

Investor Presentation

February 2024

Disclaimer

Forward-looking statements and other information

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. 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 those more fully described in MediaAlpha's filings with the SEC, including the Annual Report on Form 10-K that was filed on February 22, 2024. These factors should not be construed as exhaustive. MediaAlpha disclaims any obligation to update any forward-looking statements to reflect events or circumstances that occur after the date of this presentation.

All information contained herein speaks only as of the date of this presentation, except where information is stated to be presented as of a specific date. We undertake no duty to update or revise the information contained herein, publicly or otherwise, including any forward-looking statements.

Information regarding market data presented herein has been obtained from internal sources, market research, publicly available information, and industry publications. Estimates are inherently uncertain, involve risks and uncertainties and are subject to change based on various factors. While we believe that these sources and estimates are reliable as of the date hereof, it has not independently verified them and cannot guarantee their accuracy or completeness.

Non-GAAP financial measures

This presentation includes Adjusted EBITDA, which is a non-GAAP financial measure. The definition of Adjusted EBITDA is included in the Appendix to this presentation. We also present Transaction Value, which is an operating metric not presented in accordance with GAAP.

A reconciliation of Adjusted EBITDA to net income (loss), which is the most directly comparable GAAP financial measure, is included in the Appendix to this presentation. We present Transaction Value and Adjusted EBITDA because they are used extensively 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. Accordingly, we believe that Transaction Value and Adjusted EBITDA provide useful information to investors and others in understanding and evaluating our operating results in the same manner as our management team and board of directors. Each of Transaction Value and Adjusted EBITDA has limitations and you should not consider any such information in isolation or as a substitute for analysis of our results as reported under GAAP.

Trademarks

The trademarks included herein are the property of the owners thereof and are used for reference purposes only. Such use should not be construed as an endorsement of our products or services.

Our mission

Build the most efficient, transparent and measurable ecosystem to connect carriers with online shoppers

MediaAlpha **at a glance**

- One of the insurance industry's largest customer acquisition platforms
- Trusted partner to insurance carriers as they transition to digital direct-to-consumer marketing
- Platform where buyers acquire high-intent customers efficiently and at scale; sellers maximize monetization of digital consumer traffic
- Proprietary technology powering a real-time, transparent and results-driven ecosystem
- Founder-led team with a culture of development, execution and innovation

\$593M
LTM Transaction
Value

\$17B¹
Insurance advertising
spend (2027E)

37M
Average monthly
searches

137
Number of employees

Note: Employee data as of December 31, 2023. Transaction Value and monthly search data reflect the twelve-month period ended December 31, 2023. Transaction Value represents total gross dollars transacted by our partners on our platform.

¹ The Business Research Company (July 2023)

A market with massive opportunity

Our Transaction Value of \$593 million represents a tiny fraction of the \$146 billion insurers are estimated to have spent on customer acquisition in 2021.



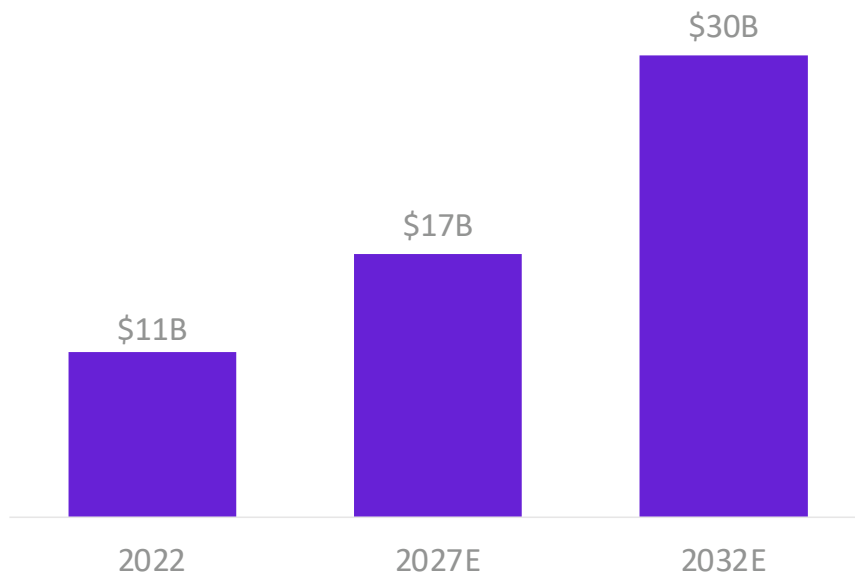
Note: Transaction Value represents total gross dollars transacted by our partners on our platform during the twelve-month period ended December 31, 2023.

¹ 2021 estimate, William Blair equity research, "Financial Analytic Service Providers" (April 2021).

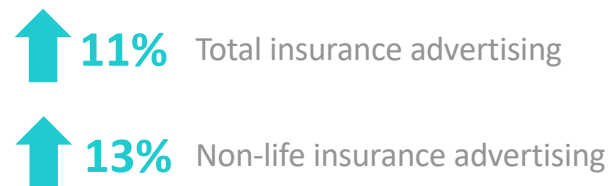
Stable growth potential

Overall insurance advertising spend is expected to grow at double digit rates through 2032.

Insurance advertising spend

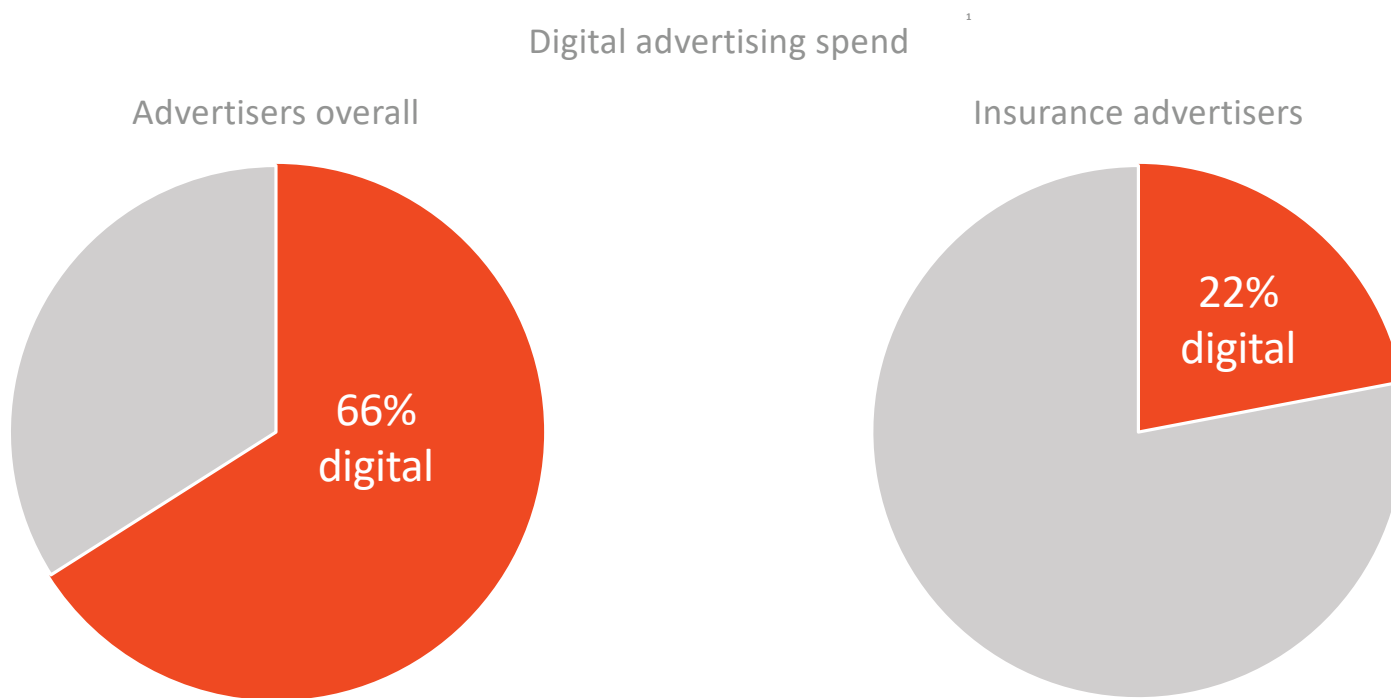


2022–2032E insurance advertising CAGR



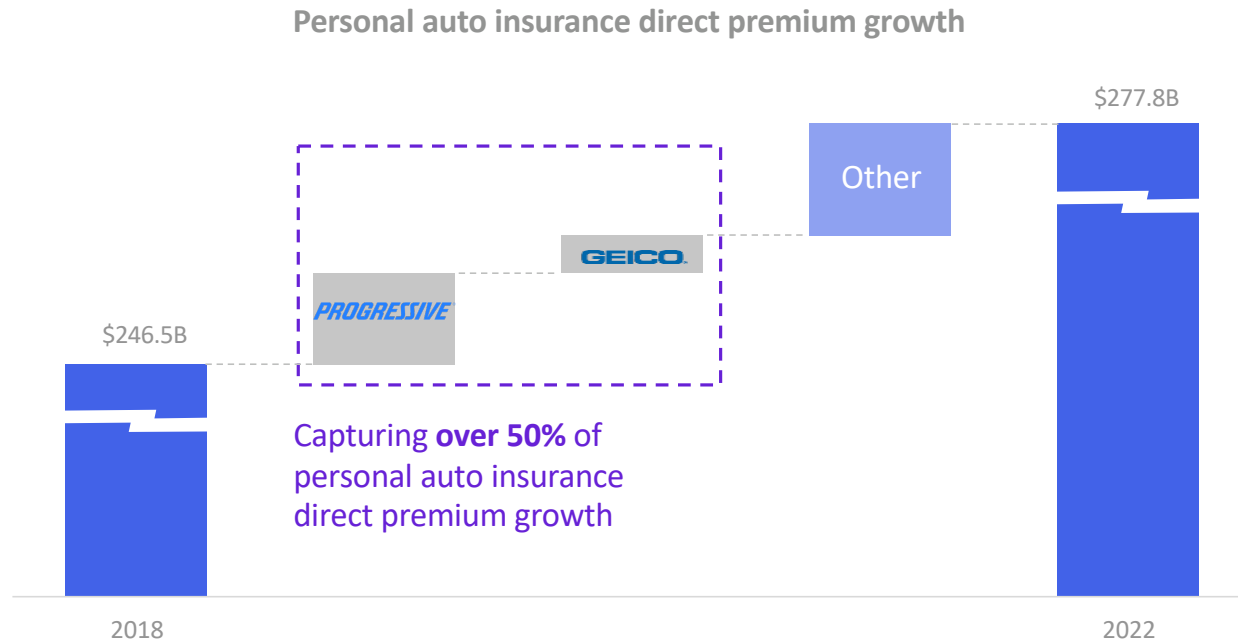
Large headroom in digital media spend

The insurance industry significantly lags the broader advertising industry in aligning digital media spend with consumers' time spent online.

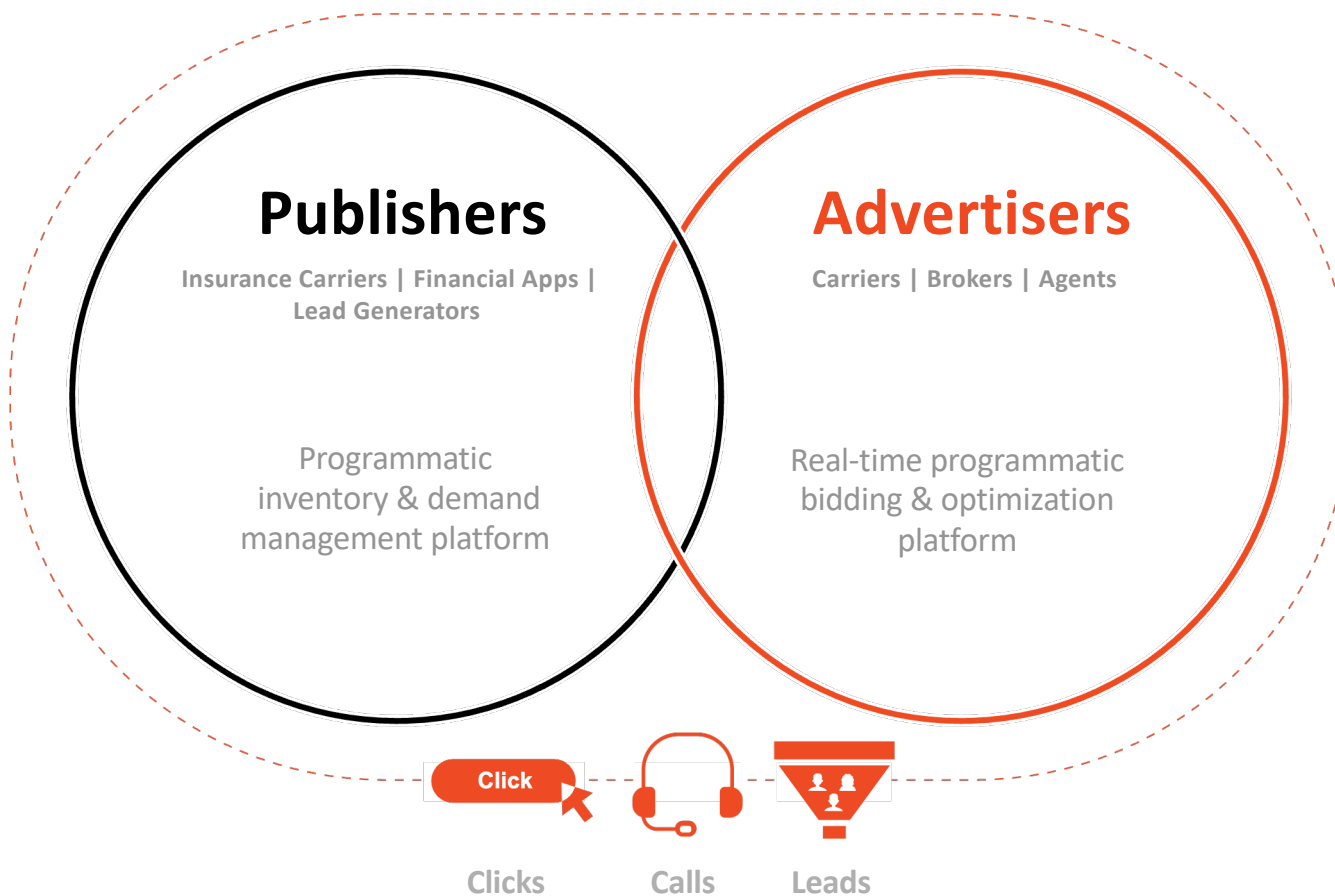


¹ 2021 estimate, William Blair equity research, "Financial Analytic Service Providers" (April 2021).

Direct-to-consumer (DTC) is a rapidly growing insurance distribution channel



MediaAlpha platform



Key pillars of our **technology platform**



Massive scale

Providing buyer partners with access to **millions of high-intent consumers** through a single pane of glass



Real-time acquisition

Getting insurance carriers **access to their desired consumers** at the point of purchase



Multiple touchpoints

Enabling insurance carriers to **acquire and convert consumers** through clicks, calls and leads



Trust and transparency

Disrupting the black-box model of customer acquisition to enable demand and supply partners to transact with full **transparency, control and confidence**

The value of **our ecosystem**

Our technology platform brings leading insurance carriers and distributors and high-intent consumers together through a real-time, transparent and results-driven ecosystem.

Supply partners

Insurance carriers looking to maximize the value of low-LTV consumers and other sites looking to monetize insurance shoppers

Yield maximization

Predictive analytics

Real-time insights

Demand partners

Insurance carriers and distributors focused on targeting high-intent consumers

Efficiency at scale

Granular targeting

Transparency

End consumers

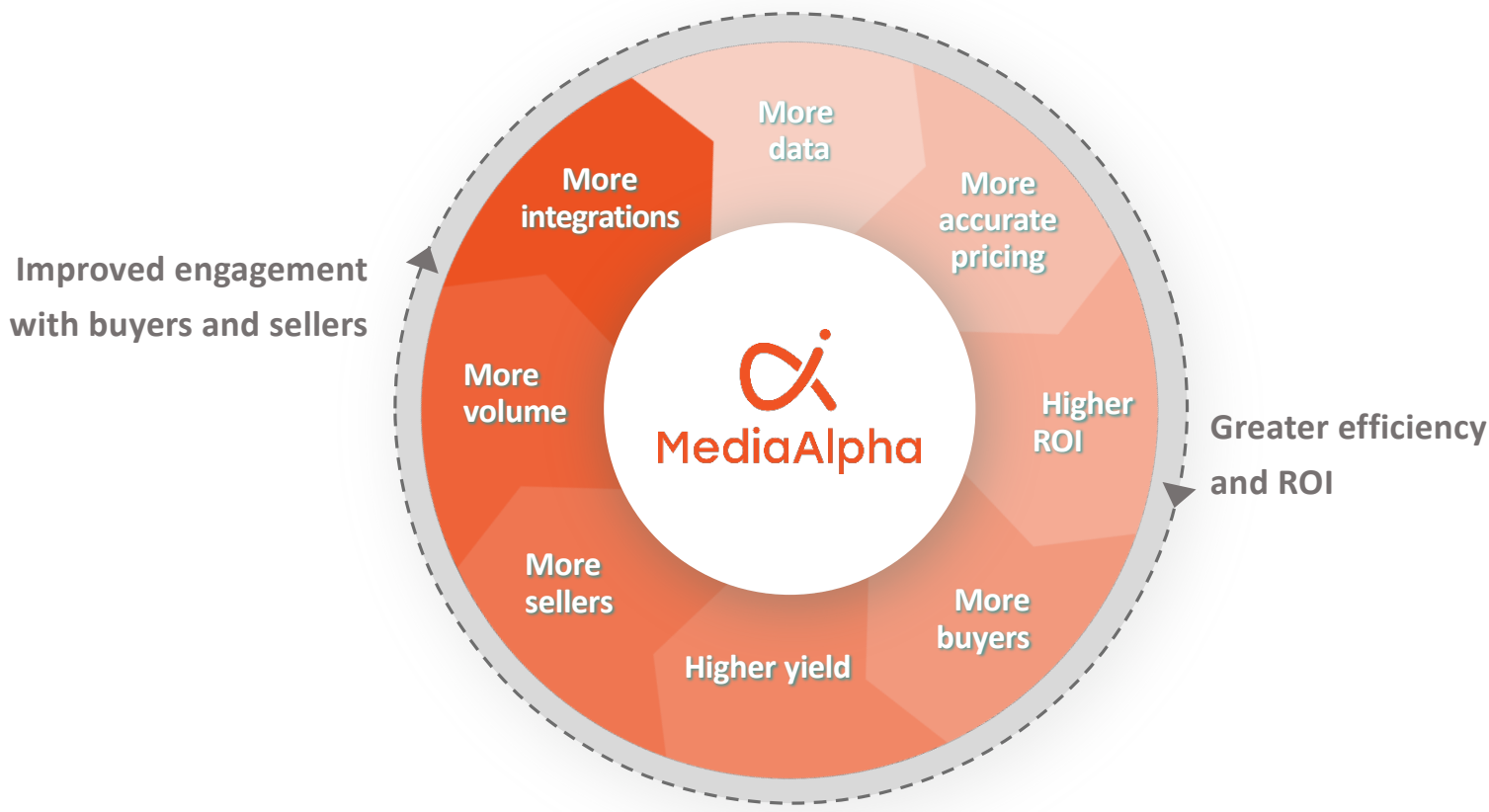
High-intent, online insurance shoppers looking to compare quotes from various carriers

Search relevancy

Shopping efficiency

We drive a **virtuous cycle**

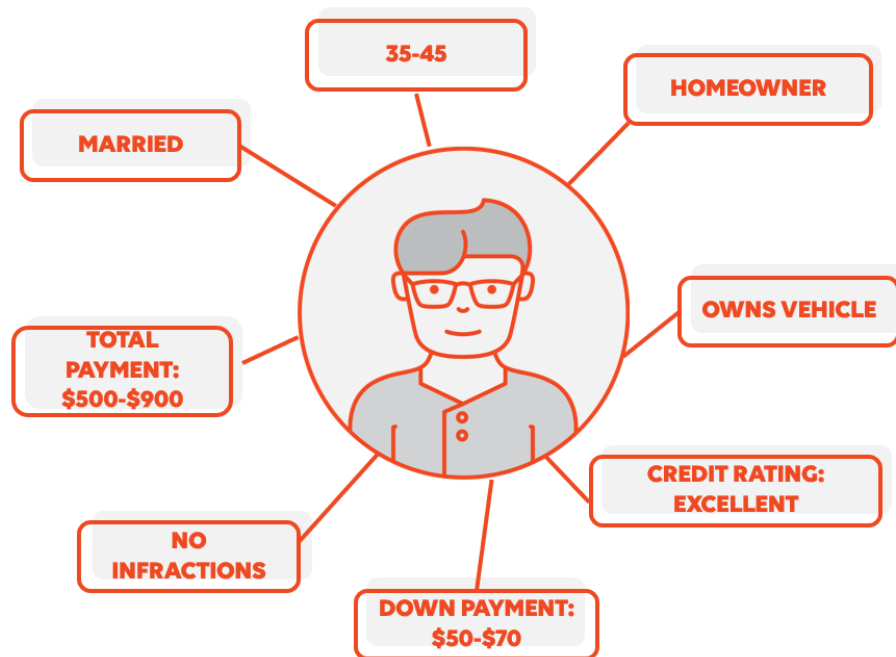
Partners experience initial benefits, then adopt deeper integrations, which drives more data into the platform, creating a powerful flywheel effect.



Target precisely and **bid granularly**

We allow advertisers to optimize across various attributes.

- Automated, real-time bidding optimizations for every consumer or micro-segment
- Ability to test multiple machine learning approaches and select best performing model
- Auto insurance attributes include:
 - Accidents
 - Annual Mileage
 - Bankruptcy
 - Coverage Type
 - Credit Rating
 - Currently Insured
 - Current Insurer
 - DUIs
 - Education
 - Gender
 - Home Ownership
 - Occupation
 - Primary Purpose
 - Tickets
 - Years Licensed
 - Plus 20+ others

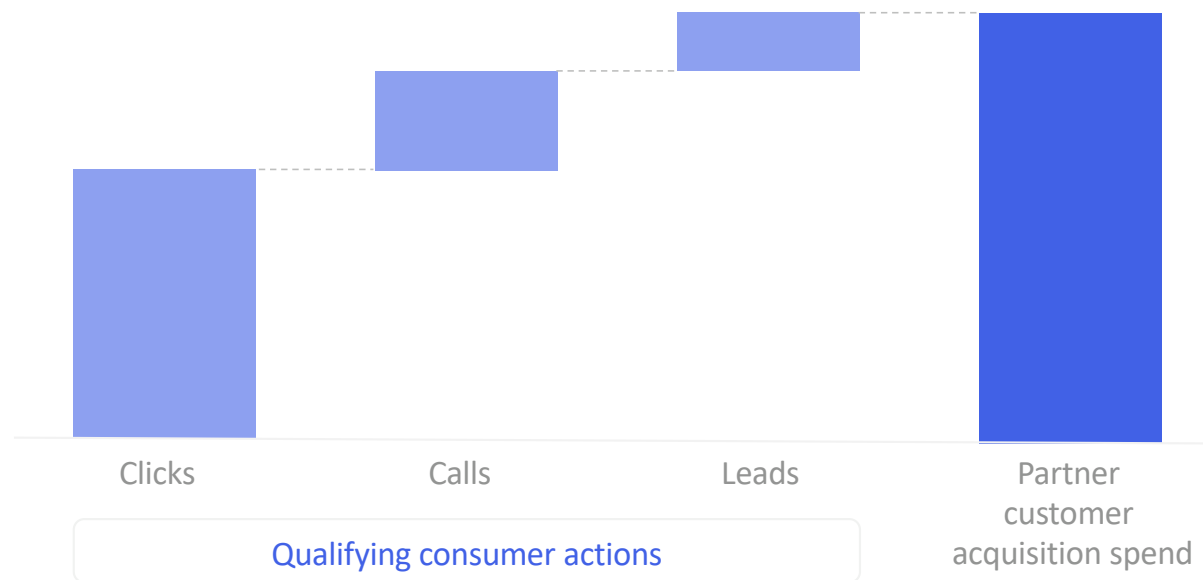


Our revenue model

Value is created for our business through qualifying consumer actions.

Illustrative building blocks of Transaction Value

Qualifying consumer referral x Revenue per consumer referral

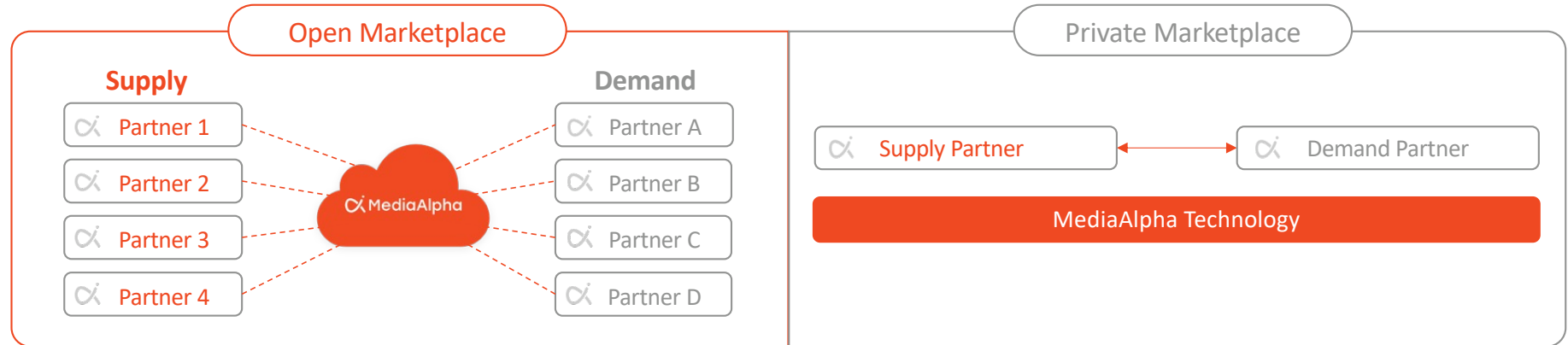


Transparent Revenue Recognition

- 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
- Call revenue is earned and recognized when a **consumer transfers to a call buyer** and remains engaged for a requisite duration of time, as specified by each buyer
- Lead revenue is recognized when the Company **delivers data leads to a buyer**

Open vs. private marketplaces

We provide our partners with the flexibility to work with us in whichever way best suits their business objectives.



- Open marketplace is our core business, where a supply partner can sell to any demand partner on the MediaAlpha marketplace.
- Partners access our full range of services, including billing/collections and managed services.
- We are a principal and recognize revenue on a gross basis: take rate (gross profit/Transaction Value) is higher.
- We created private marketplaces to allow major relationships between supply & demand partners to flourish.
- Partners receive a limited set of MediaAlpha services, marketplace powered by MediaAlpha technology.
- We are a service provider and recognize revenue on a net basis: take rate (gross profit/Transaction Value) is lower.

A new income stream for carriers

The versatility of our model allows a carrier to be both a demand and supply partner, deepening their relationship with us.

ACME Car Insurance

YOUR INFO

John Doe

jd@mail.com 90000

Honda Accord

1,100 ABC1234

GET QUOTE

1

Consumer fills out carrier form

Carrier acquisition spend drives high-intent consumers to access their site and enter information

ACME Car Insurance

YOUR QUOTE:

\$105

GET YOUR QUOTE
Compare Rates Below

★ CHOICE Car Insurance	=====	GET QUOTE
☀ FAIR WEATHER Car Insurance	=====	GET QUOTE
⚡ SAFE DRIVER Car Insurance	=====	GET QUOTE

2

Carrier displays offers based on consumer profile

Carrier determines likelihood of conversion and monetizes unlikely consumers with alternative listings for other carriers.

ACME Car Insurance

YOUR QUOTE:

\$105

★ CHOICE Car Insurance ===== GET QUOTE

★ CHOICE Car Insurance ===== GET QUOTE

☀ FAIR WEATHER Car Insurance ===== GET QUOTE

⚡ SAFE DRIVER Car Insurance ===== GET QUOTE

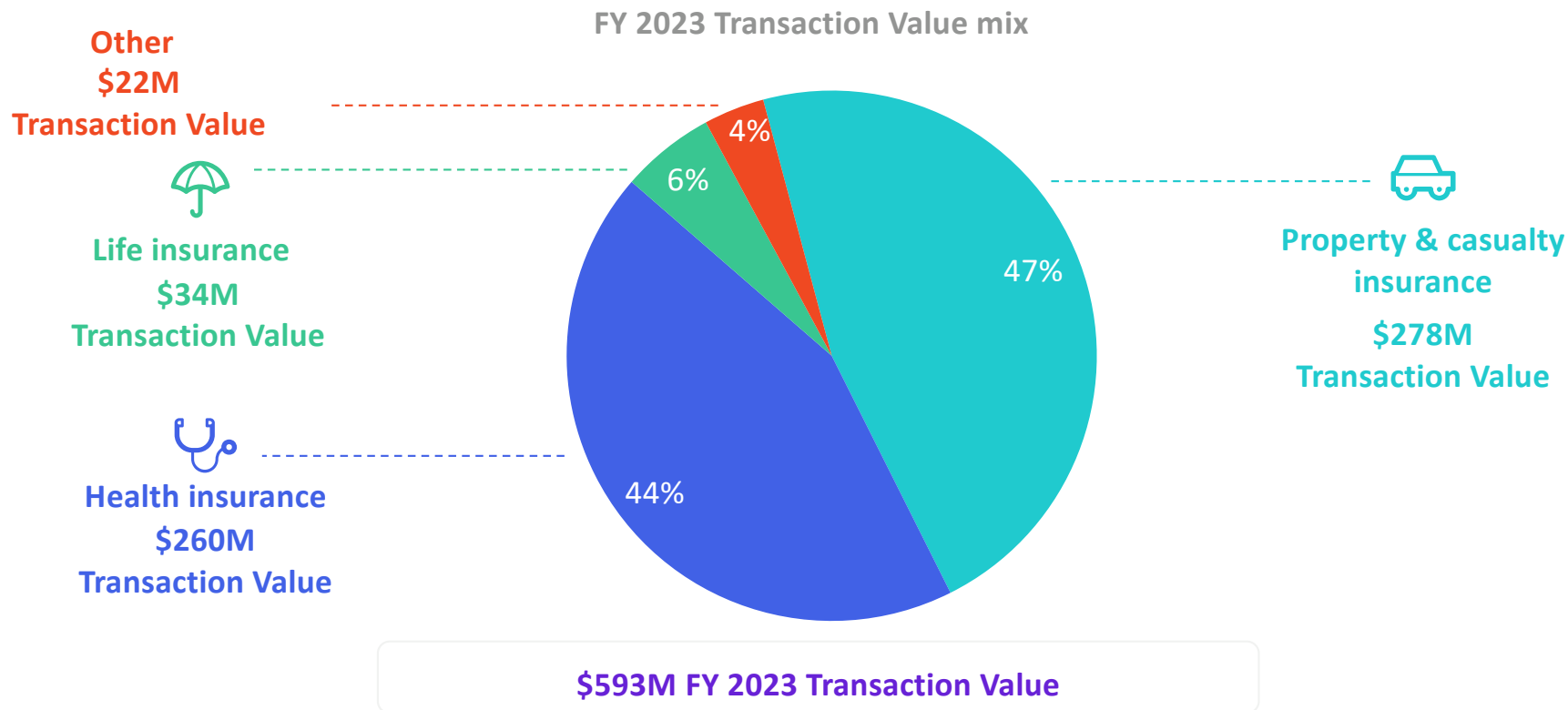
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Consumer clicks an alternative listing

Carrier has the ability to generate revenue and offset a meaningful portion of marketing costs.

Our verticals

Our business mix is diversified across various insurance verticals.

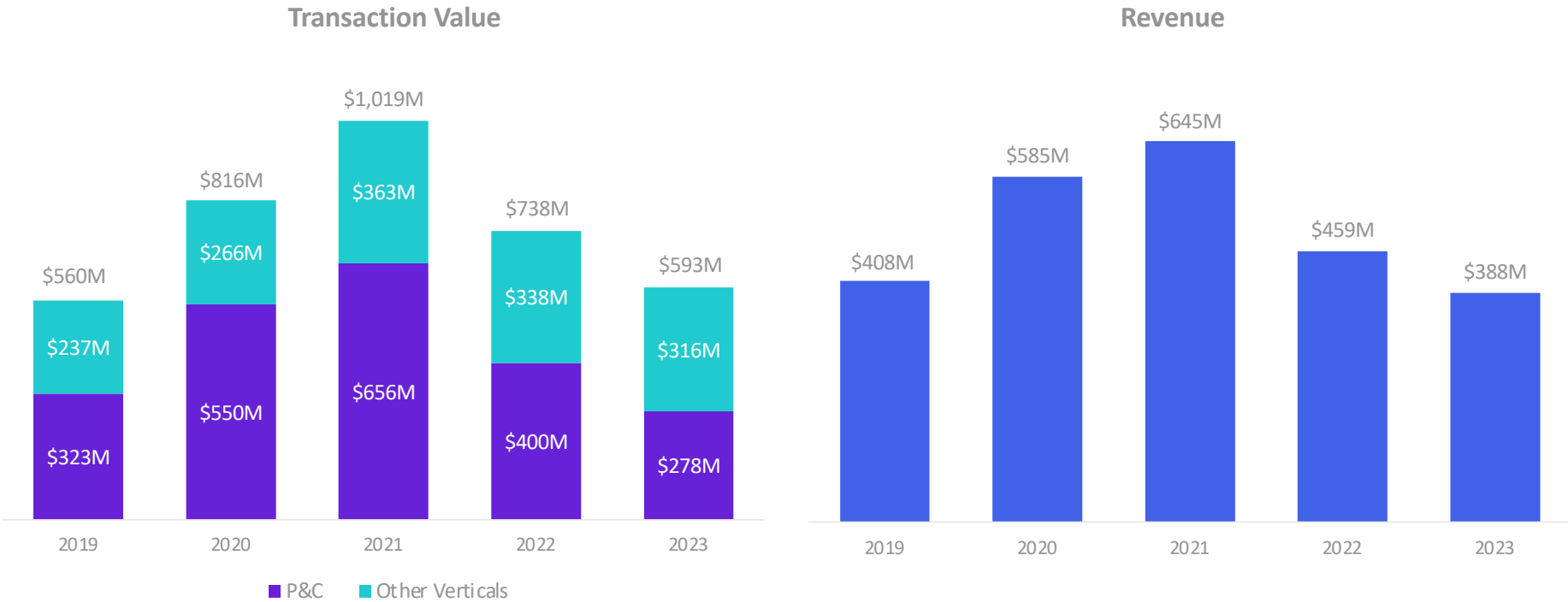


Note: Transaction Value data as of the twelve-month period ended December 31, 2023. Transaction Value represents total gross dollars transacted by our partners on our platform.

Our Financial Overview

Top line performance

We grew rapidly in recent years prior to the cyclical downturn in our Property & Casualty (P&C) insurance vertical that began in Q3 2021.



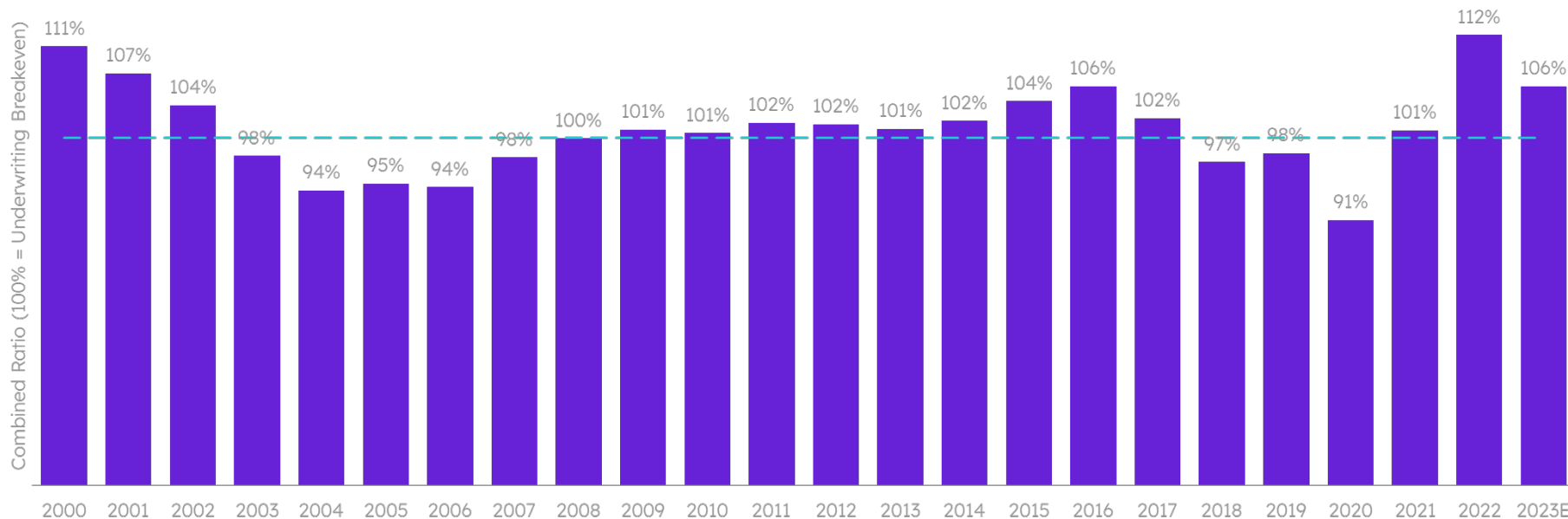
Note: Transaction Value represents total gross dollars transacted by our partners on our platform.

P&C industry cycle

Elevated losses in recent years have led to significant reductions in customer acquisition spend as carriers continued to focus on improving their profitability.

U.S. Private Auto Insurance Industry Combined Ratio^{1,2}

Combined Ratio Underwriting Breakeven

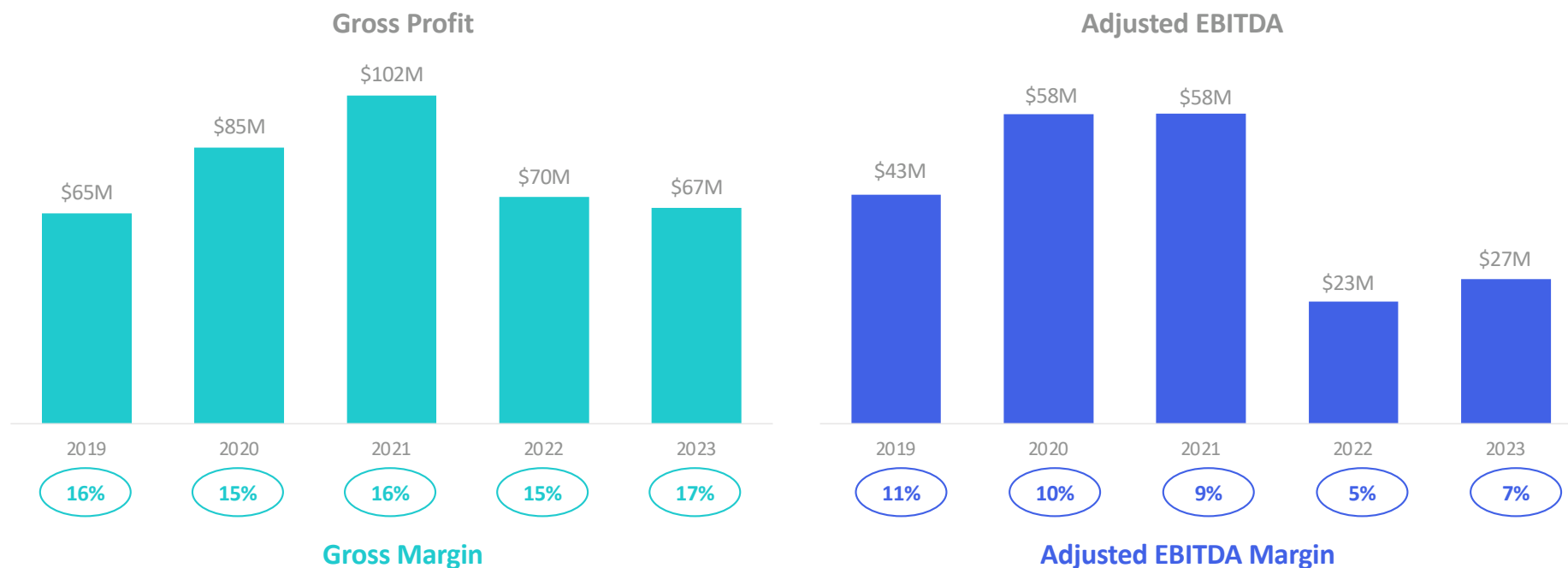


¹ Historical data, S&P Global Market Intelligence, "US private auto insurers report historically bad underwriting results in 2022" (May 2023)

² 2023 estimate, S&P Global Market Intelligence, "US P&C Insurance Market Report: Profitability to remain elusive in 2023" (July 2023)

Profitable model

We have consistently generated positive Adjusted EBITDA despite the recent cyclical downturn in our P&C vertical.



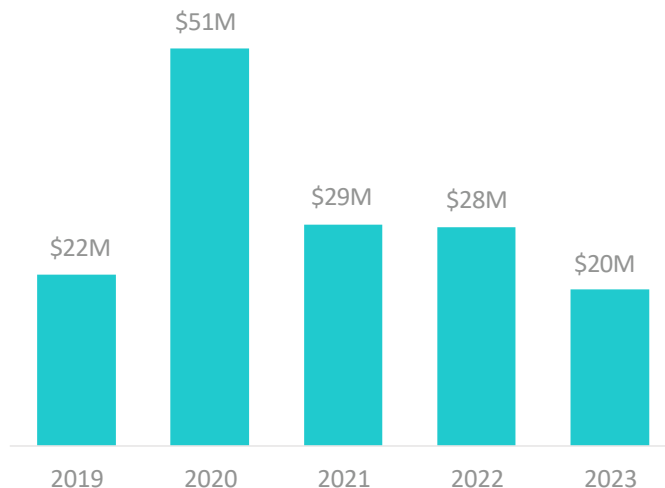
Note: Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP measures; see appendix for reconciliations to the comparable GAAP measures. Adjusted EBITDA margin is defined as Adjusted EBITDA as a percentage of revenue.

Steady cash generation

Our consistent cash flow generation is driven by the nature of our revenue and minimal capital expenditures.

- Stable cash flow conversion
- Growth funded with internally generated cash flow
- Attractive revenue model
 - Transaction-based revenue
 - Recognized at the time the consumer referral is sold
- Proprietary technology
 - Highly scalable
 - Minimal capital expenditures

Cash Flow from Operations







Capital Expenditures



Long-term **growth drivers**

We have numerous levers to drive long-term growth.

-  Bring on new partners
-  Gain share of wallet
-  Deepen data sharing with partners
-  Enhance ecosystem efficiency

We are well-positioned to benefit from the ongoing shifts in online consumer behavior and insurance distribution.

Appendix



Key metrics definitions

Driver	Definition
Transaction Value	<p>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, Transaction Value is equal to revenue recognized 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 revenue and 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.</p>
Adjusted EBITDA and Adjusted EBITDA Margin	<p>We define “Adjusted EBITDA” as net income excluding interest expense, income tax benefit (expense), 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 on the following slide. We define “Adjusted EBITDA Margin” as Adjusted EBITDA as a percentage of revenue. 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.</p>

Reconciliation of Adjusted EBITDA

\$000s	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Net income (loss)	\$17,820	\$10,562	\$(8,475)	\$(72,446)	\$(56,555)
Equity-based compensation expense	3,594	25,536	45,713	58,472	53,321
Interest expense	7,021	7,938	7,830	9,245	15,315
Income tax expense (benefit) ¹	-	(1,267)	(1,047)	102,905	(463)
Depreciation expense on property and equipment	272	289	369	392	353
Amortization of intangible assets	5,381	3,201	2,984	5,755	6,917
Transaction expenses ²	8,831	11,511	4,128	636	641
Employee-related costs ³	-	-	674	-	-
SOX implementation costs ⁴	-	-	1,168	110	-
Fair value adjustment to contingent consideration ⁵	-	-	-	(7,007)	-
Impairment of cost method investment	-	-	-	8,594	1,406
Settlement costs ⁶	-	-	859	-	-
Changes in TRA related liability ⁷	-	-	911	(83,832)	6
Changes in Tax Indemnification Receivable ⁸	-	304	1,360	(58)	639
Non-cash compensation ⁹	-	-	880	-	-
Employee retention credits ¹⁰	-	-	(1,303)	-	-
Settlement of federal and state income tax refunds ¹¹	-	-	2,116	92	5
Legal expenses ¹²	-	-	-	-	4,303
Reduction in force costs ¹³	-	-	-	-	1,233
Adjusted EBITDA	\$42,919	\$58,074	\$58,167	\$22,858	\$27,121

Note: Totals may not foot due to rounding.

¹ Income tax expense (benefit) for the year ended December 31, 2022, consists primarily of \$84.5 million of tax expense related to recording a valuation allowance on our deferred tax assets as we determined that the negative evidence outweighs the positive evidence and so it is more likely than not that our deferred tax assets will not be utilized.

² Transaction expenses consist of \$7.2 million in legal, investment banking and other consulting fees and \$1.6 million in transaction bonuses related to a transaction with Insignia in February 2019 for the year ended December 31, 2019. For the year ended December 31, 2020, transaction expenses consist of \$5.9 million in legal, and other consulting fees, \$3.6 million in transaction bonuses related to the Reorganization Transaction and IPO, and \$2.0 million in loss on extinguishment of debt related to the termination of 2019 Credit Facilities. For the year ended December 31, 2021, transaction expenses consist of \$4.1 million of expenses incurred by us for legal and accounting fees and other costs in connection with the Secondary Offering and other registration statements, and the refinancing of our 2020 Credit Facilities. For the year ended December 31, 2022, transaction expenses consist of \$0.6 million of legal, accounting and other consulting fees incurred by us in connection with our acquisition of CHT. For the year ended December 31, 2023, transaction expenses consist of \$0.6 million of legal, and accounting fees incurred by us in connection with the amendment to the 2021 Credit Facilities, the tender offer filed by the Company's largest shareholder in May 2023, and a resale registration statement filed with the SEC.

³ Employee-related costs include \$0.6 million of expenses incurred by us for the year ended December 31, 2021 for amounts payable to recruiting firms in connection with the hiring of certain executive officers to support our operation as a publicly-reporting company.

⁴ SOX implementation costs consist of \$1.2 million and \$0.1 million of expenses incurred by us for the years ended December 31, 2021 and 2022, respectively, for third-party consultants to assist us with the development, implementation, and documentation of new and enhanced internal controls and processes for compliance with SOX Section 404(b).

⁵ Fair value adjustment to contingent consideration for the year ended December 31, 2022 and consists of \$7.0 million of gain in connection with the remeasurement of the contingent consideration for the acquisition of CHT as of December 31, 2022.

⁶ Settlement costs consist of \$0.9 million of expenses incurred by us for the year ended December 31, 2021 to settle certain claims made by the Attorney General's Office of the State of Washington.

⁷ Changes in TRA related liability for the year ended December 31, 2021 consist of \$0.9 million of expense due to a change in the estimated future state tax benefits, and other changes in the estimate, resulting in changes to the TRA liability created in connection with the Reorganization Transactions. Changes in TRA related liability for the year ended December 31, 2022 consist of \$83.3 million of gain on reduction of liability pursuant to the TRA resulting from remeasuring of the non-current portion of liability to zero as we no longer consider the payments under the agreement to be probable. For the year ended December 31, 2023, Changes in TRA related liability consist of immaterial expenses.

⁸ Changes in Tax Indemnification Receivable consists of \$0.3 million of expense, \$1.4 million of expense, \$0.1 million of income, and \$0.6 million of expense incurred by us for years ended December 31, 2020, 2021, 2022, and 2023, respectively, related to changes in the tax indemnification receivable recorded in connection with the Reorganization Transactions. The change also resulted in an expense/benefit of the same amount which has been recorded within income tax expense (benefit) for the same periods.

⁹ Non-cash compensation consists of \$0.9 million of expenses incurred by us for the year ended December 31, 2021 for payment of annual bonuses to certain of our executive officers in the form of grants of restricted stock units, rather than in cash.

¹⁰ Employee retention credits consist of \$1.3 million of benefit for the year ended December 31, 2021 as a result of our receipt of employee retention credits under the provisions of the CARES Act.

¹¹ Settlement of federal and state tax refunds consist of \$2.1 million of expenses, \$0.1 million of expenses, and immaterial expense incurred by us for the years ended December 31, 2021, 2022, and 2023 respectively, related to reimbursement to White Mountains for federal and state tax refunds for the period prior to the Reorganization Transactions related to 2020 federal and state tax returns. The settlement also resulted in a benefit of the same amount which has been recorded within income tax expense (benefit) for the same periods.

¹² Legal expenses of \$4.3 million for the year ended December 31, 2023 consist of legal fees incurred in connection with the civil investigative demand received from the Federal Trade Commission (FTC) in February 2023 and costs associated with a legal settlement unrelated to our core operations.

¹³ Reduction in force costs for the year ended December 31, 2023 consist of \$1.2 million of severance benefits provided to the terminated employees in connection with the RIF Plan. Additionally, equity-based compensation expense includes \$0.3 million of charges related to the RIF Plan for the year ended December 31, 2023.