



1Q23 Earnings Conference Call

May 18, 2023

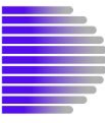




DISCLAIMER

This presentation includes forward-looking statements. We have based these forward-looking statements largely on our current beliefs, expectations and projections about future events and financial trends affecting our business and our market. Some of the factors, risks and uncertainties that might materially affect the forward-looking statements contained herein and may make an investment in our securities speculative or risky include, but are not limited to, the following: the ongoing COVID-19 pandemic is disrupting the global economy and the travel industry, and consequently adversely affecting our business, results of operations and cash flows, and it is difficult to predict the full extent of the impact that the pandemic will have on our Company; we are subject to the risks generally associated with doing business in Latin America and risks associated with our business concentration within this region; general declines or disruptions in the travel industry may adversely affect our business and results of operations; our business and results of operations may be adversely affected by macroeconomic conditions; we are exposed to fluctuations in currency exchange rates; if we are unable to maintain or increase consumer traffic to our sites and our conversion rates, our business and results of operations may be harmed; our business could be negatively affected by changes in search engine algorithms and dynamics or other traffic-generating arrangements; we operate in a highly competitive and evolving market, and pressure from existing and new companies, as well as consolidation within the industry, may adversely affect our business and results of operations; if we are unable to maintain existing, and establish new, arrangements with travel suppliers, our business may be adversely affected; we rely on the value of our brands, and any failure to maintain or enhance consumer awareness of our brands could adversely affect our business and results of operations; we rely on information technology, including third-party technology, to operate our business and maintain our competitiveness, and any failure to adapt to technological developments or industry trends, including third-party technology, could adversely affect our business; we are subject to payments-related fraud risk; any system interruption, security breaches or lack of sufficient redundancy in our information systems may harm our business; our ability to attract, train and retain executives and other qualified employees, particularly highly-skilled IT professionals, is critical to our business and future growth; our business depends on the availability of credit cards and financing options for consumers; internet regulation in the countries where we operate is scarce, and several legal issues related to the internet are uncertain; acquisitions could present risks and disrupt our ongoing business; we may not be able to consummate acquisitions or other strategic opportunities in the future; we are a foreign private issuer under U.S. securities regulations and, as a result, we will not be subject to U.S. proxy rules and will be subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. issuer; and the strategic interests of our significant shareholders may, from time to time, differ from and conflict with our interests and the interests of our other shareholders.

We operate in a competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this presentation. In particular, the COVID-19 pandemic, and governments' extraordinary measures to limit the spread of the virus, are disrupting the global economy and the travel industry, and consequently adversely affecting our business, results of operation and cash flows and, as conditions are uncertain and changing rapidly, it is difficult to predict the full extent of the impact that the pandemic will have or when travel will resume to pre-pandemic levels.. The words "believe," "may," "should," "aim," "estimate," "continue," "anticipate," "intend," "will," "expect" and similar words are intended to identify forward-looking statements. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, capital expenditures, financing plans, competitive position, industry environment, potential growth opportunities, the effects of future regulation and the effects of competition. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly or to revise any forward-looking statements after the date of this presentation because of new information, future events or other factors, except as required by law. In light of the risks and uncertainties described above, the future events and circumstances discussed in this presentation might not occur or come into existence and forward-looking statements are thus not guarantees of future performance. Considering these limitations, you should not make any investment decision in reliance on forward-looking statements contained in this presentation. This presentation includes industry, market and competitive position data and forecasts that we have derived from independent consultant reports, publicly available information, industry publications, official government information, other third-party sources and our internal data and estimates. Independent consultant reports, industry publications and other published sources generally indicate that the information contained therein was obtained from sources believed to be reliable. The inclusion of market estimations in this presentation is based upon information obtained from third-party sources and our understanding of industry conditions. Although we believe that this information is reliable, the information has not been independently verified by us. Trademarks and service marks appearing in this presentation are the property of their respective holders. This presentation includes preliminary financial information which is subject to year-end audit and adjustment.



Record Quarter on Demand Recovery, Improving Revenue Mix and Operating Leverage

1.

- Strong demand recovery and improving revenue mix drive record quarter, with GB up 44% YoY

2.

- Healthy Take Rate drives revenue to strongest level in Company's history

3.

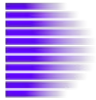
- Total operating expenses grew 34% YoY, well below YoY increase in GBs

4.

- Adjusted EBITDA increases 154% YoY to \$17.3 M, the highest level in 5 years

5.

- Koin remains on track to reach EBITDA breakeven in 2H23

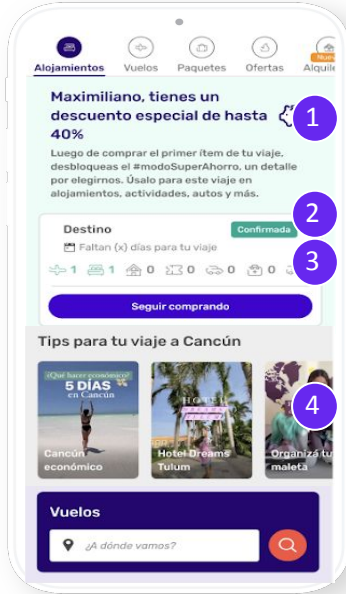


1Q'23
Executive
Summary



Multibrand Apps are Making Customer Interactions Closer and Providing More Personalized Travel Opportunities

Personalized home screen drives customer engagement



1 Awareness of discounts to complete the trip

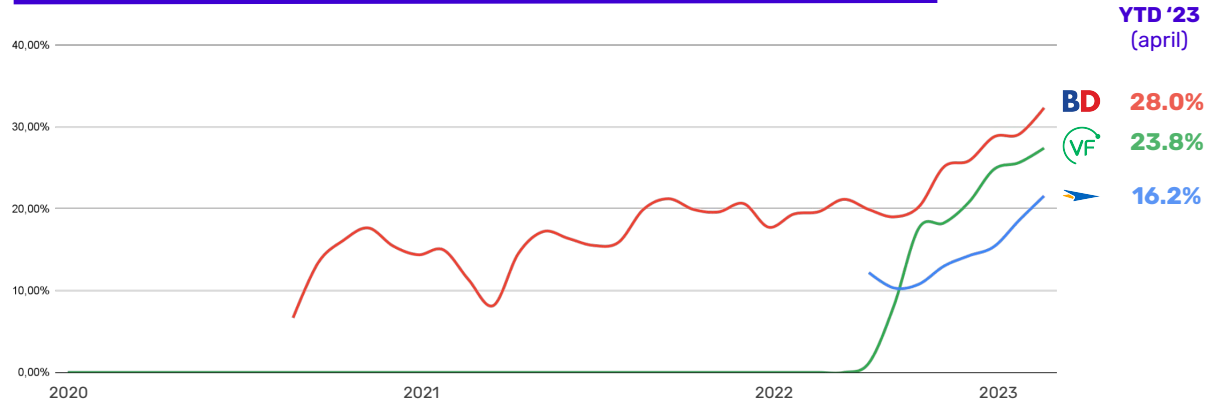
2 Purchased trip status

3 Planner with focus on the next trip

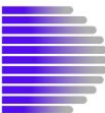
4 Reels with destination tips, advice and recommendations

Apps drive customer engagement across all brands, improving conversion rates




App share as a % of online B2C transactions



- Our scalable IT platform allows us to quickly deploy apps under new brands, rapidly drive user engagement and customer growth
- Newly launched apps provide more intuitive and seamless user experience
- Significant customer engagement potential, as the app participates in over 60% of transactions today



Key Focus Areas Continue to Drive Improving Revenue Mix while Diversifying Revenue Streams

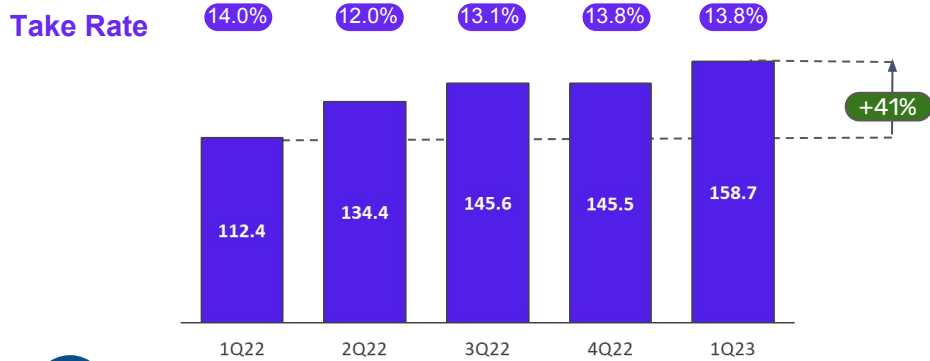
| | Focus Areas | Objectives | 1Q19 | 1Q22 | 1Q23 |
|---|-------------------------|--|-------|-------|--------------------|
|  | Revenue Diversification | Packages (% of GB) | 21% | 30% | 34% |
| | | GB weight MEX + BRA | 53% | 53% | 59% |
|  | Multichannel | B2B ¹ as % of total GB | 5% | 9% | 15% |
| | | App share of online B2C (% transactions) | 24.5% | 36.8% | 36.9% ² |
|  | Customer Focus | # of Loyalty Members (M) | 0.0 | 3.2 | 14.0 |
| | | % of point redemptions | 0% | 3% | 7% |
| | | NPS post Trip | 67.5% | 59.3% | 67.3% |

(1)Includes B2B and B2B2C services (2) Includes VF & Viajanet Apps launched in Q4 2022,



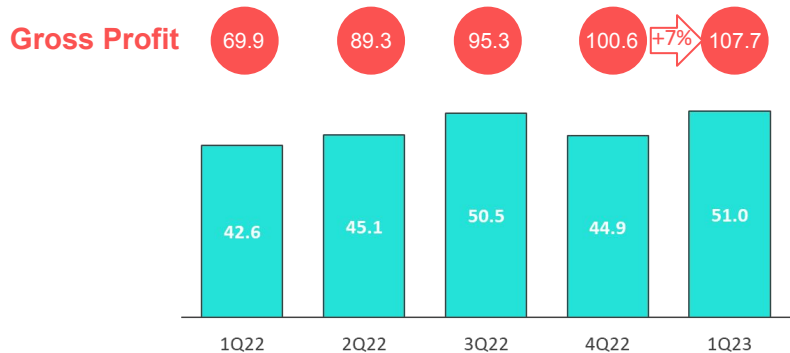
Strong Take Rate in a Growing Market Led to Record Revenues and Gross Profit in 1Q23

1 Revenue (\$ M) vs Take Rate (%)

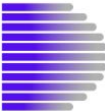


- **Revenues +41% YoY** to \$158.7 M, the highest level in Company's history
- **Strong Take Rate at 13.8%**, as we maintained **focus on profit taking** in Mexico, Chile and Argentina

2 Cost of Revenue (\$ M) vs Gross Profit



- **As reported CoR +20% YoY**, significantly **below 41% revenue growth**
- **Gross Profit** continues **increasing, +54% YoY** and +7% QoQ



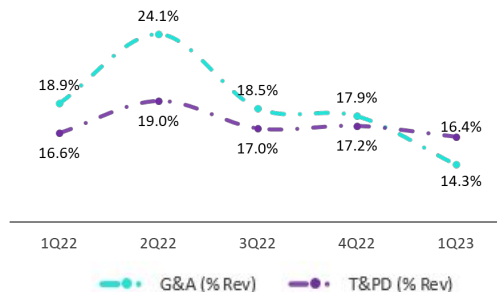
Cost Discipline Drives Operating Leverage, As Gross Bookings Expand

1 G&A + T&PD (\$M)



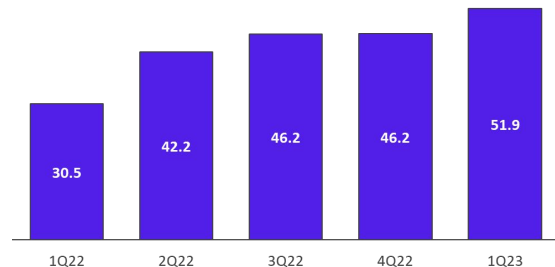
- **Fixed costs** +10% YoY, mainly due to increase in T&PD expenses related to **integration of Viajanet** as well as **FX and inflation**

2 G&A + T&PD (%Rev)



- As **% of Revenues**, **G&A decreased 664 bps YoY** and **T&PD decreased 208 bps**, due to lower stock-based compensation and severance payments, partially offset by FX variations and local currency inflation

3 Sales & Marketing (\$M)

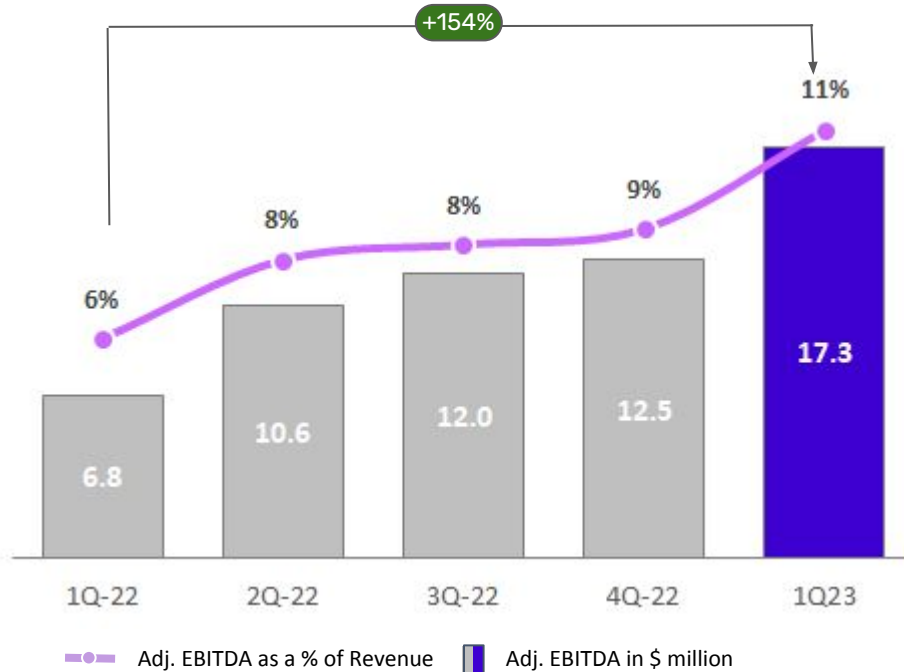


- **S&M expenses +70% YoY and +12% QoQ** due to investments in Company's high margin B2B and offline sales channels
- **Growth investments in Brazil**, including promotional activities in Viajanet also drove cost increases



Operating Leverage Combined with Demand Recovery Across the Region Lead to Strong Profit Levels

1 Quarterly Adj. EBITDA Evolution (% vs \$M)



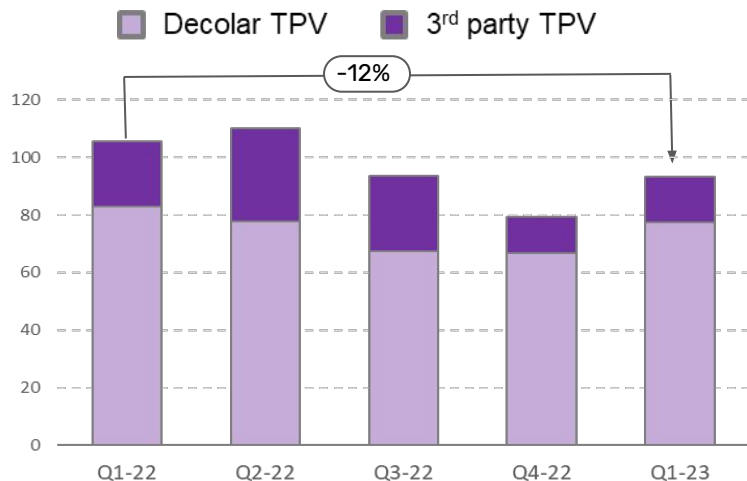
Profit Margin Expansion

- **Adj. EBITDA +154% YoY to \$17.3 M**, on operating leverage and improving revenue mix
- **Strongest Adj. EBITDA** since 2019
- **EBITDA margin expands 483 bps** YoY to 11%, the largest since 2019

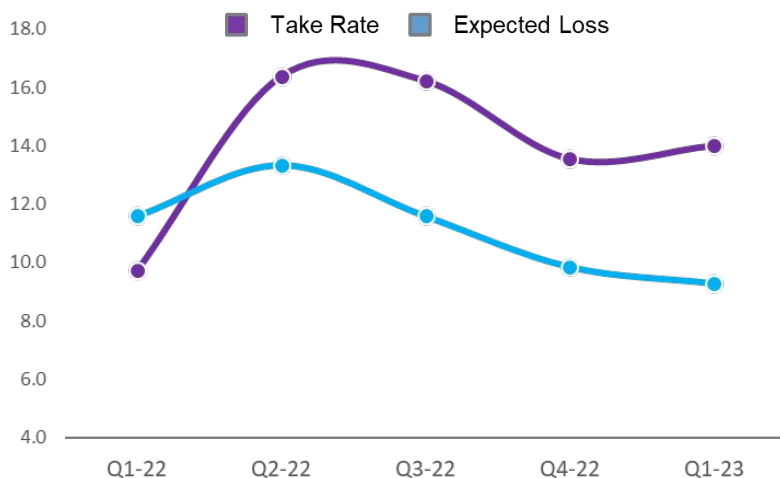


Koin Remains On Track to Reach EBITDA Breakeven in Second Half of 2023

1 Monthly TPV Evolution (R\$ M)



2 Take Rate vs Expected Losses (R\$ M)



Koin Evolution to Date

- **Koin maintains conservative loan origination, with TPV declining 17% YoY**, while modest QoQ expansion was largely driven by loan origination in travel sector
- **Take Rate rises** while Expected Losses maintain downward trend, as we **continue pricing risk effectively**
- **1Q23 EBITDA** loss of -\$2.5 M, improving \$1.5 M QoQ



In Summary: Delivered Strong Performance, On Track to Meet 2023 Guidance



Strong Demand Recovery

- Travel demand recovers across the region in 1Q23



Consistently Strong Take Rate Drives Revenue

- 13.8% Take Rate
- Revenues +41% YoY to \$158.7 M



\$17.3 million Adjusted EBITDA

- Highest EBITDA since 2019
- Driven by operating leverage and improving revenue mix



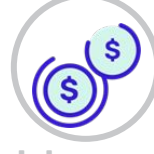
Koin EBITDA -\$2.5M

- Positive profitability trend as Koin remains on track to reach EBITDA breakeven in 2H23



Looking Ahead

- Continuing recovery trend observed in 2023



On track to meet FY'23 Guidance

- Revenue: \$640 M - \$700 M
- EBITDA: \$80 M - \$100 M

Q&A

1Q23 Earnings Conference Call



THANK YOU!

CONTACT

INVESTOR RELATIONS

Luca Pfeifer

+57 315 3824802

luca.pfeifer@despegar.com



Appendix

Trends in Key Financial & Operating Metrics

(in thousands U.S. dollars, unless otherwise stated)

| | 2021 | 3Q21 | 4Q21 | 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 |
|---|------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|
| FINANCIAL RESULTS | | | | | | | | |
| Total Revenue | \$63,069 | \$83,368 | \$124,556 | \$112,414 | \$134,421 | \$145,596 | \$145,542 | \$158,707 |
| Cost of revenue | 38,429 | 37,953 | 53,765 | 42,558 | 45,149 | 50,305 | 44,897 | 51,027 |
| Gross profit | 24,640 | 45,415 | 70,791 | 69,856 | 89,272 | 95,291 | 100,645 | 107,680 |
| Operating expenses | | | | | | | | |
| Selling and marketing | 19,188 | 26,138 | 34,582 | 30,517 | 42,214 | 46,174 | 46,245 | 51,892 |
| General and administrative | 22,696 | 22,162 | 18,689 | 23,523 | 27,037 | 24,873 | 26,092 | 22,672 |
| Technology and product development | 18,344 | 19,432 | 19,508 | 20,735 | 21,407 | 22,834 | 25,015 | 25,971 |
| Total operating expenses | 60,228 | 67,732 | 72,779 | 74,775 | 90,658 | 93,881 | 97,352 | 100,535 |
| Gain / (loss) from equity investments | (348) | (29) | 343 | 117 | 16 | (105) | (192) | 113 |
| Operating (loss) / income | (35,936) | (22,346) | (1,645) | (4,802) | (1,370) | 1,305 | 3,101 | 7,258 |
| Financial result, net | (1,835) | (3,254) | (3,809) | (7,023) | (10,529) | (15,359) | (12,543) | (12,595) |
| Loss before income taxes | (37,771) | (25,600) | (5,454) | (11,825) | (11,899) | (14,054) | (9,442) | (5,337) |
| Income tax (benefit) / expenses | (6,413) | (1,654) | 7,545 | 19,093 | 1,266 | (4,767) | 5,717 | (4,640) |
| Net loss | (31,358) | (23,946) | (12,999) | (30,918) | (13,165) | (9,287) | (15,159) | (697) |
| Net loss attributable to non controlling interest | \$258 | \$273 | \$526 | | | | | |
| Net loss attributable to Despegar.com, Corp | (31,100) | (23,673) | (12,473) | (30,918) | (13,165) | (9,287) | (15,159) | (697) |
| Total Adjusted EBITDA | (\$22,256) | (\$10,346) | \$9,002 | \$6,787 | \$10,594 | \$12,015 | \$12,525 | \$17,272 |

Trends in Key Financial & Operating Metrics

(in thousands U.S. dollars and thousand transactions, unless otherwise stated)

| | 2021 | 3Q21 | 4Q21 | 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 |
|--|-----------|-----------|-----------|-----------|-------------|-------------|-------------|-------------|
| KEY METRICS | | | | | | | | |
| Operational | | | | | | | | |
| Gross bookings | \$488,761 | \$656,957 | \$957,041 | \$799,499 | \$1,113,568 | \$1,104,608 | \$1,053,429 | \$1,148,230 |
| - YoY growth | 899% | 297% | 138% | 117% | 128% | 68% | 10% | 44% |
| TPV Financial Services | 2,559 | 7,555 | 17,279 | 20,293 | 22,472 | 17,830 | 15,092 | 17,959 |
| - YoY growth | - | 416% | 226% | 572% | 778% | 136% | (13%) | (12%) |
| Number of transactions | 1,290 | 1,827 | 2,257 | 1,955 | 2,193 | 2,208 | 1,959 | 2,062 |
| - YoY growth | 523% | 207% | 79% | 61% | 70% | 21% | (13%) | 5% |
| Air | 639 | 999 | 1,277 | 1,015 | 1,129 | 1,122 | 1,027 | 975 |
| - YoY growth | 318% | 155% | 88% | 55% | 77% | 12% | (20%) | (4%) |
| Packages, Hotels & Other Travel Products | 692 | 827 | 1,021 | 940 | 1,033 | 1,063 | 925 | 1,076 |
| - YoY growth | 1181% | 307% | 76% | 64% | 49% | 29% | (9%) | 14% |
| Revenue per transaction | \$47.4 | \$45.7 | \$54.2 | \$57.5 | \$61.3 | \$65.9 | \$74.3 | \$77.0 |
| - YoY growth | (201%) | 131% | 28% | 36% | 29% | 44% | 37% | 34% |
| Air | \$32.5 | \$32.0 | \$48.7 | \$43.7 | \$47.2 | \$52.0 | \$59.5 | \$58.5 |
| - YoY growth | 914% | 102% | 74% | 71% | 45% | 62% | 22% | 34% |
| Packages, Hotels & Other Travel Products | \$60.2 | \$61.3 | \$75.4 | \$68.0 | \$76.2 | \$79.7 | \$84.3 | \$98.0 |
| - YoY growth | (132%) | 125% | 28% | 11% | 27% | 30% | 12% | 44% |
| ASPs | \$367 | \$360 | \$417 | \$411 | \$511 | \$503 | \$539 | \$558 |
| - YoY growth | 55% | 30% | 31% | 37% | 39% | 40% | 29% | 36% |

Unaudited Consolidated Balance Sheets

(in thousands U.S. dollars)

| | As of March 31, 2023 | As of December 31, 2022 |
|--|----------------------|-------------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | 205,143 | 219,167 |
| Restricted cash | 22,015 | 25,879 |
| Trade accounts receivable, net of credit expected loss | 170,672 | 147,398 |
| Loan receivables, net | 18,057 | 15,385 |
| Related party receivable | 9,277 | 10,676 |
| Other current assets and prepaid expenses | 40,993 | 46,621 |
| Total current assets | 466,157 | 465,126 |
| Non-current assets | | |
| Other assets and prepaid expenses | 76,798 | 69,784 |
| Loan receivables, net | 857 | 1,185 |
| Restricted cash | 864 | - |
| Lease right-of-use assets | 19,820 | 22,428 |
| Property and equipment net | 15,959 | 15,532 |
| Intangible assets net | 94,083 | 91,500 |
| Goodwill | 147,216 | 138,637 |
| Total non-current assets | 355,597 | 339,066 |
| TOTAL ASSETS | 821,754 | 804,192 |

| | As of March 31, 2023 | As of December 31, 2022 |
|--|----------------------|-------------------------|
| LIABILITIES AND SHAREHOLDERS' DEFICIT | | |
| Current liabilities | | |
| Accounts payable and accrued expenses | 60,087 | 58,024 |
| Travel suppliers payable | 314,714 | 287,426 |
| Related party payable | 42,226 | 37,472 |
| Short-term debt | 21,392 | 29,931 |
| Deferred Revenue | 26,001 | 23,348 |
| Other liabilities | 110,763 | 114,221 |
| Contingent liabilities | 9,488 | 7,982 |
| Lease Liabilities | 5,506 | 6,081 |
| Total current liabilities | 590,177 | 564,485 |
| Non-current liabilities | | |
| Other liabilities | 17,786 | 20,845 |
| Contingent liabilities | 30,786 | 30,593 |
| Long term debt | 3,433 | 5,119 |
| Lease liabilities | 15,252 | 17,151 |
| Related party liability | 125,000 | 125,000 |
| Total non-current liabilities | 192,257 | 198,708 |
| TOTAL LIABILITIES | 782,434 | 763,193 |
| Series A non-convertible preferred shares | 120,582 | 121,449 |
| Series B convertible preferred shares | 46,700 | 46,700 |
| Mezzanine Equity | 167,282 | 168,149 |
| SHAREHOLDERS' DEFICIT | | |
| Common stock | 287,844 | 287,553 |
| Additional paid-in capital | 317,526 | 323,706 |
| Other reserves | (728) | (728) |
| Accumulated other comprehensive loss | (10,318) | (16,092) |
| Accumulated losses | (644,019) | (643,322) |
| Treasury Stock | (78,267) | (78,267) |
| Total Shareholders' Deficit Attributable to Despegar.com Corp | (127,962) | (127,150) |
| TOTAL LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' DEFICIT | 821,754 | 804,192 |