



# CHECHE GROUP

Fourth Quarter & Full Year Ended 2023  
Earnings Presentation

*Technology Enables Better Lives*



# SAFE HARBOR STATEMENT

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This presentation includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “estimate,” “plan,” “project,” “forecast,” “intend,” “will,” “expect,” “anticipate,” “believe,” “seek,” “target” or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters.

These forward-looking statements also include, but are not limited to, statements regarding projections, estimates, and forecasts of revenue and other financial and performance metrics, projections of market opportunity and expectations, the Company’s ability to scale and grow its business, the Company’s advantages and expected growth, and its ability to source and retain talent, as applicable. These statements are based on various assumptions, whether or not identified in this presentation, and on the current expectations of the Company’s management and are not predictions of actual performance. These statements involve risks, uncertainties, and other factors that may cause the Company’s actual results, levels of activity, performance, or achievements to be materially different from those expressed or implied by these forward-looking statements. Further information regarding these and other risks, uncertainties, or factors is included in the Company’s filings with the U.S. Securities and Exchange Commission. Although the Company believes that it has a reasonable basis for each forward-looking statement contained in this presentation, the Company cautions you that these statements are based on a combination of facts and factors currently known and projections of the future, which are inherently uncertain. The forward-looking statements in this presentation represent the views of the Company as of the date of this presentation. Subsequent events and developments may cause those views to change. Except as may be required by law, the Company does not undertake any duty to update these forward-looking statements.

# CHECHE AT A GLANCE



**LARGEST**



**Independent Technology** Platform for Auto Insurance Services Transactions<sup>1</sup>

**NATIONWIDE**



**110+** branches in **25** Provinces

**~ 16Million**



Policies Issued<sup>5</sup> for 2023 and **~100** Insurers in network<sup>3</sup>

**MASSIVE TAM**



In **Digital Transformation**

**LEADING**



Provider of **EV embedded** solutions in the industry<sup>2</sup>

**~44 Million**



Vehicles Covered Quoted<sup>3</sup> and **>1.1M** Referral Partners<sup>4</sup>

**>\$6 Billion**



Cumulative **written premiums** placed from 2021 to Q4 2023

**1,900+**



Commission agreements with **top insurer** branches<sup>6</sup>



1. In terms of total insurance premiums in 2021, based on market share of independent technology-empowered platforms for auto insurance transaction services in 2020 reported by iResearch.

2. As of December 31, 2023, Cheche had 10 partnerships with NEV manufacturers, one of the largest in the industry.

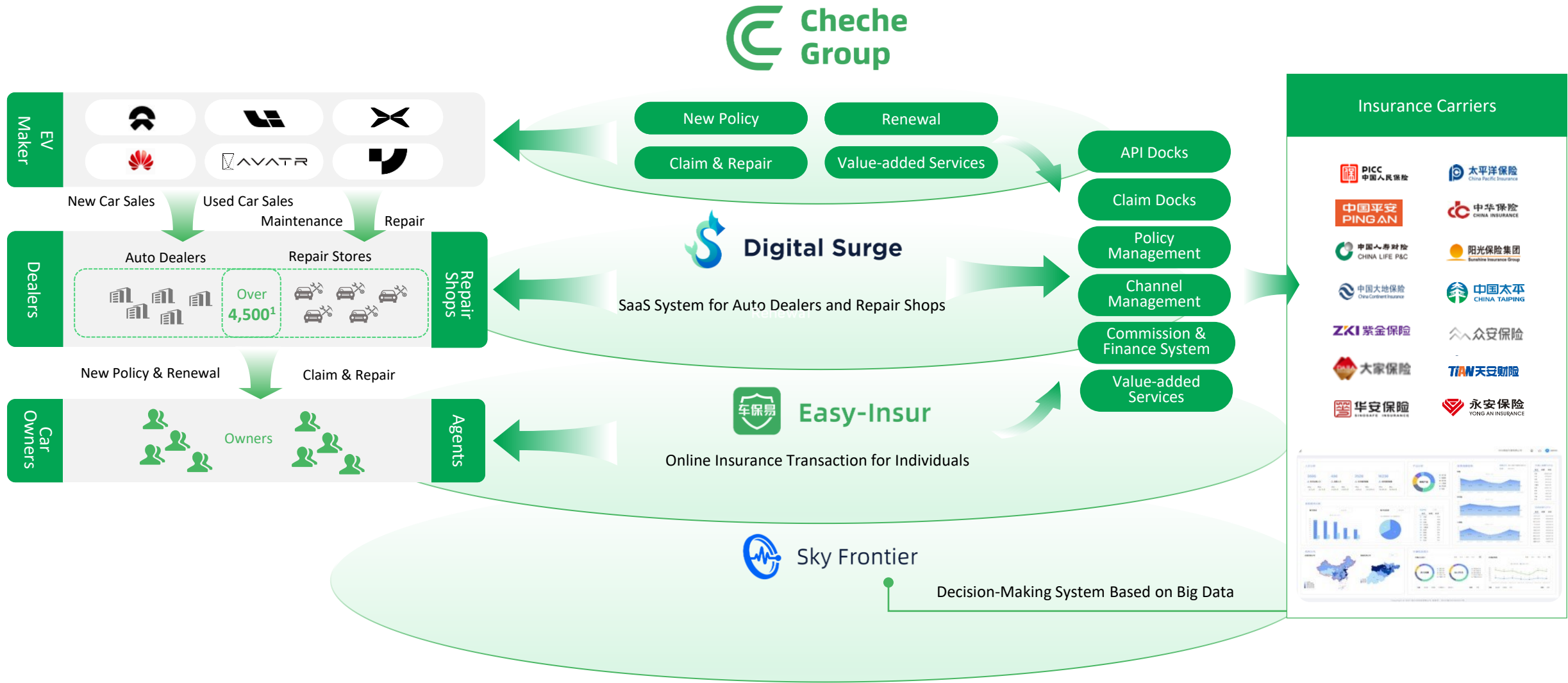
3. As of June 30, 2023

4. As of December 31, 2023

5. Number of policies includes both mandatory and commercial policies which were issued separately during 2023.

6. As of September 30, 2023

# ONE-STOP INSURANCE SOLUTIONS



1. Number as of September 30, 2023



## 1 EV INSURANCE SOLUTIONS 2.0

**Mobile App for Owners**

New Policy	Renewal
One-Click Claim	Claim and Repair
Product Packages	Value-added Services

**Customized Service for Makers**

Tech	C&A Transaction System	Rule Engine
	Quote Platform	
Operation	Agreement Management	User Operation
	Capacity Management	Data Analysis
License	License and Agreement Service	

**Product Capability**

System Construction	Business Operation
Interface O&M	Intelligent Claims

**Product Innovation**

Insured Autonomous Driving	Intellectual Online Vehicles
Safety Test System	Liability Insurance for Battery

## 2 SAAS PLATFORM FOR INTERMEDIARIES

**Compliance & Leverage Operation**

**Front-End**

Mobile Promotion	User Operation	Channel Operation
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**Back-End**

Business	Settlement	Security
Organization	Reports	.....

**Users**

## 3 DIGITAL INSURANCE TRANSACTION PLATFORM

**Nationwide Insurance Agency License**

**Dock Major P&C Carriers**

**70<sup>+</sup> Auto & Non-Auto Products**

**Nationwide Service Teams**

## 4 AI-DRIVEN DATA ANALYTICS SOLUTIONS

**AI Platform for Auto Insurance**

**Risk Management**

Compensation Ratio Prediction	Brand	Model	Age
Historical Compensation	VIN	Cases	Salvage
Historical Fraud	Refusal	Fraud	Total Loss

**Risk Model**

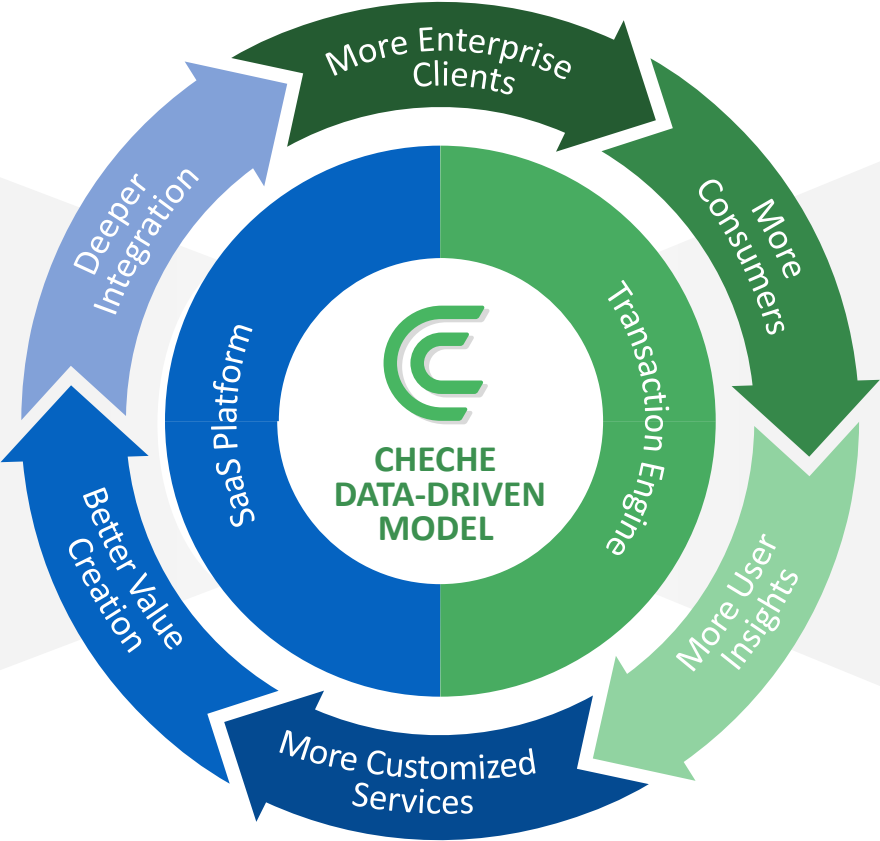
Recognize risk of fraud teams by information like claimer, policyholder, insured, driver, owner and location and recommends special attention to certain hazardous personnel

# UNIQUE VALUE PROPOSITION



## VALUE PROPOSITION FOR INSURERS AND INSURANCE INTERMEDIARIES

- Customer acquisitions at scale ✓
- Customer insights ✓
- Digitalized operations ✓
- SaaS and tools ✓
- Product innovation ✓



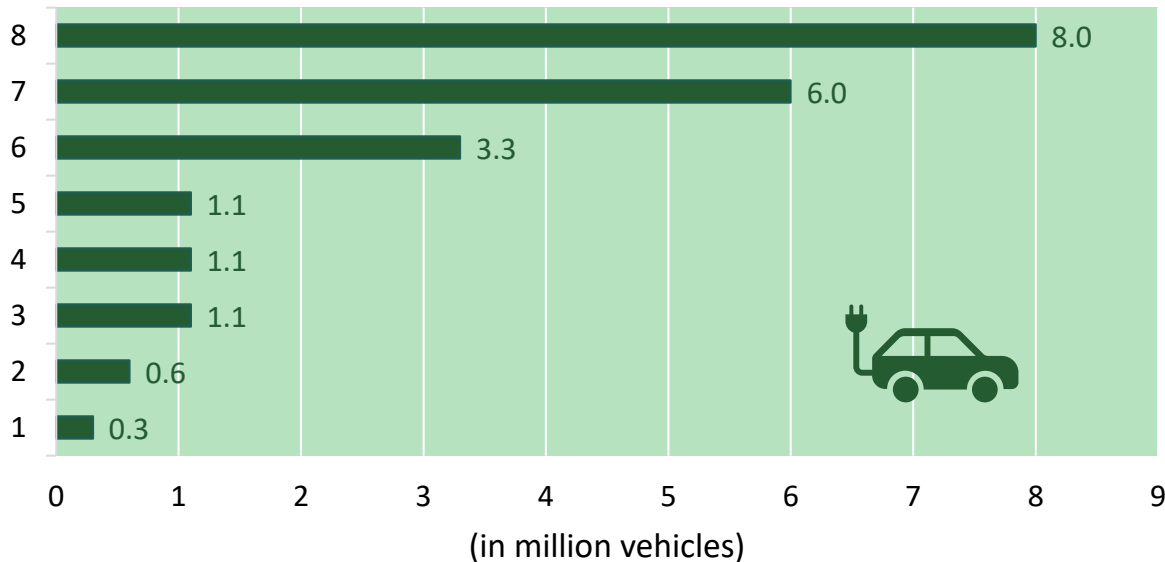
## VALUE PROPOSITION FOR CONSUMERS

- Broad consumer choice ✓
- Highly integrated into consumer touchpoints ✓
- Tailored recommendations ✓
- Customized pricing ✓
- Consumer focused education ✓

## Explosive Sales of NEVs

- Embedded auto insurance offerings create new revenue streams
- High cost of collisions increases risk to insurers
- Rich data stream enables risk and pricing optimization

## Electric Vehicle Sales in China<sup>1</sup>



## Government Policies Promote Reform

- Greater consumer choice and transparency
- Increased personalization of premiums to encourage social responsibility
- Reduced total cost of ownership for NEVs
- Increased compliance and coverage adequacy

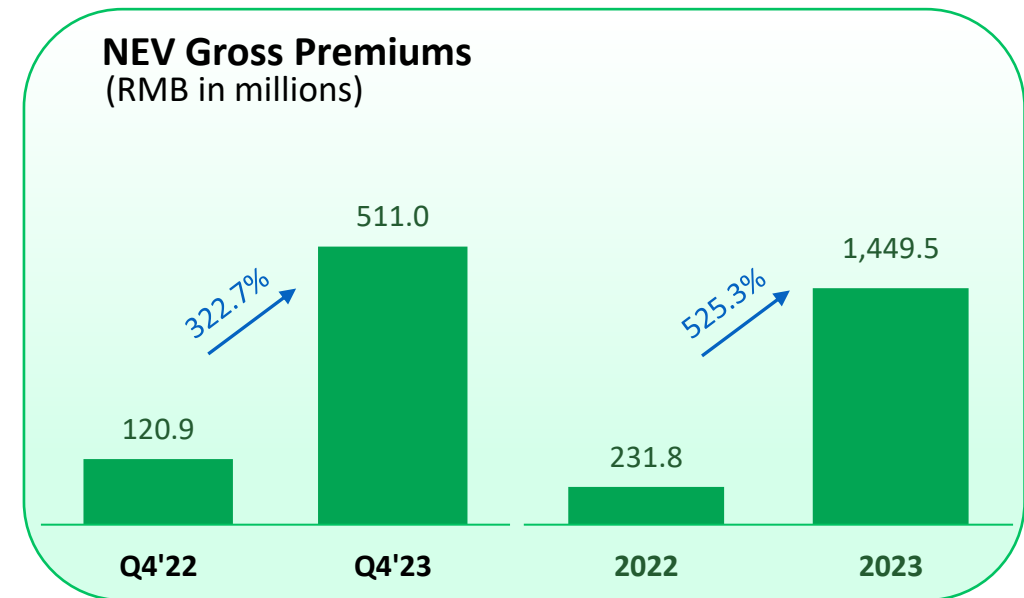
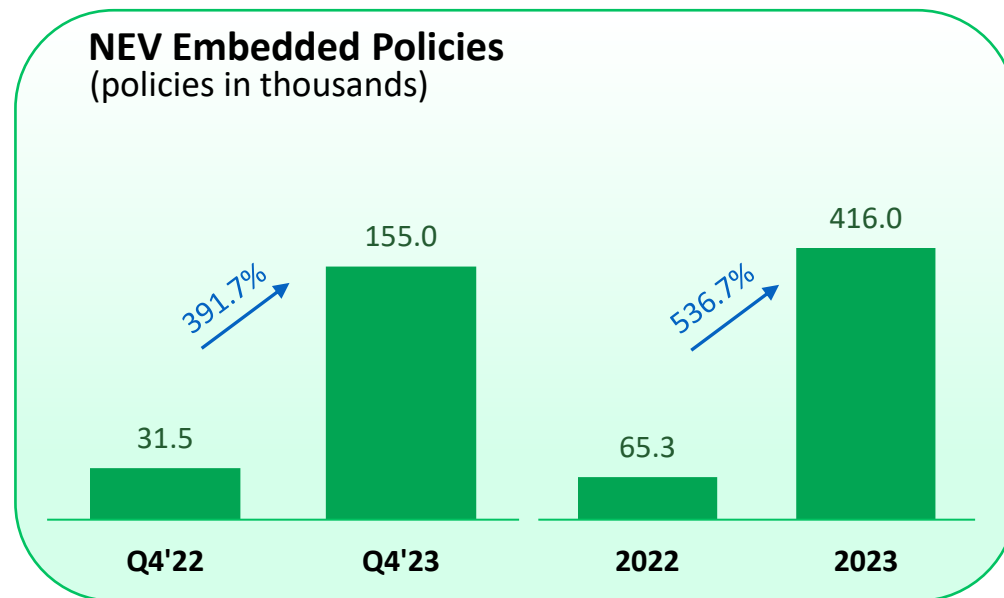
## Insurers & Intermediate Efficiency

- Dynamic underwriting and pricing driven by data
- Automation of claims management
- Reduction of fraudulent claims

1. International Energy Agency, <https://www.iea.org/energy-system/transport/electric-vehicles>

## New NEV Partnerships

- Leading provider of NEV embedded solutions in the industry.
- Cheche continues to capture market share with 10 partnerships as of December 31, 2023.
- During the quarter, over 155,000 policies were embedded in new car deliveries, while the premium scale exceeded RMB 511.0 million (US\$72.0 million) in the fourth quarter of 2023, a 391.7% and 322.7% increase year-over-year.

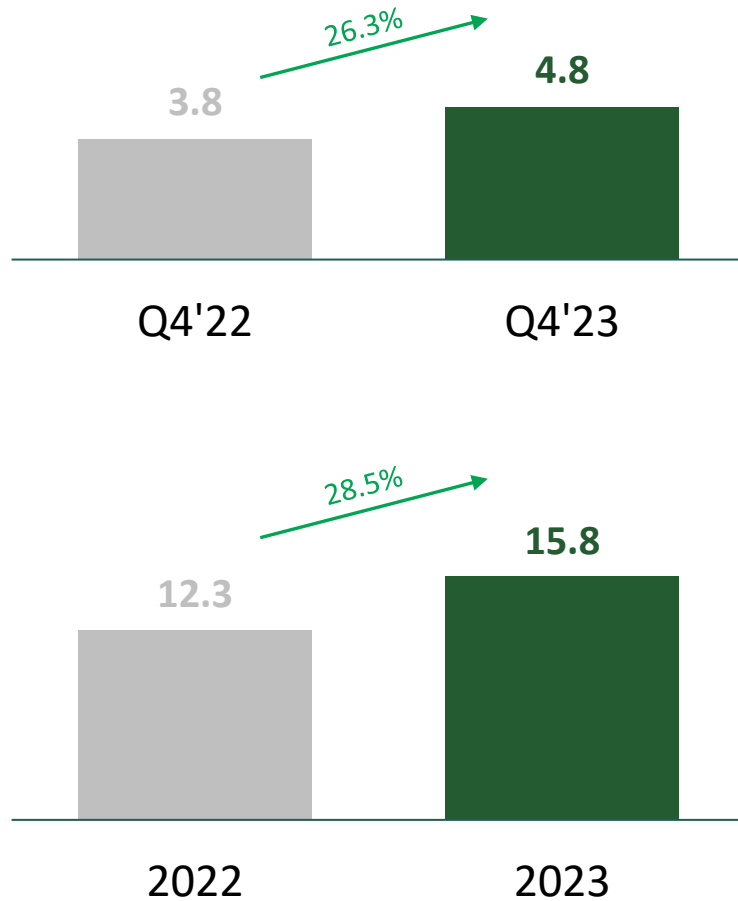




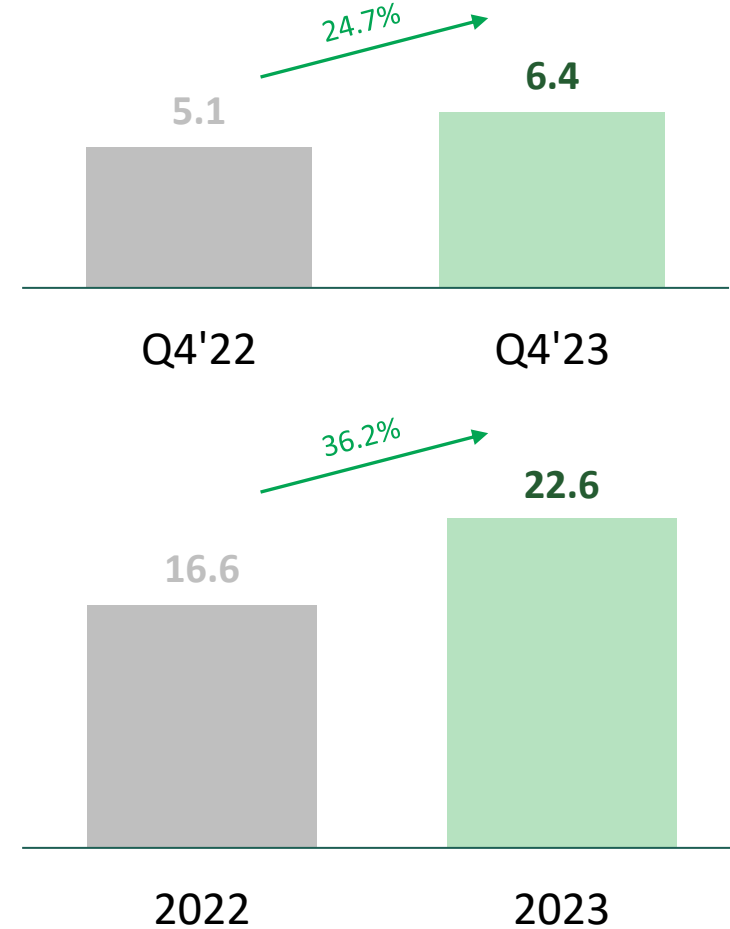
# Q4 AND 2023 BUSINESS GROWTH



### Policy Transaction Volume (policies in millions)



### Premium Transaction Scale (RMB in billions)



# Q4 FINANCIAL SUMMARY



	Three Months Ended December 31,		
	2022	2023	2023
	RMB	RMB	USD
<i>(in millions)</i>			
Net Revenues	773.9	867.8	122.2
Cost of Revenues	(726.9)	(824.4)	(116.1)
Operating Expense <sup>1</sup>	(61.3)	(92.0)	(13.0)
Net Loss	(2.1)	(32.0)	(4.5)
Adjusted Net Income / (Loss) <sup>2</sup>	4.2	(4.9)	(0.7)
Net Loss attributable to Cheche's ordinary shareholders	(56.3)	(32.0)	(4.5)
<i>(per share amounts)</i>			
Net Loss per ordinary share, basic and diluted	(1.77)	(0.42)	(0.06)
Adjusted Net Loss per ordinary share, basic and diluted <sup>2</sup>	(1.57)	(0.06)	(0.01)

1. Operating Expense in Q4 2023 included RMB 42.5m of share-based compensation expense with RMB 0.6m of selling and marketing expenses; RMB 41.8m of general and administrative expenses; and RMB 0.1m of research and development expenses. Operating expenses in Q4 2022 included RMB 5.4m of share-based compensation expenses with RMB 3.6m of selling and marketing expenses; RMB 1.7m of general and administrative expenses; and RMB 0.1m of research and development expenses.

2. Non-GAAP Measure. See the Appendix for the definition of each non-GAAP measure as well as the corresponding GAAP to Non-GAAP reconciliations.

# 2023 FINANCIAL SUMMARY



	Year Ended December 31,		
	2022	2023	2023
	RMB	RMB	USD
<i>(in millions)</i>			
Net Revenues	2,679.1	3,301.4	465.0
Cost of Revenues	(2,536.7)	(3,161.2)	(445.2)
Operating Expense <sup>1</sup>	(258.3)	(308.0)	(43.4)
Net Loss	(91.0)	(159.6)	(22.5)
Adjusted Net Loss <sup>2</sup>	(51.6)	(33.2)	(4.7)
Net Loss attributable to Cheche's ordinary shareholders	(279.3)	(921.8)	(129.8)
<i>(per share amounts)</i>			
Net Loss per ordinary share, basic and diluted	(8.79)	(20.30)	(2.86)
Adjusted Net Loss per ordinary share, basic and diluted <sup>2</sup>	(7.55)	(17.51)	(2.47)

1. Operating Expense for 2023 included RMB 109.8m of share-based compensation expense with RMB 30.7m of selling and marketing expenses; RMB 67.5m of general and administrative expenses; and RMB 11.6m of research and development expenses. Operating expense for 2022 included RMB 16.2m in share-based compensation expenses with RMB 9.1m of selling and marketing expenses; RMB 6.7m of general and administrative expenses; and RMB 0.4m of research and development expenses.

2. Non-GAAP Measure. See the Appendix for the definition of each non-GAAP measure as well as the corresponding GAAP to Non-GAAP reconciliations.

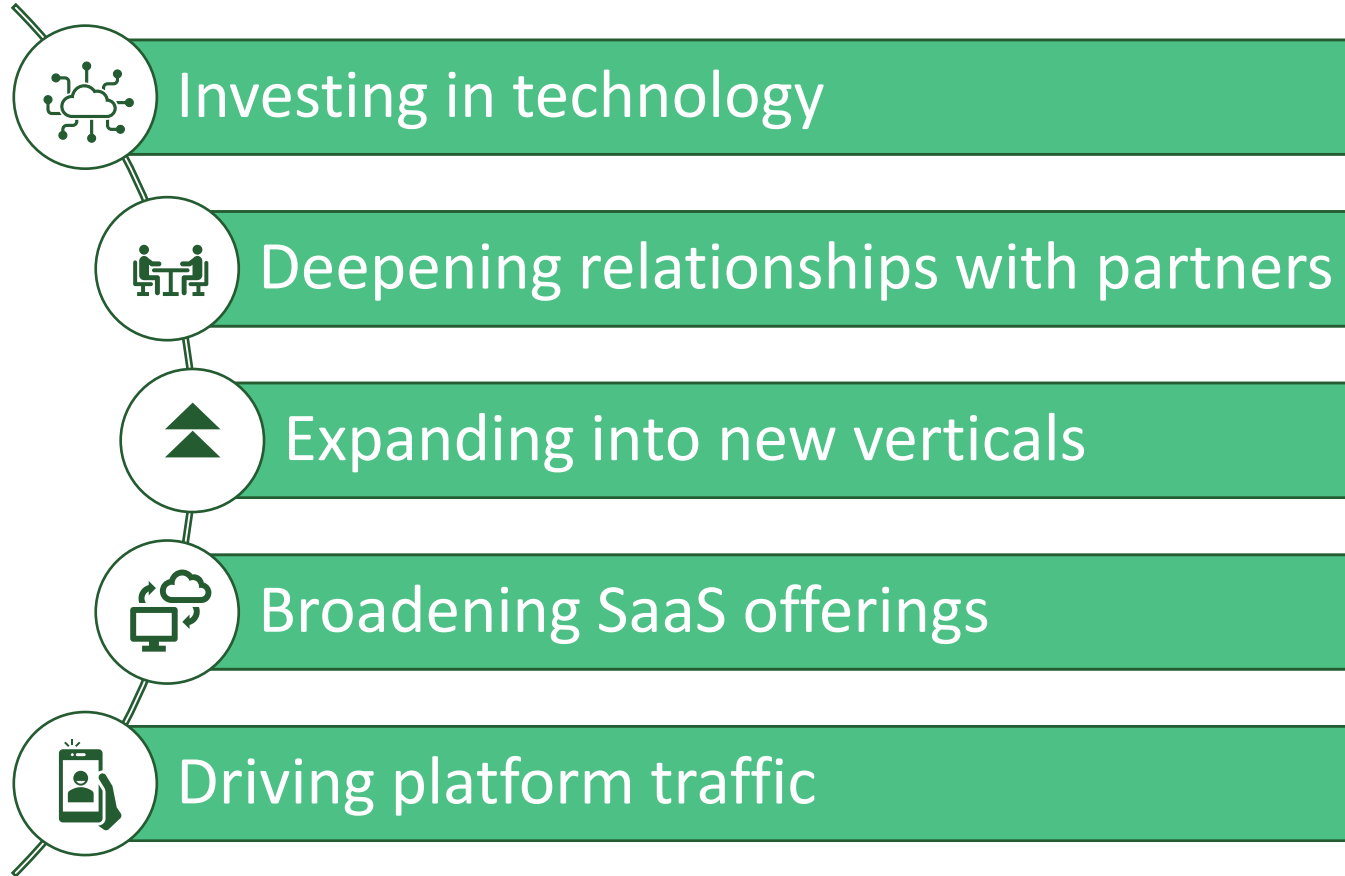
## Net Revenue

Expected to range from RMB3.5 billion to RMB3.7 billion, representing an increase of 6.1% to 12.1%, compared to the full year of 2023.

## Total Written Premiums Placed

Expected to range from RMB24.5 billion to RMB26.5 billion, representing an increase of 8.4% to 17.3%, compared to the full year of 2023.

# STRATEGIC GROWTH PILLARS





An aerial photograph of a winding asphalt road cutting through a dense, lush green forest. The road curves from the top left towards the right. A semi-transparent white rectangular box is centered over the road, containing the word "APPENDIX" in bold, black, uppercase letters. A small red car is visible on the road just below the text box.

# APPENDIX



# UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

(All amounts in thousands, except for share and per share data)

	December 31, 2022	December 31, 2023	December 31, 2023
	RMB	RMB	USD
<b>ASSETS</b>			
Cash and cash equivalents	114,945	243,392	34,281
Short-term investments	34,823	21,474	3,025
Accounts receivable, net	401,667	466,066	65,645
Prepayments and other current assets	44,412	49,321	6,947
Total current assets	595,847	780,253	109,898
Restricted Cash	5,000	5,000	704
Property, equipment and leasehold improvement, net	2,171	1,667	235
Intangible assets, net	10,150	8,050	1,134
Right-of-use assets	14,723	10,249	1,444
Goodwill	84,609	84,609	11,917
Other non-current assets	-	4,149	584
<b>Total non-current assets</b>	<b>116,653</b>	<b>113,724</b>	<b>16,018</b>
<b>Total assets</b>	<b>712,500</b>	<b>893,977</b>	<b>125,916</b>
<b>LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' DEFICIT</b>			
<b>Current liabilities:</b>			
Accounts payable	227,156	316,868	44,629
Short-term borrowings	-	20,000	2,817
Contract liabilities	888	4,295	605
Salary and welfare benefits payable	63,303	73,609	10,368
Tax payable	3,078	950	134
Accrued expenses and other current liabilities	40,888	25,759	3,628
Amounts due to related party	-	55,251	7,782
Short-term lease liabilities	7,676	3,951	556
Warrant	1,045	850	120
	<b>344,034</b>	<b>501,533</b>	<b>70,639</b>
<b>Non-current liabilities:</b>			
Deferred tax liabilities	2,538	2,013	284
Long-term lease liabilities	6,226	5,398	760
Amounts due to related party	59,932	-	-
Deferred revenue	1,432	1,432	202
Warrant	-	5,419	763
	<b>70,128</b>	<b>14,262</b>	<b>2,009</b>
<b>Total liabilities</b>	<b>414,162</b>	<b>515,795</b>	<b>72,648</b>
<b>Mezzanine equity</b>			
	<b>1,558,881</b>	<b>-</b>	<b>-</b>
Ordinary shares*	2	5	1
Treasury stock*	(1,025)	(1,025)	(144)
Additional paid-in capital	25	2,491,873	350,975
Accumulated deficit	(1,259,479)	(2,113,821)	(297,726)
	(66)	1,150	162
<b>Total Cheche's shareholders' (deficit)/equity</b>	<b>(1,260,543)</b>	<b>378,182</b>	<b>53,268</b>
<b>Total liabilities, mezzanine equity and shareholders'(deficit)/equity</b>	<b>712,500</b>	<b>893,977</b>	<b>125,916</b>

1. Shares outstanding for all periods reflect the adjustment for reverse recapitalization.

# Unaudited Condensed Consolidated Statements of Operations and Comprehensive Loss

(All amounts in thousands, except for share and per share amounts)

	For the Three Months Ended			For the Year Ended		
	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,
	2022	2023	2023	2022	2023	2023
	RMB	RMB	USD	RMB	RMB	USD
Net revenues	773,929	867,778	122,224	2,679,059	3,301,418	464,995
Cost of revenues	(726,866)	(824,432)	(116,119)	(2,536,746)	(3,161,193)	(445,245)
<b>Gross profit</b>	<b>47,063</b>	<b>43,346</b>	<b>6,105</b>	<b>142,313</b>	<b>140,225</b>	<b>19,750</b>
<b>Operating expenses:</b>						
Selling and marketing expenses	(32,387)	(24,707)	(3,480)	(138,970)	(111,454)	(15,698)
General and administrative expenses	(15,958)	(54,882)	(7,730)	(69,350)	(139,385)	(19,632)
Research and development expenses	(12,925)	(12,399)	(1,746)	(49,946)	(57,167)	(8,052)
<b>Total operating expenses</b>	<b>(61,270)</b>	<b>(91,988)</b>	<b>(12,956)</b>	<b>(258,266)</b>	<b>(308,006)</b>	<b>(43,382)</b>
<b>Other expenses:</b>						
Interest income	1,129	2,705	381	1,890	5,398	760
Interest expense	(391)	(575)	(81)	(3,303)	(1,446)	(204)
Foreign exchange gains/(losses)	3,440	2,719	383	13,409	(2,546)	(359)
Government grants	4,790	2,445	344	20,314	12,371	1,742
Changes in fair value of warrant	(96)	12,136	1,709	(196)	1,702	240
Changes in fair value of amounts due to related party	3,917	(2,602)	(366)	(6,451)	(7,524)	(1,060)
Others, net	(847)	(126)	(18)	(1,253)	(127)	(18)
<b>Loss before income tax</b>	<b>(2,265)</b>	<b>(31,940)</b>	<b>(4,499)</b>	<b>(91,543)</b>	<b>(159,953)</b>	<b>(22,531)</b>
Income tax credit	128	(23)	(3)	521	363	51
<b>Net loss</b>	<b>(2,137)</b>	<b>(31,963)</b>	<b>(4,502)</b>	<b>(91,022)</b>	<b>(159,590)</b>	<b>(22,480)</b>
Accretions to preferred shares redemption value	(54,142)	0	0	(188,271)	(762,169)	(107,349)
<b>Net loss attributable to the Cheche's ordinary shareholders</b>	<b>(56,279)</b>	<b>(31,963)</b>	<b>(4,502)</b>	<b>(279,293)</b>	<b>(921,759)</b>	<b>(129,829)</b>
<b>Net loss</b>	<b>(2,137)</b>	<b>(31,963)</b>	<b>(4,502)</b>	<b>(91,022)</b>	<b>(159,590)</b>	<b>(22,480)</b>
<b>Other comprehensive income/(loss):</b>						
Foreign currency translation adjustments, net of nil tax	(12,728)	(4,429)	(624)	8,207	1,621	228
Fair value changes of amounts due to related party due to own credit risk	(46)	(1)	0	(476)	(405)	(57)
<b>Total other comprehensive income/(loss)</b>	<b>(12,774)</b>	<b>(4,430)</b>	<b>(624)</b>	<b>7,731</b>	<b>1,216</b>	<b>171</b>
<b>Total comprehensive loss</b>	<b>(14,911)</b>	<b>(36,393)</b>	<b>(5,126)</b>	<b>(83,291)</b>	<b>(158,374)</b>	<b>(22,309)</b>
<b>Net loss per ordinary shares outstanding</b>						
Basic	(1.77)	(0.42)	(0.06)	(8.79)	(20.30)	(2.86)
Diluted	(1.77)	(0.42)	(0.06)	(8.79)	(20.30)	(2.86)
<b>Weighted average number of ordinary shares outstanding</b>						
Basic	31,780,394	75,439,487	75,439,487	31,780,394	45,415,205	45,415,205
Diluted	31,780,394	75,439,487	75,439,487	31,780,394	45,415,205	45,415,205



# NON-GAAP FINANCIAL MEASURES



Cheche has provided in this presentation non-GAAP financial measures that have not been prepared in accordance with generally accepted accounting principles in the United States (GAAP).

Cheche uses adjusted total operating expenses, adjusted net loss and adjusted net loss per share, which are non-GAAP financial measures, in evaluating our operating results and for financial and operational decision-making purposes.

Cheche defines adjusted total operating expenses as total operating expenses adjusted for the impact of share-based compensation and listing related professional service fees. Cheche defines adjusted net loss as net loss adjusted for the impact of share-based compensation expenses, amortization of intangible assets, and changes in fair value of amounts due to a related party related to the acquisition of Cheche Insurance Sales & Services Co., Ltd. (previously named Fanhua Times Sales and Service Co., Ltd), change in fair value of warrants, and listing related professional service fees. Adjusted net loss per share, basic and diluted, is calculated as adjusted net loss divided by weighted-average ordinary shares outstanding.

Cheche believes that these non-GAAP financial measures help identify underlying trends in its business that could otherwise be distorted by the impact of share-based compensation expenses, amortization of intangible assets related to acquisition, and change in fair value of amounts due to a related party related to the acquisition of Cheche Insurance Sales & Services Co., Ltd. (previously named Fanhua Times Sales and Service Co., Ltd), change in fair value of warrants, and listing related professional service fees. Cheche believes that such non-GAAP financial measures also provide useful information about its operating results, enhance the overall understanding of its past performance and future prospects, and allow for greater visibility with respect to key metrics used by its management in its financial and operational decision making.

The non-GAAP financial measures are not defined under U.S. GAAP and are not presented in accordance with U.S. GAAP. They should not be considered in isolation or construed as alternatives to net loss or any other measure of performance or as an indicator of Cheche's operating performance. Further, these non-GAAP financial measures may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to the Company's data. Cheche encourages investors and others to review the Company's financial information in its entirety and not rely on a single financial measure. Investors are encouraged to compare the historical non-GAAP financial measures with the most directly comparable GAAP measures. Cheche mitigates these limitations by reconciling the non-GAAP financial measures to the most comparable U.S. GAAP performance measures, all of which should be considered when evaluating its performance. The following table sets forth a reconciliation of our net loss, net loss per share to adjusted net loss, and adjusted net loss per share, respectively.

# RECONCILIATION OF GAAP TO NON-GAAP MEASURES (Unaudited)

(amounts in thousands, except share data and per share amounts)

	For the Three Months Ended			For the Year Ended		
	December 31, 2022	December 31, 2023	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2023
	RMB	RMB	USD	RMB	RMB	USD
<b>Net loss</b>	(2,137)	(31,963)	(4,502)	(91,022)	(159,590)	(22,480)
Add: Share-based compensation expenses	5,470	42,590	5,999	16,208	109,983	15,491
Amortization of intangible assets related to acquisition	525	525	74	2,100	2,100	296
Listing related professional expenses	4,131	(6,479)	(913)	14,464	8,493	1,196
Change in fair value of warrant	96	(12,136)	(1,709)	196	(1,702)	(240)
Changes in fair value of amounts due to related party	(3,917)	2,602	366	6,451	7,524	1,060
<b>Adjusted net income/(loss)</b>	4,168	(4,861)	(685)	(51,603)	(33,192)	(4,677)
Accretions to preferred shares redemption value	(54,142)	0	0	(188,271)	(762,169)	(107,349)
<b>Adjusted net loss attributable to the Cheche's ordinary shareholders</b>	<b>(49,974)</b>	<b>(4,861)</b>	<b>(685)</b>	<b>(239,874)</b>	<b>(795,361)</b>	<b>(112,026)</b>
<b>Weighted average number of ordinary shares used in computing non-GAAP adjusted net loss per ordinary share</b>						
Basic	31,780,394	75,439,487	75,439,487	31,780,394	45,415,205	45,415,205
Diluted	31,780,394	75,439,487	75,439,487	31,780,394	45,415,205	45,415,205
<b>Net loss per ordinary share</b>						
Basic	(1.77)	(0.42)	(0.06)	(8.79)	(20.30)	(2.86)
Diluted	(1.77)	(0.42)	(0.06)	(8.79)	(20.30)	(2.86)
<b>Non-GAAP adjustments to net loss per ordinary share</b>						
Basic	0.20	0.36	0.05	1.24	2.79	0.39
Diluted	0.20	0.36	0.05	1.24	2.79	0.39
<b>Adjusted net loss per ordinary share</b>						
Basic	(1.57)	(0.06)	(0.01)	(7.55)	(17.51)	(2.47)
Diluted	(1.57)	(0.06)	(0.01)	(7.55)	(17.51)	(2.47)

# Reconciliation of GAAP Operating Expenses to Non-GAAP Operating Expenses (Unaudited)

(All amounts in thousands)

	For the Three Months Ended			For the Year Ended		
	December 31, 2022	December 31, 2023	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2023
	RMB	RMB	USD	RMB	RMB	USD
Selling and marketing expenses	(32,387)	(24,707)	(3,480)	(138,970)	(111,454)	(15,698)
Add:Share-based compensation expenses	3,619	635	89	9,124	30,688	4,322
<b>Adjusted Selling and marketing expenses</b>	(28,768)	(24,072)	(3,391)	(129,846)	(80,766)	(11,376)
General and administrative expenses	(15,958)	(54,882)	(7,730)	(69,350)	(139,385)	(19,632)
Add:Share-based compensation expenses	1,731	41,830	5,892	6,668	67,519	9,510
Listing related professional expenses	4,131	(6,479)	(913)	14,464	8,493	1,196
<b>Adjusted General and administrative expenses</b>	(10,096)	(19,531)	(2,751)	(48,218)	(63,373)	(8,926)
Research and development expenses	(12,925)	(12,399)	(1,746)	(49,946)	(57,167)	(8,052)
Add:Share-based compensation expenses	118	122	17	405	11,585	1,632
<b>Adjusted Research and development expenses</b>	(12,807)	(12,277)	(1,729)	(49,541)	(45,582)	(6,420)
Total operating expense	(61,270)	(91,988)	(12,956)	(258,266)	(308,006)	(43,382)
Adjusted total operating expenses	(51,671)	(55,880)	(7,871)	(227,605)	(189,721)	(26,722)



**THANK YOU**

*Technology Enables Better Lives*

NASDAQ : CCG

[www.chechegroup.com](http://www.chechegroup.com)