

Event ID: 138127533306  
Event Name: Q3 2022 Gogoro Inc Earnings Call  
Event Date: 2022-11-10T12:00:00 UTC

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+++ presentation

Operator^ Welcome to the Gogoro Inc. Q3 Earnings Call. This session will be recorded. I would like to introduce Bruce Aitken, Gogoro CFO.

Bruce Aitken^ Thanks operator, and thanks everyone for taking the time to join us today. I'm Bruce Aitken, CFO of Gogoro and I'm pleased to welcome you to our third quarter 2022 earnings call.

Hopefully by now you've seen our earnings release. If you haven't, it is available on the investor relations tab on our website, [www.investor.gogoro.com](http://www.investor.gogoro.com). We will also be displaying the materials on the webcast screen as we go along. We're looking forward to sharing our Q3 results, as well as providing some guidance on what we're seeing as the outlook for the fourth quarter.

Before our CEO, Horace Luke shares, I'd like to introduce Michael Bowen of ICR, who will share the process for today's call and provide some important disclosures. Michael?

Michael Bowen^ Thanks, Bruce. I'm sure you're all looking forward to hearing from both Horace and Bruce on behalf of Gogoro. But before that, allow me to remind you of a few things. You are all currently on mute. If you have a specific question, please use the chat function in the system to submit questions and we'll answer as many as time allows.

After Horace has given a brief overview of Gogoro and some of the business highlights from Q3, Bruce will go a bit deeper into the Q3 financial results.

During the call, we will make statements regarding our business that may be considered forward looking within applicable securities laws, including statements regarding our third quarter and fiscal 2022 results, management's expectations for future financial and operational performance, the capabilities of our technology, projections of market opportunity and market share, our potential growth, statements relating to the expected impact of the COVID-19 pandemic, supply chain issues and other headwinds facing the company.

The company's business plans, including its expansion plans, the company's expectations relating to its growth in China, statements relating to the potential of our strategic collaborations, partnerships and joint ventures, statements regarding regulatory developments and our plans, prospects and expectations. These statements are not promises or guarantees, and are subject to risks and uncertainties which could cause them to differ materially from actual results.

Information concerning these risks is available in our earnings press release, distributed prior to market open today and in our SEC filings. So we undertake no obligation to update forward-looking statements except as required by law.

Further, during the course of today's call, we will refer to certain adjusted financial measures. These non-IFRS financial measures should be considered in addition to, not as a substitute for or in isolation from IFRS measures. Additional information about these non IFRS measures, including reconciliation of non IFRS to comparable IFRS, is included in our press release and investor presentation provided today. Now, over to Horace.

Horace Luke^ Thanks, Bruce and Michael. Thanks for joining our call today. We're pleased to have this opportunity to meet with you all and provide an update on both the third quarter and how we see the balance of the year shaping up.

Before we cover Q3, I do want to quickly speak to one important milestone for Gogoro. I've just returned from India where we announced a battery swapping pilot in Delhi. We're working closely with Zypp Electric, India's largest dedicated EV B2B demand aggregator that, like us, is committed to introducing sustainable electric transportation to the B2B last mile delivery sector in India.

We're excited to demonstrate Gogoro's battery swapping, and begin getting specific market feedback. I'm always energized when visiting India, because the need for cleaner transportation and energy solutions is so clear. This was especially evident last week by the fact that the air quality index reached over 400 and continued to increase over the weekend breaking all records for Delhi.

We can do better. I'm thrilled to be working with Zypp and with the support of the Delhi and Indian government, Gogoro's sustainability technology can make a difference in the day-to-day lives of both vehicle riders and all the residents of Delhi and the rest of India who are exposed directly to high levels of pollution. The work begins now.

Shifting to Q3, results are in line with our expectations. Our Gogoro network continued to accumulate users and we now have over 505,000 monthly active subscribers. We continue to deploy those stations in Taiwan to grow network capacity, maintaining network efficiency and ensure a positive customer experience.

As always, these stations are deployed intelligently using the data we accumulate from our over 370,000 battery swaps daily and the 350 million battery swaps since we started. The two wheeler market in Taiwan continues along the trend that began in 2021 as a result of COVID and other factors. Total scooter sales in the first three quarters of 2022 are down by just over a percent versus 2021, but down 20% versus 2020.

A total of 18,657 Gogoro vehicles were registered in Q3 and a total of 22,197 Gogoro and our Gogoro partner, PBN Vehicles, were registered in Q3.

Despite this overall market slowing, electric two wheelers demand continued to grow with electric vehicles representing 11.6% of all

vehicle sales in the first three quarter of 2022 versus 9.9% of all vehicle sales in the first three quarters of 2020 and 10.6% of all vehicles in the first three quarters of 2021.

Sales of Gogoro and PBN Vehicles have slowly increased and now representing 10.7% of all vehicles sold year to date in Taiwan. In Taipei, our market share penetration reached 19.1% in the first nine months of 2022. We believe these trends toward the adoption of electric vehicles will continue as consumers choose cleaner, greener mobility solutions.

If government are seriously committed to reducing carbon emissions and achieving their electric vehicle penetration goals, they should stop subsidizing gas prices and the purchase of gas vehicles and should be considering the long-term environmental and health costs of the ongoing sales of ICE vehicles.

The pollution challenges in Delhi, that I mentioned earlier, are by no means limited to India alone. While not 100% attributed to ICE two wheelers are certainly made worse by the use of low grade fuel and the ongoing reliance of ICE vehicles. The long-term health impacts associated with high pollution levels are clear and we must reduce emission across the board in any way we can.

A great example of a private public sector effort to reduce pollution levels is the launch of GoShare, our sharing service in Taichung together with the Taichung city government and TSMC.

In Q3, TSMC purchased 250 Gogoro smart scooters and designated this fleet of Gogoro vehicles to be part of GoShare Service with a goal of making a direct impact in reducing carbon emissions in Taichung city. This helps the city solve the severe air pollution issues it has.

On the private front, we're working with several well-known international food chains to convert their delivery fleets to Gogoro Scooters throughout Taiwan and working with a number of larger employers who are offering employees vehicle purchase subsidies in an effort to lower their overall carbon footprint.

We welcome any enterprise, any government and any industry to engage with us to develop a program to lower carbon emissions. At Gogoro, ESG is important to us. We are on track to achieving our goal of using 40% renewable energy in our own manufacturing facilities by the end of this year and are opening and operating multiple retail locations. They are 100% powered by renewable energy. And we're working toward giving all Gogoro customers the option to select renewable power for their battery solving.

Despite our China plans continuing to be significantly impacted by COVID, macroeconomic and geopolitical factors, we're making progress in key international markets. In addition to the recent announcement from India, Gogoro Vehicles announced a sale in Israel and are gathering positive reviews. B2B customers in Korea continue to expand their dedicated fleets of vehicle and Go stations. Our pilot in Indonesia continue to inform our plans of market entry. Our Singapore government approved Sandbox pilot is about to go live and there are other efforts underway which we'll announce as appropriate.

International markets are critical to our success and with each new launch and each new vehicle partner and category, we continue to make progress towards our objective of electrifying urban mobility with our sustainability technology. These markets take time to develop. In most, penetration of electric vehicles is sub-1%. We'll continue to work with our local partners on vehicles, deployment of network, government policy influencing and general consumer education.

It is becoming clear that B2B opportunities while quite different than B2C market represents and immediate opportunity for Gogoro. The value proposition of battery-swapping for a B2B fleet operator or an individual rider is clear. Simply put, time spent charging of vehicle is lost revenue.

Most B2B operators and riders exceed the capacity of the batteries on a daily basis. Given that reality, battery-swapping takes hours of charging time and keeps a vehicle on the road earning all day long. We are focusing on the B2B market and international markets as it is a way to prove our technology use case, safety, and data-driven benefits of Gogoro network ecosystem.

To ensure that we capitalize on the market potential both in Taiwan and internationally, we have made some organizational changes as announced in early October. These changes give us a clear focus on reducing inefficiencies across our organization and on better executing on the expansion and sales opportunities. We expect to generate savings via an increased focus on product cost, inventory, and overall corporate spending and expect to see revenue growth in 2023 as we bolster our Taiwan and international sales in business development organizations.

We'll provide further updates about the scope and quantum of these savings in our Q4 earnings. But efforts are well underway to ensure that Gogoro is operating as efficiently as possible given the current economic environment.

Let me quickly recap our macro strategies for 2022 and how we're doing. We have three areas of focus that we will continue to work towards. First, we plan to continue to expand our vehicle and hardware sales in Taiwan by increasing our penetration, broadening our coverage, and growing sales of B2C, B2B, and B2G customers.

Secondly, to further develop our solutions business, we plan to build on the success of our Gogoro component kits to enable our partners to further diversify product offerings and launch multiple SKUs in Taiwan and internationally.

Finally, to grow our Gogoro network business in Taiwan and internationally, we plan to increase Go Station density and continue to improve network efficiency and launch services in additional cities. We're passionate about what we do. We make it irresistible for consumers to be responsible through the increased efficiency and environmentally friendly solutions.

I'm proud of the work the team has put in to continue to make progress toward these goals which will allow us to continue to penetrate the Taiwan market with our vehicle partners and begin to build momentum for growth overseas.

I'd like to invite Bruce to update some key business highlights and review our financial results in a bit more detail.

Bruce Aitken^ Thanks Horace. On a year-over-year basis for Q3 excluding foreign exchange impact, both Gogoro hardware and Gogoro network revenue increased. Gross margin increased, sales of hardware and network services in Taiwan met expectations, and we continue to focus on international opportunities.

Q3 was a quarter where we executed well despite the difficult macroeconomic environment. Our Gogoro network revenue continues to grow with accumulating subscribers, we now have over 505,000 monthly subscribers and expect that number to continue to grow. We saw strong growth of nearly 30% in the Gogoro network business, record quarterly revenue of \$33.2 million on a constant currency basis and we continue to keep a close to 100% attach rate of customers.

Despite the slow two-wheeler market so far in 2022 as described by Horace, in the first nine months of the year, electric vehicles as a percentage of total vehicles increased by 9.7% versus 2021. Both Gogoro and our vehicle partner sales grew, Gogoro's marginally while our partners grew by 28.2% versus 2021. This is a shift in market share we have planned for as we broaden our reach as a platform. Gogoro and our vehicles partners market share both grew in the first three quarters of 2022 versus the first three quarters of 2021 and Gogoro and our vehicle partners represented 92.4% of all electric vehicle sales in the first nine months of 2022.

This figure typically ranges from 90% to 95% of the total market and we're happy to see growth in the overall electric sector in Taiwan. Our gross margin was up both quarter-on-quarter and year-on-year and we expect to maintain a similar margin profile during Q4.

Some business highlights for Q3. Q3 2022 was in line with expectations despite the challenging external market conditions. We saw an overall increase of 10.7% in revenue versus Q3 2021, an increase of 4.6% in hardware revenue and an increase of 28.5% in Gogoro network revenue versus Q3 2021 on a constant currency basis. We also continued to accumulate subscribers on our Taiwan Gogoro network and are most pleased with those results as they demonstrate continued growth, an accumulating subscriber base and recurring revenue generated by our battery-swapping business model.

According to statistics published by Taiwan's Department of Motor Vehicles, there were 18,657 Gogoro vehicles registered in Q3, up 21.4% from registration statistics for Q2 2022. The total Taiwan two-wheeled scooter market volume of approximately 534,000 units for the first nine months of 2022 is the lowest since 2015.

Despite this low volume, there are some positive indicators for both the transition to electric two-wheelers as well as for Gogoro and are powered by the Gogoro network partners. Total sales volume of Gogoro vehicles in the first nine months of 2022 are slightly up versus the same period of 2021. Additionally, partner vehicles, which are tracked under each brand's sales, achieved to 28.2% growth versus 2021.

We extended our Taiwan channel, and now Gogoro vehicles are being sold in a total of 463 traditional scooter sales locations, making Gogoro

vehicles broadly available and increasing the customer touch points is important. Our market share in the six biggest cities in Taiwan remained strong, with Taipei continuing to be the largest single market share city with 19.1% share in the first nine months of the year.

In Q3, we began selling Gogoro vehicles in local large format retail stores and in the Taiwan store locations of U.S.-based membership warehouse retail stores. Sales of vehicles and associated registration figures for Ai Huan Huan services in China continued to lag expectations. Because of the substantial external headwinds from COVID lockdowns, supply chain issues, retail traffic and spending reductions, overall consumer confidence and other factors, we've slowed the deployment of network infrastructure in China.

As of September 30, we've deployed 123 stations in Hangzhou, 68 stations in Wuxi, and 64 stations in Kunming. We will delay the further expansion of Ai Huan Huan networks pending more clarity in terms of the uncertainties described above.

We continued to enable new vehicle development partnerships. A local OEM has recently released a low cost B2B focused SKU, which is available for fleet purchase directly from Ai Huan Huan for approximately 1,500 renminbi which is approximately 210 US dollars. Providing customers with sufficient choices of power, price and styling is important to the scaling of the Ai Huan Huan network.

Q3 financial highlights. Our Q3 results exhibit both continued progress in difficult circumstances, and that the shift to electric mobility continues to gain momentum. Specifically, let me provide some color into our revenue, gross margin, EBITDA, and net loss results as well as providing some updated guidance for the balance of 2022.

Before I go into details, let me say a few words about exchange rates. We book the vast majority of our revenue in Taiwan dollars but now report in U.S. dollars. This year, the change in exchange rate has been substantial, with the U.S. dollar strengthening against the Taiwan dollar by 9.2% versus the average exchange rate of Q3 last year.

Given our revenue concentration in Taiwan dollars, this is not really an operational issue but purely a foreign exchange translation issue. This exchange rate change has resulted in a U.S. dollar reporting difference of almost \$13.5 million in revenue since the beginning of the year.

Third quarter 2022 financial overview. First, operating revenues. For the third quarter, revenue was \$102.2 million, up 1.5% year-over-year, and up 10.7% year-over-year on a constant currency basis. Had the foreign exchange rate remained constant with the average rate of the third quarter of 2021, revenue would have been \$9.2 million higher.

Sales of hardware and other revenue for the third quarter was \$71.8 million, down 4.1% year-over-year, but up 4.6% year-over-year on a constant currency basis, indicating that revenues would have been \$6.5 million higher.

Gogoro network revenue for the third quarter was \$30.4 million, up 17.7% year-over-year and up 28.5% year-over-year on a constant currency basis, indicating that revenue would have been \$2.8 million higher without the exchange rate impact.

Total subscribers at the end of the third quarter was more than 505,000, up from 418,000 subscribers in the same quarter last year. The Gogoro network revenue increase was primarily due to the accumulating subscriber base and the high retention rate of all subscribers.

For the third quarter, gross margin was 17.4%, up slightly from 17.3% in the third quarter last year. For the third quarter non-IFRS, gross margin was 20%, up from 17.3% in the same quarter last year. The non-IFRS gross margin improvement was driven by an increase in the average selling price of our vehicles, favorable changes in our product mix and the improved cost efficiency of Gogoro's network operations.

For the third quarter, net income was \$56.4 million, up \$69.8 million from a net loss of \$13.4 million in the same quarter last year. This was primarily due to a favorable change in the fair value of financial liabilities of \$85.8 million in the third quarter, due to a smaller liability on outstanding warrants, compared with a \$1.7 million loss in the same quarter last year.

This was partially offset by an \$11.4 million increase in the share-based compensation, a \$2.1 million increase in sales and marketing dollars, a \$1.8 million increase in research and development expenses, and a \$1 million increase in general and administrative expenses.

Non-IFRS net loss was \$16.3 million, up \$4.6 million from \$11.7 million in the same quarter last year. This was primarily due to the \$4.9 million investment in operating activities.

For the third quarter, adjusted EBITDA was \$9.2 million, down from \$15.2 million in the same quarter last year. The decrease was primarily due to a \$2.1 million in expenses for sales and marketing programs, a \$1.8 million increase in research and development expenses, and a \$1 million increase in general and administrative expenses, as well as the negative foreign exchange impact.

With the addition of a new \$345 million credit facility, and with \$249.1 million in cash at the end of the third quarter, we are well-positioned to manage our liquidity in what is currently a complex macro environment. A majority of our payment obligations are denominated in Taiwan dollars, so we've benefited greatly from maintaining a high U.S. dollar cash-denominated balance since early April 2022.

Q3 was one where our vehicle business followed the overall market trend. We maintained market share executed to our plans and our business continued to accumulate subscribers and showed healthy revenue growth due to the unique nature of our business model. We expect Q4 to continue in the trend of the first three quarters of the year. And as such, we're updating our 2022 revenue guidance to \$370 million to \$390 million. Nearly all of Gogoro's' 2022 full year revenue will be from the Taiwan market.

+++ q-and-a

Editor^ Michael, I'll hand it back to you now for Q&A.

Michael Bowen^ Thanks, Horace and Bruce for that update on details on financial results and full-year guidance. As attendees are formulating

the questions, I will go ahead and ask two questions, which I think are likely on everybody's mind, given what you've just shared.

So let's start off with number one. First question is the collaboration sounds like an exciting opportunity for Gogoro Can you please give us some additional details on the partnership? Additionally, you mentioned a few B2B opportunities in other countries. Has Gogoro changed its strategy to focus on B2B instead of B2C going forward and is the B2B model different financially?

Horace Luke^ Thanks, Michael. As the world is open once again, we'll begin to travel. One thing that has been very clear is excitement in the growth for electric vehicles, and for our battery swapping system. Regardless of the country, the value proposition is extremely clear for the B2B segment because of the battery swapping. There's no downtime or waiting for vehicle to charge in the field allowing B2B customers to best utilize their fleet.

B2B riders are high energy consumers. They typically ride about 3,000 kilometers per month or even more, and on premium maintenance, so they help to pull out technology in each one of the markets. The government is also recognizing the benefit of electric vehicles, so B2B as a means to reduce emission and are starting to put regulations in place to limit or eliminate the use of gas vehicles in the delivery.

The pilot we're launching in Delhi will also allow Zyp and others to test out and see firsthand the benefits of battery swapping, the actual user experience on the Gogoro network, as well as providing vehicle user feedback because (inaudible) so that we can actually continue to improve and enhance our services. There are about 100 Gogoro vehicles in Delhi, six Go stations to support the vehicles and we expect the activity to pilot in December.

Ultimately, our solution works in both B2B as well as B2C use cases. We can work with partners to deploy the user strategy. Whether last mile delivery, ride sharing, student taxi services or other solutions, we welcome any interest in the B2B as well as others that are interested in our battery swapping system.

Michael Bowen^ Okay, great. Thanks, Horace, for that. Question number two, for Bruce and Horace, you've mentioned on the call that development in international markets is critical to Gogoro's growth. We also understand the slower than anticipated development in China due to COVID, macro-economic factors and other reasons. So can you please provide additional color on which international market you foresee will become the fastest growing and with fastest adoption and the biggest impact both financially and market share wise?

Horace Luke^ Well, first, remember, there's still a lot of room for us to build in Taiwan, both in terms of building vehicle sales. Our vehicle partners, vehicle sale, as well as close cumulative subscribers in global networks, we'll keep innovating for Taiwan market. But as you mentioned, international markets are clearly important for our growth story.

Each of the large markets in Asia represents both opportunities as well as challenges. China is challenged, but at the moment, India represents a great opportunity and we're excited to see how the pilot goes and we do expect revenue from India in 2023, both in hardware sales as well as



network revenue. Other markets are also in the early stages of development. We are already generating revenue in Israel and in Korea, expect to see revenue from Indonesia in 2023. And also work on a few other markets that we will announce at an appropriate time.

Each market is unique and it develops at its own pace even given the different environmental factors. The Taiwan electric two-wheeler market was almost nonexistent when we began selling Gogoro vehicles, and now electric represent more than 10% of the total market, and only 20% in Taipei. That level of adoption has come through individual consumers choosing more sustainable mobility solutions.

In other markets there are a variety of drivers who are adopting electric and battery swapping vehicles specifically. Consumer choices, government policies and subsidies, the safety of our battery swapping system, as well as we reduce operating costs of vehicles since the cost of batteries are not included, provide a total cost of ownership and operation basis there is a minimal difference between either ICE or battery charging vehicles. We believe that people will see significant user experience and safety improvement by choosing and joining the global network. This year almost all of our revenue is coming from Taiwan. We expect international markets to make significant progress next year. But we're not yet prepared to provide a detailed revenue forecast as of yet.

Michael Bowen^ Operator, if you can now turn it over to Q&A, please.

Operator^ Certainly. (Operator Instructions). Question from the line of Fawne Jiang Benchmark Company. Please ask your question.

Fawne Jiang^ Hey, Horace, hey, Bruce. Thanks for taking my questions. First one, just to follow up on Michael's questions earlier, in regards to your B2B business, how should we think about the monetization ramp up in the next couple of years? In other words, say by 2024 how can we think about the revenue mix of your 2C business versus your 2B business? And also, is there any like margin difference between these two segments?

Bruce Aitken^ Hi, Fawne, thanks for the question. A couple of things, Fawne, we're not yet providing a detailed breakdown, as Horace mentioned of the revenue split between B2B and B2C markets. What I can tell you though, is a couple of interesting things about the B2B business model. The first is that as Horace mentioned, the typical rider rides over 3,000 kilometers per month, in a B2B use case.

So two things happen, the first is that their average consumption of energy therefore goes up dramatically. And that means that we get bigger ASPs on a per writer basis for each of those, because the amount of energy consumed is much higher. Because of that, we can also depreciate the batteries and the other CapEx in our system a little bit more quickly. So we're eager to learn as much as we can through the two B2B pilots that are active right now. We believe this will be a great additional service offering that runs in parallel with B2C. Because basically, it's kind of at different times of day, people use different kinds of, different kinds of services are being performed on the network.

In a sense, you can think about B2B as the base load of a network. When a Telco rolls out network, they want to make sure they've got a certain number of built-in subscribers. For us, that can be the B2B business.

And then on top of that, we can build the B2C business, as consumers become more educated, they become more eager to electrify their mobility needs on a go forward basis.

Fawne Jiang^ Thanks. That's helpful. And secondly, in regards to your guidance, updated guidance, it seems like it implies a pretty wide range for 4Q revenue, what are the key data we should consider? The basically, to hit the low end versus the high end, so in another words, what are the moving parts you are observing right now.

Bruce Aitken^ As you may recall, Fawne, last year, our Q4 was quite large. And so, we actually, last year substantially exceeded our Q3 guidance. There's a lot of uncertainty in the market right now for 2022. So we're taking the conservative perspective.

We do believe, obviously, we'll hit the low end of the guidance. We think we should be in the middle of the range that we've provided, which could have been the low end of the previous range of 380 to 410 that was previously spoken about. We're confident that we'll be able to deliver those numbers in Q4. Whether there's upside or not, I think is a function of how the market responds to the last few months of the year.

The other thing that I will indicate is that there are some subsidies in Taiwan, that will be shortened. And this year, the government will stop offering some of their central subsidies around the middle of December, which could mean that our sales at the back end of the month of December slow just a little bit.

Those subsidies are guaranteed going into next year. It's really an administrative issue. Because the government has to be able to register vehicles. It has to be able to accept applications for those vehicles and close them out at the end of the year.

So, it's not a change in subsidy. It's an application of that subsidy and the ability for the government to process it by end of year. So, those are the kinds of things that make us want to just take a conservative perspective on Q4 versus Q4 last year.

Fawne Jiang^ Understood. Any color for 2023?

Bruce Aitken^ No color yet, Fawne. Stay tuned. I think the Taiwan market will continue to execute as it is. But as Horace said, what's going to be interesting is how much growth we think we can get from international markets.

We're super excited about the pilots that have launched. We're excited about a lot of interest from a lot of different countries. As Taiwan has now eliminated its inbound quarantine, we're seeing lots of interest for people to make trips to Taiwan to personally observe how our networks work, personally observe our vehicles, personally ride those vehicles, and then work with us to figure out how to either turn on new countries or turn on new markets, or for us to be able to access new customer bases through those visits.

Fawne Jiang^ We got it. Just switching gear on your cost side. Your gross margin improved pretty nicely. Just wonder any puts and takes we should consider, particularly given the very high inflation environment, should

be concerned or potential margin compression and particularly heading into 2023.

Bruce Aitken^ Cost is definitely going to be a big focus area for us. As Horace mentioned, we've done a reorg. We're really, really going to focus on cost, on inventory, on inventory turns, all those kinds of things.

We want to make sure the fundamentals of the business are sound as we head into 2023. Given your comment about, will prices go up? Will inflation continue? Or what kinds of activities will Central Banks engage in.

We're going to be laser-focused on ensuring that we maintain our costs. We've said that we expect Q4's margin profile to be roughly the same as what we've had so far this year. And as you said, there was a little bit of good news in margins in Q3. We'd love to be able to maintain that level. But at a minimum, we'll maintain kind of the current run rate that we're on for all of Q3 as our margin profile for Q4 this year.

Fawne Jiang^ Thank you, Bruce. I'll go back to the queue.

Bruce Aitken^ Thanks, ma'am.

Operator^ Thank you for the questions. (Operator Instructions). Next question comes from Bill Ling of JPMorgan, please ask your question.

Bill Ling^ Hey, Horace and Bruce, thanks for taking my question. I think I have two questions here. First of all is in Taiwan, I think according to the news you are canceling All-You-Can-Ride program by yearend for new riders.

So given that, will you have some concern about keep driving up the B2C two wheeler penetration here in Taiwan, given most of customer in Taiwan are quite cost sensitive. Yes. I want to hear your view about that.

And secondly is given we are now kind of more switched to B2B focus, in the retailing store side, will you see some cost control? And if we have less store, will that be more benefit to our cash flow?

Horace Luke^ Okay. Yes, I'll take that, Bill. Thanks. In terms of the All-You-Can-Ride program that is -- that we announced we're sunsetting by the end of the year, from time to time, we take -- make adjustments to our plan to optimize for the majority of our riders. Today, we are seeing riders picking up, a small amount of riders taking up the All-You-Can-Ride plan. A lot of them do, as you said, Bill, they do food delivery services for them.

Today, we account for about 46% of all food delivery services that are being done in Taiwan today. With the existing riders will continue to be able to enjoy the All-You-Can-Ride program with the new riders being able to subscribe to a high usage program that are coming on board, that has already been on board. And they can choose a such program to basically be very competitive with the All-You-Can-Ride program and we designed that to satisfy that. So that's the first question.

And, Bruce, the second question was...

Bruce Aitken^ B2C versus B2B. I can take it...

Horace Luke^ Okay...

Bruce Aitken^ So I think, Bill, we are going to focus on B2B, but that's always been part of our plan. It's not the B2B is replacing B2C. It's that really, there's a great story for B2B, for B2C, for B2G, for kind of B to anybody, right? So, there are less selling expenses associated with the B2B business because you don't need to remain as active in retail, but we won't make any changes to our retail footprint.

We will still actively pursue B2C customers in Taiwan. We hope to continue to increase the efficiency of that retail market versus minimize the footprint of that retail market if you will. So, the cash flow benefit should come from an increased output on per store basis rather than any change to our retail or channel structure in the short term.

Horace Luke^ And so, I just want to make this clear, the B2B and the B2C and B2G strategy has always been like in Taiwan, as I said, we do service 26% of deliveries done every done in Taiwan. In addition, we also work with fleet operators such as DHL to electrify their fleet in Taiwan. So, you probably know the several new stores that came out (inaudible) that DHL and other delivery guys are using to run the fleet.

So, it's always been a B to everybody in Taiwan. As we explore externally into other markets, it is also very important for us to kind of have predictability as we launch. As we said, think of B2B as the baseload of the network where as we deploy internationally, you know, Taiwan is a small island, India is a gigantic peninsula.

So, we want to be able to be kind of more pragmatic about how we deploy and then once deployed, we want to be able to have riders be able to use that network actively in generating the return on our investment. The word we should think about it is, as I mentioned, in light about (inaudible) that is, you know, on average, you know, usually, four to five times of an average rider.

And so, if you think about the math where if every kilometer is generating a micro pay on return, the fact that you're able to generate that fast or you're able to turn over the battery enough to generate financial impact. So, going to B2B helps us both with predictability and efficiency as we deploy the network and also at the same time, you know, nothing helps us really, you know, kind of work out all the kinks than, you know, people that ride a lot.

And one of the things that we want to do as we launch into places like India where, you know, the weather is different. The environment is different. The usability is different. So, it's a great way for us to actually have a controlled launch into those markets. So, those will prove to be one that I think is very, very, a good base case for us to actually build on and we're excited to see riders on.

As a matter of fact as of two days ago, I got notification from my team over there that the first station is up already so it's launching ahead of time. We're expecting them to (light up) in December. They're already a little bit ahead of time like (inaudible). Now, the vehicles are being registered so they can go on the road and start swapping away.

Bill Ling^ Yes, understand. It's very clear. Thank you. Can I follow up a question? It's more on international markets. So, just want to understand what is the current partnership situation in India it is because I think my original thoughts (inaudible) now with Hero. So, what is the company's plans for the India market regarding the coverage and partners?

Horace Luke^ Well, first of all, the partnership with Hero remain unchanged. They, of course, are still developing their vehicle. The idea is the platform is always going to be open and the swapping center is always going to be open. That's not, you know, a single brand, but multiple brands.

The first vehicle actually has not launched in India. The reason why it has not launched is because we have imported the vehicle from Taiwan, you know, European version of the Taiwan vehicle that now lands in India in order to (inaudible). So, don't think of it as a vehicle launch or even, you know, so to speak a Gogoro launch but indeed what it is, is a pilot that we continue to gather information about one of the vehicles that are going to be on the road.

So, think of it as the usability launch more than it is a vehicle launch. Gogoro has always seen ourselves and our strategy has always been open platform that has interoperability between multiple brands. And today, we have over 10 brands of vehicles on our platform swapping, you know, over 47 different SKUs of vehicle ranging from very lightweight vehicle to very heavy-duty vehicle, you know, using one battery, two battery, four batteries configuration and all of them swapping with one million batteries on the network interoperable.

So, we're the largest battery swapping network I think on the planet today and we're excited to bring that long kind of proven platform to a place like India and then, of course, our pilot in Indonesia has been running well with the Gojak rider in Jakarta and we're looking to grow that higher and grow that market as well.

Bill Ling^ Okay. Understood. Thank you.

Operator^ Other questions? As a reminder, to ask question, please press star one, one. There are currently no questions from the phone. I'll hand the call back to the management. Please continue.

Michael Bowen^ Okay. Thank you. This concludes our question and answer session. I'd like to turn the conference back over to Horace and Bruce for any closing remarks.

Horace Luke^ Great. Thanks, Michael. Well, as Bruce said, Q3 was one where vehicle business followed the overall market. We executed to our plan and our business continues to accumulate into a healthy revenue growth due to the unique nature of our business model. There's a lot going on and we're launching pilots overseas, focus on growth, developing new products and new vehicles with our existing and new partners. We're excited to continue to develop sustainability technology to world and help solve one of the biggest challenges facing our generation. Our fundamental belief is our business model and our business model (inaudible) and change. The question is not whether a transition to electrical vehicles will occur, but how quickly and how can we help. Thank you to everyone for attending today's call.

Operator^ That does conclude today's conference call. Thank you for participating. You may now disconnect.