Neutron Holdings, Inc. (Nasdaq: LIME)

Q2 2026 Earnings Call Prepared Remarks

August 4, 2026

Mark May - Head of Investor Relations

Thank you all for joining us today. Welcome to Lime's Q2 2026 earnings presentation, our first as a public company. On the call today we have Wayne Ting, Lime's CEO; Ann Gugino, Lime's CFO; and this is Mark May, Head of Investor Relations.

Before we begin, I would like to remind everyone that today's discussion may contain forward-looking statements based on our current expectations, assumptions and forecasts about future events. You should not place undue reliance on forward-looking statements. Actual results may differ materially from these forward-looking statements, and we do not undertake any obligation to update any forward-looking statements we make today, except as required by law. Please refer to our latest filings with the Securities and Exchange Commission for more information about factors that may cause actual results to differ materially from forward-looking statements. During today's call, we will refer to certain non-GAAP financial measures. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures can be found in our earnings press release, supplemental slides and filings with the SEC, each of which is posted to our investor relations website at investors.li.me. Today's call is being webcast and a replay will be available on our investor relations website following the call. After the prepared remarks, we will open the call to questions. With that, let me hand it over to Wayne.

Wayne Ting - Chief Executive Officer

Thank you, Mark. Welcome, everyone, to our first earnings call as a public company. This is a moment our teams have been diligently working toward, and we're very excited and proud to be here. I would like to thank all of the Limers across the organization, and everybody who has contributed to Lime's success. Their tireless contributions have gotten us here and have made Lime the micromobility provider of choice for riders and cities globally.

In Q2 2026, Lime delivered record revenue of $304 million. That's up 24% year-over-year and reflects consistent strength in the core components of our growth algorithm – namely fleet growth and rider engagement. In fact, the average Operational Fleet grew by 22% year-over-year to 408 thousand average vehicles, our Monthly Active Users grew 22% to 5.0 million users, and Revenue per Vehicle per

Day, which is our primary utilization metric, grew to $8.20. It is important to note that Q2 and Q3 are the seasonally strongest quarters for Lime, and our 24% revenue growth this Q2 comes on top of a record Q2 last year as well. We are also proud to be a Rule of 40+ company and continued to deliver on the bottom line in Q2, achieving Adjusted EBITDA of $84 million, which reflects a 28% margin.

Since this is our first earnings call as a public company, before getting into greater detail around the quarter, I'd like to take a few minutes to outline our business model, Lime's market position and the secular trends shaping micromobility, as well as our strategic priorities to drive long-term growth.

Lime was founded on a simple but ambitious idea: that people and cities deserve transportation that is shared, affordable, and carbon-free. Going public on Nasdaq this July was an important milestone in that journey, but it's only one step. Our objective remains the same — to further grow and scale a business that creates value for riders, cities, and shareholders alike.

We believe we are still in the early innings of building and unlocking a substantial global market opportunity. The tailwinds driving micromobility adoption are strong:

- Rising urban congestion
- Generational shift away from car ownership
- Sustainability ambitions at a global scale

Cities are eager for solutions to congestion and pollution. And people want more accessible and affordable ways to move around the cities they live in and visit. The incredible thing is that Lime is a solution to all of these transportation challenges from congestion to affordability, to sustainability, and we believe we are the clear market leader making this industry a reality.

Since our founding, riders have taken more than one billion trips on Lime vehicles across five continents. Today we operate in approximately 230 cities in 29 countries through close partnerships with local governments. Those partnerships are earned one permit and city at a time through reliable service and consistent execution, and we have built a strong track record of winning, renewing, and expanding those local partnerships. One example of that strength in government relations is that we renewed the London-wide Scooter RFP permit recently, extending our leadership in micromobility in one of the top-tier global cities.

Our competitive advantage is based on the fact that we've built a vertically integrated platform that includes software, hardware, tech-enabled operations, and government relations expertise. We believe this integrated model is differentiated in the industry and has been a key contributor to our leading position.

At the heart of everything we do is data. The more than one billion trips that have been completed on our platform means we have a massive amount of real-world data, which informs the hardware and software we build, the operations we run, and the government relationships we grow. Importantly, this data advantage compounds over time. It improves our vehicle design. It sharpens our demand forecasting. It increases fleet utilization. And it's the reason why Lime innovates faster, operates more efficiently, and is better at meeting the needs of our riders and city partners.

As we continue to scale, those advantages reinforce one another, creating a positive feedback loop that we believe becomes increasingly difficult to replicate. This deep vertical integration has been driving our growth and keeping Lime in the lead in an industry where operational excellence is critical. In short, scale begets scale. And Lime is the only scaled operator in our industry.

Let's now turn to the powerful growth algorithm that is fueling our success. The first and most important lever driving our growth is the expansion of our operational fleet. Because cities tend to award permits and fleet increases to the most trusted operators, having strong, compliant operations on the ground has enabled Lime to win a disproportionate share of the permits and fleet growth awarded by our city partners. Notably, while fleet growth comes from both existing markets and new cities, over the past few years, the majority of that growth has come from existing markets, and we continue to see significant opportunities to deepen our deployment. When we grow our fleet in existing markets we also improve the reliability of our service to riders. And because reliability is the most important purchase criteria for riders, winning with cities also means winning with riders.

Another key growth lever in our business is the utilization of our fleet. The primary utilization metric is Revenue per vehicle per day (or RVD). As we add more vehicles to our cities, we increase density. Density drives reliability, and in transportation, reliability is what gets riders to adopt and engage with the platform – when we couple density with the industry leading supply positioning software, that means there is typically a Lime vehicle available exactly when and where riders need it. Another tailwind to utilization has been the success of our LimePrime and LimePass engagement products. When riders become a subscriber to our membership programs, we typically see them do multiple times more trips on the platform relative to a pay-as-you-go rider. This is also why in cities all over the world, we have seen utilization grow even as we expand our fleet, which tells us we are far from saturation anywhere in our network. In fact, we see significant room to grow in almost every market we serve. And this is why we believe existing markets will remain our biggest growth driver in the coming years.

The third lever in our algorithm is Monthly Active Users, or MAU, which has grown consistently at double-digit rates over the past few years. This reflects the strength of our service and the presence of our vehicles in-market, which acts as outdoor advertisement, driving customer acquisition while keeping our marketing spend extremely low. In Q2, MAU growth accelerated to 22%, demonstrating our strong execution and highlighting how early we are in our growth journey.

Looking ahead, we expect future growth to come from multiple proven drivers. This includes deepening our presence in existing markets, introducing enhancements that drive rider engagement, opening up new cities and countries, continuing to innovate around our software and fleet, and selectively pursuing strategic acquisitions and partnerships. Importantly, our track record demonstrates that when we invest for growth, we generate strong predictable economics and long-term benefits. Two key areas of focus include new markets and rider engagement.

We’ve highlighted countries like Australia, where cities like Sydney delivered triple-digit growth rates in Q2, as examples of newer markets with significant opportunity to drive growth and scale. Canada is another example, where we recently made the strategic decision to expand on what was already a strong presence in the country - extending Lime’s footprint with the acquisition of Neuron Mobility’s Canadian operations. This should bring Lime to 12 new cities and regions throughout Canada — positioning us for further expansion into cities like Montreal and the Greater Toronto Area, and, importantly, marking our return to Calgary. Just as importantly, the Neuron transaction also reflects our disciplined approach to capital allocation. We pursue acquisitions selectively, focusing on strategic fit, strong unit economics, and opportunities where we have the potential to deliver substantial value-add to a market and generate a compelling return on investment for our shareholders.

The recent World Cup games are an example of how we use major sporting events to drive user trial and engagement, and also how Lime can uniquely deliver value to our city partners. As host cities welcomed millions of visitors, our teams worked closely with local government officials and partners to expand fleet availability, optimize vehicle distribution, and help move riders efficiently between transit hubs, fan zones, stadiums, and surrounding neighborhoods. The results validated the model we've built at prior global events like the Paris and Milan Olympics. These moments demonstrate the flexibility of our operating model and reinforce why cities increasingly view shared micromobility as an essential part of their transportation systems during major events. They also represent great opportunities for Lime to attract new riders to our platform cost effectively as every Lime vehicle is a rolling billboard for our service.

We are always looking for ways to drive incremental adoption and utilization. Earlier this year, we completed the global rollout of our upgraded LimePrime subscription program which we had previously been piloting in select cities in 2025. This new recurring monthly subscription program provides unlimited vehicle unlocks, flat-rate pricing, and extended vehicle reservations. It's a great way for frequent riders to get a more reliable sense of their trip costs through upfront pricing and it's designed to maximize the value they get from Lime. This rewards our most loyal customers, and also creates a great opportunity to adopt and retain even more of those high quality users.

Riders have responded positively to LimePrime's global launch, and the program continues to gain traction. In fact, it exceeded our expectations in Q2. The offering is proving to be an effective lever for both attracting riders and increasing how often they use the platform. We were surprised to see the number of new riders who became subscribers early in their life cycle. This means more riders see the value of LimePrime and can imagine incorporating Lime into their transportation habit earlier than we anticipated. We already know that when we invest in our subscription products over time it can drive more engagement, higher retention rates and greater lifetime value of our riders. And while LimePrime is still early, we're pleased with the data we are seeing around engagement and retention. This gives us confidence in this investment, and we believe LimePrime can become a meaningful long-term contributor to our business.

Ann will now walk through the financial results in more detail. The quarter reflected exactly what we've spent the last decade building: strong growth combined with solid bottom-line performance. This has resulted in a strong competitive position in key markets globally. We believe that combination is one of Lime's defining characteristics and a key differentiator in an industry where scale and profitability matters, and that we are still very early in our growth cycle.

Let me turn it over to Ann.

Ann Gugino - Chief Financial Officer

Thank you, Wayne. Good afternoon, everyone. Lime delivered another strong quarter in Q2, with broad-based growth across our business. These results reflect the underlying strength of our operating model and our continued focus on disciplined execution.

Q2 Revenue of $304.2 million represented a year-over-year increase of 23.6%, reflecting continued fleet expansion and strong rider engagement. This strength is notable as we compare against last year's highest-growth quarter.

Fleet growth is our most important operating metric, as it underpins vehicle availability, the top priority for riders. In Q2 average operational fleet grew to 408,000 vehicles. That's up 22.1% year-over-year and compares to 22.2% growth in Q1 and 18.6% growth in Q4.

Revenue per Vehicle per Day, or RVD, remained strong, coming in at $8.20 in Q2 and grew 1.2% year-over-year on a reported basis. As anticipated, RVD was impacted by growth in newer markets that are still scaling. Normalizing for this geographic shift, RVD grew in the mid-single digits on a city-by-city or same market basis.

Monthly Active Users, or MAUs, totaled 5.0 million in the quarter, up 22.1% versus the prior year. That compares to increases of 21.7% in Q1 and 21.0% in Q4. Growth in MAU was supported by the strength of our core cities, where our years of operating presence continues to drive adoption, rider engagement and repeat usage. Growth was also driven by the early success of LimePrime, our new subscription offering that launched in February, which outperformed our expectations in the quarter and already represents a double-digit percentage of our user base.

Q2 Gross Profit was $129.1 million. Adjusted Gross Profit, which excludes depreciation & amortization and is used to evaluate unit economics at the vehicle and city level, improved to $158.4 million versus $137.0 million a year ago. Q2 adjusted gross margin came in at 52.1% compared to 55.7% in the second quarter of last year. A key factor impacting near-term margins is the early success of our new LimePrime subscription product, which has exceeded our expectations. The program rolled out mid-Q1, but the trend in new rider adoption didn't become clear until June, the start of our peak season. We were pleasantly surprised to see the number of new riders who became subscribers early in their lifecycle. This means more users are seeing the value of LimePrime and incorporating Lime into their transportation habits sooner than we anticipated.

While scaling LimePrime is an investment that pressures near-term gross margin, the early data is very encouraging. We believe LimePrime is on track to deliver its intended payoff: higher rider engagement, which drives greater lifetime value and better asset utilization. This allows us to grow the business without requiring incremental capital expenditure. We saw this dynamic play out successfully with LimePass, and we are confident in LimePrime's long-term potential.

Another important factor affecting gross margins are our investments in newer Mega-city markets. We know from experience that our investments in these markets result in lower RVD and margin in the early days, but they have the potential to drive durable and compelling unit economics over time. This proven playbook gives us confidence in the returns we can achieve as we reach greater fleet density - and thus reliability - and continue to scale in these markets.

Turning now to Operating Expenses, which in Q2 came in at $116.2 million. The year-over-year increase is attributable to investments in software and hardware innovation and the ongoing costs of being a public company.

Moving to the bottom line, in Q2 we delivered $295.4 million of Net Income and Diluted Earnings per Share of $4.73. These results include one-time extraordinary items related to the IPO.

First, we recorded a one-time non-cash benefit of $289.1 million from the release of a valuation allowance against our deferred tax asset related to our net operating losses. This change was made because we now expect to generate enough taxable income, supported namely by the elimination of our convertible debt costs—to realize the value of these NOLs.

Second, we incurred a one-time non-cash charge of $35.8 million related to the vesting of outstanding RSUs triggered by the IPO. It's also worth noting that our share count and earnings per share in Q2 do not include the impact of the shares issued in the IPO, which will be reflected at the beginning of Q3.

Adjusted EBITDA increased to $84.2 million in the quarter, and represented a 27.7% margin. This compares to 31.0% a year ago, primarily reflecting the gross margin investments I just discussed. Looking ahead, we continue to be focused on delivering long-term operating leverage given our attractive returns on fleet investments, our ability to leverage fixed investments, and our confidence in the long-term outlook of new offerings like LimePrime and of newer markets that are still scaling.

Capex was $75.7 million, up from $35.0 million a year ago. The increase funded fleet expansion in existing markets, scaling in new markets, and pre-investment for our peak season. Combined with a timing-related working capital investment for seasonal parts inventory, this resulted in negative Free Cash Flow for the quarter of $4.1 million. We continue to expect to be free cash flow positive for the full year.

It's important to note that we have a highly disciplined and returns-focused capital allocation philosophy. First, we invest in our fleet, where we continue to see compelling returns. Second, we invest in our technology platform, where software and data continue to improve our operational efficiency, and strengthen our long-term competitive advantages. Third, we pursue selective strategic acquisitions, such as Neuron Canada, when there is a clear opportunity to accelerate our strategy and meet our disciplined return thresholds. And finally, we maintain the financial flexibility to capitalize on future opportunities while preserving a strong balance sheet.

Now, turning to our 2026 guidance. For the third quarter we expect total revenue to be between $340 and $360 million, which represents growth of 16% at the midpoint. While we expect the near-term margin impact from our long-term growth investments to continue through peak season, we anticipate achieving operating leverage in Q3. We are forecasting Adjusted EBITDA of $120 to $130 million in Q3 reflecting the positive underlying unit economics of our model. For modelling purposes, we expect our fully diluted share count to be in the low-70 million range in Q3, which largely reflects the new shares issued in our IPO.

On a full-year basis, we expect revenue to be in the range of $1.04 to $1.10 billion, which represents a 21% year-over-year growth at the midpoint and marks an important milestone of exceeding $1 billion in revenue for the first time in the Company's history. Full year 2026 Adjusted EBITDA is expected to be between $265 and $285 million, which represents 27% year-over-year growth at the midpoint. Full year capital expenditures are expected to be between $180 million and $185 million.

Stepping back, our outlook assumes ongoing strength in our core markets, growing our overall fleet, contributions from newer cities and regions, continued investments in growth opportunities like LimePrime and newer Mega-cities, and continued increases in fleet productivity consistent with the trends we've seen throughout the first half of the year.

Importantly, following the IPO, our balance sheet is stronger than at any point in the company's history. Net proceeds from the offering were $155 million and we used a portion of that to repay our $115 million senior secured term loan in full. Combined with the conversion of our convertible notes, we now have no long-term debt. With that, we have the financial strength to continue executing against our growth initiatives and you can expect us to deploy capital opportunistically while maintaining the same type of discipline that we've demonstrated for many years.

With that, I'd like to now hand it back to Wayne for some closing thoughts.

Wayne Ting - Chief Executive Officer

Thanks, Ann.

Our Q2 results and outlook reinforce what we've been building for nearly a decade: a business with strong unit economics, durable competitive advantages, and significant room for continued disciplined growth. Our strategy remains straightforward: build the best product, operate it more efficiently than anyone else, and partner with cities to expand access to shared transportation. We believe those advantages continue to strengthen as we scale.

Importantly, we believe we are proving that growth and attractive unit economics can go hand in hand. The investments we've made in our fleet, technology, and operations are enabling us to grow while continuing to improve our economics.

Our story is a simple but compelling one. Cities are running out of room for cars, riders want cheaper and greener ways to get around, and Lime has spent nearly a decade building the fleet, the technology, and—most importantly—the trust of city partners to meet that demand with compelling economics. We are the largest global shared micromobility operator, and we believe our operational excellence and scale create a durable competitive advantage.

As a newly public company, our priorities remain unchanged. We will continue to make disciplined decisions, invest where we see compelling returns, and focus on creating long-term value for our riders, our city partners, and our shareholders.

We believe we're still in the very early innings of shared micromobility, and we're excited about the opportunity ahead.