

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **June 30, 2025**

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: **001-39671**

MediaAlpha, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

85-1854133

(I.R.S. Employer Identification Number)

700 South Flower Street, Suite 640

Los Angeles, California 90017

(Address of principal executive offices, including zip code)

(213) 316-6256

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.01 par value per share	MAX	NYSE

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of July 31, 2025, there were 56,370,303 shares of MediaAlpha, Inc.'s Class A common stock, \$0.01 par value per share, and 11,574,029 shares of MediaAlpha, Inc.'s Class B common stock, par value \$0.01 per share, outstanding.

MediaAlpha, Inc. and Subsidiaries

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Certain Definitions

As used in this Quarterly Report on Form 10-Q:

- “Class A-1 units” refers to the Class A-1 units of QL Holdings LLC (“QLH”).
- “Class B-1 units” refers to the Class B-1 units of QLH.
- “Company,” “we,” or “us” refers to MediaAlpha, Inc. and its consolidated subsidiaries, unless the context requires otherwise.
- “Consumer Referral” means any consumer click, call or lead purchased by a buyer on our platform.
- “Consumers” refer to end consumers. Examples include individuals shopping for insurance policies.
- “Direct-to-consumer” or “DTC” means the sale of insurance products or services directly to end consumers, without the use of retailers, brokers, agents or other intermediaries.
- “Distributor” means any company or individual that is involved in the distribution of insurance, such as an insurance agent or broker.
- “Exchange agreement” means the exchange agreement, dated as of October 27, 2020 by and among MediaAlpha, Inc., QLH, Intermediate Holdco, Inc. and certain Class B-1 unitholders party thereto.
- “Founders” means, collectively, Steven Yi, Eugene Nonko, and Ambrose Wang.
- “High-intent” consumer or customer means an in-market consumer that is actively browsing, researching or comparing the types of products or services that our partners sell.
- “Insignia” means Insignia Capital Group, L.P. and its affiliates.
- “Intermediate Holdco” means Guilford Holdings, Inc., our wholly owned subsidiary and the owner of all Class A-1 units.
- “IPO” means our initial public offering of our Class A common stock, which closed on October 30, 2020.
- “Lifetime value” or “LTV” is a type of metric that many of our business partners use to measure the estimated total worth to a business of a customer over the expected period of their relationship.
- “Open Marketplace” refers to one of our two business models. In Open Marketplace transactions, we have separate agreements with Demand Partners and Supply Partners. We earn fees from our Demand Partners and separately pay a revenue share to our Supply Partners and a fee to internet search companies to drive consumers to our proprietary websites.
- “Partner” refers to a buyer or seller on our platform, also referred to as “Demand Partners” and “Supply Partners,” respectively.
 - “Demand partner” or “customer” refers to a buyer on our platform. As discussed under Part I, Item 2. Management’s Discussion & Analysis – Management Overview, our Demand Partners are generally insurance carriers and distributors looking to target high-intent consumers deep in their purchase journey.
 - “Supply partner” or “supplier” refers to a seller to our platform. As discussed under Part I, Item 2. Management’s Discussion & Analysis – Management Overview, our Supply Partners are primarily insurance carriers looking to maximize the value of non-converting or low LTV consumers, and insurance-focused research destinations or other financial websites looking to monetize high-intent consumers.
- “Private Marketplace” refers to one of our two business models. In Private Marketplace transactions, Demand Partners and Supply Partners contract with one another directly and leverage our platform to facilitate transparent, real-time transactions utilizing the reporting and analytical tools available to them from use of our platform. We charge a fee to our Supply Partners based on the Transaction Value of the Consumer Referrals sold through Private Marketplace transactions.
- “Proprietary” means, when used in reference to our properties, the websites and other digital properties that we own and operate. Our proprietary properties are a source of Consumer Referrals on our platform.
- “Reorganization Transactions” means the series of reorganization transactions completed on October 27, 2020 in connection with our IPO.

- “Senior Executives” means the Founders and the other current and former officers of the Company listed in Exhibit A to the Exchange Agreement. This term also includes any estate planning vehicles or other holding companies through which such persons hold their units in QLH.
- “Transaction Value” means the total gross dollars transacted by our partners on our platform.
- “Vertical” means a market dedicated to a specific set of products or services sold to end consumers. Examples include property & casualty insurance, life insurance, health insurance, and travel.
- “White Mountains” means White Mountains Insurance Group, Ltd. and its affiliates.

Cautionary Statement Regarding Forward-Looking Statements and Risk Factor Summary

We are including this Cautionary Statement to caution investors and qualify for the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (the “Act”) for forward-looking statements. This Quarterly Report on Form 10-Q contains forward-looking statements. These forward-looking statements reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “projection,” “would,” and “outlook,” or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

There are or will be important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements, including, but not limited to, the following:

- Our ability to attract and retain Supply Partners and Demand Partners to our platform and to make available quality Consumer Referrals at attractive volumes and prices to drive transactions on our platform;
- Our reliance on a limited number of Supply Partners and Demand Partners, many of which have no long-term contractual commitments with us, and any potential termination of those relationships;
- Fluctuations in customer acquisition spending by property and casualty insurance carriers due to unexpected changes in underwriting profitability as the carriers go through cycles in their business;
- Existing and future laws and regulations affecting the property & casualty insurance, health insurance and life insurance verticals;
- Changes and developments in the regulation of the underlying industries in which our partners operate;
- Competition with other technology companies engaged in digital customer acquisition, as well as buyers that attract consumers through their own customer acquisition strategies, third-party online platforms or other methods of distribution;
- Our ability to attract, integrate and retain qualified employees;
- Reductions in DTC digital spend by our buyers;
- Mergers and acquisitions could result in additional dilution and otherwise disrupt our operations and harm our operating results and financial condition;
- Our dependence on internet search companies to direct a significant portion of visitors to our suppliers’ websites and our proprietary websites;
- The terms and restrictions of our existing and future indebtedness;
- Disruption to operations as a result of future acquisitions;
- Our failure to obtain, maintain, protect and enforce our intellectual property rights, proprietary systems, technology and brand;
- Our ability to develop new offerings and penetrate new vertical markets;
- Our ability to manage future growth effectively;

- Our reliance on data provided to us by our Demand and Supply Partners and consumers;
- The impact of broad-based pandemics or public health crises;
- Natural disasters, political crises, economic downturns, or other unexpected events;
- Significant estimates and assumptions in the preparation of our consolidated financial statements;
- Potential litigation and claims, including claims by regulatory agencies and intellectual property disputes;
- Our ability to collect our receivables from our partners;
- Fluctuations in our financial results caused by seasonality;
- The development of the DTC insurance distribution sector and evolving nature of our relatively new business model;
- Disruptions to or failures of our technological infrastructure and platform;
- Failure to manage and maintain relationships with third-party service providers;
- Cybersecurity breaches or other attacks involving our systems or those of our partners or third-party service providers;
- Our ability to protect consumer information and other data and risks of reputational harm due to an actual or perceived failure by us to protect such information and other data;
- Risks related to laws and regulation to which we are subject both in the U.S. and internationally, many of which are evolving;
- Risks related to changes in tax laws or exposure to additional income or other tax liabilities could affect our future profitability;
- Risks related to being a public company;
- Risks related to internal control over financial reporting;
- Risks related to shares of our Class A common stock;
- Risks related to our intention to take advantage of certain exemptions as a former “controlled company” under the rules of the NYSE, and the fact that the interests of our controlling stockholders (White Mountains, Insignia, and the Founders) may conflict with those of other investors;
- Risks related to our corporate structure; and
- The other risk factors described under Part I, Item 1A "Risk Factors" in our 2024 Annual Report on Form 10-K and under Part II, Item 1A "Risk Factors" in this Quarterly Report on Form 10-Q.

The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this Quarterly Report on Form 10-Q. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. Many of the important factors that will determine these results are beyond our ability to control or predict. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made, and, except as otherwise required by law, we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. New factors emerge from time to time, and it is not possible for us to predict which will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Part I. Financial Information

Item 1. Financial Statements.

MediaAlpha, Inc. and subsidiaries Consolidated Balance Sheets

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

	June 30, 2025	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 85,381	\$ 43,266
Accounts receivable, net of allowance for credit losses of \$729 and \$1,005, respectively	102,776	142,932
Prepaid expenses and other current assets	4,317	3,711
Total current assets	192,474	189,909
Intangible assets, net	4,613	19,985
Goodwill	47,739	47,739
Other assets	4,592	4,814
Total assets	\$ 249,418	\$ 262,447
Liabilities and stockholders' deficit		
Current liabilities		
Accounts payable	\$ 75,838	\$ 105,563
Accrued expenses	63,980	18,542
Current portion of long-term debt	8,869	8,849
Total current liabilities	148,687	132,954
Long-term debt, net of current portion	149,154	153,596
Liabilities under tax receivables agreement, net of current portion	—	7,006
Other long-term liabilities	8,534	15,123
Total liabilities	\$ 306,375	\$ 308,679
Commitments and contingencies (Note 5)		
Stockholders' deficit		
Class A common stock, \$0.01 par value - 1.0 billion shares authorized; 56.4 million and 55.5 million shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	564	555
Class B common stock, \$0.01 par value - 100 million shares authorized; 11.6 million and 11.6 million shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	116	116
Preferred stock, \$0.01 par value - 50 million shares authorized; 0 shares issued and outstanding as of June 30, 2025 and December 31, 2024	—	—
Additional paid-in capital	522,169	507,640
Accumulated deficit	(526,623)	(505,933)
Total stockholders' (deficit) equity attributable to MediaAlpha, Inc.	\$ (3,774)	\$ 2,378
Non-controlling interests	(53,183)	(48,610)
Total stockholders' deficit	\$ (56,957)	\$ (46,232)
Total liabilities and stockholders' deficit	\$ 249,418	\$ 262,447

The accompanying notes are an integral part of these unaudited consolidated financial statements.

MediaAlpha, Inc. and subsidiaries
Consolidated Statements of Operations
(Unaudited; in thousands, except share data and per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue	\$ 251,622	\$ 178,274	\$ 515,931	\$ 304,923
Costs and operating expenses				
Cost of revenue	213,935	146,589	436,605	249,558
Sales and marketing	5,228	6,316	10,854	12,112
Product development	5,353	5,052	10,239	9,415
General and administrative	47,148	13,824	64,743	24,973
Write-off of intangible assets	—	—	13,416	—
Total costs and operating expenses	271,664	171,781	535,857	296,058
(Loss) income from operations	(20,042)	6,493	(19,926)	8,865
Other (income), net	(695)	(1,808)	(1,151)	(1,817)
Interest expense	2,870	3,751	5,825	7,596
Total other expense, net	2,175	1,943	4,674	5,779
(Loss) income before income taxes	(22,217)	4,550	(24,600)	3,086
Income tax expense	316	130	267	157
Net (loss) income	\$ (22,533)	\$ 4,420	\$ (24,867)	\$ 2,929
Net (loss) income attributable to non-controlling interest	(3,791)	800	(4,177)	422
Net (loss) income attributable to MediaAlpha, Inc.	\$ (18,742)	\$ 3,620	\$ (20,690)	\$ 2,507
Net (loss) income per share of Class A common stock				
-Basic	\$ (0.33)	\$ 0.07	\$ (0.37)	\$ 0.05
-Diluted	\$ (0.33)	\$ 0.07	\$ (0.37)	\$ 0.04
Weighted average shares of Class A common stock outstanding				
-Basic	56,141,117	53,367,896	55,888,125	50,971,172
-Diluted	56,141,117	53,367,896	55,888,125	65,868,384

The accompanying notes are an integral part of these unaudited consolidated financial statements.

MediaAlpha, Inc. and subsidiaries
Consolidated Statements of Stockholders' Deficit
(Unaudited; in thousands, except share data)

	Class A common stock		Class B common stock		Additional Paid-In- Capital	Accumulated deficit	Non- Controlling Interest	Total Stockholders' Deficit
	Units	Amount	Units	Amount				
Balance at December 31, 2024	55,456,104	\$ 555	11,574,029	\$ 116	\$ 507,640	\$ (505,933)	\$ (48,610)	\$ (46,232)
Vesting of restricted stock units	299,544	3	—	—	(3)	—	—	—
Equity-based compensation	—	—	—	—	6,707	—	—	6,707
Shares withheld on tax withholding on vesting of restricted stock units	—	—	—	—	(867)	—	—	(867)
Distributions to non-controlling interests	—	—	—	—	—	—	(107)	(107)
Vesting of performance-based restricted stock units	139,998	1	—	—	1,648	—	—	1,649
Net (loss)	—	—	—	—	—	(1,948)	(386)	(2,334)
Balance at March 31, 2025	55,895,646	\$ 559	11,574,029	\$ 116	\$ 515,125	\$ (507,881)	\$ (49,103)	\$ (41,184)
Vesting of restricted stock units	474,657	5	—	—	(5)	—	—	—
Equity-based compensation	—	—	—	—	8,112	—	—	8,112
Shares withheld on tax withholding on vesting of restricted stock units	—	—	—	—	(1,063)	—	—	(1,063)
Contributions from QLH's members	—	—	—	—	—	—	391	391
Distributions to non-controlling interests	—	—	—	—	—	—	(680)	(680)
Net (loss)	—	—	—	—	—	(18,742)	(3,791)	(22,533)
Balance at June 30, 2025	56,370,303	\$ 564	11,574,029	\$ 116	\$ 522,169	\$ (526,623)	\$ (53,183)	\$ (56,957)

	Class A common stock		Class B common stock		Additional Paid-In- Capital	Accumulated deficit	Non- Controlling Interest	Total Stockholders' Deficit
	Units	Amount	Units	Amount				
Balance at December 31, 2023	47,360,454	\$ 474	18,070,829	\$ 181	\$ 511,613	\$ (522,562)	\$ (84,131)	\$ (94,425)
Exchange of non-controlling interest for Class A common stock	3,057,000	31	(3,057,000)	(31)	(14,280)	—	14,280	—
Vesting of restricted stock units	407,803	3	—	—	(3)	—	—	—
Equity-based compensation	—	—	—	—	8,575	—	7	8,582
Shares withheld on tax withholding on vesting of restricted stock units	—	—	—	—	(1,956)	—	—	(1,956)
Distributions to non-controlling interests	—	—	—	—	—	—	(113)	(113)
Net (loss)	—	—	—	—	—	(1,113)	(378)	(1,491)
Balance at March 31, 2024	50,825,257	\$ 508	15,013,829	\$ 150	\$ 503,949	\$ (523,675)	\$ (70,335)	\$ (89,403)
Exchange of non-controlling interest for Class A common stock	3,439,800	34	(3,439,800)	(34)	(16,104)	—	16,104	—
Vesting of restricted stock units	464,296	5	—	—	(5)	—	—	—
Equity-based compensation	—	—	—	—	8,876	—	6	8,882
Shares withheld on tax withholding on vesting of restricted stock units	—	—	—	—	(1,721)	—	—	(1,721)
Distributions to non-controlling interests	—	—	—	—	—	—	(904)	(904)
Contributions from QLH's members	—	—	—	—	—	—	756	756
Net income	—	—	—	—	—	3,620	800	4,420
Balance at June 30, 2024	54,729,353	\$ 547	11,574,029	\$ 116	\$ 494,995	\$ (520,055)	\$ (53,573)	\$ (77,970)

The accompanying notes are an integral part of these unaudited consolidated financial statements.

MediaAlpha, Inc. and subsidiaries
Consolidated Statements of Cash Flows
(Unaudited; in thousands)

	Six Months Ended June 30,	
	2025	2024
Cash flows from operating activities		
Net (loss) income	\$ (24,867)	\$ 2,929
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Equity-based compensation expense	15,136	17,855
Non-cash lease expense	456	395
Depreciation expense on property and equipment	130	126
Amortization of intangible assets	1,956	3,218
Amortization of deferred debt issuance costs	359	380
Write-off of intangible assets	13,416	—
Credit losses	(192)	147
Tax receivables agreement liability related adjustments	79	—
Changes in operating assets and liabilities:		
Accounts receivable	40,348	(37,070)
Prepaid expenses and other current assets	(637)	159
Other assets	250	249
Accounts payable	(29,725)	34,325
Accrued expenses	32,714	574
Net cash provided by operating activities	<u>\$ 49,423</u>	<u>\$ 23,287</u>
Cash flows from investing activities		
Purchases of property and equipment	(232)	(164)
Net cash (used in) investing activities	<u>\$ (232)</u>	<u>\$ (164)</u>
Cash flows from financing activities		
Payments made for / proceeds received from:		
Repayments on long-term debt	(4,750)	(7,797)
Contributions from QLH's members	391	756
Distributions to non-controlling interests	(787)	(1,017)
Shares withheld for taxes on vesting of restricted stock units	(1,930)	(3,677)
Net cash (used in) financing activities	<u>\$ (7,076)</u>	<u>\$ (11,735)</u>
Net increase in cash and cash equivalents	42,115	11,388
Cash and cash equivalents, beginning of period	43,266	17,271
Cash and cash equivalents, end of period	<u>\$ 85,381</u>	<u>\$ 28,659</u>
Supplemental disclosures of cash flow information		
Cash paid during the period for:		
Interest	\$ 5,616	\$ 7,300
Income taxes paid, net of refunds	\$ 824	\$ (2)
Non-cash Investing and Financing Activities:		
Establishment of tax indemnification receivable in connection with the Reorganization Transactions	\$ (206)	\$ (2)
Right-of-use assets obtained in exchange of lease obligations	\$ 176	\$ —
Vesting of performance-based restricted stock units	\$ 1,649	\$ —

The accompanying notes are an integral part of these unaudited consolidated financial statements.

MediaAlpha, Inc. and subsidiaries
Notes to the Consolidated Financial Statements
(Unaudited)

1. Summary of significant accounting policies

The Company's significant accounting policies are included in the 2024 Annual Report on Form 10-K and did not materially change during the six months ended June 30, 2025.

Basis of presentation

The accompanying unaudited consolidated financial statements and related disclosures have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") applicable to interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. In the opinion of management, all adjustments, consisting of only those of a normal recurring nature, considered necessary for a fair statement of the financial position and interim results of the Company as of and for the periods presented have been included.

The December 31, 2024 balance sheet data was derived from audited consolidated financial statements; however, the accompanying interim notes to the consolidated financial statements do not include all of the annual disclosures required by GAAP. Results for interim periods are not necessarily indicative of those that may be expected for a full year. The financial information included herein should be read in conjunction with the Company's consolidated financial statements and related notes in its 2024 Annual Report on Form 10-K.

Accounts receivable

Accounts receivable are net of allowances for credit losses of \$0.7 million and \$1.0 million as of June 30, 2025 and December 31, 2024, respectively.

Concentrations of credit risk and of significant Demand Partners and Supply Partners

Financial instruments that potentially expose the Company to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Company maintains cash balances that can, at times, exceed amounts insured by the Federal Deposit Insurance Corporation. The Company has not experienced any losses in these accounts and believes it is not exposed to unusual risk beyond the normal credit risk in this area based on the financial strength of the institutions with which the Company maintains its deposits.

The Company's accounts receivable, which are unsecured, may expose it to credit risk based on their collectability. The Company controls credit risk by investigating the creditworthiness of all customers prior to establishing relationships with them, performing periodic reviews of the credit activities of those customers during the course of the business relationship, regularly analyzing the collectability of accounts receivable, and recording allowances for credit losses. The Company's supplier concentration can also expose it to business risks.

Customer and supplier concentrations consisted of the below:

	Three Months Ended June 30, 2025			Three Months Ended June 30, 2024		
	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total
Revenue	2	\$ 125	50 %	2	\$ 70	39 %
Purchases	2	\$ 53	25 %	—	\$ —	— %

	Six Months Ended June 30, 2025			Six Months Ended June 30, 2024		
	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total
Revenue	2	\$ 247	48 %	2	\$ 95	31 %
Purchases	1	\$ 60	14 %	1	\$ 25	10 %

	As of June 30, 2025			As of December 31, 2024		
	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total
Accounts receivable	2	\$ 43	42 %	2	\$ 66	46 %
Accounts payable	2	\$ 19	25 %	4	\$ 56	53 %

Related Party Transactions

The Company is party to the tax receivables agreement ("TRA"), under which it is contractually committed to pay certain holders of Class B-1 units 85% of the amount of any tax benefits that the Company actually realizes, or in some cases are deemed to realize as a result of certain transactions. As of June 30, 2025 and December 31, 2024, the Company had a \$7.1 million and \$7.0 million liability, respectively, for estimated payments related to the 2024 tax year under the TRA as these payments were probable. During the three and six months ended June 30, 2025 and 2024, no payments were made pursuant to the TRA.

Liquidity

As of June 30, 2025, the aggregate principal amount outstanding under the 2021 Credit Facilities was \$158.7 million, with \$45.0 million remaining available for borrowing under the 2021 Revolving Credit Facility. On August 4, 2025, the Company entered into an amendment to the 2021 Credit Facilities, pursuant to which lenders representing \$138.1 million and \$4.6 million of the principal amount outstanding under the 2021 Term Loan Facility and the 2021 Revolving Credit Facility, respectively, as of that date, agreed to extend the maturity date of such loans or revolving commitments by one year, to July 29, 2027. The remaining lenders, representing \$13.3 million and \$0.4 million of the principal amount outstanding under the 2021 Term Loan Facility and the 2021 Revolving Credit Facility, respectively, as of that date, did not extend the maturity date of their loans or revolving commitments, and such loans are considered to be current liabilities as their maturity falls within twelve months from the date of the issuance of these consolidated financial statements as further discussed in Note 4 - Long-term debt.

As of June 30, 2025, the Company was in compliance with all of its financial covenants under such credit facilities. The Company's ability to continue to comply with its covenants will depend on, among other things, financial, business, market, competitive and other conditions, many of which are beyond the Company's control.

On October 30, 2024, the Company received a letter from the staff of the Federal Trade Commission (FTC) stating that the FTC Staff was prepared to recommend the filing of a complaint against the Company seeking injunctive and monetary relief and civil penalties. On July 3, 2025 the Company reached agreement with the FTC Staff on the terms of a Consent Order that the Staff was prepared to recommend to the FTC Commissioners to fully resolve all of the FTC's claims (Consent Order). On August 6, 2025, the Staff notified the Company that the Commissioners had approved the Consent Order. Under the terms of the Consent Order, the Company has agreed to pay \$45.0 million and to certain other provisions as further discussed in Note 5 - Commitments and contingencies - Litigation and other matters. The Company plans to pay the settlement amount from cash on hand.

The Company's results are subject to fluctuations as a result of business cycles experienced by companies in the insurance industry. The Company believes that its expected near-term revenue, cash on hand and availability to access additional cash under its 2021 Revolving Credit Facility are sufficient to meet its operating and capital expenditure requirements, and to continue to comply with its debt covenants, for at least the next twelve months as of the filing date of this Quarterly Report on Form 10-Q. The extent to which market conditions impact the Company's business, results of operations, cash flows and financial condition will depend on future developments impacting its carrier partners, including tariffs and inflation rates, the extent of any major catastrophic losses, and the timing of regulatory approval of premium rate increases, which remain highly uncertain and cannot be predicted with accuracy. The Company considered the impact of this uncertainty on the assumptions and estimates used when preparing these quarterly financial statements. These assumptions and estimates may continue to change as new events occur, and such changes could have an adverse impact on the Company's results of operations, financial position and liquidity.

New Accounting Pronouncements

Recently adopted accounting pronouncements

There have been no recently adopted accounting pronouncements by the Company.

Recently issued not yet adopted accounting pronouncements

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2024-03, "Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses," which is intended to improve disclosures about a public business entity's expenses by requiring disaggregated disclosure, in the notes to the consolidated financial statements, of prescribed categories of expenses within relevant income statement captions. In March 2025, the FASB issued ASU No. 2025-01, "Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date." ASU No. 2025-01 clarifies that all public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The new standard may be applied either on a prospective or retrospective basis. The Company is currently evaluating the impact of the ASU on its disclosures in the consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): *Improvements to Income Tax Disclosures*, that requires disclosure of disaggregated income taxes paid, prescribes standard categories for the components of the effective tax rate reconciliation, and modifies other income tax-related disclosure. The amendments in the ASU are intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments are effective for annual periods beginning after December 15, 2024. Early adoption is permitted. The amendments in this ASU should be applied on a prospective basis but retrospective application is permitted. The Company is currently evaluating the impact of the ASU on its disclosures in the consolidated financial statements.

2. Disaggregation of revenue

The following table shows the Company's revenue disaggregated by transaction model:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Open Marketplace transactions	\$ 245,280	\$ 171,504	\$ 503,699	\$ 293,933
Private Marketplace transactions	6,342	6,770	12,232	10,990
Total	\$ 251,622	\$ 178,274	\$ 515,931	\$ 304,923

The following table shows the Company's revenue disaggregated by product vertical:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Property & casualty insurance	\$ 227,162	\$ 134,422	\$ 450,407	\$ 203,664
Health insurance	18,074	34,774	52,011	82,053
Life insurance	5,225	6,518	10,798	14,081
Other	1,161	2,560	2,715	5,125
Total	\$ 251,622	\$ 178,274	\$ 515,931	\$ 304,923

3. Goodwill and intangible assets

Goodwill and intangible assets consisted of:

(in thousands)	Useful life (months)	As of					
		June 30, 2025			December 31, 2024		
		Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
Customer relationships	84 - 120	\$ 25,040	\$ (20,816)	\$ 4,224	\$ 43,500	\$ (29,503)	\$ 13,997
Non-compete agreements	60	303	(303)	—	303	(303)	—
Trademarks, trade names, and domain names	60 - 120	1,624	(1,235)	389	9,284	(3,296)	5,988
Intangible assets		\$ 26,967	\$ (22,354)	\$ 4,613	\$ 53,087	\$ (33,102)	\$ 19,985
Goodwill	Indefinite	\$ 47,739	\$ —	\$ 47,739	\$ 47,739	\$ —	\$ 47,739

Amortization expense related to intangible assets was \$0.5 million and \$1.6 million for the three months ended June 30, 2025 and 2024, respectively, and \$2.0 million and \$3.2 million for the six months ended June 30, 2025 and 2024, respectively. During the six months ended June 30, 2025, the Company recognized a charge of \$13.4 million related to the write-off of customer relationships and trademarks, trade names, and domain names acquired as part of the acquisition of Customer Helper Team, LLC as the Company did not intend to use or expect any future economic benefits from these intangible assets. The Company has no accumulated impairment of goodwill.

The following table presents the changes in goodwill and intangible assets:

(in thousands)	As of			
	June 30, 2025		December 31, 2024	
	Goodwill	Intangible assets	Goodwill	Intangible assets
Beginning balance at January 1,	\$ 47,739	\$ 19,985	\$ 47,739	\$ 26,015
Additions to goodwill and intangible assets	—	—	—	400
Amortization	—	(1,956)	—	(6,430)
Write-off of intangible assets	—	(13,416)	—	—
Ending balance	\$ 47,739	\$ 4,613	\$ 47,739	\$ 19,985

As of June 30, 2025, future amortization expense relating to identifiable intangible assets with estimable useful lives over the next five years was as follows:

(in thousands)	Amortization expense
2025–Remaining Period	\$ 1,022
2026	1,911
2027	1,364
2028	37
2029	40
Thereafter	239
	\$ 4,613

4. Long-term debt

On July 29, 2021, QuoteLab, LLC (“Borrower”) and QLH entered into an amendment (the “First Amendment”) to the 2020 Credit Agreement dated as of September 23, 2020, with the lenders that are party thereto and JPMorgan Chase Bank, N.A., as administrative agent (as amended by the First Amendment, the “Credit Agreement”). On June 8, 2023, the Borrower and QLH entered into a Second Amendment (the “Second Amendment”) to the Credit Agreement (as amended by the Second Amendment, the “Amended Credit Agreement”).

On August 4, 2025 ("Effective Date"), QuoteLab, LLC and QLH entered into a Third Amendment (the "Third Amendment") to the Amended Credit Agreement, pursuant to which lenders representing \$138.1 million in aggregate principal amount of term loans outstanding under the 2021 Term Loan Facility as of the Effective Date, agreed to extend the maturity date by one year, to July 29, 2027 ("Extended Term Loans"). The remaining \$13.3 million in aggregate principal amount of term loans outstanding under the 2021 Term Loan Facility, as of the Effective Date (the "Non-Extended Term Loans" and, together with the Extended Term Loans, the "Term Loans") will mature on July 29, 2026. The Term Loans amortize quarterly, beginning with December 31, 2021 and ending with (a) June 30, 2026, in the case of the Non-Extended Term Loans, and (b) June 30, 2027, in the case of the Extended Term Loans, by an amount equal to 1.25% of the aggregate principal amount of the Term Loans initially made on July 29, 2021. Also, as of the Effective Date, the lenders representing \$45.6 million in aggregate amount of revolving commitments and related loans under the 2021 Revolver Credit Facility (\$4.6 million in aggregate principal amount of which are drawn as of the Effective Date) agreed to extend the maturity date by one year, to July 29, 2027. The remaining \$4.4 million in aggregate amount of revolving commitments and related loans under the 2021 Revolver Credit Facility (\$0.4 million in aggregate principal amount of which are drawn as of the Effective Date) will mature on July 29, 2026.

The Company plans to seek a refinancing of the 2021 Credit Facilities prior to July 2026. The Third Amendment did not materially impact the covenants or other terms and conditions under the Amended Credit Agreement and did not result in any additional cash proceeds. The Company incurred additional fees of \$0.3 million as a result of the Third Amendment.

Long-term debt consisted of the following:

(in thousands)	As of	
	June 30, 2025	December 31, 2024
2021 Term Loan Facility	\$ 153,703	\$ 158,453
2021 Revolving Credit Facility	5,000	5,000
Unamortized debt issuance costs	(680)	(1,008)
Total debt	\$ 158,023	\$ 162,445
Less: current portion, net of debt issuance costs of \$631 and \$651, respectively	(8,869)	(8,849)
Total long-term debt	\$ 149,154	\$ 153,596

The Company incurred interest expense on the 2021 Term Loan Facility of \$2.6 million and \$3.3 million for the three months ended June 30, 2025 and 2024, respectively, and \$5.4 million and \$7.0 million for the six months ended June 30, 2025 and 2024, respectively. Interest expense included amortization of debt issuance costs on the 2021 Credit Facilities of \$0.2 million for the three months ended June 30, 2025 and 2024, respectively, and \$0.4 million for the six months ended June 30, 2025 and 2024, respectively.

As of June 30, 2025, the Company's borrowing capacity available under the 2021 Revolving Credit Facility was \$45.0 million, which carries a commitment fee that is based on the Company's consolidated total net leverage ratio and ranges from 0.25% to 0.50%. The commitment fee on the unused portion of the 2021 Revolving Credit Facility was 0.25% as of June 30, 2025. The Company incurred interest expense on the 2021 Revolving Credit Facility of \$0.1 million and \$0.2 million for the three months ended June 30, 2025 and 2024, respectively, and \$0.3 million for the six months ended June 30, 2025 and 2024, respectively. As of June 30, 2025, the Company's interest rates on the outstanding borrowings under the 2021 Term Loan Facility and 2021 Revolving Credit Facility were 6.39%.

Accrued interest was \$2.6 million as of June 30, 2025 and \$2.9 million as of December 31, 2024, and is included within accrued expenses on the consolidated balance sheets. As of June 30, 2025, the Company was in compliance with all covenants under the 2021 Credit Facilities.

The expected future principal payments for all borrowings as of June 30, 2025 were as follows:

(in thousands)	Contractual maturity
2025–Remaining Period	\$ 4,750
2026	153,953
	158,703
Unamortized debt issuance costs	(680)
Total debt	\$ 158,023

5. Commitments and contingencies

Litigation and other matters

The Company is subject to certain legal proceedings and claims that arise in the normal course of business. In the opinion of management, the Company does not believe that the amount of liability, if any, as a result of these proceedings and claims will have a material adverse effect on the Company's consolidated financial position, results of operations, or cash flows.

FTC Matter

On February 21, 2023, the Company received a civil investigative demand from the FTC regarding compliance with the FTC Act and the Telemarketing Sales Rule, as they relate to the advertising, marketing, promotion, offering for sale, or sale of healthcare-related products, the collection, sale, transfer or provision to third parties of consumer data, telemarketing practices, and/or consumer privacy or data security. On October 30, 2024, the Company received a letter from the staff of the FTC (the "FTC Staff") stating that the FTC Staff was prepared to recommend the filing of a complaint against the Company for violations of Section 5(a) of the FTC Act, the Telemarketing Sales Rule ("TSR") and the Government and Business Impersonation Rule (the "Impersonation Rule").

The FTC Staff alleged that, in connection with the Company's lead generation and telemarketing activities, the Company has represented itself as affiliated with government entities, made misleading claims (in particular regarding health insurance products and the Company's use of consumers' personal information) and utilized deceptive advertising, in violation of Section 5(a) of the FTC Act. The FTC Staff further alleged that the Company has violated the Impersonation Rule in representing itself to be affiliated with government entities and the TSR in connection with its telemarketing activities, and has assisted and facilitated violations of the TSR by its Demand Partners in the under-65 health vertical.

On July 3, 2025, the Company reached agreement with the FTC Staff on the terms of a Consent Order that the Staff was prepared to recommend to the Commissioners of the FTC to fully resolve the FTC's claims. On August 6, 2025, the Staff notified the Company that the Commissioners had approved the Consent Order. Under the terms of the Consent Order, which includes no admission or denial of wrongdoing to the FTC's allegations, the Company has agreed to pay \$45.0 million as monetary relief, of which \$33.5 million is payable within seven days of entry of the Consent Order by the court and the remaining \$11.5 million within 90 days of entry of the Consent Order. Under the Consent Order, the Company has also agreed to, among other things: implement processes to review its advertising and marketing materials relating to under-65 health plans for compliance; include certain disclosures on its lead generation websites relating to under-65 health plans; implement processes to oversee the compliance of its under-65 health Demand Partners, Supply Partners and affiliates; comply with the TSR and not make any misrepresentations in connection with lead generation or the advertising, marketing, or promotion of any good or service; not collect, transfer or disclose consumer information without express informed consent; transfer certain inactive under-65 health website domains owned by the Company; and comply with certain data deletion, recordkeeping and cooperation provisions.

Based on the terms of the settlement, the Company has recorded a loss in connection with the FTC Matter. As of June 30, 2025 and December 31, 2024, the Company had recorded a reserve of \$45.0 million and \$7.0 million, respectively, in connection with this matter, which has been recorded within accrued expenses and other long-term liabilities on the consolidated balance sheets.

During the three and six months ended June 30, 2025, the Company incurred legal fees of \$2.3 million and \$4.1 million, respectively, and during the three and six months ended June 30, 2024, the Company incurred legal fees of \$0.7 million and \$1.8 million, respectively, in connection with the FTC Matter, which are included within general and administrative expenses on the consolidated statement of operations.

Other matters

On February 26, 2024, the Company received an assessment from the City of Los Angeles related to its examination of the Company's Business Tax filings for tax years 2018 through 2023. Such assessment was affirmed by the Appeals Review Officer at an initial hearing in July 2024, and by the Board of Review of the Office of Finance on July 23, 2025. The Company has remitted the assessed amount to avoid interest and penalties, and plans to initiate litigation challenging the assessment and the City's classification and methodology in applying the Business Tax to the Company. Payment of such amount does not constitute an admission that the Company is subject to such taxes, and if the Company prevails in the litigation the City would be required to repay such amounts or credit them against taxes payable in the future, potentially with interest. As of June 30, 2025, the Company has assessed its probable loss related to this matter and has accrued a reserve, which is not material.

As of June 30, 2025 and December 31, 2024, the Company did not have any other material contingency reserves established for litigation liabilities.

6. Equity-based compensation

Equity-based compensation cost recognized for equity-based awards outstanding during the three and six months ended June 30, 2025 and 2024 was as follows:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
QLH restricted Class B-1 units	\$ —	\$ 6	\$ —	\$ 13
Restricted Class A shares	—	101	—	206
Restricted stock units	8,112	8,775	14,819	17,245
Performance-based restricted stock units	—	339	317	391
Total equity-based compensation	\$ 8,112	\$ 9,221	\$ 15,136	\$ 17,855

Equity-based compensation cost was included in the following expense categories in the consolidated statements of operations during the three and six months ended June 30, 2025 and 2024:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Cost of revenue	\$ 277	\$ 392	\$ 571	\$ 2,249
Sales and marketing	1,457	2,042	2,740	3,743
Product development	1,498	1,786	2,746	3,268
General and administrative	4,880	5,001	9,079	8,595
Total equity-based compensation	\$ 8,112	\$ 9,221	\$ 15,136	\$ 17,855

As of June 30, 2025, total unrecognized compensation cost related to unvested restricted stock units was \$65.3 million, which is expected to be recognized over a weighted-average period of 2.87 years.

7. Fair Value Measurements

The Company does not have any financial instruments measured at fair value on a recurring basis.

The Company's financial instruments measured at fair value on a non-recurring basis consist of:

Long-Term Debt

As of June 30, 2025, the carrying amount of the 2021 Term Loan Facility and the 2021 Revolving Credit Facility approximates their respective fair values. The Company used a discounted cash flow analysis to estimate the fair value of the long-term debt, using an adjusted discount rate of 5.75% and the estimated payments under the 2021 Term Loan Facility until maturity, including interest payable based on the Company's forecasted total net leverage ratio.

8. Income taxes

MediaAlpha, Inc. is taxed as a corporation and pays corporate federal, state and local taxes on income allocated to it from QLH based upon MediaAlpha, Inc.'s economic interest held in QLH. QLH is treated as a pass-through partnership for income tax reporting purposes and is not subject to federal income tax. Instead, QLH's taxable income or loss is passed through to its members, including MediaAlpha, Inc. Accordingly, the Company is not liable for income taxes on the portion of QLH's earnings not allocated to it. MediaAlpha, Inc. files and pays corporate income taxes for U.S. federal and state income tax purposes and its corporate subsidiary, Skytiger Studio, Ltd., is subject to taxation in Taiwan. The Company expects this structure to remain in existence for the foreseeable future.

The Company estimates the annual effective tax rate for the full year to be applied to actual year-to-date income (loss) and adds the tax effects of any discrete items in the reporting period in which they occur. The following table summarizes the Company's income tax expense:

(in thousands, except percentages)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
(Loss) income before income taxes	\$ (22,217)	\$ 4,550	\$ (24,600)	\$ 3,086
Income tax expense	\$ 316	\$ 130	\$ 267	\$ 157
Effective Tax Rate	(1.4)%	2.9 %	(1.1)%	5.1 %

The Company's effective tax rate of (1.4)% and (1.1)% for the three and six months ended June 30, 2025, respectively, and 2.9% and 5.1% for the three and six months ended June 30, 2024, respectively, differed from the U.S. federal statutory tax rate of 21% due primarily to the tax impacts of changes in valuation allowance.

There were no material changes to the Company's unrecognized tax benefits during the three and six months ended June 30, 2025. The Company is currently under examination by various tax authorities in the United States. These examinations are in preliminary stages and the Company does not expect to have any significant changes to unrecognized tax benefits through the end of the fiscal year.

During the three and six months ended June 30, 2025, holders of Class B-1 units exchanged zero units, and during the three and six months ended June 30, 2024 exchanged 3,439,800 and 6,496,800 units, respectively, together with an equal number of shares of Class B common stock, for shares of Class A common stock on a one-for-one basis ("Exchanges"). In connection with the Exchanges, the Company did not establish any additional liabilities related to the TRA, which are presented within additional-paid-in-capital in its consolidated statements of stockholders' deficit. In connection with the Exchanges and the changes to the carrying value of the non-controlling interest, the Company also recognizes deferred tax assets associated with the basis difference in its investment in QLH through additional-paid-in-capital, but during the three and six months ended June 30, 2024, the Company did not recognize any additional deferred tax assets as the Company has recognized a full valuation allowance on its deferred tax assets.

As of June 30, 2025 and December 31, 2024, the Company had a valuation allowance of \$122.7 million and \$120.6 million, respectively, against its deferred tax assets. The valuation allowance reflects the Company's recent history of pre-tax losses, which represents significant objective negative evidence that the Company will be able to generate sufficient taxable income to realize its deferred tax assets in the foreseeable future. Such negative evidence is difficult to overcome and limits the consideration of other subjective evidence, such as projected future earnings. Based on the significant improvement in the Company's pre-tax income during 2024 and its current forecasts, the Company expects that in the near future, the objective negative evidence in the form of historical pre-tax losses will no longer be present, in which event the Company would be able to release a portion or all of the valuation allowance. Release of any amount of valuation allowance would result in a benefit to income tax expense for the period the release is recorded, which could have a material impact on net income.

On July 4, 2025, the One Big Beautiful Bill (OBBB) Act, which includes a broad range of tax reform provisions, was signed into law in the United States and the Company continues to assess its impact. The Company currently does not expect the OBBB Act to have a material impact on its estimated annual effective tax rate or deferred tax assets in 2025.

Tax Receivables Agreement

In connection with the Reorganization Transactions and the IPO, the Company entered into the TRA with Insignia, Senior Executives, and White Mountains. The Company expects to obtain an increase in its share of the tax basis in the net assets of QLH as Class B-1 units, together with shares of Class B common stock, are exchanged for shares of Class A common

stock (or, at the Company's election, redeemed for cash of an equivalent value). The Company intends to treat any redemptions and exchanges of Class B-1 units as direct purchases for U.S. federal income tax purposes. These increases in tax basis may reduce the amounts that it would otherwise pay in the future to various tax authorities.

In the event the Company generates taxable income for any year, the Company would be required to recognize a portion or all of the liability under the TRA. In relation to the estimated payments under the TRA for the 2024 tax year, as these payments were deemed probable, the Company recorded a liability of \$7.1 million and \$7.0 million as of June 30, 2025 and December 31, 2024, respectively, within accrued expenses and liabilities under tax receivables agreement, net of current portion, on the consolidated balance sheets. If the Company had determined that it was probable that it would generate sufficient future taxable income to make future payments under the TRA, it would have also recorded an additional liability pursuant to the TRA of approximately \$112 million and \$115 million as of June 30, 2025 and December 31, 2024, respectively, in the consolidated balance sheets.

No payments were made pursuant to the TRA during the three and six months ended June 30, 2025 and 2024.

9. Net (Loss) Income Per Share

The following table presents the calculation of basic and diluted net (loss) income per share:

(in thousands except share data and per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Basic				
Net (loss) income	\$ (22,533)	\$ 4,420	\$ (24,867)	\$ 2,929
Less: net (loss) income attributable to non-controlling interest	(3,791)	800	(4,177)	422
Net (loss) income attributable to MediaAlpha, Inc.	\$ (18,742)	\$ 3,620	\$ (20,690)	\$ 2,507
Denominator:				
Weighted-average shares of Class A common stock outstanding - basic	56,141,117	53,367,896	55,888,125	50,971,172
Weighted-average shares of Class A common stock outstanding - diluted	56,141,117	53,367,896	55,888,125	65,868,384
Net (loss) income per share of Class A common stock - basic	\$ (0.33)	\$ 0.07	\$ (0.37)	\$ 0.05
Net (loss) income per share of Class A common stock - diluted	\$ (0.33)	\$ 0.07	\$ (0.37)	\$ 0.04

(in thousands except share data and per share amount)	Six Months Ended June 30, 2024
Diluted	
Net income	\$ 2,929
Add: incremental tax benefits related to exchange of Class B-1 units	—
Net income available for diluted common shares	\$ 2,929
Weighted-average shares outstanding:	
Class A common stock	50,971,172
Class B-1 units	14,897,212
Weighted-average shares of Class A common stock and potential Class A common stock	65,868,384
Net income per share of Class A common stock - diluted	\$ 0.04

Potentially dilutive shares, which are based on the weighted-average shares of underlying unvested QLH restricted Class B-1 units, restricted Class A shares, restricted stock units, and PRSUs using the treasury stock method and the outstanding QLH restricted Class B-1 units using the if-converted method, are included when calculating diluted net income (loss) per share attributable to MediaAlpha, Inc. when their effect is dilutive. The effects of the Company's potentially dilutive

securities were not included in the calculation of diluted income (loss) per share as the effect of their inclusion would be anti-dilutive.

The following table summarizes the shares and units with a potentially dilutive impact for the three months ended June 30, 2025 and 2024:

	As of	
	June 30, 2025	June 30, 2024
QLH Class B-1 Units	11,609,982	11,609,982
Restricted Class A Shares	—	6,455
Restricted stock units	5,521,475	4,065,863
Potentially dilutive shares	17,131,457	15,682,300

The following table summarizes the shares and units with a potentially dilutive impact for the six months ended June 30, 2025 and 2024:

	As of	
	June 30, 2025	June 30, 2024
QLH Class B-1 Units	11,609,982	307
Restricted Class A Shares	—	6,455
Restricted stock units	5,521,475	4,065,863
Potentially dilutive shares	17,131,457	4,072,625

For the three and six months ended June 30, 2024 the outstanding performance based RSUs were not included in the potentially dilutive securities as the performance conditions had not been met as of June 30, 2024.

10. Non-Controlling Interest

Pursuant to QLH's limited liability company agreement, QLH has two classes of equity securities, Class A-1 units, which have all voting rights in QLH, and Class B-1 units, which have no voting or control rights. The Company allocates a share of net income (loss) to the holders of non-controlling interests pro-rata to their ownership interest in QLH at a point in time. The non-controlling interests balance represents the Class B-1 units, substantially all of which are held by Insignia and the Senior Executives.

During the three and six months ended June 30, 2025, the holders of the non-controlling interests had zero Exchanges. During the three and six months ended June 30, 2024, the holders of the non-controlling interests had 3,439,800 and 6,496,800 Exchanges, respectively. As of June 30, 2025, the holders of the non-controlling interests owned 17.1% of the total equity interests in QLH, with the remaining 82.9% owned by MediaAlpha, Inc. As of December 31, 2024, the holders of the non-controlling interests owned 17.3% of the total equity interests in QLH, with the remaining 82.7% owned by MediaAlpha, Inc.

Item 2. Management’s discussion and analysis of financial condition and results of operations

The following discussion and analysis of our financial condition and results of operations should be read together with our unaudited consolidated financial statements and related notes included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

This discussion, particularly information with respect to our future results of operations or financial condition, business strategy and plans, and objectives of management for future operations, includes forward-looking statements that involve risks and uncertainties as described under the heading "Cautionary Statement Regarding Forward-Looking Statements" in this Quarterly Report on Form 10-Q. You should review the disclosure under the heading "Risk Factors" in Part II, Item 1A of this Quarterly Report on Form 10-Q for a discussion of important factors that could cause our actual results to differ materially from those anticipated in these forward-looking statements.

Management overview

Our mission is to help insurance carriers and distributors target and acquire consumers more efficiently and at greater scale through technology and data science. Our technology platform brings together leading insurance carriers and high-intent consumers through a real-time, programmatic, transparent, and results-driven ecosystem. We believe we are the largest online customer acquisition platform in our core verticals of property & casualty ("P&C") insurance, health insurance, and life insurance, supporting \$1.9 billion in Transaction Value across our platform from these verticals over the twelve-month period ended June 30, 2025.

We have multi-faceted relationships with top-tier insurance carriers and distributors. A buyer or a Demand Partner within our ecosystem is generally an insurance carrier or distributor seeking to reach high-intent insurance consumers. A seller or a Supply Partner is typically an insurance carrier looking to maximize the value of non-converting or low expected LTV consumers, or an insurance-focused research destination or other financial website looking to monetize high-intent users on their websites. For the twelve-month period ended June 30, 2025, consumers shopped for insurance products through the websites of our diversified group of Supply Partners and our proprietary websites each month, driving an average of 11.2 million Consumer Referrals on our platform each month.

We generate revenue by earning a fee for each Consumer Referral sold on our platform. A transaction becomes payable upon a qualifying consumer action, such as a click, call or lead, and is generally not contingent on the sale of a product to the consumer.

We believe our technology is a key differentiator and a powerful driver of our performance. We maintain deep, custom integrations with partners representing the majority of our Transaction Value, which enable automated, data-driven processes that optimize our partners’ customer acquisition spend and revenue. Through our platform, our P&C insurance carrier partners can target and price across over 35 separate consumer attributes to manage customized acquisition strategies.

Executive Summary**Highlights**

(in millions, except percentages)	Three Months Ended June 30, 2025	\$	%	Three Months Ended June 30, 2024
Revenue	\$ 251.6	73.3	41.1%	\$ 178.3
Transaction Value ¹	\$ 480.8	159.0	49.4%	\$ 321.8
Contribution ¹	\$ 39.8	6.1	18.1%	\$ 33.7
Net (Loss) Income	\$ (22.5)	(26.9)	n/m	\$ 4.4
Adjusted EBITDA ¹	\$ 24.5	5.8	30.7%	\$ 18.7
<i>n/m - Not Meaningful</i>				

1. Transaction Value is an operating metric not presented in accordance with GAAP. Adjusted EBITDA, Contribution, and Contribution Margin are non-GAAP financial measures. See "Management’s discussion and analysis of financial condition and results of operations-Key business and operating metrics." for additional information regarding the Company’s operating metrics and Non-GAAP metrics.

For the three months ended June 30, 2025, we generated \$251.6 million of revenue and \$480.8 million of Transaction Value, representing increases of 41.1% and 49.4%, respectively, compared with the three months ended June 30, 2024, driven primarily by significant increases in customer acquisition spending by P&C carrier partners as they continue to focus on growth and increasing market share in response to improving underwriting profitability, offset in part by a decline in revenue from our Health insurance vertical, in both under-65 health and Medicare.

Contribution, which generally represents revenue less revenue share payments and online advertising costs, was \$39.8 million for the three months ended June 30, 2025, a year-over-year increase of 18.1%, driven primarily by the higher revenue. Contribution Margin was 15.8% in the three months ended June 30, 2025, compared with 18.9% in the three months ended June 30, 2024.

Net loss for the three months ended June 30, 2025 was \$22.5 million, compared with net income of \$4.4 million for the three months ended June 30, 2024, due primarily to a charge of \$33.0 million to increase our reserve related to FTC Matter, offset by an increase in gross profit. On August 6, 2025, the Company and the FTC entered into a stipulated Consent Order that fully resolves all claims arising from their investigation. Under the terms of the settlement, the Company has agreed to pay \$45.0 million as monetary relief, and accordingly the Company increased its reserve related to the FTC Matter as of June 30, 2025.

Adjusted EBITDA for the three months ended June 30, 2025 was \$24.5 million, a year-over-year increase of 30.7%, due primarily to higher gross profit.

Other developments

On August 4, 2025, we agreed with lenders representing \$138.1 million and \$4.6 million of the principal amount outstanding under the 2021 Term Loan Facility and the 2021 Revolving Credit Facility, respectively, as of that date to extend maturity date by one year, to July 29, 2027. The remaining lenders, representing \$13.3 million and \$0.4 million of the principal amount outstanding under the 2021 Term Loan Facility and the 2021 Revolving Credit Facility, respectively, as of that date, did not agree to extend the maturity date of their loans, and such amounts are considered to be current liabilities as their maturity falls within twelve months from the date of the issue of these consolidated financial statements.

Key factors affecting our business

Revenue

We believe that our future performance will depend on many factors, including those described below and in Part I, Item 1A "Risk Factors" in our 2024 Annual Report on Form 10-K and under Part II, Item 1A "Risk Factors" in this Quarterly Report on Form 10-Q.

Secular trends in the insurance industry

Our technology platform was created to serve and grow with our core insurance end markets. We believe secular trends in the insurance industry are critical drivers of our revenue and will continue to provide strong tailwinds for our business over the long term. Customer acquisition spending by insurance carriers is growing over time, and as more consumers shop for insurance online, direct-to-consumer marketing, which fuels our revenue, has become the fastest growing insurance distribution channel. As mass-market customer acquisition becomes more costly, insurance carriers and distributors are increasingly focusing on optimizing customer acquisition spend, which is at the core of the service we deliver on our platform. As long as these secular trends persist, we expect digital insurance customer acquisition spending to continue to grow over time, and we believe we are well-positioned to benefit from this growth.

Transaction Value

We define "Transaction Value" as the total gross dollars transacted by our partners on our platform. Transaction Value is an operating metric not presented in accordance with GAAP, and is a driver of revenue based on the economic relationships we have with our partners. Transaction Value from Open Marketplace transactions is a direct driver of our revenue, while Transaction Value from Private Marketplace transactions is an indirect driver of our revenue (see "Key business and operating metrics" below). Transaction Value on our platform increased to \$480.8 million and \$953.9 million for the three and six months ended June 30, 2025, respectively, from \$321.8 million and \$540.9 million for the three and six months ended June 30, 2024, respectively, due primarily to an increase in customer acquisition spending by P&C insurance carriers in response to improvements in their underwriting profitability. We have developed multi-faceted, deeply integrated partnerships with

insurance carriers and distributors, who may be both Demand Partners and Supply Partners on our platform. We believe the versatility and breadth of our offerings, coupled with our focus on high-quality products, provide significant value to insurance carriers and distributors, leading many of them to use our platform as their central hub for broadly managing digital customer acquisition and monetization, resulting in strong retention rates. For the three and six months ended June 30, 2025, 98% and 99% of total insurance Transaction Value executed on our platform came from Demand Partner relationships in existence during 2024, respectively.

Our Demand and Supply Partners

Our success depends on our ability to retain and grow the number of high-quality Demand and Supply Partners on our platform. We retain and attract Demand Partners by finding high-quality sources of Consumer Referrals to make available to our Demand Partners. We obtain these Consumer Referrals from our diverse network of Supply Partners as well as from our proprietary properties. We seek to develop, acquire and retain relationships with high-quality Supply Partners by developing flexible platforms to enable our Supply Partners to maximize their revenue, manage their demand side relationships in scalable and flexible ways and focus on long-term sustainable economics with respect to revenue share. Our relationships with our partners are deep and long standing and involve most of the top-tier insurance carriers in the industry. In terms of Demand Partners, during the six months ended June 30, 2025, 15 of the top 20 largest auto insurance carriers by customer acquisition spend were on our platform.

Consumer Referrals

Our results depend in large part on the number of Consumer Referrals purchased on our platform and the pricing of such Consumer Referrals. The aggregate number of consumer clicks, calls, and leads purchased by insurance buyers on our platform increased to 34.0 million and 69.0 million for the three and six months ended June 30, 2025, respectively, from 26.2 million and 52.8 million for the three and six months ended June 30, 2024, respectively. We seek to increase the number and scale of our supply relationships and drive consumers to our proprietary properties through a variety of paid traffic acquisition sources. We continuously look to diversify our paid media sources to extend beyond search engine marketing, which has historically represented the bulk of our paid media spend.

Cyclicality

Our results are also subject to fluctuations as a result of business cycles experienced by companies in the P&C insurance industry. These cycles in the P&C insurance industry are characterized by periods of “soft” market conditions, when carriers are profitable and are focused on increasing capacity and building market share, and “hard” market conditions, when carriers are experiencing lower or even negative underwriting profits and are seeking to increase their premium rates to improve their profitability. As our Demand Partners in the P&C insurance industry go through these market cycles, they often increase their customer acquisition spending during soft markets and reduce it during hard markets, causing their relative demand for Consumer Referrals from our platform to increase and decrease accordingly. Beginning in the second half of 2021, the P&C insurance industry entered a “hard” market, with many carriers experiencing lower than expected underwriting profitability due to higher than expected inflation in automobile claims costs, causing them to significantly reduce their customer acquisition spending on our platform. In late 2023, P&C insurance industry profitability began to improve as premium increases began to outpace loss cost inflation, causing them to begin to resume their marketing investments. This recovery gained significant momentum during 2024 as multiple carriers meaningfully increased their spending in our marketplaces. In 2025, the U.S. government has implemented new import tariffs and increases in existing tariff rates on imported automobiles and automobile parts, and may implement additional new tariffs or tariff increases in the future. While these tariffs do not have a material direct impact on our business, they could cause a significant increase in the costs of imported automobile parts, and new and used imported automobiles, resulting in higher automobile insurance claim costs and insurance carrier loss ratios, which could result in a resumption of hard market conditions and a reduction in carrier spending on Consumer Referrals on our platform.

Seasonality

Our results are subject to fluctuations as a result of seasonality. In particular, our P&C insurance vertical is typically characterized by seasonal strength in our quarters ending March 31 due to a greater supply of Consumer Referrals and higher customer acquisition budgets during the start of the year, and by seasonal weakness in our quarters ending December 31 due to a lower supply of Consumer Referrals available on a cost-effective basis and lower customer acquisition budgets from some buyers during those quarters. Our health insurance vertical is typically characterized by seasonal strength in our quarters ending December 31 due to open enrollment periods for health insurance and annual enrollment for Medicare during those quarters, with a material increase in consumer search volume for health products and a related increase in buyer customer acquisition budgets.

Other factors affecting our partners' businesses include macro factors such as credit availability in the market, the strength of the economy and employment levels.

Regulations

Our revenue and earnings may fluctuate from time to time as a result of federal, state, international and industry-based laws, directives and regulations and developing standards with respect to the enforcement of those regulations. Our business is affected directly because we operate websites, conduct telemarketing and email marketing and collect, process, store, share, disclose, transfer and use consumer information and other data. Our business is affected indirectly as our clients adjust their operations as a result of regulatory changes and enforcement activity within their industries. For example, the FTC has recently started taking a new position (in recent public statements and enforcement actions) regarding the consent rules under the Telemarketing Sales Rule ("TSR"). These changes have required, and may in the future require, both us and our Partners to adjust their telemarketing activities. While it is unclear how some of these changes may ultimately be interpreted, they may have a significant impact on the market for leads, and may require us and our Partners to modify our telemarketing practices and policies. In addition, the California Consumer Privacy Act ("CCPA") became effective on January 1, 2020 and has been amended by the California Privacy Rights Act ("CPRA"), which became effective January 1, 2023, and more than 20 other states have enacted or are considering similar laws, all of which may affect our business. While it is unclear how this new legislation may be modified or how certain provisions will be interpreted, the effects of this legislation are potentially significant, and may require us to modify our data processing practices and policies and incur substantial compliance-related costs and expenses. In addition, we are licensed as a health insurance broker in all 50 states and the District of Columbia, making us subject to certain insurance laws and regulations. Our Medicare business is also subject to federal rules governing the marketing of such policies. For a description of laws and regulations to which we are generally subject, see Item 1 "Business" and Item 1A "Risk Factors." in our 2024 Annual Report on Form 10-K and under Part II, Item 1A "Risk Factors" in this Quarterly Report on Form 10-Q.

In addition, we are impacted by the regulation of the insurance carriers with whom we do business. In most states, insurance carriers are required to obtain approval of their premium rates from the regulatory authority in such states. The timing of such approval process, as well as the willingness of insurance regulators to approve rate increases, can impact the profitability of new policies and the level of customer acquisition spending by carriers in a given period, which in turn can cause fluctuations in our revenue and earnings.

Key components of our results of operations

Revenue

We operate primarily in the P&C insurance, health insurance, and life insurance verticals and generate revenue through the purchase and sale of Consumer Referrals.

The price and amount of Consumer Referrals purchased and sold on our platform vary based on a number of market conditions and consumer attributes, including (i) geographic location of consumers, (ii) demographic attributes of consumers, (iii) the source of Consumer Referrals and quality of conversion by source, (iv) the volume of Consumer Referrals provided by our Supply Partners, (v) Demand Partner bid levels and (vi) Demand Partner demand and budgets.

In our Open Marketplace transactions, we generate revenue by delivering qualified clicks, calls, and leads and have control over these Consumer Referrals that are sold to our customers (Demand Partners) on our technology platform. In these arrangements, we have separate agreements with our suppliers (Supply Partners) and Demand Partners. Supply Partners are not a party to the contractual arrangements with our Demand Partners, nor are the Supply Partners the beneficiaries of our Demand Partner agreements. We separately pay (i) a revenue share to Supply Partners or (ii) a fee to internet search companies to drive consumers to our proprietary websites. We are the principal in Open Marketplace transactions. As a result, the price paid by the Demand Partners for Consumer Referrals sold is recognized as revenue and the price paid to the Supply Partner is included in cost of revenue.

In our Private Marketplace transactions, Supply Partners and Demand Partners contract with one another directly. In these transactions, we act as an agent, facilitating the sale of Consumer Referrals between these Supply and Demand Partners, by providing access to our platform to the Supply Partner for their use as a tracking, reporting, optimization, and analytics tool in transacting with the Demand Partner, and we generate revenue by charging the Supply Partner a platform fee on the Consumer Referrals transacted, which is a negotiated percentage of the Transaction Value of such transactions. We do not make any payments to Supply Partners in our Private Marketplace transactions.

Costs and operating expenses

Costs and operating expenses consist primarily of cost of revenue, sales and marketing expenses, product expenses and general and administrative expenses.

Cost of revenue

Our cost of revenue is comprised primarily of revenue share payments to Supply Partners and traffic acquisition costs paid to search engines and social media platforms, as well as telephony infrastructure costs, internet and hosting costs, and merchant fees, and includes salaries, wages, equity-based compensation, the cost of health and other employee benefits for employees engaged in media buying, and other expenses including an allocated portion of rent and facilities expenses.

Sales and marketing

Sales and marketing expenses consist primarily of an allocation of personnel expenses for employees engaged in demand side and supply side business development and marketing, and include salaries, wages, equity-based compensation, and the cost of health and other employee benefits. Sales and marketing expenses also include costs related to attracting partners to our platform, including marketing and promotions, tradeshows and related travel and entertainment expenses. Sales and marketing expenses also include an allocated portion of rent and facilities expenses and depreciation and amortization expense.

Product development

Product development expenses consist primarily of an allocation of personnel expenses for employees engaged in technology, engineering and product development and include salaries, wages, equity-based compensation, and the cost of health and other employee benefits. Product development expenses also include an allocated portion of rent and facilities expenses and depreciation and amortization expense.

General and administrative

General and administrative expenses consist primarily of an allocation of personnel expenses for executive, finance, legal, people operations, and business analytics employees, and include salaries, wages, equity-based compensation, and the cost of health and other employee benefits. General and administrative expenses also include professional services, an allocated portion of rent and facilities expenses and depreciation and amortization expense.

Other expense (income), net

Other expense (income), net consists primarily of expenses and income not incurred by us in our ordinary course of business and that are not included in any of the categories listed above.

Interest expense

Interest expense consists primarily of interest expense associated with outstanding borrowings under our 2021 Credit Facilities and the amortization of deferred financing costs associated with these arrangements.

Income tax expense (benefit)

MediaAlpha, Inc. is taxed as a corporation and pays corporate federal, state and local taxes on income allocated to it from QLH based upon MediaAlpha, Inc.'s economic interest held in QLH. QLH is treated as a pass-through partnership for income tax reporting purposes and is not subject to federal income tax. Instead, QLH's taxable income or loss is passed through to its members, including MediaAlpha, Inc., pro-rata to their ownership interest in QLH. Accordingly, as our ownership interest in QLH increases, our share of the taxable income (loss) of QLH also increases. As of June 30, 2025, our ownership interest in QLH was 82.9%.

Net income (loss) attributable to non-controlling interest

Net income (loss) is attributed to non-controlling interests in accordance with QLH's limited liability company agreement. We allocate a share of the pre-tax income (loss) of the QLH incurred subsequent to the Reorganization Transactions to the non-controlling interest holders pro-rata to their ownership interest in QLH. The non-controlling interests balance represents the Class B-1 units, substantially all of which are held by Insignia and the Senior Executives.

Operating results for the three months ended June 30, 2025 and 2024

The following table sets forth our operating results in absolute dollars and as a percentage of revenue for the three months ended June 30, 2025 and 2024:

(in thousands)	Three Months Ended June 30,			
	2025		2024	
Revenue	\$ 251,622	100.0 %	\$ 178,274	100.0 %
Costs and operating expenses				
Cost of revenue	213,935	85.0 %	146,589	82.2 %
Sales and marketing	5,228	2.1 %	6,316	3.5 %
Product development	5,353	2.1 %	5,052	2.8 %
General and administrative	47,148	18.7 %	13,824	7.8 %
Total costs and operating expenses	271,664	108.0 %	171,781	96.4 %
(Loss) income from operations	(20,042)	(8.0)%	6,493	3.6 %
Other (income), net	(695)	(0.3)%	(1,808)	(1.0)%
Interest expense	2,870	1.1 %	3,751	2.1 %
Total other expense, net	2,175	0.9 %	1,943	1.1 %
(Loss) income before income taxes	(22,217)	(8.8)%	4,550	2.6 %
Income tax expense	316	0.1 %	130	0.1 %
Net (loss) income	\$ (22,533)	(9.0)%	\$ 4,420	2.5 %
Net (loss) income attributable to non-controlling interest	(3,791)	(1.5)%	800	0.4 %
Net (loss) income attributable to MediaAlpha, Inc.	\$ (18,742)	(7.4)%	\$ 3,620	2.0 %
Net (loss) income per share of Class A common stock				
-Basic and diluted	\$ (0.33)		\$ 0.07	
Weighted average shares of Class A common stock outstanding				
-Basic and diluted	56,141,117		53,367,896	

Revenue

The following table presents our revenue, disaggregated by vertical, for the three months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended June 30, 2025		Three Months Ended June 30, 2024	
	\$	%	\$	%
Property & Casualty insurance	\$ 227,162	90.3 %	\$ 92,740	75.4 %
Health insurance	18,074	7.2 %	(16,700)	19.5 %
Life insurance	5,225	2.1 %	(1,293)	3.7 %
Other	1,161	0.4 %	(1,399)	1.4 %
Revenue	\$ 251,622	41.1 %	\$ 73,348	41.1 %

The increase in P&C insurance revenue for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was due to an increase in customer acquisition spending by P&C insurance carrier partners as they refocus on growth in response to the significant improvement in their underwriting profitability as well as to an increase in supply of Consumer Referrals due to the addition of new Supply Partners. While automotive tariff developments may put upward pressure on claims costs and carrier profitability as the year progresses, we anticipate continued strong near-term momentum, as the profit margins of many carriers are currently above target levels and competition for market share remains robust.

The decrease in health insurance revenue for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was driven by actions taken in our under-65 vertical to address concerns raised by the FTC. Additionally, Revenue from Medicare declined due to industry-wide headwinds and a higher mix of transactions in our Private Marketplace. Our primary focus in the health insurance vertical continues to be on Medicare Advantage, which we believe represents a large and growing opportunity where we are well positioned to capture future growth. We expect the compliance procedures implemented pursuant to the FTC Matter settlement, together with our previous actions, to reduce full year 2025 revenue from the under-65 vertical by approximately \$70 million, a portion of which has already been realized during the six months ended June 30, 2025. Revenue from under-65 health declined from \$28.0 million for three months ended June 30, 2024 to \$13.8 million for the three months ended June 30, 2025.

The decrease in life insurance revenue for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was due primarily to a reduced supply of Consumer Referrals resulting from one of our Supply Partners ceasing operations during the three months ended June 30, 2024.

The decrease in other revenue for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was driven primarily by lower revenue from our travel vertical as we have fully exited the vertical during the second quarter of 2025. Revenue from the Travel vertical was \$0.7 million and \$2.0 million during the three months ended June 30, 2025 and 2024, respectively, and was not considered material.

Cost of revenue

The following table presents our cost of revenue for the three months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended June 30, 2025	\$	%	Three Months Ended June 30, 2024
Cost of revenue	\$ 213,935	\$ 67,346	45.9 %	\$ 146,589
Percentage of revenue	85.0 %			82.2 %

The increase in cost of revenue for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was driven primarily by higher revenue share payments to Supply Partners due to the overall increase in revenue and lower take rates, offset in part by higher transactions in our Private Marketplaces, which have a lower impact on cost of revenue.

Sales and marketing

The following table presents our sales and marketing expenses for the three months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended June 30, 2025	\$	%	Three Months Ended June 30, 2024
Sales and marketing	\$ 5,228	\$ (1,088)	(17.2)%	\$ 6,316
Percentage of revenue	2.1 %			3.5 %

The decrease in sales and marketing expenses for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was due primarily to a decrease in amortization expense of \$0.9 million and a decrease in equity-based compensation expense of \$0.6 million.

Product development

The following table presents our product development expenses for the three months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended June 30, 2025	\$	%	Three Months Ended June 30, 2024
Product development	\$ 5,353	\$ 301	6.0 %	\$ 5,052
Percentage of revenue	2.1 %			2.8 %

The increase in product development expenses for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was due primarily to an increase in personnel-related costs of \$0.6 million resulting primarily from the hiring of additional employees.

General and administrative

The following table presents our general and administrative expenses for the three months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended June 30, 2025	\$	%	Three Months Ended June 30, 2024
General and administrative	\$ 47,148	\$ 33,324	241.1 %	\$ 13,824
Percentage of revenue	18.7 %			7.8 %

The increase in general and administrative expenses for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was due primarily to a \$34.0 million increase in legal costs, driven by higher legal fees and a charge of \$33.0 million to increase the reserve relating to the FTC Matter and an increase in personnel-related costs of \$0.6 million.

Equity-based compensation

The following table presents our equity-based compensation expense that was included in costs and operating expenses for the three months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended June 30, 2025	\$	%	Three Months Ended June 30, 2024
Cost of revenue	\$ 277	\$ (115)	(29.3)%	\$ 392
Sales and marketing	1,457	(585)	(28.6)%	2,042
Product development	1,498	(288)	(16.1)%	1,786
General and administrative	4,880	(121)	(2.4)%	5,001
Total	\$ 8,112	\$ (1,109)	(12.0)%	\$ 9,221

The decrease in equity-based compensation expense for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was due primarily to certain RSUs granted to employees being fully vested during the three months ended March 31, 2024, offset in part by higher expenses related to annual awards of RSUs granted to employees during the three months ended March 31, 2025 and higher employee headcount.

Amortization

The following table presents our amortization of intangible asset expense that was included in costs and operating expenses for the three months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended June 30, 2025	\$	%	Three Months Ended June 30, 2024
Sales and Marketing	\$ 512	\$ (885)	(63.4)%	\$ 1,397
General and administrative	—	(212)	(100.0)%	212
Total	\$ 512	\$ (1,097)	(68.2)%	\$ 1,609

The decrease in amortization expense for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was due primarily to the write-off of intangible assets acquired as part of the Customer Helper Team, LLC acquisition during the three months ended March 31, 2025.

Other (income), net

The following table presents our other (income), net for the three months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended June 30, 2025	\$	%	Three Months Ended June 30, 2024
Other (income), net	\$ (695)	\$ 1,113	(61.6)%	\$ (1,808)
Percentage of revenue	(0.3)%			(1.0)%

The decrease in other (income), net for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was driven primarily by a one-time contract termination fee of \$1.7 million received from one of our partners in the Health and Life vertical that ceased operations during the three months ended June 30, 2024, offset in part by an increase in interest income resulting primarily from higher cash balances during the three months ended June 30, 2025.

Interest expense

The following table presents our interest expense for the three months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended June 30, 2025	\$	%	Three Months Ended June 30, 2024
Interest expense	\$ 2,870	\$ (881)	(23.5)%	\$ 3,751
Percentage of revenue	1.1 %			2.1 %

The decrease in interest expense for the three months ended June 30, 2025, compared with the three months ended June 30, 2024, was driven by the impact of lower interest rates as well as lower outstanding balances during 2025.

Income tax expense

The following table presents our income tax expense for the three months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended June 30, 2025	\$	%	Three Months Ended June 30, 2024
Income tax expense	\$ 316	\$ 186	143.1 %	\$ 130
Percentage of revenue	0.1 %			0.1 %

For the three months ended June 30, 2025, we recorded income tax expense of \$0.3 million resulting from our effective tax rate of (1.4)%, which differed from the U.S. federal statutory tax rate of 21%, due primarily to the tax impacts of changes in our valuation allowance. For the three months ended June 30, 2024, we recorded income tax expense of \$0.1 million resulting from our effective tax rate of 2.9%, which differed from the U.S. federal statutory tax rate of 21%.

Operating results for the six months ended June 30, 2025 and 2024

The following table sets forth our operating results in absolute dollars and as a percentage of revenue for the six months ended June 30, 2025 and 2024:

(in thousands)	Six Months Ended June 30,			
	2025		2024	
Revenue	\$ 515,931	100.0 %	\$ 304,923	100.0 %
Costs and operating expenses				
Cost of revenue	436,605	84.6 %	249,558	81.8 %
Sales and marketing	10,854	2.1 %	12,112	4.0 %
Product development	10,239	2.0 %	9,415	3.1 %
General and administrative	64,743	12.5 %	24,973	8.2 %
Write-off of intangible assets	13,416	2.6 %	—	0.0 %
Total costs and operating expenses	535,857	103.9 %	296,058	97.1 %
(Loss) income from operations	(19,926)	(3.9)%	8,865	2.9 %
Other (income), net	(1,151)	(0.2)%	(1,817)	(0.6)%
Interest expense	5,825	1.1 %	7,596	2.5 %
Total other expense, net	4,674	0.9 %	5,779	1.9 %
(Loss) income before income taxes	(24,600)	(4.8)%	3,086	1.0 %
Income tax expense	267	0.1 %	157	0.1 %
Net (loss) income	\$ (24,867)	(4.8)%	\$ 2,929	1.0 %
Net (loss) income attributable to non-controlling interest	(4,177)	(0.8)%	422	0.1 %
Net (loss) income attributable to MediaAlpha, Inc.	\$ (20,690)	(4.0)%	\$ 2,507	0.8 %
Net (loss) income per share of Class A common stock				
-Basic	\$ (0.37)		\$ 0.05	
-Diluted	\$ (0.37)		\$ 0.04	
Weighted average shares of Class A common stock outstanding				
-Basic	55,888,125		50,971,172	
-Diluted	55,888,125		65,868,384	

Revenue

The following table presents our revenue, disaggregated by vertical, for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Six Months Ended June 30, 2025		\$	%	Six Months Ended June 30, 2024	
	\$	%			\$	%
Property & Casualty insurance	\$ 450,407		\$ 246,743	121.2 %	\$ 203,664	
Percentage of total revenue		87.3 %				66.8 %
Health insurance	52,011		(30,042)	(36.6)%	82,053	
Percentage of total revenue		10.1 %				26.9 %
Life insurance	10,798		(3,283)	(23.3)%	14,081	
Percentage of total revenue		2.1 %				4.6 %
Other	2,715		(2,410)	(47.0)%	5,125	
Percentage of total revenue		0.5 %				1.7 %
Revenue	\$ 515,931		211,008	69.2 %	\$ 304,923	

The increase in P&C insurance revenue for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was due to a sustained increase in customer acquisition spending by P&C insurance carrier partners as they focus on growth in response to the significant improvement in their underwriting profitability, and to an increased supply of Consumer Referrals resulting from new Supply Partner wins. While automotive tariff developments may put upward pressure on claims costs as the year progresses, we anticipate continued strong near-term momentum, as the profit margins of many carriers are currently above target levels and competition for market share remains robust.

The decrease in health insurance revenue for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was driven by a decrease in the supply of Consumer Referrals from our Supply Partners as one of our partners ceased operations during the first half of 2024, actions taken in our under-65 vertical to address concerns raised by the FTC, and industry-wide headwinds in Medicare. Our primary focus in this vertical remains on Medicare Advantage, which we believe represents a large and growing opportunity where we are well positioned to capture future growth. We expect the compliance procedures implemented pursuant to the FTC Matter settlement, together with our previous actions, to reduce full year 2025 revenue from the under-65 vertical by approximately \$70 million, a portion of which has already been realized during the six months ended June 30, 2025. Revenue from under-65 health declined from \$60.9 million for six months ended June 30, 2024 to \$39.6 million for the six months ended June 30, 2025.

The decrease in life insurance revenue for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was due primarily to a reduced supply of Consumer Referrals resulting from one of our Supply Partners ceasing operations during the three months ended June 30, 2024.

The decrease in other revenue for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was driven primarily by lower revenue from our travel vertical. We have fully exited the vertical during the three months ended June 30, 2025. Revenue from the Travel vertical was \$1.8 million and \$4.0 million during the six months ended June 30, 2025 and 2024, respectively, and was not considered material.

Cost of revenue

The following table presents our cost of revenue for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Six Months Ended June 30, 2025		\$	%	Six Months Ended June 30, 2024	
Cost of revenue	\$	436,605	\$	187,047	75.0 %	\$ 249,558
Percentage of revenue		84.6 %				81.8 %

The increase in cost of revenue for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was driven primarily by higher revenue share payments to suppliers due to the overall increase in revenue and lower take rates, offset in part by higher transactions in our Private Marketplaces, which have a lower impact on cost of revenue.

Sales and marketing

The following table presents our sales and marketing expenses for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Six Months Ended June 30, 2025		\$	%	Six Months Ended June 30, 2024	
Sales and marketing	\$	10,854	\$	(1,258)	(10.4)%	\$ 12,112
Percentage of revenue		2.1 %				4.0 %

The decrease in sales and marketing expenses for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was due primarily to a decrease in equity-based compensation expense of \$1.0 million and a decrease in amortization expense of \$1.1 million, offset in part by an increase in personnel-related costs of \$0.6 million.

Product development

The following table presents our product development expenses for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Six Months Ended June 30, 2025	\$	%	Six Months Ended June 30, 2024
Product development	\$ 10,239	\$ 824	8.8 %	\$ 9,415
Percentage of revenue	2.0 %			3.1 %

The increase in product development expenses for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was due primarily to an increase in personnel-related costs of \$1.3 million as we hired additional employees, offset in part by a decrease in equity-based compensation expense of \$0.5 million.

General and administrative

The following table presents our general and administrative expenses for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Six Months Ended June 30, 2025	\$	%	Six Months Ended June 30, 2024
General and administrative	\$ 64,743	\$ 39,770	159.3 %	\$ 24,973
Percentage of revenue	12.5 %			8.2 %

The increase in general and administrative expenses for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was due primarily to a \$39.2 million increase in legal costs, driven by higher legal fees and charges of \$38.0 million to increase the reserve relating to the FTC Matter, an increase in personnel-related costs of \$1.1 million, and an increase in equity-based compensation expense of \$0.5 million.

Write-off of intangible assets

The following table presents our write-off of intangible assets for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Six Months Ended June 30, 2025	\$	%	Six Months Ended June 30, 2024
Write-off of intangible assets	\$ 13,416	\$ 13,416	100.0 %	\$ —
Percentage of revenue	2.6 %			0.0 %

During the six months ended June 30, 2025, we wrote off \$13.4 million of customer relationships and trademarks, trade names, and domain names acquired as part of the Customer Helper Team, LLC acquisition as we did not expect any future cash inflows from these assets.

Equity-based compensation

The following table presents our equity-based compensation expense that was included in costs and operating expenses for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Six Months Ended June 30, 2025	\$	%	Six Months Ended June 30, 2024
Cost of revenue	\$ 571	\$ (1,678)	(74.6)%	\$ 2,249
Sales and marketing	2,740	(1,003)	(26.8)%	3,743
Product development	2,746	(522)	(16.0)%	3,268
General and administrative	9,079	484	5.6 %	8,595
Total	\$ 15,136	\$ (2,719)	(15.2)%	\$ 17,855

The decrease in equity-based compensation expense for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was due primarily to acceleration of the vesting of certain RSUs held by employees during the three months ended March 31, 2024 in connection with the termination of their employment and certain RSUs granted to employees being fully vested during the three months ended March 31, 2024, offset in part by higher expenses related to annual awards of RSUs granted to employees and higher employee headcount.

Amortization

The following table presents our amortization of intangible asset expense that was included in costs and operating expenses for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Six Months Ended June 30, 2025	\$	%	Six Months Ended June 30, 2024
Sales and Marketing	\$ 1,728	\$ (1,065)	(38.1)%	\$ 2,793
General and administrative	228	(197)	(46.4)%	425
Total	\$ 1,956	\$ (1,262)	(39.2)%	\$ 3,218

The decrease in amortization expense for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was due primarily to the write-off of intangible assets acquired as part of the Customer Helper Team, LLC acquisition.

Other (income), net

The following table presents our other (income), net for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Six Months Ended June 30, 2025	\$	%	Six Months Ended June 30, 2024
Other (income), net	\$ (1,151)	\$ 666	(36.7)%	\$ (1,817)
Percentage of revenue	(0.2)%			(0.6)%

The decrease in other (income), net for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was driven primarily by a one-time contract termination fee of \$1.7 million received from one of our Supply Partners in the Health and Life insurance verticals that ceased operations during the six months ended June 30, 2024, offset in part by an increase in interest income resulting primarily from higher cash balances.

Interest expense

The following table presents our interest expense for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Six Months Ended June 30, 2025	\$	%	Six Months Ended June 30, 2024
Interest expense	\$ 5,825	\$ (1,771)	(23.3)%	\$ 7,596
Percentage of revenue	1.1 %			2.5 %

The decrease in interest expense for the six months ended June 30, 2025, compared with the six months ended June 30, 2024, was driven by the impact of lower interest rates as well as lower outstanding balances during 2025.

Income tax expense

The following table presents our income tax expense for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Six Months Ended June 30, 2025		Six Months Ended June 30, 2024	
	\$	%	\$	%
Income tax expense	\$ 267	70.1 %	\$ 110	70.1 %
Percentage of revenue	0.1 %		0.1 %	

For the six months ended June 30, 2025, we recorded an income tax expense of \$0.3 million resulting from our effective tax rate of (1.1)%, which differed from the U.S. federal statutory rate of 21%, due primarily to the tax impacts of changes in our valuation allowance. For the six months ended June 30, 2024, we recorded an income tax expense of \$0.2 million resulting from our effective tax rate of 5.1% which differed from the U.S. federal statutory rate of 21%.

Key business and operating metrics

In addition to traditional financial metrics, we rely upon certain business and operating metrics that are not presented in accordance with GAAP to estimate the volume of spending on our platform, estimate and recognize revenue, evaluate our business performance and facilitate our operations. Such business and operating metrics should not be considered in isolation from, or as an alternative to, measures presented in accordance with GAAP and should be considered together with other operating and financial performance measures presented in accordance with GAAP. Also, such business and operating metrics may not necessarily be comparable to similarly titled measures presented by other companies.

Adjusted EBITDA

We define “Adjusted EBITDA” as net income (loss) excluding interest expense, income tax expense (benefit), depreciation expense on property and equipment, amortization of intangible assets, as well as equity-based compensation expense and certain other adjustments as listed in the table below. Adjusted EBITDA is a non-GAAP financial measure that we present to supplement the financial information we present on a GAAP basis. We monitor and present Adjusted EBITDA because it is a key measure used by our management to understand and evaluate our operating performance, to establish budgets and to develop operational goals for managing our business. We believe that Adjusted EBITDA helps identify underlying trends in our business that could otherwise be masked by the effect of the expenses that we exclude in the calculations of Adjusted EBITDA. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results, enhancing the overall understanding of our past performance and future prospects. In addition, presenting Adjusted EBITDA provides investors with a metric to evaluate the capital efficiency of our business.

Adjusted EBITDA is not presented in accordance with GAAP and should not be considered in isolation of, or as an alternative to, measures presented in accordance with GAAP. There are a number of limitations related to the use of Adjusted EBITDA rather than net income, which is the most directly comparable financial measure calculated and presented in accordance with GAAP. These limitations include the fact that Adjusted EBITDA excludes interest expense on debt, income tax expense (benefit), equity-based compensation expense, depreciation and amortization, and certain other adjustments that we consider to be useful to investors and others in understanding and evaluating our operating results. In addition, other companies may use other measures to evaluate their performance, including different definitions of “Adjusted EBITDA,” which could reduce the usefulness of our Adjusted EBITDA as a tool for comparison.

The following table reconciles Adjusted EBITDA with net (loss) income, the most directly comparable financial measure calculated and presented in accordance with GAAP, for the three and six months ended June 30, 2025 and 2024:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net (loss) income	\$ (22,533)	\$ 4,420	\$ (24,867)	\$ 2,929
Equity-based compensation expense	8,112	9,221	15,136	17,855
Interest expense	2,870	3,751	5,825	7,596
Income tax expense	316	130	267	157
Depreciation expense on property and equipment	68	65	130	126
Amortization of intangible assets	512	1,609	1,956	3,218
Transaction expenses ⁽¹⁾	—	559	—	1,217
Write-off of intangible assets ⁽²⁾	—	—	13,416	—
Contract settlement ⁽³⁾	—	(1,725)	—	(1,725)
Changes in TRA related liability	79	—	79	—
Changes in Tax Indemnification Receivable	(185)	(1)	(206)	(2)
Legal expenses ⁽⁴⁾	35,263	711	42,142	1,788
Adjusted EBITDA	\$ 24,502	\$ 18,740	\$ 53,878	\$ 33,159

- (1) Transaction expenses consist of \$0.6 million and \$1.2 million of legal and accounting fees incurred by us for the three and six months ended June 30, 2024, respectively, in connection with resale registration statements filed with the SEC.
- (2) Write-off of intangible assets for the six months ended June 30, 2025 consist of a charge of \$13.4 million related to the write-off of customer relationships and trademarks, trade names, and domain names intangible assets acquired as part of the acquisition of Customer Helper Team, LLC.
- (3) Contract settlement consists of \$1.7 million of income for the three and six months ended June 30, 2024 recorded in connection with a one-time contract termination fee receivable from one of our partners in the Health vertical that ceased operations during the three months ended June 30, 2024.
- (4) Legal expenses of \$35.3 million and \$42.1 million for the three and six months ended June 30, 2025, respectively, consist of increases of \$33.0 million and \$38.0 million, respectively, to the loss reserve established in connection with the FTC Matter and legal fees and costs incurred in connection with such matter. Legal expenses of \$0.7 million and \$1.8 million for the three and six months ended June 30, 2024, consist of legal fees and costs incurred in connection with the FTC Matter.

Contribution and Contribution Margin

We define “Contribution” as revenue less revenue share payments and online advertising costs, or, as reported in our consolidated statements of operations, revenue less cost of revenue (i.e., gross profit), as adjusted to exclude the following items from cost of revenue: equity-based compensation; salaries, wages, and related costs; internet and hosting costs; amortization; depreciation; other services; and merchant-related fees. We define “Contribution Margin” as Contribution expressed as a percentage of revenue for the same period. Contribution and Contribution Margin are non-GAAP financial measures that we present to supplement the financial information we present on a GAAP basis. We use Contribution and Contribution Margin to measure the return on our relationships with our Supply Partners (excluding certain fixed costs), the financial return on and efficacy of our online advertising costs to drive consumers to our proprietary websites, and our operating leverage. We do not use Contribution and Contribution Margin as measures of overall profitability. We present Contribution and Contribution Margin because they are used by our management and board of directors to manage our operating performance, including evaluating our operational performance against budget and assessing our overall operating efficiency and operating leverage. For example, if Contribution increases and our headcount costs and other operating expenses remain steady, our Adjusted EBITDA and operating leverage increase. If Contribution Margin decreases, we may choose to re-evaluate and re-negotiate our revenue share agreements with our Supply Partners, to make optimization and pricing changes with respect to our bids for keywords from primary traffic acquisition sources, or to change our overall cost structure with respect to headcount, fixed costs and other costs. Other companies may calculate Contribution and Contribution Margin differently than we do. Contribution and Contribution Margin have their limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results presented in accordance with GAAP.

The following table reconciles Contribution with gross profit, the most directly comparable financial measure calculated and presented in accordance with GAAP, for the three and six months ended June 30, 2025 and 2024:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue	\$ 251,622	\$ 178,274	\$ 515,931	\$ 304,923
Less cost of revenue	(213,935)	(146,589)	(436,605)	(249,558)
Gross profit	\$ 37,687	\$ 31,685	\$ 79,326	\$ 55,365
Adjusted to exclude the following (as related to cost of revenue):				
Equity-based compensation	277	392	571	2,249
Salaries, wages, and related	785	659	1,601	1,567
Internet and hosting	200	126	371	257
Other expenses	165	166	367	369
Depreciation	6	5	12	10
Other services	528	631	1,240	1,459
Merchant-related fees	188	78	330	142
Contribution	\$ 39,836	\$ 33,742	\$ 83,818	\$ 61,418
Gross margin	15.0 %	17.8 %	15.4 %	18.2 %
Contribution Margin	15.8 %	18.9 %	16.2 %	20.1 %

Transaction Value

We define “Transaction Value” as the total gross dollars transacted by our partners on our platform. Transaction Value is an operating metric not presented in accordance with GAAP, and is a driver of revenue based on the economic relationships we have with our partners. Our partners use our platform to transact via Open and Private Marketplace transactions. In our Open Marketplace model, revenue recognized represents the fees paid by our Demand Partners for Consumer Referrals sold and is equal to the Transaction Value and revenue share payments to our Supply Partners represent costs of revenue. In our Private Marketplace model, revenue recognized represents a platform fee billed to the Demand Partner or Supply Partner based on an agreed-upon percentage of the Transaction Value for the Consumer Referrals transacted, and accordingly there are no associated costs of revenue. We utilize Transaction Value to assess the overall level of transaction activity through our platform. We believe it is useful to investors to assess the overall level of activity on our platform and to better understand the sources of our revenue across our different transaction models and verticals.

The following table presents Transaction Value by platform model for the three and six months ended June 30, 2025 and 2024:

(dollars in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Open Marketplace transactions	\$ 245,280	\$ 171,504	\$ 503,699	\$ 293,933
Percentage of total Transaction Value	51.0 %	53.3 %	52.8 %	54.3 %
Private Marketplace transactions	235,499	150,306	450,181	246,983
Percentage of total Transaction Value	49.0 %	46.7 %	47.2 %	45.7 %
Total Transaction Value	\$ 480,779	\$ 321,810	\$ 953,880	\$ 540,916

The following table presents Transaction Value by vertical for the three and six months ended June 30, 2025 and 2024:

(dollars in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Property & Casualty insurance	\$ 435,351	\$ 254,576	\$ 842,198	\$ 390,070
Percentage of total Transaction Value	90.6 %	79.1 %	88.3 %	72.1 %
Health insurance	37,413	55,278	95,092	124,365
Percentage of total Transaction Value	7.8 %	17.2 %	10.0 %	23.0 %
Life insurance	6,819	7,886	13,775	18,123
Percentage of total Transaction Value	1.4 %	2.5 %	1.4 %	3.4 %
Other	1,196	4,070	2,815	8,358
Percentage of total Transaction Value	0.2 %	1.2 %	0.3 %	1.5 %
Total Transaction Value	\$ 480,779	\$ 321,810	\$ 953,880	\$ 540,916

Consumer Referrals

We define “Consumer Referral” as any consumer click, call or lead purchased by a buyer on our platform. Click revenue is recognized on a pay-per-click basis and revenue is earned and recognized when a consumer clicks on a listed buyer’s advertisement that is presented subsequent to the consumer’s search (e.g., auto insurance quote search or health insurance quote search). Call revenue is earned and recognized when a consumer transfers to a buyer and remains engaged for a requisite duration of time, as specified by each buyer. Lead revenue is recognized when we deliver data leads to buyers. Data leads are generated either through insurance carriers, insurance-focused research destination websites or other financial websites that make the data leads available for purchase through our platform, or when consumers complete a full quote request on our proprietary websites. Delivery occurs at the time of lead transfer. The data we generate from each Consumer Referral feeds into our analytics model to generate conversion probabilities for each unique consumer, enabling discovery of predicted return and cost per sale across the platform and helping us to improve our platform technology. We monitor the number of Consumer Referrals on our platform in order to measure Transaction Value, revenue and overall business performance across our verticals and platform models.

The following table presents the percentages of total Transaction Value generated from clicks, calls and leads for the three and six months ended June 30, 2025 and 2024:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Clicks	90.3 %	84.6 %	88.7 %	80.5 %
Calls	3.8 %	8.9 %	5.1 %	11.8 %
Leads	5.9 %	6.5 %	6.2 %	7.7 %

Liquidity and capital resources

Overview

Our principal sources of liquidity are our cash flows generated from operations and cash and funds available under the 2021 Revolving Credit Facility. Our principal uses of cash include funding of our operations, interest payments, and mandatory principal payments on our long-term debt. As of June 30, 2025 and December 31, 2024, our cash and cash equivalents totaled \$85.4 million and \$43.3 million, respectively. As of June 30, 2025, the aggregate principal amount outstanding under the 2021 Term Loan Facility was \$153.7 million and our borrowing capacity available under the 2021 Revolving Credit Facility was \$45.0 million. On August 4, 2025 (“Effective Date”), we agreed with lenders representing \$138.1 million of the principal amount outstanding as of the Effective Date under the 2021 Term Loan Facility to extend the maturity date of their portion of the 2021 Term Loan Facility by one year, to July 29, 2027. The remaining lenders, representing \$13.3 million of the principal amount outstanding as of the Effective Date under the 2021 Term Loan Facility, did not agree to extend the maturity date of their loans, and so such amounts are considered to be current liabilities as their maturity falls within twelve months from the date of the issue of these consolidated financial statements. In additions, the lenders representing \$45.6 million in aggregate amount of revolving commitments and related loans under the 2021 Revolver Credit Facility (\$4.6 million in aggregate principal amount of which are drawn as of the Effective Date) agreed to extend the maturity by one year to July 29, 2027. The

remaining \$4.4 million in aggregate amount of revolving commitments and related loans under the 2021 Revolver Credit Facility (\$0.4 million in aggregate principal amount of which are drawn as of the Effective Date) will mature on July 29, 2026.

Our business is seasonal and cyclical in nature and these trends, if continued for a long period of time, could impact our cash flows generated from operations, requiring us to draw on our available borrowing capacity under the 2021 Revolving Credit Facility or raise additional funds in the short term.

On February 21, 2023, we received a civil investigative demand from the Federal Trade Commission (the “FTC”) regarding compliance with the FTC Act and the TSR, as they relate to the advertising, marketing, promotion, offering for sale, or sale of healthcare-related products, the collection, sale, transfer or provision to third parties of consumer data, telemarketing practices, and/or consumer privacy or data security. We have cooperated fully with the FTC investigation. On October 30, 2024, we received an initial settlement demand from the staff of the FTC (the “FTC Staff”) stating that the FTC Staff was prepared to recommend that the FTC approve the filing of a complaint against the Company for violations of Section 5(a) of the FTC Act, the TSR and the Government and Business Impersonation Rule (the “Impersonation Rule”). The FTC Staff proposed to seek injunctive and monetary relief and civil penalties. On July 3, 2025, the Company reached agreement with the FTC Staff on the terms of a Consent Order that the Staff was prepared to recommend to the Commissioners of the FTC to fully resolve the FTC’s claims. On August 6, 2025, the Staff notified the Company that the Commissioners had approved the Consent Order. Under the terms of the Consent Order, which includes no admission or denial of wrongdoing or to the FTC’s allegations, the Company has agreed to pay \$45.0 million as monetary relief, with \$33.5 million payable within seven days of entry of the Consent Order by the court and the remaining \$11.5 million within 90 days of entry of the Consent Order. We expect to pay such settlement payments from our cash on hand. In addition, we agreed to certain other provisions, primarily implementing additional compliance procedures to further strengthen the existing safeguards in under-65 Health vertical.

We believe that our expected near-term revenue, cash on hand and availability to access cash available under the 2021 Credit Facilities will be sufficient to meet our projected operating, debt service requirements, and settlement amount due to the FTC and we expect that we will continue to comply with our financial covenants under the 2021 Credit Facilities, for at least the next twelve months. To the extent that our current liquidity is insufficient to fund future activities, or our financial results are below our expectations due to cyclical conditions in our primary vertical markets, or we are unable to refinance or extend the 2021 Credit Facilities upon maturity, or other factors and we do not remain in compliance with our financial covenants under the 2021 Credit Facilities, we may need to take additional actions to reduce operating costs, negotiate amendments to or waivers of the terms of such credit facilities, or raise additional capital. We have historically not used funds available under our credit facilities to fund our operations or to make payments required under our credit facilities.

We may in the future engage in merger and acquisition or other activities, including share repurchases, that could require us to draw on our existing credit facilities or raise additional capital through the sale of equity securities or through debt financing arrangements. If we raise additional funds by issuing equity securities, the ownership of our existing stockholders will be diluted. The incurrence of additional debt financing would result in debt service obligations, and any future instruments governing such debt could provide for operating and financing covenants that could restrict our operations. Our material cash requirements include our long-term debt, operating lease obligations, and any payments under the TRA.

Cash Flows

The following table presents a summary of our cash flows for the six months ended June 30, 2025 and 2024, and the dollar and percentage changes between the periods:

(dollars in thousands)	Six Months Ended June 30, 2025	\$	%	Six Months Ended June 30, 2024
Net cash provided by operating activities	\$ 49,423	\$ 26,136	112.2 %	\$ 23,287
Net cash (used in) investing activities	\$ (232)	\$ (68)	41.5 %	\$ (164)
Net cash (used in) financing activities	\$ (7,076)	\$ 4,659	(39.7)%	\$ (11,735)

Operating activities

Cash flows provided by operating activities were \$49.4 million for the six months ended June 30, 2025, compared with \$23.3 million for the six months ended June 30, 2024. The increase was due primarily to an increase in net working capital resulting from an increase in accounts receivable due to higher revenues and accrued expenses due to increasing the reserve

related to the FTC Matter, offset in part by a decrease in accounts payable due to the timing of payments and an increase in net loss.

Investing activities

Cash flows used in investing activities were immaterial for the six months ended June 30, 2025 and 2024.

Financing activities

Cash flows used in financing activities were \$7.1 million for the six months ended June 30, 2025, compared with \$11.7 million for the six months ended June 30, 2024. The decrease was due primarily to a required Excess Cash Flow principal payment on the 2021 Term Loan Facility during the six months ended June 30, 2024 and higher payments made for shares withheld for taxes on vesting of RSUs during the six months ended June 30, 2024.

Senior secured credit facilities

2021 Credit Facilities

On July 29, 2021, QuoteLab, LLC and QLH entered into an amendment (the "First Amendment") to the 2020 Credit Agreement (as amended by the First Amendment, the "Existing Credit Agreement"). The Existing Credit Agreement provides for a new senior secured term loan facility in an aggregate principal amount of \$190.0 million (the "2021 Term Loan Facility"), the proceeds of which were used to refinance all of the \$186.4 million outstanding under the existing 2020 Term Loan Facility and the unpaid interest thereon as of the date of the First Amendment, to pay fees related to these transactions, and to provide cash for general corporate purposes, and a new senior secured revolving credit facility with commitments in an aggregate amount of \$50.0 million (the "2021 Revolving Credit Facility" and, together with the 2021 Term Loan Facility, the "2021 Credit Facilities"), which replaced the 2020 Revolving Credit Facility. Our obligations under the 2021 Credit Facilities are guaranteed by QLH and secured by substantially all assets of QLH and QuoteLab, LLC.

On June 8, 2023, QuoteLab, LLC and QLH entered into a Second Amendment (the "Second Amendment") to the Existing Credit Agreement, (as amended by the Second Amendment, the "Amended Credit Agreement"). The Second Amendment amended the Existing Credit Agreement, effective on the amendment date, to, among other things, replace the London Interbank Offered Rate ("LIBOR") applicable to the 2021 Credit Facilities with the Secured Overnight Financing Rate ("SOFR"), with a credit spread adjustment of 0.10% per annum, as the interest rate benchmark.

On August 4, 2025 ("Effective Date"), QuoteLab, LLC and QLH entered into a Third Amendment (the "Third Amendment") to the Amended Credit Agreement, pursuant to which lenders representing \$138.1 million in aggregate principal amount of term loans outstanding under the 2021 Term Loan Facility as of the Effective Date, agreed to extend the maturity date by one year, to July 29, 2027 ("Extended Term Loans"). The remaining \$13.3 million in aggregate principal amount of term loans outstanding under the 2021 Term Loan Facility, as of the Effective Date (the "Non-Extended Term Loans" and, together with the Extended Term Loans, the "Term Loans") will mature on July 29, 2026. The Term Loans amortize quarterly, beginning with December 31, 2021 and ending with (a) June 30, 2026, in the case of the Non-Extended Term Loans, and (b) June 30, 2027, in the case of the Extended Term Loans, by an amount equal to 1.25% of the aggregate principal amount of the Term Loans initially made on July 29, 2021. Also, as of the Effective Date, the lenders representing \$45.6 million in aggregate amount of revolving commitments and related loans under the 2021 Revolver Credit Facility (\$4.6 million in aggregate principal amount of which are drawn as of the Effective Date) agreed to extend the maturity date by one year to, July 29, 2027. The remaining \$4.4 million in aggregate amount of revolving commitments and related loans under the 2021 Revolver Credit Facility (\$0.4 million in aggregate principal amount of which are drawn as of the Effective Date) will mature on July 29, 2026. We further plan to seek a refinancing of these credit facilities prior to July 2026.

Borrowings under the 2021 Credit Facilities bear interest at a rate equal to, at our option, the Term SOFR or Daily Simple SOFR, plus an applicable margin, with a floor of 0.00%, or a base rate plus an applicable margin. The applicable margins will be based on our consolidated total net leverage ratio as calculated under the terms of the Amended Credit Agreement (the "Leverage Ratio") for the prior fiscal quarter and range from 2.00% to 2.75% with respect to the Term SOFR or Daily Simple SOFR and from 1.00% to 1.75% with respect to the base rate.

The 2021 Term Loan Facility also requires mandatory prepayments of principal in the amount of any Excess Cash Flow (as defined in the Amended Credit Agreement) on an annual basis. We generated Excess Cash Flow for the year ended December 31, 2023, and prepaid approximately \$3.0 million of the principal under the 2021 Term Loan Facility during the three months ended June 30, 2024.

As of June 30, 2025, we had \$153.0 million of outstanding borrowings, net of deferred debt issuance costs of \$0.7 million, under the 2021 Term Loan Facility, and \$5.0 million of borrowings outstanding under the 2021 Revolving Credit Facility.

Tax receivables agreement

Our purchases (through Intermediate Holdco) of Class B-1 units from certain unitholders in connection with the IPO, as well as exchanges of Class B-1 units subsequent to the IPO (together with an equal number of shares of our Class B common stock) for shares of our Class A common stock (or, at our election, cash of an equivalent value) ("Exchange"), and the Pre-IPO Leveraged Distribution and other actual or deemed distributions by QLH to its members pursuant to the Exchange Agreement, have resulted and are expected to continue to result in increases in our allocable tax basis in the assets of QLH. These increases in tax basis are expected to increase (for tax purposes) depreciation and amortization deductions allocable to us and, therefore, reduce the amount of tax that we otherwise would be required to pay in the future. This increase in tax basis may also decrease gain (or increase loss) on future dispositions of certain assets to the extent tax basis is allocated to those assets.

In connection with the IPO, we entered into the TRA, as amended, with Insignia, the Senior Executives, and White Mountains related to the tax basis step-up of the assets of QLH and certain net operating losses of Intermediate Holdco. The agreement requires us to pay Insignia and the Senior Executives or any assignees 85% of the cash savings, if any, in U.S. federal, state and local income tax we realize (or are deemed to realize) as a result of (i) any increases in tax basis of assets of QLH resulting from any Exchange, and (ii) certain other tax benefits related to making our payments under the TRA. The TRA also requires us to pay White Mountains 85% of the amount of the cash savings, if any, in U.S. federal, state and local income tax that we realize (or are deemed to realize) as a result of the utilization of the net operating losses of Intermediate Holdco attributable to periods prior to the IPO and the deduction of any imputed interest attributable to our payment obligations under the TRA. We amended the TRA on October 1, 2023 to, among other things, provide for use of a blended state tax rate and replace the LIBOR with the SOFR as the interest rate benchmark.

In addition to tax expenses, we may also make payments under the TRA, which could be significant. We account for the income tax effects and corresponding TRA effects resulting from any Exchange by recognizing an increase in our deferred tax assets, based on enacted tax rates at the date of the Exchange. We evaluate the likelihood that we will realize the benefit represented by the deferred tax asset and, to the extent that we estimate that it is more likely than not that we will not realize the benefit, we will reduce the carrying amount of the deferred tax asset with a valuation allowance. The amounts to be recorded for both the deferred tax assets and the liability for our obligations under the TRA are estimated at the time of any purchase or exchange as a reduction to stockholders' equity, and subsequent changes to the measurement of liability due to the effects of changes in any of our estimates after this date are recognized within other expense, net in the consolidated statement of operations. Similarly, the effect of subsequent changes in the enacted tax rates will be included in net income (loss). Judgment is required in assessing the future tax consequences of events that have been recognized in our consolidated financial statements. A change in our assessment of such consequences, such as realization of deferred tax assets, changes in our assessment of probability of making payments under the TRA, changes in blended tax rates, changes in tax laws or interpretations thereof could materially impact our results. As of June 30, 2025 and December 31, 2024, we recorded \$7.1 million and \$7.0 million, respectively, of estimated payments related to the 2024 tax year due under the TRA within accrued expenses and liabilities under tax receivables agreement, net of current portion, respectively, on the consolidated balance sheets as these payments are probable and payable during the first quarter of 2026. Based on the significant improvement in our pre-tax income during 2024 and the current forecasts, we expect that in the foreseeable future, there may be sufficient positive evidence, and/or that the objective negative evidence in the form of history of pre-tax losses will no longer be present, in which event we may be required to release a portion or all of the valuation allowance on our deferred tax assets and may also be required to record a liability pursuant to the TRA.

Recent accounting pronouncements

For a discussion of new accounting pronouncements recently adopted and not yet adopted, see Note 1 to the consolidated financial statements appearing in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Critical accounting policies and estimates

Our critical accounting policies and estimates are included in our 2024 Annual Report on Form 10-K and did not materially change during the six months ended June 30, 2025.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

In the normal course of business, we are subject to market risks. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates.

Interest rate risk

The 2021 Credit Facilities bear interest at a variable rate. As a result, we may be exposed to fluctuations in interest rates to the extent of our outstanding borrowings under the 2021 Credit Facilities. A hypothetical 1.0% increase or decrease in the interest rate associated with the 2021 Credit Facilities would have resulted in a \$0.8 million impact on interest expense for the six months ended June 30, 2025.

Concentrations of credit risk and of significant Demand and Supply Partners

Financial instruments that potentially expose us to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. We maintain cash balances that can, at times, exceed amounts insured by the Federal Deposit Insurance Corporation. We have not experienced any losses in these accounts and believe we are not exposed to unusual risk beyond the normal credit risk in this area based on the financial strength of the institutions with which we maintain our deposits.

Our accounts receivable, which are unsecured, may expose us to credit risk based on their collectability. We control credit risk by investigating the creditworthiness of all customers prior to establishing relationships with them, performing periodic reviews of the credit activities of those customers during the course of the business relationship, regularly analyzing the collectability of accounts receivable, and recording allowances for credit losses. Our supplier concentration can also expose us to business risks.

Customer and supplier concentrations consisted of the below:

	Three Months Ended June 30, 2025			Three Months Ended June 30, 2024		
	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total
Revenue	2	\$ 125	50 %	2	\$ 70	39 %
Purchases	2	\$ 53	25 %	—	\$ —	— %

	Six Months Ended June 30, 2025			Six Months Ended June 30, 2024		
	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total
Revenue	2	\$ 247	48 %	2	\$ 95	31 %
Purchases	1	\$ 60	14 %	1	\$ 25	10 %

	As of June 30, 2025			As of December 31, 2024		
	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total	Number of customers or suppliers exceeding 10%	Aggregate Value (in millions)	% of Total
Accounts receivable	2	\$ 43	42 %	2	\$ 66	46 %
Accounts payable	2	\$ 19	25 %	4	\$ 56	53 %

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of June 30, 2025, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer), of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules

13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) to determine whether such disclosure controls and procedures provide reasonable assurance that information to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and such information is accumulated and communicated to management, including our principal executive officer and principal financial officer or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on their evaluation, our principal executive officer and our principal financial officer have concluded our disclosure controls and procedures were effective to provide reasonable assurance as of June 30, 2025.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting during the three months ended June 30, 2025, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their cost.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The content of Part I, Item 1 *"Financial Statements—Note 5 to the Consolidated Financial Statements—Commitments and contingencies - Litigation and other matters"* of this Quarterly Report on Form 10-Q is hereby incorporated by reference in its entirety in this Item 1.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed under Part I, Item 1A "Risk Factors" in the 2024 Annual Report on Form 10-K, other than certain updates to the risk factor presented below.

Our business is highly subject to business cycles and risks related to the property & casualty insurance, health insurance, and life insurance industries.

We derive a substantial majority of our revenue from sales of Consumer Referrals to property & casualty insurance carriers, health insurance carriers and brokers, and life insurance carriers. Revenue from our insurance verticals accounted for 99.5% and 98.6% of our total revenue for the three months ended June 30, 2025 and 2024, respectively, 99.5% and 98.3% of our total revenue for the six months ended June 30, 2025 and 2024, respectively, and 99.0% and 96.6% of our total revenue for the years ended December 31, 2024 and 2023, respectively. If insurance carriers experience large or unexpected losses through the offering of insurance, these carriers may choose to decrease the amount of money they spend on customer acquisition, including with us. These insurance markets, most notably the automobile insurance industry, have historically been cyclical in nature. These cycles are often characterized by periods of “soft” market conditions, when carriers’ loss ratios are relatively low and they tend to focus on investing to acquire customers and build market share, and “hard” market conditions, when their loss ratios are relatively high and they tend to prioritize profitability over growth and reduce their customer acquisition spending until they can obtain regulatory approval to raise premiums. As our insurance carrier partners go through these market cycles, our Demand Partners may increase or decrease their spending on Customer Referrals on our platform. These changes in spending may occur rapidly and without warning, and the duration of these market cycles can be difficult to predict accurately. Reductions in spending can have a material adverse impact on our operating results, causing them to fall short of the expectations of investors and securities analysts. For example, in the third quarter of 2021, many automobile insurers began to reduce their customer acquisition spending sharply in response to higher-than-expected loss ratios resulting from higher accident severity and increased repair costs due to global supply chain issues, and those reductions continued and in many cases worsened during 2022 and 2023 before beginning to recover in 2024. We will likely experience such insurance industry cycles again in the future, which could materially and adversely affect our business, financial condition, operating results, cash flows, and prospects. In 2025, the U.S. government has implemented new import tariffs and increases in existing tariff rates on imported automobiles and automobile parts, and may implement additional new tariffs or tariff increases in the future. These

tariffs could cause a significant increase in the costs of imported automobile parts, as well as the costs of new and used automobiles, which are used for calculating loss payments by insurance carriers. These cost increases may increase automobile insurance claim costs and carrier loss ratios, which could result in a resumption of hard market conditions and a reduction in carrier spending on Consumer Referrals on our platform, which would materially and adversely affect our business, financial condition, operating results, cash flows, and prospects.

The FTC Matter could have a material adverse effect on our business.

On February 21, 2023, we received a civil investigative demand from the Federal Trade Commission ("FTC") regarding compliance with the FTC Act and the Telemarketing Sales Rule, as they relate to the advertising, marketing, promotion, offering for sale, or sale of healthcare-related products, the collection, sale, transfer or provision to third parties of consumer data, telemarketing practices, and/or consumer privacy or data security. On October 30, 2024, following our earnings call for the quarter ended September 30, 2024, we received an initial settlement demand from the FTC Staff stating that the FTC Staff was prepared to recommend that the FTC approve the filing of a complaint against the Company for violations of Section 5(a) of the FTC Act, the FTC's Telemarketing Sales Rule ("TSR") and the Government and Business Impersonation Rule (the "Impersonation Rule").

The FTC Staff alleged that, in connection with our lead generation and telemarketing activities, we have represented ourselves as affiliated with government entities, made misleading claims (in particular regarding health insurance products and our use of consumers' personal information) and utilized deceptive advertising, in violation of Section 5(a) of the FTC Act. The FTC Staff further alleged that we have violated the Impersonation Rule in representing ourselves to be affiliated with government entities and the TSR in connection with telemarketing activities.

On July 3, 2025, the Company reached agreement with the FTC Staff on the terms of a Consent Order that the FTC Staff was prepared to recommend to the FTC Commissioners to fully resolve the FTC's claims. On August 6, 2025, the Staff notified the Company that the Commissioners had approved the Consent Order. Under the terms of the Consent Order, the Company has agreed to pay \$45.0 million as monetary relief, of which \$33.5 million is payable within seven days of entry of the Consent Order and the remaining \$11.5 million within 90 days of entry of the Consent Order. Under the Consent Order, the Company has also agreed to, among other things: implement processes to review its advertising and marketing materials relating to under-65 health plans for compliance; include certain disclosures on its lead generation websites relating to under-65 health plans; implement processes to monitor the compliance of its under-65 health Demand Partners, Supply Partners and affiliates; comply with the TSR and not make any misrepresentations in connection with lead generation or the advertising, marketing, or promotion of any good or service; not collect, transfer or disclose consumer information without express informed consent; transfer certain inactive under-65 health website domains owned by the Company; and comply with certain data deletion, recordkeeping and cooperation provisions.

These injunctive terms will affect our ability to operate business in our Health insurance vertical, particularly in the under-65 health insurance subvertical, where we expect a reduction in Transaction Value and Contribution for 2025 compared with 2024.

Finally, even though the FTC claims have been resolved, other government authorities as well as consumers and other private claimants may allege that our business practices, including those subject to the FTC investigation, did not comply with one or more laws or regulations. In addition, the Company is aware of efforts by private law firms to solicit clients in regard to potential securities class action or derivative litigation. These matters could result in us incurring additional costs and liabilities.

For more information about the FTC Matter, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and capital resources" and "Item 8. Financial Statements and Supplementary Data--Note 8. Commitments and contingencies--FTC Matter" in the 2024 Annual Report on Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Recent Sales of Unregistered Securities

None.

Issuer Purchases of Equity Securities

The following table provides information about the Company's share repurchase activity for the three months ended June 30, 2025:

	Total Number of Shares (or Units) Purchased ⁽¹⁾	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
2025				
April 1 through April 30	—	\$ —	N/A	N/A
May 1 through May 31	102,348	\$ 10.39	N/A	N/A
June 1 through June 30	—	\$ —	N/A	N/A
Total	102,348	\$ 10.39	N/A	N/A

⁽¹⁾ These shares of Class A Common Stock were withheld to satisfy tax withholding obligations in connection with the vesting of restricted stock units issued to employees of the Company. The Company withheld these shares at their fair market values based upon the closing prices of its Class A Common Shares as reported by the NYSE on the day preceding the vesting dates.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended June 30, 2025, no director or officer of the Company adopted/modified and/or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K of the Exchange Act.

Item 6. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
10.1+	Fifth Amendment to Amended and Restated Employment Agreement among MediaAlpha, QuoteLab, LLC and Eugene Nonko, dated June 30, 2025	8-K	001-39671	10.1	June 30, 2025
31.1*	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
31.2*	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
32.1**	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 USC, Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
101.INS	Inline XBRL Instance Document				
101.SCH	Inline XBRL Taxonomy Extension Schema Document				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document				
104	Cover Page Interactive Data File (Embedded with the Inline XBRL document)				

+ *Management contract or compensatory plan or arrangement.*

* *Filed herewith.*

** *Furnished herewith. This exhibit should not be deemed to be "filed" for purposes of Section 18 of the Exchange Act.*

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MEDIAALPHA, INC.

Date: August 6, 2025

/s/ Patrick R. Thompson

Patrick R. Thompson
Chief Financial Officer & Treasurer

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Steve Yi, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of MediaAlpha, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2025

/s/ Steve Yi

Steve Yi
Chief Executive Officer, President and Co-Founder

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Patrick R. Thompson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of MediaAlpha, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2025

/s/ Patrick R. Thompson

Patrick R. Thompson
Chief Financial Officer & Treasurer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of MediaAlpha, Inc. (the "Company") for the quarterly period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 6, 2025

/s/ Steve Yi

Steve Yi
Chief Executive Officer, President, and Co-Founder

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of MediaAlpha, Inc. (the "Company") for the quarterly period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 6, 2025

/s/ Patrick R. Thompson

Patrick R. Thompson
Chief Financial Officer & Treasurer