

## U Power Reports Financial Results for Full Year of 2025

May 15, 2026 9:11 PM EDT

*Transitioning to a Provider of Sustainable Mobility and Energy Solutions by Expanding into AI-Driven Energy Management Solutions for IDCs*

SHANGHAI, May 15, 2026 /PRNewswire/ -- U Power Limited (Nasdaq: UCAR) (the "Company" or "U Power"), a provider of AI-integrated solutions for next-generation energy grids and intelligent transportation systems, building on its proprietary UOTTA™ electric vehicle (EV) battery-swapping technology, today announced its financial results for the full year ended December 31, 2025 ("FY 2025").<sup>[1]</sup>

### FY 2025 Financial Highlights

- Total revenue of RMB41.1 million (or \$5.9 million), compared to RMB44.3 million in the same period of 2024.
- Gross profit of RMB14.9 million (or \$2.1 million), compared to RMB10.5 million in the same period of 2024. Gross margin of 36.3%, compared to 23.6% in the same period of 2024.
- Net loss of RMB 80.5 million (or \$11.4 million), compared to RMB56.3 million in the same period of 2024.
- Cash and cash equivalents of RMB22.0 million (\$3.1 million) as of December 31, 2025, compared to RMB23.4 million as of December 31, 2024.

### FY 2025 Operational Highlights

- Thailand:
  - Delivered Southeast Asia's first battery-swapping taxi fleet in Phuket Island, and the region's first smart battery-swapping station.
  - Strategic partnership with Whale Logistics Ltd. ("Whale Logistics"), to deploy up to 1,000 battery-swapping electric truck tractors, as part of a broader plan to deliver 4,200 SAIC-Hongyan heavy trucks.
  - Deployment of battery-swapping agricultural drones through a partnership with Chia Tai Co., Ltd.
- Hong Kong SAR:
  - Inaugurated Hong Kong's first operational smart battery-swapping station and plans to build, install and operate a total of 50 stations, and deploy 300 battery-swapping vehicles.
- Southern Europe:
  - Joint venture with ANTRAL to deliver battery-swapping stations serving 150-200 electric vehicles for taxi drivers.
  - Initial €540,000 sales agreement with Polestar Energy S.L. for the deployment of twenty battery-swapping electric vans and a supporting station in Italy; potential expansion across Spain, Portugal, and Albania.
- Latin America:
  - Mexico: Strategic partnership to deploy battery-swapping vehicles for ride-hailing services.
  - Peru: Pilot project of two/three-wheeled vehicles for Treep Mobility Group S.A.C.; sold and delivered 50 two- and three-wheeled vehicles, eight battery-swapping cabinets and a corresponding number of compatible batteries for taxi services.

[1] All amounts presented in U.S. dollars (\$) in this news release are based on a conversion rate of RMB7.0288 to \$1.00 for the reporting period ended December 31, 2025.

### Year-to-Date 2026 Operational Milestones

U Power entered 2026 focused on scaling its UOTTA™ battery-swapping platform in international markets while expanding into digital and AI-driven energy solutions. Year-to-date 2026 operational milestones include:

- Further expansion in key markets:
  - Thailand: Passed comprehensive operational testing and full-stack integration for heavy-duty truck prototypes; production of first batch of 30 trucks completed, with shipment to Whale Logistics scheduled for late May 2026 under the 1,000-vehicle plan.
  - Hong Kong SAR: Completed road testing and compatibility validation of battery-swapping taxi fleet; first batch of 60 taxis and a supporting battery-swapping station expected to be delivered in the second quarter of 2026.
- New business initiatives:
  - Tokenized real-world assets: Launched its first regulatory-compliant tokenized real-world assets ("RWA") on the BNB Chain in January 2026, leveraging UOTTA™ technology; initial focus on the Southern Europe market, with planned expansion into other key markets.
  - AI-driven IDC energy solutions: Entered AI-driven energy management for Intelligent Data Centers ("IDCs") in April 2026 through a joint venture with Guofu Hydrogen Energy (Hong Kong) Development Co., Limited and Cloud Digital Chain Limited, marking U Power's strategic expansion into providing AI-driven energy management solutions.

Mr. Jia Li, CEO and Chairman of the Board of Directors of U Power, commented on the FY 2025 results, "2025 was a transformative year for U Power as we advanced our overseas battery-swapping strategy through international expansion and R&D investment. While revenue declined during the year, gross profit rose 42.6% and gross margin expanded to 36.3% from 23.6%, reflecting our shift toward higher-margin international markets. With RMB22.0 million in cash and cash equivalents, we believe we are well-positioned to support our 2026 growth pipeline. We also made operational progress across key international markets. In Thailand, the world's first commercial battery-swapping taxi fleet is now in service, and in Hong Kong SAR, we deployed the first battery-swapping station under our planned 55-station rollout and continue progressing toward a commercial launch. We also advanced deployments in Peru and Southern Europe across multiple vehicle classes and station applications."

Mr. Li concluded, "U Power is developing an AI-powered intelligent energy and transportation network. We believe our automated battery-swapping stations are not just efficient energy-replenishment facilities for commercial EVs, but critical infrastructure nodes linking cloud-based intelligent dispatch to real-world transportation. We anticipate this industrial-grade technology to deliver a 'near-zero human intervention' replenishment model for future Level 4 autonomous fleets. In parallel, we are endeavoring to advance the integration of AI within our energy storage systems, which we expect will allow us to optimize energy dispatch based on time-of-use pricing, unlocking both cost savings and potential power-market revenue. On the Web3 front, U Power is pursuing the RWA tokenization of its battery-swapping infrastructure, battery assets, and associated revenue streams. This approach aims to transform operational data and energy assets into a scalable digital-asset ecosystem."

"Looking ahead, we are planning to broaden our platform into AI-driven energy solutions for IDCs which may position U Power as a more diversified sustainable mobility and energy solutions provider. We are encouraged by the continued confidence of our shareholders, which reflects a shared belief in U Power's long-term strategic direction and value creation potential. We believe this strategy, combined with disciplined execution and a growing partner ecosystem, can drive meaningful growth in 2026."

### FY 2025 Financial Review and Analysis

Total net revenues for FY 2025 were RMB41.1 million (or \$5.9 million), representing a decrease of 7.1% from RMB44.3 million during the fiscal year ended December 31, 2024 ("FY 2024"), primarily due to a decrease in revenues from product sales, partially offset by increased revenues from sourcing services and battery-swapping services. Specifically:

- Net revenues from product sales of RMB36.6 million (or \$5.2 million) decreased 12.4% during FY 2025 as compared to RMB41.8 million in FY 2024 and accounted for 89.1% of total net revenues. The decrease was mainly attributable to lower domestic deliveries, partially offset by overseas market expansion during the period.
- Net revenues from sourcing services of RMB1.1 million (or \$0.2 million) during FY 2025 increased materially as compared to RMB0.06 million in FY 2024 and accounted for 2.7% of total net revenues. The increase was primarily a result of the fleet of vehicles equipped with the Company's proprietary UOTTA battery-swapping technology delivered to the Thailand and Hong Kong markets in FY 2025.
- Net revenues from battery-swapping services of RMB3.4 million (or \$0.49 million) increased 41.5% during FY 2025 as compared to RMB2.4 million in FY 2024 and accounted for 8.3% of

total net revenues. The increase was a result of an increased number of vehicles utilizing battery-swapping services during the period, especially as more two-wheeled battery-swapping vehicles were delivered to the Peru market.

Gross profit for FY 2025 was RMB14.9 million (or \$2.1 million), representing an increase of 42.6% from RMB10.5 million during FY 2024, mainly due to increased profits associated with overseas sales of battery-swapping stations. Similarly, gross margin improved to 36.3% during FY 2025, compared to 23.6% during FY 2024.

Total operating expenses for FY 2025 were RMB73.2 million (or \$10.4 million), representing an increase of 6.9% from RMB68.5 million in FY 2024. The increase was mainly a result of RMB7.3 million higher allowance for expected credit losses, RMB5.7 million higher general and administrative expenses, RMB1.6 million higher research and development expenses and RMB0.6 million higher selling expenses, and was partially offset by the absence of FY 2024's RMB10.5 million asset impairment loss. Specifically, for FY 2025:

- General and administrative expenses of RMB52.6 million (or \$7.5 million) increased by RMB5.7 million as compared to FY 2024, mainly as a result of expanded operations to support overseas market growth during the period.
- Research and development expenses of RMB4.6 million (or \$0.7 million) increased by RMB1.6 million as compared to FY 2024, primarily due to increased research investments to support technological compatibility of EVs during international expansion.
- Sales and marketing expenses of RMB3.4 million (or \$0.5 million) increased by RMB0.6 million as compared to FY 2024, primarily due to higher overseas marketing expenses incurred for business expansion initiatives.

Net loss was RMB80.5 million (or \$11.4 million), compared to net loss of RMB56.3 million in FY 2024. Basic and diluted losses per common share were RMB15.05 (or \$2.14), compared to RMB16.79 during FY 2024.

Cash and cash equivalents were RMB22.0 million (\$3.1 million) as of December 31, 2025, compared to RMB23.4 million as of December 31, 2024. Working capital was RMB65.5 million (\$9.3 million) as of December 31, 2025, compared to RMB48.2 million as of December 31, 2024.

Total assets were RMB378.8 million (\$53.9 million) as of December 31, 2025, compared to RMB385.7 million as of December 31, 2024. Total liabilities were RMB84.2 million (\$12.0 million), compared to RMB64.7 million as of December 31, 2024. Total shareholders' equity was RMB271.0 million (\$38.6 million), compared to RMB291.5 million as of December 31, 2024.

#### **About U Power Limited**

U Power is a provider of comprehensive AI-integrated energy solutions that connect electric vehicles (EVs) with advanced energy infrastructure, optimizing both mobility and grid performance. Originally a distributor of various battery-swapping station models built on its proprietary modular battery-swapping technology UOTTA™, U Power has evolved into a provider of AI-integrated solutions for energy grids and transportation systems.

Through investments in next-generation technologies, U Power is endeavoring to build intelligent ecosystems that integrate resilient AI driven solutions able to transform EVs into dynamic energy assets. By incorporating AI algorithms, U Power's comprehensive solutions for smart energy grids are designed to support autonomous EV driving, optimize energy replenishment efficiency, and seamlessly connect EV assets with advanced AI-powered transportation systems, enabling peak and off-peak energy load balancing.

For more information, please visit the Company's website: <https://www.upower-limited.com/>.

#### **Exchange Rate Information**

This announcement contains translations of certain Renminbi ("RMB") amounts into U.S. dollars ("\$") at specified rates solely for the convenience of the reader. Unless otherwise stated, all translations from RMB to U.S. dollars were made at the rate of RMB7.0288 to US\$1.00, the exchange rate on December 31, 2025, representing the noon buying rate in The City of New York for cable transfers of RMB as certified for customs purposes by the Federal Reserve Bank of New York on December 31, 2025. The Company makes no representation that RMB or U.S. dollars amounts referred to could be converted into U.S. dollars or RMB, as the case may be, at any particular rate or at all.

#### **Safe Harbor Statements**

This press release contains "forward-looking statements". Forward-looking statements reflect our current view about future events. These forward-looking statements involve known and unknown risks and uncertainties and are based on the Company's current expectations and projections about future events that the Company believes may affect its financial condition, results of operations, business strategy and financial needs. Investors can identify these forward-looking statements by words or phrases such as "may," "will," "could," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "is/are likely to," "propose," "potential," "continue" or similar expressions. The Company undertakes no obligation to update or revise publicly any forward-looking statements to reflect subsequent occurring events or circumstances, or changes in its expectations, except as may be required by law. Although the Company believes that the expectations expressed in these forward-looking statements are reasonable, it cannot assure you that such expectations will turn out to be correct, and the Company cautions investors that actual results may differ materially from the anticipated results, and encourages investors to review other factors that may affect its future results in the Company's registration statements and other filings with the U.S. Securities and Exchange Commission. For these reasons, among others, investors are cautioned not to place undue reliance upon any forward-looking statements in this press release. References and links (including QR codes) to websites have been provided as a convenience, and the information contained on such websites is not incorporated by reference into this press release.

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**U POWER LIMITED**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Amounts in thousands of RMB and US\$, except for number of shares)

	<u>As of December 31,</u>		
	<u>2024</u>	<u>2025</u>	<u>2025</u>
	<u>RMB</u>	<u>RMB</u>	<u>US\$</u>
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	23,435	21,951	3,123
Restricted cash	1,239	343	49
Accounts receivable	10,374	22,198	3,158
Inventories	9,872	12,291	1,749
Advance to suppliers	9,466	11,334	1,613
Contract Assets	-	1,050	149
Other current assets	29,032	17,963	2,556
Amount due from related parties	21,657	60,274	8,575
<b>Total current assets</b>	<b><u>105,075</u></b>	<b><u>147,404</u></b>	<b><u>20,972</u></b>
<b>Non-current assets:</b>			
Property, plant and equipment, net	8,656	8,537	1,215
Intangible assets, net	132	62	9
Operating lease right-of-use assets, net	16,205	9,873	1,405
Long-term investments	134,114	133,942	19,056
Refundable deposit for investment	39,799	54	8
Other non-current assets	81,733	78,926	11,228
<b>Total non-current assets</b>	<b><u>280,639</u></b>	<b><u>231,394</u></b>	<b><u>32,921</u></b>
<b>Total assets</b>	<b><u>385,714</u></b>	<b><u>378,798</u></b>	<b><u>53,893</u></b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities:</b>			
Bank borrowings	17,972	18,972	2,699
Accounts payable	14,307	19,533	2,779
Accrued expenses and other liabilities	13,281	29,915	4,256
Income tax payables	5,169	7,947	1,131
Advances from customers	1,086	3,213	457
Operating lease liabilities – current	1,843	1,247	177
Amount due to related parties	3,239	1,037	148
<b>Total current liabilities</b>	<b><u>56,897</u></b>	<b><u>81,864</u></b>	<b><u>11,647</u></b>
<b>Non-current liabilities:</b>			
Operating lease liabilities – non-current	4,137	2,362	336
Bank borrowings	3,700	-	-
<b>Total non-current liabilities</b>	<b><u>7,837</u></b>	<b><u>2,362</u></b>	<b><u>336</u></b>
<b>Total liabilities</b>	<b><u>64,734</u></b>	<b><u>84,226</u></b>	<b><u>11,983</u></b>

	<u>As of December 31,</u>		
	<u>2024</u>	<u>2025</u>	<u>2025</u>
	<u>RMB</u>	<u>RMB</u>	<u>US\$</u>
<b>Commitments and contingencies</b>	-	5,800	825
<b>Shareholders' equity:</b>			
Ordinary shares (US\$0.00001 par value; 5,000,000,000 shares authorized; 3,378,188 and 4,971,484 issued and outstanding as of December 31, 2024 and 2025) *	-	-	-
Class A ordinary shares, \$0.00001 par value, 3,999,411,812 Class A ordinary shares authorized, 2,790,000 and 4,603,440 Class A ordinary shares issued and outstanding as of December 31, 2024 and 2025*	-	-	-
Class B ordinary shares, \$0.00001 par value, 1,000,588,188 Class B ordinary shares authorized, 588,188 and 368,044 Class B ordinary shares issued and outstanding as of December 31, 2024 and 2025*	-	-	-
Additional paid-in capital	512,568	565,069	80,394
Translation reserve	-	(4,231)	(602)
Accumulated deficit	(221,098)	(289,818)	(41,233)
<b>Total U POWER LIMITED's shareholders' equity</b>	<b>291,470</b>	<b>271,020</b>	<b>38,559</b>
Non-controlling interests	29,510	17,752	2,526
<b>Total equity</b>	<b>320,980</b>	<b>288,772</b>	<b>41,085</b>
<b>Total liabilities and equity</b>	<b>385,714</b>	<b>378,798</b>	<b>53,893</b>

**U POWER LIMITED**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
(Amounts in thousands of RMB and US\$, except for number of shares and per share data)

	<u>For the years ended December 31,</u>			
	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2025</u>
	<u>RMB</u>	<u>RMB</u>	<u>RMB</u>	<u>US\$</u>
<b>Net revenues</b>				
Product sales	17,062	41,819	36,628	5,211
Sourcing services	1,513	63	1,090	155
Battery-swapping services	1,189	2,408	3,407	485
<b>Total net revenues</b>	<b>19,764</b>	<b>44,290</b>	<b>41,125</b>	<b>5,851</b>
Cost of revenues	(7,592)	(33,827)	(26,208)	(3,729)
<b>Gross profit</b>	<b>12,172</b>	<b>10,463</b>	<b>14,917</b>	<b>2,122</b>
<b>Operating expenses:</b>				
Sales and marketing expenses	(2,477)	(2,789)	(3,362)	(478)
General and administrative expenses	(41,222)	(46,910)	(52,627)	(7,487)
Research and development expenses	(2,184)	(2,985)	(4,597)	(654)
Loss on impairment of long-lived assets and long-term investment	(1,996)	(10,504)	-	-
Allowance for expected credit losses	(1,196)	(5,264)	(12,597)	(1,792)
<b>Total operating expenses</b>	<b>(49,075)</b>	<b>(68,452)</b>	<b>(73,183)</b>	<b>(10,411)</b>
<b>Operating loss</b>	<b>(36,903)</b>	<b>(57,989)</b>	<b>(58,266)</b>	<b>(8,289)</b>
Interest income	562	742	2,829	402
Interest expenses	(1,860)	(1,402)	(188)	(27)
Other income	16,927	5,612	3,072	437
Other expenses	(1,579)	(3,325)	(24,344)	(3,463)
<b>Loss before income taxes</b>	<b>(22,853)</b>	<b>(56,362)</b>	<b>(76,897)</b>	<b>(10,940)</b>
Income tax expenses	(2,613)	-	(3,581)	(509)
<b>Net loss</b>	<b>(25,466)</b>	<b>(56,362)</b>	<b>(80,478)</b>	<b>(11,449)</b>
Less: Net loss attributable to non-controlling interests	(6,128)	(8,440)	(11,758)	(1,673)
<b>Net loss attributable to the Company's shareholders</b>	<b>(19,338)</b>	<b>(47,922)</b>	<b>(68,720)</b>	<b>(9,776)</b>
<b>Loss per share attributable to ordinary shareholders of the Company's shareholders *</b>				
Basic and diluted	(15.56)	(16.79)	(15.05)	(2.14)

**Weighted average shares used in calculating basic and diluted loss per share \***

Basic and diluted	1,243,140	2,854,594	4,567,460	4,567,460
<b>Net loss</b>	<b>(25,466 )</b>	<b>(56,362 )</b>	<b>(80,478 )</b>	<b>(11,449 )</b>
<b>Other comprehensive income, net of tax of nil:</b>				
Foreign currency translation adjustments	<u>446</u>	<u>(446 )</u>	<u>(4,231 )</u>	<u>(602 )</u>
<b>Comprehensive loss</b>	<b><u>(25,020 )</u></b>	<b><u>(56,808 )</u></b>	<b><u>(84,709 )</u></b>	<b><u>(12,051 )</u></b>

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