

## Operator

Good morning and welcome to CLEAR's fiscal first quarter 2026 conference call. We have with us today Caryn Seidman Becker, Founder, Chair and Chief Executive Officer, Michael Barkin, President, and Jen Hsu, Chief Financial Officer.

As a reminder before we begin, today's discussion contains forward-looking statements about the Company's future business and financial performance. These are based on management's current expectations and are subject to risks and uncertainties. Factors that could cause actual results to differ materially from these statements are included in the documents the Company has filed and furnished with the SEC including today's press release. The Company disclaims any obligation to update any forward-looking statements that may be discussed during this call.

During this call, unless otherwise stated, all comparisons will be against the comparable period of fiscal year 2025. Additionally, the Company will discuss both GAAP and non-GAAP financial measures. A reconciliation of GAAP to non-GAAP financial measures is provided in today's press release and the most recently filed Form 10-Q. These items can be found on the Investor Relations section of CLEAR's website. With that, I'll turn the call over to Caryn.

## Caryn Seidman Becker *Founder, Chair, and CEO*

The first quarter was a definitive stress test for the global identity landscape. As the physical and digital worlds collided with unprecedented speed—CLEAR met the moment.

The seeds we planted to build the world's most trusted secure identity platform are maturing at exactly the right time. We are operating in an environment of structural instability, where the national travel system is strained and AI-driven fraud is escalating at an exponential rate. In this world, identity is not a feature; it is the foundational infrastructure of a functioning economy. If you get identity wrong, nothing else matters.

We ended this quarter with 41 million Total CLEAR Members, driving Bookings of \$292 million and Free Cash Flow of \$185 million. These record results are the direct output of our forever obsession with frictionless experiences and a fortress approach to security. We are meeting this moment by raising identity standards with the speed and urgency this environment demands.

### **CLEAR Travel**

As I often say, and we're all now all seeing first hand, travel is hard, and getting harder. March underscored the immense strain on our national travel system and highlighted the importance of public-private partnership. We entered 2026 with incredible momentum in our customer experience and innovation across our travel business, which continued in the first quarter. Our "Home-to-Gate" strategy is transforming a fragmented series of travel hurdles into a singular, seamless experience. eGates now cover over 50% of our network and we plan to exceed 80% by the end of the second quarter. The data is irrefutable: 1 step, 5 second biometric entry is delighting Members. Average wait time for CLEAR+

Members is now under 1 minute, NPS has reached a 3-year high, and it's not surprising that travelers who use an eGate have significantly higher NPS than non-eGate users. This is contributing to strong Member adds and improved retention.

Our reimagined app, which recently reached #4 in the Travel App Store, is becoming the go-to app for our travelers. By creating certainty and transparency around the day of travel—syncing calendars, travel documents, wayfinding, and partner integrations—mobile app adoption has doubled for travelers. The app is becoming the control center for the day of travel—proactively organizing trips, surfacing gate and security details, and unlocking CLEAR services with just one tap.

Demand for CLEAR Concierge continued to increase dramatically during the quarter, and the challenges of the shutdown highlighted the value proposition of our premium product. This is a high-margin, high-touch service and we are aggressively scaling it to major cities nationwide. Concierge turns a stressful travel day into a seamless, delightful experience, with an Ambassador guiding you every step of the way.

I want to thank the TSA officers who worked tirelessly without pay through the shutdown. We stood with our partners, supporting them and their families, and over 3,500 CLEAR Ambassadors worked hand-in-glove with the TSA to keep travelers moving pre and post security. The combination of CLEAR Ambassadors, our approach to hospitality and the benefit of our eGates served as a stabilizing force. This is the power of public-private partnership: private-sector speed and innovation meeting public-sector scale.

## **CLEAR1**

Identity is trusted infrastructure—it is being woven into the fabric of securing physical, digital, and agentic experiences. CLEAR is the trusted brand building the smart network of human identities.

The definition of "secure" has been permanently altered, and identity is becoming harder to solve. As AI accelerates, traditional credentials like drivers licenses have become obsolete vulnerabilities. When identities and credentials can be simulated, the fundamental question becomes: are you who you say you are and what should you have access to?

CLEAR1 is our answer. We are raising the bar for identity standards through a multi-layered approach fusing biometrics, government-issued identification, source corroboration, and device signals to confirm that you are you. This quarter, we achieved significant year-over-year growth, driven by almost two times the amount of signed deals and a record number of large, multi-year enterprise contracts. Organizations now realize that identity integrity is a key protective layer.

We are committed to securing the nation's digital frontline by establishing total identity integrity across high-stakes environments. Our FedRAMP milestone is the first step towards unlocking our GovTech vertical. It builds on our mission with CMS to eliminate the systemic fraud highlighted in the December GAO report—where as many as 125 insurance policies were connected to a single identity. Our work directly supports the White House's Executive Order on fighting fraud, waste, and abuse. We are aggressively replacing vulnerable legacy systems with a high-integrity layer that proactively thwarts bad actors. By ensuring taxpayer dollars and sensitive records remain shielded, CLEAR is delivering the non-negotiable foundation for a secure, functioning digital economy.

This is a transformative era. With the World Cup, America 250, and record summer travel on the horizon, our mission has never been more critical. We are starting this year from a position of immense strength—in innovation, in execution and in financial performance. We will continue to drive Members, Bookings, and Free Cash Flow with relentless intensity.

I want to thank our extraordinary Ambassadors and the entire CLEAR team for their unwavering commitment to our Members and our partners.

With that, I'll turn it over to Jen.

## Jen Hsu *Chief Financial Officer*

Thank you, Caryn.

Our first quarter results reflect step-change growth, continued margin expansion, and accelerating Free Cash Flow generation.

CLEAR Travel and CLEAR1 growth is compounding. In Q1, we delivered over 40% Bookings growth and approximately 32% Adjusted EBITDA margins, while also doubling our absolute Free Cash Flow year-over-year to \$185 million.

These results build on our strong momentum entering the year, and importantly, Q1 heading into the DHS shutdown was trending to exceed the 25% Bookings growth that we reported in Q4 of last year. The shutdown further enhanced a strong quarter, highlighting how well-positioned CLEAR is to improve the travel experience, deliver greater hospitality, and drive the highest levels of security.

The consistency and predictability of the CLEAR+ value proposition was evident during the shutdown, boosting Member acquisition in the quarter. Revenue grew 19.7% year-over-year to \$253.0 million, Total Bookings increased 40.8% to \$291.7 million, and Active CLEAR+ Members grew to 8.2 million, up 13.0% year-over-year. Importantly, the investments we are making in Member experience are driving improvements in retention on our growing base of CLEAR+ Members, translating the strong customer acquisition in the quarter into a durable benefit for our business.

The shutdown also accelerated awareness and adoption of our Concierge offering. Starting at \$99, CLEAR+ Members can book an Ambassador to greet you at the airport and expedite you through security for an even faster, stress-free journey. We are now offering Concierge service in 32 airports, and remain in the early innings of scaling Concierge across our network, driving Member awareness and adoption.

The products we are building around our Home-to-Gate CLEAR Travel experience, whether it be our mobile app, eGates, or services such as Concierge, position us to drive greater Member growth, strong retention, and increasing levels of ARPU.

CLEAR1 is an infrastructure layer for identity, akin to how digital wallets transformed the payments industry. The growing demand for CLEAR1 is reflected in our results. Total CLEAR Members grew 31.3% to 41.0 million, and CLEAR1 Bookings were approximately 5x those of Q1 last year, representing another record quarter.

CLEAR1 is an enterprise business. We typically enter into multi-year contracts with partners that include minimum annual commitments, providing revenue visibility and predictability. We are prioritizing a focused set of verticals, including Healthcare, Workforce, Consumer, and an early but significant opportunity in Government and federal relationships.

The platform economies of scale in our business model have become increasingly evident. We are driving meaningful operating leverage as we scale, with close to 70% Adjusted EBITDA flow-through and highly attractive levels of Free Cash Flow conversion.

In Q1, we generated \$62.0 million of operating income and \$80.6 million of Adjusted EBITDA, representing a 31.9% Adjusted EBITDA margin and 7.2 percentage points of margin expansion year-over-year. Q1 net cash provided by operating activities was \$190.4 million and Free Cash Flow was \$185.5 million, representing 103.2% year-over-year growth.

Our strong performance and operating rigor position us positively as secure identity becomes increasingly complex and foundational. We are accelerating our product roadmap across CLEAR Travel and CLEAR1, and are leaning into marketing to drive greater brand awareness for CLEAR as the leading secure identity company. We are doing this while delivering expected Adjusted EBITDA margin expansion in 2026 relative to 2025, and, simultaneously increasing our Free Cash Flow guidance for the year.

We ended the quarter with \$800 million of cash and marketable securities on our balance sheet, which provides us strategic flexibility while capitalizing on macro tailwinds and operating strength.

Turning to guidance, for Q2, we expect Revenue of \$268–271 million and Total Bookings of \$280–285 million, representing 22.8% and 26.7% growth at the midpoint, respectively.

In light of our Q1 outperformance and confidence in our ability to sustain the momentum, we are increasing our 2026 full year Free Cash Flow guidance from at least \$440 million to at least \$465 million, which would represent an increase of approximately \$120 million year-over-year and at least 36% year-over-year growth.

With that, we will open the call for Q&A.

## Operator

Thank you. We will now be conducting a question and answer session. If you would like to ask a question, please press star, one on your telephone keypad. A confirmation tone will indicate your line is in the question queue. You may press star, two to remove yourself from the queue. For participants using speaker equipment, it may be necessary to pick up your handset before pressing the star keys. We ask that you please limit yourself to one question and one follow-up question.

Our first question has come from the line of Joshua Reilly with Needham. Please proceed with your questions.

## Joshua Reilly *Needham & Company*

All right, great. Thanks for taking my questions and congrats on an extremely impressive quarter here. So just maybe to hit on the Bookings for CLEAR1 to start with, maybe you could just explain why now after working on this for a number of years, are you seeing such impressive momentum in the CLEAR1 Bookings with both not only enterprise, but government use cases? And what is it that's differentiated about your platform that's helping you win this business versus competitors?

## Caryn Seidman Becker *Founder, Chair, and CEO*

Thanks, Josh. I think that there's a few key points. For a long time, I would tell you that we were a solution looking for a problem. We said that identity is security. We said that identity is infrastructure. And then you saw the world turn over the last few years. You saw it on the cyber front. You saw it on the fraud front. You saw it on the interoperability of healthcare front.

And so identity has become ever more important in a digital world, and there's now problems looking for our solutions. And with a trusted brand with over 41 million Members on the platform, CLEAR is the company that people call to help them solve their problems. I also think that AI is accelerating the need for trusted identity, physical, digital, and agentic world. And so I think that is another accelerant.

I think identity is absolutely becoming more complex. And so verifying that you are you and connecting you to all the things that make you you has never been more important. So you think about what makes CLEAR special—first of all, a trusted brand. Second of all, a network of identities who know that they have enrolled in CLEAR, who have opted in and look for CLEAR in more places.

And then total identity integrity—a driver's license is no longer true identity. So when you look at what we've done in the airport as a qualified anti-terrorism technology with NextGen Identity+, with source corroboration, with a digital footprint, ensuring true identity—think about the agentic world. It's not just knowing who you are; that's the foundational piece. Then what about the hundred agents that are connected to you and what they should have access to. Look at the physical world in security. There are events at this point on a weekly basis. You have to know who you are letting in and what they should have access to. Look at workforce with North Koreans infiltrating critical infrastructure. Look at the administration with an executive order trying to reduce fraud. While we've started in Medicare, there's Social Security, there's IRS, right? There's so many places where you need to bring program integrity.

And so it is the time, and we are here to meet the moment. I think we've been very public in airports for 16 years, right? Millions of people go through that every day. There was no better place to build our brand and our capabilities. And so it is a very natural transition to these other areas that have a sense of urgency right now and that we are building strong long-term partnerships with.

## Jen Hsu *Chief Financial Officer*

And Josh, I might just—

Joshua Reilly *Needham & Company*

—Awesome—

Jen Hsu *Chief Financial Officer*

—[Inaudible] business momentum that Caryn just described is really translating across the board in our financial and operating metrics for that business. We're seeing our pipeline grow. We have a very healthy number of new partner wins. Seven-figure contract deals are up, and we have very strong net retention—net revenue retention. So overall, I think all positive signals for that business.

Joshua Reilly *Needham & Company*

Awesome. And then just one follow up—as you look at the 8.2 million active CLEAR+ Members, obviously, that's a significant acceleration by any way of looking at it. Can you just help us understand what was the mix maybe of trial customers that were added in the March quarter there with the TSA shutdown versus full paying Members and any early read on how you're going to be able to keep this cohort that you added with the TSA troubles now that things have normalized? Thank you, guys.

Jen Hsu *Chief Financial Officer*

Sure. I guess, Josh, I would say, I think we would have we—we expected to sustain and build upon our momentum heading out of Q4 and entering this year. And so I think we would have expected sustained growth from an active CLEAR+ metric relative to Q4 of '25. From a trial perspective, I think we feel pretty good about our ability to convert those trial Members from the sort of few weeks of shutdown into healthy paying customers and Bookings. And you see that reflected both, I think, both in our Q1 results, but also in our Q2 guidance. And probably most importantly, the Members that we acquired during the shutdown, I think, signed up at a period of time when our value proposition was particularly evident. And so I think we feel very good about our ability to retain those Members for the long term.

Operator

Thank you. Our next questions come from the line of Cory Carpenter with J.P. Morgan. Please proceed with your questions.

Cory Carpenter *J.P. Morgan*

Hey, good morning, Caryn and Jen. I had two maybe, Caryn, for you. Be curious, just I think there's some debate in there around the broader health of the travel environment. So curious what you're seeing there in recent weeks, given some of the higher oil prices and geopolitical issues. And secondly, just, Jen,

the commentary on the demand before the TSA turmoil was helpful. Curious, how has demand looked kind of since the TSA wait times have normalized? Do you worry at all that there could be a bit of an air pocket after perhaps a bit of a pull forward? Thank you.

## Caryn Seidman Becker *Founder, Chair, and CEO*

So I'll go first. I think I'm going to repeat what we've always said, which is consumers love to travel, and yet day of travel is really hard. I would look to the other travel companies, whether it be the airlines talking about very strong top-line growth. Certainly, some of that is revenues, but it's also volume going through airports. Airport traffic has remained, I would say, steady. And I think the most important thing for us is the value proposition. So I would say it's a backdrop of fine, strong travel growth. I haven't seen a big impact yet from oil. You are seeing corporate travel strengthen, so I think that that's really important also when you look at the type of customer there.

But for us, it's really about controlling our own destiny and driving the Member experience. And so we're halfway through our eGate rollout. That has just such a massive impact on the customer experience, which drives retention, gross adds, conversions, the whole thing. And so continuing to drive that over the next quarter, rolling out our Concierge business, which while we're excited to be in over 30 airports today, we are still missing our biggest cities like New York and L.A. and San Francisco. So bringing those on this year will continue to drive it. And continuing to have an accelerated product release cadence on our app so we can really build a Home-to-Gate experience, not to mention partnerships.

So we see a lot of opportunity to continue to drive the customer experience, both on our own and with partners, against, I would say, a reasonable travel backdrop. So we're all watching oil. But thus far, if you look at the other travel companies, demand has remained strong.

## Jen Hsu *Chief Financial Officer*

And Cory, to your question around sustainability of growth, I think that's reflected in our Q2 outlook, which implies 27% year-on-year growth at the midpoint and continues to accelerate relative to where we were entering the year. I also think it's important to emphasize that the strong underlying demands in our business are not masked by what was really kind of a three-week benefit from the shutdown. Our NPS scores have been consistently at a multi-year high and I think is representative of the work and the investments that we've made over the past few years as travel has gotten harder and become more challenging for consumers.

And so overall, I think we continue to enhance our value proposition. And by the way, we think we still have a lot more to do there. We are continuing to roll out our eGates across the network. We are very early in driving brand awareness for Concierge as just a few examples.

## Cory Carpenter *J.P. Morgan*

Okay. Thank you both.

## Operator

Thank you. Our next question has come from the line of Eric Sheridan with Goldman Sachs. Please proceed with your questions.

## Eric Sheridan *Goldman Sachs*

Thanks so much for taking the question. Maybe just one big picture question just tying into some of the comments you've made so far, Caryn. Just in terms of when you get this type of signal from the end market in terms of product adoption, is there any reordering of priorities, things that you maybe would have had on your long-term strategic or investment roadmap that makes you want to pull those more forward? So just understanding a little bit about reordering the priorities, if any, and what implications that might mean for emphasis on growth relative to incremental margins in the business, not just in 2026, but maybe over the medium term. Thanks so much.

## Caryn Seidman Becker *Founder, Chair, and CEO*

Yeah, great question. So I would say the Free Cash Flow that you saw and that we've projected for the year is inclusive of accelerating investments in product, engineering, brand, marketing, and security. And so we are making those investments, and those are in the numbers that we've shared today.

So absolutely, we've seen the signals. We are accelerating our investment in product, in marketing, in brand awareness, right? It's very important that CLEAR is known as the trusted, secure identity platform that can solve your problems for your workforce and for your consumers, that we can make experiences safer and easier physically and digitally, right? And so we need to be known for that. We are telling people about that. You will see more of that.

I talk a lot about product release cadence. I think becoming more AI native, the expectation is that we are releasing more products for both CLEAR1 and CLEAR Travel with higher velocity and better releases in terms of quality and customer launches. We are investing in sales; we're investing in customer success. And so—but again, all of that is inclusive of the numbers that we have put forth. And so we're really excited to be able to lean in on these fronts and still generate very strong Free Cash Flow, and quite frankly, have a very strong balance sheet, which creates optionality for us to continue to invest in different ways.

## Eric Sheridan *Goldman Sachs*

Great. Thank you.

## Operator

Thank you. Our next question has come from the line of Mark Kelley with Stifel. Please proceed with your questions. Great.

## Brandon Roop *Stifel*

Thanks for taking the question. This is Brandon on for Mark. I guess, first, on CLEAR1, I think last quarter, you guys had called out that the business was doubling year-over-year, and now it's growing at 5x that rate. So it's a pretty nice acceleration there. You had a handful of announcements over the last quarter, new partners and inclusion on the FedRAMP marketplace. I was wondering if you'd be able to walk us through kind of what the typical ramp process and timing looks like for a new partner add in the CLEAR1 business. Is it just as simple as like kind of flipping on a switch to get CLEAR1 turned on, or is there more of an integration and ramp to get CLEAR1 working across the partner's whole network?

## Caryn Seidman Becker *Founder, Chair, and CEO*

So I would say that it depends. We can come back to you with an average day, but it depends if we're going through a partner, at which point our partnerships with people that we've previously announced, like an Okta, can be very, very fast. Being in the Epic identity toolbox, right? Those sorts of things are extremely fast, sometimes as quick as a few days. If it's not with a partner, it can be a little bit longer. And we continue to reduce that launch time, as well. So it does depend on how they come in.

I think one of the important things that we've honed that I'm proud of over the past year is less bespoke customization and more off the shelf. And I think that's been really important from a discipline perspective as well as an acceleration. We understand what our partners want and need. We've built it. We've learned from the launches that we've had so that we can not just launch faster, but sign faster, right? And I think that all of those things are accelerating, and we're measuring them closely and trying to do better every single day. But the lack of customization has been really important for the business.

I think the other piece, and this goes back to an earlier question, is CLEAR has raised the bar on identity, and having total identity integrity, not just a picture of a driver's license, is massively important. And so partners want to work with us. They want to get this on. They want to improve their customer experience. They want to reduce fraud. And so, again, when you have a coalition of the willing, things go faster.

## Brandon Roop *Stifel*

Great. Thanks. And quick follow-up—you guys called out the World Cup as a travel-heavy event this year. I was wondering if any of these kind of big events where a lot of people are booking travel have any impact on your marketing strategy or cadence? Are you kind of looking to reach people at the time of booking or maybe closer to the time of travel? Yeah, just wondering if you could touch on that.

## Caryn Seidman Becker *Founder, Chair, and CEO*

So something that's been quite magical for us to communicate is the calendar sync, right? So now that we know when somebody is traveling—and we would encourage everybody to sync their calendars with a CLEAR App—we can better serve potential customers and talk to them for things like Concierge.

I think there's two things that we think will benefit from the World Cup. One is international. So I know we've talked previously 42 visa waiver countries can enroll in CLEAR, with their passport. They don't even have to be in person at the airport. Those international travelers have no other options in U.S. airports for a improved customer experience. So that's important. But also being able to—and we're also, again, improving products and awareness for calendar sync, but also beyond to let people know when we're launching Concierge in their market and to talk to them ahead of their travel or after they've gone through the Lane, right? We know where you're going, so we could certainly talk to you through email and other ways of communication. So we're starting to take advantage of all of those.

But the app really is the great unlock to communicate seamlessly with travelers about whether it be update your credit card, update your driver's license, you're not REAL ID ready, do you want a Concierge, you can add family members, the ability to personalize and customize and communicate with people in ways that they want to be communicated with. We were way too constrained to email for far too long.

## Operator

Thank you. Our next question has come from the line of Dana Telsey with Telsey Advisory Group. Please proceed with your questions.

### Dana Telsey *Telsey Advisory Group*

Hi, good morning and congratulations on the terrific results. As you think about your network outside of travel, like Medicare, any updates on that and what you're seeing in the progress there? And then you speak about marketing. How do you think about marketing spend going forward and also just overall on pricing and any new demographics that you're getting coming into the network? Thank you.

### Caryn Seidman Becker *Founder, Chair, and CEO*

Okay, Dana, that's not one question; that's like five.

### Dana Telsey *Telsey Advisory Group*

Yeah.

### Caryn Seidman Becker *Founder, Chair, and CEO*

So, we'll start with CMS. CMS was originally part of reducing fraud in Medicare, but I think what you're seeing in CMS is the focus there is extending, as I talked about, to other areas. Social Security and Medicare are closely connected, but you look at the rural health dollars—I think that the administration



has budgeted \$50 billion for rural health, that's Medicaid. So taking that same concept of what we can do for Medicare to Medicaid and other places in the government—now there's an executive order to reduce fraud.

So I do think it's gone from CMS to other agencies, and that is why you've heard us talk this morning about GovTech, right? CMS is healthcare, but GovTech is a broader opportunity for CLEAR, and obviously, it's where we started in partnership with the Department of Homeland Security. So we feel acutely capable of this opportunity to be really good partners and continue to build public-private partnership with the administration.

In terms of demographics, I think you bring up a really interesting point, and I think this ties a little bit to the marketing spend that we talked about; before, Jen talked about like net Member growth and performance and digital marketing. I think one of the learnings is we need to be talking to Medicare patients who may not be travelers, right, and so letting them know who we are and what we do, and even if you do know, if you think, oh, well, that's a subscription in the airport that I need to buy, but in fact, it's free for you. It's a simple enrollment, and CLEAR is a trusted brand that will protect your privacy and secure your data.

And so that's a new message opportunity for us that we are investing in is really important for us. And that does expand our demographics, right? And so you are seeing demographic expansion through CLEAR1 with partners like CMS, but with partners like Home Depot. Typically—and we've talked about this, typically when we launch a new partner in CLEAR1, we might have 25% overlap with a CLEAR traveler and then it builds over time. And that really is the power of the network. So our network is growing, our use cases are growing, and our demographics are expanding.

## Jen Hsu *Chief Financial Officer*

And Dana, I think you had a market—just a broader marketing point. Caryn alluded to this, but that is an area that we intend to lean in, given the momentum. And we expect to pursue a brand marketing campaign to really emphasize I think CLEAR's umbrella position as the leading secure identity company across our CLEAR Travel and our CLEAR1 portfolios. So we do expect marketing to increase modestly, but obviously, we will do that in a disciplined manner in the way we've always done and while we continue to expand overall margins simultaneously.

I think the other question you had was around pricing. I would start by saying I think our first focus is always around delivering value for our Members, which starts with Member experience, and we've made a lot of progress there. And when we do that, we believe the opportunity to adjust pricing comes alongside that. You've heard us say in the past that we anticipate taking a more measured approach to price increases, which would be consistent with our pricing actions in 2025. And I think our philosophy there remains consistent.



## Michael Barkin *President*

Yeah. The one other thing that I would just add on the marketing side is that there's certainly the dollars that we invest, but then it's also how we think about how we market to our customers through the whole customer journey. And when we think about the experience that we're providing in the airport, which we think both drives the marketing that we have there as well as the experience that drives retention, and then we think about how we can use performance marketing in a very efficient way to reach our Members, and increasingly with the broader network, we have more people who we can reach through that. And so it's both what we invest directly, but then it's also how we use performance marketing and our experience to drive that for both new Members and retention.

## Operator

Thank you. Our next question has come from the line of Wyatt Swanson with D.A. Davidson. Please proceed with your question.

## Wyatt Swanson *D.A. Davidson*

Thanks for taking the question. I appreciate it. Could you maybe detail how you think continued strong top-line growth like this is sustainable beyond the second quarter and into the second half of 2026 and 2027? And maybe talk to how average revenue per CLEAR+ Member may change over the coming quarters, given some changes that you've made with different partners? Thanks.

## Jen Hsu *Chief Financial Officer*

Yeah, Wyatt, I would come back to Member experience. We've made a lot of progress, which has been the outcome of, I think, investments, again, over a multi-year period, and that is starting to show up in our flywheel, if you will, of stronger NPS scores, which drives greater Member acquisition and then ultimately Member retention, which started to improve and increase in the back half of last year. And so I think, again, I would point to Q2 guidance, which is a reflection of our ability to sustain the growth. I think we have confidence in the balance and the back half of the year. And we have broader levers, I think, beyond that, both from a Member growth perspective, a pricing perspective, and then the momentum in CLEAR1 to sustain our growth in future and outer years.

## Caryn Seidman Becker *Founder, Chair, and CEO*

I think if I can just add to that with a little bit more granularity, we still only cover 75% of the U.S. from a travel perspective. We think that there's network growth, so think of that as stores. And I think, again, no different than CLEAR1, solution looking for a problem versus a problem looking for a solution. I think what you saw in March was the structural challenges and instability of the travel industry and ecosystem, and CLEAR can play a massively important part, and we did. We drove efficiency, we drove throughput, we drove customer experience.



And so I think more airports want that in the U.S. and then tangentially outside the U.S. And so there's opportunities for network growth. The better the customer experience, the stronger the retention. I will say that we've built a strong data analytics and business intelligence capability that not only goes to the performance marketing that Michael and Jen were talking about before, but also talks about how we serve our current Members.

And so there are so many opportunities, not to mention products. And so you do see ARPU opportunities based on our partnerships, but you also see it importantly based on take rates of new products, whether that be driving the family attach rate because you have a great experience, whether that be Concierge and then PreCheck and more. And so continuing to drive that creates opportunities in the travel business. It's still early days in PreCheck growth. We're really only two years into that program, let alone Concierge when we're at day one. And then on the CLEAR1 business, we're just getting started.

And we also think that there's more products in the airport side. Again, I think identity is massively important across the airport ecosystem, not just for travelers, but for workforce. And so this is really about prioritization here, improved products, product release, brand awareness and marketing. And we're investing into that this year. And you already see that in the numbers. They're included in the numbers that we've put forth that will not only continue to fuel this year's growth, but out year's growth.

## Wyatt Swanson *D.A. Davidson*

Got it. That's really helpful. And then I guess one quick follow-up—how do you think about your ability to maybe support a broader travel Member network, given like the eGate rollout, maybe the ability to just support more travelers without increased wait times, and maybe balancing that versus price increases for Members? Thanks.

## Caryn Seidman Becker *Founder, Chair, and CEO*

Look, I think you're seeing the throughput from eGates that we've talked about significantly higher NPS scores from eGates versus non-eGates. We've talked about average wait times of under a minute. We've talked about verification in less than five seconds. That is throughput. You're seeing in some markets, if you live in New York, hopefully in LaGuardia Terminal C, you'll see a single eGate going into a double eGate. And so, right, continuing to drive that is so important. And so we think that there's a lot of opportunities. And quite frankly, you saw low wait times even in really challenged periods in March. And so I think the efficiencies that this drives, not just for us but for all travelers and for our partners at TSA, is already evident.

## Operator

Thank you. We have reached the end of our question and answer session. I would now like to hand the call back over to Caryn Seidman Becker for any closing comments.



## Caryn Seidman Becker *Founder, Chair, and CEO*

Thank you for joining our first-quarter earnings call. This quarter underscored the importance of being a trusted, secure identity platform as the world needs greater security and more frictionless experiences, physically and digitally. Thank you.

## Operator

Thank you, ladies and gentlemen. This does conclude today's teleconference. We appreciate your participation. You may disconnect your lines at this time. Enjoy the rest of your day.