Factors” that may cause actual results to differ materially from those projected.

In April 2025, the U.S. government adopted a two-tier tariff structure: a universal 10% baseline tariff on all imports to the U.S. and individualized reciprocal higher tariffs on imports from certain countries and regions, including China, the European Union, and Japan. On April 10, 2025, the U.S. government suspended reciprocal tariffs for all countries and regions, except China, for a period of 90 days. In April 2025, China and the European Union also announced

SUMMARY

higher tariff rates on U.S. goods entering their borders. As our business model involves cross-border trade, these tariff measures may increase import costs for goods we sell, which could adversely affect our competitiveness, business, financial condition, or operating results. On May 12, 2025, China and the U.S. agreed to a temporary de-escalation of bilateral tariffs. The U.S. reduced additional tariffs on the majority of Chinese exports from 145% to 30%, while China lowered its additional tariffs on U.S. goods from 125% to 10%. Other planned tariff increases have been temporarily suspended. On June 10 and 11, 2025, the U.S. government reaffirmed that tariffs on Chinese imports would remain at a combined rate of 55%, comprising three existing components: a 25% Section 301 tariff imposed since 2018, a 20% tariff introduced in February 2025, and a 10% reciprocal tariff imposed on April 2, 2025. Despite this short-term easing, global trade tensions remain elevated and may continue to escalate, which may affect global trade and economic conditions. It is possible that additional trade policy measures, including new tariffs, import/export restrictions, or technology controls, may be implemented. Any such developments could create additional challenges for a business involving cross-border trade like ours. For more information, see “Risk Factors — Risks Relating to Our Business and Industry — We are subject to the risks associated with sanctions, export controls, and evolving trade and regulatory policies.”

Our Directors have confirmed that as of the date of this Document there has been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since December 31, 2024, being the end date of our latest audited financial statements, and there has been no event since December 31, 2024 that would materially affect the information shown in the Accountants’ Report set out in Appendix I to this Document.