



3Q23 Earnings Conference Call

November 9, 2023

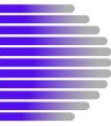




DISCLAIMER

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 Commercial Execution, Organic Growth and Operating Leverage

3Q'23
Executive
Summary

1. Strong execution, improving revenue mix and robust demand environment drove revenues +22% YoY to a quarterly record of \$178.1 M

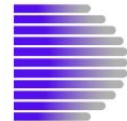
2. Adjusted EBITDA increased 106% YoY to \$24.7 M, due to strong revenue growth and ongoing efforts to drive operating leverage

3. Strategic focus on higher value Travel Packages led to strong growth, with Packages reaching 30 % of total GB, vs. 26% a year ago

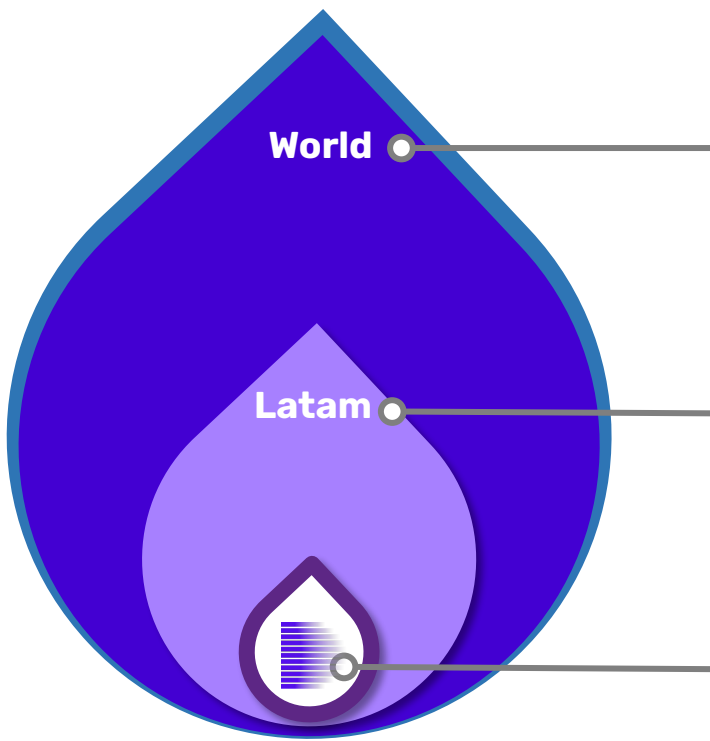
4. Robust growth trends and opportunities in B2C; B2B/B2B2C growing 2X vs B2C, as we leverage our robust and flexible technology platform

5. Operating Cash Flow +\$33 M, a strong year-over-year improvement, with total cash balance increasing to \$256 M

Significant Market Opportunity Sustains Despegar's Strong Growth Trajectory For The Foreseeable Future



Significant Market Opportunity



\$2.2T⁽¹⁾

Global Market
Greenfield opportunity to grow B2B/B2B2C product in market expanding 9% CAGR¹ until 2028

\$150B⁽¹⁾

Current Potential Market
Highly fragmented; Expected to grow at double digits

>\$5.0B (~23)

Current Size
85% of GB generated online B2C; B2B/B2B2C at 15% of GB outgrowing B2C by 2X

B2B
7% Connected >15K offline Agencies

B2B2C
8% 77 White Label partners across Banking/ Retail/ Travel space

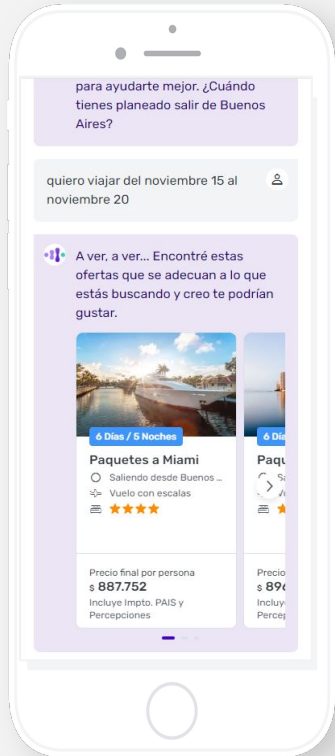
B2C
85% Generated across LATAM, with majority in Brazil and Mexico

(1) Source: Euromonitor



Commitment to Continuous Innovation Solidifies our Position as Region's Market Leader

AI Trip Planner Launch



User Feedback

“ *The suggestions section was very accurate*

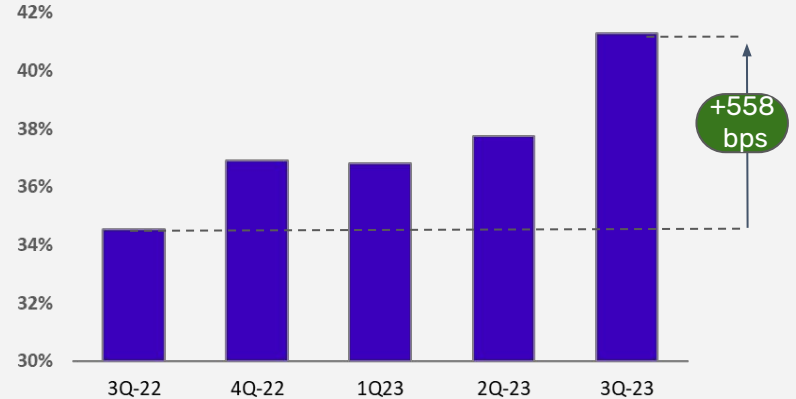
Very good interaction with the chat

The chat provided me with a quick response

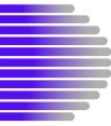
Literally gave me what I was looking for

”



App-based transactions (% of total)



- **DESP apps** among **most popular** travel apps in **LatAm**
- Reached **installed base** of **approximately 13 million** mobile devices +27% YoY
- **App-based transactions** reached all-time high of over **40% (+558 bps YoY)**

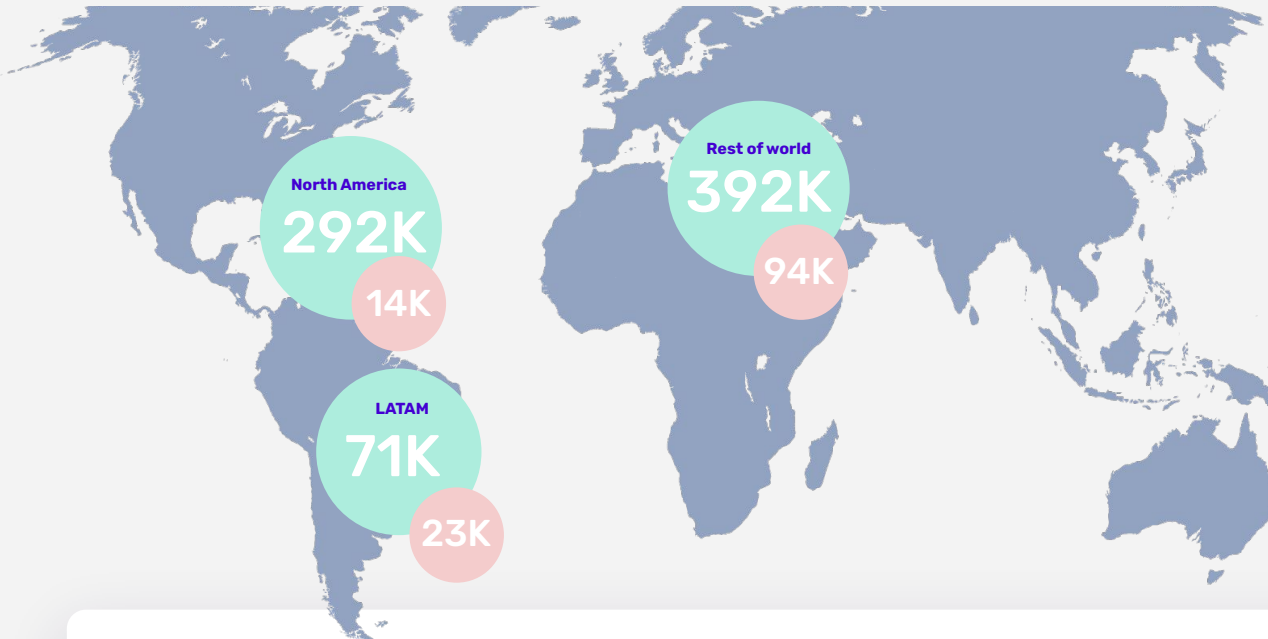


Maintaining Undisputed Brand Leadership Across the Region Adds to Competitive Moat

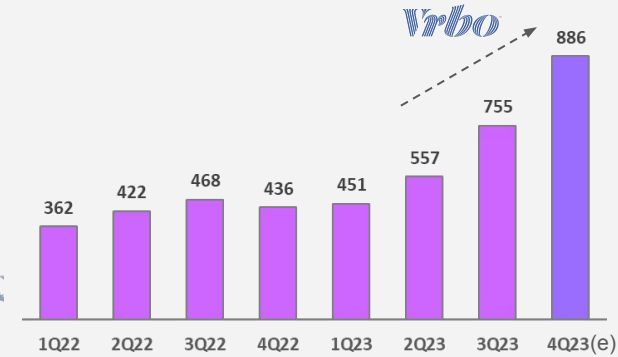
UNAIDED BRAND AWARENESS ¹					Rest of Latam
DESPEGAR	41%	<div style="width: 41%;"></div>	43%	26%	53%
TRIVAGO	37%	<div style="width: 37%;"></div>	36%	47%	27%
BOOKING	27%	<div style="width: 27%;"></div>	29%	21%	31%
CVC	21%	<div style="width: 21%;"></div>	43%	-	-
123MILHAS	18%	<div style="width: 18%;"></div>	37%	-	-
AIRBNB	16%	<div style="width: 16%;"></div>	18%	17%	12%
LATAM	13%	<div style="width: 13%;"></div>	15%	-	24%
GOL	10%	<div style="width: 10%;"></div>	21%	-	1%
AZUL	10%	<div style="width: 10%;"></div>	20%	-	-
VOLARIS	9%	<div style="width: 9%;"></div>	-	34%	-
HOTEIS.COM	8%	<div style="width: 8%;"></div>	12%	8%	1.1%
AEROMEXICO	8%	<div style="width: 8%;"></div>	-	29%	-
EXPEDIA	7%	<div style="width: 7%;"></div>	-	27%	-
TRIPADVISOR	6%	<div style="width: 6%;"></div>	7%	5%	6%
HOTEL URBANO	5%	<div style="width: 5%;"></div>	11%	-	-
AVIANCA	5%	<div style="width: 5%;"></div>	-	-	20%
BESTDAY	4%	<div style="width: 4%;"></div>	-	15%	-
VIAJES FALABELLA	4%	<div style="width: 4%;"></div>	-	-	15%
ALMUNDO	3%	<div style="width: 3%;"></div>	-	18%	13%
AEROLINEAS AR	3%	<div style="width: 3%;"></div>	-	-	12%
AVIATUR	2%	<div style="width: 2%;"></div>	-	-	9%
VIAJANET	2%	<div style="width: 2%;"></div>	4%	-	-
JETSMART	2%	<div style="width: 2%;"></div>	-	-	7%
VIVA	1%	<div style="width: 1%;"></div>	-	-	3%

(1) Source:Despegar Market Insights Brand Tracking, Unbranded Research On General Population Conducted Through Outsourced Online Panels, Oct-2023

Substantially Boosting Our Global Inventory - Despegar Integrates VRBO Vacation Rentals



Despegar VR growth (k units)



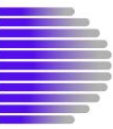
● Rollout completed

● Rollout next 3 months

○ **Vacation Rentals** product offers additional avenue **to boost growth**

○ **61%** inventory **increase YTD**

Key Focus Areas Continue Driving More Profitable Product Mix While Diversifying Revenue Streams



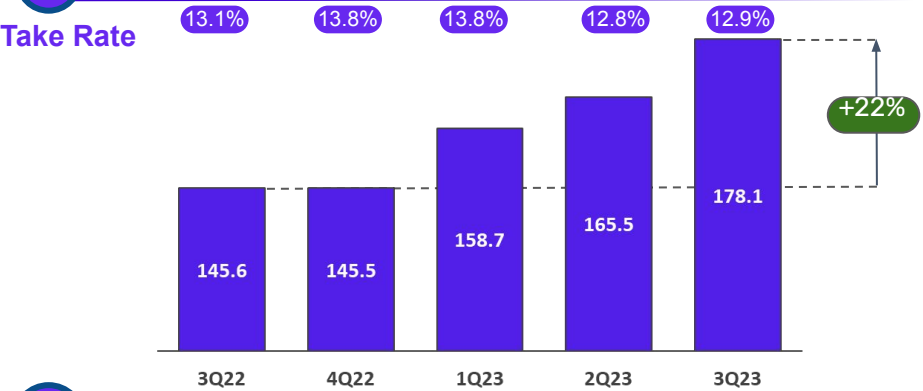
	Focus Areas	Objectives	3Q19	3Q22	3Q23
	Revenue Diversification	Packages (% of GB)	21%	26%	30%
		GB weight MEX + BRA	53%	55%	61%
	Multichannel	B2B/B2B2C as % of total GB	6%	11%	15%
		App share of online B2C ¹ (% transactions)	26.8%	34.5%	40.1%
	Customer Focus	# of Loyalty Members (M)	0.0	9.1	19.9
		% of point redemptions	0%	5.5%	10%
		NPS post Trip	68.3%	63.9% ²	67.5%

(1) 2019: D!. 2022: D! + BD. 2023: D! + BD + VF + VN. (2) Decline due to COVID-19 pandemic



Robust Execution On Effective Strategies Led to Record Revenues and Q3 Adj. EBITDA Since IPO

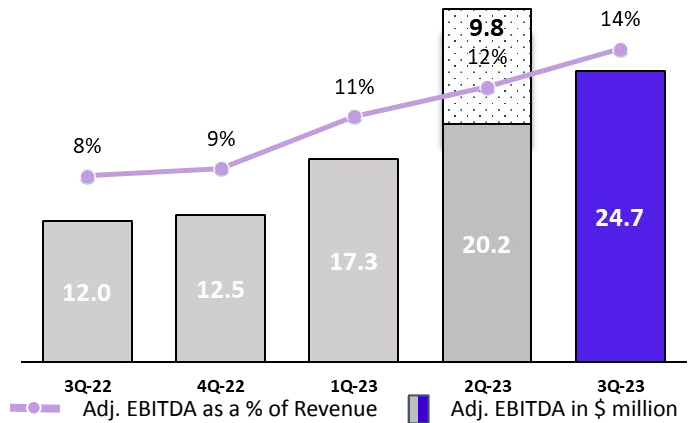
1 Revenue (\$ M) vs Take Rate (%)



Revenues **+22% YoY** to \$178.1 M, a quarterly high

Strong Take Rate at **12.9%**, reflecting **focus on profitable growth**

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



Adj. EBITDA **+106% YoY** to **\$24.7 M**, on operating leverage and improving revenue mix

Adj. EBITDA Margin **+563bps** YoY to **+14%**

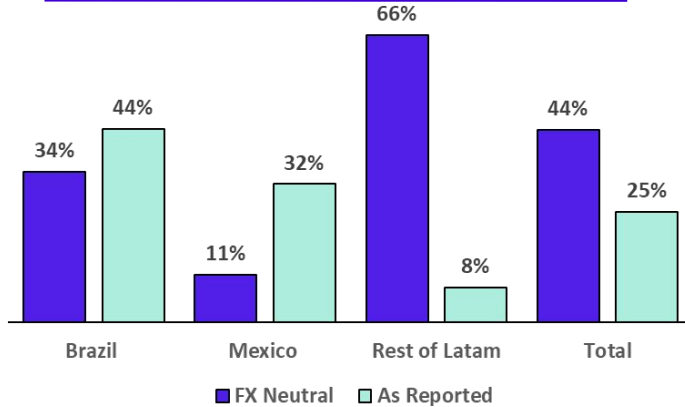
Strongest 3Q Adj. EBITDA since IPO

Operating leverage achieved through **YoY efficiencies** in **G&A** and **T&C**, **-70 bps** & **-10 bps** as % of GB, respectively

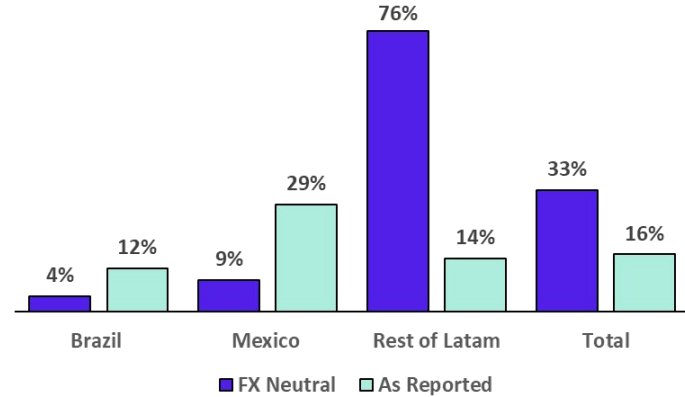


Focus Markets Brazil and Mexico Drive Solid Growth in Gross Bookings

Gross Bookings (YoY %Growth)



Average Selling Price (YoY %Growth)



Brazil

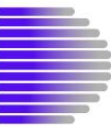
- Outstanding results driven by **strong execution** and continuously **improving competitive dynamics** in this market, our success offering **vacation packages**, and continued **growth in higher-ticket international travel**

Mexico

- Positive trend driven by our strategic decision to **invest in profitable growth**, with focus on **margin-accretive package sales**

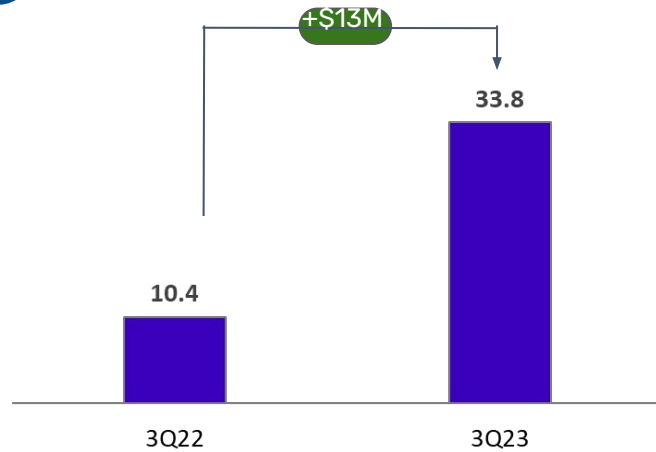
Rest of Latam

- Gross Bookings increase largely attributed to **international demand in Chile** and **positive demand trends** in **Argentina**

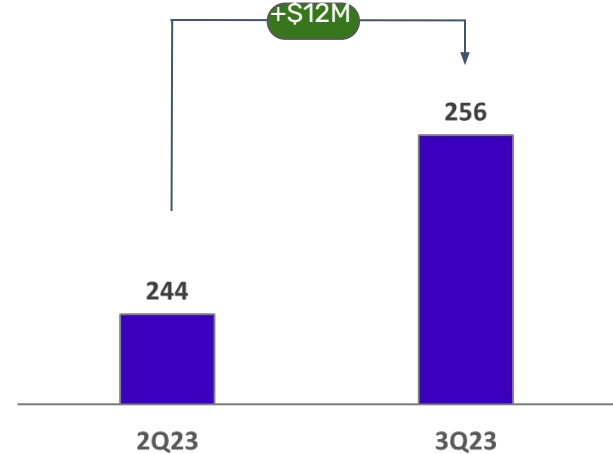


Already Solid Cash Position Increased \$12 M QoQ to \$256 M, Maintaining Financial Flexibility

1 Operating Cash Flow



2 Cash & Cash Equivalents



- **Operating cash flow increased +\$12M YoY** in line with **Net Working Capital increase** driven by **higher Gross Bookings and operating leverage** during **3Q23**
- Despite preferred dividend payment, CAPEX and other investments **Cash and Cash Equivalents increased +12M QoQ**



3Q23 Summary: Excellent Results Through Strong Execution of Commercial Initiatives



Strong Commercial Execution

- Increase in package sales and accelerating App penetration to build customer loyalty



Consistently Strong Take Rate Drives Revenue

- 12.9% Take Rate
- Revenue +22% YoY to \$178.1 M



\$24.7 million Adjusted EBITDA

- Highest 3Q EBITDA since IPO
- Driven by strong growth trend, operating leverage, and productivity improvements



Cash \$256 M + \$12M QoQ

- Solid cash position maintains financial flexibility



Looking Ahead

- Consistent execution of commercial strategy drives top line growth



Raising lower end of FY23 Guidance

- Revenue: \$670 M - \$700 M
- EBITDA: \$90 M - \$100 M

Q&A

3Q23 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)

	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
FINANCIAL RESULTS								
Total Revenue	\$124,556	\$112,414	\$134,421	\$145,596	\$145,542	\$158,707	\$165,524	\$178,149
Cost of revenue	53,765	42,558	45,149	50,305	44,897	51,027	60,000	57,599
Gross profit	70,791	69,856	89,272	95,291	100,645	107,680	105,524	120,550
Operating expenses								
Selling and marketing	34,582	30,517	42,214	46,174	46,245	51,892	51,695	56,529
General and administrative	18,689	23,523	27,037	24,873	26,092	22,672	8,396	21,382
Technology and product development	19,508	20,735	21,407	22,834	25,015	25,971	26,448	26,440
Impairment of long-lived assets	-	-	-	-	-	-	-	-
Total operating expenses	72,779	74,775	90,658	93,881	97,352	100,535	86,539	104,351
Gain / (loss) from equity investments	343	117	16	(105)	(192)	113	(285)	(948)
Operating (loss) / income	(1,645)	(4,802)	(1,370)	1,305	3,101	7,258	18,700	15,251
Financial result, net	(3,809)	(7,023)	(10,529)	(15,359)	(12,543)	(12,595)	(3,947)	(3,215)
Loss before income taxes	(5,454)	(11,825)	(11,899)	(14,054)	(9,442)	(5,337)	14,753	12,036
Income tax (benefit) / expenses	7,545	19,093	1,266	(4,767)	5,717	(4,640)	(13,251)	12,351
Net loss	(12,999)	(30,918)	(13,165)	(9,287)	(15,159)	(697)	28,004	(315)
Net loss attributable to non controlling interest	\$526							
Net loss attributable to Despegar.com, Corp	(12,473)	(30,918)	(13,165)	(9,287)	(15,159)	(697)	28,004	(315)
Total Adjusted EBITDA	\$9,002	\$6,787	\$10,594	\$12,015	\$12,525	\$17,272	\$29,957	\$24,730

Trends in Key Financial & Operating Metrics

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

Key Metrics	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Operational								
Gross bookings	\$957,041	\$799,499	\$1,113,400	\$1,104,283	\$1,053,429	\$1,148,230	\$1,286,976	\$1,383,075
- YoY growth	138%	117%	128%	68%	10%	44%	16%	25%
TPV Financial Services	17,279	20,293	22,472	17,830	15,092	17,959	16,733	18,558
- YoY growth	226%	572%	778%	136%	(13%)	(12%)	(26%)	4%
Number of transactions	2,257	1,955	2,193	2,208	1,959	2,062	2,204	2,384
- YoY growth	79%	61%	70%	21%	(13%)	5%	0%	8%
Air	1,277	1,015	1,129	1,122	1,027	975	1,041	1,161
- YoY growth	88%	55%	77%	12%	(20%)	(4%)	(8%)	4%
Packages, Hotels & Other Travel Products	1,021	940	1,033	1,063	925	1,076	1,154	1,218
- YoY growth	76%	64%	49%	29%	(9%)	14%	12%	15%
Revenue per transaction	\$54.2	\$57.5	\$61.3	\$65.9	\$74.3	\$77.0	\$75.1	\$74.7
- YoY growth	28%	36%	29%	44%	37%	34%	23%	13%
Air	\$48.7	\$43.7	\$47.2	\$52.0	\$59.5	\$60.0	\$58.3	\$58.5
- YoY growth	74%	71%	45%	62%	22%	37%	24%	13%
Packages, Hotels & Other Travel Products	\$75.4	\$68.0	\$76.2	\$79.7	\$84.3	\$90.8	\$88.4	\$98.0
- YoY growth	28%	11%	27%	30%	12%	34%	16%	23%
ASPs	\$417	\$411	\$511	\$503	\$539	\$558	\$584	\$581
- YoY growth	31%	37%	39%	40%	29%	36%	14%	16%

Unaudited Consolidated Balance Sheets

(in thousands U.S. dollars)

	As of September 30, 2023	As of June 30, 2023
ASSETS		
Current assets		
Cash and cash equivalents	221,681	218,535
Restricted cash and cash equivalents	33,160	24,434
Accounts receivable, net of allowances	199,724	211,787
Loan receivables, net	16,023	16,911
Related party receivable	13,736	12,092
Other current assets and prepaid expenses	49,374	47,346
Total current assets	533,698	531,105
Non-current assets		
Other assets and prepaid expenses	75,549	81,752
Loan receivables, net	1,072	974
Restricted cash	866	965
Lease right-of-use assets	18,317	18,912
Property and equipment net	16,176	14,848
Intangible assets net	97,361	97,461
Goodwill	150,632	154,125
Total non-current assets	359,973	369,037
TOTAL ASSETS	893,671	900,142

	As of September 30, 2023	As of June 30, 2023
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	86,638	54,715
Travel suppliers payable	370,218	375,143
Related party payable	51,824	59,791
Short-term debt	28,280	27,984
Deferred Revenue	30,684	29,057
Other liabilities	83,802	92,235
Contingent liabilities	7,630	12,020
Lease Liabilities	4,402	5,075
Total current liabilities	663,478	656,020
Non-current liabilities		
Other liabilities	14,078	15,991
Contingent liabilities	15,500	15,300
Long term debt	2,403	2,734
Lease liabilities	14,608	14,811
Related party liability	125,000	125,000
Total non-current liabilities	171,589	173,836
TOTAL LIABILITIES	835,067	829,856
Series A non-convertible preferred shares		
	127,300	127,594
Series B convertible preferred shares		
	46,700	46,700
Mezzanine Equity	174,000	174,294
SHAREHOLDERS' DEFICIT		
Common stock	288,240	288,240
Additional paid-in capital	303,359	310,218
Other reserves	(728)	(728)
Accumulated other comprehensive loss	(11,669)	(7,458)
Accumulated losses	(616,331)	(616,013)
Treasury Stock	(78,267)	(78,267)
Total Shareholders' Deficit Attributable to Despegar.com Corp	(115,396)	(104,008)
TOTAL LIABILITIES, MEZZANINE EQUITY AND SHAREHOLDERS' DEFICIT	893,671	900,142