



CLEAR®

Transcript
Q3 2025

Operator

Good morning and welcome to CLEAR's fiscal third quarter 2025 conference call. We have with us today Caryn Seidman Becker, Co-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 2024. 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 quarterly report on 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 *Co-Founder, Chair, and CEO*

Identity is the foundation of trust, and CLEAR is the secure identity platform.

The digital connected world has been driving a paradigm shift in cybersecurity and now layer AI on top of that and there is an urgent focus on identity. Cyber criminals aren't breaking in, they are logging in. 80% of breaches start with compromised credentials and 84% of security leaders have reported identity-related incidents that have disrupted their business.

Identity has never been more important, and secure identity is the foundation to create safer and easier experiences. CLEAR is the future-facing identity infrastructure layer that is transforming how security and customer experience come together.

Global events such as the World Cup and the Olympics are on the horizon and security is paramount. CLEAR is helping America's infrastructure rise to the occasion by combining technology, security and hospitality to make our airports sparkle.

More than 35 million total CLEAR Members trust and rely on CLEAR across many use cases. Our customer centric brand which is known for privacy and security, as well as our physical and digital network, is accelerating our momentum across both CLEAR Members and enterprise customers as we close out the year.

Home-to-Gate is the Future of Travel

The premium, frictionless, and predictable end-to-end travel journey we are building for our 7.7 million CLEAR+ Members is the new customer expectation. Our mobile app enhancements are streamlining the





CLEAR®

Transcript
Q3 2025

enrollment experience and helping Members navigate their day of travel with confidence and ease. Our beloved Ambassadors enable the merging of hospitality and technology to provide an unparalleled, customer centric and personalized experience that helps Members win the day of travel. And, our product innovation from EnVe Enrollment and Verification Pods to eGates is having a meaningful impact on speed and Member experience.

Our long awaited eGate rollout has commenced and the feedback from Members is unanimous—the experience is magical. CLEAR eGates are vertically integrated—combining our software and hardware across our nationwide network. Members verify in approximately 5 seconds, and move directly into physical screening in 30 seconds. We are seeing eGates drive meaningful improvements in throughput, Lane experience scores, and NPS. Our nationwide rollout will continue over the next few months and we expect Member experience to continue to improve.

As we scale automation across our network, our Ambassadors can create an even more elevated Member experience with CLEAR Concierge. CLEAR Concierge is a premium, personalized on-demand service, where a dedicated Ambassador meets you curbside and guides you all the way to your gate. Now live at 23 airports, CLEAR Concierge is giving Members a truly premium and effortless travel journey.

The CLEAR Travel experience and value is growing and we are expanding our CLEAR+ Member base across all channels. Member acquisition in the airport remains strong, supported by a steady increase in total air travelers coupled with our new improved mobile one-step enrollment. International enrollment is off to a strong start, even before we have launched marketing. There is an exciting opportunity to tap this broader pool of potential CLEAR+ Members.

Partners continue to be an important channel for us to acquire high-value, loyal Members. We are pleased that CLEAR+ is a highlighted embedded benefit of the American Express Platinum Card refresh, reflecting the value each of us bring to our partnership.

We have long talked about the power of public-private partnerships and we are grateful that this administration is moving at the speed of business. We are working together on behalf of American travelers, connecting public-sector priorities with private-sector innovation. Embracing technology and business is improving the everyday security and experience of all Americans.

CLEAR1 Continues to Scale

CLEAR1 continues to scale. Modern fraud attacks are occurring with unprecedented speed and sophistication, and this is a critical and growing problem that every organization is facing. CLEAR1 is a comprehensive enterprise identity platform that delivers strengthened security with a multi-layered approach—the building block of trust.

CLEAR1 delivered its strongest quarter yet with a record number of enterprise customers signed.

In Healthcare, CLEAR is a partner to the administration in the Center for Medicare & Medicaid Services Health Tech Ecosystem initiative as their trusted identity layer. The CMS pledge is a coalition of healthcare technology companies working to improve patient data interoperability and access, “killing the clipboard” while safeguarding sensitive health information. Over 60 companies have signed





CLEAR®

Transcript
Q3 2025

the CMS pledge, and to date, we have entered into CLEAR1 contracts with over 20% of the participating companies.

Our work with Epic is further embedding us into the healthcare ecosystem. Health providers on Epic can enable a CLEAR1 turnkey solution within MyChart. This partnership creates distribution and seamless integration for CLEAR1 into the millions of patients with Epic electronic health records.

In Workforce, CLEAR1 is protecting the full workforce identity lifecycle, from pre-hiring activities such as verifying candidate profiles to post-hiring identity verification use cases such as account recovery and privileged access. We are also beginning to expand our use cases with customers, cross-selling and upselling our various CLEAR1 workforce solutions.

Identity security has become a mandate for all stakeholders. CLEAR1's trusted brand, platform approach, and elevated security standards are enabling our enterprise customers to protect their employees, customers, and assets with confidence.

I am proud of our execution and strong financial performance, and want to thank our Ambassadors and all of the CLEAR team members for how they serve travelers and customers. With that, I will turn it over to Jen.

Jen Hsu *Chief Financial Officer*

Thank you, Caryn.

Third quarter Revenue grew 15.5% year-over-year to \$229.2 million, and Total Bookings grew 14.3% year-over-year to \$260.1 million, both exceeding the top end of our Q3 guidance range provided last quarter.

Active CLEAR+ Members grew to 7.7 million, up 7.5% on a year-over-year basis. Our rapid product innovation and growing suite of services in CLEAR Travel is elevating customer experience and attracting new Members. eGates are elevating our home-to-gate value proposition, we continue to penetrate opportunities such as bundling TSA PreCheck® with CLEAR+, and we are growing our total addressable market with international travelers. We are now offering CLEAR+ to over 40 international country passport holders, and we are encouraged by the contribution of international to our CLEAR+ Member base, prior to having activated any marketing efforts to this audience.

From a pricing perspective, we believe we have multiple levers to drive average revenue per Member growth over time. This includes a regular cadence of price increases, closing the pricing gap with discounted Members that we have acquired via our partnership channels, and services such as CLEAR Concierge, which are add-on transactional opportunities. In aggregate, our Member and pricing performance delivered sequential accelerating Bookings growth in Q3, and we expect that to continue in Q4 as we close out the year.

Q3 Gross Dollar Retention was 86.9%, down 40 basis points sequentially, and consistent with our expectations as the impact from the larger General Airline and Family price increases we took in 2023 continue to normalize.





CLEAR®

Transcript
Q3 2025

CLEAR1 is scaling, and delivered a record quarter of Bookings, excluding one-time HealthPass performance in 2022. We ended Q3 with 35.8 million total Members, up 35.1% year-over-year, and indicative of the momentum we are seeing in CLEAR1.

Our product innovation continues to drive meaningful impact to our value proposition, and also our cost structure. Ambassador efficiency and Member throughput is significantly improved with our EnVe Verification Pods. As we scale eGates across our network in Q4 and into 2026, we have the opportunity to rethink and reposition our Ambassadors towards the highest-value, hospitality driving services for our Members. Cost of direct salaries and benefits represented 20.8% of revenue in Q3, an improvement of approximately 180 basis points year-over-year.

We continue to drive operating leverage through disciplined resource allocation and corporate cost efficiencies, with G&A representing 25.7% of revenue, an improvement of approximately 150 basis points year-over-year.

Taken together, we generated \$52.6 million of operating income, representing a 23.0% operating margin and 5.3 percentage points of margin expansion versus Q3 2024, and, we generated \$70.1 million of Adjusted EBITDA, representing a 30.6% Adjusted EBITDA margin and 6.1 percentage points of margin expansion year-on-year.

We delivered \$47.3 million of net cash used in operating activities, and negative \$(53.5) million of Free Cash Flow. Both figures reflect the annual payment to our credit card partner of approximately \$229 million.

We ended the quarter with \$533 million of cash and marketable securities, after returning \$16.7 million of capital to shareholders through our regular quarterly dividend of 12.5 cents per share and distributions.

Turning to guidance for Q4, we expect Revenue of \$234–237 million and Total Bookings of \$265–270 million, representing 14.2% and 16.8% growth at the midpoint, respectively. This would reflect another quarter of accelerating growth from a Bookings perspective.

We continue to expect expanding Adjusted EBITDA margins for the full year 2025 versus 2024, and we are increasing our 2025 full-year Free Cash Flow guidance from \$310 million to at least \$320 million. Our Free Cash Flow guidance reflects both the impact of additional CapEx related to our eGates rollout, which was not originally anticipated at the onset of the year, as well as certain cash tax benefits related to the One Big Beautiful Bill Act, which went into effect in Q3.

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 that your line is in the question queue. You may press star two if you would like to remove your question 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 analysts limit themselves to one question and a follow-up so that others may have the opportunity to do so, as well. One moment, please, while we poll for questions.

Our first question comes from Joshua Reilly with Needham & Co. Please proceed with your question.

Joshua Reilly *Needham & Company*

All right, thanks for taking my questions, and very nice job on the quarter here. How should we be thinking about the strong bookings guidance for Q4, which is above my model? How much of that upside is being driven by CLEAR+ versus maybe some CLEAR1 and B2B deals that are a little bit bigger than maybe what you would have historically had?

Jen Hsu *Chief Financial Officer*

Thanks, Josh. Nice to hear from you. So I would say we expect the Product and Member experience improvements that we're driving really across all dimensions of our business. If you think about mobile one-step enrollment to international to eGates, all of this work is really impacting both Member retention as well as Member acquisition. And if you couple that with CLEAR1, which continues to gain traction, as we talked about on the call with our enterprise customers, that business is starting to contribute more meaningfully to top line. We obviously are not breaking out CLEAR+ versus CLEAR1 in our guidance specifically, but we did share that CLEAR1 had its largest bookings quarter if you exclude HealthPass back in 2022, and we expect that momentum to continue into Q4.

Joshua Reilly *Needham & Company*

Got it. That's helpful. And then—maybe what are some of the moving parts investors should be considering in terms of the—it was a small sequential decline in gross dollar retention, but offsetting that is you just implemented a price increase, obviously, at the beginning of the quarter, which should be a tailwind of that metric. How should we be thinking about what happened in the quarter there and maybe the trajectory of that metric going forward?

Jen Hsu *Chief Financial Officer*

Sure. So on Gross Dollar Retention, so as a reminder, we took about \$60 and \$40 of price increase to our general airline and family pricing plans back in 2023. So from a Gross Dollar perspective, those pricing changes impact that metric over a 24-month period in sort of an accordion fashion. So think about the fourth and fifth quarter having the greatest positive contribution to GDR. So this quarter, our GDR of 86.9% was anticipated; it was in line with the impact of that 2023 pricing decisions, which are moderating in the metric.

I think the second piece of this, which you alluded to, is kind of the impact of retention and if there's anything that we're seeing from our July 1st pricing increases this year. And I would say we're not





CLEAR®

Transcript
Q3 2025

having—we're not seeing a material impact on retention. In fact, while—it's early, but we're actually encouraged by the retention patterns we're seeing in recent months, which we believe are a result of the customer experience for improvements that we're driving.

Joshua Reilly *Needham & Company*

Awesome. I'll pass the line. Thank you, guys.

Operator

Our next question comes from Cory Carpenter with J.P. Morgan. Please proceed with your question.

Cory Carpenter *J.P. Morgan*

Hey, good morning. Thanks for the question. I have two, one and a follow-up. So maybe just first, it'd be good to hear what you're seeing in recent weeks, just given a lot of the headline noise around TSA staffing issues. How is that impacting you, or how do you think it could impact CLEAR should the shutdown persist in the coming weeks?

Caryn Seidman Becker *Co-Founder, Chair, and CEO*

Hi, Cory, it's Caryn. So as someone who just flew Newark to San Francisco Tuesday, I will say that going through the CLEAR eGates in Newark were magical. And so I think the technology that we are putting out and the new services that we are putting out couldn't be coming at a better time.

But I think that there's really two parts to the shutdown, traffic and experience. And actually traffic has been trending upwards despite the government shutdown; it was up almost 4% in October. So even with the FAA announcement yesterday of trimming, we're heading into a very strong holiday travel season.

And so I think that traffic continues to be strong on both the leisure and the corporate side, but certainly, you are seeing challenges in some places regarding the experience. And I think regarding experience, CLEAR as a private company is there to help all stakeholders improve the experience. And when I say all stakeholders, travelers are at the center of that, but that's airports, that's airlines, that's TSA and the federal government. And so I think our capabilities really shine through in these moments. And the overall airport experience, you're seeing it on the news, remains highly challenging. So we are seeing a lot of excitement and appreciation for our improved Member experience.

Cory Carpenter *J.P. Morgan*

Great, thanks. And for the follow-up, Caryn, just curious to hear how you're thinking about—you have a big upcoming credit card renewal next year. Not expecting you to comment one way or the other on if you'll do it or not, but just kind of how you're thinking—CLEAR's changed a lot in the five years since



you initially signed it. So how are you thinking about the key considerations as you weigh your options there? Thank you.

Michael Barkin *President*

Yeah, thanks. Amex and our partnership there, we've had a great partnership with Amex, and we're definitely pleased to be one of the highlighted benefits of the Platinum Card refresh, where CLEAR+ is one of the key travel benefits that Platinum Card members value. And we also saw with Amex's recent announcement of their refresh and the supporting—and the marketing support for it, that the Platinum Card refresh really created good awareness around the embedded CLEAR+ benefit.

So as we look to our future partnership, we're going to make sure that the value that we bring to the benefits package is reflected in the terms of an ongoing agreement. And we really value our credit card partnership, and we'll share more information as it becomes available.

Operator

Our next question comes from Mark Kelley with Stifel. Please proceed with your question.

Mark Kelley *Stifel*

Great, thanks very much. I had two quick ones. First one is, as you continue to scale and you grow the Membership base and you're raising prices and the economics are clearly accruing to you, does that give you an opportunity to go back to some of the agreements when they come up for renewal with the different airports to maybe get better economics, as well? Like are your agreements more tied to an absolute dollar number but expressed as like a rev share percentage, and maybe with that, be a positive for your margins over time?

And second, just a quick one, I would love to hear how you think about advertising bigger picture. I feel like you continue to add more value to the Membership. You have all these great features and products that I think maybe even current Members sometimes don't even realize you have. So maybe, can you help me think about how to make people more aware of the broader offering versus what may be in people's heads historically? Thank you.

Caryn Seidman Becker *Co-Founder, Chair, and CEO*

Sure. And so I agree with you. This is Caryn. I don't think enough people know about all the great things that CLEAR is doing from home to gate, and that's an opportunity. But let me take your first question about airports. We have 60 airport partners today. We have over 160 Lanes, and we expect to continue to grow our network. I prize, we prize our airport partnerships and relationships, and I think they just continue to strengthen through the years. We've been at this for 15 years, and we have done what we



CLEAR®

Transcript
Q3 2025

said we're going to do on an innovation perspective, right? We've gone from smart cards to fingerprint and eyes to face and now with eGates, which is something that we have been working on and talking about for five years.

And today, we're at 10 airports. We continue to roll them out. And so that innovation is so appreciated by our airport partners, and I think it's a really powerful economic partnership, that it's success-based and it's a win-win for us and for our airports.

So when I think about margins, what I think about is our opportunity to continue to drive automation and innovation and scale. I think eGates drives enormous efficiency. I think new services like Concierge drive enormous opportunities for high margin new revenue sources.

And to your point now about awareness and home to gate, right, we have an app. We are going to be improving our app. We have Concierge now live in 23 airports, more coming. We have eGates, and there's so much more we can be doing. And so driving this home-to-gate journey and experience is really important for us to communicate.

I do think the best communication are happy customers and great word of mouth. And so when we talk about improving customer experience scores, improving NPS scores, improving employee satisfaction scores, improving hospitality scores, all of that that is the best advertising we can do because Members talk. And we think that there's more that we can do to drive awareness, cheap and cheerful, but you'll find me and us more on Instagram. And so we are definitely leaning in to new ways to tell our story.

And I think in the world of, not just SEO, but how you leverage AI and share the story in so many different digital ways, we are definitely thinking a lot more about that. But it starts with happy customers, and that is what we are most excited about right now. And now, you're right, we need to tell that story in bigger ways, both for the Member experience and our services, but also CLEAR as a secure identity company, right? So I think you're going to see us lean into both sides of that story.

Mark Kelley *Stifel*

Perfect. Thank you very much.

Operator

Our next question comes from Dana Telsey with Telsey Advisory Group. Please proceed with your question.

Sarang Vora *Telsey Advisory Group*

Great, Sarang Vora for Dana. Congratulations on a great quarter. The question is about eGates. It's an exclusive benefit for CLEAR+ Members, and we feel like it is game-changing to the model because it solidifies your relationship with the CLEAR+ Members. It's great to see it launched in the New York area.





Just curious, can you share some more statistics on like how it has changed the Member experience, any color on operation side, like verification speed or the process of clearance and any capital investment? Any color you can share on eGates would be helpful.

Caryn Seidman Becker *Co-Founder, Chair, and CEO*

Yeah, I'll start, and then maybe Jen and Michael want to chime in. As I said on the call, what we're hearing from our Members is the word magical. And so today, we're at 10 airports. We expect to be in at least 30 airports by the end of the year, starting in the PreCheck Lanes and then adding other Lanes. We expect to be nationwide in 2026. And something that I want to—so you are seeing a significant improvement in Member experience scores in NPS. We talked about the speed, less than one minute through the Lane, less than five seconds for verification. And I think what's really important and part of the magic is the predictability, right? So when you have it on either end of your trip, you know exactly what you're getting, and it is the same every time.

I think—there's a saying when we started, and it's still there today—you've seen one airport, you've seen one airport. Every airport, every Lane, every terminal, every security checkpoint is different. And so having this predictable, consistent, universal experience is so important for both domestic travelers, but I would also add now for international travelers. So being able to add 42 different visa waiver countries and having those travelers be able to enroll when they have not been able to have anything in the U.S. and having those experiences look like Doha, Singapore, Tokyo, and London is such a great step forward.

But the other thing that I want to add to that is that eGates are magical; we've been working on them for a long time, that's awesome. Our real thing is the journey, the whole journey—the mobile, the Concierge, the home-to-gate, the family, the PreCheck, like being able to meet travelers where they are and craft a customized journey for them from home to gate and back again. And eGates are certainly a great unlock, and it unlocks our team members, our Ambassadors to drive the hospitality.

So we're really excited about the nationwide rollout, excited about the customer feedback, excited about the scale. And I probably just took all of Jen and Michael's talking points, but I'll turn it over to them.

Michael Barkin *President*

No, I think the only thing I would add is that we have been very, very focused on all those pieces that Caryn just talked about in terms of improving the Member experience. And that is what we show up every day doing. That's what our 3,500 Ambassadors across our 60 airports wake up and deliver, right, every day for travelers in what can be a challenging experience. And I think one of the things that we're most pleased about is seeing the improvements in our Lane experience scores, which really measure what's happening in the moment of the experience as well as our NPS scores. And we're seeing that across the network, but then what we're really specifically seeing it on is the change that we're seeing once eGates go in. And we're very encouraged by that because we believe that delivering that Member experience is, yeah, critical to our success, and we're pleased to be making good progress there.





Jen Hsu *Chief Financial Officer*

I think you had a capital question tied in there, but we are not disclosing the specific CapEx associated with eGates, but that is incremental CapEx spend that we were not anticipating at the onset of the year. It is reflected in our revised and increased full year Free Cash Flow guidance, which we increased. So that gives you some perspective of kind of scale of CapEx and not material I think from an overall business perspective.

The last thing I think is important is from an ROI standpoint. If you think about eGates and the labor savings that we can create with the eGates, we have a pretty unique ability to repurpose our Ambassadors towards what we believe are the highest hospitality driving services for our Members.

Sarang Vora *Telsey Advisory Group*

That's great. No, very helpful. And the other big initiative is the international. I feel expanding the CLEAR+ to 40 countries, travelers from 40 countries is a big, big opportunity. Question is how do you market to these people? We are already seeing some gains, as you mentioned before, but how are you marketing to these people? Is it like in the future, like would you have like airlines partnership, credit card partnerships like you have it in the U.S., or it's more like targeted like UK or France or—just curious to know how you are targeting and how meaningful it can be for like next two years for you guys. Thank you.

Michael Barkin *President*

Yeah, thanks for the question. I think we're, yeah, we're very, very excited about the introduction of our ability to enroll international travelers from 42 countries in the CLEAR+ product. As you know, this is still relatively early innings for us, but we're really pleased with what Jen has shared in terms of the early enrollment with relatively limited marketing. Our plans are to certainly do our own marketing efforts, but then as we've done with our domestic business here in the U.S., find really meaningful strategic partnerships that help us drive both awareness and enrollment from across these countries where folks have heavy travel patterns within the U.S.

And we're certainly excited about trying to find ways to help folks in particular who are coming for the World Cup next summer be able to use the benefits of the CLEAR+ Lane when they're traveling to and from the World Cup and within the country as we know that travel will be busy around that important event that's coming up.

Caryn Seidman Becker *Co-Founder, Chair, and CEO*

I just want to add to what Michael's saying, and I talked about it on the call. I think we are heading into a travel boom, right? Like look past the government shutdown—the World Cup, the America 250, Olympics in, 2028, business travel rebounding. We've been saying for some time that, today, there's about 3 million people a day coming through airports. I think by 2030, you're going to have 4 million people a day. Travel is growing here in the U.S., and our infrastructure needs to shine. We need to be





better than Tokyo and Doha and Singapore and Paris was for the Olympics. And I think the power of public-private partnership and innovation and putting the customer at the center like you do in so many different industries really gives our airports, our travelers a unique opportunity and certainly creates a moment for us, which is why you see us launching more products over the past six months than I think we have over the past few years.

Sarang Vora *Telsey Advisory Group*

That's great. I'll pass it on. Thank you.

Operator

Our next question comes from Michael Turin with Wells Fargo Securities. Please proceed with your question.

Michael Turin *Wells Fargo Securities*

Hey, great. Thanks very much. Appreciate you taking the questions. Just first, I want to go back to just some of the commentary on eGate and the incremental CapEx relative to what you're expecting at the start of the year. Is it—the rollout to 10, is that happening faster than you expected at this point, or is the rollout generally as expected as eGate has started to come to market in some of the major airports? And then any incremental commentary you can give us. There's been some hints around the ability to shift the Ambassadors, but any other ways for us to think about an incremental margin of eGate relative to the traditional CLEAR+ business?

Caryn Seidman Becker *Co-Founder, Chair, and CEO*

Thanks for your question. I think to Jen's point that some of the CapEx was not calculated at the beginning of the year—certainly, we've been pushing on eGates for quite a while. It has taken us longer to get them out. And then once this administration was ready to move, it is moving faster, and we couldn't be more thrilled that they are moving at the speed of business.

So while some were thought of this year, not only have we rolled out, but we're buying forward for the ones that we're rolling out this year and then more for next year. So I would say it is happening faster, and we are thrilled by that.

And then, yes, certainly, eGates frees up our Ambassadors to be used for their highest and best use, which is hospitality and service. And again, this is about the entire home-to-gate experience, and that's so important. So I think that's just a really big opportunity for us to roll out new revenue streams with no or low incremental costs.





And I think that when you think about the second derivative impacts, gross adds, trial conversion, retention, family adds, things of that nature, it all just connects. And so it's just—it's a really exciting moment. eGates are a great unlock for us to drive this home-to-gate journey and for us to launch and build new products around it, as well.

Michael Turin *Wells Fargo Securities*

Thanks for that. And maybe just on—go ahead.

Jen Hsu *Chief Financial Officer*

Maybe just to add on your incremental margins point, you've seen us continue to deliver pretty significant margin expansion on a consistent basis. This quarter, 30.6% of EBITDA margin was over 600 basis points year-on-year and over 300 points sequentially. This quarter, we delivered operating leverage across every line of our P&L, both, again, sequentially and year-over-year. And I think innovation such as eGates really gives us the opportunity to either reallocate capital and or flow it through to the bottom line.

Michael Turin *Wells Fargo Securities*

Thanks for that. Just a small follow-on, just on the bookings growth improvement in the second half—are the tailwinds that you'd previously indicated from pricing or what you were expecting from pricing holding consistent since the July 1st price increase? Thank you.

Jen Hsu *Chief Financial Officer*

Yeah, I think the short answer is yes. The pricing increases obviously are improving our ARPU equation and ultimately our Bookings growth in the back half of this year.

Operator

Our next question comes from Wyatt Swanson with D.A. Davidson. Please proceed with your question.

Wyatt Swanson *D.A. Davidson*

Good morning. Thanks for taking the questions. First question, I realize it's early, but could you provide some thoughts on how Concierge is doing, how usage has maybe looked thus far and how it's tracking relative to your expectations?





CLEAR®

Transcript
Q3 2025

Michael Barkin *President*

Yeah, we're really pleased with the rollout of Concierge in terms of the experience that we're providing for those Members who are taking advantage of it. As Caryn mentioned, we're in 23 airports. We're hoping to launch more airports by the end of the year and continuing to expand the footprint. And I think that one of the key things for us is continuing to drive awareness on Concierge. It has just been launched here in a meaningful way over the last few months, and we do think that what we're seeing is that the Members who are using it are really appreciating it. We're seeing a lot of repeat usage for those who have tried it. And so our big effort will be in continuing to expand awareness and getting more folks to try it because we think that it offers an incredible service for families, for folks who may need a little more assistance or folks who are worried about getting to their flight on time.

And so, in this moment when the airport experience it's challenged and traffic is up, we really think Concierge is an incredible value proposition for our members. And, as Caryn's described, we think it's a really important step in helping people understand that the CLEAR+ Membership really expands from home to gate. And that'll be something that we continue to emphasize and roll out product and innovation around to enhance our Members' experience and the value of the CLEAR+ Membership.

Wyatt Swanson *D.A. Davidson*

Got it. That's very helpful.

Caryn Seidman Becker *Co-Founder, Chair, and CEO*

And I just want to add to that—the question that came earlier. I think our opportunity set going forward is awareness and communication. If you look at us two years ago, we had one product, right? And now we have—you can really customize your product for your needs, for your journey, and driving that awareness as well as the ease of enrollment, and that's where mobile is so important. So yes, we have one-step mobile enrollment. Now you can add Concierge to that. There's a lot more that we're doing to drive digital enrollment so that you just can come to the airport, show up, and it all happens magically.

Wyatt Swanson *D.A. Davidson*

Great. Thank you very much. And then could you maybe provide an update on your largest channels for adding CLEAR+ Members during the quarter? And how is the TSA PreCheck bundling channel sort of developing as you continue to scale that deployment?

Jen Hsu *Chief Financial Officer*

Yeah, I mean, by and large, we think about Member acquisition really at the highest level between airports and then our digital marketing efforts. So I'd break it out between those two. And from





CLEAR®

Transcript
Q3 2025

a bundling perspective, we are still seeing significant success there. We haven't shared a specific kind of cross-sell percentage, but we're happy with the percentage of TSA PreCheck customers that we're able to cross into CLEAR+.

Wyatt Swanson *D.A. Davidson*

Thank you.

Operator

There are no further questions at this time, so I'd now like to turn the floor back over to Caryn Seidman Becker for closing comments.

Caryn Seidman Becker *Co-Founder, Chair, and CEO*

Thank you for joining our third quarter earnings call. It is certainly an important time to be a secure identity company, and we are confident and excited as we wrap up the year.

Operator

This concludes today's teleconference. You may disconnect your lines at this time. Thank you for your participation.

