



**Pony AI Inc.**

## **Second Quarter 2025 Earnings Conference Call**

### **Operator**

*Hello, ladies and gentlemen, thank you for standing by, and welcome to Pony AI Inc.'s second quarter 2025 earnings conference call. At this time, all participants are in listen-only mode. After the management's prepared remarks, there will be a question-and-answer session. As a reminder, today's conference call is being recorded and a webcast replay will be available on the company's Investor Relations website at [ir.pony.ai](http://ir.pony.ai) under the News and Events section.*

*I will now turn the conference over to your host, George Shao, Head of Capital Markets and Investor Relations at Pony.ai. Please go ahead, sir.*

### **George Shao**

Thank you, operator, and hello everyone.

We appreciate you joining us today for Pony.ai's second quarter 2025 earnings call. Earlier today, we issued a press release with our financial and operating results, which is available on our Investor Relations website. An earnings presentation, which we will refer to during this conference call, can also be accessed and downloaded on our Investor Relations website.

Joining me today on today's call are, Dr. James Peng, Chairman of the Board and Chief Executive Officer, Dr. Tiancheng Lou, Chief Technology Officer, and Dr. Leo Wang, Chief Financial Officer of the company. They will provide prepared remarks followed by a Q&A session.

Before we begin, please refer to the Safe Harbor Statement in our earnings release, which applies to this call as we'll be making forward-looking statements. Please also note that we will discuss non-GAAP measures today, which are more thoroughly explained and reconciled to the most comparable measures reported under GAAP in our earnings release available on our IR website and filings with the SEC.

I will now hand it over to our Chairman and CEO, Dr. James Peng. Please go ahead.

### **Dr. James Peng**

Thank you, George. Hello everyone, thank you for joining our earnings call.

We have actually had a very exciting quarter. Let me walk you through three achievements that define our success this quarter. First, in June we finished building assembly lines for our seventh-generation Robotaxi vehicles. In the last two months, we ramped up production capacity with more than 200 Gen-7 vehicles rolled off the assembly lines. This puts us firmly on track to hit our target of 1,000+ vehicles by year-end of 2025. We have operated Gen-7 Robotaxi in all our four tier-one cities in China, with over 2 million kilometers of open road autonomous driving. The path towards positive unit economics is also very clear, as we made substantial reduction in key cost items such as remote assistance and vehicle insurance. Second, we continue to expand our Robotaxi service areas and our user reach. The registered users surged by 136% year-over-year in Q2. In addition, we secured Shanghai's first fully-driverless commercial license, and expanded presences globally in cities such as Dubai, Seoul and Luxembourg. Third, our strong operational

momentum has translated into outstanding financial results. On a year-over-year basis, our total revenues surged by a remarkable 76%. Robotaxi revenues have more than doubled, with fare-charging revenues growing more than 300%.

Now let me share more details in these areas.

As I mentioned previously, we positioned 2025 as the “pivotal year of mass production,” so first, let me talk about the mass production of Gen-7 Robotaxi vehicles.

The first two models of Gen-7, namely the Guangzhou Automobile Group (the “GAC”) and Beijing Automotive Industry Corporation (the “BAIC”) models, have entered mass production in June and July respectively. As of today, over 200 vehicles have been produced, which puts us well positioned to reach the 1,000+ vehicle milestone by year end. We have made significant improvements to our Gen-7 vehicles in terms of safety, cost, reliability, and even appearance. The platform features a 100% automotive-grade autonomous driving kit designed for a 600,000 kilometer lifecycle; all the sensors are highly integrated with the vehicles and can be pre-assembled; the total bill-of-materials cost has also reduced 70% compared to our previous generation, that is the cost dropped to even less than 1/3.

Building on this foundation, we launched the operation of multiple Gen-7 models in all four tier-one cities. This highlights how our autonomous driving system can reliably adapt to different vehicle platforms and road environments. Since launching, our Gen-7 vehicles have exceeded over 2 million kilometers of on-road autonomous driving mileage. The operational environments include extreme weather conditions such as tropical storms, high-temperature and cold-weather conditions, further validating our vehicles' safety and reliability. So far, we have an impeccable safety track record. The overall performance of Gen-7 Robotaxis also exceeded our previous generation. The newly designed in-cabin interface provided a much better user experience.

We have also made robotaxi fleet operation much more efficient. Notably, we achieved reductions across key cost items, such as energy, vehicle insurance, maintenance, remote assistance, and ground support. There are two developments standing out in Q2. The first one is that we have sequentially improved the remote assistant-to-vehicle ratio, making us confident in achieving a 1:30 ratio by year-end. This means that one remote assistant will be capable of monitoring 30 vehicles. The second highlight is that we have secured an 18% reduction in vehicle insurance costs compared with our prior renewal cycle. As I actually mentioned in the last quarter, our insurance premium was already at just half of the typical costs for traditional human-operated taxis. This further decrease in cost reflects the growing recognition by insurers of our safety track record.

With mass production underway, licenses secured, and services optimized, we are now well-positioned to meet the rising demand from users. We continue to accelerate commercial deployment and expand our ecosystem at scale.

Our commercial growth continued to gain momentum, with Robotaxi service revenues up by 158% year-over-year. Particularly, we delivered more than 300% year-over-year growth in fare-charging revenues. The impressive growth momentum was fueled by our accelerated deployment of Robotaxi across all four tier-one cities, enabling us to expand into a broader range of use cases, and boost higher user adoption. Additionally, our efforts to optimize the user experience significantly enhanced user engagement, reinforcing customers' recognition and trust in our services.

To further accelerate this momentum, we continued our efforts in building a mobility ecosystem. In June, we formed a strategic partnership with Xihu Group, which is the largest taxi operator and fleet manager in

Shenzhen. We plan to jointly deploy over 1,000 Robotaxis in Shenzhen in the coming years. This collaboration pairs our AI-powered technology and service expertise with Xihu's operational scale and deep local experience.

Now let me switch gear towards expanding services to a broader user reach. We have seen strong user adoption in the second quarter, with registered users surging by 136% year-over-year. Even with a larger user base, our user satisfaction rate remains well above 4.8 out of 5.

Currently, we have secured permits in all four tier-one cities for our Gen-7 vehicles. As we continue to add more vehicles to our fleet, we expect to enter even larger-scale operations for many more users to enjoy.

Particularly, we are one of the first companies to receive a permit for fully-driverless commercial Robotaxi services in Shanghai's Pudong District. Following the acquisition of this permit, we become the only company to have commercial fully-driverless operations in all four tier-one cities. This showcases both our technological maturity and solid operational capabilities.

Recently, we also extended fare-charging Robotaxi services from 15 hours per day to full 24/7 coverage in Guangzhou and Shenzhen to better meet the rising user demand. This expanded operating window now captures late-night and early-morning trips.

So now let me share the updates on our global expansion. Our international playbook focuses on entering strategic markets with hyper growth potential. To date, we have established presence in seven countries across China, East Asia, Europe, and the Middle East. During Q2 this year, we made significant strides in Dubai, Seoul and Luxembourg.

In the Middle East, we established our presence in Dubai, the largest and most populous city in UAE. We formed a strategic collaboration with the Dubai Roads and Transport Authority to integrate our autonomous driving technology into the city's transportation ecosystem. Initial trials will begin in late 2025, followed by fully-driverless operations shortly after.

We have also advanced our presence in South Korea by securing nationwide permits. We are conducting extensive on-road operations in Gangnam district, which is the heart of Seoul. We have navigated complex urban environments and which showed reliability under challenging conditions such as winter snowfall. In the second quarter, we began nighttime and early-morning operations, which is a significant step toward 24/7 operations.

Shifting to Europe, we have obtained testing permits earlier this year in Luxembourg. By partnering with Emile Weber, Luxembourg's leading mobility and fleet services provider, we launched our road testing in the city of Lenningen. Our goal is to use Luxembourg as the launch pad to serve future European expansion.

In summary, we have laid a solid foundation for large scale commercial robotaxi operation. 2025 is the pivotal year of mass production for Pony.ai, and we have already made it happen. With Gen-7 rolling off the production line and deployment across major cities globally, we are driving strongly toward positive unit economics and entering a new phase of multiple year accelerating growth. In the coming quarters, our main focus will be scaling-up. With a solid plan and great execution in place, I am extremely excited about the future of Pony.ai in revolutionizing the mobility industry.

This concludes my remarks, now I'll hand it over to our CTO, Dr. Tiancheng Lou. Tiancheng, please go ahead.

## **Dr. Tiancheng Lou**

Thanks, James. Hello everyone! This is Tiancheng. I'm very proud of what we have achieved in the second quarter. We have started mass-production of Gen-7 Robotaxis. This shows that we are scaling up autonomous mobility technology. It also proves that we have constructed two important pillars for the Robotaxi industry, fully-driverless and scale. These two pillars are the foundation of the success of a Robotaxi business. Let me elaborate a little more.

Fully-driverless means no safety operator inside the car at all. This is a strong indicator that technology already meets safety standards. It also means the developed software- and hardware- systems provide sufficient redundancy to handle extreme cases. So if something breaks, the car can still work well.

After we get to fully driverless, the next pillar is scale. This refers to the number of fully-driverless Robotaxis should be at least in the order of hundreds running on the road every day with a large enough of ODD. People can just open their ride-hailing apps and call a Robotaxi at their convenience.

Based on these two standards, the development of L4 Robotaxi technology universally follows three consecutive stages.

The first stage, cars still need a safety operator, either in the driver-seat or passenger-seat. The safety operator inside the vehicle has to step in and take over to mitigate any potential incidents. These incidents may be caused by AI model errors, hardware failure, or simply traffic scenarios that the vehicle cannot handle.

Second stage, cars can run without any safety operator in the car, although it's still limited in a relatively small scale, such as roughly dozens of cars. At this stage, vehicles are equipped with redundancy systems, which can handle hardware failures. It also means the safety capability of the whole system reaches roughly a similar level as a typical human driver.

Moving to the third stage, Robotaxis can go fully-driverless with hundreds of cars open to the public. They can also run 24/7 in all weather conditions, especially during rush hours.

Once Robotaxis can operate without any safety operator in the car, it must reach a significant high level of safety to enable large-scale operations. The reason is that, statistically speaking, as the fleet size gets bigger, and the cars drive more mileage every day, there is higher probability for potential errors to occur. As such, to scale up safely, the whole system has to meet much higher safety standards.

As a result, the size of the fully-driverless fleet is directly proportional to the high standards of safety and reliability. Only teams that truly trust their technology will run fully-driverless services on a large scale.

At this stage, the system can handle complex driving situations, and it's at least 10x safer than a human driver. That means users can easily access fully-driverless Robotaxi services whenever they want, even through tough conditions like heavy rains or snow storms. They will get a ride that's reliable and safe at all times.

So we are proud that Pony.ai has already achieved the third stage in 2024 - last year.

Our current expanded operation in Shanghai is a good example. Let me elaborate.

In July, we secured the newly-issued fully-driverless commercial license in Pudong District of Shanghai, and we offered Robotaxi services to the public during World Artificial Intelligence Conference (WAIC). We stood out in two ways: Number one, we were the only company with fully-driverless and on-demand ride-hailing

services to the public. Number two, Shanghai was raining during the conference, we were the only company to remain operational in heavy rains.

The fast speed at which we're scaling up fully-driverless Robotaxis in Shanghai shows our strong generalization capability. This is powered by our high-fidelity training environment and evaluation system. Today, people in all four tier-one cities can call our fully-driverless Robotaxis and get to anywhere they are going.

Our latest Gen-7 Robotaxi platform powers a fully-driverless and scalable services. We also enforce rigorous engineering practices to reinforce our safety-first principle.

We have already mass-produced over 200 Gen-7 Robotaxis and proven they're ready for large-scale deployment. Our multiple Gen-7 models are equipped with a multi-sensor suite and a new computing platform with 4 Orin-X chips. These vehicles have achieved over 2 million kilometers on public roads across all four tier-one cities. The testing in diverse conditions shows the reliability of our entire autonomous driving stack. With much better integrated sensors setup and upgraded sensor cleaning systems, the vehicles are much more reliable even in extreme weather and heavy-traffic conditions.

More importantly, the target of 1,000+ Robotaxi vehicles is just the start. As the service areas expanded and fleet gets denser, the network effect will kick in. This means that users can reach more destinations and wait less time for a ride. Overall, a much better user experience. We have also enhanced the in-cabin experience for Gen-7 Robotaxis, such as voice interactive features. All these will lead to an accelerating multi-year growth trajectory.

To wrap up, our achievements made in the second quarter reinforce our confidence in the path forward. Mass production is firmly on track, with Guangzhou Auto and Beijing Auto Gen-7 vehicle production ramping up fast. We are continuously improving our operational efficiency and reducing the relevant costs. All these efforts put us in a strong position to scale up autonomous mobility rapidly.

This concludes my prepared remarks. I will now pass the call over to our CFO, Dr. Leo Wang, to review our financial results. Leo, please go ahead.

### **Dr. Leo Wang**

Thank you, Tiancheng. Hello everyone, this is Leo.

I will be focusing on year-over-year comparisons for the second quarter, unless otherwise specified. Q2 was another strong quarter, marked by robust revenues growth and significant progress in the mass production of our Gen-7 Robotaxi fleet, while also maintaining disciplined investment.

In the second quarter, total revenues finished at US\$21.5 million, growing by 76% year-over-year, mainly driven by robust growth in both Robotaxi services and Licensing and Applications, a clear demonstration of our effective commercialization execution.

Robotaxi services revenues reached US\$1.5 million, representing another quarter of rapid year-over-year growth of 158%. Both fare-charging services and project-based engineering solutions continued to expand strongly. In particular, fare-charging revenues expanded by more than 300% year-over-year. The strong growth was driven by expanding user adoption and demand in tier-one cities in China as well as an increased fleet of Robotaxi vehicles. In addition, through ongoing optimization of our pricing and operational strategies across diverse user segments, we continued to enhance user engagement and service efficiency. Such

growth momentum underscores our commitment to establishing a scalable and recurring monetization model, enhancing our long-term business visibility.

Moving to Robotruck services, revenues were US\$9.5 million. As we proactively optimized our operation to focus on high-margin revenues, Robotruck services revenues were down by 10% year-over-year for the second quarter.

Licensing and applications revenues were US\$10.4 million, growing significantly by 902% year-over-year. We saw increasing orders and deliveries for autonomous domain controller sales, driven by both new and existing robot-delivery clients.

Turning to gross margin, it improved year-over-year to 16.1%, with gross profit of US\$3.5 million in the second quarter. As mentioned last quarter, we continue to advance initiatives aimed at reducing gross margin variability, with a focused strategy on prioritizing high-margin revenues within Robotaxi and Robotruck services. I also want to highlight that we made solid progress in optimizing Robotaxi unit economics, such as remote assistance and vehicle insurance.

Total operating expenses were US\$64.7 million, up by 75% year-over-year. The increase in share-based compensation expenses reflected the normalization of expense recognition following our IPO in November 2024, as vesting is no longer contingent on IPO completion. Excluding share-based compensation expenses, non-GAAP operating expenses were US\$57.5 million, up 59% year-over-year. The increase was primarily driven by increased investments in mass production, alongside employee expenses aimed at strengthening our R&D capacity for Gen-7 Robotaxi vehicles.

Net loss for the second quarter was US\$53.3 million, an increase from US\$30.9 million in the same period last year. Non-GAAP net loss was US\$46.1 million, compared with US\$30.3 million in the same period of last year, primarily reflecting increased investment in mass production and R&D employee expenses for concurrent development of Gen-7 vehicle models. As we drive toward large-scale Robotaxi mass production and deployment, our disciplined investment remains a top priority as we enter this critical scaling phase.

Turning to the balance sheet and cash flow, our combined cash and cash equivalents, restricted cash, short-term investments, and long-term debt instruments for wealth management was US\$747.7 million as of June 30th 2025. The quarterly financing cash inflow increased by US\$33.1 million, mainly due to employee share sales following the expiration of the lock-up period, resulting in funds collected on behalf of employees for future distribution. With imminent scaling up and commercial deployment, we believe our current cash reserves are well-positioned to support our operational needs. At the same time, we remain proactive in exploring additional opportunities to ensure long-term financial resilience.

Looking ahead, with disciplined investment in place and mass production underway, we are very on track to reach 1,000+ Robotaxi fleet size target — already with over 200 contributed by the Gen-7 Robotaxi fleet. With a competitive cost structure for the latest Gen-7 vehicles and a well-executed go-to-market strategy, we have laid a solid foundation for large-scale commercialization moving forward.

I will now turn the call over to the operator and begin our Q&A session. Thank you.

## **Q&A**

### **Ming Hsun Lee from BofA**

Thank you management for taking my question and congratulations on the solid progress on your mass production. So I only have one question. Could you share more thoughts on your production plan throughout the second half of 2025?

### **Dr. James Peng**

This is James. I'll take this call. As I mentioned in my prepared remarks today, we are firmly on track to reach our 2025 production target. In less than two months, we have already ramped up production with over 200 Gen-7 Robotaxi vehicles, it showed a clear accelerating momentum. As of now, we are very confident in surpassing a fleet size of 1,000+ by year-end.

The key action to achieve Robotaxi mass production lies in the ramping-up efficiency, which involves comprehensive process such as equipment calibration and also staff training. These steps ensure a steady increase in production volume while upholding the highest safety standards. As of now, we have already reached a scalable production cycle. In addition, the key components are already secured through an agile and holistic sourcing strategy, this not only ensures sufficient inventory to support production pace, but also helps to maintain BOM cost stability.

Currently, we have completed the retooling of assembly lines for both the BAIC and GAC Gen-7 Robotaxi models. Both of these models have entered the SOP phase, that is, the Start of Production phase, with steady production rate, reflecting our strong execution. These vehicles have begun on-road testing. And so far we have impeccable safety track record with more than 2 million kilometers of operation, and the results confirmed they met all our stringent safety requirements.

Now let's also look at the unit economics. The BOM cost of our Gen-7 Robotaxi has been reduced by 70% compared with the previous generation. During Q2, we have also made major improvements in robotaxi fleet operations, such as enhanced remote assistance efficiency and decrease in the vehicle insurance. This is further reinforced by our proven go-to-market strategy as we have seen a strong growth in fare-charging revenues. So with all these improvements, I'm actually now very confident in reaching positive unit economics for our Gen-7 vehicles.

With this, back to the operator.

### **Bin Wang from Deutsche Bank**

Thank you. Your Robotaxi revenues growth was very strong once again this quarter. Can you elaborate on the key drivers behind solid growth? For example, what's the fleet size at the beginning of the quarter and at the end of the second quarter? Thank you.

### **Dr. Leo Wang**

This is Leo. I'll take this question. As I mentioned earlier, our robotaxi service revenues rose by 158% year-over-year, powered by a more than 300% expansion in fare-charging revenues. This growth actually stems from expanding user adoption and demand in tier-one cities in China, coupled with an increased deployed fleet of Robotaxi. Through ongoing optimization to our pricing and also operation strategies across diverse user segments, we have greatly improved user engagement and service efficiency. Our current user satisfaction rate is well above 4.8 out of 5.

Additionally, we're currently operating across 2,000 square kilometers in tier-one cities in China, that's more than 20 times the size of City of San Francisco, this provides us ample market space to deploy a larger scale of Robotaxi fleet. So, looking ahead, increasing vehicle density in these regions remains our top priority. We expect notable improvements in vehicle accessibility and user experience, which in turn will incentivize higher demands. By continuously scaling up production and deployment, we are well-positioned to improve vehicle utilization and user experience. We believe these factors will be the key drivers of a scalable and recurring monetization model that strengthens our business visibility over the long term.

Now I'll get back to the operator.

### **Ting Song from Goldman Sachs**

Thanks for taking my question. I have one question. Currently, China's Ministry of Public Security commented on the intelligent driving systems and autonomous driving. What does this mean for the L4 Robotaxi industry? And are there any changes in the government's attitude on the industry? Thank you.

### **Dr. Tiancheng Lou**

This is Tiancheng. I will take this question. The recent comments you mentioned actually reinforced the distinction between L2 driving assistance and L4 autonomous driving. The government's core message is that L2 and L4 are two completely different products: Current L2 driving assistance intelligent driving systems have not yet achieved full autonomy that L4 can achieve, and under L2, the driver remains ultimately responsible for vehicle operation.

This is aligned with the MIIT's comments earlier in April this year. They all set a clear boundary that L2 is driver-assistance systems and L4 is autonomous driving. So this is actually beneficial for us. It helps the public clearly understand the distinction between L2 and L4 systems, and reduces the risk of users mistakenly treating L2 as full L4 autonomous driving.

In addition, the difference in responsibility will result in different safety standards. The L2 system's liability lies with the drivers. In contrast, the L4 system has full responsibility, resulting in a safety-first principle and rigorous engineering practice.

Given the above, Pony.ai is a company dedicated to L4 solutions. Achieving L4 autonomous driving requires very high safety standards. It was also needed a multi-layered software-and-hardware architecture that provides redundancy in the event of system component failures. It must include critical components such as sensors, computing, controls, and power systems. In China, to obtain fully-driverless permits, redundant systems must be tested in many complicated situations, such as handling cyclists coming out of blind spots. That's why most mass-produced vehicles out there need to add extra redundancy to meet this basic requirement.

With that, back to the operator.

### **Chuyan Yi from Huatai Securities**

Yes, thank you for taking my questions. This is Chuyan from Huatai. So first of all, congrats on the recent business development expansion. So my question is, as you look at new market expansion, what are the key technical requirements to enter new geographies, and how confident are you in your system's ability to adapt quickly and safely to different environments? Thank you.

### **Dr. Tiancheng Lou**

This is Tiancheng again. I will take this question. The core of L4 autonomous driving is all about the ability to handle corner cases and extreme cases. In different geographies, these types of scenarios are actually similar. For example, a pedestrian steps into the road, a vehicle suddenly changing lanes, or unexpected road construction. These situations are fundamentally the same, even if their frequency can be varied by location.

Our software system has achieved fully-driverless, scalable and 24/7 operations across different environments. This key enabler is our PonyWorld model, which we deploy consistently across cities and countries. It enables us to generate numerous challenge scenarios and replicate existing scenarios with many variations. This significantly enhances AI driving model's ability to handle a wide range of challenging situations.

When entering a new area, we can quickly launch road testing and validation. Additional tuning of the AI model is not needed. For example, our current operations at WAIC in Shanghai have already proved that our system is robust, adaptable and built for rapid replication. This resilience is also enhanced by dealing with complex urban environments. This gives us a solid foundation for efficient and reliable expansion into larger ODD and scalable operation.

So with this, back to the operator.

### **Xinyu Fang from UBS**

Hi, thank you and congrats on rapid growth in Robotaxi Services this quarter. My question is that we've seen news reports about potential Hong Kong IPO plans of the company. Do you have any timetables that you can share for now for such IPO, please? Thank you.

### **Dr. Leo Wang**

This is Leo. I'll take this question. First of all, I will say we do not comment on market speculation. Additionally, we actually have been closely monitoring market conditions. In line with our strategic priorities of scaling up, we remained focused on executing our go-to-market strategy. Meanwhile, we will actively explore more capital markets opportunities to maximize shareholders' value.

I'll get back to the operator.

### **Evelyn Zhang from Daiwa**

Thanks management for taking my question. So my question is about your overseas market expansion. Could you please elaborate more on your future plan to expand your Robotaxi business in the overseas market? And as you mentioned earlier, you have deployed Robotaxi in Middle East and in South Korea and Europe. And could you please share your insights on how overseas regulation framework looks like? For example, are your Robotaxi in these three areas still in the road testing stage or in the commercial service stage right now? Thanks.

### **Dr. James Peng**

This is James, let me begin with an overview of our global expansion strategy. As you can see that our current global expansion actually focuses on markets with hyper growth potential. That is, we are focused on markets with strong mobility demand, well-developed infrastructure, and supportive regulatory environments. We have built our presence through deep collaboration with local partners and policymakers. So, given our

proven ecosystem, technology expertise, and large-scale operation experience in China, I think we are very much well-positioned to rapidly replicate our success to international markets.

As I mentioned in my prepared remarks, during Q2, we entered Dubai as a new market, and advanced our operations in South Korea. We also strengthened local partnerships in Luxembourg, where road tests have now started. Every step forward reflects our core belief, "Autonomous Mobility Everywhere". In terms of our operational details and some aspects of our global expansion, I'll hand it over to Leo, who will give you further perspective.

**Dr. Leo Wang**

Thank you, James, and this is Leo. From an operation perspective, scaling to hundreds of commercial fully-driverless Robotaxis requires strong local policy support, technology, cost competitiveness, and user adoption. As of now, few countries have achieved this level of readiness and deployment, except for the U.S. and China. Other than these two countries, most countries only have regulations allowing testing with a safety driver. And most of these commercialization remain limited to project-based or one-off pilot programs such as vehicle sales, as of now. We believe it still takes time for a sustainable fare-charging business model to mature in terms of both monetization and unit cost fronts in these regions.

I would also emphasize that scaling fully-driverless Robotaxis fleet demands a fundamentally higher level of safety and operation rigor. And it becomes increasingly critical as the operation expanding. This leap from dozens to hundreds is a big jump in complexity. So building this operational capability is essential. Only then can we validate the model and begin replicating it in other cities or countries.

With that, I'll get back to the operator.