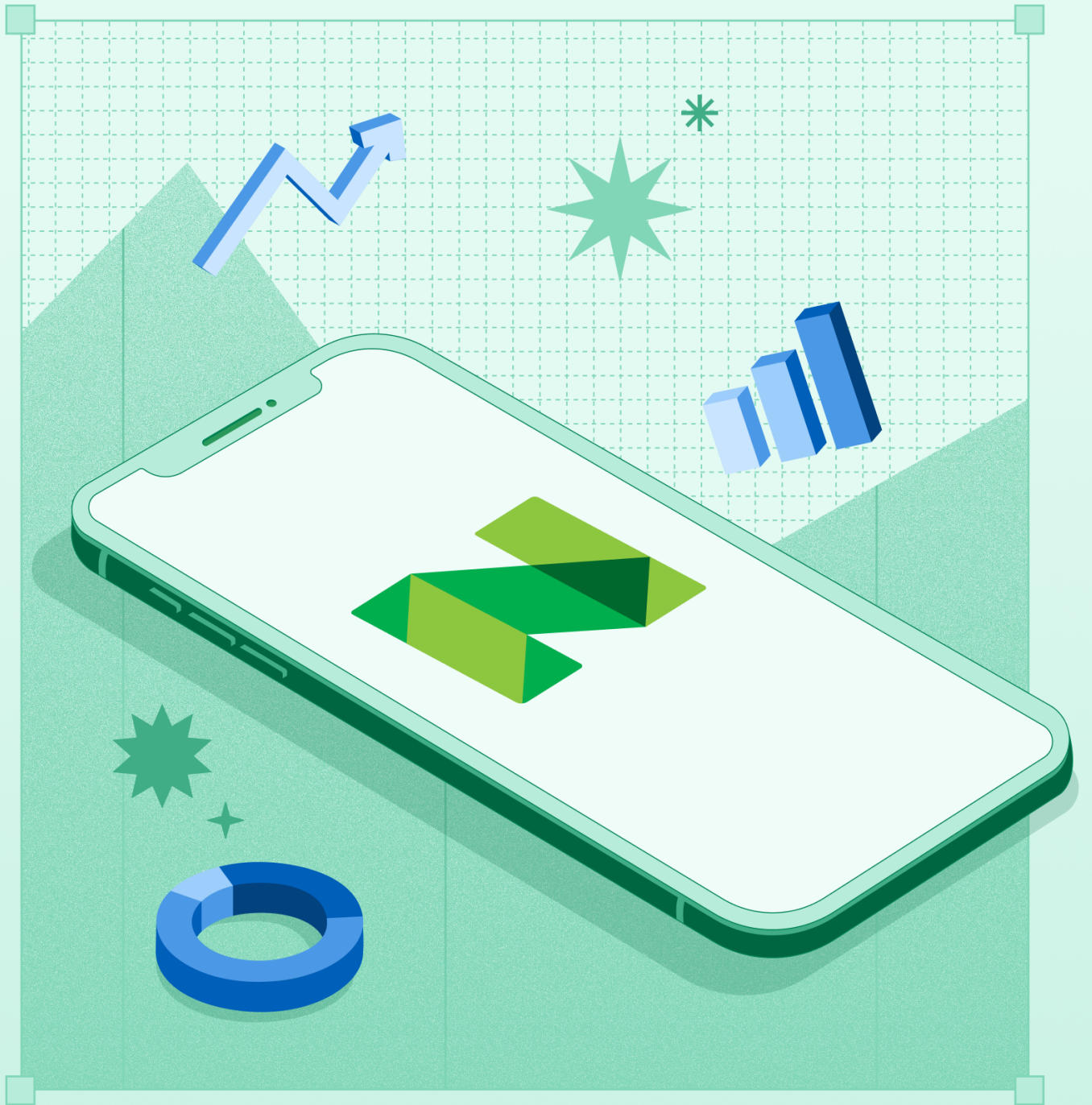


Q1 2025

# Shareholder Letter



# Progress in Growth Pillars

## Where We Started



## Land & Expand

Expanded our coverage of travel rewards with a new podcast and newsletter as consumers continued to turn to the Nerds for timely guidance on inflation and economic policy



## Vertical Integration

Continued to execute our integration strategy following our acquisition of Next Door Lending, incorporating HELOC products into NerdWallet Mortgage Experts and acquiring additional licensing



## Registrations & Data-Driven Engagement

Ended Q1 2025 with over 26 million cumulative Registered Users



## Where We're Going



Q1'25

## Financial Highlights

**\$209.2M**

of revenue delivered

**29%**

year-over-year revenue growth from growth in Insurance and banking, partially offset by headwinds in Credit Cards

**\$21.1M**

adjusted EBITDA delivered while strategically investing in brand awareness, our product vision and our Nerds

**10%**

adjusted EBITDA margin, down six points versus Q1 2024 as traffic mix pressure and brand investments put pressure on margin percentage

**\$9.3M**

non-GAAP operating income

**4%**

non-GAAP operating income margin, down 2pts versus Q1 2024

**\$57.6M**

adjusted free cash flow generated during the twelve months ended March 31, 2025

**\$92.2M**

cash and cash equivalents as of end of Q1 2025



**MAY 6, 2025**

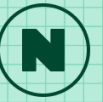
Fellow Shareholders,

In Q1, NerdWallet grew revenue 29% year-over-year to \$209 million while delivering \$9 million in non-GAAP operating income. These results build off many of the dynamics we've discussed with you over the past several quarters: We continue to see particular strength in our Insurance business as the end market normalizes and as the improvements we've made to our shopping experiences have enabled us to take share cycle over cycle. Additionally, banking has continued to perform well, with products like high-yield savings accounts showing durable demand three years removed from a zero-interest rate environment.

At the same time, this quarter we saw some green shoots in other areas of the business that have been challenged, such as personal loans, where we saw a return to growth after declining 51% year-over-year in Q4'24, and mortgages, where our acquisition of Next Door Lending contributed significantly to our 23% year-over-year increase in revenue this quarter even as mortgage rates remained elevated.

With all this said, we know questions have arisen about evolving trade policy and its potential implications across many industries, including ours. Based on what we know today, we do not expect tariffs to have a material first-order impact on our business, and we currently see minimal second-order effects; however, in a scenario with sustained inflation, a material spike in unemployment, or a material decline in business confidence, we'd expect to be impacted as consumers and financial institutions go into a risk-off mode. Through this period of uncertainty, we remain focused on serving our consumers and relentlessly improving our operational efficiency while investing opportunistically to further our vision.

Last quarter we retired our official Monthly Unique User (MUU) disclosure. While all KPIs have some value, we no longer believe MUUs are the most relevant metric to understand our business as MUU growth has been inversely correlated with revenue for some time now. Internally, our focus is on the quality of relationships we're building—especially through vertical integration—rather than the sheer number of users. That said, as we noted last quarter, we still expect MUUs to



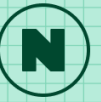
decline year-over-year in the near-term, and this continued in Q1. However, after search engines significantly increased the presence of AI-enhanced search modules in the second half of 2024, we are beginning to see more stability that, if sustained, suggests we are in a position to re-baseline and return to growth in early 2026.

As a reminder, our business is cyclical, and over time headwinds and tailwinds will offset each other, so our priority is growing from cycle to cycle. We have seen this most recently in Insurance, but it's also true of our overall business: We are taking share in a growing market, with a 25% five-year CAGR versus the US Financial Services Digital Ad Spend market's 16%<sup>1</sup>. While it can be tempting to over-index to short-term dynamics, whether positive or negative, we're focused instead on relentlessly improving NerdWallet through the cycle.

## Q1 2025 BUSINESS HIGHLIGHTS

By relentless improvement we mean we are focused on enhancing our core business with new capabilities and experiences that create more direct, engaged relationships with consumers and SMBs, in turn making it a no-brainer for them to shop with NerdWallet. In Q1, examples included progress across our three growth pillars:

- **Land & Expand:** We invested in expanding our footprint in the travel rewards category, as well as diversifying our top-of-funnel with new organic channels. Specifically, we began publishing our new TravelNerd newsletter and, leveraging our previous success with the Smart Money podcast, launched our new Smart Travel podcast, which debuted at number one on Apple Podcasts' Places & Travel chart.
- **Vertical Integration:** We continued our integration of Next Door Lending, iterating on our NerdWallet Mortgage Expert experience that launched in early Q1 and which enables shoppers to connect with one of our mortgage experts for a concierge-level experience while finding a great rate on a mortgage.
- **Registrations & Data-driven Engagement:** We ended Q1 with a cumulative registered user base of over 26 million and saw another quarter of 2x year-over-year growth in our CRM channel, which allows us to re-engage these members with personalized offers and smart nudges.



## Q1 FINANCIAL UPDATE

As mentioned, we saw strong Q1 results with:

- A 29% year-over-year increase in revenue largely driven by our 246% year-over-year growth in Insurance and 22% year-over-year growth in banking. Loans also saw a 12% year-over-year improvement.
- Insurance, banking, and Loans more than offset year-over-year declines in Credit Cards, where we lapped a tough comp given that Q1 2024 was the last quarter prior to the organic search headwinds that have had an outsized effect on this vertical, and SMB, where underwriting remained tight and trade policy dampened demand.
- Non-GAAP operating income of \$9 million, at a 4% margin, and adjusted EBITDA of \$21 million, at a 10% margin, as we invested in a national brand campaign anchored by our Super Bowl debut and scaled our performance marketing capabilities.

## LOOKING AHEAD

With this start to 2025, I want to thank the Nerds for their hard work and dedication to our mission: Providing clarity for all of life's financial decisions. The current climate makes this mission even more urgent, but regardless of what happens between now and the end of Q2, we'll be focused on ensuring NerdWallet's long-term durability and success. I'm looking forward to sharing what we learn with you soon.

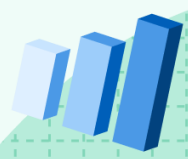
Thank you,

**Tim Chen**

Co-Founder & CEO



# Financial Highlights



## Q1 2025 RESULTS

### SUMMARY FINANCIAL RESULTS

(IN MILLIONS, EXCEPT PER SHARE AMOUNTS)	THREE MONTHS ENDED		YEAR VS. YEAR
	MAR 31, 2025	MAR 31, 2024	
<b>Revenue</b>	<b>\$ 209.2</b>	<b>\$ 161.9</b>	<b>29%</b>
Insurance <sup>1</sup>	74.0	21.4	246%
Credit cards <sup>2</sup>	38.0	50.0	(24%)
SMB products <sup>3</sup>	28.9	30.4	(5%)
Loans <sup>4</sup>	24.0	21.4	12%
Emerging verticals <sup>5</sup>	44.3	38.7	15%
<b>Income from operations</b>	<b>\$ 0.7</b>	<b>\$ 3.7</b>	<b>(81%)</b>
<b>Net income</b>	<b>\$ 0.2</b>	<b>\$ 1.1</b>	<b>(86%)</b>
<b>Net income per share</b>			
Basic	\$ 0.00	\$ 0.01	(100%)
Diluted	\$ 0.00	\$ 0.01	(100%)
<b>Non-GAAP financial measures<sup>6</sup></b>			
<b>Non-GAAP operating income</b>	<b>\$ 9.3</b>	<b>\$ 10.6</b>	<b>(12%)</b>
<b>Adjusted EBITDA</b>	<b>\$ 21.1</b>	<b>\$ 25.5</b>	<b>(17%)</b>
<b>Cash and cash equivalents</b>	<b>\$ 92.2</b>	<b>\$ 110.9</b>	<b>(17%)</b>

Please refer to our Investor Relations website for a Historical Financial Data spreadsheet that includes access to previously disclosed financial results and metrics. The spreadsheet can be found on the [Quarterly Results](#) section of our website and should be viewed in conjunction with our Quarterly and Annual Reports on Form 10-Q and Form 10-K filed with the Securities and Exchange Commission as they provide additional financial results, transaction details and more context on our operations.

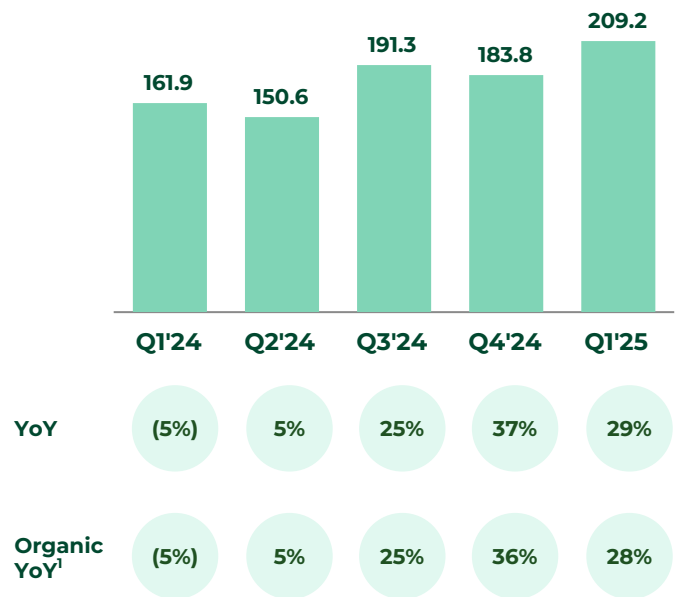
- (1) Insurance revenue consists of revenue from consumer insurance products, including auto, life and pet insurance.
- (2) Credit cards revenue consists of revenue from consumer credit cards.
- (3) SMB products revenue consists of revenue from loans, credit cards and other financial products and services intended for small and mid-sized businesses.
- (4) Loans revenue includes revenue from personal loans, mortgages, student loans and auto loans.
- (5) Emerging verticals revenue includes revenue from other product sources, including banking, investing and international.
- (6) Non-GAAP operating income (loss) and adjusted EBITDA are non-GAAP measures. See "Non-GAAP Financial Measures" for more information.

# Q1 2025 RESULTS

## FINANCIAL HIGHLIGHTS

Q1 revenue grew 29% year-over-year with strength in Insurance and banking, partially offset by pressure in our Credit Cards vertical.

**REVENUE**  
**(\$ MILLIONS)**



1- Organic revenue growth excludes the impact of revenue from acquisitions during the 12 months following the acquisition closing date

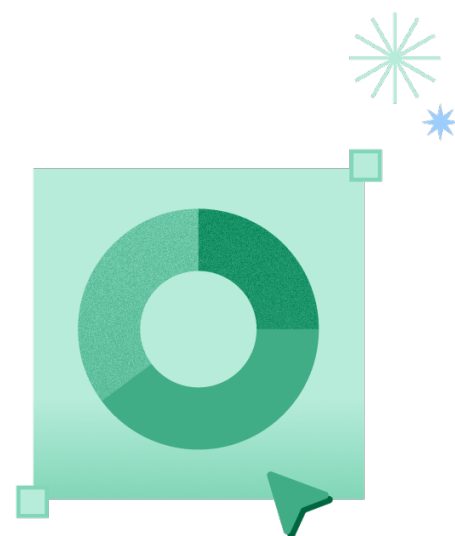


## REVENUE

Q1 revenue grew 29% year-over-year to \$209 million. This was driven by, first, Insurance, which delivered \$74 million of revenue, up 246% year-over-year and comprising revenue from consumer insurance products including auto, life, and pet insurance; and second, banking, which is a component of Emerging Verticals and which was up 22% year-over-year. Overall Emerging verticals revenue, which includes revenue from not only banking but also investing and international, increased 15% year-over-year to \$44 million in Q1.

We also saw Loans revenue, comprising personal, mortgage, student, and auto loans, of \$24 million in Q1, up 12% year-over-year. Mortgage loans increased 23% year-over-year, primarily attributable to our Next Door Lending acquisition and continued strength in home equity products as consumers access record levels of equity in their homes, while personal loans increased 8% year-over-year, as our investment in product improvements began to show signs of favorability.

Revenue growth in Insurance, Emerging verticals and Loans was partially offset by year-over-year declines in Credit cards and SMB products. For Credit cards, a tight underwriting environment, combined with downward pressure in organic search traffic, continued to weigh on our Q1 results, and revenue declined 24% year-over-year to \$38 million. In SMB products, which consists of loans, credit cards and other financial products and services intended for small and medium-sized businesses, revenue decreased 5% year-over-year to \$29 million in Q1 as tight underwriting and trade policy uncertainty created headwinds in SMB loan originations.



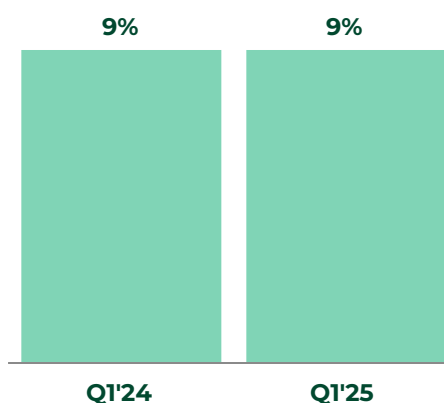
## OPERATING EXPENSES

(\$ MILLIONS)	Q1'24	Q1'25	% CHANGE
Cost of revenue	\$ 14.2	\$ 18.2	28%
Research & development	20.7	16.8	(19%)
Sales & marketing	107.9	159.7	48%
General & administrative	15.4	13.8	(10%)
Total costs & expenses	\$ 158.2	\$ 208.5	32%

### COST OF REVENUE

Cost of revenue increased 28% year-over-year and remained flat as a percentage of our revenue. The increase versus prior year was primarily driven by an increase in third-party service charges.

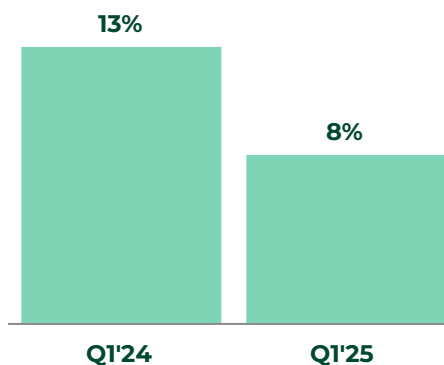
#### COST OF REVENUE AS % OF REVENUE



### RESEARCH & DEVELOPMENT

Research & development expenses were down 19% year-over-year and were 5 points lower as a percentage of our revenue. The decrease versus prior year was primarily driven by lower personnel-related costs.

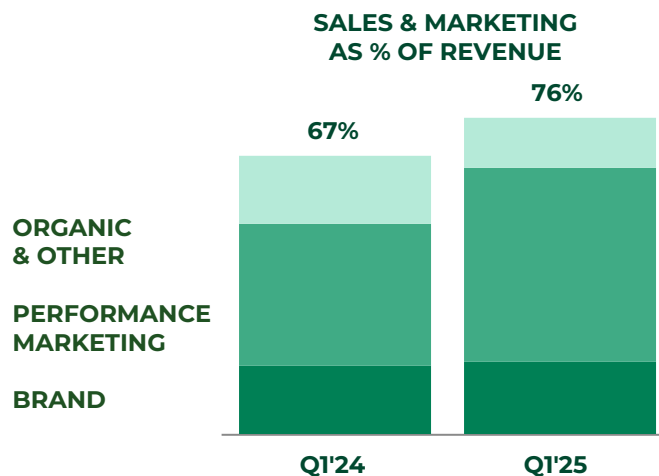
#### RESEARCH & DEVELOPMENT AS % OF REVENUE



## OPERATING EXPENSES

### SALES & MARKETING

Sales & marketing expenses increased 48% year-over-year and were 9 points higher as a percentage of our revenue. Sales & marketing expense was comprised of \$37 million in Brand marketing, \$98 million in Performance marketing, and \$25 million in Organic & other. Our Brand marketing creates a “halo effect” across all marketing channels as we aim to improve our ability to remain top-of-mind with consumers. As a reminder, our investment in Brand marketing will have significant seasonal margin impacts as optimal timing for campaign effectiveness is not consistent across our fiscal quarters.



Performance marketing continues to be an effective channel for us to drive traffic and engagement to the NerdWallet platform, diversifying from our strong organic traffic base.

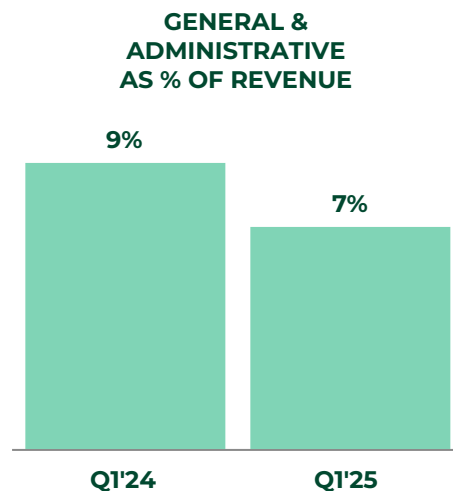
Organic & other expenses, primarily personnel-related costs, decreased versus the prior year driven by lower personnel-related costs. We continue to efficiently execute on both our “Land and Expand” and “Vertical Integration” strategies.

Taking a broader look at our Sales & Marketing investments through the lens of fixed versus variable costs and using 2024 as an example: 37% of our full year 2024 Sales & marketing investments were fixed in nature, mainly comprising headcount and Brand expenses. Generally, our fixed costs drive organic traffic, which has a high incremental margin; given that there is little cost associated with serving an incremental organic visitor, we should be able to deliver margin leverage as organic traffic scales and these costs remain relatively fixed. Conversely, performance marketing costs were 63% of our Sales & marketing investment in 2024 and while paid visitors have a lower incremental margin, we strive to be in-quarter profitable on average.

## OPERATING EXPENSES

### GENERAL & ADMINISTRATIVE

General & administrative expenses decreased 10% year-over-year and were 2 points lower as a percentage of our revenue. The decrease versus prior year was primarily driven by lower personnel-related costs in current period.



### BALANCE SHEET, LIQUIDITY & CAPITAL ALLOCATION

Our balance sheet and liquidity position remain strong. We ended the first quarter with \$92.2 million of cash on hand, and during the quarter we did not draw on our credit facility. We also ended the first quarter with \$25.0 million remaining in share repurchase authorization.

## FINANCIAL OUTLOOK

Q2 revenue: \$192-\$200 million; representing 30% increase year-over-year at the midpoint

Q2 GAAP operating income: \$6-\$10 million

Q2 non-GAAP operating income: \$14-\$18 million

Q2 adjusted EBITDA: \$29-\$33 million

We are increasing our forecasted 2025 annual GAAP operating income to a range of \$25-\$38 million and forecasted non-GAAP operating income to a range of \$55-\$66 million. We are also increasing our forecasted 2025 annual adjusted EBITDA to a range of \$108-\$119 million.

*NerdWallet has not provided a quantitative reconciliation of forecasted GAAP net income (loss) to forecasted adjusted EBITDA within this communication because the Company is unable, without making unreasonable efforts, to calculate certain reconciling items with confidence. These items include, but are not limited to, income taxes which are directly impacted by unpredictable fluctuations in the market price of the Company's capital stock. These items, which could materially affect the computation of forward-looking GAAP net income (loss), are inherently uncertain and depend on various factors, many of which are outside of NerdWallet's control.*

*A reconciliation of forecasted GAAP operating income to forecasted non-GAAP operating income for the forecasted second quarter 2025 and of forecasted GAAP operating income to forecasted non-GAAP operating income for forecasted full year 2025, is as follows:*

<i>(in millions)</i>	Forecasted Second Quarter 2025	Forecasted Full Year 2025
<b>GAAP operating income</b>	<b>\$6 - \$10</b>	<b>\$25 - \$38</b>
Estimated adjustments for:		
Depreciation and amortization	12 - 13	47 - 51
Acquisition-related retention	1	2
Restructuring	—	0 - 1
Capitalized internally developed software costs	(5) - (6)	(21) - (24)
<b>Non-GAAP operating income</b>	<b>\$14 - \$18</b>	<b>\$55 - \$66</b>

*For more information regarding the non-GAAP financial measures discussed in this communication, please see "Non-GAAP Financial Measures" below.*

### QUARTERLY CONFERENCE CALL

A conference call to discuss NerdWallet's first quarter 2025 financial results will be webcast live today, May 6, 2025 at 1:30 PM Pacific Time (PT). The live webcast is open to the public and will be available on NerdWallet's Investor Relations website at <https://investors.nerdwallet.com>.

Following completion of the call, a recorded replay of the webcast will be available on NerdWallet's Investor Relations website.



# Appendix



## FORWARD-LOOKING STATEMENTS

This letter to shareholders contains forward-looking statements about us and our industry that involve significant risks and uncertainties. Except for statements of historical facts, all statements contained in this letter are forward-looking, including, but not limited to, the statements in the section titled “Financial Outlook.” These statements often contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “outlook,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will” or “would” or similar terms, including their negatives. These forward-looking statements include, but are not limited to, statements regarding:

- the impact of macroeconomic developments, including inflation, interest rates, credit market conditions and overall economic uncertainty on our business, operating results, financial condition and stock price;
- our expectations regarding our future financial and operational performance, including total revenue, cost of revenue, non-GAAP operating income (loss), adjusted EBITDA and adjusted free cash flow;
- our ability to grow traffic and user engagement on our platform;
- expected returns on marketing investments and brand campaigns;
- consumer demand for the products on our platform;
- our ability to increase user registrations and improve repeat usage rates;
- conversion of consumers into matches with financial services partners;
- expansion within existing and new verticals;
- geographic expansion;
- maintaining and expanding relationships with financial services partners and identifying new financial services partners;
- developing efficient and scalable technical capabilities to provide personalized guidance and engage users;
- enhancing our brand awareness and consumer trust;
- producing high quality, engaging consumer resources;
- adapting to the evolving financial interests of consumers;
- competing effectively in existing and new markets;
- maintaining the security and availability of our platform;
- protecting and enhancing our intellectual property portfolio;
- attracting and retaining highly skilled, diverse talent;
- complying with laws and regulations that currently apply or may apply in the future to our business;
- the adequacy of our cash, cash equivalents, and investments to meet liquidity needs;
- managing growth, scaling infrastructure and preserving our corporate culture;
- identifying, executing, and integrating acquisitions successfully; and
- achieving expected synergies, accretive value and other benefits from completed acquisitions.

These forward-looking statements should not be relied upon as predictions or guarantees of future events. They are based on our current expectations, estimates, and projections regarding future events and trends that may affect our business, financial condition and operating results. However, these expectations are subject to various risks, uncertainties, and assumptions, including those described in filings we make with the SEC from time to time.

Our industry is highly competitive and rapidly evolving, and new risks and uncertainties may arise that we cannot predict. As a result, actual results, events, or circumstances may differ materially from those reflected in our forward-looking statements.

The forward-looking statements made in this letter speak only as of the date hereof. We undertake no obligation to update any such statements made in this letter to reflect subsequent events, new information, unexpected developments, except as required by law. These statements also do not account for potential impacts from future acquisitions, mergers, dispositions, joint ventures, or investments.

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS UNAUDITED

(IN MILLIONS, EXCEPT PER SHARE AMOUNTS)	THREE MONTHS ENDED		
	MAR 31, 2025	MAR 31, 2024	% CHANGE
<b>Revenue</b>	<b>\$ 209.2</b>	<b>\$ 161.9</b>	<b>29%</b>
<b>Costs and Expenses:</b>			
Cost of revenue	18.2	14.2	28%
Research and development	16.8	20.7	(19%)
Sales and marketing	159.7	107.9	48%
General and administrative	13.8	15.4	(10%)
Total costs and expenses	208.5	158.2	32%
<b>Income From Operations</b>	<b>0.7</b>	<b>3.7</b>	<b>(81%)</b>
Other income, net:			
Interest income	0.7	1.4	(53%)
Interest expense	(0.1)	(0.2)	(17%)
Other losses, net	—	(0.1)	NM
Total other income, net	0.6	1.1	(55%)
Income before income taxes	1.3	4.8	(75%)
Income tax provision	1.1	3.7	(71%)
<b>Net Income</b>	<b>\$ 0.2</b>	<b>\$ 1.1</b>	<b>(86%)</b>

### Net Income Per Share Attributable to Common Stockholders

Basic	\$ 0.00	\$ 0.01	(100%)
Diluted	\$ 0.00	\$ 0.01	(100%)

### Weighted-average Shares Used in Computing Net Income Per Share Attributable to Common Stockholders

Basic	74.2	77.2
Diluted	76.1	80.5

## NON-GAAP FINANCIAL MEASURES

We use non-GAAP operating income (loss), adjusted EBITDA and adjusted free cash flow in conjunction with GAAP measures as part of our overall assessment of our performance, including the preparation of our annual operating budget and quarterly forecasts, to evaluate the effectiveness of our business strategies, and to communicate with our Board of Directors concerning our financial performance.

**Non-GAAP operating income (loss):** We define non-GAAP operating income (loss) as income (loss) from operations adjusted to exclude depreciation and amortization, and further exclude (1) impairment of right-of-use asset, (2) losses (gains) on disposals of assets, (3) change in fair value of contingent consideration related to earnouts, (4) deferred compensation related to earnouts, (5) acquisition-related costs and (6) restructuring charges. We also reduce income from operations, or increase loss from operations, for capitalized internally developed software costs.

**Adjusted EBITDA:** We define adjusted EBITDA as net income (loss) from continuing operations adjusted to exclude depreciation and amortization, interest income (expense), net, other gains (losses), net, and provision (benefit) for income taxes, and further exclude (1) impairment of right-of-use asset, (2) losses (gains) on disposals of assets, (3) change in fair value of contingent consideration related to earnouts, (4) deferred compensation related to earnouts, (5) stock-based compensation, (6) acquisition-related costs and (7) restructuring charges.

The above items are excluded from our non-GAAP operating income (loss) and adjusted EBITDA measures because these items are non-cash in nature, or because the amounts are not driven by core operating results and renders comparisons with prior periods less meaningful. We deduct capitalized internally developed software costs in our non-GAAP operating income (loss) measure to reflect the cash impact of personnel costs incurred within the time period.

We believe that non-GAAP operating income (loss) and adjusted EBITDA provide useful information to investors and others in understanding and evaluating our operating results and in comparing operating results across periods. Moreover, non-GAAP operating income (loss) and adjusted EBITDA are key measurements used by our management internally to make operating decisions, including those related to analyzing operating expenses, evaluating performance, and performing strategic planning and annual budgeting. However, the use of these non-GAAP measures have certain limitations because they do not reflect all items of income and expense that affect our operations. Non-GAAP operating income (loss) and adjusted EBITDA have limitations as financial measures, should be considered as supplemental in nature, and are not meant as substitutes for the related financial information prepared in accordance with GAAP. These limitations include the following:

- Non-GAAP operating income (loss) and adjusted EBITDA exclude certain recurring, non-cash charges, such as amortization of software, depreciation of property and equipment, amortization of intangible assets, impairment of right-of-use asset, and (losses) gains on disposals of assets. Although these are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and non-GAAP operating income (loss) and adjusted EBITDA do not reflect all cash requirements for such replacements or for new capital expenditure requirements;
- Non-GAAP operating income (loss) and adjusted EBITDA exclude acquisition-related costs, including acquisition-related retention compensation under compensatory retention agreements with certain key employees, acquisition-related transaction expenses, contingent consideration fair value adjustments related to earnouts, and deferred compensation related to earnouts;
- Non-GAAP operating income (loss) and adjusted EBITDA exclude restructuring charges primarily consisting of severance payments, stock-based compensation, employee benefits, and related expenses for impacted employees, as well as contract termination costs, associated with our Restructuring Plan;
- Adjusted EBITDA excludes stock-based compensation, including for acquisition-related inducement awards, which has been, and will continue to be for the foreseeable future, a significant recurring expense in our business and an important part of our compensation strategy; and
- Adjusted EBITDA does not reflect interest income (expense) and other gains (losses), net, which include unrealized and realized gains and losses on foreign currency exchange, as well as certain nonrecurring gains (losses).

## NON-GAAP FINANCIAL MEASURES

**Adjusted free cash flow:** We previously defined free cash flow as net cash provided by operating activities less capitalized software development costs and purchases of property and equipment. Effective with the first quarter of 2025, we further define our adjusted free cash flow to be free cash flow adjusted for any net borrowing or repayment on our warehouse line of credit which is used to fund mortgage loans originated for sale, as any increase or decrease in our mortgage loans held for sale is substantially offset by a corresponding borrowing or repayment on our warehouse line of credit. Adjusted free cash flow is a key measurement used by our management internally to evaluate our business performance and overall liquidity. We believe that adjusted free cash flow provides useful information for investors and others for determining the amount of cash available for investment in our business, strategic opportunities, repurchasing stock, strengthening our financial position and other purposes, as well as evaluating our historical and prospective liquidity. A limitation of the utility of adjusted free cash flow as a measure of financial performance and liquidity is that adjusted free cash flow does not represent the total increase or decrease in our cash balance for the period.

In addition, non-GAAP operating income (loss), adjusted EBITDA and adjusted free cash flow as we define them may not be comparable to similarly titled measures used by other companies. Because of these limitations, you should consider non-GAAP operating income (loss), adjusted EBITDA and adjusted free cash flow alongside other financial performance measures, including income (loss) from operations, net income (loss), cash flows from operating activities and our other GAAP results.

## NON-GAAP FINANCIAL MEASURES

We compensate for the limitations on the prior pages by reconciling non-GAAP operating income (loss) to income (loss) from operations, adjusted EBITDA to net income (loss), and adjusted free cash flow to net cash provided by operating activities, the most comparable respective GAAP financial measures, as follows:

(IN MILLIONS)	THREE MONTHS ENDED		
	MAR 31, 2025	MAR 31, 2024	% CHANGE
<b>Income from operations</b>	<b>\$ 0.7</b>	<b>\$ 3.7</b>	<b>(81%)</b>
Depreciation and amortization	12.6	11.9	6%
Acquisition-related retention	0.8	1.2	(33%)
Restructuring	0.3	—	NM
Capitalized internally developed software costs	(5.1)	(6.2)	(18%)
<b>Non-GAAP operating income</b>	<b>\$ 9.3</b>	<b>\$ 10.6</b>	<b>(12%)</b>
Operating income margin	0%	2%	
Non-GAAP operating income margin <sup>1</sup>	4%	7%	
<b>Net income</b>	<b>\$ 0.2</b>	<b>\$ 1.1</b>	<b>(86%)</b>
Depreciation and amortization	12.6	11.9	6%
Stock-based compensation	6.7	8.7	(23%)
Acquisition-related retention	0.8	1.2	(33%)
Restructuring	0.3	—	NM
Interest income, net	(0.6)	(1.2)	(58%)
Other losses, net	—	0.1	NM
Income tax provision	1.1	3.7	(71%)
<b>Adjusted EBITDA</b>	<b>\$ 21.1</b>	<b>\$ 25.5</b>	<b>(17%)</b>
Stock-based compensation	(6.7)	(8.7)	(23%)
Capitalized internally developed software costs	(5.1)	(6.2)	(18%)
<b>Non-GAAP operating income</b>	<b>\$ 9.3</b>	<b>\$ 10.6</b>	<b>(12%)</b>
Net income margin	0%	1%	
Adjusted EBITDA margin <sup>2</sup>	10%	16%	

(1) Represents non-GAAP operating income (loss) as a percentage of revenue.

(2) Represents adjusted EBITDA as a percentage of revenue.

(IN MILLIONS)	TWELVE MONTHS ENDED		
	MAR 31, 2025	MAR 31, 2024	% CHANGE
<b>Net cash provided by operating activities</b>	<b>\$ 75.8</b>	<b>\$ 78.4</b>	<b>(4%)</b>
Capitalized software development costs	(19.7)	(26.9)	(27%)
Purchase of property and equipment	(0.8)	(0.4)	73%
Net borrowing (repayment) on warehouse line of credit	\$ 2.3	\$ —	NM
<b>Adjusted free cash flow</b>	<b>\$ 57.6</b>	<b>\$ 51.1</b>	<b>13%</b>

## CONDENSED CONSOLIDATED BALANCE SHEETS UNAUDITED

(IN MILLIONS)	MAR 31, 2025    DEC 31, 2024	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 92.2	\$ 66.3
Accounts receivable—net	120.3	102.2
Prepaid expenses and other current assets	29.4	28.2
<b>Total current assets</b>	<b>241.9</b>	<b>196.7</b>
Property, equipment and software—net	39.1	43.0
Goodwill	112.5	112.4
Intangible assets—net	29.9	33.3
Deferred tax asset—noncurrent	45.8	45.6
Right-of-use assets	4.7	5.3
Other assets	1.1	1.3
<b>Total Assets</b>	<b>\$ 475.0</b>	<b>\$ 437.6</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 24.3	\$ 8.9
Accrued expenses and other current liabilities	66.1	51.2
<b>Total current liabilities</b>	<b>90.4</b>	<b>60.1</b>
Other liabilities—noncurrent	13.0	13.3
<b>Total liabilities</b>	<b>103.4</b>	<b>73.4</b>
Commitments and contingencies		
Stockholders' equity	371.6	364.2
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 475.0</b>	<b>\$ 437.6</b>

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS UNAUDITED

(IN MILLIONS)

THREE MONTHS ENDED MARCH 31,	2025	2024
<b>Operating Activities:</b>		
Net income	\$ 0.2	\$ 1.1
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	12.6	11.9
Stock-based compensation	6.7	8.7
Deferred taxes	(0.3)	(0.1)
Non-cash lease costs	0.6	0.5
Other losses, net	0.7	0.2
Changes in operating assets and liabilities:		
Accounts receivable	(18.7)	(18.5)
Prepaid expenses and other assets	3.5	3.0
Mortgage loans held for sale	(4.4)	—
Accounts payable	15.3	13.4
Accrued expenses and other current liabilities	11.3	3.0
Operating lease liabilities	(0.9)	(0.8)
Other liabilities	0.1	0.3
Net cash provided by operating activities	26.7	22.7
<b>Investing Activities:</b>		
Purchase of investment	—	(8.1)
Capitalized software development costs	(4.4)	(5.4)
Purchase of property and equipment	(0.2)	—
Net cash used in investing activities	(4.6)	(13.5)
<b>Financing Activities:</b>		
Net borrowing on warehouse line of credit	4.3	—
Proceeds from exercise of stock options	—	1.7
Tax payments related to net-share settlements on restricted stock units	(0.5)	(0.4)
Net cash provided by financing activities	3.8	1.3
<b>Net increase in cash and cash equivalents</b>	<b>25.9</b>	<b>10.5</b>
<b>Cash and Cash Equivalents:</b>		
Beginning of period	66.3	100.4
End of period	\$ 92.2	\$ 110.9

