



SunCar – Leading Technology Platform For B2B Automotive Services and Insurance

Investor Presentation

March 2024

Cautionary Statement Concerning Forward Looking Statements

This document contains forward-looking statements regarding SunCar Technology Group Inc., a Cayman Islands exempted company, NASDAQ Ticker Symbol: SDA (the “Company”). We base these forward-looking statements on our expectations and projections about future events, which we derive from the information currently available to us. Such forward-looking statements relate to future events or our future performance, including: our financial performance and projections; our growth in revenue and earnings; and our business prospects and opportunities. You can identify forward-looking statements by those that are not historical in nature, particularly those that use terminologies such as “may,” “should,” “expects,” “anticipates,” “contemplates,” “estimates,” “believes,” “plans,” “projected,” “predicts,” “potential,” or “hopes” or the negative of these or similar terms. In evaluating these forward-looking statements, you should consider various factors, including: our ability to change the direction of the Company; our ability to keep pace with new technology and changing market needs; and the competitive environment of our business. These and other factors may cause our actual results to differ materially from any forward-looking statement. Forward-looking statements are only predictions. The forward-looking events discussed in this document and other statements made from time to time by us or our representatives, may not occur, and actual events and results may differ materially and are subject to risks, uncertainties and assumptions about us. We are not obligated to publicly update or revise any forward-looking statement, whether as a result of uncertainties and assumptions, the forward-looking events discussed in this document and other statements made from time to time by us or our representatives might not occur, except as required by the applicable law, regulations and rules.

Company Profile



SunCar Overview



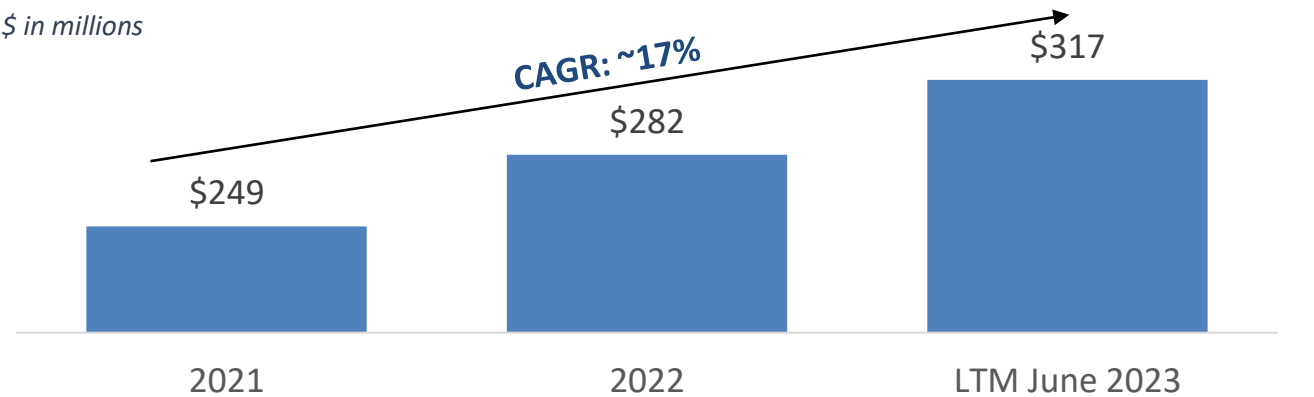
Platform Highlights

- **Leading platform in China for digitized enterprise Auto Services and Auto eInsurance**
- **~\$120B⁽¹⁾ total addressable market in Insurance and ~\$20B⁽²⁾ addressable market for B2B Auto Services in China**
- **B2B online platform for Auto Services complements the Auto eInsurance solution and creates synergistic revenue potential**
- **App-based integrations with an expansive B2B services network, enabling an asset-light, low CapEx business model**
- **Proven, state-of-the-art, multi-tenant digital system with an innovative online Auto Services and eInsurance platform**

Key Financial Metrics

Total Revenue⁽³⁾

\$ in millions



Strong 1H YoY Total Revenue Growth from 2022 – 2023⁽⁴⁾

\$ in millions



Note: Historical financials based on public filings . Non-financial metrics are last-twelve-month (LTM) as of December 2023

(1) Based on total Insurance GMV, "China motor insurance industry to reach \$171.9 billion by 2028, forecasts GlobalData"

(2) Based on Auto Services TAM Analysis (Slide 12)

(3) Revenue CAGR based on USD revenue for period as of 2021-2023 LTM Ending June 2023

(4) YoY Growth is based on USD revenue for 6-month ending June 2022 and 6-month ending June 2023

Consistent and Steady Long-Term Growth

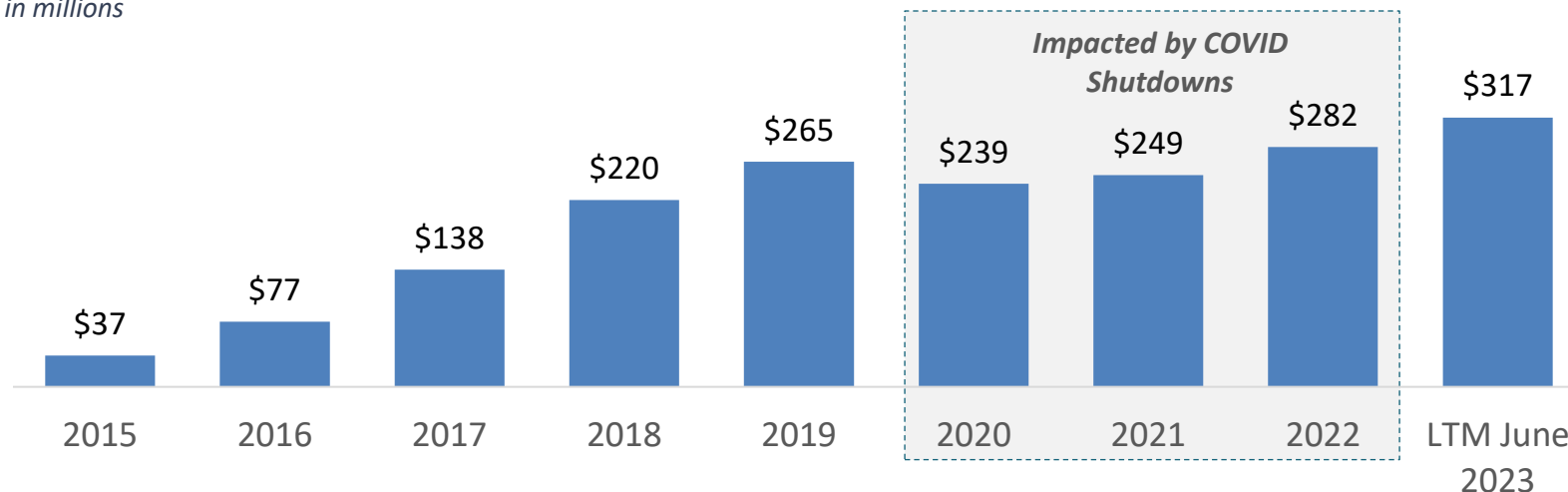


Steady revenue growth across economic cycles

Total Revenue (2015 – LTM June 2023)⁽¹⁾

2015 – LTM⁽²⁾ June 2023 ~33% CAGR

\$ in millions



Commentary

- ✓ Full back-end integration with major auto insurance companies in China
- ✓ COVID-19 shutdowns resulted in a significant reduction in vehicle usage, impacting the business's Auto Services segment

Supported by developed capabilities and enterprise clients

Digital Platforms for Auto Service and Insurance

Asset-light and scalable business running on fully digital systems

Strong and Growing Supplier Network

Over 46,000 suppliers in over 350 cities

Sticky B2B Client Base

Over 1,300 enterprise clients with high retention

Note: Non-financial metrics as of December 2023. Historical financials based on public filings

(1) 2015 – 2019 total revenue unaudited

(2) Last twelve months as of June 2023

One Stop Solution for Auto Services and eInsurance



One Stop Auto Services Solution for Enterprise Clients

SunCar Capability



Nationwide coverage



Full services



Online digital systems



Validated quality and economies of scale

Demands from enterprise clients

- Full geographic coverage to serve end customers across China
- Full-service coverage: services to vehicles and services for the owner
- Digitalized service package embedded into enterprise clients' apps
- Quality service at competitive prices
- Significant economy of scale as number of service increases



One Stop Auto eInsurance Technology Platform

SunCar Capability



Online insurance with optimal cost



Automated on-demand services



Transparent and efficient



2-minute turnaround

Industry pain points

- High marketing & sales cost
- Ability to customize and optimize insurance for end customers
- Opaque insurance pricing restricts price optimization
- Time consuming, inefficient and manual application process

Passionate, Experienced and Innovative Management Team



Mr. Zaizhang Ye
Co-Founder, Chairman & CEO

- 23 years management & entrepreneurship experience
- 15 years of Auto Service experience



Ms. Saiye Gu
Co-Founder, COO



Mr. Zhunfu Lei
Co-Founder, CTO



Mr. Bohong Du
Co-Founder, CFO



Mr. Stanley Yang
CSO



Ms. Jennifer Jiang
IRD

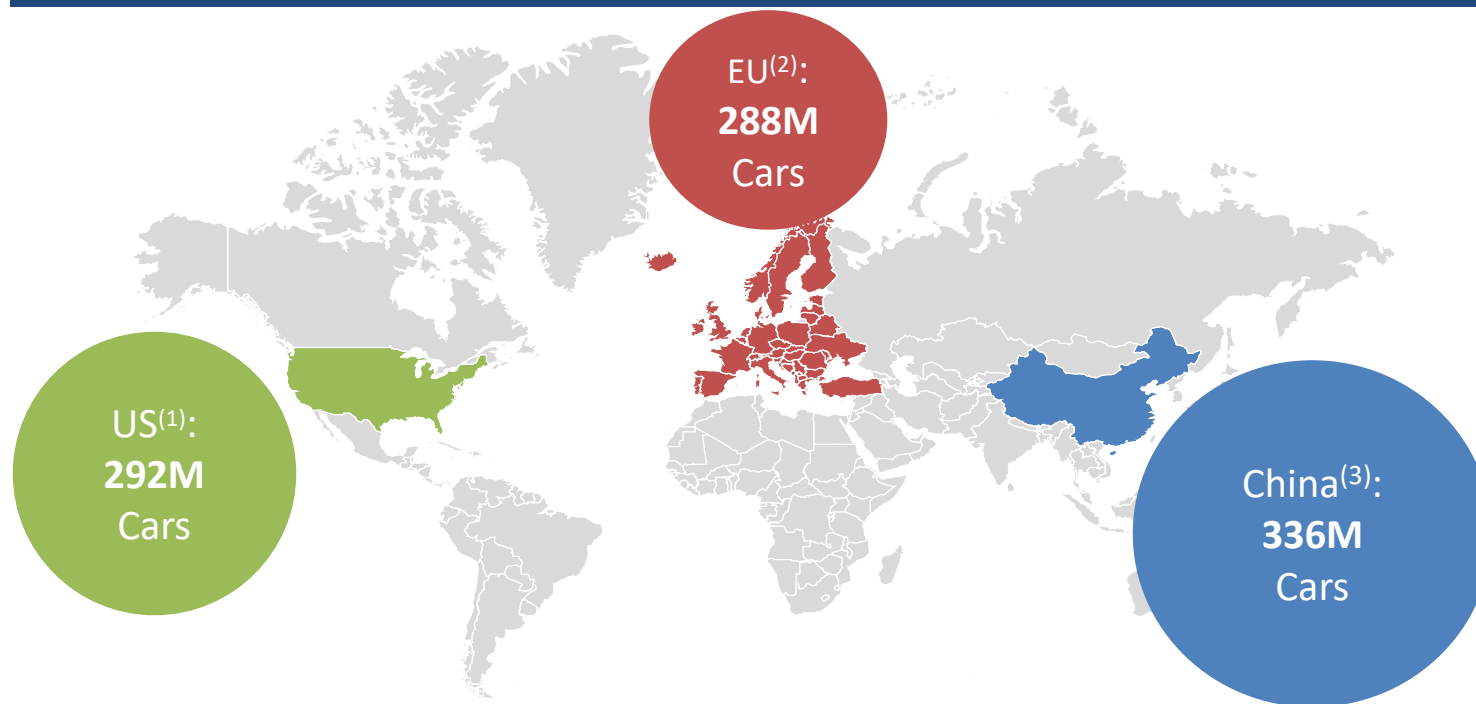
Our management has experience in the Auto Services and Insurance industry with a deep understanding and innovative mindsets regarding industry value chain and client needs

Auto Services and Insurance Markets in China

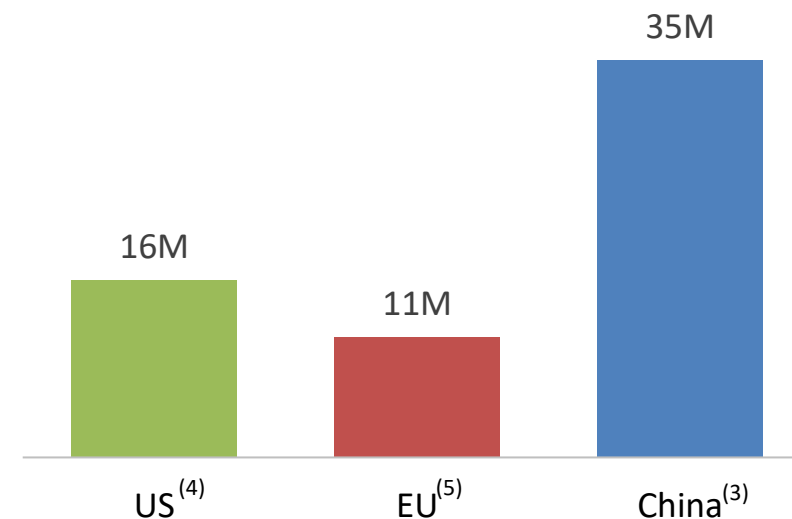


China is the Largest and Fastest Growing Car Market in the World

Registered Cars by Country (2023)



Estimated New Cars Sold in 2023



China is one of the largest markets globally in registered cars



The Chinese market grew more than 2x the US market and more than 3x the European market in number of new cars

Note:

(1) Hedges & Company – *Estimated*: <https://hedgescompany.com/automotive-market-research-statistics/auto-mailing-lists-and-marketing/>

(2) Hedges & Company: <https://hedgescompany.com/blog/2021/06/how-many-cars-are-there-in-the-world/>

(3) Chinese Ministry of Public Safety: https://www.gov.cn/lianbo/bumen/202401/content_6925362.htm

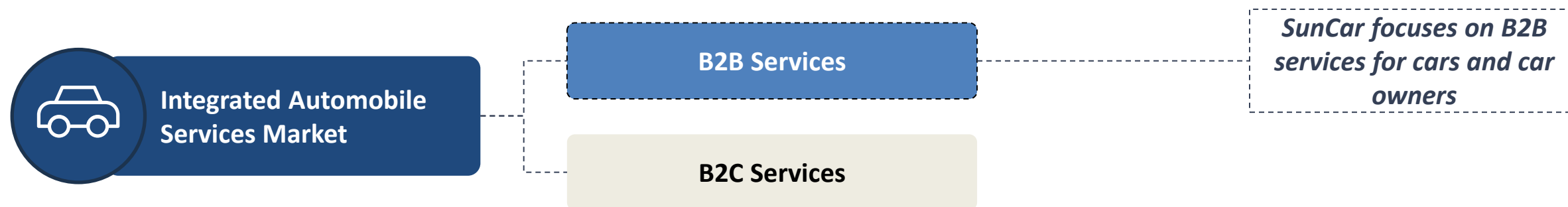
(4) Wall Street Journal: <https://www.wsj.com/business/autos/u-s-auto-sales-bounced-back-in-2023-eed389dd>

(5) ACEA: [https://www.acea.auto/pc-registrations/new-car-registrations-13-9-in-2023-battery-electric-14-6-market-share/#:~:text=In%202023%2C%20the%20EU%20car,for%20Hungary%20\(%2D3.4%25](https://www.acea.auto/pc-registrations/new-car-registrations-13-9-in-2023-battery-electric-14-6-market-share/#:~:text=In%202023%2C%20the%20EU%20car,for%20Hungary%20(%2D3.4%25)

B2B Auto Services Market in China



SunCar is China's Largest Fully Digital B2B Auto Service Platform



Commentary

- As the largest passenger vehicle market in the world, such massive amount of car ownership generates huge market potential for China's B2B integrated Auto Services market
- SunCar's technology platform streamlines and improves large enterprises' ability to offer Auto Services to end customers

B2B Auto Services Market in China (cont'd)



Auto Services TAM

# of Total Cars in China 2026E ⁽¹⁾	~400M
% of Car Owners receiving Car Services ⁽²⁾	25%
Total Auto Services End Customers in China	~100M
Average Annual Value per Eligible End Customer ⁽²⁾	~\$200
Total Addressable Market (2026E)	~\$20B
SunCar's Current Auto Services Revenue⁽²⁾	\$208M
Implied Market Share based on current revenue⁽³⁾	~1%

Auto Services TAM Sensitivity

		% of Cars Receiving Car Services		
		20%	25%	30%
Average Annual Value / End Customer	\$150	\$12B	\$15B	\$18B
	200	16B	20B	24B
	250	20B	25B	30B

Commentary

- Potential upside as the percentage of car owners receiving car services would significantly increase as SunCar's platform adoption
- Opportunity to expand given entrenched relationship and experience with some of the largest banking and insurance clients in China

Note:

(1) Assuming a 7% CAGR based on a 3-year average growth of total cars in China from 2020 to 2022

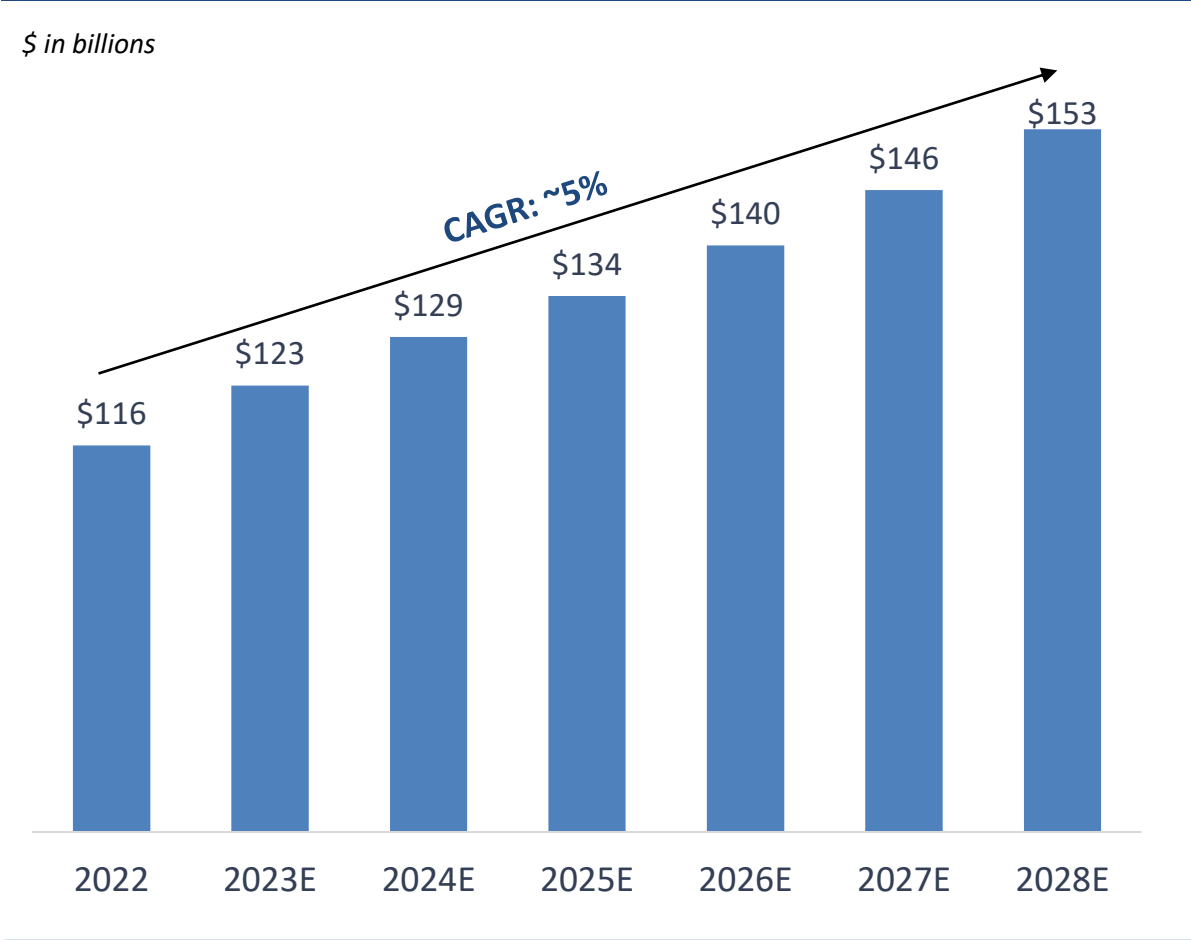
(2) Management guidance

(3) Implied market share calculated as SunCar's Current revenue on an LTM basis ending June 2023 divided by SunCar's total addressable market

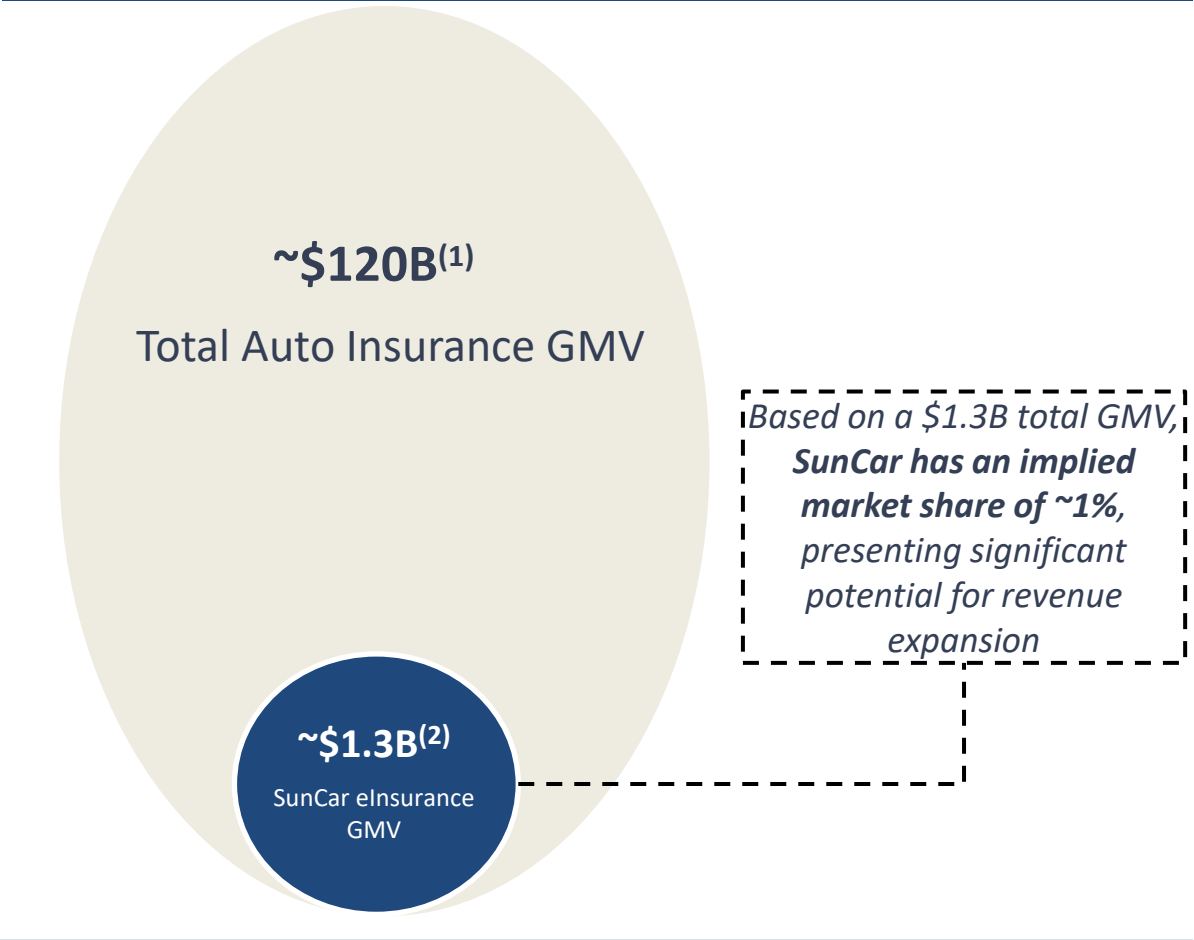
China Auto Insurance Industry



Projected Growth in China’s Auto Insurance Industry⁽¹⁾



SunCar Market Penetration



Note: Non-financial metrics as of December 2023

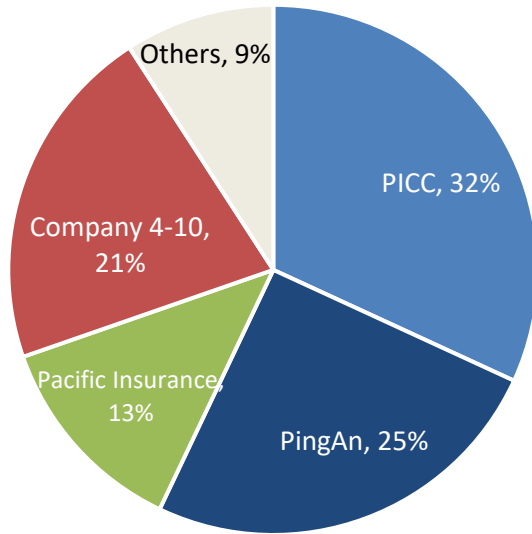
(1) GlobalData – Based on Auto Insurance gross written premiums: <https://www.globaldata.com/media/insurance/china-motor-insurance-industry-reach-171-9-billion-2028-forecasts-globaldata/#:~:text=The%20motor%20insurance%20industry%20in,leading%20data%20and%20analytics%20company>

(2) Based on SunCar total GMV in the last-twelve-month (LTM) as of December 2023

SunCar Auto Insurance – Serviceable Market



Market Share by Insurance Company⁽¹⁾



Top-10 Market Share: ~91%



Commentary

- ✓ SunCar has back-end integration with 80+ insurance companies including each of the top-10 Insurance companies
- ✓ Technology integrations with top Insurance companies enable fully customizable eInsurance offerings for end customers in < 2 minutes

Extensive Cooperation with the Largest Insurance Companies



62,000+

Auto Service vendors selling eInsurance through SunCar platform

2 Minutes

Average time to purchase Auto eInsurance with SunCar

85 (including top-10)

Connected Insurance companies

Note: Non-financial metrics as of December 2023

(1) Shisanjing Consulting

Digitized Platform for Auto-Services



Strong Momentum and Market Share Expansion in Auto Services



Full-Service Coverage

Select Maintenance Services



Carwash



Oil Change



Car Overhaul



Tire Repair

Select VIP Services



Flight Pickup



Driver Service



Road Assistance



Emergency Services

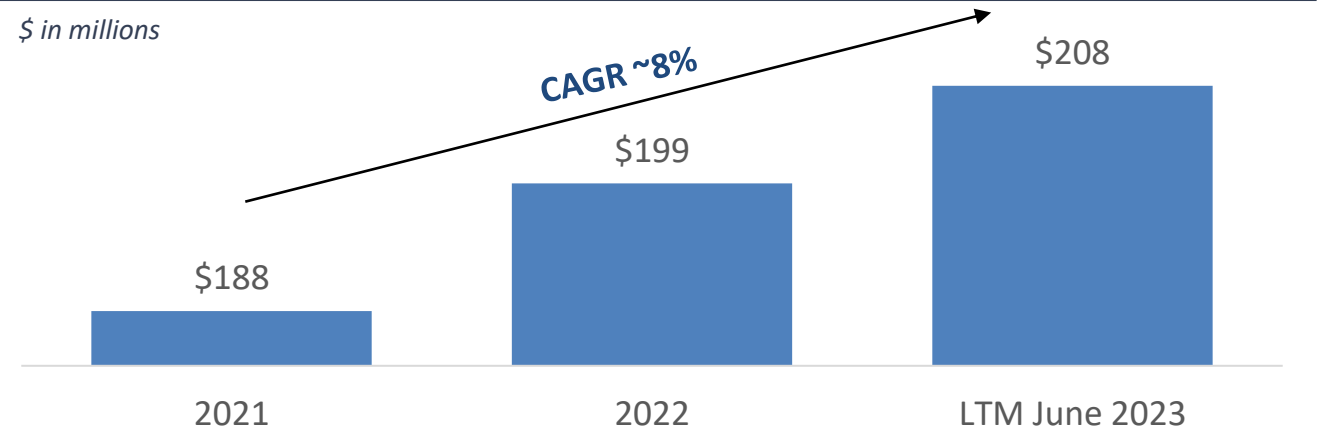
Offering full spectrum Auto Services

- 300+ types of services
- Auto Services market in China continues to grow and has yet to return to pre-pandemic level

Key Financial Metrics

Auto Services Business Revenue⁽¹⁾

\$ in millions



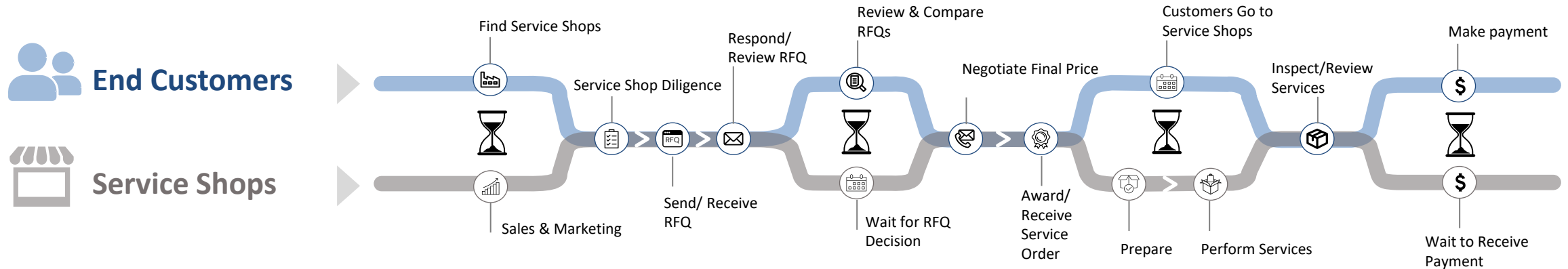
Strong Client Growth from December 2022 to June 2023



Note: Non-financial metrics as of December 2023

(1) Revenue and revenue CAGR based on USD revenue for period of 2021 – 2023 1H Ending June 2023

Traditional Process For Auto Services Is Manual and Inefficient



Customer Pain Points



Unable to find discounts at traditional service shops



Difficulty finding the highest rated local service shops



No unified platform for Auto Services



Service shops offer single product solutions and lack ability to cater to multiple auto needs

Service Shop Pain Points



No access to large enterprise partnerships



Limited visibility to end customers

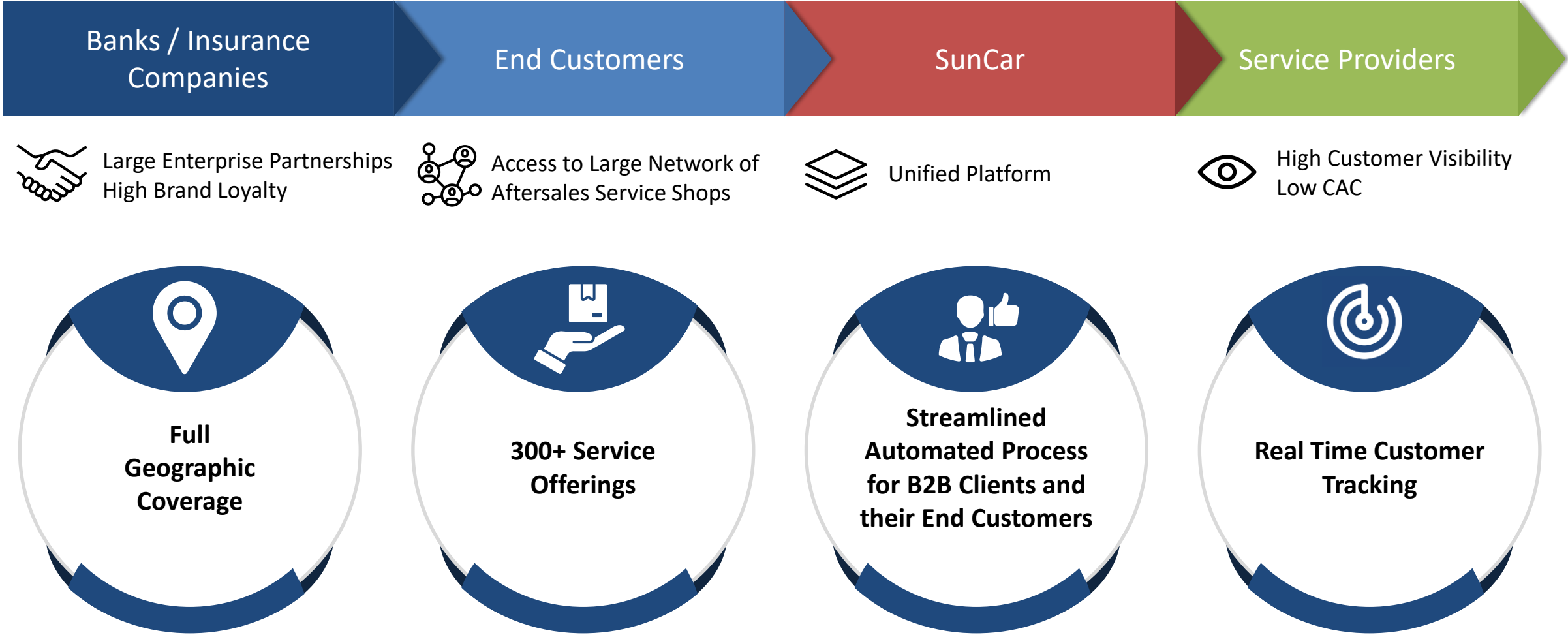



Low brand loyalty among consumers





High customer acquisition costs


SunCar Process Solves The Pain Points



 Large Enterprise Partnerships
High Brand Loyalty

 Access to Large Network of
Aftersales Service Shops

 Unified Platform

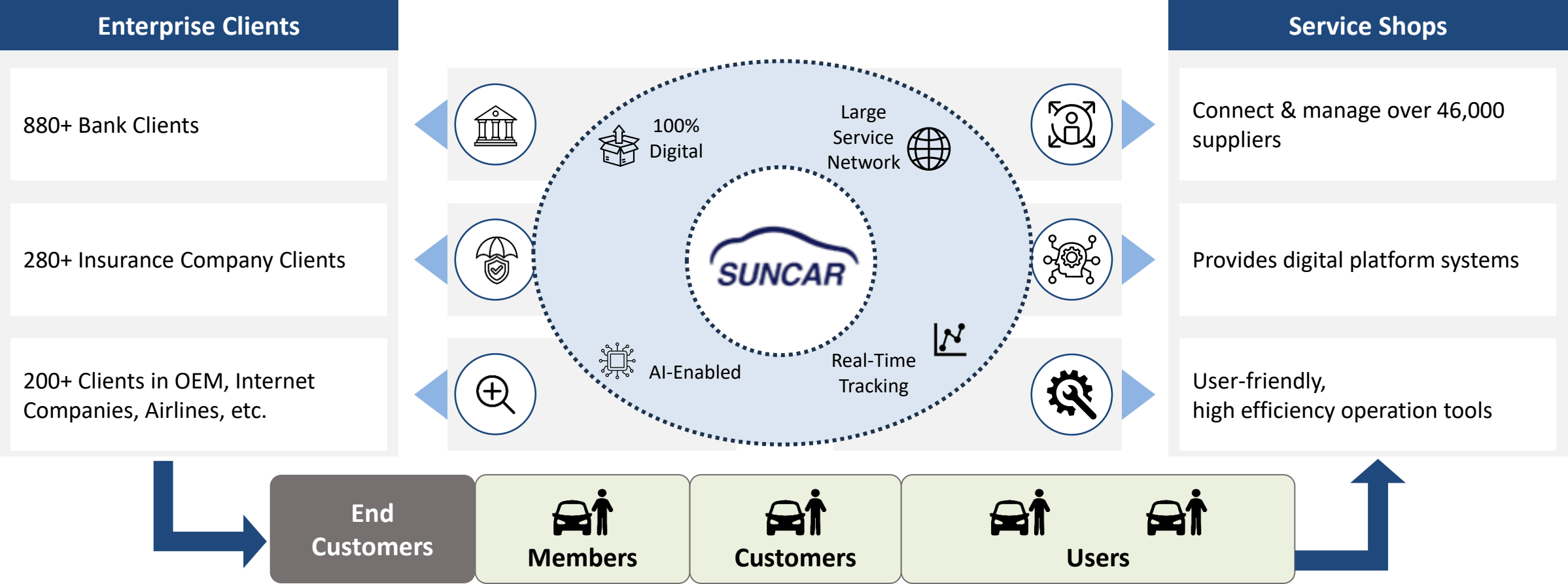
 High Customer Visibility
Low CAC

SunCar Auto Services Platform – Business Model



Note: Operating metrics as of December 2023

Highly Integrated SunCar Auto Services Technology Platform



Note: Non-financial metrics as of December 2023

Marquee Enterprise Clients with Significant Land and Expand Opportunities



SunCar's nation-wide reach has created significant opportunity to land and expand across large banking, insurance, and other organizations across China



>880 Banks



BANK OF CHINA



INDUSTRIAL AND COMMERCIAL BANK OF CHINA



China Construction Bank



AGRICULTURAL BANK OF CHINA



POSTAL SAVINGS BANK OF CHINA



CHINA MERCHANTS BANK



CHINA MINSHENG BANK



Bank of Shanghai (Hong Kong)



>280 Insurance Companies



CPIC



CHINA LIFE P&C



Sunshine Insurance Group



China Continent Insurance



CHINA TAIPING



CHINA INSURANCE



>200 Enterprise Clients in OEM,
Internet Operator, Airline, etc...



CHINA EASTERN



China Mobile



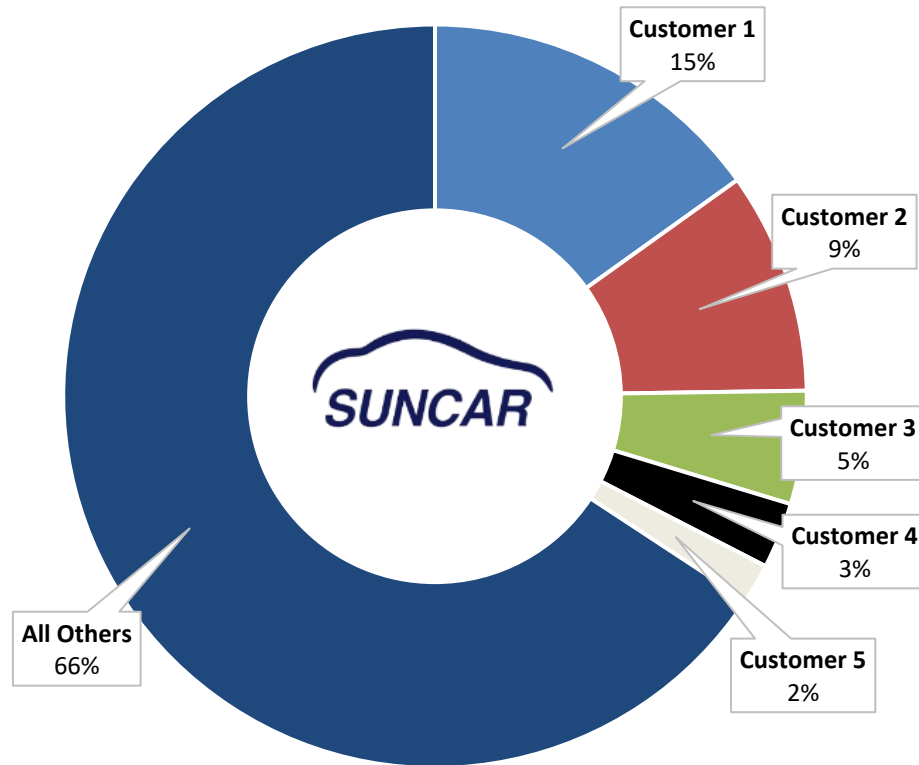
China Unionpay

autohome.com.cn



CHERY

Strong Growth Across Top Five Auto Services Enterprise Clients



Commentary

- Customers from various industries including Banking, Insurance, and OEMs
- Top 5 customer revenue CAGR of ~73%⁽¹⁾ since 2021
- Low revenue concentration
- Steadily increasing branch presence across each of the top 5 customers




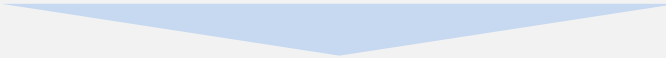
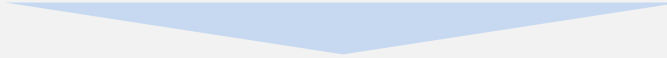
Note: Non-financial metrics as of December 2023

(1) Revenue and CAGR based on combined USD revenue for top five customers across the period of 2021 – 2023

Land & Expand – Auto Services Clients Case Studies



Top-2 Banking Clients

	 Bank 1	 Bank 2
Client Description ⁽¹⁾	Top 3 Chinese Bank 700M+ Banking Retail Customers 13,000+ Branches	Top 3 Chinese Bank 300M+ Banking Retail Customers 22,000+ Branches
SunCar Service Overview	Auto Services to bank end customers	Auto Services to bank end customers
Land  Expand	2 Branches in 2016  42 Branches in 2024	1 Branch in 2015  130 Branches in 2024
SunCar Revenue Growth (2021-2023) ⁽²⁾	~660%	~400%

Note: Non-financial metrics as of December 2023

(1) Public Sources

(2) Revenue growth based on USD revenue for the period 2021 – 2023. Based on estimated 2023 Revenue for Bank 1 and Bank 2

Auto Services Growth Strategy



Technology Enabled Auto Insurance



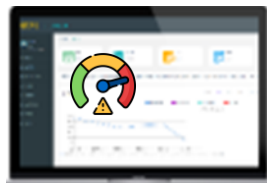
China's Leading Digital Auto eInsurance Platform



Online Auto eInsurance Platform



Online Quotation
and CRM System



Zero Insurance Risks
or Loss Exposure



Direct Connection
to Car Insurance
Database

System Features



Highly
Integrated



Highly
Secured



Cloud
Based



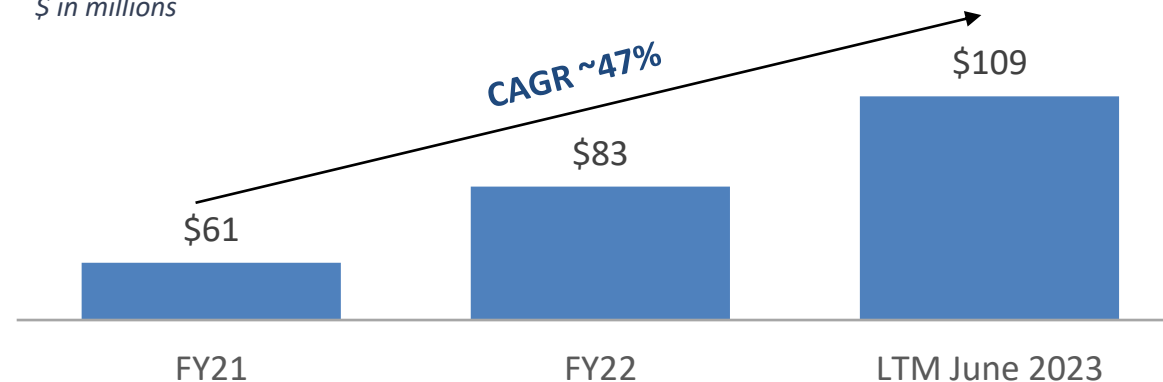
High
Accuracy



Hassle
Free

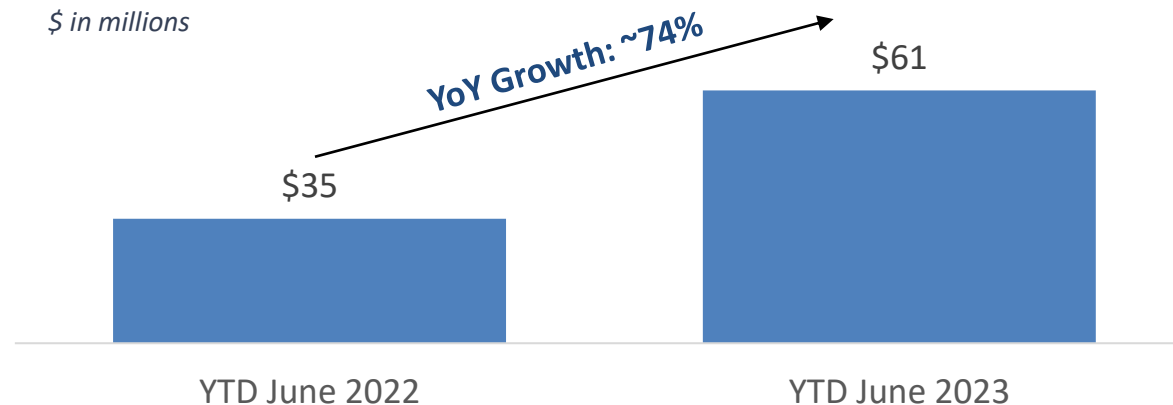
Total Auto eInsurance Revenue⁽¹⁾⁽²⁾

\$ in millions



Strong YoY Revenue Growth from YTD June 2022 – YTD June 2023⁽²⁾

\$ in millions



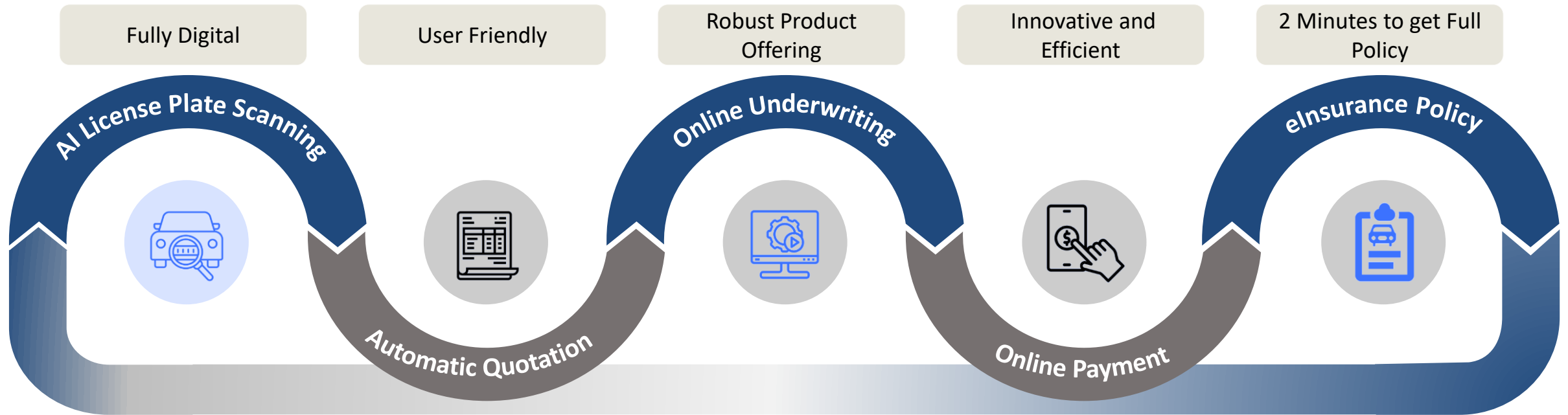
Note:

(1) Revenue CAGR based on USD revenue for the period 2021 – LTM June 2023. Non-financial metrics as of December 2023

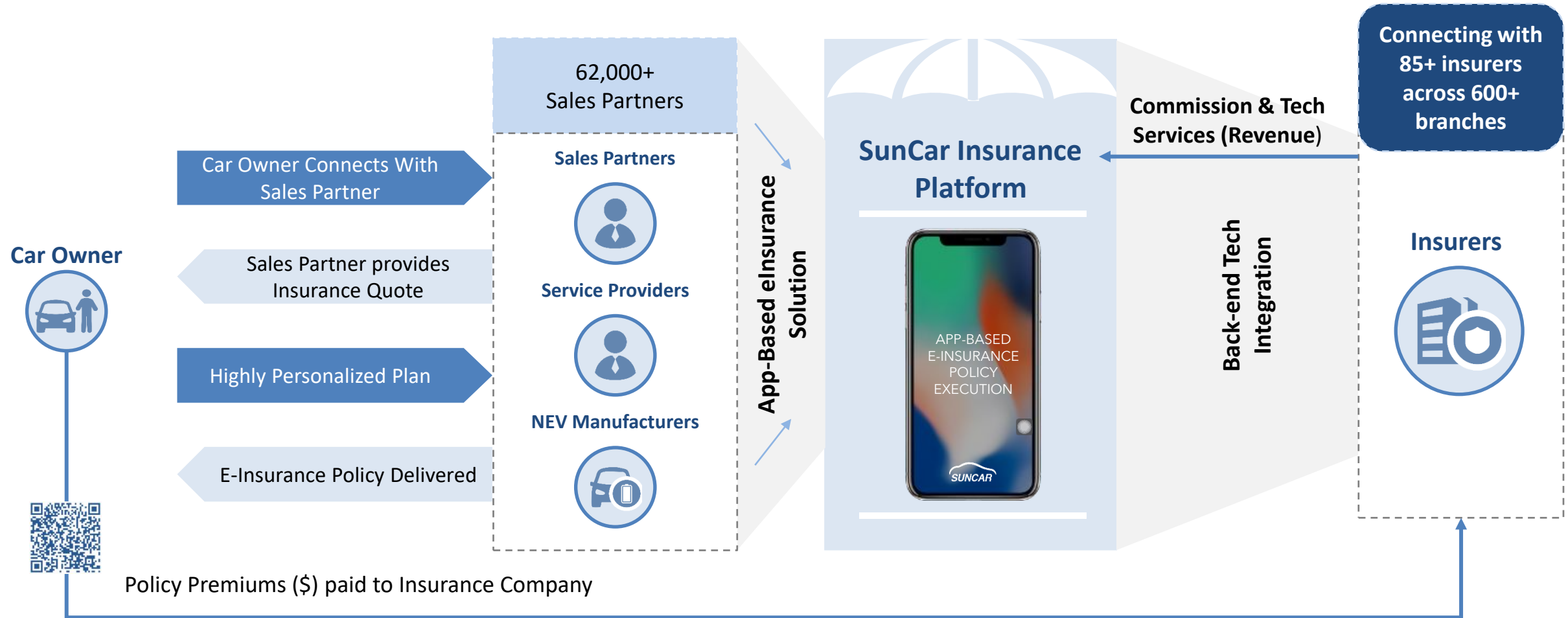
(2) Total eInsurance revenue includes SaaS and Technology Services

(3) YoY Growth is based on USD revenue for 6-month ending June 2022 and 6-month ending June 2023

SunCar's Platform Offers Complete Insurance Lifecycle



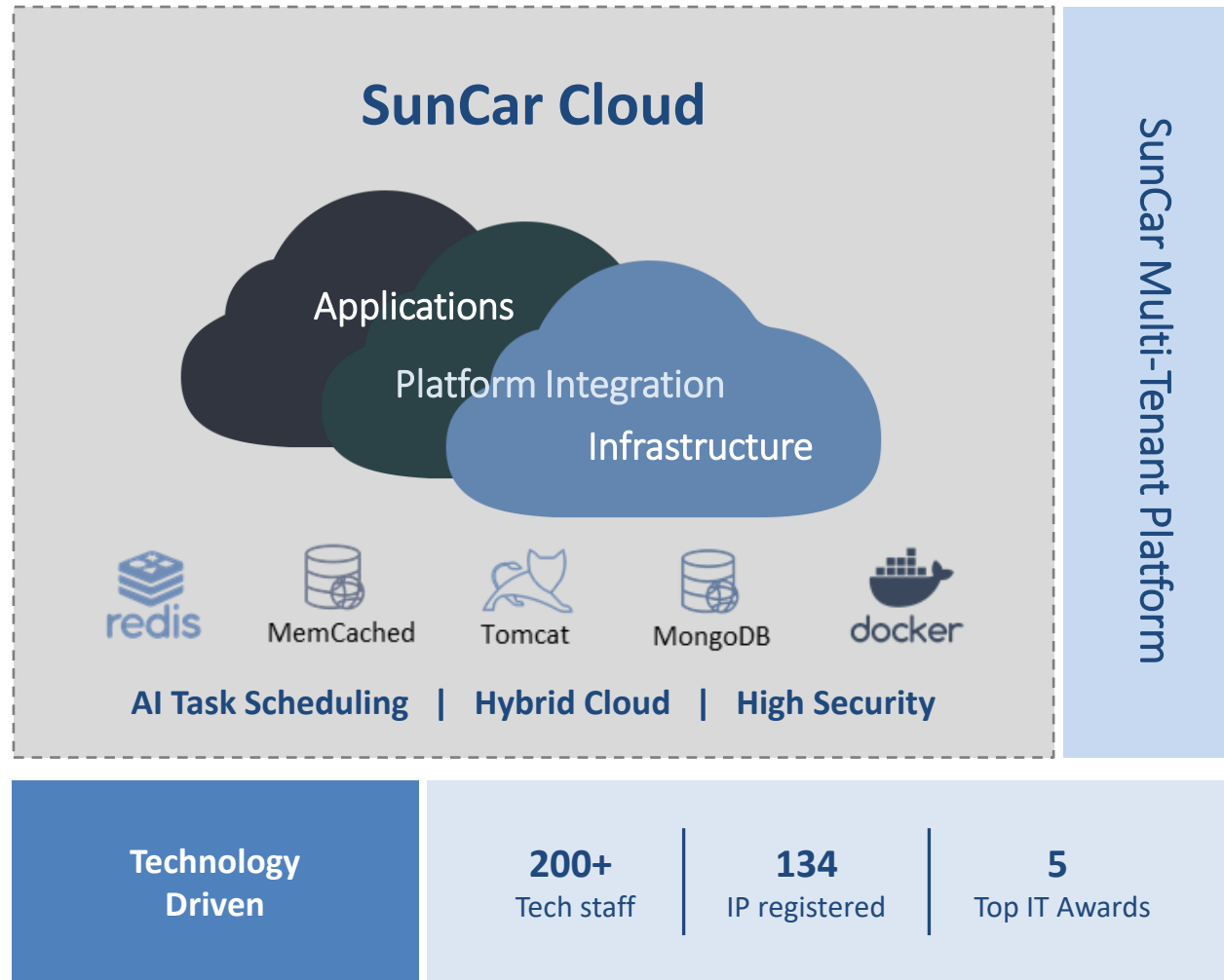
SunCar Auto eInsurance Platform –Business Model



****SunCar does not underwrite Auto Insurance and hence has zero risk and exposure to Auto Insurance losses***

Note: Operating metrics as of December 2023

SunCar's Modern Technology Stack



▶ Enterprise Clients

API docking, front-end plug-in and module integration



▶ OEM and Emerging NEV Companies

Innovative and full-service car owner interface



▶ Internal Operation Staff

Automated, comprehensive, data driven operation platform



▶ Service Providers

User friendly, high efficiency management and operation tools



Managing Complexity – 40+ sub systems, 700+ customized service package, 1,100+ APP connected

Highly Configurable – infrastructure and backend solution provided by SunCar to enterprise clients for seamless plug-and-play

Note: Non-financial metrics as of December 2023

eInsurance Business Segments



Insurance Renewal for Registered Cars

- Auto eInsurance renewal for ~2M+ cars as of LTM June 2023 through partnership with 62K+ sales partners

New Cars / New Electric Vehicles (NEVs)


- High growth segment offering eInsurance for NEVs through manufacturer partnerships
- ~125% revenue CAGR from 2021 to LTM June 2023

SaaS & Technology Services

- Insurance SaaS & Technology Service for large insurance companies with revenue growing at ~190% CAGR from 2021 to LTM June 2023

Note: Non-financial metrics as of December 2023

New Car / NEV Insurance Driving Significant Growth

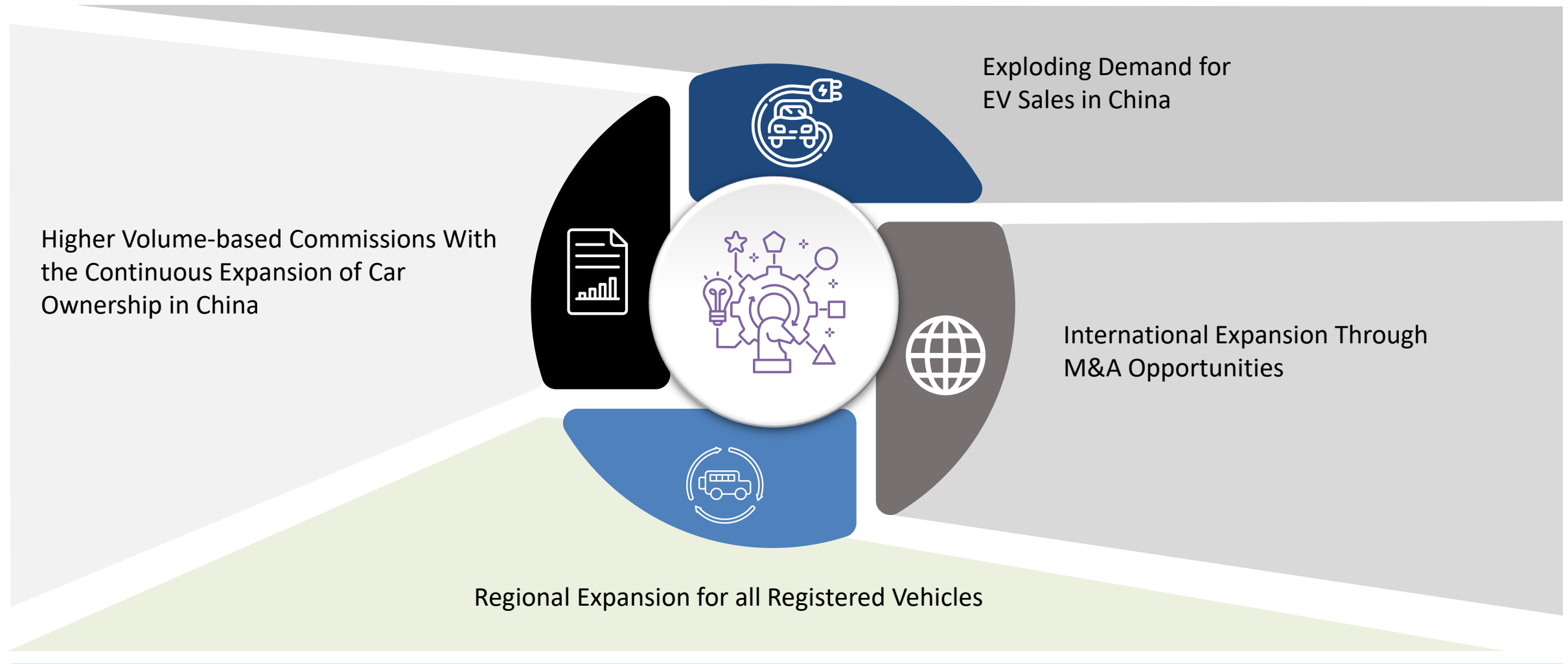
NEV OEM Sales Partners Overview			EV Company 1	EV Company 2
<ul style="list-style-type: none"> Engaging with mainstream NEV clients Direct cooperation with NEV manufacturing clients providing a full-spectrum Insurance solution 				
Select NEV Manufacturing Sales Partners		Sales Partner Description	Top 10 Largest Chinese EV Provider ⁽¹⁾	Top 10 Largest Chinese EV Provider ⁽¹⁾
		Service Overview	Auto eInsurance for NEVs	Auto eInsurance for NEVs
		Land	Relationship Started in 2020	Relationship Started in 2021
		Expand	~367k cars in 2023	~100k cars in 2023
		SunCar Revenue Growth (2021-2023) ⁽²⁾	~290%	~200%

Note: Non-financial metrics as of December 2023

(1) The China Project: <https://thechinaproject.com/2023/05/18/chinas-top-15-electric-vehicle-companies/>

(2) Revenue growth based on USD revenue for the period 2021 – 2023

Insurance Growth Strategy



Financial Summary



Annual P&L



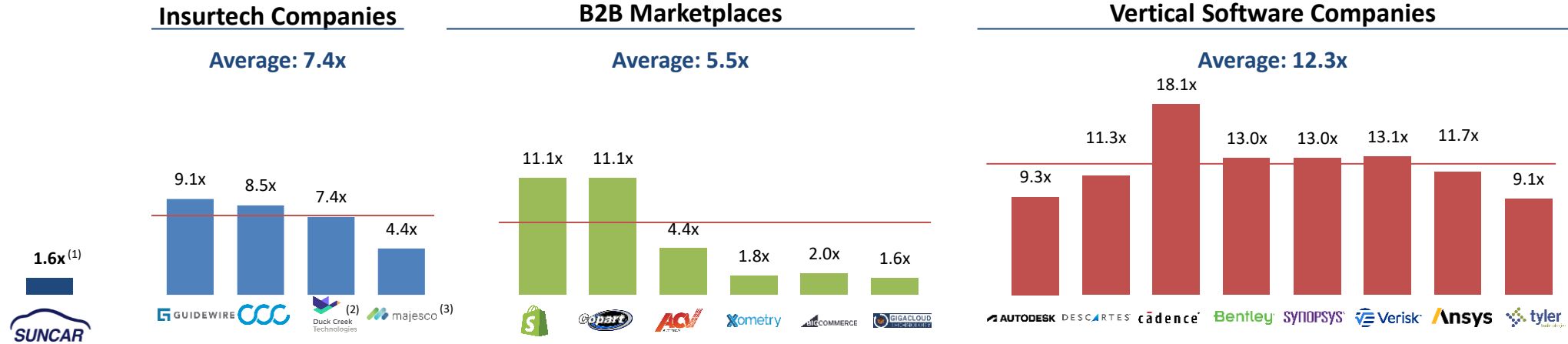
(\$ in millions)	FY2021A	FY2022A	LTM June 2023
Revenue			
Auto Services	\$188	\$199	\$208
Auto eInsurance Business	\$61	\$83	\$109
<i>Insurance Intermediation Service</i>	\$57	\$68	\$86
<i>Technology services</i>	\$5	\$15	\$23
Total Revenue	\$249	\$282	\$317
<i>Revenue YoY Growth %</i>	<i>4.3%</i>	<i>13.3%</i>	<i>21.6%</i>
Operating costs and expenses			
Integrated service cost	(\$157)	(\$167)	(\$178)
Promotional service expenses	(55)	(66)	(87)
Selling expenses	(13)	(16)	(22)
General and administrative expenses	(10)	(38)	(37)
Research and development expenses	(4)	(8)	(11)
Total Operating Costs and Expenses	(\$239)	(\$295)	(\$334)
Operating Profit	\$10	(\$13)	(\$17)
Other income, net	0	2	1
Profit before Income Tax	\$11	(\$11)	(\$16)
Income tax expense	(1)	(0)	(0)
Income from Continuing Operations, net	\$10	(\$11)	(\$16)
Net loss from discontinued operations, net of tax	(28)	(1)	0
Net Profit	(\$18)	(\$12)	(\$16)
Foreign currency translation difference	1	(2)	(3)
Total Comprehensive Income (loss)	(\$17)	(\$14)	(\$19)

- ✓ The Auto Services business is recovering from the aftermath of COVID-19 and sluggish return-to-office rate
- ✓ eInsurance has been fast growing fueled by the rapid adoption of electric vehicles in China as well as Company's strong relationship with NEV OEMs
- ✓ Promotional service expenses have been steadily increasing as Company continues to capture market share and support the onboarding of new customers
- ✓ The steady increase in R&D expenses reflects the Company's continuous efforts in investing and building the auto services and eInsurance platform to drive customer acquisition and retention, as well as future revenue growth
- ✓ Low CapEx business model creates room for margin expansion and ensures capital efficiency

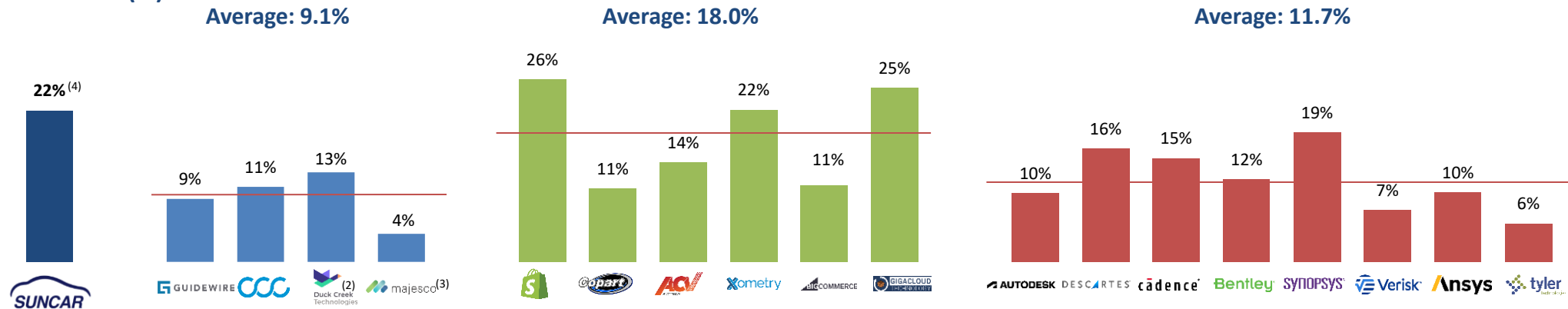
Note: Public filings

Valuation & Growth Benchmarking

EV/2024E Revenue



LTM Growth Rate⁽⁵⁾ (%)



Note: Capital IQ

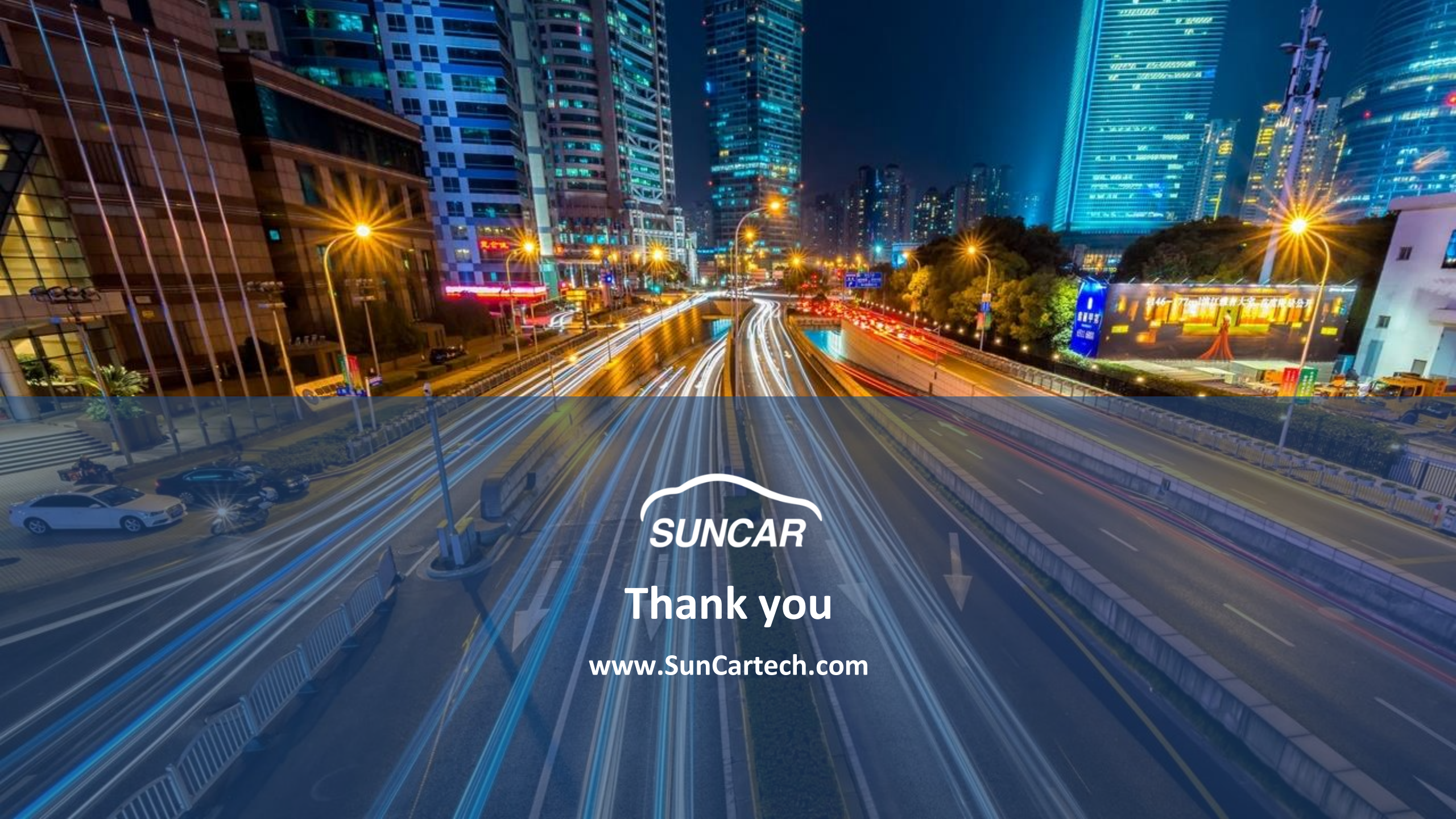
(1) 2024 revenue estimated based on 2021-2023 LTM Ending June 2023 revenue CAGR of 17%

(2) Data as of 3/29/2023 before Duck Creek went private

(3) Data as of 9/21/2020 before Majesco went private

(4) LTM growth rate as of 6/30/2023

(5) Comp group growth rates based on LTM as of most recent filing



Thank you

www.SunCartech.com