

Gogoro Inc. (Q4 2024)
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Corporate Speakers:

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

Participants:

- Fawne Jiang; Benchmark Company; Analyst

PRESENTATION

Operator^ Welcome to the Gogoro Inc. 2024 fourth quarter and Full Year Earnings Call. This conference call is now being recorded and broadcasted live over the Internet. Webcast replay will be available within an hour after the conference is finished.

I'd like to turn the call over to the Gogoro team.

Anny Liao ^ Welcome to Gogoro's 2024 Q4 and full year earnings conference call, hosted by our Interim CEO, Henry Chiang, and CFO, Bruce Aitken. Hopefully, by now you've seen our earnings release. If you haven't, it is available on the Investor Relations tab of our website, investor.gogoro.com. We are hosting our earnings conference call via live webcast through Gogoro's website, where you can also download all of the earnings release materials. We will also be displaying the materials on the webcast screen as we go. (Operator Instructions)

Henry will provide a business update and outline our plans and vision for the future. Bruce will then go into the Q4 and full year financial results in more detail. Then we will open the line for Q&A and answer as many questions as time allows. As usual, we would like to remind everyone that today's discussions may contain forward-looking statements that are subject to risk and uncertainties, which could cause actual results to differ materially from those contained in the forward-looking statements. Please refer to the forward-looking statements that appear in our press release and investor presentation provided today.

Now I would like to turn the call over to Henry.

Henry Chiang^ Thank you. Success is forged in challenges. Gogoro is embracing our challenges. The strongest companies don't just endure, they adapt, refocus, and transform. At its core, Gogoro is an energy company. We were founded to rethink urban energy and inspire the world to move more sustainably.

Over the last 3 years, we have improved and extend our customer experience on the Gogoro network by investing nearly \$100 million annually in infrastructure. Today we

operate the world's largest infrastructure of its kind and serve nearly 640,000 monthly subscribers. Our goal is clear: to achieve profitability and continued growth.

In Q4, we took decisive actions to accelerate profitability, sharpening focus, realigning resources, streamlining operations, and reducing costs. These efforts are showing early signs of success. Our energy business is on track to break even by 2026 and generate free cash flow in 2027. Additionally, we expect that our vehicle business will break even by 2028. We have three main business priorities: our energy business, our vehicle business including partner OEMs, and international expansion.

First, we are focusing on our energy business. We ended the fourth quarter with nearly 640,000 accumulated subscribers, up from 587,000 subscribers at the end of the same quarter last year. In Q4 2024, for the first time, revenue from the Gogoro battery swapping business surpassed revenue from vehicle sales. This marks a fundamental milestone for the business, one we expect to continue.

Our batteries are built for longevity and second-life applications. First-generation batteries in service for 10 years still operate in a good state of health as anticipated and are now being repurposed for second-life opportunities. The demand for both customer-facing and behind-the-meter energy solutions is growing fast in Taiwan and globally. We see a rapidly evolving business with significant potential. We are expanding our investments to capitalize on our large battery fleet. We have shifted R&D funding toward our energy and second-life battery initiatives.

In 2025, we will increase energy R&D spending by approximately 26% versus 2024, driving innovation in smarter, more resilient energy solutions for the future. Some of these solutions are already in commercial use, while others are in pilot testing with TaiPower. By the second half of 2025, we will have full certification for our energy storage and peak shaving products.

I'm excited about the innovations we are bringing to market. These new products and services will not only enhance our battery swapping business but also create new revenue streams. Next, we are streamlining our Gogoro branded product lineup and expanding our power by the Gogoro network program. We are improving customer experience by delivering vehicles and services they need, whether on performance, quality, convenience, or affordability.

We are taking two important steps. First, we will utilize common components to drive efficiency. Second, we are optimizing our supply chain and manufacturing partnerships to achieve economies of scale. We are excited for upcoming product launches in 2025 and 2026 and look forward to sharing more soon.

Finally, while Taiwan remains Gogoro's primary revenue driver, we remain committed to international expansion and partnerships. The global shift to electric 2-wheelers is accelerating and interest in Gogoro's battery swapping ecosystem continues to grow.

In 2024, we launched service with partner in Colombia, Singapore, and Nepal with more expansions ahead. Southeast Asia is still very much in our plans, but these markets take time to develop. We are actively working with Castrol to identify opportunities to accelerate adoption. Expect more concrete updates on this in the coming few weeks.

In addition to realigning our business strategy, much of what we focus on during this transition has been streamlining operations and reducing costs. First, we increased the alignment of our engineering and product teams by establishing an integrated development center to enhance our cross-functional collaborations and implement value-added engineering. In this way we will be developing products that better meet our customer needs at a reduced cost.

Second, maintaining rigorous financial discipline. We conducted a top-to-bottom review of our fixed cost and removed unnecessary spending. We reviewed every hardware and energy product for its contribution margin, and we will streamline product offerings accordingly. We restructured our organization and consolidated overall space to foster better team collaboration and reduce costs.

We are instilling discipline across all businesses, leaders and teams with clear financial indicators and funding milestones. As a result, we have significantly reduced our fixed spending budget by more than 32% from \$120 million in 2024 to \$82 million in 2025. These changes result in a leaner, more efficient operational model that positions us for sustainable long-term growth.

While our focus is on the future, I want to take a moment to recognize some of our key achievements in 2024. During 2024, we received prestigious global accolades from top-tier media outlets and industry research firms. Fast Company recognized Gogoro as Asia Pacific's number 1 Most Innovative Company of 2024 and 37th globally. Fortune highlighted Gogoro on its 2024 Change the World list. MIT Technology Review recognized Gogoro as a top 15 Climate Tech Company to Watch for the second year in a row.

Also, we were honored by Frost & Sullivan as the 2024 Global Battery Swapping Company of the Year. We expanded our multi-year collaboration with TSMC to promote green and sustainable transportation. In November, we held our seventh annual Taipei Bridge rider event, attracting nearly 2,000 riders from all over Taiwan, representing Gogoro, GoShare and PBGN vehicles. During the year, we also received two major capital investments from Gold Sino and Castrol that result in a total of \$75 million invested in the second quarter.

In closing, it should be clear that our primary goal is accelerating our path to profitability. We will achieve this objective by sharpening our focus on the energy business, realigning resources to deliver products and services that better meet our customer needs, streamlining operations and reducing costs for greater efficiency and team collaboration. The transition of the transportation and energy industries is a complex and challenging one. These are large and entrenched industries, deeply rooted in government regulations,

slow-changing consumer behavior and commoditized products. Gogoro's battery swapping ecosystem and Smartscooters have already begun disrupting and tangibly demonstrating a better solution at scale.

The opportunities ahead are bigger than ever. The demand for sustainable, efficient and scalable energy solutions is only increasing, and Gogoro is uniquely positioned to lead this transformation. We are embracing these challenges as a team with a shared commitment to achieving profitability. I'm personally incredibly passionate about Gogoro's future and look forward to sharing more as we continue to execute our strategy.

I'd like to hand it to Bruce, who will walk through our Q4 and full year 2024 financials.

Bruce Aitken^ Thank you, Henry. I'm pleased to have this opportunity to provide a summary of our fourth quarter and full year 2024 results. Our full year revenue for 2024 was \$310.5 million within the previously provided range of \$305 million to \$315 million. In the fourth quarter, we took accounting charges of over \$38 million to simplify and strengthen our business.

These impairment and exit costs materially impacted our fourth quarter and full year net loss results on an IFRS basis. However, we managed to deliver adjusted EBITDA of \$46.5 million, representing a slight increase from 2023 full year adjusted EBITDA. These proactive steps allowed us to optimize our cost structure and set us up well for the future as a leaner and more efficient organization focused on delivering a clear path to profitability.

Our energy business continues to grow, reinforcing the strength of our battery swapping and smart energy solutions. Gogoro and Powered by Gogoro Network Partner brands, maintained its market leadership with a 72% market share of electric scooters market, even as the overall electric 2-wheel market contracted slightly.

As we closed out 2024, we leveraged this transition period to refine our strategy, sharpen our focus on energy services and ecosystem enablement and continue our international focus. We continue to accumulate new subscribers on our Gogoro network, and that business continues to grow in line with expectations as we accumulate subscribers. We ended the year with nearly 640,000 subscribers, up from 587,000 subscribers at the end of 2023 and had \$137.9 million in battery swapping service revenue for the full year 2024, representing an increase of 4.6% over 2023.

As we anticipated, the overall market for 2-wheelers in Taiwan in 2024 declined substantially, dropping 13.6% from 871,000 to 753,000 units. Electric 2-wheeler sales remained at 10.5% penetration and Gogoro Smartscooters slightly increased our market share from 6.5% in 2023 to 7% in 2024 despite a small drop in Gogoro units sold.

We continue to provide exceptional services to our customers who we are partnering with to reduce our carbon emission reduction goals. A total of over 12 billion kilometers have now been ridden, over 1 million tons of carbon saved on the Gogoro network and a total

of 400,000 swaps per day carried out. Our international markets continue to deliver revenue and unit growth but not at the pace we had anticipated, and Taiwan still accounts for more than 95% of our revenue. We remain optimistic and committed to international growth, but developing these markets takes time.

For the fourth quarter, total revenue was \$73 million, down 20.2% year-over-year and down 19.2% year-over-year on a constant currency basis. For the full year, total revenue was \$310.5 million, down 11.2% year-over-year and down 8.5% year-over-year on a constant currency basis. Battery swapping service revenue for the fourth quarter was \$35.9 million, up 10.2% year-over-year and up 12.3% year-over-year on a constant currency basis. Battery swapping service revenue for the year was \$137.9 million, up 4.6% year-over-year and up 8% year-over-year on a constant currency basis. The year-over-year increases in our battery swapping service revenue was primarily due to our large subscriber base and high retention rates. We continue to see the strength of our subscription-based business model and increasing customer base.

Sales of hardware and other revenue for the fourth quarter was \$37.1 million, down 37% year-over-year. The year-over-year decrease in sales of hardware and other revenues was driven by lower sales volume, a decrease in average selling price due to higher proportion of sales of entry-level models, a decrease in our parts and accessories sales as non-Gogoro branded accessories and parts proliferate, a \$4.6 million carve-out of revenue associated with deferred revenue adjustments for a battery swapping service revenue promotion program, and these deferred revenues will be recognized over the next 24 to 36 months.

Sales of hardware and other revenues for the full year were \$172.6 million, down 20.8% year-over-year and down 18.5% year-over-year on a constant currency basis.

As a result of realigning our business, many one-time events reduced our gross margin for both the fourth quarter of 2024 and the full year of 2024. For the full year 2024, gross margin was 2.4%, down from 14.6% last year, whereas non-IFRS gross margin was 14.8%, down from 16% last year. For the fourth quarter, gross margin was negative 8.1%, down from a positive 11.6% in the same quarter last year, while non-IFRS gross margin was 14.2%, down from 14.8% in the same quarter last year. We believe the non-IFRS figures more accurately reflect the real underlying nature of the business after excluding all one-time impacts. We use these figures to measure our business performance.

The decline in gross margin across both the fourth quarter and the full year was primarily driven by a combination of factors. First, the \$5 million derecognition expense on components removed from battery packs during the battery upgrade process, and \$9.4 million of total direct costs attributable with our battery upgrade initiatives. Secondly, an increase in sales of lower-margin entry-level models; third, higher excess capacity cost due to reduced sales volume; fourth, the full year impact of the \$4.6 million hardware revenue carve-out that I described previously; and fifth, a lower margin contribution from Gogoro OEM parts.

For the last few quarters, we've been undertaking a program to carry out onetime voluntary upgrades on certain battery packs, which will take several quarters to complete and will continue throughout 2025. These upgrades provide multiple benefits. More efficient deployment of our resources than replacing battery packs, increasing lifetime capacity of each battery pack including extending its first mobility use case useful life and solidifying the extra lifetime capacity of each battery pack to validate our second life thesis. These upgrades are expected to create economic benefits in the long term but do generate a short-term reduction in our gross margin as we continue carrying out the upgrades.

We expect our cash position, gross profit and gross margin will continue to be impacted by the cost of these upgrades during 2025. In order to improve our overall customer experience and to extend battery life, we plan to continue upgrading a substantial quantity of our battery packs, which are already in circulation and will improve designs of our battery packs to make them even more rugged, safe and long-lasting.

For the fourth quarter, net loss was \$71.8 million, representing an increase of \$45.1 million from a net loss of \$26.7 million in the same quarter last year. The increase in net loss was due to a \$29.9 million increase in other operating expenses associated with various accounting charges for impairment and exit activities and the decrease of \$16.5 million in gross profit.

We reduced operating expenses substantially in the fourth quarter, contributing \$4.7 million in savings. For the full year 2024, net loss was \$123.2 million, representing a decrease of \$47.2 million from a net loss of \$76 million last year. The increase in net loss was primarily due to a \$43.5 million decrease in gross profit driven by costs related to our battery upgrade initiatives, increase in impairment loss of \$32.6 million, \$3.3 million of exit activities and \$1.6 million in customer care packages. This was partially offset by a favorable change of \$12.1 million in the fair value of financial liabilities and a \$25.1 million reduction in operating expenses, excluding other operating expenses.

For the fourth quarter, adjusted EBITDA was \$8.8 million, representing a decrease of \$0.2 million from \$9 million in the same quarter last year. The decrease was primarily due to a \$3.2 million decrease in non-IFRS gross profit margin, excluding share-based compensation, depreciation and amortization, also excluding battery upgrade initiatives and exit activities. The decrease was partially offset by a reduction in operating expenses from various cost-savings initiatives compared to the same quarter last year.

For the full year 2024, adjusted EBITDA was \$46.5 million, representing an increase of \$1 million from \$45.5 million last year. The increase was primarily due to a reduction in operating expenses from various cost savings initiatives compared to the same quarter last year. The increase was partially offset by a \$9.9 million decrease in non-IFRS gross profit margin. We generated \$12.1 million of operating cash inflow in 2024 compared to 2023, where we generated \$59.1 million of cash in operations. With \$117.1 million cash balance at the end of 2024 and the additional credit facilities that are available to us, we

believe we have sufficient sources of funding to meet our near-term business growth objectives.

In the fourth quarter, we focused on simplifying our business and realigning our resources to focus on delivering exceptional products with increased efficiency. Our plan is to accelerate our path to profitability. These initiatives include structural and operating realignment across the company, consolidation and exit of facilities, accounting impairments alongside other reductions in operating expenses. As a result of these actions, we recognized \$34 million of noncash impairment charges for certain manufacturing assets in India, China and Taiwan and a decline in value of our equity investment in the Philippines.

We also recognized \$4.8 million of exit activities including idle facilities and \$3.3 million of Customer Care Package programs in 2024. Gogoro's fourth quarter and full year 2024 results of operations were materially impacted by these charges, while the exit activities, impairment of assets and onetime customer experience enhancement program had no impact on non-IFRS net loss and adjusted EBITDA. Further, Gogoro is expected to create approximately \$25 million in savings in 2025 compared to 2024 as a result of the cost reduction plan. We expect our Gogoro network battery swapping business to reach profitability and deliver non-IFRS net income in 2026 and our hardware sales business to reach profitability in 2028.

We believe the Taiwan 2-wheel market in 2025 will remain at 2024 levels. For the full year 2025, we expect our revenue to be between \$295 million to \$315 million on a constant currency basis, which would reflect 2025 Taiwan market condition and the conversion rate. We estimate that approximately 95% of such full year revenue will be generated from the Taiwan market. Our IFRS gross margin will be continuously negatively impacted in the short term because of our ongoing and accelerated battery upgrade initiative, which is expected to be completed by the end of 2025. With the combination of ASP pressure from entry-level models and delays in realizing anticipated international sales, we expect our non-IFRS gross margin to remain at the current level in 2025.

With that financial update, I'll hand the session back to the moderator for a Q&A session. Thank you.

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, can you provide additional color on your expectation of energy business to breakeven in 2026?

Henry Chiang^ Gogoro has always viewed ourselves as an energy company, and we are now even more focused on this part of the business. We have accumulated approximately 640,000 subscribers, have very predictable ARPU and have extremely high retention rate of our subscribers. Based on this information, we can predict with relative accuracy our future battery swapping revenue and provided we control costs in line with our planned

budget expenditures. We'll break even on a non-IFRS basis in 2026. We are confident of that outcome.

Anny Liao ^ Thank you, Henry. So question number two, what action plans can you implement to raise your stock price back above \$1, so you don't get delisted? And when does the 180-day grace period end?

Bruce Aitken^ Thanks, Anny. Stock price is really a reflection of the market's perspective on our future strategy, our earning potential, our product roadmap and a number of other factors. So we hope that through this discussion we've had today we've shed some light on our future plans and primarily to shed some light on our anticipation of accelerating our path to profitability and tightening our cost structure through a number of different actions.

So with that, we trust that the market will have more confidence in our ability to deliver future business results. Our plan is to remain listed on the NASDAQ. The deadline is April 28 to regain compliance, and we're exploring a number of different alternative courses of action to ensure that we do regain compliance.

Thank you, Bruce.

Operator, please open the line for Q&A session.

QUESTIONS AND ANSWERS

Operator^ (Operator Instructions) We will now take our first question from the line of Fawne Jiang from Benchmark Company. Please ask your question, Fawne.

Fawne Jiang^ Thank you. Hi, Henry. Hi, Bruce. Thanks for taking my questions. A couple on my side. First, it's very encouraging to hear your game plans in terms of the path to possibilities ahead. I think Henry actually shed a bit more light earlier, but I just want to go a bit deeper with assumption to break even in 2026 on the net income and the free cash flow in 2027 for energy and also on the vehicle side to break even on 2028. What's your, like, growth assumption -- underlying growth assumption to achieve this, I think in profitability target?

Bruce Aitken^ Thanks, Fawne. I'll take a first crack at that. So we've really shifted our focus in terms of how we think about profitability. We need to take an affordability approach to this. So we are actually using very conservative growth assumptions with regards to, for example, vehicle sales quantities in Taiwan. For this year, as you can tell from our revenue guidance, with some growth in the energy business, there is limited growth forecasted from a vehicle standpoint. Last year, we sold a little bit under 50,000 units, and this year, our targets are roughly in line with that if you just do the ASP backwards math from our revenue forecast. So we're confident that we will hit that 2026 energy break even, the 2027 cash flow, and then 2028, the vehicle business should be able to break even as well.

Fawne Jiang^ Understood. Just a quick follow-up on that. I understand you guys focused on the cost optimization. It seems like you have very effective plan -- game plan in place. Do you expect -- like, what factors, what kind of need to happen for you to potentially return to growth? Or is that focused for the company down the road?

Henry Chiang^ So I think there's two side of it. The first side of it is our energy business that provide us constant growth in revenue and also EBITDA. So you can see we have a very good 2026 in energy business, and also we are looking forward to the free cash flow in 2027. And for vehicle, I think we are now officially into the second cycle of Gogoro product roadmap.

For the first cycle of product roadmap, we are required to build a vehicle from, like, the very top-tier to the entry level tier because we are fundamentally, Gogoro network is a infrastructure project. But based on the infrastructure, you are required to have more subscribers. And given that our subscriber is at a breakeven point, it provides us another opportunity to revisit our product roadmap on the vehicle side.

So we have a very well-considered product roadmap for the next 10 years from now. So we believe that product roadmap will help us to achieve the growth while helping us to achieve the breakeven of the vehicle business.

Bruce Aitken^ One more thing I'll add too, Fawne, is, there's two sides of it, right? One is revenue growth and the other is cost control. Obviously cost control is not our fundamental objective. It's an outcome of focusing on streamlining the business. As you saw, we've taken a number of accounting charges. We're consolidating space. We're writing down some inventory if we don't believe there's future sales opportunities. We're looking at some streamlining of resources within the company. We're looking at streamlining of CapEx within the company.

So all of these things contribute to setting us up to a cost structure where this year, for example, our fixed cost will be reduced from \$120 million last year to \$88 million this year. Then across the board, as we mentioned, we expect about \$25 million in savings. Whether it's marketing, whether it's facility space, whether it's rental of offices, whether it's our retail channel, we're looking at every single opportunity to get more efficient. The net result of that is a more optimized cost structure, which leads to an improved and faster path to profitability as well.

Fawne Jiang^ Understood, that's very helpful. Just a quick follow-up on the growth side. I think Henry mentioned, you guys see the energy storage as a new source of revenue for you down the road. I just wonder how should we size the market potential and your value proposition there? And on top, of course you did mention an international expansion is still part of your long-term growth plan. I just wonder how should we think about the revenue potential, growth potential from that part of your business down the road?

Henry Chiang^ Yes. I think the energy storage is definitely something really big in Taiwan. We are expected to -- it will be very big in Southeast Asia, especially that the renewable energy is kicking in. You can see from the policy side of it in Taiwan that we have already seen a lot of policies coming out. Our government is pushing hard on the renewable energy. To adopt that renewable energy trend, there's a huge opportunity for us to provide energy storage services to the SMB, like a factory and household.

As a matter of fact, we already have a pilot -- some of the pilot with, like, for example, I mean Taipei and more than 346 intersections has the battery inside of it. So when the power is breaking --

Bruce Aitken^ When there's a brownout.

Henry Chiang^ Yes, brownout. Our battery really helped -- been very helpful. So we have seen that is something we want to build our second revenue growth on that. The other side of it is people have been talking about like the second life battery usage. It's really hard for a traditional vehicle maker even with -- when they manufacture the EV, they don't have the data of the battery.

They don't know how it was used and how it was being monitored. So I think since Gogoro owns all the assets and we have the technology, we have a very good AI algorithm to monitor the battery and also every single cell in the battery pack. We will definitely capitalize it in our future revenue growth. So we have a strong belief in that. So as I said in the call we already finished the hardware validation with TaiPower, which is a state-owned electricity company in Taiwan. We already finished the hardware validation last November, and we are now in the sandbox with them.

We hopefully -- we will finalize it in next six months. Once we have it, we have a certain -- we definitely will have a solid progress on our business planning. For -- since we already have 1.4 million battery pack in the network, and we are expecting to retire some of it from the Gen one battery. Gen one battery is actually, we already deployed in the -- in our network since 2015.

So we can see that is still stay in a very good healthy status, and we want to make the Gen one battery to retire and repurpose that in our ESS. And for next coming few years, we will have more batteries to retire, and we are seeing these changes, the needs of ESS is trending upwards. So we definitely will show more revenue progress on that part. For me, I think ESS in 2025 is a kickoff. We have finished our first product life cycle of our vehicle business, and we see we already contain a great progress as an infrastructure company. So the second part of the growth, we definitely will depend on the progress of our ESS business, and we would love to share with you, Fawne and rest of the investor more in the next few earnings calls.

So Bruce, do you want to top up?

Bruce Aitken^ Yes. So I'll take the second part of the question Fawne about international expansion. There's three things we believe are required for success in the international markets. We require policy, we require partners, and we require patience. So policies are being aligned at different speeds in different markets. Partnerships are being aligned at different speeds in different markets.

Then obviously we have to be patient, and we have to wait for the right time wait for the right partners, wait for the right policy before we'll be successful. We have been targeting Southeast Asian markets, as you know for some time. We'll continue to do that. But we are still forecasting that for this year, the bulk of our revenue, 95-plus percent of our revenue will be from the Taiwan market. As soon as there are better updates that we can provide, and we hope that we'll have some of those updates soon, we'll provide them to you directly.

Henry Chiang^ Yes. We are looking forward a good update in the next few weeks. So we'll love to share that more in the next couple of weeks.

Operator^ Thank you for your questions, Fawne. Now I'll hand back to Annie to check for any questions online.

Anny Liao^ At this time, I will take a question from online. This is the question. Home energy storage has gotten very popular in recent years. Does Gogoro plan on releasing battery packs to consumers that can buy?

Henry Chiang^ Yes. We have seen a strong growth momentum in Taiwan as well. I think American has more and more home use of that, but I think Taiwan is growing. From our perspective, as an energy company, we have already -- we have been positioned ourselves as a service company. So no matter the first life cycle usage of battery, we are providing as a subscription model. Not sure if we will consider to do like a sell-out type of business model. But definitely, we will provide a service based on that, but we will consider to do a sellout. But we prefer to do -- but our thesis is to remain providing the services.

Anny Liao ^ I have another question online. Are there any plans to license your technology patents to diversify your revenue?

Henry Chiang^ We have PBGN.

Bruce Aitken^ There's two ways that we make revenue from licensing. One is we sell kits and parts to -- powered by the Gogoro network partners, as Henry just mentioned, the PBGN partners. So that's effectively a licensing revenue business. We also already have licensing businesses with our software programs in the international markets, where for all batteries swapped, there's a small licensing fee paid back to Gogoro. We would be open to broader licensing programs in foreign countries with people who want to run full enclosed and closed-loop battery swapping networks with people who are interested in taking the battery pack design and deploying it locally in country.

We're open to lots of different models. We're open to lots of different partnerships and would encourage anyone who's interested in working with us just to reach out directly and see how we can help. Our fundamental objective is to make urban mobility cleaner, greener and more sustainable. So if we can help people in a variety of countries achieve that objective and collectively make the world a cleaner, greener place, then we'll be happy to do that.

Anny Liao ^ So at this time there are no further questions. I'll turn the call over to Henry for some few closing remarks.

Henry Chiang^ If you take one thing from today's call please know that despite our recent challenges, Gogoro is laser-focused and completely committed to our customer experience and the goal of profitability. So thank you for your support of Gogoro. And thanks for calling into today's call.

Operator^ Thank you for your participation in today's conference. This concludes the program. You may now disconnect.