



MAY 15, 2023

Earnings Results



1Q 2023



Legal Disclaimers

Forward-Looking Statements

The information included herein and in any oral statements made in connection herewith may include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements may generally be identified by the use of words such as “could,” “should,” “would,” “will,” “may,” “believe,” “anticipate,” “outlook,” “intend,” “estimate,” “expect,” “project,” “plan,” “continue,” or the negative of such terms and other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on management’s current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. Except as otherwise required by applicable law, Sunlight disclaims any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date hereof. Sunlight cautions you that these forward-looking statements are subject to numerous risks and uncertainties, most of which are difficult to predict and many of which are beyond the control of Sunlight. Such risks and uncertainties include, among others: material adverse impacts from macro-economic conditions including unprecedented interest rate increases on business, profitability and cash-flow, risks relating to the uncertainty of the projected operating and financial information with respect to Sunlight; risks related to Sunlight’s business and the timing of expected business milestones or results; global supply chain shortages, competition for skilled labor, and permitting delays; the effects of competition and regulatory risks, and the impacts of changes in legislation or regulations on Sunlight’s future business; the expiration, renewal, modification or replacement of the federal solar investment tax credit, rebates and other incentives; the effects of the COVID-19 pandemic on Sunlight’s business or future results; Sunlight’s ability to sustain profitability and to attract and retain its relationships with third parties, including Sunlight’s capital providers and solar contractors; the financial performance of Sunlight’s capital providers and contractors; the willingness of Sunlight’s capital providers to fund loans on terms desired by relevant markets and economically favorable to Sunlight; the impact of inflation and increased interest rates on Sunlight’s capital providers and the cost and availability of credit from our capital providers as well as on the demand for solar panel installation and home improvement; changes in the retail prices of traditional utility generated electricity; the availability of solar panels, batteries and other components and raw materials; and such other risks and uncertainties discussed in the “Risk Factors” section of Sunlight’s Form 10-K as filed with the Securities and Exchange Commission (“SEC”) on May 4, 2023 and Sunlight’s 10-Q as filed with the SEC on May 15, 2023. Should one or more of the risks or uncertainties described herein occur, or should underlying assumptions prove incorrect, actual results and plans could differ materially from those expressed in any forward-looking statements. Sunlight’s SEC filings are available publicly on the SEC’s website at www.sec.gov.

Non-GAAP Financial Measures

In addition to financial information presented in accordance with United States generally accepted accounting principles (“GAAP”), this Presentation and the accompanying oral presentation include certain non-GAAP financial measures, such as Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Free Cash Flow Conversion, Adjusted Net Income, Adjusted Net Income per Share (Diluted) or Adjusted EPS (Diluted) which Sunlight’s management believes provide useful information to management, investors and others regarding certain financial and business trends relating to Sunlight’s financial condition and results of operations. These non-GAAP measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. These non-GAAP measures have limitations as analytical tools, and they should not be considered in isolation or as a substitute for analysis of GAAP financial measures. For an explanation of the differences between these non-GAAP metrics and the most directly comparable GAAP metric, why management believes presenting the non-GAAP measures is useful to management, investors and others, and how management uses the non-GAAP metric in conducting its business, please see the accompanying reconciliations of the non-GAAP financial measures to their most directly comparable GAAP-financial measures on page 20 of this Presentation.

Important Information For Investors and Shareholders

In connection with Sunlight’s commitment to certain stockholders and warrant holders (the “Selling Securityholders”) to file a shelf registration statement to register for resale certain Sunlight securities held by such Selling Securityholders, Sunlight filed a registration statement on Form S-1 with the SEC on July 30, 2021, as amended (which includes prospectuses thereto), and other relevant documents with the SEC. This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. In addition, nothing contained herein should be construed as legal, financial, tax or other advice. Sunlight stockholders and other interested persons are urged to read the prospectuses and any other relevant documents filed with the SEC, including any post-effective amendments, when they become available, because they contain important information about Sunlight and the plan of distribution for the securities registered on the Form S-1. Sunlight stockholders can obtain a free copy of the prospectuses, as well as other filings containing information about Sunlight, without charge, at the SEC’s website located at www.sec.gov.

Industry and Market Data

Information contained in this Presentation concerning Sunlight’s industry and the markets in which it operates, including Sunlight’s general expectations and market position, market opportunity and market size, is based on information from Sunlight management’s estimates and research, as well as from industry and general publications and research, surveys and studies conducted by third parties. In some cases, this Presentation may not expressly refer to the sources from which this information is derived. Sunlight management estimates are derived from industry and general publications and research, surveys and studies conducted by third parties and Sunlight management’s knowledge of its industry and assumptions based on such information and knowledge, which it believes to be reasonable. In addition, assumptions and estimates of Sunlight’s and its industry’s future performance are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause Sunlight’s future performance and actual market growth, opportunity and size and the like to differ materially from its assumptions and estimates.

Trademarks and Trade Names

Sunlight owns or has rights to various trademarks, service marks and trade names that Sunlight uses in connection with the operation of its business. This Presentation also contains trademarks, service marks and trade names of third parties, which are the property of their respective owners. The use or display of third parties’ trademarks, service marks, trade names or products in this Presentation is not intended to, and does not imply, a relationship with Sunlight, or an endorsement or sponsorship by or of Sunlight. Solely for convenience, the trademarks, service marks and trade names referred to in this Presentation may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that Sunlight will not assert, to the fullest extent under applicable law, their rights or the right of the applicable licensor to these trademarks, service marks and trade names.

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I. Operational Update

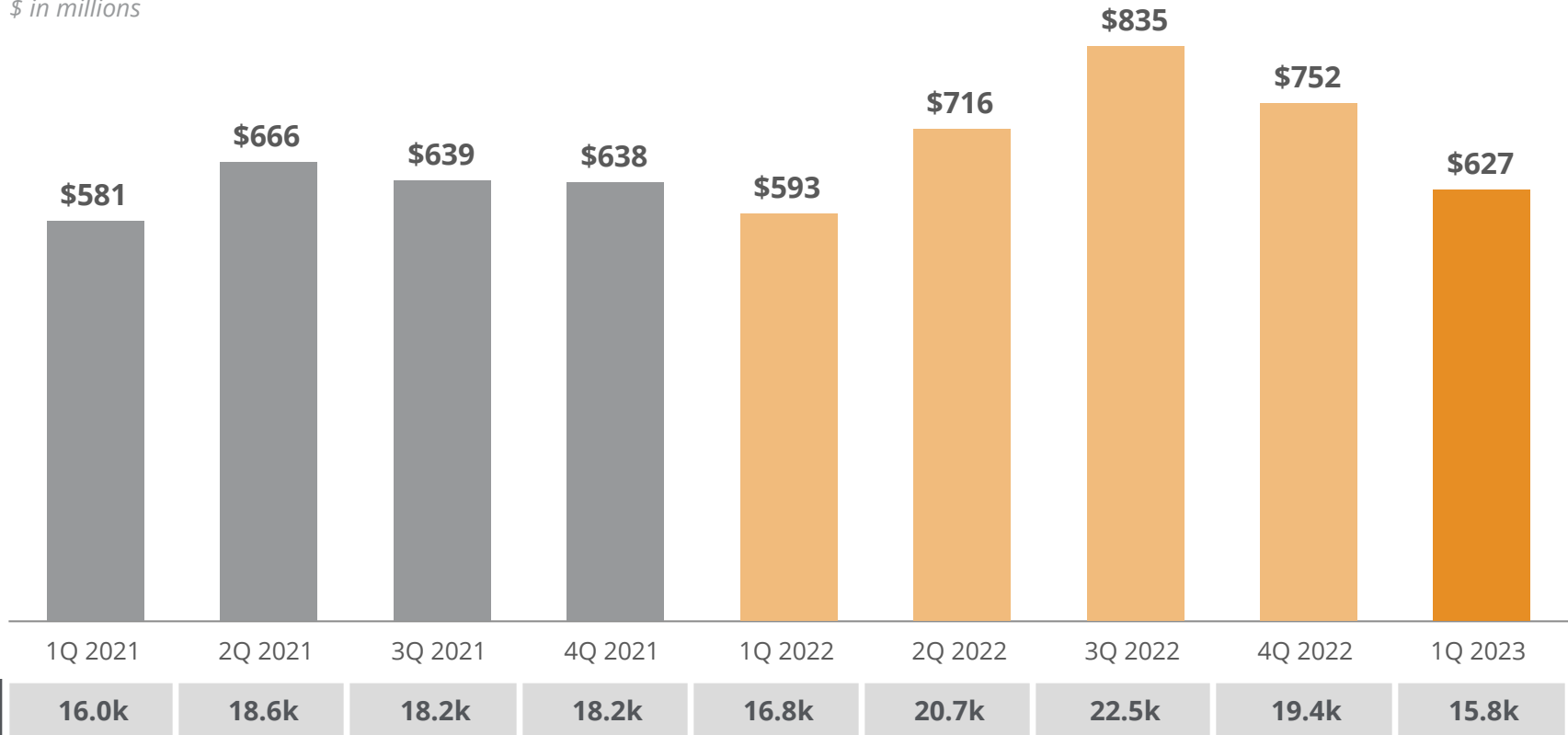
II. Financial Update

III. Appendix

1Q23 Volume up 6% from 1Q22

Funded Loans by Quarter

\$ in millions



Operational Highlights

\$21m

1Q23 Total Revenue

\$47k

1Q23 Solar Average Loan Balance

15,799

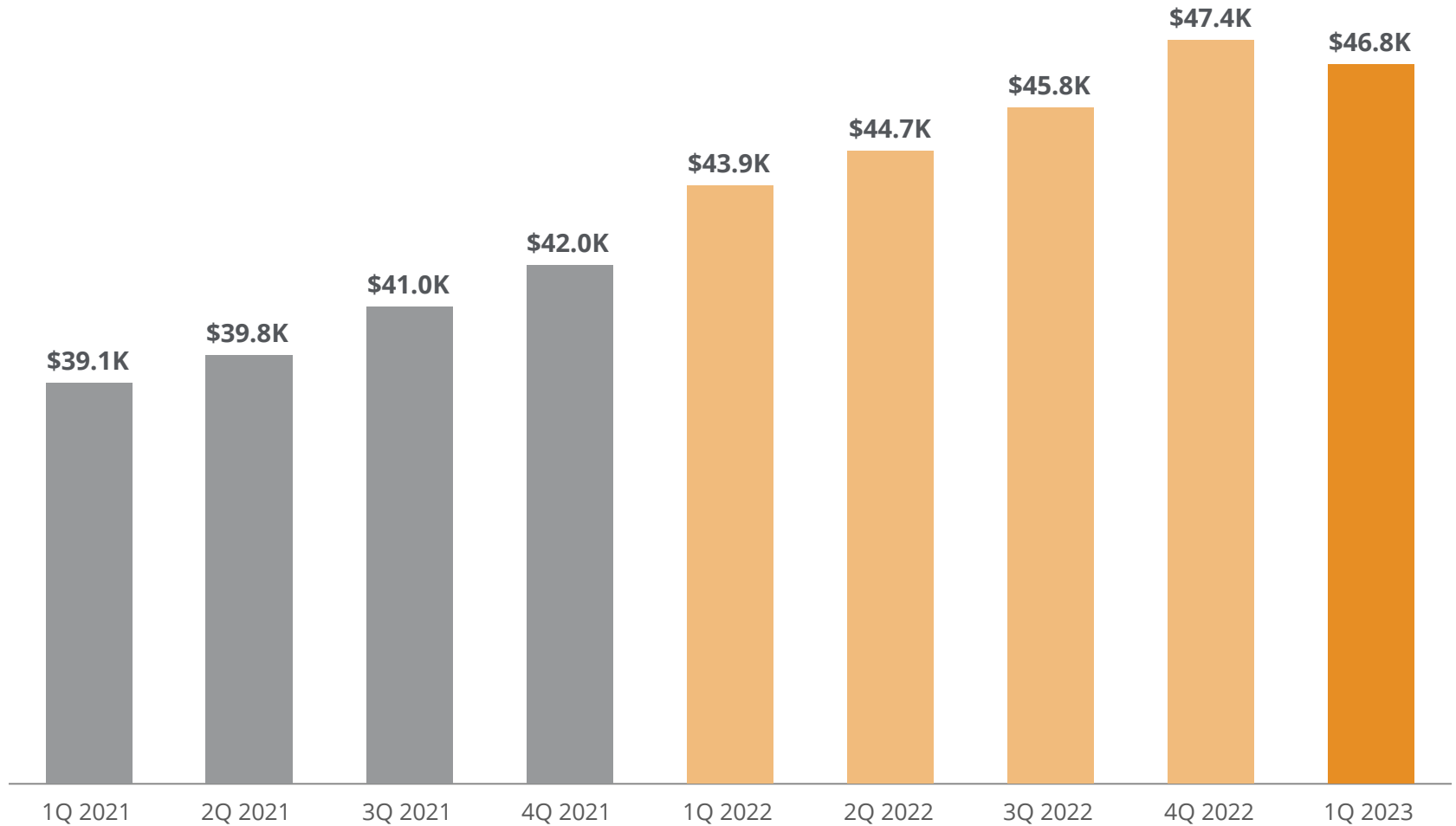
1Q23 Total Borrowers

2,070

Total Contractors at March 31, 2023

Solar Loan Balances Remain Strong

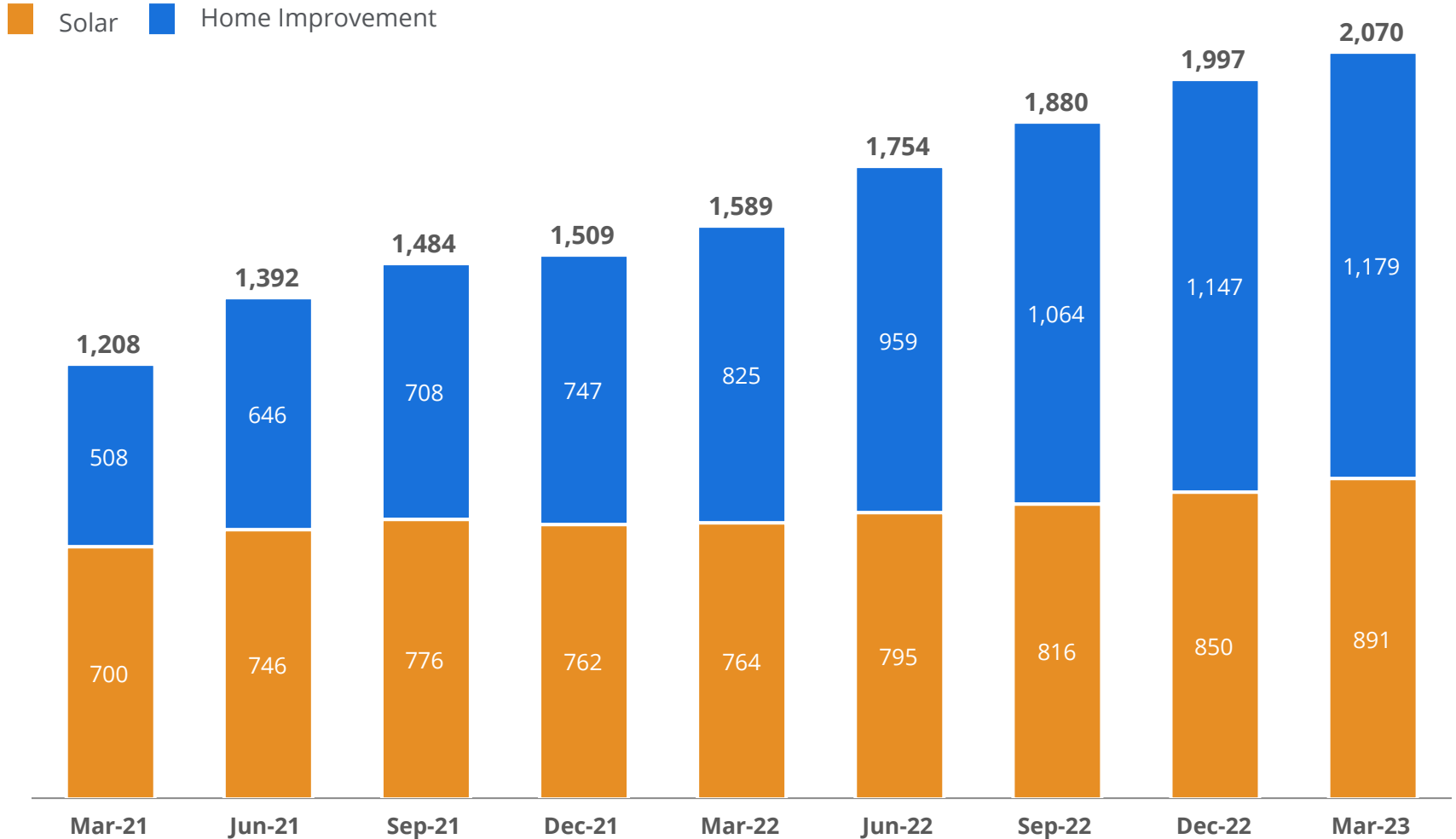
Average Solar Loan Balances¹



(1) Reflects average solar loan size at origination based on total funded solar loans and total number of borrowers per period.

Maintaining Strong Contractor Network Growth

Quarterly Contractor Growth¹



(1) Reflects number of contractors that had customers submit credit applications through Sunlight for solar, home improvement, or both during the last 12-months of each respective period.

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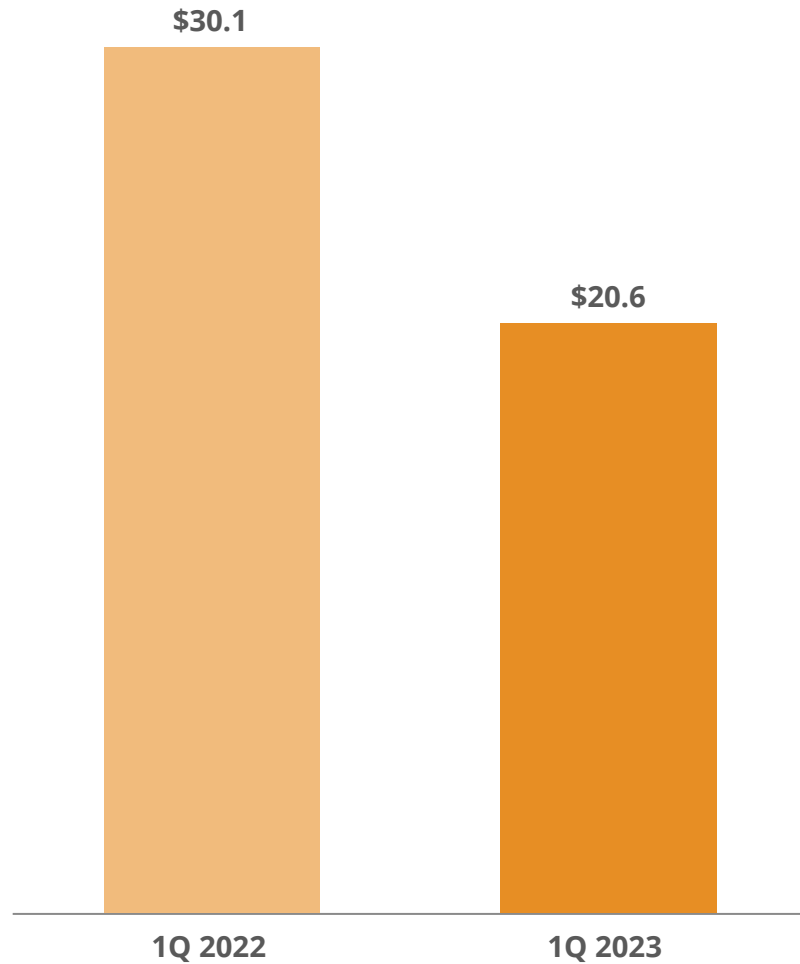
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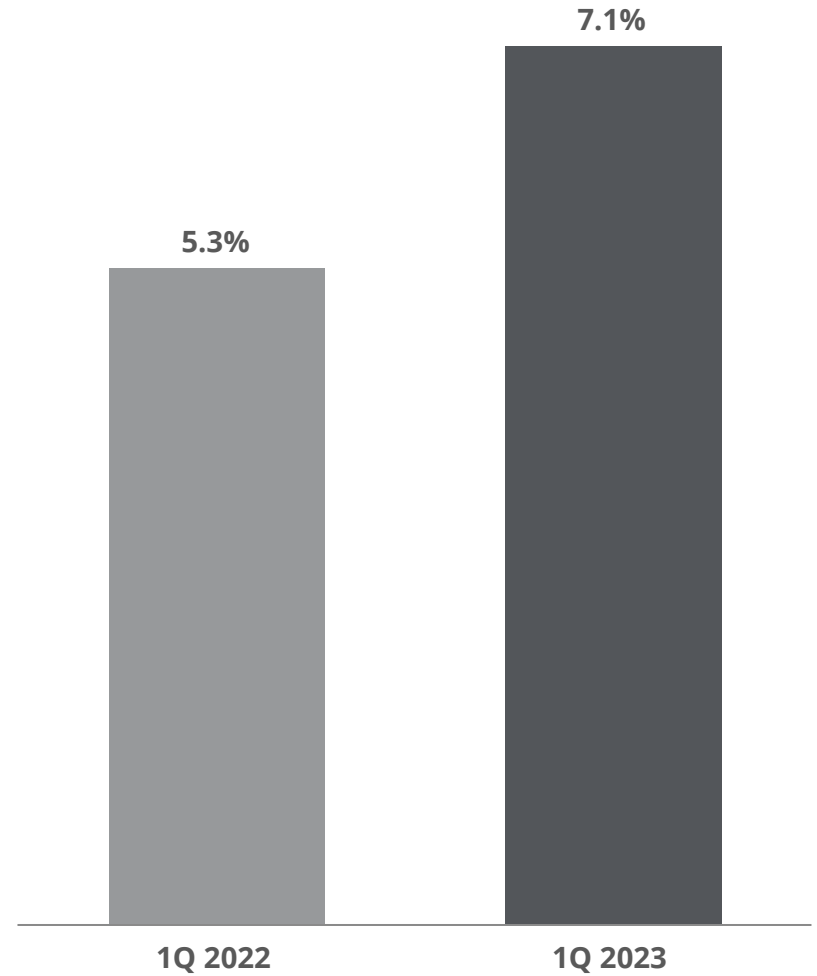
Summary of Earnings Metrics

Total Revenue

\$ in millions



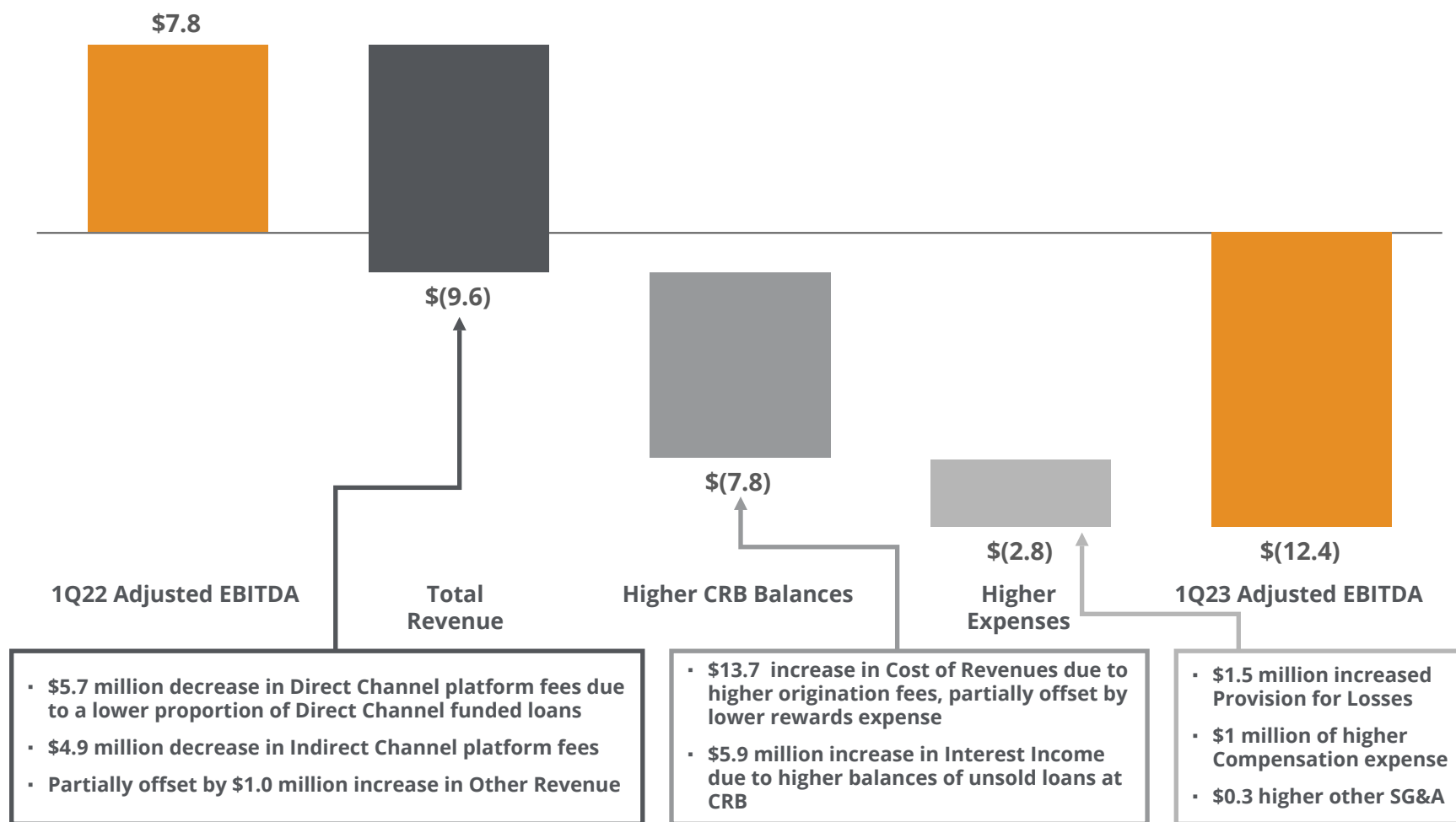
Direct Channel Platform Fee Margin



Adjusted EBITDA Impacts

Adjusted EBITDA¹: Bridge from 1Q22 to 1Q23

\$ in millions

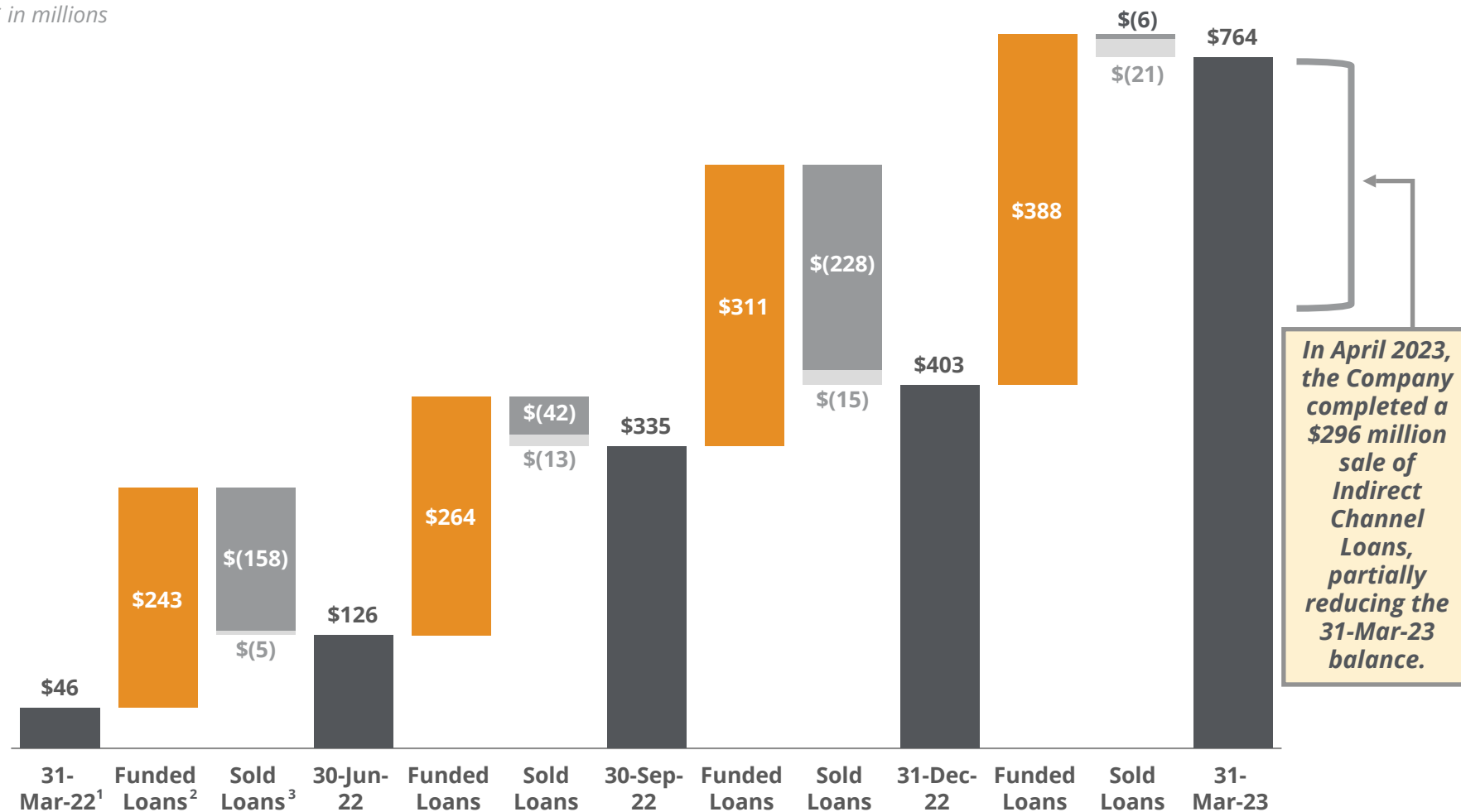


(1) For a reconciliation of Non-GAAP measures to the most directly comparable GAAP measures, see pages 14 and 15, and for descriptions of Non-GAAP measures, see page 20.

Summary of Indirect Channel Loans at CRB

Bridge Between Quarter-End Balances at Cross River Bank since March 31, 2022

\$ in millions



(1) Quarter-end balances reflect approximate balance of funded but not yet sold Indirect Channel loans in the CRB Warehouse Facility.

(2) Funded Loans represent Indirect Channel loans funded in each quarter. For additional detail on Funded and Platform Fee loans, see pages 18-19.

(3) Sold Loans represent Indirect Channel Platform Fee loans sold in each quarter as well as loans that were prepaid, cancelled, or charged-off within the period.

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Historical Income Statement Summary

\$ in thousands

	2022				2023
	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023
Revenue	\$ 28,231	\$ 29,590	\$ 33,265	\$ 7,420	\$ 20,465
Cost of revenue	5,229	5,773	5,619	10,474	18,301
Compensation and benefits	13,125	14,138	16,378	8,105	14,146
Selling, general and administrative	6,472	4,546	4,504	9,349	12,500
Property and technology	1,928	1,984	2,069	1,466	1,992
Depreciation and amortization	22,447	9,694	8,572	8,681	8,521
Goodwill impairment	—	—	384,379	61,377	—
Provision for losses	638	4,042	37,247	9,366	2,169
Costs and Expenses	\$ 49,839	\$ 40,177	\$ 458,768	\$ 108,818	\$ 57,629
Operating income	\$ (21,608)	\$ (10,587)	\$ (425,503)	\$ (101,398)	\$ (37,164)
Interest income	\$ 84	\$ 87	\$ 189	\$ 3,125	\$ 5,972
Interest expense	(260)	(296)	(375)	(473)	(379)
Change in fair value of warrant liabilities	(4,884)	13,610	6,590	(606)	3,366
Change in fair value of contract derivative, net	(227)	320	(2,340)	1,285	(156)
Realized gains on contract derivative, net	1,909	2,055	(278)	(1,085)	123
Other realized losses, net	(197)	(176)	(196)	(134)	(128)
Other income (expense)	176	(1,004)	(839)	(5,821)	(6,426)
Other Income (expense), net	\$ (3,399)	\$ 14,596	\$ 2,751	\$ (3,709)	\$ 2,372
Net Income (Loss) Before Income Taxes	\$ (25,007)	\$ 4,009	\$ (422,752)	\$ (105,107)	\$ (34,792)
Income tax benefit (expense)	2,401	1,650	7,299	25,571	(17)
GAAP Net Income (Loss)	\$ (22,606)	\$ 5,659	\$ (415,453)	\$ (79,536)	\$ (34,809)
Noncontrolling interests in loss of consolidated subsidiaries	8,632	(1,543)	151,389	37,607	11,862
Net Income (Loss) Attributable to Class A Shareholders	\$ (13,974)	\$ 4,116	\$ (264,064)	\$ (41,929)	\$ (22,947)

Historical Balance Sheet by Quarter

\$ in thousands

	March 31, 2022	June 30, 2022	Sept. 30, 2022	Dec. 31, 2022	March 31, 2023
Assets					
Cash and cash equivalents	\$ 69,574	\$ 68,913	\$ 70,569	\$ 47,515	\$ 75,518
Restricted cash	2,355	1,581	1,228	4,272	4,350
Advances ¹	86,085	91,778	56,608	45,393	18,030
Financing receivables ¹	4,126	3,794	3,581	3,532	3,269
Goodwill	445,756	445,756	61,377	—	—
Intangible assets, net	344,175	335,343	327,673	319,920	312,589
Property and equipment, net	1,723	1,681	1,681	1,489	1,383
Other assets	24,781	22,533	30,849	30,074	35,286
Total Assets	\$ 978,575	\$ 971,379	\$ 553,566	\$ 452,195	\$ 450,425
Liabilities					
Accounts payable and accrued expenses	\$ 15,506	\$ 16,082	\$ 24,931	\$ 20,674	\$ 51,306
Funding commitments	16,643	16,568	21,411	20,400	29,378
Debt	20,613	20,613	20,613	20,613	7,694
Distributions payable	1,373	1,521	—	—	—
Deferred tax liabilities	34,286	32,637	25,338	688	688
Warrants, at fair value	23,891	10,281	3,691	4,297	931
Other liabilities	8,180	10,009	13,433	17,196	23,788
Total Liabilities	\$ 120,492	\$ 107,711	\$ 109,417	\$ 83,868	\$ 113,785
Stockholders' Equity					
Class A Common Stock	\$ 9	\$ 9	\$ 8	\$ 8	\$ 9
Additional paid-in capital	765,755	765,284	759,105	761,698	747,064
Accumulated deficit	(199,758)	(195,642)	(459,706)	(501,635)	(524,285)
Total Capital	566,006	569,651	299,407	260,071	222,788
Treasury stock, at cost	(15,590)	(15,638)	(15,671)	(15,307)	(17)
Total Stockholders' Equity	550,416	554,013	283,736	244,764	222,771
Noncontrolling interests in consolidated subsidiaries	307,667	309,655	160,413	123,563	113,869
Total Equity	\$ 858,083	\$ 863,668	\$ 444,149	\$ 368,327	\$ 336,640
Total Liabilities and Equity	\$ 978,575	\$ 971,379	\$ 553,566	\$ 452,195	\$ 450,425

(1) Advances and Financing receivables are net of allowances for credit losses.

Non-GAAP Reconciliations

\$ in thousands

Total Revenue Reconciliation

	1Q 2020	1Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023
Direct Channel Platform Fees	\$ 9,322	\$ 21,846	\$ 22,698	\$ 25,206	\$ 31,446	\$ 27,416	\$ 17,006
Indirect Channel Platform Fees	3,161	1,816	3,456	2,667	—	(22,731)	903
Other Revenue	590	1,125	2,077	1,717	1,819	2,735	2,556
GAAP Revenue	\$ 13,073	\$ 24,787	\$ 28,231	\$ 29,590	\$ 33,265	\$ 7,420	\$ 20,465
(+) Home Improvement Platform Fees	32	2,267	1,909	2,055	(278)	(1,085)	123
Total Revenue	\$ 13,105	\$ 27,054	\$ 30,140	\$ 31,645	\$ 32,987	\$ 6,335	\$ 20,588

Adjusted Net Income (Loss)

	1Q 2020	1Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023
GAAP Net Income (Loss)	\$ 453	\$ 2,660	\$ (22,606)	\$ 5,659	\$ (415,453)	\$ (79,536)	\$ (34,809)
Business comb. intangibles amortization	—	—	22,199	9,385	8,202	8,202	8,023
Non-cash change in fin. instruments	(37)	3,058	4,935	(12,926)	(3,411)	5,142	3,836
Goodwill Impairment	—	—	—	—	384,379	61,377	—
Strategic Alternatives expenses & other	—	—	—	—	—	1,723	5,780
Business Combination expenses & other	—	3,587	349	141	32	25	—
Adjusted Net Income (Loss)	\$ 416	\$ 9,305	\$ 4,877	\$ 2,259	\$ (26,251)	\$ (3,067)	\$ (17,170)
<i>Adjusted EPS Attributable to Class A, Diluted</i>	<i>NA</i>	<i>NA</i>	<i>\$ 0.03</i>	<i>\$ 0.01</i>	<i>\$ (0.16)</i>	<i>\$ (0.02)</i>	<i>\$ (0.11)</i>

Note: For descriptions of Non-GAAP measures, see page 20.

Non-GAAP Reconciliations (Cont'd)

\$ in thousands

Adjusted EBITDA Reconciliation

	1Q 2020	1Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023
GAAP Net Income (Loss)	\$ 453	\$ 2,660	\$ (22,606)	\$ 5,659	\$ (415,453)	\$ (79,536)	\$ (34,809)
(+) Depreciation & amortization	803	809	248	309	370	479	498
(+) Interest expense ¹	159	255	260	296	375	473	379
(+) Income taxes	—	—	(2,401)	(1,650)	(7,299)	(25,571)	17
(+) Non-cash change in fin. instruments	(37)	3,058	4,935	(12,926)	(3,411)	5,142	3,836
(+) Non-cash equity-based comp. expense	77	11	3,860	4,792	5,491	3,708	3,555
(+) Broker fees	829	1,110	965	780	315	691	360
(+) Business Comb. intangibles amortization	—	—	22,199	9,385	8,202	8,202	8,023
(+) Strategic Alternatives expenses & other	—	—	—	—	—	1,723	5,780
(+) Business Combination expenses & other	—	3,587	349	141	32	25	—
Adjusted EBITDA	\$ 2,284	\$ 11,490	\$ 7,809	\$ 6,786	\$ (26,999)	\$ (23,287)	\$ (12,361)
Adjusted EBITDA Margin	17.4 %	42.5 %	25.9 %	21.4 %	NM	NM	NM

Free Cash Flow Reconciliation

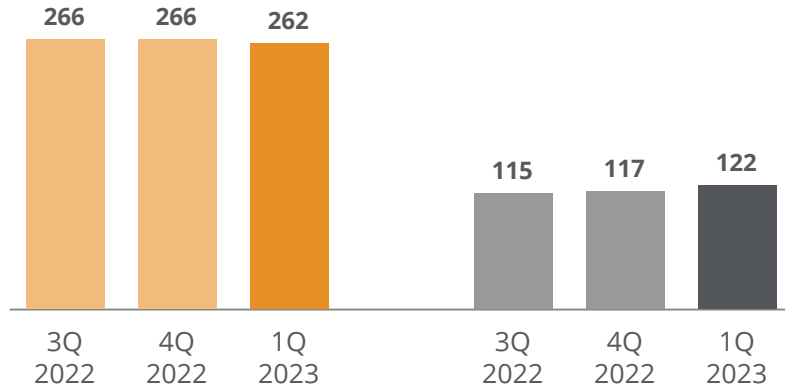
	1Q 2020	1Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023
Net Operating Cash Flow	\$ (1,785)	\$ 10,500	\$ (21,130)	\$ 3,130	\$ 10,863	\$ (18,502)	\$ 43,961
Capital expenditures	(865)	(709)	(845)	(820)	(903)	(681)	(1,025)
Changes in advances, net of funding comm.	1,914	(855)	25,619	5,769	(4,470)	2,097	(36,840)
Changes in restricted cash	(899)	(1,040)	336	(774)	(353)	3,045	77
Payments of Business Combination costs	—	4,470	—	—	—	—	—
Payments of Strategic Alternatives costs	—	—	—	—	—	866	5,820
Other changes in working capital	151	367	2,473	1,609	3,078	(12,623)	25,984
Free Cash Flow	\$ (1,484)	\$ 12,733	\$ 6,453	\$ 8,914	\$ 8,215	\$ (25,798)	\$ 37,977
Free Cash Flow Conversion	NM	110.8 %	82.6 %	131.4 %	NM	NM	NM

Note: For descriptions of Non-GAAP measures, see page 20. (1) Related to revolver to fund working capital advances to contractors.

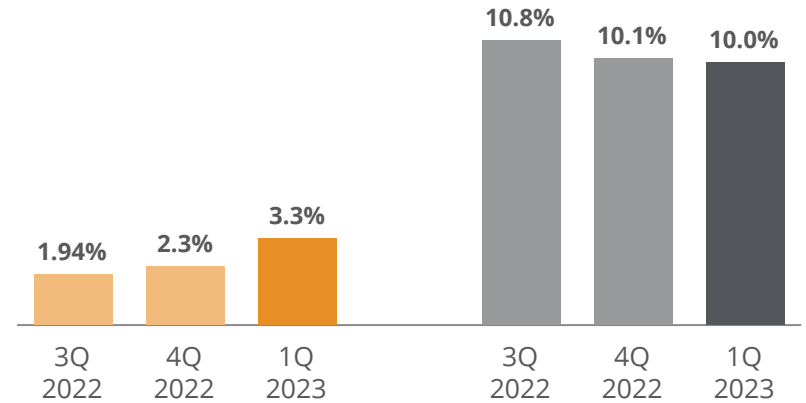
Sunlight's Loan Characteristics

Loan Term

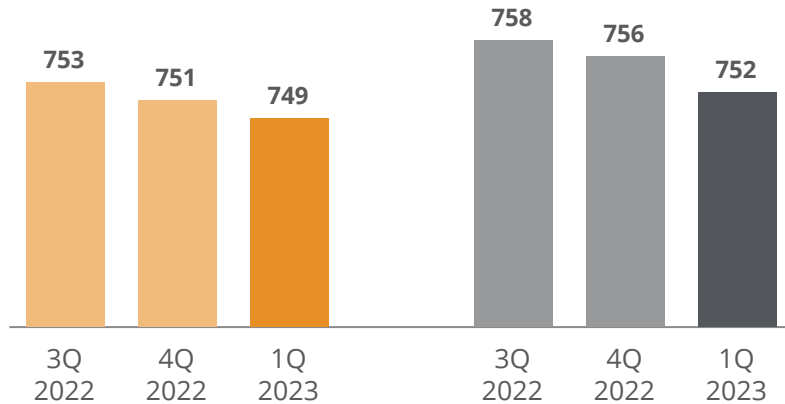
months



Customer Interest Rate

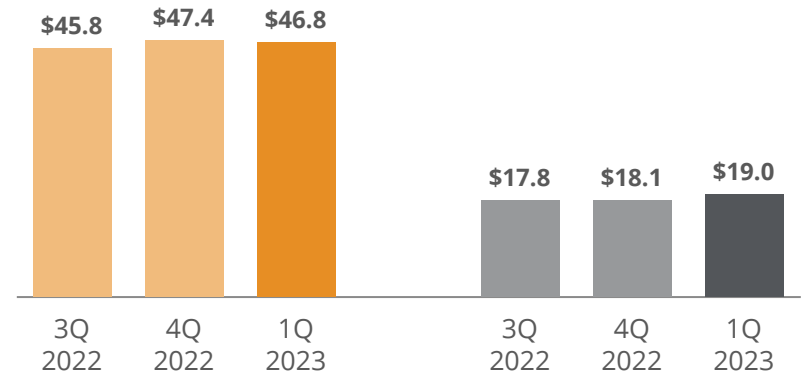


Customer FICO Score



Average Loan Balance

\$ in thousands



 Solar

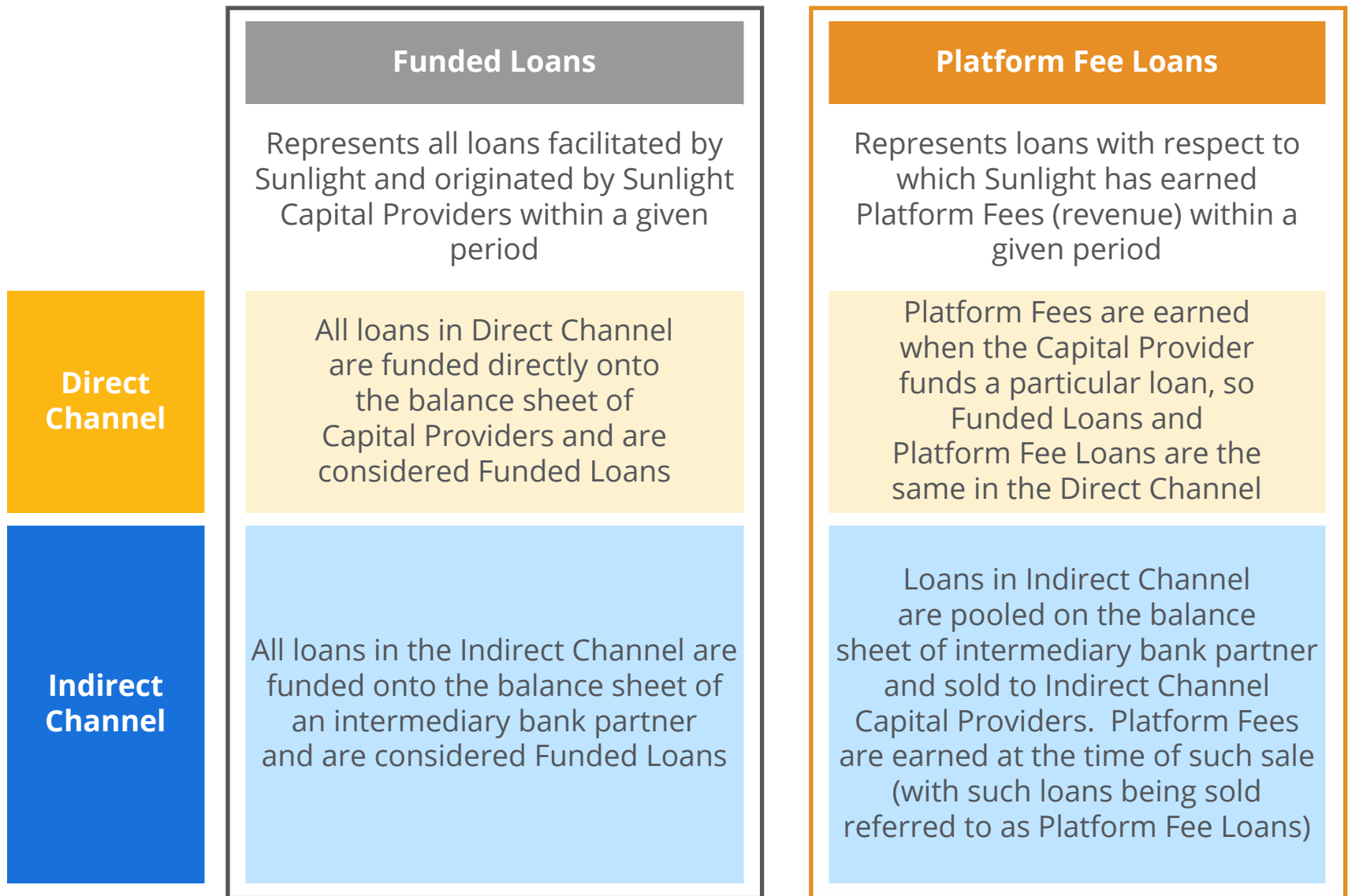
 Home Improvement

Note: Characteristics do not include Sunlight Maxx[®] Loans, which still represent a small portion of Sunlight's total funded volume. For detail on Sunlight Maxx[®] Loan Characteristics, please refer to Sunlight's 1Q 2023 Form 10-Q.

Cross River Bank Financing Agreements

Key Provision	Details	Benefits
~\$90 Million First Lien Secured Term Loan	<p>Tranche 1 proceeds of ~\$40 million used:</p> <ul style="list-style-type: none"> to pay off SVB Revolving Credit Facility to fund fees and accrued interest to CRB for general corporate purposes <p>Tranche 2 proceeds of ~\$50 million will be used to pay deferred proceeds owed to CRB upon the sale of Backbook Loans</p>	<p>Strengthens Sunlight's balance sheet and resolves SVB credit facility maturity.</p> <p>Bolsters liquidity by financing the payment of fees, accrued interest and deferred proceeds.</p>
Increased Loan Cap	<p>Increases availability at CRB:</p> <ul style="list-style-type: none"> Loan cap waived in April & May 2023 \$550 million in June-July 2023 \$500 million in Aug-Oct 2023 \$400 million¹ in November 2023 <p>1. Option for Additional Capacity, defined as the lesser of (i) the Cash Collateral Amount divided by 5% and (ii) \$100 million.</p>	<p>Provides time to complete sales of Backbook Loans currently sitting in the CRB Warehouse Facility.</p> <p>Enables Sunlight to continue originating new funded loans in the Indirect Channel with CRB.</p>
Reduced Fees	Revises tiered fee structure for loans held in the CRB Warehouse Facility	Significantly reduces the cost Sunlight will pay to originate loans with CRB.
Extended Maturity	Extends the maturity of the CRB Warehouse Facility from December 2023 to September 2025	Lengthens Sunlight's Indirect Channel funding path by nearly 2 years.

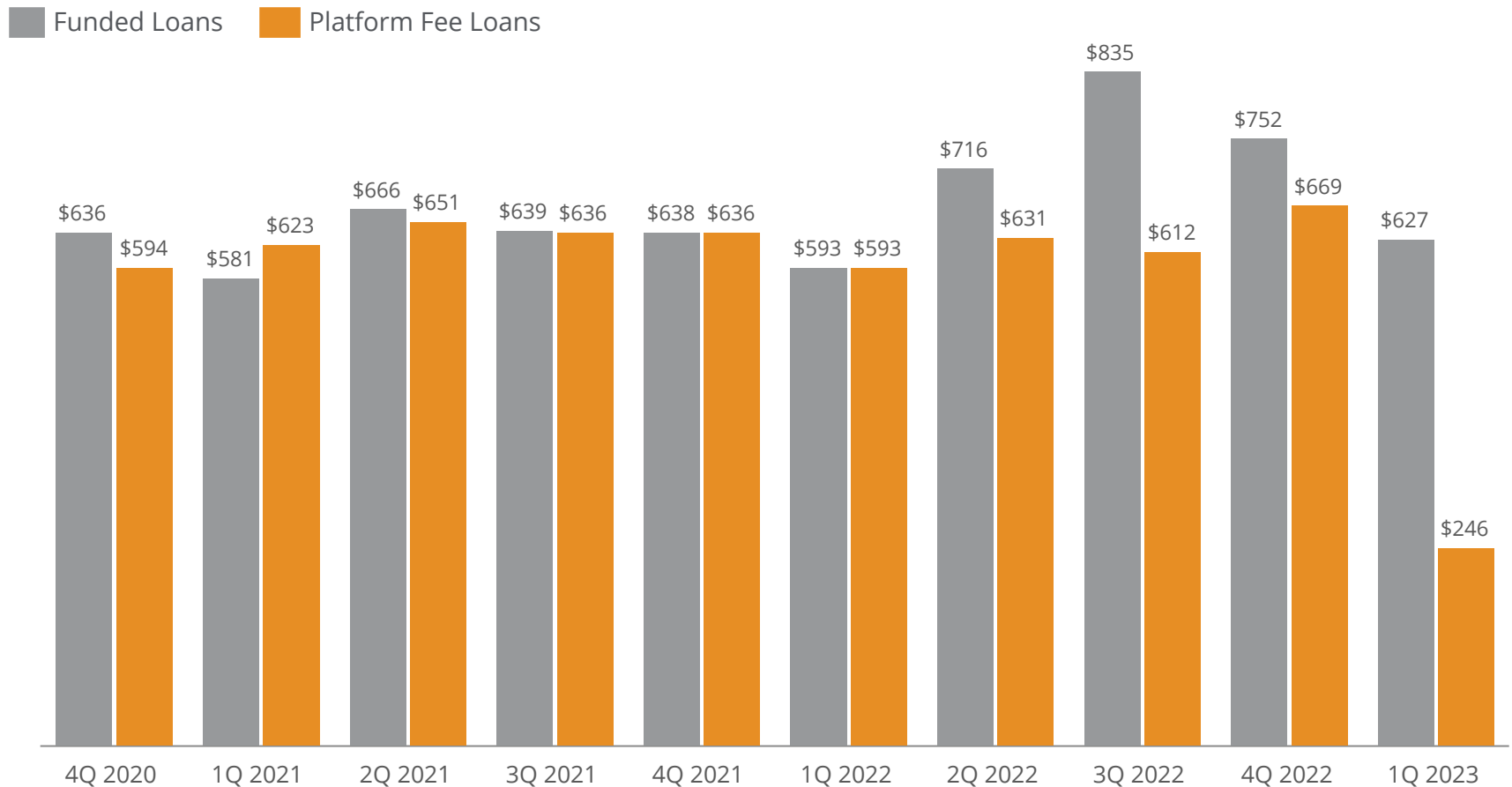
Funded vs. Platform Fee Loans: Overview



Funded vs. Platform Fee Loans Since 4Q 2020

As described on the prior page, there may be differences between Funded Loans and Platform Fee Loans in a given period due to timing of when Platform Fees are earned in our Indirect Channel

Funded Loans versus Platform Fee Loans



Note: Refer to page 18 for additional detail on the distinction of Sunlight's channels. Platform fee volume significantly lower than funded volume since 2Q 2022 due to unsold Indirect Channel loans at CRB.

Non-GAAP Measures

"Adjusted Net Income" and *"Adjusted Net Income per Share (Diluted)"* or *"Adjusted EPS (Diluted)"* are non-GAAP financial measures used by management to evaluate Sunlight's operating performance and operating per share (diluted) performance on an ongoing basis by excluding the items outlined in the quantitative reconciliation below, which might otherwise make comparisons of Sunlight's ongoing business with prior periods more difficult and obscure trends in ongoing operations. Sunlight believes these non-GAAP financial measures are useful to investors because they provide a supplemental way to understand the underlying operating performance of Sunlight and allow investors to monitor and understand changes in Sunlight's ability to generate income from ongoing business operations. The Adjusted Net Income calculation starts with GAAP Net Income and makes adjustments for the amortization of business combination intangibles, post-combination compensation expense, non-cash changes in financial instruments, the goodwill impairment, expenses from the business combination and other non-recurring expenses. Adjusted Net Income per Share (Diluted) or Adjusted EPS (Diluted) is calculated by dividing Adjusted Net Income by Sunlight's total weighted-average fully-diluted Class A shares.

"Adjusted EBITDA" is a non-GAAP financial measure used by Sunlight's management to evaluate operating performance, generate future operating plans, and make strategic decisions, including those relating to operating expenses and the allocation of internal resources. Accordingly, Sunlight believes this measure provides useful information to investors and others in understanding and evaluating Sunlight's operating results in the same manner as Sunlight's management and board of directors. In addition, it provides a useful measure for period-to-period comparisons of Sunlight's business, as it removes the effect of certain non-cash items, variable charges, non-recurring items, unrealized gains or losses or other similar non-cash items that are included in net income or expenses associated with the early stages of the business that are expected to ultimately terminate, pursuant to the terms of certain existing contractual arrangements or expected to continue at levels materially below the historical level, or that otherwise do not contribute directly to management's evaluation of its operating results. "Adjusted EBITDA" is defined as net income excluding interest expense incurred in connection with Sunlight's Credit Facility, income taxes, goodwill impairment, business combination intangibles amortization, non-cash equity-based compensation expense, non-cash changes in certain financial instruments, fees paid to brokers related to the funding of loans by certain of Sunlight's capital providers that will terminate pursuant to existing contractual arrangements and certain transaction bonuses and other expenses resulting from the business combination.

"Adjusted EBITDA Margin" is defined as Adjusted EBITDA divided by Total Revenue, expressed as a percentage. Management believes that Adjusted EBITDA Margin is useful in evaluating Sunlight's operating results relative to the revenue recognized in the applicable period.

"Free Cash Flow" is a non-GAAP financial measure that Sunlight uses to indicate cash flow generated by Sunlight's operations. Sunlight believes that Free Cash Flow is a supplemental financial measure useful as an indicator of Sunlight's ability to generate cash. Sunlight's calculation of Free Cash Flow, however, may not necessarily be comparable to similar measures presented by other companies. Specifically, Sunlight defines Free Cash Flow as cash from operating activities adjusted for changes in working capital (including changes in advances and funding commitments), capital expenditures, certain restricted cash items, business combination costs, and other items that management has determined are not reflective of cash generation in Sunlight's business.

Non-GAAP financial measures, including those listed above, should not be considered as standalone measures or as a substitute for any financial information prepared in accordance with GAAP. You should not place undue reliance on any non-GAAP financial measure. Potential investors are encouraged to review the reconciliations of the non-GAAP financial measures listed above to their most directly comparable GAAP financial measures, as provided on page 14 and 15 of this presentation.