



SunCar Technology Reports Third Quarter 2025 Results

December 18, 2025

NEW YORK, Dec. 18, 2025 (GLOBE NEWSWIRE) -- SunCar Technology Group Inc. (the "Company" or "SunCar") (NASDAQ: SDA), an innovative leader in AI cloud-based B2B auto eInsurance and auto services in China, today reported third quarter 2025 financial results for the quarter ended September 30, 2025.

Third Quarter 2025 Highlights

- Revenue for third quarter 2025 increased 6% to \$115.8 million, compared to \$109.6 million in third quarter 2024
- Net Income of \$1.4 million, a \$2.8 million increase compared to a net loss of \$1.4 million in the third quarter of 2024
- Adjusted EBITDA for the third quarter 2025 increased 128% to \$4.9 million compared to \$2.2 million for the third quarter of 2024
- **Tesla:** Successfully launched insurance business at authorized Tesla body repair centers. SunCar is partnering with Tesla to help the automaker penetrate third- and fourth-tier cities, offering better service without the need for delivery centers
- **NIO:** NIO leveraged the advantages of SunCar's order processing platform to reduce delivery times by 50% and lower the cost of vehicle deliveries
- **XPeng:** Collaborated with XPeng's branded stores on insurance renewals, helping to improve renewal rates at these stores
- **Li Auto:** Launched a successful online pilot program in Shanghai, Chongqing, Xinjiang, Qingdao, Inner Mongolia, and Anhui. Nationwide rollout of the program is planned for 2026

Management Commentary

"I'm proud of the team for achieving positive net income this quarter, a key milestone that underscores SunCar is growing profitably. Alongside our leadership in AI-powered auto insurance and services, this performance reflects a strong and scalable profit model. Our deep EV partner relationships—particularly our expanding AI co-development efforts with leaders like Tesla and Xpeng—continue to drive both growth and value creation," said Zaichang Ye, Chairman and CEO of SunCar.

Insurance Review

- **Tesla:** Successfully launched insurance business at authorized Tesla body repair centers. SunCar is partnering with Tesla to help the automaker penetrate third- and fourth-tier cities, offering better service without the need for delivery centers in those cities
- **NIO:** Leveraged the SunCar platform's innovative order processing technology to reduce delivery times by 50% and lower the cost of vehicle deliveries
- **XPeng:** Collaborated with XPeng's branded stores on insurance renewals, dramatically improving the renewal rates at these stores
- **Li Auto:** Launched successful online insurance pilot programs in Shanghai, Chongqing, Xinjiang, Qingdao, Inner Mongolia, and Anhui with nationwide rollout planned for 2026
- **Leapmotor:** SunCar's system usage increased as Leapmotor expanded its rollout of SunCar's solution from directly operated stores to dealer partner stores.
- **Xiaomi:** Collaborated with Xiaomi to create a new insurance/renewal customer service process, jointly setting an industry benchmark for EV customer service
- **Huawei:** HIMA has completed internal testing and successfully completed testing of SunCar's platform on the HarmonyOS app. The next phase will be full-scale commercial deployment.
- **Strengthened Property & Casualty ("P&C") Relationships:** Continued to strengthen P&C partnerships, signing strategic cooperation agreements with Huatai P&C Insurance and Bohai P&C Insurance
- **Insurance Agency Acquisitions:** Completed the acquisition of Jiayi Auto Insurance and initiated the acquisition of Dalian

Jinhainiu Insurance, expanding the Company's regional coverage and business development efforts.

Auto Services Review

- **Strawberry Music Festival:** SunCar was contracted to provide VIP transport services for artists at the Strawberry Music Festival, the largest music festival in China. This contract marks the beginning of a strategic partnership with Strawberry. It highlights SunCar's nationwide service capabilities and expertise working with event management customers. The customer will hold 25 events across China in 2026. The contract is estimated to be worth approximately \$3 million per year for the next 3 years.
- **China Resources Group:** SunCar managed concierge chauffeur services for the first nationwide event launched by China Resources Group. The Company received praise from both partners and clients, successfully supporting the first roll-out of the customer's high-end concierge services.
- **CAR Inc("CAR"):** SunCar signed a strategic partnership with CAR to jointly develop the SMB market
- **Zheshang Bank:** SunCar was selected to provide global business travel privileges for VIP clients of the Bank, with the project officially launching in December.

Integrated Services

SunCar is gradually realizing synergies between its Auto Insurance and Auto Services segments. Below are examples of two projects awarded because the Company offers integrated Auto Insurance and Auto Services:

- **China Life P&C:** Auto Services won its first bid for the non-accident roadside assistance service project at China Life's headquarters, with the opportunity to sign additional cooperation agreements with provincial branches of China Life P&C for in-policy roadside assistance services.
- **PICC and Ping An:** The Company initiated the technical integration process for chauffeur services with the headquarters of PICC and Ping An. PICC's chauffeur service went live in July 2025 and Ping An P&C's service will go live by the end of 2025. These agreements may expand into future cooperation with the provincial branches of PICC and Ping An.

AI Product Development

SunCar continues to integrate ByteDance's Doubao LLM into its database of 60 million vehicles, creating new AI-powered applications for its partners. These applications include dynamic policy pricing, claims risk assessment, predictive maintenance, service provider ratings, image and video analytics, and driver data analytics.

Third Quarter 2025 Financial Results

- Net Income of \$1.4 million for the three months ended September 30, 2025, a \$2.8 million increase compared to a net loss of \$1.4 million for the same period in 2024.
- Revenue increased by 6% to \$115.8 million for the three months ended September 30, 2025, compared to \$109.6 million for the same period in 2024. Revenue for the first nine months of September 2025 increased 8% to \$338.1 million, compared to \$312.7 million for the first nine months of 2024
- Auto Insurance revenue increased by 13% to \$51.4 million for the three months ended September 30, 2025, compared to \$45.4 million in the prior-year period, driven by a higher volume of insurance policies sold through SunCar's platform
- Technology Services revenue increased by 0.4% to \$12.2 million for the three months ended September 30, 2025, compared to \$12.2 million in the third quarter of 2024.
- Auto Services revenue increased slightly to \$52.2 million for the three months ended September 30, 2025, compared to \$52.1 million for the same period last year.
- Operating costs and expenses increased to \$112.9 million in the third quarter of 2025, from \$109.4 million in the third quarter of 2024.
- Integrated service costs rose to \$52.8 million for the third quarter of 2025, from \$51.2 million in the prior-year quarter.
- Promotional service expenses increased to \$51.0 million for the third quarter of 2025, from \$42.7 million in the third quarter of 2024, reflecting continued investments to drive market expansion.
- Selling expenses decreased to \$4.9 million for the three months ended September 30, 2025, compared to \$10.5 million in the prior-year period, primarily due to a decrease in marketing and distribution expenses.
- General and administrative expenses decreased to \$2.5 million, from \$3.5 million in the third quarter of 2024.

- Research and development expenses grew to \$1.7 million, up from \$1.4 million in the third quarter of 2024, reflecting continued investment in product development and technology enhancement.
- Operating profit increased to \$2.9 million in the third quarter of 2025, compared to \$0.2 million in the prior-year period.
- Adjusted EBITDA, a non-GAAP metric that excludes certain non-recurring and non-cash items, is helpful in evaluating our operational performance alongside GAAP metrics. Adjusted EBITDA for the third quarter of 2025 increased 128% to \$4.9 million, compared to \$2.2 million in the third quarter of 2024.

Net Income (Loss) and Adjusted EBITDA

The Company believes that Adjusted EBITDA, as defined below, is useful in evaluating our operational performance distinct and apart from certain expenses that may not be indicative of our recurring core business operating results and non-operational expenses. Adjusted EBITDA is defined as Net loss adjusted for depreciation and amortization, financial expenses, net, investment income, other non-recurring income, net, income tax benefit, share-based compensation, and non-recurring expenses related to capital raises.

Net Loss Margin is defined as net loss divided by total revenues, and Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by total revenues.

The following tables reconcile Net loss to Adjusted EBITDA for the nine months ended September 30, 2024 and 2025.

	For the nine months ended September 30,	
	2024	2025
	(In thousands)	
Net loss	\$ (61,573)	\$ (4,126)
Depreciation and amortization	3,320	4,622
Financial expenses, net	3,463	3,143
Investment income	(418)	(358)
Other non-recurring (income)/loss, net	(769)	2,208
Income tax expense	931	840
Share-based compensation (1)	63,161	1,117
Transaction fees (2)	79	15
Adjusted EBITDA	\$ 8,194	\$ 7,461
Net loss Margin	-19.7%	-1.2%
Adjusted EBITDA Margin	2.6%	2.2%

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 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 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: Mr. Breaux Walker

Email: IR@suncartech.com

Legal: Ms. Li Chen

Email: chenli@suncartech.com

U.S. Investor Relations

Tom Cook
Managing Director
ICR
Email: Tom.Cook@icrinc.com

SOURCE SunCar Tech

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, 2024	As of September 30, 2025
ASSETS		
Current assets		
Cash	\$ 26,865	\$ 23,704
Restricted cash	2,647	2,789
Short-term investments	20,985	21,643
Accounts receivable, net	75,605	75,338
Prepaid expenses and other current assets, net	70,171	96,572
Total current assets	196,273	220,046
Non-current assets		
Long-term investment	274	281
Property, software and equipment, net	27,664	24,768
Deferred tax assets, net	10,453	11,355
Other non-current assets	11,458	17,289
Right-of-use assets	606	237
Total non-current assets	50,455	53,930
TOTAL ASSETS	\$ 246,728	\$ 273,976
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term loan	\$ 83,597	\$ 87,540
Accounts payable	56,812	65,977
Deferred revenue	2,421	2,285
Tax payable	1,361	2,195
Accrued expenses and other current liabilities	5,792	7,609
Amount due to related parties, current	6,238	6,671
Operating lease liability, current	544	137
Total current liabilities	156,765	172,414
Non-current liabilities		
Operating lease liability, non-current	21	32
Amount due to a related party, non-current	22,761	11,813
Warrant liabilities	947	947
Total non-current liabilities	23,729	12,792
Total liabilities	\$ 180,494	\$ 185,206
Commitments and contingencies (Note 17)		
Shareholders' equity		
Class A Ordinary shares (par value of US\$0.0001 per share; 400,000,000 Class A Ordinary shares authorized as of December 31, 2024 and September 30, 2025, respectively; 51,845,493 and 51,645,493 Class A Ordinary shares issued and outstanding as of December 31, 2024, respectively; 59,208,351 and 55,569,794 Class A Ordinary shares issued and outstanding as of September 30, 2025, respectively)	\$ 5	\$ 6

Class B Ordinary shares (par value of US\$0.0001 per share; 100,000,000 Class B December 31, 2024 and September 30, 2025, respectively; 46,659,565 and 46,439,565 Class B Ordinary shares issued and outstanding as of December 31, 2024 and September 30, 2025, respectively)

	5	5
Additional paid in capital	208,701	233,369
Accumulated deficit	(195,387)	(202,872)
Accumulated other comprehensive loss	(1,432)	(1,376)
Total SUNCAR TECHNOLOGY GROUP INC's shareholders' equity	11,892	29,132
Non-controlling interests	54,342	59,638
Total shareholders' equity	66,234	88,770
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 246,728	\$ 273,976

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

	For the nine months ended September 30,	
	2024	2025
Revenues		
Auto eInsurance service	\$ 119,108	\$ 149,243
Technology service	34,046	36,549
Auto service	159,555	152,292
Total revenues	312,709	338,084
Operating cost and expenses		
Integrated service cost	(158,843)	(154,286)
Promotional service expenses	(113,845)	(145,109)
Selling expenses	(20,683)	(15,867)
General and administrative expenses	(44,079)	(17,678)
Research and development expenses	(33,625)	(3,437)
Total operating costs and expenses	(371,075)	(336,377)
Operating (loss)/income	(58,366)	1,707
Other expenses		
Financial expenses, net	(3,463)	(3,143)
Investment income	418	358
Other income/(expense), net	769	(2,208)
Total other expenses, net	(2,276)	(4,993)
Loss before income tax expense	(60,642)	(3,286)
Income tax expense	(931)	(840)
Net loss	(61,573)	(4,126)
Less: Net income attributable to non-controlling interests	3,174	3,359
Net loss attributable to the Company's ordinary shareholders	(64,747)	(7,485)
Net loss per ordinary share		
Basic and diluted	\$ (0.68)	\$ (0.07)
Weighted average shares outstanding used in calculating basic and diluted loss per share		
Basic and diluted	95,221,846	102,106,309
Other comprehensive loss		
Foreign currency translation difference	813	1,577
Total other comprehensive loss (income)	813	1,577
Total comprehensive loss	(60,760)	(2,549)

Less: total comprehensive income attributable to non-controlling interest	3,900	4,880
Total comprehensive loss attributable to the SUNCAR TECHNOLOGY GROUP INC's shareholders	\$ (64,660)	\$ (7,429)

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)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, software and equipment	(564)	(256)
Proceeds from disposal of property, software and equipment	43	1
Purchase of short-term investment	(21,265)	(358)
Proceeds from the redemption of short-term investment	21,335	234
Repurchase of non-controlling interests	-	(2,214)
Purchase of other non-current assets	(9,341)	(6,420)
Total net cash used in investing activities	(9,792)	(9,013)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from short-term loan	79,943	86,633
Repayments of short-term loan	(80,569)	(84,833)
Repayments of payables to a related party	(1,699)	(11,398)
Shares repurchase	-	(15,760)
Proceeds from issuance of ordinary shares, net of issuance cost	-	41,631
Total net cash provided by financing activities	(2,325)	16,273

Effect of exchange rate changes	329	793
Net change in cash and restricted cash	(10,606)	(3,019)

Cash and restricted cash, beginning of the year	\$ 33,595	\$ 29,512
Cash and restricted cash, end of the year	\$ 22,989	\$ 26,493

Reconciliation of cash and restricted cash to the unaudited condensed consolidated balance sheets:

Cash	\$ 20,239	\$ 23,704
Restricted cash	\$ 2,750	\$ 2,789
Total cash and restricted cash	\$ 22,989	\$ 26,493

Supplemental disclosures of cash flow information:

Income tax paid	\$ 778	\$ 679
Interest expense paid	\$ 2,816	\$ 2,636

Supplemental disclosures of non-cash flow information:

Obtaining right-of-use assets in exchange for operating lease liabilities	\$ 93	\$ 156
Prepaid financing expense related to issuance of GEM Warrants	\$ 987	\$ 382
Decrease of accrued expenses and other current liabilities due to vest of restricted shares	\$ 311	\$ 311
Repayments of payables to a related party	\$ 4,503	\$ -