SunCar Technology Reports First Half 2026 Financial Results

September 22, 2026

Net Income of $3.4 Million Improving from a Net Loss of $5.5 Million

Adjusted EBITDA increased to $9.4 Million, up 269% YoY

Delivered 1H Revenue of $277 million, a 24% YoY increase

EV Premiums increased 31% YoY to $916 million

NEW YORK, Sept. 22, 2026 (GLOBE NEWSWIRE) -- SunCar Technology Group Inc. (the "Company" or "SunCar") (NASDAQ: SDA), an innovative leader in AI-powered auto insurance and auto services, today announced financial results for the six months ended June 30, 2026.

"SunCar had an excellent first half generating $3.4 million in net income, a substantial $8.9 million improvement from a $5.5 million net loss the first half of 2025," said Zaichang Ye, Chairman and CEO of SunCar. "Our top-line growth of 24% demonstrated that SunCar can maintain strong revenue growth while also growing profits. Major wins for the Company in the first half including the AgBank chauffeur contract and multiple Huawei ecosystem customer wins show that the size and scope of SunCar's contracts are increasing.

"I'm particularly pleased with the revenue growth in auto services, which grew 22% from the same period last year. SunCar's auto services segment is benefiting from our investment in AI and the increased emphasis that our insurance customers are placing on value-added auto services. SunCar is realizing unprecedented synergies from our dual product offering of services and auto insurance. Our partners are achieving a new level of value by integrating SunCar's AI features into their services. SunCar's cloud with its combination of insurance and auto services gives our customers a single integrated technology platform from which they can offer a full suite of customized services.

"As always, SunCar's partners and customers are critical to our growth. Our partnerships with leading companies such as Tesla, Xiaomi, NIO, Xpeng, Huawei, Zeekr, PICC, and Ping An differentiate SunCar and validate the unique product offering we have in the market.

"In terms of technology innovation, SunCar is leading the charge in the next phase of AI which will be vertical industry AI. We have integrated AI into most of our operations and, in cooperation with our partners, are now creating customer-specific AI-powered products. This next phase of AI will be led by companies with deep industry expertise that are leveraging AI to create AI-powered ecosystems just as SunCar is doing for auto insurance and services."

First Half 2026 Financial Results

- Total revenue increased 24% to $276.5 million in the first half of 2026 compared to $222.3 million in the prior year period driven by continued consistent growth in auto insurance and strong new growth in auto services.
- Net income was $3.4 million in the first half of 2026, an improvement of $8.9 million compared to a net loss of $5.5 million in the prior year period reflecting revenue growth in EV insurance and technology services along with disciplined expense management.
- Adjusted EBITDA was $9.4 million in the first half of 2026, up 276% from $2.5 million in the prior year period reflecting improved operating performance and cost efficiency.
- EV Premium Growth: Insurance premiums for EVs increased 31% to $915.9 million from US$697.6 million in the prior year period
- Auto eInsurance service revenue increased 29% to $126.2 million, compared to $97.8 million in the prior year period. The insurance segment maintains its consistent growth with policy renewal revenue as an increasingly significant contributor.
- Technology Service revenue increased 15% to $28.0 million, up from $24.3 million in the prior year period.
- Auto Service revenue increased 22% to $122.3 million, compared to $100.1 million for the prior year period. This segment experienced its strongest growth in any period since the Company began reporting.
- Operating costs and expenses increased 21% to $270.2 million, up from $223.5 million in the prior year period.
- Integrated service costs increased 39% to $141.3 million, from $101.5 million in the prior year period.
- Promotional service expenses increased 21% to $114.0 million, from $94.1 million in the prior year period.
- Selling expenses decreased 49% to $5.6 million, compared to $11.0 million in the prior year period
- General and administrative expenses decreased 56% to $6.7 million, from $15.2 million in the prior year period
- Research and development expenses increased 44% to $2.5 million, up from $1.8 million in the prior year period

First Half 2026 Business Highlights

Auto Insurance

- **Tesla:** Tesla and SunCar continued to develop innovative insurance products giving drivers the ability to buy insurance online without physically going to a dealer, greatly enhancing the purchasing, renewal, and service experiences.
- **Xiaomi:** Xiaomi used SunCar across China for new and renewal policy operations, marketing, and other AI-powered services like inspections.
- **NIO:** Nio leveraged SunCar's app for convenient policy issuance, helping its brands significantly expedite policy issuance and greatly reduce delivery times.
- **Li Auto:** Li launched SunCar's insurance customer service model across China driving more efficient online policy issuance, lead distribution, and renewals.
- **Leapmotor:** SunCar's SaaS solution was implemented in third party and dealer stores. Policy issuance increased 80% online and over 95% in stores YoY.
- **Zeekr:** SunCar's system helped Zeekr stores improve policy issuance efficiency. Customized customer service streamlined new and renewal policy issuance.
- **Huawei:** Created a unique service experience with the Qiankun intelligent driving system and HarmonyOS APP; enhancing renewals and service processes.
- **Seres:** Seres utilized SunCar's platform for more efficient settlement operations, providing higher quality service support to both dealers and insurers.
- **GAC Qijing:** Won bid for Qijing's auto insurance business, further extending cooperation with Huawei, combining the intelligence of Qijing's vehicles and the digital capabilities of Huawei's Qiankun system.
- **China Post:** Expanded China Post's partner network adding 102 new stores. The total number of partner stores exceeded 300 with continued expansion.

Auto Services

- **PICC:** PICC chose SunCar to deliver services such as car wash, parking, maintenance, inspections, and charging vouchers for 7 provincial branches.
- **Ping An Insurance:** Ping An selected SunCar for multiple service projects at 9 branches and for airport lounges, and chauffeur services at its headquarters.
- **Ping An Bank:** Delivered an innovative combined finance and auto services offering for Ping An Bank; won two-year car wash and chauffeur contracts.
- **CPIC:** Success of SunCar's auto services at 9 CPIC branches led to signing airport concierge VIP lounges service contracts with additional branches.
- **China Continental Insurance:** Won new inspection, chauffeur service contracts with new retail branches and added chauffeur services at the headquarters.
- **Agricultural Bank of China:** ABC selected SunCar for a major roadside assistance contract and renewed a concierge chauffeur service contract.
- **Bank Customer Chauffeur Deals:** SunCar secured additional chauffeur contracts with ICBC, Huaxia Bank, Minsheng, and GRCB banks.
- **China UnionPay:** China UnionPay, China's primary bankcard association, is now using SunCar for carwash services across 14 provinces and major cities.
- **Chauffeur Service Contract Wins:** SunCar is expanding its chauffeur business to other sectors by winning non-bank customers such as China Duty Free.

AI Technology Update

SunCar completed AI feature testing for several OEM partners, all with excellent results. The Company completed AI testing for 8 OEM projects with automated testing coverage reaching 75% of vehicles. From an operations perspective, the team's overall efficiency increased by 45%, with software release quality improving significantly, and error rates reduced by 80%.

Financial Outlook

SunCar continues to forecast its full year 2026 revenue to be approximately $600 million.

About SunCar Technology Group Inc.

Founded in 2007, SunCar is transforming the customer journey for auto insurance and services in China, the largest vehicle market in the world. SunCar develops and operates AI 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 eInsurance 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 eInsurance 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://ir.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. Forward-looking statements in this release include statements regarding the planned launch of AI-powered services, expected improvements in customer experience, potential cost reductions, and the development of SaaS solutions. These statements involve risks, including technology development challenges, market acceptance, regulatory approval requirements, and the ability to scale AI implementations. 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.

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SOURCE SunCar Technology Group Inc.

SUNCAR TECHNOLOGY GROUP INC
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS)/INCOME
(In U.S. Dollar thousands, except for share and per share data, or otherwise noted)

	For the six months ended June 30,	
	2025	2026
	(Unaudited)	(Unaudited)
Revenues		
Auto eInsurance service	$ 97,833	$ 126,159
Technology service	24,345	28,007
Auto service	100,131	122,344
Total revenues	**222,309**	**276,510**
Operating cost and expenses		
Integrated service cost	(101,464)	(141,312)
Promotional service expenses	(94,072)	(114,047)
Selling expenses	(11,012)	(5,569)
General and administrative expenses	(15,188)	(6,745)
Research and development expenses	(1,766)	(2,537)
Total operating costs and expenses	**(223,502)**	**(270,210)**
Operating (loss)/income	**(1,193)**	**6,300**
Other expenses		
Financial expenses, net	(2,077)	(2,168)
Investment income	246	221
Gain on expiration of warrant liabilities	-	18
Other loss, net	(2,220)	(51)
Total other expenses, net	**(4,051)**	**(1,980)**
(Loss)/income before income tax expense	(5,244)	4,320
Income tax expense	(291)	(943)
Net (loss)/income	**(5,535)**	**3,377**
Less: Net income attributable to non-controlling interests	1,859	3,585
Net loss attributable to the Company's ordinary shareholders	**(7,394)**	**(208)**

Net loss attributable to the Company's ordinary shareholders per ordinary share		
Basic and diluted	$ (0.07)	-
Weighted average shares outstanding used in calculating basic and diluted loss per share		
Basic and diluted	102,155,588	102,009,359
Other comprehensive income		
Foreign currency translation difference	1,048	2,180
Total other comprehensive income	**1,048**	**2,180**
Total comprehensive (loss)/income	**(4,487)**	**5,557**
Less: total comprehensive income attributable to non-controlling interest	3,004	5,695
Total comprehensive loss attributable to the SUNCAR TECHNOLOGY GROUP INC's shareholders	**$ (7,491)**	**$ (138)**

SUNCAR TECHNOLOGY GROUP INC
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In U.S. Dollar thousands, except for share and per share data, or otherwise noted)

	As of December 31, 2025 (Audited)	As of June 30, 2026 (Unaudited)
ASSETS		
Current assets		
Cash	$ 25,019	$ 16,834
Restricted cash	2,841	3,069
Short-term investments	21,597	22,122
Accounts receivable, net	59,767	56,319
Prepaid expenses and other current assets, net	74,072	99,548
Total current assets	**183,296**	**197,892**
Non-current assets		
Long-term investment	286	295
Property, software and equipment, net	24,195	22,787
Construction in progress	-	27,696
Intangible asset	408	420
Deferred tax assets, net	11,947	12,148
Other non-current assets	30,821	3,344
Right-of-use assets	2,243	1,889
Total non-current assets	**69,900**	**68,579**
TOTAL ASSETS	**$ 253,196**	**$ 266,471**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	$ 80,394	$ 80,456
Long-term borrowing, current	71	74
Accounts payable	41,404	57,187
Contract liabilities	5,730	3,982
Tax payable	1,468	1,235
Accrued expenses and other current liabilities	10,697	3,737
Amount due to related parties, current	6,659	7,493
Operating lease liabilities, current	834	848
Total current liabilities	**147,257**	**155,012**
Non-current liabilities		
Operating lease liabilities, non-current	1,333	989
Long-term borrowing, non-current	1,358	1,363
Amount due to related parties, non-current	12,516	12,899

Warrant liabilities	50	32
Total non-current liabilities	**15,257**	**15,283**
Total liabilities	**$ 162,514**	**$ 170,295**
Commitments and contingencies (Note 18)		
Shareholders' equity		
Class A Ordinary shares (par value of $0.0001 per share; 400,000,000 Class A Ordinary shares authorized as of December 31, 2025 and June 30, 2026, respectively; 59,608,351 and 55,969,794 Class A Ordinary shares issued and outstanding as of December 31, 2025 and June 30, 2026, respectively)	$ 6	$ 6
Class B Ordinary shares (par value of $0.0001 per share; 100,000,000 Class B Ordinary shares authorized as of December 31, 2025 and June 30, 2026, respectively; 46,039,565 and 46,039,565 Class B Ordinary shares issued and outstanding as of December 31, 2025 and June 30, 2026, respectively)	5	5
Additional paid in capital	233,014	232,989
Accumulated deficit	(199,329)	(199,537)
Accumulated other comprehensive loss	(1,146)	(1,076)
Total SUNCAR TECHNOLOGY GROUP INC's shareholders' equity	**32,550**	**32,387**
Non-controlling interests	58,132	63,789
Total shareholders' equity	**90,682**	**96,176**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 253,196**	**$ 266,471**

SUNCAR TECHNOLOGY GROUP INC
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In U.S. Dollar thousands, except for share and per share data, or otherwise noted)

	For the six months ended June 30,	
	2025	**2026**
	(Unaudited)	**(Unaudited)**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss)/income	$ (5,535)	$ 3,377
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		-
Provision/(reversal) for credit losses	6,278	(576)
Depreciation	2,978	3,050
Amortization of right-of-use assets	430	468
Share-based compensation of subsidiary	742	-
Loss on disposal of property, software and equipment	3	1
Fair value income from short-term investments	-	(6)
Gain on expiration of warrant liabilities	-	(18)
Deferred income tax (benefit)/expense	(599)	163
Financing expense related to issuance of GEM Warrants	300	229
Accrued liability for GEM litigation	2,811	-
Changes in operating assets and liabilities:		
Accounts receivable	(26,603)	5,796
Prepaid expenses and other current assets	(6,121)	(17,829)
Accounts payable	18,389	14,350
Contract liabilities	(320)	(1,903)
Accrued expenses and other current liabilities	(2,050)	(5,656)
Tax payable	519	(275)
Operating lease liabilities	(369)	(443)
Amount due to related parties	(109)	-
Total net cash (used in) provided by operating activities	**(9,256)**	**728**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, software and equipment	(23)	(58)
Proceeds from disposal of property, software and equipment	1	-
Proceeds from short term investment	233	357
Repurchase of non-controlling interests	(2,214)	(63)
Purchase of other non-current assets	(5,362)	(5,669)
Purchase of short-term investment	(246)	(216)
Total net cash used in investing activities	**(7,611)**	**(5,649)**

CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term loan	52,119	51,134
Repayments of loan	(54,215)	(53,545)
Repayments of payables to a related party	(9,798)	(27)
Shares repurchase	(15,760)	-
Payments for GEM litigation	-	(1,550)
Proceeds from issuance of ordinary shares, net of issuance cost	41,631	-
Total net cash provided by (used in) financing activities	**13,977**	**(3,988)**
Effect of exchange rate changes	380	952
Net change in cash and restricted cash	(2,510)	(7,957)
Cash and restricted cash, beginning of the period	**$ 29,512**	**$ 27,860**
Cash and restricted cash, end of the period	**$ 27,002**	**$ 19,903**
Reconciliation of cash and restricted cash to the consolidated balance sheets:		
Cash	$ 24,305	$ 16,834
Restricted cash	$ 2,697	$ 3,069
Total cash and restricted cash	**$ 27,002**	**$ 19,903**
Supplemental disclosures of cash flow information:		
Income tax paid	$ 371	$ 1,055
Interest expense paid	$ 1,757	$ 1,753
Supplemental disclosures of non-cash flow information:		
Obtaining right-of-use assets in exchange for operating lease liabilities	$ 87	$ 50
Prepaid financing expense related to issuance of GEM Warrants	$ 534	$ -

SUNCAR TECHNOLOGY GROUP INC
RECONCILIATION OF NET LOSS / INCOME TO ADJUSTED EBITDA

	For the six months ended June 30,	
	2025	**2026**
	(In thousands)	
Net (loss)/income	$ (5,535)	$ 3,377
Depreciation	2,978	3,050
Financial expenses, net	2,077	2,168
Investment loss	(246)	(221)
Other non-recurring income, net	2,220	51
Income tax expense	291	943
Share-based compensation (1)	742	-
Transaction fees (2)	15	-
Adjusted EBITDA	**$ 2,542**	**$ 9,368**
Net (Loss)/income Margin	-2.5 %	1.2 %
Adjusted EBITDA Margin	1.1 %	3.4 %

Source: SunCar Technology Group Inc.