

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 March 31, 2024

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 001-40994

NerdWallet, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

45-4180440

(I.R.S. Employer Identification No.)

55 Hawthorne Street, 10th Floor, San Francisco, California 94105

(Address of principal executive offices) (Zip code)

(415) 549-8913

(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, \$0.0001 par value	NRDS	The Nasdaq Global Market

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, a 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. (Check one):

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

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

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

The registrant had outstanding 46,052,254 shares of Class A common stock and 31,685,652 shares of Class B common stock as of April 19, 2024.

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Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will” or “would” or the negative of these words or other similar terms or expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- the effect of macroeconomic developments, including but not limited to, inflation, rising interest rates, tightening credit markets and general macroeconomic uncertainty on our business results of operations, financial condition and stock price;
- our expectations regarding our future financial and operating performance, including total revenue, cost of revenue, non-GAAP operating income (loss), adjusted EBITDA and Monthly Unique Users;
- our ability to grow traffic and engagement on our platform;
- our expected returns on marketing investments and brand campaigns;
- our expectations about consumer demand for the products on our platform;
- our ability to convert users into registered users and improve repeat user rates;
- our ability to convert consumers into matches with financial services partners;
- our ability to grow within existing and new verticals;
- our ability to expand geographically;
- our ability to maintain and expand our relationships with our existing financial services partners and to identify new financial services partners;
- our ability to build efficient and scalable technical capabilities to deliver personalized guidance and nudge users;
- our ability to maintain and enhance our brand awareness and consumer trust;
- our ability to generate high quality, engaging consumer resources;
- our ability to adapt to the evolving financial interests of consumers;
- our ability to compete with existing and new competitors in existing and new market verticals;
- our ability to maintain the security and availability of our platform;
- our ability to maintain, protect and enhance our intellectual property;
- our ability to identify, attract and retain highly skilled, diverse personnel;
- our ability to stay in compliance with laws and regulations that currently apply or become applicable to our business;
- the sufficiency of our cash, cash equivalents, and investments to meet our liquidity needs;
- our ability to effectively manage our growth and expand our infrastructure and maintain our corporate culture;
- our ability to successfully identify, manage, and integrate any existing and potential acquisitions;
- our ability to achieve expected synergies, accretive value and other benefits from completed acquisitions; and
- our share repurchase plan, including expectations regarding the amount, timing and manner of repurchases made under the plan.

You should not rely on forward-looking statements as predictions or guarantees of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition and operating results. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors described elsewhere in this Quarterly Report on Form 10-Q, in Part I, Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2023, and in our subsequent periodic filings with the U.S. Securities and Exchange Commission. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on our business or the forward-looking statements contained in this Quarterly Report on Form 10-Q. The results, events and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q speak only as of the date hereof. We undertake no obligation to update any forward-looking statements made in this Quarterly Report on Form 10-Q to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect new information or the occurrence of unanticipated events, except as required by law. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Quarterly Report on Form 10-Q. While we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

PART I. FINANCIAL INFORMATION**Item 1. Financial Statements.****NERDWALLET, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
Unaudited**

<i>(in millions, except share amounts which are in thousands and per share amounts)</i>	March 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 110.9	\$ 100.4
Accounts receivable—net	93.9	75.5
Prepaid expenses and other current assets	19.4	22.5
Total current assets	224.2	198.4
Property, equipment and software—net	50.6	52.6
Goodwill	111.5	111.5
Intangible assets—net	43.5	46.9
Right-of-use assets	6.5	7.2
Other assets	9.8	2.0
Total Assets	\$ 446.1	\$ 418.6
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 15.3	\$ 1.7
Accrued expenses and other current liabilities	38.5	35.6
Total current liabilities	53.8	37.3
Other liabilities—noncurrent	13.6	14.4
Total liabilities	67.4	51.7
Commitments and contingencies (Note 5)		
Stockholders' equity:		
Preferred stock—\$0.0001 par value per share—5,000 shares authorized; zero shares issued and outstanding	—	—
Common stock—\$0.0001 par value per share—296,686 shares authorized; 77,720 and 76,940 shares issued and outstanding as of March 31, 2024 and December 31, 2023	—	—
Additional paid-in capital	494.5	483.7
Accumulated other comprehensive loss	(0.4)	(0.3)
Accumulated deficit	(115.4)	(116.5)
Total stockholders' equity	378.7	366.9
Total Liabilities and Stockholders' Equity	\$ 446.1	\$ 418.6

See notes to condensed consolidated financial statements.

NERDWALLET, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Unaudited

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	Three Months Ended March 31,	
	2024	2023
<i>(in millions, except per share amounts)</i>		
Revenue	\$ 161.9	\$ 169.6
Costs and Expenses:		
Cost of revenue	14.2	13.8
Research and development	20.7	19.5
Sales and marketing	107.9	121.7
General and administrative	15.4	15.4
Total costs and expenses	158.2	170.4
Income (Loss) From Operations	3.7	(0.8)
Other income, net:		
Interest income	1.4	1.0
Interest expense	(0.2)	(0.2)
Other losses, net	(0.1)	(0.1)
Total other income, net	1.1	0.7
Income (loss) before income taxes	4.8	(0.1)
Income tax provision (benefit)	3.7	(1.8)
Net Income	\$ 1.1	\$ 1.7
Net Income Per Share Attributable to Common Stockholders		
Basic	\$ 0.01	\$ 0.02
Diluted	\$ 0.01	\$ 0.02
Weighted-average Shares Used in Computing Net Income Per Share Attributable to Common Stockholders		
Basic	77.2	75.8
Diluted	80.5	79.7

See notes to condensed consolidated financial statements.

NERDWALLET, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Unaudited

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<i>(in millions)</i>	Three Months Ended	
	March 31,	
	2024	2023
Net Income	\$ 1.1	\$ 1.7
Other Comprehensive Income (Loss):		
Change in foreign currency translation	(0.1)	0.2
Comprehensive Income	\$ 1.0	\$ 1.9

See notes to condensed consolidated financial statements.

NERDWALLET, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

Unaudited

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(in millions, except share amounts which are in thousands)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2023	76,940	\$ —	\$ 483.7	\$ (0.3)	\$ (116.5)	\$ 366.9
Issuance of Class A common stock upon exercise of stock options	276	—	1.7			1.7
Issuance of Class A common stock pursuant to settlement of restricted stock units	529	—				—
Class A common stock withheld related to net share settlement of restricted stock units	(25)	—	(0.5)			(0.5)
Stock-based compensation			9.6			9.6
Other comprehensive loss				(0.1)		(0.1)
Net income					1.1	1.1
Balance as of March 31, 2024	77,720	\$ —	\$ 494.5	\$ (0.4)	\$ (115.4)	\$ 378.7

(in millions, except share amounts which are in thousands)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2022	75,120	\$ —	\$ 427.3	\$ (0.9)	\$ (84.7)	\$ 341.7
Issuance of Class A common stock upon exercise of stock options	1,226	—	8.4			8.4
Issuance of Class A common stock pursuant to settlement of restricted stock units	380	—				—
Class A common stock withheld related to net share settlement of restricted stock units	(15)	—	(0.3)			(0.3)
Stock-based compensation			10.1			10.1
Other comprehensive income				0.2		0.2
Net income					1.7	1.7
Balance as of March 31, 2023	76,711	\$ —	\$ 445.5	\$ (0.7)	\$ (83.0)	\$ 361.8

See notes to condensed consolidated financial statements.

NERDWALLET, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Unaudited
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<i>(in millions)</i>	Three Months Ended March 31,	
	2024	2023
Operating Activities:		
Net income	\$ 1.1	\$ 1.7
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11.9	11.7
Stock-based compensation	8.7	8.6
Deferred taxes	(0.1)	(0.1)
Non-cash lease costs	0.5	0.7
Other, net	0.2	1.4
Changes in operating assets and liabilities:		
Accounts receivable	(18.5)	(11.8)
Prepaid expenses and other assets	3.0	(2.6)
Accounts payable	13.4	8.6
Accrued expenses and other current liabilities	3.0	(0.8)
Operating lease liabilities	(0.8)	(0.7)
Other liabilities	0.3	(0.3)
Net cash provided by operating activities	22.7	16.4
Investing Activities:		
Purchase of investment	(8.1)	—
Capitalized software development costs	(5.4)	(7.3)
Purchase of property and equipment	—	(0.3)
Net cash used in investing activities	(13.5)	(7.6)
Financing Activities:		
Proceeds from line of credit	—	7.5
Payments on line of credit	—	(7.5)
Proceeds from exercise of stock options	1.7	8.4
Tax payments related to net-share settlements on restricted stock units	(0.4)	(0.3)
Net cash provided by financing activities	1.3	8.1
Net increase in cash and cash equivalents	10.5	16.9
Cash and Cash Equivalents:		
Beginning of period	100.4	83.9
End of period	\$ 110.9	\$ 100.8
Supplemental Disclosures of Non-Cash Investing and Financing Activities:		
Capitalized software development costs recorded in accounts payable and accrued expenses and other current liabilities	\$ 0.6	\$ 0.7
Purchase of property and equipment recorded in accounts payable and accrued expenses and other current liabilities	—	0.1
Supplemental Disclosures of Cash Flow Information:		
Income tax payments	\$ 0.2	\$ 0.3
Cash paid for interest	0.1	—
Supplemental Cash Flow Disclosure Related to Operating Leases:		
Cash paid for amounts included in the measurement of lease liabilities	\$ 1.0	\$ 0.9

See notes to condensed consolidated financial statements.

1. The Company and Basis of Presentation

The Company—NerdWallet, Inc., a Delaware corporation, was formed on December 29, 2011. NerdWallet, Inc. and its subsidiaries (collectively, the Company) provide consumer-driven advice about personal finance through its platform by connecting individuals and small and mid-sized businesses (SMBs) with providers of financial products.

Basis of Consolidation and Presentation—The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and applicable rules and regulations of the U.S. Securities and Exchange Commission regarding interim financial reporting. Accordingly, the accompanying unaudited interim condensed consolidated financial statements do not include all disclosures normally required in annual consolidated financial statements prepared in accordance with GAAP. The accompanying unaudited interim condensed consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements and notes included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023.

In the opinion of management, the accompanying unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements, and include all adjustments, consisting only of normal recurring adjustments, necessary for the fair statement of the Company’s financial position and results of operations for the periods presented. The accompanying unaudited interim condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation. Certain comparative amounts for the three months ended March 31, 2023 have been reclassified to conform to the financial statement presentation as of and for the three months ended March 31, 2024. The results of operations for the three months ended March 31, 2024 are not necessarily indicative of the results to be expected for the full year or any other future period.

Significant Accounting Policies—During the three months ended March 31, 2024, the Company made a strategic investment of \$8.1 million in equity securities of a privately-held company over which the Company does not exercise significant influence. See Note 4—Significant Condensed Consolidated Balance Sheet Components for further discussion. During the three months ended March 31, 2024, there have been no other material changes to the Company’s significant accounting policies as disclosed in Note 1—The Company and its Significant Accounting Policies in the notes to the consolidated financial statements in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023.

2. Revenue

The following presents a disaggregation of the Company’s revenue based on product category:

<i>(in millions)</i>	Three Months Ended March 31,	
	2024	2023
Credit cards	\$ 50.0	\$ 61.3
Loans	21.4	22.0
SMB products	30.4	25.2
Emerging verticals	60.1	61.1
Total revenue	<u>\$ 161.9</u>	<u>\$ 169.6</u>

During the three months ended March 31, 2024, the Company recognized \$4.1 million of revenue that was deferred as of December 31, 2023. Revenue recognized during the three months ended March 31, 2023 which was deferred as of December 31, 2022 was immaterial.

The contract asset recorded within prepaid expenses and other current assets on the condensed consolidated balance sheet related to estimated variable consideration was \$6.5 million and \$5.5 million as of March 31, 2024 and December 31, 2023, respectively.

Unaudited

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3. Fair Value Measurements

The Company's assets that are measured at fair value on a recurring basis, by level, within the fair value hierarchy are summarized as follows:

(in millions)

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Carrying Value
As of March 31, 2024				
Assets:				
Cash and cash equivalents—money market funds	\$ 14.9	\$ —	\$ —	\$ 14.9
Certificate of deposit	—	2.1	—	2.1
	\$ 14.9	\$ 2.1	\$ —	\$ 17.0

(in millions)

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Carrying Value
As of December 31, 2023				
Assets:				
Cash and cash equivalents—money market funds	\$ 89.8	\$ —	\$ —	\$ 89.8
Certificate of deposit	—	2.1	—	2.1
	\$ 89.8	\$ 2.1	\$ —	\$ 91.9

4. Significant Condensed Consolidated Balance Sheet Components

Property, equipment and software, net includes capitalized software development costs, net of accumulated amortization, of \$47.4 million and \$49.0 million as of March 31, 2024 and December 31, 2023, respectively. The Company capitalized \$6.4 million and \$8.6 million of software development costs during the three months ended March 31, 2024 and 2023, respectively. The Company recorded amortization expense related to capitalized software development costs of \$8.0 million and \$6.6 million during the three months ended March 31, 2024 and 2023, respectively.

During the three months ended March 31, 2024, the Company made a strategic investment of \$8.1 million in equity securities of a privately-held company over which the Company does not exercise significant influence. These equity securities do not have a readily determinable fair value and are accounted for under the measurement alternative. Under the measurement alternative, the carrying value of the security is measured at cost less any impairment, and adjusted for changes resulting from observable price changes in orderly transactions for identical or similar securities of the same issuer. An equity security without a readily determinable fair value is considered impaired when the fair value of the Company's interest is less than the carrying value. Equity investments without readily determinable fair values are included in other assets on the Company's condensed consolidated balance sheet, and any related gains or losses would be included in other gains (losses), net on the Company's condensed consolidated statements of operations. Equity investments without readily determinable fair values were \$8.1 million as of March 31, 2024, and there were no related changes in carrying amount or impairment during the three months ended March 31, 2024.

Accrued expenses and other current liabilities include operating lease liabilities of \$3.4 million as of both March 31, 2024 and December 31, 2023.

Other liabilities—noncurrent includes operating lease liabilities of \$5.2 million and \$6.2 million as of March 31, 2024 and December 31, 2023, respectively.

Unaudited

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5. Commitments and Contingencies

Commitments and Other Financial Arrangements—The Company has certain financial commitments and other arrangements including unused letters of credit and commitments under leases. As of March 31, 2024, there were no material changes to the Company’s commitments and other financial arrangements as disclosed in Note 8—Commitments and Contingencies in the notes to the consolidated financial statements in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023.

Litigation and Other Legal Matters—The Company is involved from time to time in litigation, claims, and proceedings. Periodically, the Company evaluates the status of each legal matter and assesses potential financial exposure. If the potential loss from any legal proceeding or litigation is considered probable and the amount can be reasonably estimated, the Company accrues a liability for the estimated loss. Significant judgment is required to determine the probability of a loss and whether the amount of the loss is reasonably estimable. The outcome of any proceeding is not determinable in advance. As a result, the assessment of a potential liability and the amount of accruals recorded are based only on the information available at the time. As additional information becomes available, the Company reassesses the potential liability related to the legal proceeding or litigation, and may revise its estimates. Management is not currently aware of any matters that it expects will have a material effect on the financial position, results of operations, or cash flows of the Company. The Company has not accrued any material potential loss as of March 31, 2024 or December 31, 2023.

6. Stockholders’ Equity

Share Repurchase Plans—On May 2, 2023, the Company announced that its Board of Directors authorized a plan under which the Company may repurchase up to \$20 million of the Company’s Class A common stock and, following the Company’s utilization of that share repurchase authorization, the Company announced on October 26, 2023 that its Board of Directors approved a share repurchase authorization under which the Company may repurchase up to an additional \$30 million of the Company’s Class A common stock (collectively, the Repurchase Plans). There were no repurchases of shares of Class A common stock during the three months ended March 31, 2024. The remaining share repurchase authorization under the Repurchase Plans is \$30 million as of March 31, 2024.

Equity Incentive Plans—The 2021 Equity Incentive Plan and the predecessor 2012 Equity Incentive Plan, both as amended, along with the 2022 Inducement Equity Incentive Plan (collectively, the Plans) comprise the equity incentive plans of the Company.

Under the terms of the 2021 Equity Incentive Plan, the number of shares of Class A common stock reserved for issuance under the plan will automatically increase on January 1 of each calendar year, starting January 1, 2023 and ending on and including January 1, 2031, in an amount equal to 5% of the total number of shares of the Company’s capital stock outstanding on December 31 of the prior calendar year, unless the Company’s Board of Directors determines prior to the date of increase that there will be a lesser increase, or no increase. In accordance with these plan terms, the aggregate number of shares of Class A common stock reserved for issuance under the 2021 Equity Incentive Plan increased by 3.8 million shares effective January 1, 2024.

Stock Options—A summary of the Company’s stock option activity for its Plans is as follows:

	Outstanding Stock Options <i>(in thousands)</i>	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life <i>(in years)</i>	Aggregate Intrinsic Value <i>(in millions)</i>
Balance as of December 31, 2023	4,112	\$ 10.84	6.3	\$ 18.7
Granted ¹	220	\$ 15.73		
Exercised	(276)	\$ 6.12		
Cancelled/forfeited	(19)	\$ 12.77		
Balance as of March 31, 2024 ¹	4,037	\$ 11.42	6.4	\$ 16.2
Vested and exercisable as of March 31, 2024	2,857	\$ 10.77	5.7	\$ 13.2

(1) Represents 0.2 million of target award stock options with both service-based and performance-based conditions.

NERDWALLET, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited

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The weighted-average grant-date fair value of options granted during the three months ended March 31, 2024 was \$9.08 per share. The aggregate intrinsic value of options exercised was \$2.8 million for the three months ended March 31, 2024.

During the three months ended March 31, 2024, the Company granted 0.2 million of target award stock options with both service-based and performance-based conditions to certain employees of the Company. Recipients of these performance-based stock options are eligible to earn between 0% and 200% of their target awards based upon the achievement of (i) a revenue-related growth metric and (ii) a non-GAAP operating income-related metric, both in fiscal year 2024, subject to certification of the attainment of the performance levels. These performance-based stock options are also subject to service-based vesting over a period of three years.

For the three months ended March 31, 2024, the per-share fair value of each stock option granted was determined on the date of grant using the following weighted-average assumptions:

	Three Months Ended March 31, 2024
Expected volatility	58.1 %
Expected term (in years)	5.9
Expected dividend yield	0 %
Risk-free interest rate	4.2 %

There were no stock options granted for the three months ended March 31, 2023.

Restricted Stock Units—A summary of the Company’s outstanding nonvested restricted stock units (RSUs) for its Plans is as follows:

	Number of Units (in thousands)	Weighted-Average Grant-Date Fair Value
Nonvested as of December 31, 2023 ¹	6,788	\$ 12.42
Granted ²	462	\$ 15.62
Vested	(529)	\$ 14.21
Forfeited ¹	(367)	\$ 15.76
Nonvested as of March 31, 2024 ²	<u>6,354</u>	<u>\$ 12.31</u>

(1) Includes 0.2 million of target award RSUs with both service-based and performance-based conditions.

(2) Includes 0.1 million of target award RSUs with both service-based and performance-based conditions.

The total fair value of shares that vested under RSUs was \$8.9 million during the three months ended March 31, 2024.

During the three months ended March 31, 2024, the Company granted 0.1 million of target award RSUs with both service-based and performance-based conditions to certain employees of the Company. Recipients of these performance-based RSUs are eligible to earn between 0% and 200% of their target awards based upon the achievement of (i) a revenue-related growth metric and (ii) a non-GAAP operating income-related metric, both in fiscal year 2024, subject to certification of the attainment of the performance levels. These performance-based RSUs are also subject to service-based vesting over a period of three years.

Employee Stock Purchase Plan—The terms of the Employee Stock Purchase Plan (ESPP) provide for automatic increases in the number of shares reserved for issuance on January 1 of each calendar year, beginning in 2023 and through 2031, subject to terms of the ESPP. In accordance with these plan terms, the aggregate number of Class A common stock authorized for issuance under the ESPP increased by 0.8 million effective January 1, 2024. The Company did not recognize any stock-based compensation related to the ESPP for the three months ended March 31, 2024, as the previous ESPP purchase period ended on December 31, 2023 and the next ESPP purchase period will begin on May 1, 2024. Prior to capitalizing amounts related to software development costs, the Company recognized stock-based compensation related to the ESPP of \$1.0 million during the three months ended March 31, 2023.

NERDWALLET, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited

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Stock-Based Compensation—The Company recognized stock-based compensation under the Plans and ESPP as follows:

<i>(in millions)</i>	Three Months Ended March 31,	
	2024	2023
Research and development	\$ 2.6	\$ 2.4
Sales and marketing	2.5	3.3
General and administrative	3.6	2.9
Total stock-based compensation	\$ 8.7	\$ 8.6

In addition, stock-based compensation capitalized related to software development costs was \$0.9 million and \$1.5 million during the three months ended March 31, 2024 and 2023, respectively.

7. Income Taxes

Beginning with the three months ended June 30, 2023, the Company's tax provision for interim periods was determined using a discrete effective tax rate method, as allowed by ASC Topic 740-270, *Income Taxes, Interim Reporting*. The Company's tax provision for interim periods was previously determined using an estimated annual effective tax rate which was adjusted for discrete items occurring during the periods presented. The Company determined that since small changes in estimated "ordinary" income would result in significant changes in the estimated annual effective tax rate, the historical method would not provide a reliable estimate for the three months ended March 31, 2024.

The primary difference between the Company's effective tax rate and the statutory federal income tax rate is the full valuation allowance established on the Company's federal, state and foreign deferred tax attributes. As of March 31, 2024 and December 31, 2023, the Company recorded a full valuation allowance against these net deferred tax assets as the Company believes that it is more likely than not that the Company will not be able to fully realize such net deferred tax assets. The Company's judgment regarding the likelihood of realization of these deferred tax assets could change in future periods, which could result in a material impact in the Company's income tax provision in the period of change.

8. Net Income Per Basic and Diluted Share

The following table provides the basic and diluted per share computations for net income attributable to common stockholders:

<i>(in millions, except per share amounts)</i>	Three Months Ended March 31,	
	2024	2023
Numerator:		
Net income attributable to common stockholders—basic and diluted	\$ 1.1	\$ 1.7
Denominator:		
Weighted-average shares of common stock—basic	77.2	75.8
Effect of dilutive stock options and restricted stock units	3.3	3.9
Weighted-average shares of common stock—diluted	80.5	79.7
Net income per share attributable to common stockholders:		
Basic	\$ 0.01	\$ 0.02
Diluted	\$ 0.01	\$ 0.02

The following common stock equivalents were excluded from the computation of diluted net income per share because including them would have been antidilutive:

<i>(in millions)</i>	Three Months Ended March 31,	
	2024	2023
Shares subject to outstanding stock options and restricted stock units	2.5	3.7
ESPP	—	0.3

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 in conjunction with our unaudited interim condensed consolidated financial statements and related notes included in Item 1 of Part I of this Quarterly Report on Form 10-Q, and with our audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

Overview

NerdWallet provides trustworthy financial guidance to consumers and small and mid-sized businesses (SMBs).

Our mission is to provide clarity for all of life's financial decisions.

Our vision is a world where everyone makes financial decisions with confidence.

As a personal finance website and app, NerdWallet provides consumers—both individuals and SMBs—with trustworthy and knowledgeable financial information so they can make smart money moves. From finding the best credit card to buying a house, NerdWallet is there to help consumers make financial decisions with confidence. Consumers have free access to our expert content and comparison shopping marketplaces, plus a data-driven app, which helps them stay on top of their finances and save time and money, giving them the freedom to do more. NerdWallet is available for consumers in the U.S., United Kingdom, Canada and Australia.

Key Operating Metric and Non-GAAP Financial Measures

We collect, review and analyze operating and financial data of our business to assess our ongoing performance and compare our results to prior period results. In addition to revenue, net income (loss) and other results under generally accepted accounting principles (GAAP), the following sets forth the key operating metric and non-GAAP financial measures we use to evaluate our business.

Monthly Unique Users

We define a Monthly Unique User (MUU) as a unique user with at least one session in a given month as determined by a unique device identifier. We measure MUUs during a time period longer than one month by averaging the MUUs of each month within that period. We track MUUs to frame the number of users who may transact with our financial services partners on our platform during a given period. We had 29 million average MUUs for the three months ended March 31, 2024, which was up 25% compared to the three months ended March 31, 2023. We saw strong engagement in areas such as investing, travel products, taxes and insurance. While we expect MUUs to grow over time, the metric may fluctuate from period to period based on economic conditions, trends in consumer behavior and our strategic marketing decisions.

Non-GAAP Financial Measures

We use non-GAAP operating income (loss) and adjusted EBITDA 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, and (5) acquisition-related costs. 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, 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, and (6) acquisition-related costs.

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;
- 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).

In addition, non-GAAP operating income (loss) and adjusted EBITDA 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) and adjusted EBITDA alongside other financial performance measures, including income (loss) from operations, net income (loss) and our other GAAP results.

See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations—Non-GAAP Financial Measures” for reconciliations of non-GAAP operating income (loss) to income (loss) from operations, and adjusted EBITDA to net income (loss), the most directly comparable respective GAAP financial measures.

Results of Operations

The following tables set forth our results of operations for the periods presented. The following discussion should be read in conjunction with the condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q.

<i>(in millions)</i>	Three Months Ended March 31,	
	2024	2023
Revenue	\$ 161.9	\$ 169.6
Costs and expenses:		
Cost of revenue	14.2	13.8
Research and development ¹	20.7	19.5
Sales and marketing ¹	107.9	121.7
General and administrative ¹	15.4	15.4
Total costs and expenses	158.2	170.4
Income (loss) from operations	3.7	(0.8)
Other income, net:		
Interest income	1.4	1.0
Interest expense	(0.2)	(0.2)
Other losses, net	(0.1)	(0.1)
Total other income, net	1.1	0.7
Income (loss) before income taxes	4.8	(0.1)
Income tax provision (benefit)	3.7	(1.8)
Net income	\$ 1.1	\$ 1.7

(1) Includes stock-based compensation as follows:

<i>(in millions)</i>	Three Months Ended March 31,	
	2024	2023
Research and development	\$ 2.6	\$ 2.4
Sales and marketing	2.5	3.3
General and administrative	3.6	2.9
Total stock-based compensation	\$ 8.7	\$ 8.6

The following table sets forth the components of our condensed consolidated statements of operations as a percentage of revenue:

	Three Months Ended March 31,	
	2024	2023
Revenue	100 %	100 %
Costs and expenses:		
Cost of revenue	9	8
Research and development	13	11
Sales and marketing	67	72
General and administrative	9	9
Total costs and expenses	98	100
Income (loss) from operations	2	—
Other income, net:		
Interest income	1	—
Interest expense	—	—
Other losses, net	—	—
Total other income, net	1	—
Income (loss) before income taxes	3	—
Income tax provision (benefit)	2	(1)
Net income	1 %	1 %

We had income from operations of \$3.7 million for the three months ended March 31, 2024, as compared to a loss from operations of \$0.8 million for the three months ended March 31, 2023, as a \$7.7 million decrease in revenue was more than offset by a \$12.2 million decrease in operating expenses, primarily attributable to a \$13.8 million decrease in sales and marketing expenses.

Net income decreased \$0.6 million, or 34%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023, as the impact of income from operations of \$3.7 million for the three months ended March 31, 2024, as compared to a loss from operations of \$0.8 million for the three months ended March 31, 2023, was more than offset by the impact of an income tax provision of \$3.7 million for the three months ended March 31, 2024, as compared to an income tax benefit of \$1.8 million for the three months ended March 31, 2023.

Revenue

<i>(in millions)</i>	Three Months Ended March 31,		Change	
	2024	2023	\$	%
Credit cards	\$ 50.0	\$ 61.3	\$ (11.3)	(19 %)
Loans	21.4	22.0	(0.6)	(3 %)
SMB products	30.4	25.2	5.2	21 %
Emerging verticals	60.1	61.1	(1.0)	(2 %)
Total revenue	\$ 161.9	\$ 169.6	\$ (7.7)	(5 %)

Revenue decreased \$7.7 million, or 5% for the three months ended March 31, 2024 compared to the three months ended March 31, 2023, primarily due to lower credit cards revenue, partially offset by growth in SMB products revenue.

Credit cards revenue decreased \$11.3 million, or 19%, for the three months ended March 31, 2024, primarily due to reduced marketing spending by our financial services partners amidst a combination of continued cautious underwriting and heightened balance sheet conservatism following the 2023 regional banking crisis.

Loans revenue decreased \$0.6 million, or 3%, for the three months ended March 31, 2024, primarily due to decreases of 13% in mortgages revenue, as a result of higher interest rates, and 19% in student loans revenue, partially offset by a 12% increase in personal loans revenue.

SMB products revenue increased \$5.2 million, or 21%, for the three months ended March 31, 2024, primarily driven by revenue growth in products such as business credit cards and banking as we continue to scale our product offerings.

Emerging verticals revenue decreased \$1.0 million, or 2%, for the three months ended March 31, 2024, primarily due to a 9% decrease in banking revenue as consumer demand for banking products begins to moderate, partially offset by increases of 30% in investing revenue and 5% in insurance products revenue.

Costs and Expenses

(in millions)	Three Months Ended March 31,		Change	
	2024	2023	\$	%
Cost of revenue	\$ 14.2	\$ 13.8	\$ 0.4	3 %
Research and development	20.7	19.5	1.2	6 %
Sales and marketing	107.9	121.7	(13.8)	(11 %)
General and administrative	15.4	15.4	—	(1 %)
Total costs and expenses	\$ 158.2	\$ 170.4	\$ (12.2)	(7 %)

Cost of revenue

Cost of revenue increased \$0.4 million, or 3%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023, primarily due to a \$1.3 million increase in amortization expense related to capitalized software development costs, partially offset by decreases of \$0.5 million in amortization expense related to intangible assets and \$0.5 million primarily related to third-party service charges.

Research and development expense

Research and development expenses increased \$1.2 million, or 6%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023, primarily attributable to a \$1.4 million increase in personnel-related costs for our engineering, data, and product management personnel and contractors to support our continued growth and key platform capabilities.

Sales and marketing expense

For the three months ended March 31, 2024, our total sales and marketing expense was comprised of approximately 25% for brand marketing, and 51% for performance marketing, with the remainder for organic and other marketing expenses. For the three months ended March 31, 2023, our total sales and marketing expense was comprised of approximately 32% for brand marketing, and 46% for performance marketing, with the remainder for organic and other marketing expenses. We are able to adjust our marketing spend to reflect changes in external factors and consumer behavior.

Sales and marketing expenses decreased \$13.8 million, or 11%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023, attributable to decreases of \$11.6 million in brand marketing expenses, \$1.2 million in performance marketing expenses and \$1.0 million in organic and other marketing expenses primarily due to lower personnel-related costs.

Other income, net

(in millions)	Three Months Ended March 31,		Change	
	2024	2023	\$	%
Interest income	\$ 1.4	\$ 1.0	\$ 0.4	33 %
Interest expense	(0.2)	(0.2)	—	(4 %)
Other losses, net	(0.1)	(0.1)	—	(41 %)
Total other income, net	\$ 1.1	\$ 0.7	\$ 0.4	56 %

Other income, net increased \$0.4 million or 56% for the three months ended March 31, 2024 compared to the three months ended March 31, 2023, primarily attributable to higher interest income reflecting higher interest rates and average cash balances.

Income tax provision (benefit)

Beginning with the three months ended June 30, 2023, our tax provision for interim periods was determined using a discrete effective tax rate method, as allowed by ASC Topic 740-270, *Income Taxes, Interim Reporting*. Our tax provision for interim periods was previously determined using an estimated annual effective tax rate which was adjusted for discrete items occurring during the periods presented. We determined that since small changes in estimated “ordinary” income would result in significant changes in the estimated annual effective tax rate, the historical method would not provide a reliable estimate for the three months ended March 31, 2024.

We had an income tax provision of \$3.7 million for the three months ended March 31, 2024, as compared to an income tax benefit of \$1.8 million for the three months ended March 31, 2023. Our effective tax rate was 76.2% for the three months ended March 31, 2024, and 1,600.2% for the three months ended March 31, 2023. Our effective tax rate for the three months ended March 31, 2024 differs from the U.S. federal statutory income tax rate of 21% primarily due to the valuation allowance maintained against our net U.S. deferred tax assets and state taxes, partially offset by research and development credits. Our effective tax rate for the three months ended March 31, 2023 differs from the U.S. federal statutory income tax rate of 21% primarily due to excess tax benefits related to stock based compensation, partially offset by higher capitalization of research and development expenses under tax regulations effective in 2022 and a full valuation allowance recorded against our net U.S. deferred tax assets.

Based on our ongoing assessment of all available evidence, both positive and negative, including consideration of our historical profitability and the estimated impact of our operating model on future profitability, we concluded that it was more likely than not that our U.S. deferred tax assets in excess of deferred tax liabilities would not be realized and recorded a valuation allowance against these net U.S. deferred tax assets as of March 31, 2024. Our judgment regarding the likelihood of realization of these deferred tax assets could change in future periods, which could result in a material impact to our income tax provision in the period of change. Given our current earnings projections, sufficient positive evidence may become available for us to release all, or a portion, of the valuation allowance within the next nine months. However, the timing and amounts of such valuation allowance releases are subject to change based on the level of profitability achieved in future periods.

Non-GAAP Financial Measures

Non-GAAP operating income (loss) and adjusted EBITDA 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) and adjusted EBITDA alongside other financial performance measures, including income (loss) from operations, net income (loss) and our other GAAP results.

We compensate for these limitations by reconciling non-GAAP operating income (loss) to income (loss) from operations, and adjusted EBITDA to net income (loss), the most comparable GAAP financial measures, as follows:

<i>(in millions)</i>	Three Months Ended March 31,	
	2024	2023
Income (loss) from operations	\$ 3.7	\$ (0.8)
Depreciation and amortization	11.9	11.7
Acquisition-related retention	1.2	1.4
Capitalized internally developed software costs	(6.2)	(8.5)
Non-GAAP operating income	\$ 10.6	\$ 3.8
Operating income (loss) margin	2 %	(0 %)
Non-GAAP operating income margin ¹	7 %	2 %
Net income	\$ 1.1	\$ 1.7
Depreciation and amortization	11.9	11.7
Stock-based compensation	8.7	8.6
Acquisition-related retention	1.2	1.4
Interest income, net	(1.2)	(0.8)
Other losses, net	0.1	0.1
Income tax provision (benefit)	3.7	(1.8)
Adjusted EBITDA	\$ 25.5	\$ 20.9
Stock-based compensation	(8.7)	(8.6)
Capitalized internally developed software costs	(6.2)	(8.5)
Non-GAAP operating income	\$ 10.6	\$ 3.8
Net income margin	1 %	1 %
Adjusted EBITDA margin ²	16 %	12 %

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

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

See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations” for a discussion of the changes in income (loss) from operations and net income for the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

Non-GAAP operating income increased \$6.8 million, or 176%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. The increase was primarily driven by \$3.7 million of income from operations for the three months ended March 31, 2024, as compared to a loss from operations of \$0.8 million for the three months ended March 31, 2023, and a \$2.3 million decrease in capitalized internally developed software costs.

Adjusted EBITDA increased \$4.6 million, or 22%, for the three months ended March 31, 2024 compared to the three months ended March 31, 2023. The increase was primarily attributable to an income tax provision of \$3.7 million for the three months ended March 31, 2024, as compared to an income tax benefit of \$1.8 million for the three months ended March 31, 2023, partially offset by a \$0.6 million decrease in net income.

Liquidity and Capital Resources

Overview

Our principal sources of liquidity to meet our business requirements and plans, both in the short-term (i.e., the next twelve months from March 31, 2024) and long-term (i.e., beyond the next twelve months), have historically been cash generated from operations and, more recently, sales of our common stock, and borrowings under our credit facilities. Our primary liquidity needs are related to the funding of general business requirements, including working capital requirements, research and development, and capital expenditures, as well as other liquidity requirements including, but not limited to, business combinations.

As of March 31, 2024 and December 31, 2023, we had cash and cash equivalents of \$110.9 million and \$100.4 million, respectively.

Known Contractual and Other Obligations

A description of contractual commitments as of March 31, 2024 is included in Note 5—Commitments and Contingencies in the notes to our condensed consolidated financial statements.

More broadly, we also have purchase obligations under contractual arrangements with vendors and service providers, including for certain web-hosting and cloud computing services, which do not qualify for recognition on our condensed consolidated balance sheets but which we consider non-cancellable. During the three months ended March 31, 2024, there have been no material changes in our purchase obligations as disclosed in “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources” in our Annual Report on Form 10-K for the year ended December 31, 2023.

Trends, Uncertainties and Anticipated Sources of Funds

In order to grow our business, we intend to make significant investments in our business, which may result in increases in our personnel and related expenses. The timing and amount of these investments will vary based on our financial condition, the rate at which we add new personnel and the scale of our development, as well as the macro-economic environment. Many of these investments will occur in advance of our experiencing any direct benefit from them, which could negatively impact our liquidity and cash flows during any particular period and may make it difficult to determine if we are effectively allocating our resources. However, we expect to fund our operations, capital expenditures and other investments principally with cash flows from operations, and to the extent that our liquidity needs exceed our cash from operations, we would look to our cash on hand to satisfy those needs.

We announced on May 2, 2023 that our Board of Directors authorized a plan under which we may repurchase up to \$20 million of our Class A common stock and, following our utilization of that share repurchase authorization, we announced on October 26, 2023 that our Board of Directors approved a share repurchase authorization under which we may repurchase up to an additional \$30 million of our Class A common stock (collectively, the Repurchase Plans). Subject to market conditions and other factors, the Repurchase Plans are intended to make opportunistic repurchases of our Class A common stock to reduce our outstanding share count. Under the Repurchase Plans, shares of Class A common stock may be repurchased in the open market through privately negotiated transactions or otherwise, in accordance with applicable securities laws and other restrictions. The Repurchase Plans do not have fixed expiration dates and do not obligate us to acquire any specific number of shares. The timing and terms of any repurchases under the Repurchase Plans are at management’s discretion and depend on a variety of factors, including business, economic and market conditions, regulatory requirements, prevailing stock prices and other considerations. Additionally, we may, from time to time, enter into Rule 10b-5 trading plans to facilitate repurchases. Shares repurchased under the Repurchase Plans are retired. We expect to fund repurchases with existing cash and cash equivalents. We did not repurchase any shares of Class A common stock during the three months ended March 31, 2024.

We, including three of our wholly-owned subsidiaries, maintain a credit agreement (the Credit Agreement) with JPMorgan Chase Bank, National Association, as Administrative Agent, and a syndicate of lenders. The Credit Agreement provides for a \$125.0 million senior secured revolving credit facility (the Credit Facility), with the option to increase up to an additional \$75.0 million, and is available to be used by us and certain of our domestic subsidiaries for general corporate purposes, including acquisitions. The Credit Facility matures on September 26, 2028. We had no outstanding balance on our Credit Agreement as of March 31, 2024 or December 31, 2023. The available amount to borrow under our Credit Agreement was \$123.7 million at both March 31, 2024 and December 31, 2023, which was equal to the available amount under the credit agreement of \$125.0 million, net of letters of credit of \$1.3 million. Our Credit Agreement contains certain customary financial and non-financial covenants. We were in compliance with all covenants as of March 31, 2024 and December 31, 2023.

We believe our current cash and cash equivalents and future cash flow from operations, as well as access to our Credit Agreement, will be sufficient to meet our ongoing working capital, capital expenditure and other liquidity requirements for the next twelve months and beyond.

Our future capital requirements may vary materially from those planned and will depend on certain factors, such as our growth and our operating results. If we require additional capital resources to grow our business or to acquire complementary technologies and businesses in the future, we may seek to sell additional equity or raise funds through debt financing or other sources. We cannot provide assurance that additional financing will be available at all or on terms favorable to us.

Sources and Uses of Capital Resources

The following table summarizes our cash flows:

<i>(in millions)</i>	Three Months Ended March 31,	
	2024	2023
Net cash provided by operating activities	\$ 22.7	\$ 16.4
Net cash used in investing activities	(13.5)	(7.6)
Net cash provided by financing activities	1.3	8.1
Net increase in cash and cash equivalents	\$ 10.5	\$ 16.9

Operating activities

Net cash provided by operating activities increased \$6.3 million in the three months ended March 31, 2024 compared to the three months ended March 31, 2023, as an \$8.0 million decrease in net cash outflow from changes in operating assets and liabilities was partially offset by decreases of \$1.1 million in non-cash charges and \$0.6 million in net income. The decrease in net cash outflow from changes in operating assets and liabilities was primarily due to decreases of \$5.6 million in prepaid expenses and other assets, \$4.8 million in accounts payable, and \$3.8 million in accrued expenses and other current liabilities, partially offset by an increase of \$6.7 million in accounts receivable. The decrease in non-cash charges was primarily due to a \$1.2 million decrease in other, net.

Investing activities

Net cash used in investing activities increased \$5.9 million in the three months ended March 31, 2024 compared to the three months ended March 31, 2023, primarily due to an \$8.1 million purchase of an investment in the three months ended March 31, 2024, partially offset by a \$1.9 million decrease in capitalized software development costs.

Financing activities

Net cash provided by financing activities decreased \$6.8 million in the three months ended March 31, 2024 compared to the three months ended March 31, 2023, primarily due to a \$6.7 million decrease from exercises of stock options.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with accounting policies as provided within U.S. GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosures. On an ongoing basis, we evaluate our estimates and assumptions. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable. Actual results may differ from these estimates under different assumptions or conditions.

During the three months ended March 31, 2024, there have been no material changes in our critical accounting policies as disclosed in “Management’s Discussion and Analysis of Financial Condition and Results of Operations–Critical Accounting Policies and Estimates” in our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in interest rates and foreign currency exchange rates.

During the three months ended March 31, 2024, there were no material changes from the market risk disclosures in our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures (as defined under Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended). Management, under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of March 31, 2024. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that these disclosure controls and procedures were effective as of March 31, 2024.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the quarter ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we are involved in various legal proceedings arising from the normal course of business activities. We are not presently a party to any litigation the outcome of which, we believe, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, cash flows or financial condition. Defending such proceedings is costly and can impose a significant burden on management and employees. The results of any current or future litigation cannot be predicted with any certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors. See further discussion under “Litigation and Other Legal Matters” in Note 5–Commitments and Contingencies in the notes to condensed consolidated financial statements in Item 1 of Part I of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors.

In addition to risks and uncertainties in the ordinary course of business that are common to all businesses, important factors that are specific to our industry and the Company could have a material and adverse impact on our business, financial condition, results of operations and cash flows. You should carefully consider the risk factors set forth in Part I, Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2023 and in our subsequent periodic filings with the Securities and Exchange Commission.

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

Unregistered Sales of Equity Securities

None.

Purchases of Equity Securities by the Issuer

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Securities Trading Plans of Directors or Executive Officers

During the three months ended March 31, 2024, none of our directors or officers (as defined in Rule 16a-1 of the Exchange Act) adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as such terms are defined under Item 408 of Regulation S-K), except as noted below.

On February 20, 2024, Samuel Yount, General Manager, Consumer Credit, adopted a trading plan that is intended to satisfy the affirmative defense conditions of Rule 10b5-1 of the Exchange Act as currently in effect (the Yount Trading Plan). The Yount Trading Plan has a duration of July 2, 2024 to June 20, 2025, and provides for the sale of up to 948,597 shares of the Company’s Class A common stock.

Item 6. Exhibits.

(a) Exhibits.

Exhibit Number	Description of Exhibit	Location
10.1+	Form of Performance Stock Option Agreement	Filed herewith
31.1	Certification of Principal 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.	Filed herewith
31.2	Certification of Principal 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.	Filed herewith
32.1*	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Furnished herewith
32.2*	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Furnished herewith
101.INS	Inline XBRL Instance Document.(the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL 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 (formatted as Inline XBRL and contained in Exhibits 101).	**

+ Indicates a management contract or compensatory plan.

* The certifications attached as Exhibits 32.1 and 32.2 that accompany this Quarterly Report on Form 10-Q are deemed furnished and not filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

** Furnished herewith. Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

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.

NERDWALLET, INC.

Date: April 25, 2024

By: /s/ Lauren StClair

Lauren StClair

Chief Financial Officer

NERDWALLET, INC.
PERFORMANCE-BASED STOCK OPTION GRANT NOTICE
(2021 EQUITY INCENTIVE PLAN)

NerdWallet, Inc. (the “*Company*”), pursuant to its 2021 Equity Incentive Plan, as amended (the “*Plan*”), has granted to you (“*Optionholder*”) a performance-based stock option to purchase the target number of shares of the Common Stock (the “*Option*”) specified, and on the terms set forth below, which award constitutes a “Performance Award” under the Plan. Your Option is subject to all of the terms and conditions as set forth in this Performance-Based Stock Option Grant Notice (the “*Grant Notice*”) and in the Plan, the Performance-Based Stock Option Agreement and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Performance-Based Stock Option Agreement shall have the meanings set forth in the Plan or the Performance-Based Stock Option Agreement, as applicable.

Optionholder:	_____
Date of Grant:	_____
Performance Period:	_____
Target Number of Shares of Common Stock Subject to Option:	_____
Maximum Number of Shares of Common Stock Subject to Option:	_____
Exercise Price (Per Share):	_____
Total Exercise Price:	_____
Expiration Date:	_____

Type of Grant:	Nonstatutory Stock Option
Exercise and Vesting Schedule:	Subject to the conditions in Exhibit A to the Award Agreement, between []% and []% number of shares of Common Stock subject to the Option will be eligible to vest and become exercisable contingent upon: (i) the Committee’s certification of the actual level of attainment of the Performance Goals for each of the Performance Criteria during the Performance Period and (ii) your Continuous Service from the Date of Grant through each applicable vesting date (as set forth in <u>Exhibit A</u> to the Award Agreement). Upon the termination of your Continuous Service for any reason, all shares of Common Stock subject to the Option that have not become vested in accordance with Exhibit A to the Award Agreement at the time of such termination will be immediately and automatically forfeited (except as otherwise provided in the Award Agreement or Exhibit A thereto).

Optionholder Acknowledgements: By your signature below or by electronic acceptance or authentication in a form authorized by the Company, you understand and agree that:

- The Option is governed by the Grant Notice, and the provisions of the Plan, the Performance-Based Stock Option Agreement and the Notice of Exercise, all of which are made a part of this document. Unless otherwise provided in the Plan, this Grant Notice and the Performance-Based Stock Option Agreement (together, the “*Option Agreement*”) may not be modified, amended or revised except in a writing signed by you and a duly authorized officer of the Company.

- You consent to receive this Grant Notice, the Performance-Based Stock Option Agreement, the Plan and any other Plan-related documents (including the Prospectus) by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.
- You have read and are familiar with the provisions of the Plan, this Grant Notice, the Performance-Based Stock Option Agreement, the Notice of Exercise and the Prospectus. In the event of any conflict between the provisions in this Grant Notice, the Performance-Based Stock Option Agreement, the Notice of Exercise, or the Prospectus and the terms of the Plan, the terms of the Plan shall control.
- The Option Agreement sets forth the entire understanding between you and the Company regarding the acquisition of Common Stock and supersedes all prior oral and written agreements, promises and/or representations on that subject with the exception of other equity awards previously granted to you and any written employment agreement, offer letter, severance agreement, written severance plan or policy, or other written agreement between the Company and you in each case that specifies the terms that should govern this Option.
- Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

NERDWALLET, INC.

OPTIONHOLDER:

By: _____
 Signature

Title: _____

Date: _____

By: _____
 Signature

Date: _____

ATTACHMENTS: Performance-Based Stock Option Agreement, 2021 Equity Incentive Plan, as amended, Notice of Exercise

ATTACHMENT I

PERFORMANCE-BASED STOCK OPTION AGREEMENT

NERDWALLET, INC.
2021 EQUITY INCENTIVE PLAN

PERFORMANCE-BASED STOCK OPTION AGREEMENT

As reflected by your Performance-Based Stock Option Grant Notice (“**Grant Notice**”), NerdWallet, Inc. (the “**Company**”) has granted you an option under its 2021 Equity Incentive Plan, as amended (the “**Plan**”) to purchase the target number of shares of Common Stock (the “**Option**”) at the exercise price indicated in your Grant Notice (which Option shall constitute a “Performance Award” under the Plan). The terms of your Option as specified in the Grant Notice and this Performance-Based Stock Option Agreement (this “**Agreement**”) constitute your “**Option Agreement**.” Capitalized terms not explicitly defined in this Agreement but defined in the Grant Notice or the Plan shall have the meanings set forth in the Grant Notice or Plan, as applicable.

The general terms and conditions applicable to your Option are as follows:

1. GOVERNING PLAN DOCUMENT. Your Option is subject to all the provisions of the Plan, including but not limited to the provisions in:

- (a) Section 6 regarding the impact of a Capitalization Adjustment, dissolution, liquidation, or Corporate Transaction on your Option;
- (b) Section 9(e) regarding the Company’s retained rights to terminate your Continuous Service notwithstanding the grant of the Option; and
- (c) Section 8(c) regarding the tax consequences of your Option.

Your Option is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the Option Agreement and the provisions of the Plan, the provisions of the Plan shall control.

2. EXERCISE.

(a) You may generally exercise the vested portion of your Option for whole shares of Common Stock at any time during its term by delivery of payment of the exercise price and applicable withholding taxes and other required documentation to the Plan Administrator in accordance with the exercise procedures established by the Plan Administrator, which may include an electronic submission. Please review Sections 4(i), 4(j) and 7(b)(v) of the Plan, which may restrict or prohibit your ability to exercise your Option during certain periods.

(b) To the extent permitted by Applicable Law, you may pay your Option exercise price as follows:

- (i) cash, check, bank draft or money order;
- (ii) subject to Company and/or Committee consent at the time of exercise, pursuant to a “cashless exercise” program as further described in Section 4(c)(ii) of the Plan if at the time of exercise the Common Stock is publicly traded;
- (iii) subject to Company and/or Committee consent at the time of exercise, by delivery of previously owned shares of Common Stock as further described in Section 4(c)(iii) of the Plan; or

(iv) subject to Company and/or Committee consent at the time of exercise, if the Option is a Nonstatutory Stock Option, by a “net exercise” arrangement as further described in Section 4(c)(iv) of the Plan.

(c) By accepting your Option, you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2241 or any successor or similar rules or regulation (the “*Lock-Up Period*”); *provided, however*, that nothing contained in this section will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the Company held by you will be bound by this Section 2(c). The underwriters of the Company’s stock are intended third party beneficiaries of this Section 2(c) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

3. TERM. You may not exercise your Option before the commencement of its term or after its term expires. The term of your Option commences on the Date of Grant and expires upon the earliest of the following:

- (a) immediately upon the termination of your Continuous Service for Cause;
- (b) three months after the termination of your Continuous Service for any reason other than Cause, Disability or death;
- (c) 12 months after the termination of your Continuous Service due to your Disability;
- (d) 18 months after your death if you die during your Continuous Service;
- (e) immediately upon a Corporate Transaction if the Board has determined that the Option will terminate in connection with a Corporate Transaction;
- (f) the Expiration Date indicated in your Grant Notice; or
- (g) the day before the 10th anniversary of the Date of Grant.

Notwithstanding the foregoing, if you die during the period provided in Section 3(b) or 3(c) above, the term of your Option shall not expire until the earlier of (i) 18 months after your death, (ii) upon any termination of the Option in connection with a Corporate Transaction, (iii) the Expiration Date indicated in your Grant Notice, or (iv) the day before the tenth anniversary of the Date of Grant. Additionally, the Post-Termination Exercise Period of your Option may be extended as provided in Section 4(i) of the Plan.

4. WITHHOLDING OBLIGATIONS. As further provided in Section 8 of the Plan: (a) you may not exercise your Option unless the applicable tax withholding obligations are satisfied, and (b) at the time you exercise your Option, in whole or in part, or at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a “cashless exercise” pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations, if any, which arise in connection with the exercise of your Option in accordance with the withholding procedures established by the Company. Accordingly, you may not be able to exercise your Option even though the Option is vested, and the Company shall have no obligation to issue shares of Common Stock subject to your Option, unless and until such obligations are satisfied. In the event that the amount of the Company’s withholding obligation in connection with your Option was greater than the amount actually withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

5. TRANSFERABILITY. Except as otherwise provided in Section 4(e) of the Plan, your Option is not transferable, except by will or by the applicable laws of descent and distribution, and is exercisable during your life only by you.

6. CORPORATE TRANSACTION. Your Option is subject to the terms of any agreement governing a Corporate Transaction involving the Company, including, without limitation, a provision for the appointment of a stockholder representative that is authorized to act on your behalf with respect to any escrow, indemnities and any contingent consideration.

7. COMPENSATION RECOVERY POLICY. You acknowledge and agree that the terms and conditions set forth in the NerdWallet, Inc. Compensation Recovery Policy effective October 2, 2023 (the “*Clawback Policy*”) are incorporated in this Agreement by reference. To the extent the Clawback Policy is applicable to you, it creates additional rights for the Company with respect to this Option, shares of Common Stock received upon the exercise of the Option, and other applicable compensation, including, without limitation, annual cash incentive compensation awards granted to you by the Company. Notwithstanding any provisions in this Agreement to the contrary, any award granted under the Plan, shares of Common Stock received upon the exercise or settlement of any such award, and such other applicable compensation, including, without limitation, annual cash incentive compensation, will be subject to potential mandatory cancellation, forfeiture and/or repayment by you to the Company to the extent you are, or in the future become, subject to (i) any Company clawback or recoupment policy, including the Clawback Policy and any other similar policies that are adopted by the Company, or (ii) any applicable laws that impose mandatory clawback or recoupment requirements under the circumstances set forth in such laws. By accepting the Option, you consent to be bound by the terms of the Clawback Policy, if applicable, and agree and acknowledge that you are obligated to cooperate with, and provide any and all assistance necessary to, the Company in its efforts to recover or recoup the Option and any shares of Common Stock received upon the exercise of the Option, any gains or earnings related thereto, or any other applicable compensation, including, without limitation, annual cash incentive compensation, that is subject to clawback or recoupment. Such cooperation and assistance shall include, but is not limited to, executing, completing and submitting any documentation necessary to facilitate the recovery or recoupment by the Company from you of any such amounts, including from your accounts or from any other compensation, to the extent permissible under Section 409A.

8. NO LIABILITY FOR TAXES. As a condition to accepting the Option, you hereby (a) agree to not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates

related to tax liabilities arising from the Option or other Company compensation and (b) acknowledge that you were advised to consult with your own personal tax, financial and other legal advisors regarding the tax consequences of the Option and have either done so or knowingly and voluntarily declined to do so. Additionally, you acknowledge that the Option is exempt from Section 409A only if the exercise price is at least equal to the “fair market value” of the Common Stock on the date of grant as determined by the Internal Revenue Service and there is no other impermissible deferral of compensation associated with the Option. Additionally, as a condition to accepting the Option, you agree not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that such exercise is less than the “fair market value” of the Common Stock on the date of grant as subsequently determined by the Internal Revenue Service.

9. SEVERABILITY. If any part of this Option Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Option Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Option Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid

10. OTHER DOCUMENTS. You hereby acknowledge receipt of or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Prospectus. In addition, you acknowledge and agree to be subject to the Company’s Trading Policy, which such Trading Policy has been or will be made available to you.

11. QUESTIONS. If you have questions regarding these or any other terms and conditions applicable to your Option, including a summary of the applicable federal income tax consequences please see the Prospectus.

* * * *

Exhibit A
Performance-Based Stock Option Statement of Performance Goals

This Statement of Performance Goals applies to the performance-based stock option to purchase shares of Common Stock (the “*Option*”) granted to you on the Date of Grant and applies with respect to the Performance-Based Stock Option Award Grant Notice and related Award Agreement (collectively, the “*Agreement*”). Capitalized terms used but not explicitly defined in this Exhibit A to the Agreement but defined in the Plan or the Agreement will have the meanings assigned to them in such document.

1. Performance Period. The performance period for the Option shall be the period of time beginning on [] and ending on [] (the “*Performance Period*”).
2. Performance Goals and Committee Certification. The Performance Criteria for the Option shall be [Performance Measure 1] and [Performance Measure 2] for the Performance Period. The Committee will determine the number of shares of Common Stock subject to the Option that may be earned pursuant to the Performance-Based Stock Option Agreement based on the following Performance Goals for each of the Performance Criteria for the Performance Period:

		Performance Goals and Payout Levels (as a Percentage of the Target Number of Shares Subject to the Option for the [Performance Measure 1] Criteria)		
Portion of Option	Performance Criteria	Threshold []	Target []	Maximum []
[]	[Performance Measure 1]	[]	[]	[]

		Performance Goals and Payout Levels (as a Percentage of the Target Number of Shares Subject to the Option for the [Performance Measure 2] Criteria)		
Portion of Option	Performance Criteria	Threshold []	Target []	Maximum []
[]	[Performance Measure 2]	[]	[]	[]

Straight line interpolation will be used between each of the levels of performance shown on the table above. No portion of the Option will be earned if performance for the applicable Performance Criteria is below the “Threshold” level. No more than [] of the Option may be earned regardless of performance in excess of the “Maximum” level.

As soon as practicable following the last day of the Performance Period, the Committee shall determine and certify the Applicable Payout Percentage for each of the Performance Criteria for the Performance Period and determine the earned portion of the [Performance Measure 1] Qualified Option, [Performance Measure 2] Qualified Option and the total earned portion of the Performance Qualified Option (the date of such certification, the “*Committee Certification Date*”).

The Performance Qualified Option will remain subject to the other conditions of the Agreement and this Exhibit A (including Section 3 below), which must be satisfied for any Performance Qualified Option to vest.

3. Continued Service-Based Vesting Requirement. The Performance Qualified Option will vest as follows, in each case subject to your Continuous Service through the applicable vesting date:

(a) []% of the Performance Qualified Option, rounded down to the nearest whole share, will vest on []; provided, however, that if the Committee Certification Date is after [], such portion of the Option shall instead vest on the date that is 10 business days after such Committee Certification Date;

(b) []% of the Performance Qualified Option, rounded down to the nearest whole share, will vest on each of the next 7 Quarterly Installment Dates, beginning on []; and

(c) Any then earned and unvested portion of the Performance Qualified Option shall vest on the 8th Quarterly Installment Date.

Except as set forth in Section 4 below, if your Continuous Service terminates for any reason, any portion of the Performance Qualified Option that has not become vested in accordance with this Section 3 at the time of such termination will be immediately and automatically forfeited.

4. Effect of a Change of Control.

(a) Notwithstanding the vesting schedule in the Agreement or anything in this Exhibit A, if at any time before the vesting or forfeiture of the Option, and while you are continuously employed by the Company or a Subsidiary, (i) a Change of Control (as defined in the Company’s Amended and Restated Change of Control and Severance Policy) occurs and (ii) the surviving or acquiring corporation (or its parent company) in such Change of Control does not assume or continue the Option covered by this Agreement or substitute a similar award for such Option (a “*Replacement Award*”), then any portion of the Option that is then unvested will become immediately vested at the Change of Control Performance Level immediately prior to (and contingent upon) the Change of Control.

(b) If, within 12 months after a Change of Control, you experience a COC Qualifying Termination (as defined in the Company’s Amended and Restated Change of Control and Severance Policy) during the remaining vesting period for the Option (or the Replacement Award), any unvested portion of the Option (or the Replacement Award) shall immediately vest in full upon such COC Qualifying Termination.

(c) If you experience a Qualifying Termination (as defined in the Company’s Amended and Restated Change of Control and Severance Policy) during the remaining vesting period for the Option and then a Change of Control occurs within three months following such termination of employment, any unvested Option shall immediately vest in full upon such

COC Qualifying Termination at the Change of Control Performance Level. For the avoidance of doubt, if your employment is terminated due to a Qualifying Termination prior to a Change of Control, the unvested portion of the Option shall remain outstanding for three months such that it may have an opportunity to vest in accordance with this Section if a Change of Control occurs within such time.

- (d) If at the time a Change of Control occurs, any portion of the Option covered by this Agreement is still subject to performance-based vesting conditions, then any award provided in substitution for the Option in connection with the Change of Control will not be considered a “Replacement Award” for purposes of this Section 4 unless it is an award of a time-based option, with the number of such shares subject to the option determined based on the Change of Control Performance Level.

5. Definitions.

- (a) “**Applicable Payout Percentage**” means the actual level of attainment (which may equal 0% or range from []% , to []%) of the Performance Goals for the applicable Performance Criteria for the Performance Period.
- (b) “**Change of Control Performance Level**” means: (i) if the Change of Control occurs before the last day of the Performance Period, the “target” performance level; (ii) if the Change of Control occurs on or after the last day of the Performance Period but prior to the Committee Certification Date, the actual performance level measured as of the end of the Performance Period (as determined by the Committee, as constituted immediately prior to the Change of Control, in its sole discretion); or (iii) if the Change of Control occurs on or after the Committee Certification Date, the actual performance level determined by the Committee on such date.
- (c) [**Performance Measure/Criteria Definitions**]
- (d) “**Performance Qualified Option**” means a number, rounded down to the nearest whole share, equal to (i) the [Performance Measure 1] Qualified Option plus (ii) the [Performance Measure 2] Qualified Option and represents the total number of shares subject to the Option that are eligible to vest and be earned in accordance with and subject to Section 3 of this Exhibit A.
- (e) “**[Performance Measure 1] Qualified Option**” means a number equal to (i) the Target Number of shares subject to the Option, multiplied by (ii) []%, multiplied by (iii) the Applicable Payout Percentage for [Performance Measure 1].
- (f) “**[Performance Measure 2] Qualified Option**” means a number equal to (i) the Target Number of shares subject to the Option, multiplied by (ii) []%, multiplied by (iii) the Applicable Payout Percentage for [Performance Measure 2].
- (g) “**Quarterly Installment Date**” means March 1, June 1, September 1, and December 1 of each year, provided that if such date is not a business day, the Quarterly Installment Date shall be the first business day after such date.

ATTACHMENT II
2021 EQUITY INCENTIVE PLAN

ATTACHMENT III
NOTICE OF EXERCISE

NERDWALLET, INC.
(2021 EQUITY INCENTIVE PLAN)
NOTICE OF EXERCISE

NERDWALLET, INC.
55 HAWTHORNE ST., 10TH FLOOR
SAN FRANCISCO, CA 94105

Date of Exercise: _____

This constitutes notice to NerdWallet, Inc. (the “*Company*”) that I elect to purchase the below number of shares of Common Stock of the Company (the “*Shares*”) by exercising my Option for the price set forth below. Capitalized terms not explicitly defined in this Notice of Exercise but defined in the Grant Notice, Option Agreement or 2021 Equity Incentive Plan, as amended (the “*Plan*”) shall have the meanings set forth therein, as applicable. Use of certain payment methods is subject to Company and/or Committee consent and certain additional requirements set forth in the Option Agreement and the Plan.

Type of option:	Nonstatutory
Date of Grant:	
Number of Shares as to which Option is exercised:	
Certificates to be issued in name of:	
Total exercise price:	\$ _____
Cash, check, bank draft or money order delivered herewith:	\$ _____
Value of _____ Shares delivered herewith:	\$ _____
Regulation T Program (cashless exercise)	\$ _____
Value of _____ Shares pursuant to net exercise:	\$ _____

By this exercise, I agree (i) to provide such additional documents as the Company may require pursuant to the terms of the Plan and (ii) to satisfy the tax withholding obligations, if any, relating to the exercise of this Option as set forth in the Option Agreement.

Very truly yours,

—

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

I, Tim Chen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NerdWallet, 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: April 25, 2024

/s/ Tim Chen

Tim Chen
Chief Executive Officer and
Chairman of the Board of Directors

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

I, Lauren StClair, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NerdWallet, 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: April 25, 2024

/s/ Lauren StClair

Lauren StClair
Chief Financial Officer

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

I, Tim Chen, Chief Executive Officer and Chairman of the Board of Directors of NerdWallet, Inc. (the “Company”), certify, as of the date hereof and solely for purposes of and pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, 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 results of operations of the Company at the dates and for the periods indicated.

Date: April 25, 2024

/s/ Tim Chen

Tim Chen

Chief Executive Officer and
Chairman of the Board of Directors

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

I, Lauren StClair, Chief Financial Officer of NerdWallet, Inc. (the "Company"), certify, as of the date hereof and solely for purposes of and pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, 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 results of operations of the Company at the dates and for the periods indicated.

Date: April 25, 2024

/s/ Lauren StClair

Lauren StClair
Chief Financial Officer