



## SunCar Technology Reports 2024 Annual Results

April 28, 2025

NEW YORK, April 28, 2025 /PRNewswire/ -- SunCar Technology Group Inc. (the "Company" or "SunCar") (NASDAQ: SDA), an innovative leader in cloud-based, software-focused B2B auto eInsurance and auto services in China, today reported annual financial results for the year ended December 31, 2024.

### Recent & Full Year 2024 Highlights

- Revenue for 2024 increased 21% to \$441.9 million, compared to \$363.7 million in 2023
- Adjusted EBITDA for 2024 increased 492% to \$9.8 million, compared to \$1.6 million in 2023
- Expanded collaboration with Tesla to 48 cities from an initial 6 at the start of the year
- Initiated an innovative partnership with Xiaomi to offer customized insurance products
- Secured a two-year agreement with SAIC Maxus, a leading commercial vehicle manufacturer, to enhance eInsurance management across its dealership network
- Increased our collaboration with auto dealers, initially with Chang'an Deepal. We embedded our insurance systems into its dealers to enable the sale of new products
- Signed an exclusive partnership with Sam's Club to offer car wash services for premium members across 17 major cities in China
- Established Anji AI Technology Service Center to co-develop insurance products with our auto partners and increase their new policies, renewals, and extended warranties sales.
- Developed AI-enhanced customer engagement features, reducing service response times, enhancing the cross-selling of insurance and non-insurance products, and increasing customer satisfaction.

### Management Commentary

Zaichang Ye, Chairman and CEO of SunCar, commented, "I'm pleased with our strong 2024 results, including record revenue of \$442 million and an almost 500% increase in adjusted EBITDA. These are significant milestones that reflect our business momentum. Our 100% focus on China's domestic auto market means we are largely unimpacted by geopolitical factors. This year, we have made important progress in advancing our AI cloud-enabled SaaS model, increasing our recurring revenue, and positioning SunCar for sustained and scalable growth. The continued focus of our EV partners on improving their customers' post-sale journey provides a long-term and meaningful tailwind for the business. Looking to 2025 and beyond, we remain focused on expanding our AI and software development capabilities, broadening our product offerings, and deepening our partnerships to deliver greater value for our customers and shareholders."

### eInsurance Review

- In Q4, 2024, we expanded the co-development of new insurance products with Tesla, as an early adopter, and received positive feedback from the customer.
- Initiated an innovative partnership with Xiaomi to begin the sale of customized auto insurance with their first vehicle delivery in April 2024
- Progressed our eInsurance partnerships with leading EV manufacturers including Nio (NIO), Zeekr (ZK), Li Auto (LI), XPeng (XPEV), Seres (601127.SHH), Leapmotor (9863.HK), SAIC Motor (600104.SS), and Changan AVATR (000625.SHE). These collaborations have driven GMV growth beyond expectations.
- Advanced development of the SaaS business by securing a specific contract with Zeekr to develop and integrate our insurance platform into Zeekr's app ecosystem.
- Secured a two-year agreement with SAIC Maxus, a leading commercial vehicle manufacturer, to enhance eInsurance management across its dealership network.
- Increased collaboration with auto dealers: Starting with Chang'an Deepal dealers, we embedded our insurance systems into the dealer networks to enable the sale of new products. SunCar has hired four regional managers to support cooperation with the dealers.
- Actively engaged in discussions with multiple other gas vehicle manufacturers regarding the significant benefits our eInsurance platform offers to the traditional gas vehicle market
- Expanded our portfolio of insurance products by building customized, vehicle-specific insurance, including loaner vehicles and repair subsidies for various sales channels

### Auto Services Review

#### Luxury Concierge Services' Expansion

- Provided high-end limousine services for leading luxury brands, including Chanel, Dior, and Omega, most notably

supporting Chanel's 2024 Hangzhou Show by providing high-quality transportation services for its VIP guests.

- Secured an exclusive partnership with Sam's Club to offer car wash services for premium members across 17 major cities in China.

#### **Increased Cooperation with China's Major App Companies**

- Renewed car wash service agreements with Didi, Meituan, and Alipay.
- Signed a new car wash partnership with Douyin.
- Enhanced Alipay collaboration: Expanded from offering "Car Life" channel discounts into the "Car God Card" program.
- Strategic partnership with Ant Fortune to launch exclusive airport limousine services for Ant Fortune Black Card V3 members, which target high-net-worth clients.

#### **New Projects and Expanded Services to Bank Customers**

- Expanded long-standing auto services' partnerships with China's leading banks. In particular, the Company utilizes AI technology to improve the efficiency of its services' network and our Auto Services' operations in general
- Increased our extensive portfolio of 400+ bank-industry projects by adding 39 new projects, including card organizations. Key new projects include:

##### **National & Joint-Stock Banks:**

- CITIC Private Banking - domestic/international airport transfers)
- ICBC Platinum/Black Card - airport transfers
- China Merchants Private Banking - domestic limousine services
- Bank of China Mastercard - airport transfers
- Bank of Communications - personal travel services

##### **Regional Bank Projects:**

- Shanghai Rural Commercial Bank - retail travel services
- Mengshang Bank - designated driver services
- Agricultural Bank of China - car wash services
- Agricultural Bank of China - designated driver services
- CCB Dragon Card - car wash services
- ICBC - smart outbound calling

#### **Increased Auto Services Collaborations with Major Insurance Firms**

- Partnered with over 100 insurance branches, including Ping An's top 10 P&C branches and 20+ branches of China Continent Insurance.
- Broadened service scope beyond traditional offerings to include limousine transfers and EV charging, aligning with evolving customer and market demands.

#### **Technology and Innovation Review**

- Leveraged AI to improve operations and customer experience through innovative new product features, including real-time flight delay alerts, intelligent order reminders, driver and vehicle analytics, and call quality monitoring.
- Integrated AI features into our products that drove cost savings, operational efficiencies, and higher customer satisfaction. From an internal operations perspective, the extensive use of AI is improving the efficiency of our software development and testing processes.
- Through co-development projects, we are helping our EV customers cost-effectively build customized insurance solutions that capture downstream insurance and maintenance revenue.

#### **Management Update**

- Appointed Breaux Walker as **Chief Strategy Officer**. With significant business development and investment banking experience in technology, Mr. Walker has successfully scaled companies in China and North America. He joined SunCar in 2024 as a consultant and drives our strategic growth initiatives.

#### **Full Year 2024 Financial Results**

- Revenue increased by 21% to \$441.9 million for the year ended December 31, 2024, from \$363.7 million for the year ended December 31, 2023.
- Auto eInsurance revenue increased by 44% to \$170.5 million for the year ended December 31, 2024, from \$118.1 million for the year ended December 31, 2023. This growth was driven by the increased number of insurance policies sold in the

year ended December 31, 2024.

- Technology Services revenue increased by 46% to \$44.9 million for the year ended December 31, 2024, from \$30.7 million for the year ended December 31, 2023.
- Auto Services revenue increased 5% to \$226.5 million for the year ended December 31, 2024, from \$215.0 million for the year ended December 31, 2023.
- Operating costs and expenses increased to \$500.3 million for the year ended December 31, 2024, and \$379.2 million for the year ending December 31, 2023.
- Integrated service costs increased to \$226.2 million in 2024, from \$209.6 million in the prior-year period.
- Selling expenses increased from \$20.6 million in the year ended December 31, 2023, to \$22.6 million in 2024. This increase was primarily due to an increase in promotion expenses of \$5.3 million for market expansion, partially offset by a decrease of \$2.3 million for compensation for part-time sales personnel and \$1.2 million for depreciation of fixed assets.
- General and administrative expenses increased from \$22.5 million in 2023 to \$47.0 million in 2024. This increase was primarily due to a \$31.0 million increase in share-based compensation expenses related to the 2024 Equity Incentive Plan and a \$5.4 million increase in expected credit losses on account receivables.
- Research and development expenses increased from \$14.1 million in 2023 to \$40.2 million in 2024. The primary reason for the increase was a \$31.0 million share-based compensation expense related to the 2024 Equity Incentive Plan. This one-time expense was partially offset by a decrease of \$4.9 million in technology service fees due to reduced purchases of external services.
- Adjusted EBITDA, a non-GAAP metric that excludes certain non-recurring items and non-cash expenses, is helpful in evaluating our operational performance in addition to the GAAP metrics. Our Adjusted EBITDA increased by 492% to \$9.8 million for the year ended December 31, 2024, compared to \$1.6 million for the year ended December 31, 2023.

#### Conference Call Information

SunCar will host a conference call on Tuesday, April 29th at 8:00 AM ET (5:00 AM PT) for the investment community to discuss the Company's financial results and provide a business update.

To access the call by phone, please dial 1-877-407-0752 (for international callers, please dial 1-201-389-0912) approximately 10 minutes prior to the start of the call. An audio webcast of the conference call will be available online at [https://viaid.webcasts.com/starthere.jsp?ei=1716706&tp\\_key=51381ecbeb](https://viaid.webcasts.com/starthere.jsp?ei=1716706&tp_key=51381ecbeb).

A webcast replay will also be available for a limited time at the following link: [https://viaid.webcasts.com/starthere.jsp?ei=1716706&tp\\_key=51381ecbeb](https://viaid.webcasts.com/starthere.jsp?ei=1716706&tp_key=51381ecbeb).

#### About SunCar Technology Group Inc.

Founded in 2007, SunCar is transforming the customer journey for auto services and auto insurance in China, the largest passenger vehicle market in the world. SunCar develops and operates cloud-based platforms that seamlessly connect drivers with a wide range of auto services and insurance coverage options through a nationwide network of sales partners. As a result, SunCar has established itself as the leader in China in the auto insurance market for electric vehicles and the B2B auto services market. The Company's intelligent cloud platform empowers its enterprise customers to access, manage, and optimize their auto insurance and auto service offerings. Through SunCar, drivers gain access to a wide variety of high-quality services from tens of thousands of independent providers, all from a single application. For more information, please visit: <https://suncartech.com>.

#### Forward-Looking Statements

This press release contains information about the Company's view of its future expectations, plans, and prospects that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from historical results or those indicated by these forward-looking statements as a result of a variety of factors including, but not limited to, risks and uncertainties associated with its ability to raise additional funding, its ability to maintain and grow its business, variability of operating results, its ability to maintain and enhance its brand, its development and introduction of new products and services, the successful integration of acquired companies, technologies and assets into its portfolio of products and services, marketing and other business development initiatives, competition in the industry, general government regulation, economic conditions, dependence on key personnel, the ability to attract, hire and retain personnel who possess the technical skills and experience necessary to meet the requirements of its clients, and its ability to protect its intellectual property. For a detailed discussion of these risks, please refer to the Company's Annual Report on Form 20-F and other filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date of this press release, and the Company undertakes no obligation to update or revise these statements, except as required by law.

#### Contact Information:

SunCar:

**Investor Relations: Ms. Hui Jiang**

Email: [IR@suncartech.com](mailto:IR@suncartech.com)

**Legal: Ms. Li Chen**

Email: [chenli@suncartech.com](mailto:chenli@suncartech.com)

#### U.S. Investor Relations

Tom Cook

Managing Director

ICR

Email: [Tom.Cook@icrinc.com](mailto:Tom.Cook@icrinc.com)

 View original content: <https://www.prnewswire.com/news-releases/suncar-technology-reports-2024-annual-results-302440186.html>

SOURCE SunCar Technology Group Inc.