

Gogoro (Q1 2026 Earnings Conference Call)
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Corporate Speakers

- Henry Chiang; Gogoro, Inc.; Chief Executive Officer
- Bruce Aitken; Gogoro, Inc.; Chief Financial Officer
- Anny Liao; Gogoro, Inc.; Investor Relations

PRESENTATION

Operator^ Welcome to the Gogoro Inc. 2026 First Quarter Earnings Call. This conference call is now being recorded and broadcast live over the Internet. Webcast replay will be available within an hour after the conference is finished. I would like to turn the call over now to the Gogoro team.

Anny Liao^ Welcome to Gogoro's 2026 First Quarter Earnings Conference Call hosted by our CEO, Henry Chiang; and CFO, Bruce Aitken.

Hopefully, by now you have a chance to review our earnings release. If you haven't, it is available on the Investor Relations tab of our website, investor.gogoro.com. We are hosting this call via live webcast and the presentation materials will be displayed on the screen as we go.

Henry will start with an overview of Gogoro's business progress, followed by Bruce, who will take you through the financial results in more detail. After that, we will open the line for Q&A as time allows.

Before we begin, please note that today's discussion may include forward-looking statements, which are subject to risks and uncertainties that could cause actual results to differ materially and include statements relating to trends, opportunities and uncertainties in the markets we operate, future financial metrics and product launches. Please refer to our press release and investor presentation for further information. We will also discuss certain non-IFRS financial measures today. Reconciliations to the comparable IFRS measure can be found in our earnings release.

With that, let me turn the call over to Henry.

Henry Chiang^ Thanks, Anny. Thank you for joining us.

Q1 sets a strong tone to kick off the year. We executed with precise discipline.

Scooter volume increased, triggering the first step in rolling out our new product roadmap. Our energy network revenue continues to grow. Subscriber counts continue to expand. Our recurring revenue engine proves its stickiness. The baseline is set. We are carrying this top-to-bottom momentum straight into Q2 and the rest of the year.

Let's start with our Q1 financials. The numbers are the direct result of our continued focus on cost efficiency and operational discipline. We generated \$3.1 million in positive operating cash flow, marking a \$12 million year-over-year increase. Most importantly, we hit a major structural milestone: our IFRS and non-IFRS gross margins are now converging at the 20% level.

This optimized cost structure allowed us to cut our net loss by \$10.7 million down to \$(7.9) million, while expanding adjusted EBITDA to \$16.3 million. Reaching this leaner, stronger baseline is a huge encouragement to me and our entire team.

Our energy business is tracking to plan, validating the stickiness of our recurring base. We improved our customer satisfaction and elevating the rider experience even further requires decisive action. In Q1, we began systematically retiring our Gen one batteries and staging our next-generation technology. We also introduced GoStation Q. With one-third the footprint, standard 220 volts and faster charging, it unlocks aggressive overseas expansion. Together, these upgrades are engineered to drive down costs, maximize performance and fortify our long-term economics. To execute, we have allocated approximately \$30 million in CapEx this year for these targeted network upgrades.

Product is king. Q1 marks the first step in our elevated product roadmap, bound by a targeted consumer-centric strategy. We are doubling down on engineering our portfolio with clear philosophy and focus. Every vehicle must be exceptionally well designed, easy to use and a joy to ride, merging immediate emotional appeal with fundamental everyday utility. Our EZZY 500 Disney collaboration brought this strategy to life. It is a vehicle that delivers big smiles, pure joy and deep emotional connection, winning the hearts of family riders.

With over 1,000 units ordered in the first month, it drove volume across the entire EZZY 500 family and solidified our entry-level leadership. It also pulled a new younger 26 to 35 demographic into our network ecosystem. Capturing this entry-level volume caused an expected slight ASP dilution this quarter, but we expect the primary revenue impact to materialize in Q2 as we fulfill our Q1 orders.

In June, we execute step two of our product roadmap. Shifting focus to elevate our product mix and capture diverse customer segments, we plan to launch an all-new premium vehicle tailored explicitly for female riders. This new product is strategically positioned to capture surging mid-to high-end demand, drive ASP expansion and solidify our position as the undisputed brand of choice among female riders. We plan to continue to execute targeted product rollouts throughout the year to capture distinct market segments and fuel sustainable growth.

We continue to deepen our commercial and government reach.

In Q1, we successfully delivered scooters to law enforcement and public sector fleets. This proves the reliability of our battery swapping platform for mission-critical nonstop use. We also officially finalized partnerships with leading shared mobility operators to fully integrate our open ecosystem. We are pleased to see this collaborative industry growth. This collective momentum

is exactly what is needed to scale shared mobility and drive mass electrification. Together, these commercial and government expansions secure sticky long-term demand for our ecosystem.

Taiwan was our proving ground, the critical foundation we built over the last 10 years. Now we are taking this proven blueprint into Southeast Asia. The Vietnam market dynamics shows a clear EV inflection point.

We are seeing accelerating EV penetration across a massive total addressable market. The broader two-wheeler market grew 8.3% to approximately 730,000 units in Q1, but electric vehicles are driving the growth narrative. Even with temporary government controls on stabilizing fuel prices, local EV adoption is surging.

Leading electric brands are reporting double to triple-digit year-over-year volume growth, overtaking market share from ICE brands. This consumer shift sets the runway for the launch of our upcoming pilot in the second quarter.

Our market entry into Vietnam is well timed. We thank our local competitors for validating battery swapping as the most effective way for urban electrification. The market is educated. Last year, local leaders sold over 400,000 electric two-wheelers.

Recent fuel price volatility is driving unprecedented demand. However, this growth has created a clear infrastructure bottleneck. Key municipalities including Ho Chi Minh City are now mandating large-scale deployments of battery swapping stations to support this volume. Demand is surging, policy is accelerating, yet premium infrastructure remains underserved. This is our window. Our ecosystem powers the needs of high-mileage B2B riders with always on infrastructure. We are striking at the perfect moment. We are stepping directly into a market right at the peak of demand.

With that, I will hand the call over to Bruce to walk you through our Q1 financial results in more detail.

Bruce Aitken^ Thanks, Henry.

Our Q1 financial results directly reflect our ongoing commitment to disciplined execution.

Let me provide the overall market context. The Taiwan 2-wheeler market rebounded in the first quarter. The overall 2-wheeler market grew by 7.9% year-over-year to 173,700 registered units, while the electric segment grew even faster by 18.2% to 8,957 units and Gogoro's scooter sales grew by 32.8% to 6,216 units, outpacing both the electric growth rate as well as the overall market recovery and representing 69.4% share of the electric segment. Our open ecosystem added to this performance, powered by an 80.7% surge in PBGN partner sales.

Gogoro and Partners consolidated sales were 7,219 units in Q1, accounting for an 80.6% share of Taiwan's electric two-wheeler market.

In Q1, we delivered disciplined financial execution. Despite top line transitions, our cost controls and working capital management drove meaningful year-over-year improvements in operating cash flow and profitability.

We maintained strong gross margins. We closed a new equity financing, which significantly strengthened our balance sheet and provides the capital flexibility to execute to our strategic priorities.

Moving forward, we strive to continue to maintain strict cost discipline, invest in our core business and drive continuous improvement in the Gogoro network economics as momentum builds throughout the year. Based on our Q1 results, we're well positioned to continue the year in a similar direction.

Q1 total revenue was \$62.9 million, a 1.1% reduction year-over-year. This reflects a deliberate strategic transition in our hardware mix, offset by consistent growth in our recurring services business.

Battery swapping revenue increased 6.2% to \$36.6 million, and we now serve 670,000 subscribers, an increase of 4% year-over-year. This sticky recurring revenue base continuously improves our operating leverage and network efficiency. Hardware and other revenues were \$26.3 million, down 9.8%.

As discussed earlier, this is primarily driven by our strategic product mix shift. As we successfully captured demographic market share with our entry-level models, we saw a temporary anticipated drop in average selling price alongside a softening in component and sharing revenues.

We are addressing this ASP dilution with our upcoming premium product launch to elevate and rebalance this product mix and recover our hardware ASPs.

We delivered solid improvement in gross margin. Q1 IFRS gross margin expanded to 20.4%, up from 4.9% in the same quarter last year, closely aligning with our non-IFRS margin of 20.5%. This expansion was primarily driven by the successful completion of our voluntary battery upgrade program in late 2025, which reduced costs by \$8.3 million year-over-year.

We also realized favorable production absorption from higher volumes and lower battery depreciation. Importantly, this lower depreciation directly reflects the extended lifespan and efficiency gains generated by our recent battery upgrades.

While our gross margin expansion was partially offset by lower ASPs of our entry-level products, our core network economics are structurally strong. The completion of our battery initiative validates our second life thesis and positions us for sustainable margin resilience.

Q1 net loss narrowed significantly to a loss of \$7.9 million, representing a \$10.7 million improvement year-over-year. This progress was driven by two operational factors.

First, gross profit expanded by \$9.7 million, directly tied to the completion of our battery upgrade program; and secondly, operating expenses declined by \$2.5 million. This reflects overseas organizational restructuring and disciplined timing of our sales and marketing spending. These operational gains were partially offset by a \$1.7 million noncash unfavorable adjustment in the fair value of our financial liabilities. Our core operations are running more efficiently, and we remain focused on sustaining and extending these bottom line improvements throughout the year.

We generated \$16.3 million in adjusted EBITDA in Q1, up \$2 million from the prior year. This growth directly reflects our focus on operational efficiency. The increase was primarily driven by a \$600,000 expansion in core gross profit and a \$1 million reduction in cash operating expenses, validating the success of our ongoing cost savings initiatives. A minor \$300,000 improvement in nonoperating items contributed to the balance. We continue to demonstrate steady, measurable progress in our core profitability.

Our balance sheet shows a significant year-over-year improvement in cash generation. We generated \$3.1 million in positive operating cash flow in the first quarter, successfully reversing an \$8.9 million outflow in the same quarter last year. This directly reflects our disciplined approach to working capital, tighter inventory management and structural cost reductions.

We ended the quarter with a solid cash balance of \$77.3 million. And to further strengthen our balance sheet, we secured a \$16.7 million equity injection from our largest shareholder, Gold Sino, in the first quarter, marking the first tranche of a committed \$80 million funding facility. Combined with our improved operating cash flow, this capital ensures we are well-funded and well positioned to support our 2026 strategic priorities.

While we see early signs of a gradual market recovery in Taiwan, our revenue outlook remains prudent. We continue to project full-year revenues of \$285 million to \$305 million, representing a measured top line growth from 2025, with Taiwan continuing to drive approximately 95% of our sales. Most importantly, our timeline for structural profitability remains firmly on track.

We anticipate the Gogoro network battery swapping business will achieve non-IFRS profitability in 2026, with the hardware business continuing to target non-IFRS profitability in 2028. We will manage our capital and cost structure strictly to be able to deliver against these critical financial milestones.

And with that, I will hand the call back to Anny. Thank you.

QUESTIONS AND ANSWERS

Anny Liao^ Thank you, Henry and Bruce, for the updates. As attendees are formulating their questions, I will ask two questions that we have collected.

Question number one. You've emphasized a strict focus strategy over the last 18 months. Now with the new product roadmap and an aggressive entry into Vietnam, how do these moves validate your broader strategy?

Henry Chiang^ Thanks, Anny. This is a very good question.

This is step one of our turnaround. For the past 18 months, we deliberately stepped back to execute a focused strategy. We stripped away the noises, and we significantly tightened our operational discipline. We optimized our margins and we prioritized financial health over volume.

Strict operational discipline built a leaner, stronger baseline you are seeing today. Our IFRS and non-IFRS gross margins are now converging at the 20% level. We cut our net loss by \$10.7 million, and we generated positive operating cash flow. This optimized leaner cost structure is what we directly funds our growth offensive today.

We are accelerating our energy business profitability. We completed our battery upgrades, started to retire our first-generation batteries and initiated next-generation technology and maximize network efficiency. Our discipline keeps us firmly on track for the Gogoro network to achieve non-IFRS profitability by the end of 2026, reestablishing the foundation for our future.

We elevated our product roadmap. We are no longer just launching scooters. We are executing a precision-targeted series of vehicle rollouts designed to capture specific demographics. We have seen that in our EV family scooter and the new collaboration with Disney was also a hit.

With our core strategy and hardware business model proven in Taiwan, we can take this blueprint and expand into Southeast Asia. The timing to enter Vietnam is just right. The local EV demand is booming. This rapid consumer shift is the perfect runway for our Q2 pilot, and we are expanding into a massive market right at the peak of infrastructure demand.

The turnover is in motion. We're tightening up our financial and pave the path to our energy business profitability. The foundation is set, and we will continue to carefully execute our strategy to reach our next phase of growth.

Anny Liao^ Thank you, Henry. Question number two, you're rolling out new infrastructure like GoStation Q and transitioning to next-generation batteries. What is the core strategy and motivation driving this major evolution of your energy platform?

Henry Chiang^ Yes. We have a series of products for our vehicle portfolio.

We are taking decisive action to elevate our service commitment and deploy a strategic extension of our portfolio to maximize agility and performance to our energy products. GoStation Q operates on a standard 220 volts and delivers faster charging and feature increased heat dissipation with lower power demand and its design feature a significantly smaller footprint, just one third the size which dramatically reduced installation time. This allows us to add network

density with precision, ensuring we meet rider demand exactly where it is needed. This compact design acts as the key to unlocking our overseas expansion in Vietnam.

We are optimizing our battery life cycle. We are retiring Gen one battery and deploy our next-generation technology. These are not just hardware upgrades. They are structural efficiency and cost optimization.

Anny Liao^ Thank you, Henry. Now we open the line for more questions.

Anny Liao^ We have an online question that we collected. There's been a margin improvement from 2025. How should we look at this continue on for 2026? Is this sustainable for the remainder of this year, especially as you ramp up your Vietnam pilot and launch new vehicles?

Bruce Aitken^ Thanks, Anny. There's been a lot of hard work put in by a number of different teams to make sure that we have been able to hit this 20% margin level, which is a great result. And as both Henry and I pointed out, maybe the most important thing to take away from this is that non-IFRS and IFRS margins are now converging at about the 20.5% level.

And that's largely because we've now completed our voluntary battery upgrades, which stand us in good stead for continuing at this kind of margin level.

It's really driven by two things. The first is some of our savings initiatives, whether it's bill of material savings, whether it's the lower depreciation that we mentioned earlier, whether it's higher factory utilization, all of those things contribute to an improved gross margin profile.

And we'll continue to work hard. We're not providing specific guidance for 2026 from a margin standpoint. But certainly, we believe that we'll be able to continue to perform in this range going forward as well.

Operator^ There seems to be no further questions. I will hand back to Henry for closing remarks.

Henry Chiang^ Thanks. Our Q1 execution sets the stage for the rest of the year. The operational focus is clear.

We are launching highly targeted products, and we are seizing massive international momentum. We are pleased with this strong start and remain cautiously optimistic about the quarters ahead. We have the right strategy and more importantly, the right execution. We will keep our head down and carry the discipline into Q2 and keep executing.

Thank you for joining us today. And we look forward to updating you on our progress throughout the year.

Operator^ This concludes today's conference call. Thank you for participating. You may now disconnect.