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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 September 30, 2026

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	**85-1854133**
(State or other jurisdiction of incorporation or organization)	(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	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

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 October 26, 2026, there were 50,903,805 shares of MediaAlpha, Inc.'s Class A common stock, $0.01 par value per share, and 8,288,267 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, health insurance, and life insurance.
- "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 or by stockholders 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 corporate structure; and
- The other risk factors described under Part I, Item 1A “Risk Factors” in our 2025 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)

	September 30, 2026	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	$ 18,677	$ 46,876
Accounts receivable, net of allowance for credit losses of $945 and $717, respectively	166,945	123,019
Prepaid expenses and other current assets	7,087	4,477
Total current assets	192,709	174,372
Intangible assets, net	2,157	3,590
Goodwill	47,739	47,739
Deferred tax assets	122,823	149,734
Other assets	6,797	8,396
Total assets	**$ 372,225**	**$ 383,831**
Liabilities and stockholders' equity (deficit)		
Current liabilities		
Accounts payable	$ 121,718	$ 91,094
Accrued expenses	16,814	34,746
Current portion of long-term debt	7,172	21,807
Total current liabilities	145,704	147,647
Long-term debt, net of current portion	167,748	131,602
Liabilities under tax receivables agreement, net of current portion	29,577	124,212
Other long-term liabilities	9,439	9,564
Total liabilities	$ 352,468	$ 413,025
Commitments and contingencies (Note 5)		
Stockholders' equity (deficit)		
Class A common stock, $0.01 par value - 1.0 billion shares authorized; 52.7 million and 56.2 million shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	527	562
Class B common stock, $0.01 par value - 100 million shares authorized; 8.3 million and 8.3 million shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	83	83
Preferred stock, $0.01 par value - 50 million shares authorized; 0 shares issued and outstanding as of September 30, 2026 and December 31, 2025	—	—
Additional paid-in capital	454,368	483,825
Accumulated deficit	(403,651)	(480,310)
Total stockholders' equity attributable to MediaAlpha, Inc.	$ 51,327	$ 4,160
Non-controlling interests	(31,570)	(33,354)
Total stockholders' equity (deficit)	$ 19,757	$ (29,194)
Total liabilities and stockholders' equity (deficit)	**$ 372,225**	**$ 383,831**

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 September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue	$ 375,946	$ 306,514	$ 1,002,825	$ 822,445
Costs and operating expenses				
Cost of revenue	320,618	263,108	855,624	699,713
Sales and marketing	5,245	5,224	15,734	16,078
Product development	6,211	5,829	17,709	16,068
General and administrative	15,038	12,620	42,588	77,363
Write-off of intangible assets	—	—	—	13,416
Total costs and operating expenses	347,112	286,781	931,655	822,638
Income (loss) from operations	28,834	19,733	71,170	(193)
Other (income), net	(11,093)	(772)	(49,611)	(1,923)
Interest expense	2,760	2,808	7,975	8,633
Total other (income) expense, net	(8,333)	2,036	(41,636)	6,710
Income (loss) before income taxes	37,167	17,697	112,806	(6,903)
Income tax expense	7,807	54	27,617	321
Net income (loss)	$ 29,360	$ 17,643	$ 85,189	$ (7,224)
Net income (loss) attributable to non-controlling interests	3,606	2,736	8,530	(1,441)
Net income (loss) attributable to MediaAlpha, Inc.	$ 25,754	$ 14,907	$ 76,659	$ (5,783)
Net income (loss) attributable to MediaAlpha, Inc. per share of Class A common stock				
-Basic	$ 0.49	$ 0.26	$ 1.41	$ (0.10)
-Diluted	$ 0.46	$ 0.26	$ 1.32	$ (0.11)
Weighted average shares of Class A common stock outstanding				
-Basic	53,085,522	56,617,837	54,216,410	56,134,035
-Diluted	62,830,870	56,617,837	62,540,630	67,420,272

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

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

	Class A common stock		Class B common stock		Additional Paid-In-Capital	Accumulated deficit	Non-Controlling Interests	Total Stockholders' Equity (Deficit)
	Units	Amount	Units	Amount	Amount	Amount	Amount	Amount
Balance at December 31, 2025	56,207,408	$ 562	8,288,267	$ 83	$ 483,825	$ (480,310)	$ (33,354)	$ (29,194)
Vesting of restricted stock units	432,063	4	—	—	(4)	—	—	—
Equity-based compensation	—	—	—	—	7,259	—	—	7,259
Shares withheld for taxes on vesting of restricted stock units	—	—	—	—	(681)	—	—	(681)
Contributions from QLH's members	—	—	—	—	—	—	274	274
Distributions to non-controlling interests	—	—	—	—	—	—	(508)	(508)
Repurchases of Class A common stock	(2,056,010)	(20)	—	—	(20,268)	—	—	(20,288)
Net income	—	—	—	—	—	11,467	2,579	14,046
Balance at March 31, 2026	54,583,461	$ 546	8,288,267	$ 83	$ 470,131	$ (468,843)	$ (31,009)	$ (29,092)
Vesting of restricted stock units	603,065	6	—	—	(6)	—	—	—
Equity-based compensation	—	—	—	—	8,472	—	—	8,472
Shares withheld for taxes on vesting of restricted stock units	—	—	—	—	(947)	—	—	(947)
Contributions from QLH's members	—	—	—	—	—	—	477	477
Distributions to non-controlling interests	—	—	—	—	—	—	(5,173)	(5,173)
Repurchases of Class A common stock	(2,200,212)	(22)	—	—	(20,446)	—	—	(20,468)
Net income	—	—	—	—	—	39,438	2,345	41,783
Balance at June 30, 2026	52,986,314	$ 530	8,288,267	$ 83	$ 457,204	$ (429,405)	$ (33,360)	$ (4,948)
Vesting of restricted stock units	493,123	5	—	—	(5)	—	—	—
Equity-based compensation	—	—	—	—	8,123	—	—	8,123
Shares withheld for taxes on vesting of restricted stock units	—	—	—	—	(1,627)	—	—	(1,627)
Contributions from QLH's members	—	—	—	—	—	—	6	6
Distributions to non-controlling interests	—	—	—	—	—	—	(1,822)	(1,822)
Repurchases of Class A common stock	(818,710)	(8)	—	—	(9,327)	—	—	(9,335)
Net income	—	—	—	—	—	25,754	3,606	29,360
Balance at September 30, 2026	52,660,727	$ 527	8,288,267	$ 83	$ 454,368	$ (403,651)	$ (31,570)	$ 19,757

	Class A common stock		Class B common stock		Additional Paid-In-Capital	Accumulated deficit	Non-Controlling Interests	Total Stockholders' Deficit
	Units	Amount	Units	Amount	Amount	Amount	Amount	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 for taxes 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 for taxes 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)
Exchange of non-controlling interests for Class A common stock	3,270,762	33	(3,270,762)	(33)	(14,437)	—	14,437	—
Vesting of restricted stock units	462,402	4	—	—	(4)	—	—	—
Equity-based compensation	—	—	—	—	7,662	—	—	7,662
Shares withheld for taxes on vesting of restricted stock units	—	—	—	—	(1,031)	—	—	(1,031)
Contributions from QLH's members	—	—	—	—	—	—	42	42
Distributions to non-controlling interests	—	—	—	—	—	—	(54)	(54)
Repurchases of Class A common stock	(3,234,894)	(32)	—	—	(33,050)	—	—	(33,082)
Net income	—	—	—	—	—	14,907	2,736	17,643
Balance at September 30, 2025	56,868,573	$ 569	8,303,267	$ 83	$ 481,309	$ (511,716)	$ (36,022)	$ (65,777)

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)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities		
Net income (loss)	$ 85,189	$ (7,224)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Equity-based compensation expense	23,854	22,798
Non-cash lease expense	748	688
Depreciation expense on property and equipment	225	201
Amortization of intangible assets	1,433	2,467
Amortization of deferred debt issuance costs	405	518
Loss on extinguishment of debt	235	—
Gain on repurchase of interests in tax receivables agreement	(48,384)	—
Write-off of intangible assets	—	13,416
Credit losses	247	(13)
Deferred taxes	26,911	—
Tax receivables agreement	(870)	(80)
Changes in operating assets and liabilities:		
Accounts receivable	(44,173)	13,774
Prepaid expenses and other current assets	(1,084)	(382)
Other assets	719	(4,039)
Accounts payable	30,624	(2,882)
Accrued expenses	(13,444)	33,804
Net cash provided by operating activities	$ 62,635	$ 73,046
Cash flows from investing activities		
Purchases of property and equipment	(944)	(300)
Net cash (used in) investing activities	$ (944)	$ (300)
Cash flows from financing activities		
Proceeds from revolving line of credit	30,000	—
Repayments on revolving line of credit	(5,000)	—
Proceeds from issuance of long-term debt	150,000	—
Repayments on long-term debt	(152,703)	(7,125)
Payments of debt issuance costs	(2,101)	(284)
Repurchases of Class A common stock	(50,095)	(32,893)
Contributions from QLH's members	757	433
Distributions to non-controlling interests	(7,503)	(841)
Payments pursuant to tax receivables agreement	(6,990)	—
Repurchase of interests in tax receivables agreement	(43,000)	—
Shares withheld for taxes on vesting of restricted stock units	(3,255)	(2,961)
Net cash (used in) financing activities	$ (89,890)	$ (43,671)
Net (decrease) increase in cash and cash equivalents and restricted cash	(28,199)	29,075
Cash and cash equivalents and restricted cash, beginning of period	46,876	43,266
Cash and cash equivalents and restricted cash, end of period	$ 18,677	$ 72,341
Supplemental disclosures of cash flow information		
Cash paid during the period for:		
Interest	$ 9,865	$ 9,133
Income taxes paid, net of refunds	$ 1,456	$ 1,014
Non-cash Investing and Financing Activities:		
Changes of tax indemnification receivable	$ —	$ (211)
Right-of-use assets obtained in exchange of lease obligations	$ —	$ 176
Vesting of performance-based restricted stock units	$ —	$ 1,649
Accrued excise tax and fees on repurchases of Class A common stock	$ 305	$ 189

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 2025 Annual Report on Form 10-K and did not materially change during the nine months ended September 30, 2026.

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, 2025 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 2025 Annual Report on Form 10-K.

Accounts receivable

Accounts receivable are net of allowances for credit losses of $0.9 million and $0.7 million as of September 30, 2026 and December 31, 2025, 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 September 30, 2026			Three Months Ended September 30, 2025		
	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	3	$ 224	60 %	2	$ 161	53 %
Purchases	2	$ 90	28 %	2	$ 79	30 %

	Nine Months Ended September 30, 2026			Nine Months Ended September 30, 2025		
	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	3	$ 584	58 %	2	$ 408	50 %
Purchases	2	$ 238	28 %	2	$ 178	26 %

	As of September 30, 2026			As of December 31, 2025		
	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	4	$ 116	70 %	3	$ 59	49 %
Accounts payable	2	$ 29	24 %	1	$ 25	27 %

Related Party Transactions

The Company is party to the tax receivables agreement ("TRA"), under which it is contractually obligated to pay certain existing and prior 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 September 30, 2026 and December 31, 2025, the Company had accrued $31.9 million and $131.1 million, respectively, for estimated payments under the TRA. During the three and nine months ended September 30, 2026, payments of $0 and $7.0 million, respectively, were made pursuant to the TRA. During the three and nine months ended September 30, 2025, no payments were made pursuant to the TRA.

On June 25, 2026, the Company entered into an Assignment, Assumption and Termination Agreement (the “Insignia Agreement”) with Insignia and on September 9, 2026, the Company entered into an Assignment, Assumption and Termination Agreement (the “PLX Agreement”) with Parallaxes Mars, LLC, Parallaxes Mars II, LLC, and Parallaxes Mars III, LLC (collectively, “PLX”), pursuant to which the Company purchased Insignia and PLX respective interest in the TRA, as discussed further in *Note 9 - Income Taxes*. To provide the Company with the cash to repurchase Insignia’s and PLX's TRA interest, QLH made pro rata distributions to the holders of Class B-1 units, which included $6.6 million to certain officers of the Company and their affiliates.

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 December 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements. This ASU provides clarifications intended to improve the consistency and usability of interim disclosure requirements, including a comprehensive listing of required interim disclosures. The standard introduces a new disclosure principle for interim reporting to help entities determine whether disclosures not specified in Topic 270 should be provided in interim periods. ASU 2025-11 is effective for fiscal years beginning after December 15, 2027, and interim periods within those annual reporting periods. Early adoption is permitted. The Company is currently evaluating the impact of adopting ASU 2025-11 on its consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU No. 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software which amends the guidance in ASC 350-40, Intangibles-Goodwill and Other-Internal-Use Software. The amendments modernize the recognition and disclosure framework for internal-use software costs, removing the previous “development stage” model and introducing a more judgment-based approach. ASU No. 2025-06 is effective for annual reporting periods beginning after December 15, 2027, and for interim reporting periods within those annual reporting periods, with early adoption permitted. The Company is currently evaluating the impact of the ASU on its consolidated financial statements.

In November 2024, the FASB issued 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 consolidated financial statements.

2. Disaggregation of revenue

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2026**	**2025**	**2026**	**2025**
Open Marketplace transactions	$ 371,226	$ 299,815	$ 987,035	$ 803,514
Private Marketplace transactions	4,720	6,699	15,790	18,931
Total	$ 375,946	$ 306,514	$ 1,002,825	$ 822,445

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2026**	**2025**	**2026**	**2025**
Property & casualty insurance	$ 365,916	$ 287,838	$ 967,499	$ 738,245
Health insurance	2,924	12,856	16,823	64,867
Life insurance	6,804	5,568	17,772	16,366
Other	302	252	731	2,967
Total	$ 375,946	$ 306,514	$ 1,002,825	$ 822,445

3. Goodwill and intangible assets

Goodwill and intangible assets consisted of:

		As of					
		September 30, 2026			December 31, 2025		
(in thousands)	**Useful life (months)**	**Gross carrying amount**	**Accumulated amortization**	**Net carrying amount**	**Gross carrying amount**	**Accumulated amortization**	**Net carrying amount**
Customer relationships	120	$ 25,040	$ (23,240)	$ 1,800	$ 25,040	$ (21,830)	$ 3,210
Non-compete agreements	60	303	(303)	—	303	(303)	—
Trademarks, trade names, and domain names	60	1,624	(1,267)	357	1,624	(1,244)	380
Intangible assets		$ 26,967	$ (24,810)	$ 2,157	$ 26,967	$ (23,377)	$ 3,590
Goodwill	Indefinite	$ 47,739	$ —	$ 47,739	$ 47,739	$ —	$ 47,739

Amortization expense related to intangible assets was $0.5 million for the three months ended September 30, 2026 and 2025, and $1.4 million and $2.5 million for the nine months ended September 30, 2026 and 2025, respectively. During the nine months ended September 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:

	As of			
	September 30, 2026		December 31, 2025	
(in thousands)	Goodwill	Intangible assets	Goodwill	Intangible assets
Beginning balance at January 1,	$ 47,739	$ 3,590	$ 47,739	$ 19,985
Amortization	—	(1,433)	—	(2,979)
Write-off of intangible assets	—	—	—	(13,416)
Ending balance	$ 47,739	$ 2,157	$ 47,739	$ 3,590

As of September 30, 2026, future amortization expense relating to identifiable intangible assets with estimable useful lives over the next five years was as follows:

(in thousands)	Amortization expense
2026–Remaining Period	$ 478
2027	1,364
2028	37
2029	40
2030	43
Thereafter	195
	$ 2,157

4. Long-term debt

Long-term debt consisted of the following:

	As of	
(in thousands)	September 30, 2026	December 31, 2025
2026 Term Loan Facility	$ 146,250	$ —
2026 Revolving Credit Facility	30,000	—
2021 Term Loan Facility	—	148,953
2021 Revolving Credit Facility	—	5,000
Unamortized debt issuance costs	(1,330)	(544)
Total debt	$ 174,920	$ 153,409
Less: current portion, net of debt issuance costs of $328 and $357, respectively	(7,172)	(21,807)
Total long-term debt	$ 167,748	$ 131,602

Amendment and Restatement of Credit Agreement

On March 25, 2026, QuoteLab, LLC (the "Borrower") and QLH entered into an amendment and restatement agreement (the "Amendment and Restatement Agreement") amending and restating the credit agreement dated as of September 23, 2020, as previously amended (as more fully described below, the "Amended Credit Agreement" and, as amended and restated by the Amendment and Restatement Agreement, the "Credit Agreement"), with the lenders that are party thereto and JPMorgan Chase Bank, N.A., as administrative agent.

The Credit Agreement provides for (i) a new five-year senior secured term loan facility in an aggregate principal amount of $150 million (the "2026 Term Loan Facility"), and (ii) a new five-year senior secured revolving credit facility with commitments in an aggregate amount of $60 million (the "2026 Revolving Credit Facility" and, together with the 2026 Term Loan Facility, the "2026 Credit Facilities"), which replaced the existing term loan facility and revolving credit facility under the Amended Credit Agreement. The proceeds of the 2026 Term Loan Facility, together with $15.0 million drawn on the 2026 Revolving Credit Facility upon the closing of the transaction, were used to refinance the $146.6 million of existing term loans outstanding and $5.0 million of existing revolving loans outstanding under the Amended Credit Agreement, and to pay the accrued and unpaid interest on such loans as of the date of the Credit Agreement and the fees related to the refinancing transactions, as well as to provide cash for general corporate purposes.

The obligations under the 2026 Credit Facilities are secured by substantially all assets of the Borrower and the Credit Agreement contains customary affirmative, negative and financial covenants and default provisions. The financial covenants include a minimum Fixed Charge Coverage Ratio and a maximum Total Net Leverage Ratio (in each case, as defined in the Credit Agreement). Non-financial covenants include restrictions on investments, dividends, asset sales, and the incurrence of additional debt and liens. As of September 30, 2026, the Company was in compliance with all such covenants.

Borrowings under the Credit Agreement will bear interest at a rate equal to, at the option of the Borrower, (i) Term Secured Overnight Financing Rate ("SOFR") plus an applicable margin, (ii) Daily Simple SOFR plus an applicable margin or (iii) Alternate Base Rate plus an applicable margin (in each case, as defined in the Credit Agreement). The applicable margins will be based on the Borrower’s consolidated total net leverage ratio as calculated under the terms of the Credit Agreement for the prior fiscal quarter and range from 2.00% to 3.00% with respect to the SOFR-based rates and 1.00% to 2.00% with respect to the Alternate Base Rate.

Loans under the 2026 Credit Facilities will mature on March 25, 2031. Loans under the 2026 Term Loan Facility amortize quarterly, beginning with the fiscal quarter ending June 30, 2026, by an amount equal to (i) through the fiscal quarter ending March 31, 2030, 1.25% of the original aggregate principal amount of the term loans and (ii) for each fiscal quarter thereafter, 2.50% of the original aggregate principal amount of the term loans. Loans under the Credit Agreement may be prepaid, at the option of the Borrower, at any time without premium. Term loans under the Credit Agreement are required to be prepaid from time to time with the proceeds of non-ordinary course asset sales and casualty and condemnation events, subject to customary exceptions.

The 2026 Term Loan Facility was treated as a debt restructuring that included both debt modifications and extinguishments, in addition to new debt issuances. The Company capitalized $1.5 million of new and existing deferred financing costs, which are classified within the current portion of long-term debt and long-term debt, net of current portion on the consolidated balance sheet and will be amortized over the term of the 2026 Term Loan Facility. Third-party costs of $1.1 million allocated to modifications to the 2026 Term Loan Facility were recorded as general and administrative expenses in the consolidated statement of operations. New and existing third-party costs and fees of $1.0 million paid to lenders and allocated to the 2026 Revolving Credit Facility were capitalized and classified within prepaid expenses and other current assets on the consolidated balance sheet and will be amortized over the term of the 2026 Revolving Credit Facility.

During the nine months ended September 30, 2026, the Company recognized a loss on extinguishment of the 2021 Credit Facilities of $0.2 million, which has been recorded within other expenses, net on the consolidated statement of operations.

Amended Credit Agreement

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

On August 4, 2025 ("Effective Date"), the Borrower and QLH entered into a Third Amendment (the “Third Amendment”) to the Existing Credit Agreement (as amended by the Third Amendment, the Amended Credit Agreement referred to above), 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”) continued to mature on July 29, 2026. The Term Loans amortized 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 Revolving 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 Revolving Credit Facility ($0.4 million in aggregate principal amount of which are drawn as of the Effective Date) continued to mature on July 29, 2026. All of such loans were refinanced in March 2026 upon the closing of the Amendment and Restatement Agreement discussed above. The Third Amendment was treated as a debt modification and the costs associated with the modification were not material to the consolidated financial information.

The Company incurred interest expense on the 2021 Credit Facilities and 2026 Credit Facilities for the three and nine months ended September 30, 2026 and 2025 as below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions)	2026	2025	2026	2025
2026 Term Loan Facility	$ 2.4	$ —	$ 4.9	$ —
2026 Revolving Credit Facility	$ 0.5	$ —	$ 0.9	$ —
2021 Term Loan Facility	$ —	$ 2.6	$ 2.0	$ 8.0
2021 Revolving Credit Facility	$ —	$ 0.1	$ 0.1	$ 0.4
Amortization of debt issuance costs included within above interest expense:				
2026 Credit Facility	$ 0.1	$ —	$ 0.3	$ —
2021 Credit Facility	$ —	$ 0.2	$ 0.1	$ 0.5

As of September 30, 2026, the Company’s borrowing capacity available under the 2026 Revolving Credit Facility was $30.0 million. In addition to the amount drawn at the time of entering into Amendment and Restatement Agreement, during the nine months ended September 30, 2026, the Company drew $15.0 million on the 2026 Revolving Credit Facility. Subsequently, in October 2026, the Company drew an additional $10.0 million on the 2026 Revolving Credit Facility for general working capital purposes. The undrawn portion of the 2026 Revolving Credit Facility carries a commitment fee that ranges from 0.30% to 0.50% based on the Company’s consolidated total net leverage ratio, and such fee was 0.35% as of September 30, 2026. As of September 30, 2026, the Company’s interest rate on the outstanding borrowings under the 2026 Term Loan Facility was 6.32% and the weighted-average interest rate under the 2026 Revolving Credit Facility was 6.32%.

Accrued interest was $0.1 million as of September 30, 2026 and $2.4 million as of December 31, 2025, and is included within accrued expenses on the consolidated balance sheets.

The expected future principal payments for all borrowings as of September 30, 2026 were as follows:

(in thousands)	Contractual maturity
2026–Remaining Period	$ 1,875
2027	7,500
2028	7,500
2029	7,500
2030	13,125
Thereafter	138,750
	176,250
Unamortized debt issuance costs	(1,330)
Total debt	$ 174,920

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 ("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. 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 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 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 violated the Impersonation Rule in representing itself to be affiliated with government entities and the TSR in connection with its telemarketing activities, and assisted and facilitated violations of the TSR by its Demand Partners in the under-65 health vertical.

On July 3, 2025, the Company reached an agreement with the FTC Staff on the terms of a Consent Order that the FTC Staff was prepared to recommend to the Commissioners of the FTC to fully resolve the FTC's claims. On August 6, 2025, the complaint and Consent Order were filed with the court, and on October 16, 2025, the court entered 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 agreed to pay $45.0 million as monetary relief. The Company paid the initial payment of $33.5 million on October 21, 2025 within seven days of entry of the Consent Order by the Court, which was designated as restricted cash on the consolidated balance sheets as of September 30, 2025, and the remaining $11.5 million on January 12, 2026, within 90 days following 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.

As of December 31, 2025, the Company had recorded a reserve of $11.5 million in connection with this matter, which was recorded within accrued expenses on the consolidated balance sheets, and which was paid in full on January 12, 2026.

During the three and nine months ended September 30, 2025, the Company recorded charges of $0 and $38.0 million, respectively, to increase the loss reserve established in connection with the FTC Matter. Legal fees incurred by the Company in connection with the FTC Matter during the three and nine months ended September 30, 2026 were immaterial, and during the three and nine months ended September 30, 2025 were $0.2 million and $4.3 million, respectively, and 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 remitted the assessed amount to avoid interest and penalties, and has initiated litigation challenging the assessment and the City's classification and methodology in applying the Business Tax to the Company. The Company is in discussions with the City in an effort to resolve the matter before trial, which has been set for September 2027. 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 September 30, 2026, the Company has assessed its probable loss related to this matter and has accrued a reserve, which is not material.

As of September 30, 2026 and December 31, 2025, 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 nine months ended September 30, 2026 and 2025 was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2026**	**2025**	**2026**	**2025**
Restricted stock units	$ 7,541	$ 7,662	$ 22,882	$ 22,481
Performance-based restricted stock units	582	—	972	317
Total equity-based compensation	$ 8,123	$ 7,662	$ 23,854	$ 22,798

Equity-based compensation cost was included in the following expense categories in the consolidated statements of operations during the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2026**	**2025**	**2026**	**2025**
Cost of revenue	$ 83	$ 265	$ 332	$ 836
Sales and marketing	1,166	1,300	3,746	4,040
Product development	1,537	1,371	4,481	4,117
General and administrative	5,337	4,726	15,295	13,805
Total equity-based compensation	$ 8,123	$ 7,662	$ 23,854	$ 22,798

As of September 30, 2026, total unrecognized compensation cost related to unvested restricted stock units and unvested performance-based restricted stock units were $56.3 million and $4.4 million, respectively, which are expected to be recognized over weighted-average periods of 2.62 years and 2.45 years, respectively.

Performance-Based Restricted Stock Units

On March 15, 2026, the Compensation Committee of the Company's Board of Directors ("Compensation Committee") approved grants of Performance-Based Restricted Stock Units ("PRSUs") under the 2020 Omnibus Incentive Plan to the Company's executive officers as a portion of such officers' long-term incentive compensation for 2026. Such PRSUs will be earned, if at all, based on achievement of annual Adjusted EBITDA goals set by the Compensation Committee over a three-year performance period, with each fiscal year measured separately for purposes of determining vesting. One-third of the PRSUs are tied to each fiscal year Adjusted EBITDA performance against pre-established threshold, target, and maximum Adjusted EBITDA goals set by the Compensation Committee for each fiscal year, corresponding to 50%, 100%, and 200% of the number of PRSUs granted, respectively, with linear interpolation between such goal levels. Following the completion of each performance period, any earned PRSUs for that performance period will remain subject to continued service-based vesting through the end of the three-year period.

The PRSUs granted represented the target value divided by the average closing price of the Company’s Class A common stock for the 10 trading day period ended as of the Friday preceding the grant date. Any difference between the number of PRSUs granted and vested, or unvested and outstanding, due to change in the expected performance outcome of each performance period is accounted for as a performance adjustment.

The PRSUs are equity-classified awards, as they are based on a fixed number of PRSUs to be settled at the percentage based on the achievement of the performance measure. At each reporting period, the Company estimates the probability of the achievement of the performance measure and recognizes any expense based on such estimate and the portion of the requisite service period completed. The amount of expense recognized in any period can vary based on changes in the expected achievement of the performance measure. If such performance measures are determined to be unlikely to be achieved, or are ultimately not met, no further expense is recognized and any previously recognized expense is reversed. Upon vesting of the PRSUs, the Company will issue the number of shares of Class A common stock earned based on the Company's performance.

7. Stockholders' Deficit

Share Repurchases

On October 28, 2025, the Company's Board of Directors authorized a Share Repurchase Program to repurchase up to $50.0 million of shares of Class A common stock. Subsequently, on February 18, 2026, the Company’s Board of Directors authorized an increase in the Repurchase Program by $50.0 million, to a total of up to $100.0 million ("Repurchase Program"). During the three and nine months ended September 30, 2026, 818,710 and 5,074,932 shares of Class A common stock were repurchased under the Repurchase Program for aggregate consideration of $9.2 million and $49.8 million, respectively. The difference between the repurchase price and the par value of the shares of Class A common stock repurchased, together with any excise tax payable, was recorded as an adjustment to additional-paid-in capital. The shares repurchased were immediately retired and returned to the status of authorized but unissued shares of Class A common stock.

The Company may repurchase such shares through open market transactions, privately negotiated transactions, preset trading plans, block trades or any combination of such methods. The timing and amount of any share repurchases will be determined by the Company’s management in its discretion based on their ongoing evaluation of market and economic conditions, the trading price and volume of the Company’s Class A common stock, the Company’s capital needs and investment opportunities, and other factors. As of September 30, 2026, the Company had repurchased 6,192,296 shares of Class A common stock for aggregate consideration of $64.1 million as part of the Repurchase Program. As of that date, the Company had $36 million remaining under the Repurchase Program. The Company may suspend or discontinue the Repurchase Program at any time, and it does not obligate the Company to acquire any fixed amount of Class A common stock and any repurchases were accounted for as of the trade date with a corresponding liability.

On September 3, 2025, a special committee of the Company's Board of Directors comprised solely of independent and disinterested directors not affiliated with Insignia, pursuant to authority delegated to it by the Board of Directors, authorized the Company to enter into a Share Repurchase Agreement with Insignia to repurchase 3,234,894 shares of the Company's Class A common stock at a price of $10.17 per share, for an aggregate purchase price of $32.9 million. As part of the transaction, Insignia exchanged all of its remaining 3,234,894 Class B-1 units, 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. The shares repurchased were immediately retired and returned to the status of authorized but unissued shares of Class A common stock. The repurchase price represented a discount of approximately 5.5% to the closing price of the Company's Class A common stock on September 2, 2025. The transaction was completed on September 4, 2025. The excess between the repurchase price and the par value of the shares of Class A common stock repurchased was recorded as an adjustment to additional-paid-in capital, including excise tax and fees of $0.2 million.

8. 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 September 30, 2026, the carrying amounts of the 2026 Term Loan Facility and the 2026 Revolving Credit Facility approximate 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 7.00% and the estimated payments under the 2026 Term Loan Facility until maturity, including interest payable based on the Company's forecasted total net leverage ratio.

9. 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 (benefit):

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except percentages)	2026	2025	2026	2025
Income (loss) before income taxes	$ 37,167	$ 17,697	$ 112,806	$ (6,903)
Income tax expense	$ 7,807	$ 54	$ 27,617	$ 321
Effective Tax Rate	21.0 %	0.3 %	24.5 %	(4.7)%

The Company's effective tax rate for the three months ended September 30, 2026 was 21.0% and for the nine months ended September 30, 2026 was 24.5% which differed from the U.S. federal statutory tax rate of 21% due primarily to the tax impacts of income not taxable to the Company associated with the non-controlling interests, nondeductible officers' compensation, state taxes, and nondeductible equity-based compensation. The Company's effective tax rate of 0.3% and (4.7)% for the three and nine months ended September 30, 2025, 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 nine months ended September 30, 2026. 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 nine months ended September 30, 2026, holders of Class B-1 units exchanged zero units. During the three and nine months ended September 30, 2025, holders of Class B-1 units exchanged 3,270,762 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 interests, 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 nine months ended September 30, 2025, the Company did not recognize any additional deferred tax assets as the Company had recognized a full valuation allowance on its deferred tax assets.

As of September 30, 2026 and December 31, 2025, the Company had a valuation allowance of $3.5 million against certain state net operating losses, federal and state capital loss carryforwards, and foreign tax credits that the Company expects will expire unutilized. The Company evaluates the realizability of its deferred tax assets on a quarterly basis and establishes valuation allowances when it is more likely than not that all or a portion of a deferred tax asset may not be realized. As of September 30, 2026, there were no changes to the Company's valuation allowance.

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.

The Company believes it can generate sufficient future taxable income and determined that making payments under the TRA is probable under ASC 450 — Contingencies. The Company recorded a liability of $31.9 million and $131.1 million as of September 30, 2026 and December 31, 2025, respectively, of which $2.3 million and $6.9 million, respectively, were classified as current within accrued expenses in the consolidated balance sheets.

Payments of $0 and $7.0 million were made pursuant to the TRA during the three and nine months ended September 30, 2026, respectively. No payments were made pursuant to the TRA during the three and nine months ended September 30, 2025.

On June 25, 2026, the Company entered into the Insignia Agreement, pursuant to which the Company purchased Insignia's interest in the TRA for $31.0 million in cash ("Insignia TRA Settlement"). As of March 31, 2026, the Company's estimated liability under the TRA was $123.4 million, of which $68.7 million related to Insignia. The Insignia TRA Settlement resulted in a gain of $37.7 million, which was recorded within other (income) expense, net in the Company's consolidated statement of operations as Insignia had ceased being a stockholder of the Company as of September 4, 2025. The terms of the transaction were approved by the Company's Board of Directors, a majority of which is composed of independent and disinterested directors who are independent of, and not affiliated with, the counterparties to the TRA or their respective affiliates. The Insignia Agreement did not constitute a change of control or an early termination under the TRA. Remaining payments under the TRA will continue with respect to the remaining counterparties. The Company funded the purchase price from cash on hand and borrowings under the 2026 Revolving Credit Facility.

On September 9, 2026, the Company entered into the PLX Agreement, pursuant to which the Company purchased PLX's interest in the TRA for $12.0 million in cash ("PLX TRA Settlement"). As of June 30, 2026, the Company's estimated liability under the TRA was $54.7 million, of which $22.7 million related to PLX. The PLX TRA Settlement resulted in a gain of $10.7 million, which was recorded within other (income) expense, net in the Company's consolidated statement of operations. The terms of the transaction were approved by the Company's Board of Directors, a majority of which is composed of independent and disinterested directors who are independent of, and not affiliated with, the counterparties to the TRA or their respective affiliates. The PLX Agreement did not constitute a change of control or an early termination under the TRA. Remaining payments under the TRA will continue with respect to the remaining counterparties. The Company funded the purchase price from cash on hand.

10. Net Income (Loss) Per Share

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

(in thousands except share data and per share amounts)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Basic				
Net income (loss)	$ 29,360	$ 17,643	$ 85,189	$ (7,224)
Less: net income (loss) attributable to non-controlling interests	3,606	2,736	8,530	(1,441)
Net income (loss) attributable to MediaAlpha, Inc.	$ 25,754	$ 14,907	$ 76,659	$ (5,783)
Denominator:				
Weighted-average shares of Class A common stock outstanding - basic	53,085,522	56,617,837	54,216,410	56,134,035
Weighted-average shares of Class A common stock outstanding - diluted	62,830,870	56,617,837	62,540,630	67,420,272
Net income (loss) attributable to MediaAlpha, Inc. per share of Class A common stock - basic	$ 0.49	$ 0.26	$ 1.41	$ (0.10)
Net income (loss) attributable to MediaAlpha, Inc. per share of Class A common stock - diluted	$ 0.46	$ 0.26	$ 1.32	$ (0.11)

(in thousands except share data and per share amount)	Three Months Ended September 30, 2026	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Diluted			
Net income (loss)	$ 29,360	$ 85,189	$ (7,224)
Add: incremental tax expense related to exchange of Class B-1 units	(700)	(2,535)	—
Net income (loss) available for diluted common shares	$ 28,660	$ 82,654	$ (7,224)
Weighted-average shares outstanding:			
Class A common stock	53,085,522	54,216,410	56,134,035
Class B-1 units	8,324,220	8,324,220	11,286,237
Restricted stock units	1,421,128	—	—
Weighted-average shares of Class A common stock and potential Class A common stock	62,830,870	62,540,630	67,420,272
Net income (loss) attributable to MediaAlpha, Inc. per share of Class A common stock - diluted	$ 0.46	$ 1.32	$ (0.11)

Potentially dilutive shares, which are based on the weighted-average shares of underlying unvested 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 September 30, 2026 and 2025:

	As of September 30, 2026	As of September 30, 2025
QLH Class B-1 Units	—	8,339,220
Restricted stock units	—	5,047,852
Potentially dilutive shares	—	13,387,072

The following table summarizes the shares and units with a potentially dilutive impact for the nine months ended September 30, 2026 and 2025:

	As of	
	September 30, 2026	September 30, 2025
Restricted stock units	5,614,029	5,047,852
Potentially dilutive shares	5,614,029	5,047,852

The outstanding PRSUs were not included in the potentially dilutive securities as of September 30, 2026 as the performance conditions have not been met.

11. Non-Controlling Interests

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.

During the three and nine months ended September 30, 2026, the holders of the non-controlling interests completed zero Exchanges. During the three and nine months ended September 30, 2025, the holders of the non-controlling interests had completed 3,270,762 Exchanges. As of September 30, 2026, the holders of the non-controlling interests owned 13.6% of the total equity interests in QLH, with the remaining 86.4% owned by MediaAlpha, Inc. As of December 31, 2025, the holders of the non-controlling interests owned 12.9% of the total equity interests in QLH, with the remaining 87.1% owned by MediaAlpha, Inc.

12. Leases

On February 3, 2026, the Company entered into a lease agreement for a new corporate headquarters comprised of approximately 21,000 square feet of office space located in Los Angeles, CA. The initial term of such lease is 65 months commencing upon the later of November 1, 2026 and substantial completion of the improvements in the premises by the landlord, which is expected to occur in November 2026, after the expiration of the Company's current Los Angeles lease term. The Company has the option to extend the term for an additional 60 months. The aggregate base rent payments over the initial term of the lease are approximately $5 million.

On June 10, 2026, the Company entered into an amendment to the lease agreement for its existing office space located in Bellevue, WA, which increased the size of the space and extended the term by 64 months commencing upon completion of the improvements in the premises, which were substantially completed on October 2, 2026. The aggregate base rent payments over the initial term of the lease are approximately $2 million.

In connection with these leases, the Company expects to capitalize the costs of certain leasehold improvements and other property and equipment as the spaces are built out and prepared for occupancy. Initial build-out activities have commenced for these spaces, and the Company has paid certain deposits in connection with the related leasehold improvements and other property and equipment purchases.

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

We 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 leading customer acquisition infrastructure for insurance carriers, supporting $1.3 billion in Revenue across our platform from our core verticals of property & casualty ("P&C") insurance, health insurance, and life insurance over the twelve-month period ended September 30, 2026.

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. During the twelve-month period ended September 30, 2026, consumers shopping for insurance products through the websites of our diversified group of Supply Partners and our proprietary websites drove an average of 11.0 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 revenue, 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

The following table sets forth our key business and financial metrics in dollars and the dollar and percentage changes between the two periods:

(in millions, except percentages)	Three Months Ended September 30, 2026	$	%	Three Months Ended September 30, 2025
Revenue	$ 375.9	69.4	*22.7%*	$ 306.5
Contribution[1]	$ 57.4	11.8	*25.8%*	$ 45.6
Net Income	$ 29.4	11.8	*66.4%*	$ 17.6
Adjusted EBITDA[1]	$ 39.5	10.4	*35.8%*	$ 29.1

1. 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 financial metrics" for additional information regarding the Company's Non-GAAP metrics.

For the three months ended September 30, 2026, revenue was $375.9 million, an increase of 22.7% compared with the three months ended September 30, 2025, driven primarily by significant increases in customer acquisition spending by P&C insurance Demand Partners, including higher participation by a broader group of Demand Partners who increased marketing budgets significantly as they continued to focus on growth and increasing market share in response to strong underwriting profitability. This growth was offset in part by a decline in revenue from our Health insurance vertical, in both under-65 health and Medicare, due primarily to our decision in early 2026 to scale back the under-65 health sub-vertical.

Contribution, which generally represents revenue less revenue share payments and online advertising costs, was $57.4 million for the three months ended September 30, 2026, a year-over-year increase of 25.8%, driven primarily by a higher mix of Open Marketplace transactions, offset in part by our scaling back of the under-65 health sub-vertical. Contribution Margin was 15.3% in the three months ended September 30, 2026, compared with 14.9% in the three months ended September 30, 2025.

Net income for the three months ended September 30, 2026 was $29.4 million, compared with net income of $17.6 million for the three months ended September 30, 2025, due primarily to a $10.7 million gain on extinguishment of a portion of the liability under the tax receivables agreement resulting from our repurchase of the interests of Parallaxes Mars, LLC, Parallaxes Mars II, LLC, and Parallaxes Mars III, LLC's (collectively, “PLX”) under the TRA and an increase in gross profit, offset in part by higher income tax expense.

Adjusted EBITDA for the three months ended September 30, 2026 was $39.5 million, a year-over-year increase of 35.8%, due primarily to higher gross profit.

Other developments

On September 9, 2026, we entered into an Assignment, Assumption and Termination Agreement with PLX, pursuant to which we purchased PLX's interest in the TRA for $12.0 million in cash ("PLX TRA Settlement"). As of June 30, 2026, our estimated future liability under the TRA was $54.7 million, of which $22.7 million related to PLX. The PLX TRA Settlement resulted in a gain of $10.7 million which was recorded within other (income) expense, net in the consolidated statement of operations.

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 2025 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.

In our health vertical, we aim to drive deeper adoption and integration of our platform within the Medicare Advantage ecosystem. We believe that the Medicare Advantage market represents a substantial opportunity for us, but this market is currently facing challenges due primarily to fluctuating carrier loss ratios and reimbursement rate increases. These underlying market pressures have created a difficult environment for customer acquisition, with carriers pulling back or reallocating marketing spend in response to volatile plan economics.

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. Effective with the first quarter of 2026, we have discontinued reporting of Transaction Value to simplify our reporting structure. As our scale advantage has become well-established, we believe that Revenue, Contribution and Contribution Margin, and Adjusted EBITDA are the most relevant metrics for evaluating our performance relative to our peers.

Our Demand and Supply Partners

Our success depends on our ability to retain and grow the number of high-quality Demand Partners and Supply Partners on our platform. We retain and attract Demand Partners in part 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 nine months ended September 30, 2026, 16 of the top 20 largest auto insurance carriers by customer acquisition spend in 2025 were active on our platform.

Consumer Referrals

We define "Consumer Referral" as any consumer click, call or lead purchased by a Demand Partner on our platform. 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 revenue and overall business performance across our verticals and platform models.

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 Demand Partners on our platform decreased to 33.2 million and 96.0 million for the three and nine months ended September 30, 2026, respectively, from 36.5 million and 105.5 million for the three and nine months ended September 30, 2025, respectively, due primarily to our actions to scale back the under-65 Health sub-vertical. 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. We expect artificial intelligence (AI) based platforms, including large language models, to become significant traffic acquisition sources for us and our Supply Partners and drive incremental traffic to our marketplace.

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. For example, 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 and 2025 as the industry re-entered a soft market and multiple carriers meaningfully increased their spending in our marketplaces. During the first nine months of 2026, the ongoing geopolitical conflict in the Middle East has caused significant increases in energy prices and disruption in supply chains for certain products. In the event that such conflict escalates or continues for an extended period of time, it could result in higher prices and/or supply chain disruptions for auto parts, driving up automobile claims costs and negatively impacting P&C insurance carrier underwriting profitability, which could cause them to reduce their customer acquisition spending on our platform. We have not seen any material impact of these events on carrier spending levels on our platform to date.

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 30 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 2025 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/or 2026 Credit Facilities, as applicable, 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 September 30, 2026, our ownership interest in QLH was 86.4%.

Net income (loss) attributable to non-controlling interests

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 interests holders pro-rata to their ownership interest in QLH.

Operating results for the three months ended September 30, 2026 and 2025

The following table sets forth our operating results in absolute dollars and as a percentage of revenue for the three months ended September 30, 2026 and 2025:

	Three Months Ended September 30,			
(in thousands)	**2026**		**2025**	
Revenue	$ 375,946	100.0 %	$ 306,514	100.0 %
Costs and operating expenses				
Cost of revenue	320,618	85.3 %	263,108	85.8 %
Sales and marketing	5,245	1.4 %	5,224	1.7 %
Product development	6,211	1.7 %	5,829	1.9 %
General and administrative	15,038	4.0 %	12,620	4.1 %
Total costs and operating expenses	347,112	92.3 %	286,781	93.6 %
Income from operations	28,834	7.7 %	19,733	6.4 %
Other (income), net	(11,093)	(3.0)%	(772)	(0.3)%
Interest expense	2,760	0.7 %	2,808	0.9 %
Total other (income) expense, net	(8,333)	(2.2)%	2,036	0.7 %
Income before income taxes	37,167	9.9 %	17,697	5.8 %
Income tax expense	7,807	2.1 %	54	0.0 %
Net income	$ 29,360	7.8 %	$ 17,643	5.8 %
Net income attributable to non-controlling interests	3,606	1.0 %	2,736	0.9 %
Net income attributable to MediaAlpha, Inc.	$ 25,754	6.9 %	$ 14,907	4.9 %
Net income attributable to MediaAlpha, Inc. per share of Class A common stock				
-Basic	$ 0.49		$ 0.26	
-Diluted	$ 0.46		$ 0.26	
Weighted average shares of Class A common stock outstanding				
-Basic	53,085,522		56,617,837	
-Diluted	62,830,870		56,617,837	

Revenue

The following table presents our revenue, disaggregated by vertical, for the three months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended September 30, 2026	$	%	Three Months Ended September 30, 2025
Property & Casualty insurance	$ 365,916	$ 78,078	27.1 %	$ 287,838
Percentage of total revenue	97.3 %			93.9 %
Health insurance	2,924	(9,932)	(77.3)%	12,856
Percentage of total revenue	0.8 %			4.2 %
Life insurance	6,804	1,236	22.2 %	5,568
Percentage of total revenue	1.8 %			1.8 %
Other	302	50	19.8 %	252
Percentage of total revenue	0.1 %			0.1 %
Revenue	$ 375,946	$ 69,432	22.7 %	$ 306,514

The increase in P&C insurance revenue for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, was driven primarily by an increase in customer acquisition spending by P&C insurance Demand Partners, including higher participation by a broader group of Demand Partners who increased marketing budgets significantly as competition for policy growth intensified. During the three months ended September 30, 2026, three Demand Partners each represented more than 10% of revenue, compared with the three months ended September 30, 2025, in which two Demand Partners each represented more than 10% of revenue.

The decrease in health insurance revenue for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, was driven primarily by our actions to scale back the under-65 Health sub-vertical. Additionally, revenue from the Medicare sub-vertical declined due to industry-wide headwinds resulting from increases in the Medical Loss Ratios for carriers and changes to the enrollment programs, which drove lower demand from brokers, as well as to a higher mix of Private Marketplace transactions. 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. Revenue from under-65 health declined from $9.0 million for three months ended September 30, 2025 to $0.8 million for the three months ended September 30, 2026. We expect revenue from under-65 health for the full year 2026 to be in the range of $6.0 million to $7.0 million.

The increase in life insurance revenue for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, was driven primarily by an increased demand for Consumer Referrals from key advertisers.

The increase in other revenue for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, was immaterial.

Cost of revenue

The following table presents our cost of revenue for the three months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended September 30, 2026	$	%	Three Months Ended September 30, 2025
Cost of revenue	$ 320,618	$ 57,510	21.9 %	$ 263,108
Percentage of revenue	85.3 %			85.8 %

The increase in cost of revenue for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, was driven primarily by higher revenue share payments to Supply Partners due to the overall increase in revenue, offset in part by lower revenue from under-65 health and higher take rates in our Open Marketplace.

Sales and marketing

The following table presents our sales and marketing expenses for the three months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended September 30, 2026	$	%	Three Months Ended September 30, 2025
Sales and marketing	$ 5,245	$ 21	0.4 %	$ 5,224
Percentage of revenue	1.4 %			1.7 %

Sales and marketing expenses for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, were in line with the prior year.

Product development

The following table presents our product development expenses for the three months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended September 30, 2026	$	%	Three Months Ended September 30, 2025
Product development	$ 6,211	$ 382	6.6 %	$ 5,829
Percentage of revenue	1.7 %			1.9 %

The increase in product development expenses for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, was primarily due to an increase in personnel-related costs due to planned headcount increases.

General and administrative

The following table presents our general and administrative expenses for the three months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended September 30, 2026	$	%	Three Months Ended September 30, 2025
General and administrative	$ 15,038	$ 2,418	19.2 %	$ 12,620
Percentage of revenue	4.0 %			4.1 %

The increase in general and administrative expenses for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, was driven primarily by an increase in personnel-related costs of $1.7 million related primarily to severance costs of $0.9 million and annual salary adjustments, an increase in professional fees of $1.0 million related primarily to a one-time strategy and management consulting engagement, and an increase in equity-based compensation expense of $0.6 million, offset in part by the reversal of a non-income tax related reserve of $1.5 million during the three months ended September 30, 2026.

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 September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended September 30, 2026	$	%	Three Months Ended September 30, 2025
Cost of revenue	$ 83	$ (182)	(68.7)%	$ 265
Sales and marketing	1,166	(134)	(10.3)%	1,300
Product development	1,537	166	12.1 %	1,371
General and administrative	5,337	611	12.9 %	4,726
Total	$ 8,123	$ 461	6.0 %	$ 7,662

The increase in equity-based compensation expense for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, was due primarily to grants of performance-based restricted stock units to our named executive officers, offset in part by forfeitures due to personnel departures.

Amortization

The following table presents our amortization of intangible asset expense that was included in costs and operating expenses for the three months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended September 30, 2026	$	%	Three Months Ended September 30, 2025
Sales and Marketing	$ 478	$ (33)	(6.5)%	$ 511
Total	$ 478	$ (33)	(6.5)%	$ 511

Amortization expense for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, was in line with the prior year.

Other (income), net

The following table presents our other (income), net for the three months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended September 30, 2026	$	%	Three Months Ended September 30, 2025
Other (income), net	$ (11,093)	$ (10,321)	1,336.9 %	$ (772)
Percentage of revenue	(3.0)%			(0.3)%

The increase in other (income), net for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, was driven primarily by the purchase of PLX's interest in the TRA, which resulted in a $10.7 million gain on extinguishment of our liability to PLX under the TRA.

Interest expense

The following table presents our interest expense for the three months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended September 30, 2026	$	%	Three Months Ended September 30, 2025
Interest expense	$ 2,760	$ (48)	(1.7)%	$ 2,808
Percentage of revenue	0.7 %			0.9 %

The decrease in interest expense for the three months ended September 30, 2026, compared with the three months ended September 30, 2025, was immaterial.

Income tax expense

The following table presents our income tax expense for the three months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Three Months Ended September 30, 2026	$	%	Three Months Ended September 30, 2025
Income tax expense	$ 7,807	$ 7,753	n/m	$ 54
Percentage of revenue	2.1 %			0.0 %

n/m - Not meaningful

For the three months ended September 30, 2026, we recorded income tax expense of $7.8 million resulting from our effective tax rate of 21.0%, driven primarily by the tax impacts of income not taxable to us associated with the non-controlling interests, nondeductible officers' compensation, state taxes, and nondeductible equity-based compensation. The increase in income tax expense for the three months ended September 30, 2026 was due primarily to the valuation allowance recorded against substantially all of our deferred tax assets in the prior-year period.

Operating results for the nine months ended September 30, 2026 and 2025

The following table sets forth our operating results in absolute dollars and as a percentage of revenue for the nine months ended September 30, 2026 and 2025:

	Nine Months Ended September 30,			
(in thousands)	**2026**		**2025**	
Revenue	$ 1,002,825	100.0 %	$ 822,445	100.0 %
Costs and operating expenses				
Cost of revenue	855,624	85.3 %	699,713	85.1 %
Sales and marketing	15,734	1.6 %	16,078	2.0 %
Product development	17,709	1.8 %	16,068	2.0 %
General and administrative	42,588	4.2 %	77,363	9.4 %
Write-off of intangible assets	—	0.0 %	13,416	1.6 %
Total costs and operating expenses	931,655	92.9 %	822,638	100.0 %
Income (loss) from operations	71,170	7.1 %	(193)	0.0 %
Other (income), net	(49,611)	(4.9)%	(1,923)	(0.2)%
Interest expense	7,975	0.8 %	8,633	1.0 %
Total other (income) expense, net	(41,636)	(4.2)%	6,710	0.8 %
Income (loss) before income taxes	112,806	11.2 %	(6,903)	(0.8)%
Income tax expense	27,617	2.8 %	321	0.0 %
Net income (loss)	$ 85,189	8.5 %	$ (7,224)	(0.9)%
Net income (loss) attributable to non-controlling interests	8,530	0.9 %	(1,441)	(0.2)%
Net income (loss) attributable to MediaAlpha, Inc.	$ 76,659	7.6 %	$ (5,783)	(0.7)%
Net income (loss) attributable to MediaAlpha, Inc. per share of Class A common stock				
-Basic	$ 1.41		$ (0.10)	
-Diluted	$ 1.32		$ (0.11)	
Weighted average shares of Class A common stock outstanding				
-Basic	54,216,410		56,134,035	
-Diluted	62,540,630		67,420,272	

Revenue

The following table presents our revenue, disaggregated by vertical, for the nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	**Nine Months Ended September 30, 2026**	**$**	**%**	**Nine Months Ended September 30, 2025**
Property & Casualty insurance	$ 967,499	$ 229,254	31.1 %	$ 738,245
Percentage of total revenue	96.5 %			89.8 %
Health insurance	16,823	(48,044)	(74.1)%	64,867
Percentage of total revenue	1.7 %			7.9 %
Life insurance	17,772	1,406	8.6 %	16,366
Percentage of total revenue	1.7 %			2.0 %
Other	731	(2,236)	(75.4)%	2,967
Percentage of total revenue	0.1 %			0.3 %
Revenue	$ 1,002,825	180,380	21.9 %	$ 822,445

The increase in P&C insurance revenue for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by an increase in customer acquisition spending by P&C insurance Demand Partners, including higher participation by a broader group of Demand Partners who increased marketing budgets significantly as competition for policy growth intensified. During the nine months ended September 30, 2026, three Demand Partners each represented more than 10% of revenue, compared with the nine months ended September 30, 2025, in which two Demand Partners each represented more than 10% of revenue.

The decrease in health insurance revenue for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by our actions to scale back the under-65 Health sub-vertical. Additionally, revenue from the Medicare sub-vertical declined due to industry-wide headwinds resulting from increases in the Medical Loss Ratios for carriers and changes to the enrollment programs, which drove lower demand from brokers, as well as to a higher mix of Private Marketplace transactions. Revenue from under-65 health declined from $48.6 million for nine months ended September 30, 2025 to $5.3 million for the nine months ended September 30, 2026.

The increase in life insurance revenue for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by an increased demand for Consumer Referrals from key advertisers during the three months ended September 30, 2026.

The decrease in other revenue for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by lower revenue from our travel vertical as we fully exited that vertical during the second quarter of 2025.

Cost of revenue

The following table presents our cost of revenue for the nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Nine Months Ended September 30, 2026	$	%	Nine Months Ended September 30, 2025
Cost of revenue	$ 855,624	$ 155,911	22.3 %	$ 699,713
Percentage of revenue	85.3 %			85.1 %

The increase in cost of revenue for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by higher revenue share payments to suppliers due to the overall increase in revenue, offset in part by lower revenue share payments in under-65 health due to our scaling back of that vertical and higher take rates in our Open Marketplaces.

Sales and marketing

The following table presents our sales and marketing expenses for the nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Nine Months Ended September 30, 2026	$	%	Nine Months Ended September 30, 2025
Sales and marketing	$ 15,734	$ (344)	(2.1)%	$ 16,078
Percentage of revenue	1.6 %			2.0 %

The decrease in sales and marketing expenses for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by a decrease in amortization expense of $0.8 million, offset in part by an increase in personnel-related costs of $0.6 million, due primarily to annual salary adjustments.

Product development

The following table presents our product development expenses for the nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Nine Months Ended September 30, 2026	$	%	Nine Months Ended September 30, 2025
Product development	$ 17,709	$ 1,641	10.2 %	$ 16,068
Percentage of revenue	1.8 %			2.0 %

The increase in product development expenses for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by an increase in personnel-related costs of $1.4 million due to annual salary adjustments and higher headcount.

General and administrative

The following table presents our general and administrative expenses for the nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Nine Months Ended September 30, 2026	$	%	Nine Months Ended September 30, 2025
General and administrative	$ 42,588	$ (34,775)	(45.0)%	$ 77,363
Percentage of revenue	4.2 %			9.4 %

The decrease in general and administrative expenses for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by a $41.8 million decrease in legal costs, driven by charges of $38.0 million to the loss reserve and higher legal fees related to the FTC settlement during the nine months ended September 30, 2025, by reversal of a non-income tax related reserve of $1.5 million during the nine months ended September 30, 2026, offset in part by an increase in personnel-related costs of $3.3 million primarily due to severance costs of $0.9 million, annual salary adjustments and higher headcount, an increase in equity-based compensation expense of $1.5 million, and an increase in professional fees by $1.1 million related primarily to a one-time strategy and management consulting engagement.

Write-off of intangible assets

The following table presents our write-off of intangible assets for the nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Nine Months Ended September 30, 2026	$	%	Nine Months Ended September 30, 2025
Write-off of intangible assets	$ —	$ (13,416)	(100.0)%	$ 13,416
Percentage of revenue	0.0 %			1.6 %

During the nine months ended September 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 nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Nine Months Ended September 30, 2026	$	%	Nine Months Ended September 30, 2025
Cost of revenue	$ 332	$ (504)	(60.3)%	$ 836
Sales and marketing	3,746	(294)	(7.3)%	4,040
Product development	4,481	364	8.8 %	4,117
General and administrative	15,295	1,490	10.8 %	13,805
Total	$ 23,854	$ 1,056	4.6 %	$ 22,798

The increase in equity-based compensation expense for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by higher expenses related to annual awards of RSUs granted to employees, offset in part by certain RSUs granted to employees being fully vested during or prior to the nine months ended September 30, 2026 and forfeitures due to personnel departures.

Amortization

The following table presents our amortization of intangible asset expense that was included in costs and operating expenses for the nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Nine Months Ended September 30, 2026	$	%	Nine Months Ended September 30, 2025
Sales and Marketing	$ 1,433	$ (806)	(36.0)%	$ 2,239
General and administrative	—	(228)	(100.0)%	228
Total	$ 1,433	$ (1,034)	(41.9)%	$ 2,467

The decrease in amortization expense for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by the write-off of intangible assets acquired as part of the Customer Helper Team, LLC acquisition recorded during the three months ended March 31, 2025.

Other (income), net

The following table presents our other (income), net for the nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Nine Months Ended September 30, 2026	$	%	Nine Months Ended September 30, 2025
Other (income), net	$ (49,611)	$ (47,688)	n/m	$ (1,923)
Percentage of revenue	(4.9)%			(0.2)%

n/m - Not meaningful

The increase in other (income), net for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by gains of $37.7 million and $10.7 million on extinguishment of portions of our liability under the TRA, due to our repurchases of the TRA interests of of Insignia and PLX, respectively.

Interest expense

The following table presents our interest expense for the nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Nine Months Ended September 30, 2026	$	%	Nine Months Ended September 30, 2025
Interest expense	$ 7,975	$ (658)	(7.6)%	$ 8,633
Percentage of revenue	0.8 %			1.0 %

The decrease in interest expense for the nine months ended September 30, 2026, compared with the nine months ended September 30, 2025, was driven primarily by the impact of lower interest rates, offset in part by higher outstanding debt balances during 2026.

Income tax expense

The following table presents our income tax expense for the nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the two periods:

(dollars in thousands)	Nine Months Ended September 30, 2026	$	%	Nine Months Ended September 30, 2025
Income tax expense	$ 27,617	$ 27,296	n/m	$ 321
Percentage of revenue	2.8 %			0.0 %

n/m - Not meaningful

For the nine months ended September 30, 2026, we recorded an income tax expense of $27.6 million resulting from our effective tax rate of 24.5%, which differed from the U.S. federal statutory rate of 21%, driven primarily by the tax impacts of income not taxable to us associated with the non-controlling interests, nondeductible officers' compensation, state taxes, and nondeductible equity-based compensation, which was higher than the income tax expense for the nine months ended September 30, 2025, primarily because we had recorded a valuation allowance against substantially all of our deferred tax assets in the prior-year period.

Key business and financial 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 income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP, for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2026**	**2025**	**2026**	**2025**
Net income (loss)	$ 29,360	$ 17,643	$ 85,189	$ (7,224)
Equity-based compensation expense	8,123	7,662	23,854	22,798
Interest expense	2,760	2,808	7,975	8,633
Income tax expense	7,807	54	27,617	321
Depreciation expense on property and equipment	75	71	225	201
Amortization of intangible assets	478	511	1,433	2,467
Transaction expenses[1]	370	303	1,668	303
Personnel separation costs[2]	908	—	908	—
Write-off of intangible assets[3]	—	—	—	13,416
Gain on repurchase of interests in tax receivables agreement	(10,733)	—	(48,384)	—
Changes in TRA related liability[4]	(15)	(159)	(870)	(80)
Changes in Tax Indemnification Receivable	69	(5)	—	(211)
Legal expenses[5]	291	191	507	42,333
Adjusted EBITDA	$ 39,493	$ 29,079	$ 100,122	$ 82,957

(1) Transaction expenses for the three months ended September 30, 2026 consist of legal and accounting fees incurred by us in connection with registration statements. Transaction expenses for the nine months ended September 30, 2026 consist of legal and other fees of $1.1 million and a loss on extinguishment of debt of $0.2 million incurred by us in connection with the 2026 Credit Facilities and legal and accounting fees incurred by us in connection with registration statements. Transaction expenses for the three and nine months ended September 30, 2025 consist of legal and accounting fees incurred in connection with an amendment to the 2021 Credit Facilities.

(2) Personnel separation costs for the three and nine months ended September 30, 2026 consist of severance costs incurred as part of the transition of the Company's Chief Financial Officer, pursuant to his employment agreement.

(3) Write-off of intangible assets for the nine months ended September 30, 2025 consists of a charge 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.

(4) Changes in TRA related liability consist of adjustments to the TRA liability to reflect probable future payments under the agreement.

(5) Legal expenses for the three and nine months ended September 30, 2026 were immaterial. Legal expenses for the three and nine months ended September 30, 2025, consist of increases of $0 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.

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 nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2026**	**2025**	**2026**	**2025**
Revenue	$ 375,946	$ 306,514	$ 1,002,825	$ 822,445
Less cost of revenue	(320,618)	(263,108)	(855,624)	(699,713)
Gross profit	$ 55,328	$ 43,406	$ 147,201	$ 122,732
Adjusted to exclude the following (as related to cost of revenue):				
Equity-based compensation	83	265	332	836
Salaries, wages, and related	513	707	1,239	2,308
Internet and hosting	344	199	942	570
Other expenses	123	213	400	580
Depreciation	1	5	6	17
Other services	717	616	2,286	1,856
Merchant-related fees	295	204	820	534
Contribution	$ 57,404	$ 45,615	$ 153,226	$ 129,433
Gross margin	14.7 %	14.2 %	14.7 %	14.9 %
Contribution Margin	15.3 %	14.9 %	15.3 %	15.7 %

Liquidity and capital resources

Overview

Our principal sources of liquidity are our cash flows generated from operations and cash and funds available under the 2026 Revolving Credit Facility. Our principal uses of cash include funding of our operations, interest payments, share repurchases, and mandatory principal payments on our long-term debt. As of September 30, 2026 and December 31, 2025, our cash and cash equivalents totaled $18.7 million and $46.9 million, respectively. As of September 30, 2026, the aggregate principal amount outstanding under the 2026 Term Loan Facility was $146.3 million and our borrowing capacity available under the 2026 Revolving Credit Facility was $30.0 million. Subsequently, in October 2026, we drew an additional $10.0 million on the 2026 Revolving Credit Facility for general working capital purposes. On March 25, 2026, we entered into an amendment and restatement agreement (the "Amendment and Restatement Agreement") to the Credit Agreement dated as of September 23, 2020, as heretofore amended, as discussed in detail below.

Our business is seasonal and cyclical in nature and a downward trend in the business levels in our primary verticals, 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 2026 Revolving Credit Facility or raise additional funds in the short term.

On October 28, 2025, our Board of Directors authorized a Share Repurchase Program to repurchase up to $50.0 million of shares of Class A common stock. Subsequently, on February 18, 2026, our Board of Directors authorized an increase in the Repurchase Program by $50.0 million, to a total of up to $100.0 million ("Repurchase Program"). During the three and nine months ended September 30, 2026, we repurchased and retired 818,710 and 5,074,932 shares of Class A common stock under the Repurchase Program for aggregate consideration of $9.2 million and $49.8 million, respectively. We may repurchase such shares through open market transactions, privately negotiated transactions, preset trading plans, block trades or any combination of such methods. The timing and amount of any share repurchases will be determined by us in our discretion based on the ongoing evaluation of market and economic conditions, the trading price and volume of our Class A common stock, our capital needs and investment opportunities, and other factors. We may suspend or discontinue the Repurchase Program at any time, and the Repurchase Program does not obligate us to acquire any amount of Class A common stock. Shares repurchased under the Repurchase Program are accounted for as of the trade date with a corresponding liability, and the shares repurchased are immediately retired and returned to the status of authorized but unissued shares of Class A common stock. The excess between the repurchase price and the par value of the shares of Class A common stock repurchased is recorded as an adjustment to additional-paid-in capital.

On June 25, 2026, we entered into an Assignment, Assumption and Termination Agreement with Insignia, pursuant to which we purchased Insignia's interest in the TRA for $31.0 million in cash ("Insignia TRA Settlement"). As of March 31, 2026, the estimated liability under the TRA was $123.4 million, of which $68.7 million related to Insignia. The Insignia TRA Settlement resulted in a gain of $37.7 million, which was recorded within other (income) expense, net in the consolidated statement of operations. The terms of the transaction were approved by our Board of Directors, a majority of which is composed of independent and disinterested directors who are independent of, and not affiliated with, the counterparties to the TRA or their respective affiliates. We funded the purchase price from cash on hand and borrowings of $15.0 million under the 2026 Revolving Credit Facility.

On September 9, 2026, we entered into an Assignment, Assumption and Termination Agreement with PLX, pursuant to which we purchased PLX's interest in the TRA for $12.0 million in cash ("PLX TRA Settlement"). As of June 30, 2026, the estimated liability under the TRA was $54.7 million, of which $22.7 million related to PLX. The PLX TRA Settlement resulted in a gain of $10.7 million, which was recorded within other (income) expense, net in the consolidated statement of operations. The terms of the transaction were approved by our Board of Directors, a majority of which is composed of independent and disinterested directors who are independent of, and not affiliated with, the counterparties to the TRA or their respective affiliates. We funded the purchase price from cash on hand.

We believe that our expected near-term revenue, cash on hand and availability to access cash available under the 2026 Credit Facilities will be sufficient to meet our projected operating and debt service requirements, and we expect that we will continue to comply with our financial covenants under the 2026 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, or we do not remain in compliance with our financial covenants under the 2026 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 and repurchases of interests in the TRA, 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 nine months ended September 30, 2026 and 2025, and the dollar and percentage changes between the periods:

(dollars in thousands)	Nine Months Ended September 30, 2026	$	%	Nine Months Ended September 30, 2025
Net cash provided by operating activities	$ 62,635	$ (10,411)	(14.3)%	$ 73,046
Net cash (used in) investing activities	$ (944)	$ (644)	214.7 %	$ (300)
Net cash (used in) financing activities	$ (89,890)	$ (46,219)	105.8 %	$ (43,671)

Operating activities

Cash flows provided by operating activities were $62.6 million for the nine months ended September 30, 2026, compared with $73.0 million for the nine months ended September 30, 2025. The decrease was due primarily to a decrease in net working capital, resulting from an increase in accounts receivable due to higher revenues and decrease in accrued expenses due to the payment of $11.5 million made in connection with the FTC Matter during the nine months ended September 30, 2026. .

Investing activities

Cash flows used in investing activities were $0.9 million for the nine months ended September 30, 2026, compared with $0.3 million for the nine months ended September 30, 2025. The increase was due primarily to payments made for certain leasehold improvements and other property and equipment purchases related to our new leases.

Financing activities

Cash flows used in financing activities were $89.9 million for the nine months ended September 30, 2026, compared with $43.7 million for the nine months ended September 30, 2025. The increase was due primarily to payments of $43.0 million to repurchase and terminate certain interests in the TRA, payments made for share repurchases of $50.1 million, compared with $32.9 million during the nine months ended September 30, 2025, higher payments for distributions to non-controlling interests, and payments made pursuant to the TRA of $7.0 million, offset in part by an additional drawdown on the 2026 Revolving Credit Facility and the net proceeds received from the 2026 Credit Facilities, after repayment of the 2021 Credit Facilities.

Senior secured credit facilities

2026 Credit Facilities

On March 25, 2026, we entered into an amendment and restatement agreement (the “Amendment and Restatement Agreement”) to the credit agreement dated as of September 23, 2020, as heretofore amended (the “Amended Credit Agreement” and, as amended and restated by the Amendment and Restatement Agreement, the "Credit Agreement"), with the lenders that are party thereto and JPMorgan Chase Bank, N.A., as administrative agent.

The Credit Agreement provides for (i) a new five-year senior secured term loan facility in an aggregate principal amount of $150 million (the "2026 Term Loan Facility"), and (ii) a new five-year senior secured revolving credit facility with commitments in an aggregate amount of $60 million (the "2026 Revolving Credit Facility" and, together with the 2026 Term Loan Facility, the "2026 Credit Facilities"), which replaced the existing term loan facility and revolving credit facility under the Amended Credit Agreement. The proceeds of the 2026 Term Loan Facility, together with $15.0 million drawn on the 2026 Revolving Credit Facility upon the closing of the transaction, were used to refinance the $146.6 million of existing term loans outstanding and $5.0 million of existing revolving loans outstanding under the Amended Credit Agreement, and to pay the accrued and unpaid interest on such loans as of the date of the Credit Agreement and the fees related to the refinancing transactions, as well as to provide cash for general corporate purposes.

The obligations under the 2026 Credit Facilities are secured by substantially all of our assets and the Credit Agreement contains customary affirmative, negative and financial covenants and default provisions. The financial covenants include a minimum Fixed Charge Coverage Ratio and a maximum Total Net Leverage Ratio (in each case, as defined in the Credit Agreement). Non-financial covenants include restrictions on investments, dividends, asset sales, and the incurrence of additional debt and liens. As of September 30, 2026, we were in compliance with all such covenants.

Borrowings under the Credit Agreement bear interest at a rate equal to, at our option, (i) Term SOFR plus an applicable margin, (ii) Daily Simple SOFR plus an applicable margin or (iii) Alternate Base Rate plus an applicable margin (in each case, as defined in the Credit Agreement). The applicable margins will be based on our consolidated total net leverage ratio as calculated under the terms of the Credit Agreement for the prior fiscal quarter and range from 2.00% to 3.00% with respect to the SOFR-based rates and 1.00% to 2.00% with respect to the Alternate Base Rate.

Loans under the 2026 Credit Facilities will mature on March 25, 2031. Loans under the 2026 Term Loan Facility amortize quarterly, beginning with the fiscal quarter ending June 30, 2026, by an amount equal to (i) through the fiscal quarter ending March 31, 2030, 1.25% of the original aggregate principal amount of the term loans and (ii) for each fiscal quarter thereafter, 2.50% of the original aggregate principal amount of the term loans. Loans under the Credit Agreement may be prepaid, at our option, at any time without premium. Term loans under the Credit Agreement are required to be prepaid from time to time with the proceeds of non-ordinary course asset sales and casualty and condemnation events, subject to customary exceptions.

The 2026 Term Loan Facility was treated as a debt restructuring that included both debt modifications and extinguishments, in addition to new debt issuances. We capitalized $1.5 million of new and existing deferred financing costs which are classified within the current portion of long-term debt and long-term debt, net of current portion on the consolidated balance sheet and will be amortized over the term of the 2026 Term Loan Facility. Third-party costs of $1.1 million allocated to modifications in the 2026 Term Loan Facility were recorded as general and administrative expenses in the consolidated statement of operations. New and existing third-party costs and fees paid to lenders and allocated to the 2026 Revolving Credit Facility of $1.0 million were capitalized and classified within prepaid expenses and other current assets on the consolidated balance sheet and will be amortized over the term of the 2026 Revolving Credit Facility.

In addition to the amount drawn at the time of entering into Amendment and Restatement Agreement, during the nine months ended September 30, 2026, we drew $15.0 million on the 2026 Revolving Credit Facility. Subsequently, in October 2026, we drew an additional $10.0 million on the 2026 Revolving Credit Facility. As of September 30, 2026, we had $144.9 million of outstanding borrowings, net of deferred debt issuance costs of $1.3 million, under the 2026 Term Loan Facility, and $30.0 million of borrowings outstanding under the 2026 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 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. On June 25, 2026, we entered into an Assignment, Assumption and Termination Agreement with Insignia, pursuant to which we purchased Insignia's interest in the TRA for $31.0 million in cash which resulted in a gain of $37.7 million. On September 9, 2026, we entered into an Assignment, Assumption and Termination

Agreement with PLX, pursuant to which we purchased PLX's interest in the TRA for $12.0 million in cash which resulted in a gain of $10.7 million.

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 to assess 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. We believe we can generate sufficient future taxable income and determined that making payments under the TRA is probable under ASC 450 — Contingencies. As of September 30, 2026 and December 31, 2025, we recorded a liability of $31.9 million and $131.1 million, respectively, of which $2.3 million and $6.9 million, respectively, is considered current and recorded within accrued expenses, and the remaining amount is recorded within liabilities under tax receivables agreement, net of current portion, respectively, on the consolidated balance sheets.

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 2025 Annual Report on Form 10-K and did not materially change during the nine months ended September 30, 2026.

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 2026 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 2026 Credit Facilities. A hypothetical 1.0% increase or decrease in the interest rate associated with the 2021 Credit Facilities and 2026 Credit Facilities would have resulted in a $1.3 million impact on interest expense for the nine months ended September 30, 2026.

Concentrations of credit risk and of significant Demand Partners 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 September 30, 2026			Three Months Ended September 30, 2025		
	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	3	$ 224	60 %	2	$ 161	53 %
Purchases	2	$ 90	28 %	2	$ 79	30 %

	Nine Months Ended September 30, 2026			Nine Months Ended September 30, 2025		
	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	3	$ 584	58 %	2	$ 408	50 %
Purchases	2	$ 238	28 %	2	$ 178	26 %

	As of September 30, 2026			As of December 31, 2025		
	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	4	$ 116	70 %	3	$ 59	49 %
Accounts payable	2	$ 29	24 %	1	$ 25	27 %

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of September 30, 2026, 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 September 30, 2026.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting during the three months ended September 30, 2026, 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

From time to time we are a party to various litigation matters incidental to the conduct of our business.

For more information regarding material lawsuits and proceedings (including those known to be contemplated by governmental authorities), see 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, which 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 2025 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 September 30, 2026:

2026	Total Number of Shares (or Units) Purchased(1)(2)	Average Price Paid per Share (or Unit)(3)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs(1)	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs(1)
July 1 through July 31	10,603	$ 12.81	10,603	$ 45,050,754
August 1 through August 31	123,530	$ 13.17	—	$ 45,050,754
September 1 through September 30	808,107	$ 11.25	808,107	$ 35,975,501
Total	942,240	$ 11.52	818,710	

(1) On October 28, 2025, our Board of Directors authorized a new Share Repurchase Program to repurchase up to $50.0 million of shares of Class A common stock, and on February 18, 2026 our Board authorized an increase in such program to up to $100.0 million. We may repurchase such shares through open market transactions, privately negotiated transactions, preset trading plans, block trades or any combination of such methods.

(2) For August 2026, 123,530 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.

(3) Includes commissions paid, but excludes any estimated excise taxes payable on share repurchases.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Plans

Our directors and officers, as defined in Section 16 of the Exchange Act (“Section 16”) may from time to time enter into plans for the purchase or sale of shares of our Class A common stock that are intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act.

On September 10, 2026, Steve Yi, our Chief Executive Officer, adopted a new Rule 10b5-1 trading plan. Mr. Yi's trading plan provides for the sale of up to 1,000,000 shares of the Company's Class A common stock, in amounts and at prices determined in accordance with formulas set forth in the plan. The plan terminates on the earlier of the date all shares under the plan are sold or May 28, 2027. The total shares that may be sold under the plan represent approximately 15% of the total shares (vested and unvested) owned by Mr. Yi and OBF Investments, LLC, which is owned by trusts for the benefit of Mr. Yi and members of his family, as of September 30, 2026.

On September 10, 2026, Eugene Nonko, our Chief Architect, adopted a new Rule 10b5-1 trading plan. Mr. Nonko's trading plan provides for the sale of up to 1,272,204 shares of the Company's Class A common stock, in amounts and at prices determined in accordance with formulas set forth in the plan. The plan terminates on the earlier of the date all shares under the plan are sold or May 28, 2027. The total shares that may be sold under the plan represent approximately 23% of the total shares (vested and unvested) owned by Mr. Nonko and his family investment entities as of September 30, 2026.

During the three months ended September 30, 2026, no other 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

		Incorporated by Reference			
Exhibit Number	**Exhibit Description**	**Form**	**File No.**	**Exhibit**	**Filing Date**
10.1+	Employment Agreement dated as of September 2, 2026, by and among Tigran Sinanyan, QuoteLab LLC, and MediaAlpha, Inc.	8-K	001-39671	10.1	September 3, 2026
10.2+	Transition Agreement dated as of September 2, 2026, by and among Patrick Thompson, QuoteLab LLC, and MediaAlpha, Inc.	8-K	001-39671	10.2	September 3, 2026
10.3	Assignment, Assumption and Termination Agreement dated September 9, 2026 by and among the Company, Parallaxes Mars, LLC, Parallaxes Mars II, LLC, and Parallaxes Mars III, LLC.	8-K	001-39671	10.1	September 9, 2026
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: October 28, 2026

/s/ Tigran Sinanyan

Tigran Sinanyan
Chief Financial Officer & Treasurer

Exhibit 31.1

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: October 28, 2026

/s/ Steve Yi

Steve Yi
Chief Executive Officer, President and Co-Founder

Exhibit 31.2

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, Tigran Sinanyan, 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: October 28, 2026

/s/ Tigran Sinanyan

Tigran Sinanyan
Chief Financial Officer & Treasurer

Exhibit 32.1

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 September 30, 2026 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: October 28, 2026

/s/ Steve Yi

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

Exhibit 32.1

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 September 30, 2026 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: October 28, 2026

/s/ Tigran Sinanyan

Tigran Sinanyan
Chief Financial Officer & Treasurer