

Q3 2025 Earnings Call Management Prepared Remarks

01 Introduction (Presenter: Daniel Gao)

Hello everyone and thank you for joining us on UCLLOUDLINK's third quarter 2025 earnings call. The earnings release and our earnings presentation are now available on our IR website at ir.ucloudlink.com. Joining me on today's call are

Mr. Zhiping Peng, co-founder and chairman of the board of directors;

Mr. Chaohui Chen, co-founder, director and chief executive officer, and

Mr. Yimeng Shi, chief financial officer.

Mr. Chen will begin with an overview of our recent business highlights. Mr. Shi will then discuss our financial and operational highlights for the quarter. They will all be available to take your questions in the Q&A session that follows.

Before we proceed, please note that this call may contain forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on management's current expectations and observations that involve known and unknown risks, uncertainties and other factors not under the company's control, which may cause actual results, performance, or achievements of the company to be materially different from the results, performance, or expectations projected or implied by these forward-looking statements.

All forward-looking statements are expressly qualified in their entirety by the cautionary statements, risk factors, and details of the company's filings with the SEC. The company does not assume any obligation to revise or update any forward-looking statements as a result of new information, future events, changes in market conditions or otherwise, except as required by law.

Please also note that UCLLOUDLINK's earnings press release and this conference call include discussions of unaudited GAAP financial information and unaudited non-GAAP financial measures. UCLLOUDLINK's press release contains a reconciliation of the unaudited non-GAAP measures to the most directly comparable unaudited GAAP measures. I will now turn the call over to Mr. Chen. Please go ahead.

02 Company Overview (Presenter: Chaohui Chen)

Thank you, Daniel, and good morning or evening everyone.

Amid a complex macroeconomic and trade environment, we remained disciplined in our execution while maintaining operational profitability. This balanced approach allowed us to successfully navigate these external challenges and reinforce the resilience of our business while also laying the foundation for long-term value creation. We remain profitable and continue to generate stable margins, with total revenues of US\$21.1 million and net income of US\$9.3 million during the quarter. Our *GlocalMe* ecosystem is gaining momentum as it grows in scale and global user adoption. Likewise, our 1.0 international data connectivity services business continues to grow, with full-speed 5G network coverage across 91 countries and regions as we continue to gain market share and reinforce our leadership position in the global roaming sector.

We remain focused on overcoming the world's three fundamental digital divides through transformative connectivity solutions. Firstly, we are eliminating the global connectivity divide by breaking down international roaming barriers and providing seamless network access worldwide. Secondly, through our patented *CloudSIM* and *HyperConn*® technologies, we tackle the single-multi network divide by enabling intelligent and optimized connectivity across multiple networks. Lastly and most innovatively, we are bridging the emotional digital divide with our AI-powered pet technology, creating entirely new and meaningful connections between humans and their pets.

Building on this mission, our strategic investments in R&D and marketing to accelerate innovation, enhance user experience, and speed up commercialization of our three new growth engines are yielding strong results. Our three new product lines - *GlocalMe* Life, *GlocalMe* SIM, and *GlocalMe* IoT - saw remarkable year-over-year MAU growth during the quarter, increasing 382.3%, 188.2%, and 593.3%, respectively. Feedback has been overwhelmingly positive, reflecting how our solutions directly address market demand and validating our investment strategy.

I'll now review the highlights for each of our key business lines.

I'll start with our *GlocalMe* Life business. In the third quarter of 2025, the average monthly active terminals reached 3,903, representing an increase of 408.2% year-over-year. Within our broader *GlocalMe* Life portfolio, which includes our industry-first *UniCord Plus*, *UniCord Pro* and *RoamPlug*, MAT grew by 369.3% (excluding *PetPhone*) year-over-year, reflecting strong user adoption across these innovative product lines.

Building on this solid foundation of product excellence, I will now highlight the significant progress we made with our flagship product, *PetPhone*, designed to bridge the digital divide between humans and their pets. *PetPhone* is already gaining momentum after its initial commercial launch in September 2025 in Hong Kong and across the Middle East where it has already generated orders for approximately 40,000 units as we continue to expand our distribution channels and partners. At IFA 2025 in Berlin, *PetPhone* was recognized as an Honoree in the Communications and Connectivity category of the inaugural IFA Innovation Awards. It also received “Best of IFA 2025” distinctions from Yanko Design, Home Crux, and Mark Ellis Reviews. Following the showcase of our solutions at IFA Berlin 2025, we are now in advanced discussions with several major retail channels, including one key partner. Furthermore, we successfully entered into a partnership with a leading online pet retail platform in North America where initial product shipments have already begun. With strategic footholds being established across Hong Kong, the Middle East, North America, and Europe, we plan to establish a new operational structure and raise additional capital to accelerate the global expansion of our Pet-Tech business. We also plan to develop Pet-Tech as a standalone application that extends beyond smart hardware and build a comprehensive, systematic platform integrating social, entertainment, live streaming, and a comprehensive pet ecosystem. The initial version of this new app is expected to launch in the fourth quarter of 2025.

Our *GlocalMe* IoT business maintained its strong growth trajectory, with user adoption and revenue contribution showing substantial year-over-year improvements. In the third quarter, average monthly active terminals for *GlocalMe* IoT recorded a year-over-year increase of 583.0%. We have secured orders for in-car infotainment systems while our initiatives in the security camera sector are now fully deployed and entering a phase of expansion, supported by broadening partnerships across several high-growth verticals. Having established an initial presence in these key sectors, we plan to expand our solutions into additional industries in the future.

Turning to our *GlocalMe* SIM business line. Over the past 9 months, *GlocalMe* SIM has surpassed 400,000 cumulative cards sold, including *OTA SIM*, *eSIM*, and *eSIM TRIO* – a game changing solution, demonstrating clear technology leadership in the industry. The *eSIM Trio* was named as “Best of IFA 2025” by Mark Ellis Reviews, further highlighting its innovation and market recognition. This momentum has fueled our growth, driving a 269.5% year-over-year increase in average monthly active terminals during the third quarter. The *eSIM TRIO* solution has continued to gain strong traction following the widespread distribution of 10,000 trial units under a pilot program. It generated positive user feedback and a 75+% increase in user registration

and 30% increase in active engagement, validating both our carrier partnership model and the product-market fit. Our carrier co-issuance program has also made significant progress. We have completed pilot negotiations with multiple operators and expect to commence joint testing and pilot initiatives in the coming quarters, laying the groundwork for future large-scale carrier partnerships.

Lastly, our *GlocalMe* Mobile/Fixed Broadband business remained stable, with growing order momentum expected to provide a stable foundation for future growth. The launch of *MeowGo G40 Pro* and cutting-edge *MeowGo G50 Max* are expected to serve as growth engines for the coming quarters. The *MeowGo G40 Pro* is a revolutionary upgrade and a milestone product, enabling users to stay connected through one single device or one account. The product began deliveries by the end of the quarter and is the world's first device to support in-flight Wi-Fi and connect seamlessly across several usage scenarios such as homes, airports, offices, and cafes. With *MeowGo G40 Pro*, we are transforming portable connectivity from an international travel-only solution into a true multi-scenario companion. Powered by our patented AI *HyperConn* technology, it seamlessly serves users through one single intelligent device or one account, regardless of where they are. *HyperConn*, our industry-leading solution, also lays the foundation for large-scale product iteration and future upgrades. Furthermore, we will launch the *MeowGo G50 Max* with Sky-to-Ground 5G/satellite integration and AI-driven network switching, further solidifying our innovative leadership in the mobile/fixed broadband industry. This device also enhances network quality through AI-powered real-time congestion detection, delivering a faster and more reliable user experience.

Looking ahead, we are entering the next phase of expansion where we will scale our global user base, further diversify revenue streams, drive innovation across our ecosystem, and sustain a healthy financial performance. The launch of *MeowGo G40 Pro* and cutting-edge *MeowGo G50 Max*, combined with the launch of *PetPhone*, the strong validation of the *eSIM TRIO*'s pilot, and the robust expansion of our IoT solutions, provides us with several robust growth engines going forward, laying a solid foundation for future growth. Having successfully navigated external challenges, we are confident in our ability to scale our user base, expand our global partnerships, and deliver growth in the coming years as we continue to innovate and bridge digital divides for users worldwide.

We are confident that we have the right strategy in place to generate sustainable growth in the coming quarters. For the fourth quarter of 2025, we expect total revenues to be between US\$22.0 to US\$26.5 million, representing a decrease of 15.4% to an increase of 1.9% compared to the same period of 2024.

For the full year of 2025, we currently expect revenue to be in the range of US\$81.3 to US\$85.8 million. The Company is revising its guidance in light of the persistent

macroeconomic challenges and global trade headwinds, which have had and may continue to have a broader impact across the industry.

I will now turn the call over to Mr. Shi.

03 Operational Highlights and Financial Results (Presenter: Yimeng Shi)

Thank you, Mr. Chen. Hello everyone, I will go over our operational and financial highlights for the third quarter of 2025.

Average daily active terminals (“DAT”) and average monthly active terminals (“MAT”) are important operating metrics for us, as they measure customer usage trends over the period and are reflective of our business performance. In the third quarter of 2025, average DATs were 332,674 (21,484 owned by the Company and 311,190 not owned by the Company), representing an increase of 3.8% from the third quarter of 2024. During the third quarter of 2025, 57.3% of DATs were from uCloudlink 1.0 international data connectivity services and 42.7% were from uCloudlink 2.0 local data connectivity services. In September 2025, the average daily data usage per terminal was 1.57 GB.

Starting from this quarter, we are disclosing our average daily active users (“DAU”) and monthly active users (“MAU”), which represent the average number of unique users engaging with our *GlocalMe* services on a daily and monthly basis, respectively. We believe these metrics will better reflect the progress we are making in driving user engagement across our different business lines and how we are managing and monetizing our user base as we scale up. Growth in average DAUs and MAUs followed a similar pattern with a strong momentum.

Average MAUs in the third quarter were 761,586, representing an increase of 11.9% from 680,609 in the third quarter of 2024. Average MAUs from *GlocalMe* IoT, *GlocalMe* SIM and *GlocalMe* Life business lines saw increases of 593.3%, 188.2%, and 382.3% respectively, from the same period last year. Average MAUs from *GlocalMe* mobile/fixed broadband business decreased slightly by 0.8% year-over-year.

As of September 30, 2025, the Company had 201 patents with 168 approved and 33 pending approval. The pool of SIM cards was from 392 MNOs globally as of September 30, 2025.

Total revenues for the third quarter of 2025 were US\$21.1 million, representing a decrease of 16.0% from US\$25.2 million in the same period of 2024. Revenues from services were US\$ 17.0 million in the third quarter of 2025, representing a decrease of 1.4% from US\$17.3 million in the same period of 2024. Revenue from services contributed 80.6% of total revenues during the third quarter of 2025, compared to 68.6%

in the same period last year.

Geographically speaking, during the third quarter of 2025, Japan contributed 33.2%, mainland China contributed 35.1%, North America contributed 15.4% and other countries and regions contributed the remaining 16.3%, compared to 46.6%, 27.8%, 12.8% and 12.8%, respectively, in the same period of 2024.

Our gross profit was US\$11.3 million in the third quarter of 2025, compared to US\$ 12.2 million in the same period of 2024. Overall gross margin in the third quarter of 2025 further rose to 53.6% from 48.4% in the same period of 2024. The gross margin on services was 56.6% in the third quarter of 2025, compared to 60.0% in the same period of 2024.

Excluding share-based compensation, total operating expenses were US\$11.0 million, or 52.0% of total revenues, in the third quarter of 2025, compared to US\$9.7 million, or 39.0% of total revenues, in the same period in 2024.

Net income in the third quarter of 2025 was US\$9.3 million, compared to US\$3.4 million in the same period of 2024. Adjusted EBITDA was US\$1.4 million in the third quarter of 2025, compared to US\$4.4 million in the same period of 2024.

For the third quarter of 2025, we recorded an operating cash outflow of US\$0.9 million, compared to an operating cash inflow of US\$2.0 million in the same period of 2024.

For the third quarter of 2025, our capital expenditures were US\$0.5 million, compared to US\$1.1 million in the same period of 2024.

We maintain a solid balance sheet with cash and cash equivalents of US\$28.5 million as of September 30, 2025, compared to US\$30.1 million as of December 31, 2024.

With that, operator, let's open it up for Q&A.

04 Closing Remarks (Presenter: Daniel Gao)

Thank you once again for joining us today. If you have further questions, please feel free to contact U-CLOUDLINK's investor relations through the contact information provided on our website or speak to our investor relations firm, Christensen Advisory. We look forward to speaking with you all again on our next quarterly call. Thank you.