



# INSPIRATO

## Company Update

MAY 2023

# Disclaimer

## Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of federal securities laws. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “believe,” “may,” “will,” “estimate,” “potential,” “continue,” “anticipate,” “intend,” “expect,” “could,” “would,” “project,” “forecast,” “plan,” “intend,” “target,” or the negative of these words or other similar expressions that concern our expectations, strategy, priorities, plans, or intentions. Forward-looking statements in this presentation include, but are not limited to, statements regarding our expectations relating to future operating results and financial position; guidance and growth prospects including those related to new platforms Inspirato for Good and Inspirato for Business; quotations of management; our expectations regarding the luxury travel market; anticipated future expenses and investments; business strategy and plans; market growth; market position; and potential market opportunities. Our expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties, including changes in our plans or assumptions, that could cause actual results to differ materially from those projected. These risks include our inability to forecast our business due to our limited experience with our pricing models; the risk of downturns in the travel and hospitality industry, including residual effects of the COVID-19 pandemic; our ability to compete effectively in an increasingly competitive market; our ability to sustain and manage our growth; and general market, political, economic and business conditions and other risks detailed in our filings with the Securities and Exchange Commission (the “SEC”), including in our Annual Report on Form 10-K filed with the SEC on March 15, 2023, Quarterly Report on Form 10-Q that will be filed with the SEC on May 9, 2023 and subsequent filings with the SEC.

You should not place undue reliance on our forward-looking statements. We have based the forward-looking statements contained in this presentation primarily on our current expectations and projections about future events and trends that we believe may affect our business, operating results, financial condition and prospects. Moreover, we operate in a very 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. We cannot assure you that the results, events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements. Moreover, the forward-looking statements made in this presentation relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this presentation to reflect events or circumstances after the date of this presentation or to reflect new information or the occurrence of unanticipated events, except as required by law.

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## Key Performance Metrics and Use of Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures (including on a forward-looking basis) such as Adjusted Net Loss, Adjusted EBITDA and Adjusted EBITDA Margin. These non-GAAP measures are presented for supplemental informational purposes only, and not a substitute for measures of financial performance prepared in accordance with GAAP. These non-GAAP measures have limitations as analytical tools, and they should not be considered in isolation or as a substitute for analysis of other GAAP financial measures. Reconciliations of non-GAAP measures to their most directly comparable GAAP counterparts are included in this presentation. In addition, other companies may calculate non-GAAP measures differently, or may use other measures to calculate their financial performance, and therefore, Inspirato’s non-GAAP measures may not be directly comparable to similarly titled measures of other companies. Additionally, to the extent that forward-looking non-GAAP financial measures are provided, they are presented on a non-GAAP basis without reconciliations of such forward-looking non-GAAP measures due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations.

This presentation includes certain key performance metrics, such as LTV / CAC, Active Subscriptions, Active Subscribers, 12-month forward bookings and Total Nights Delivered. Inspirato's management uses these key performance metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans and make strategic decisions. Our key performance metrics may differ from estimates published by third parties or from similarly titled metrics of other companies due to differences in methodology.

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# Section 1. Company Overview



Sonoma, CA

MISSION STATEMENT

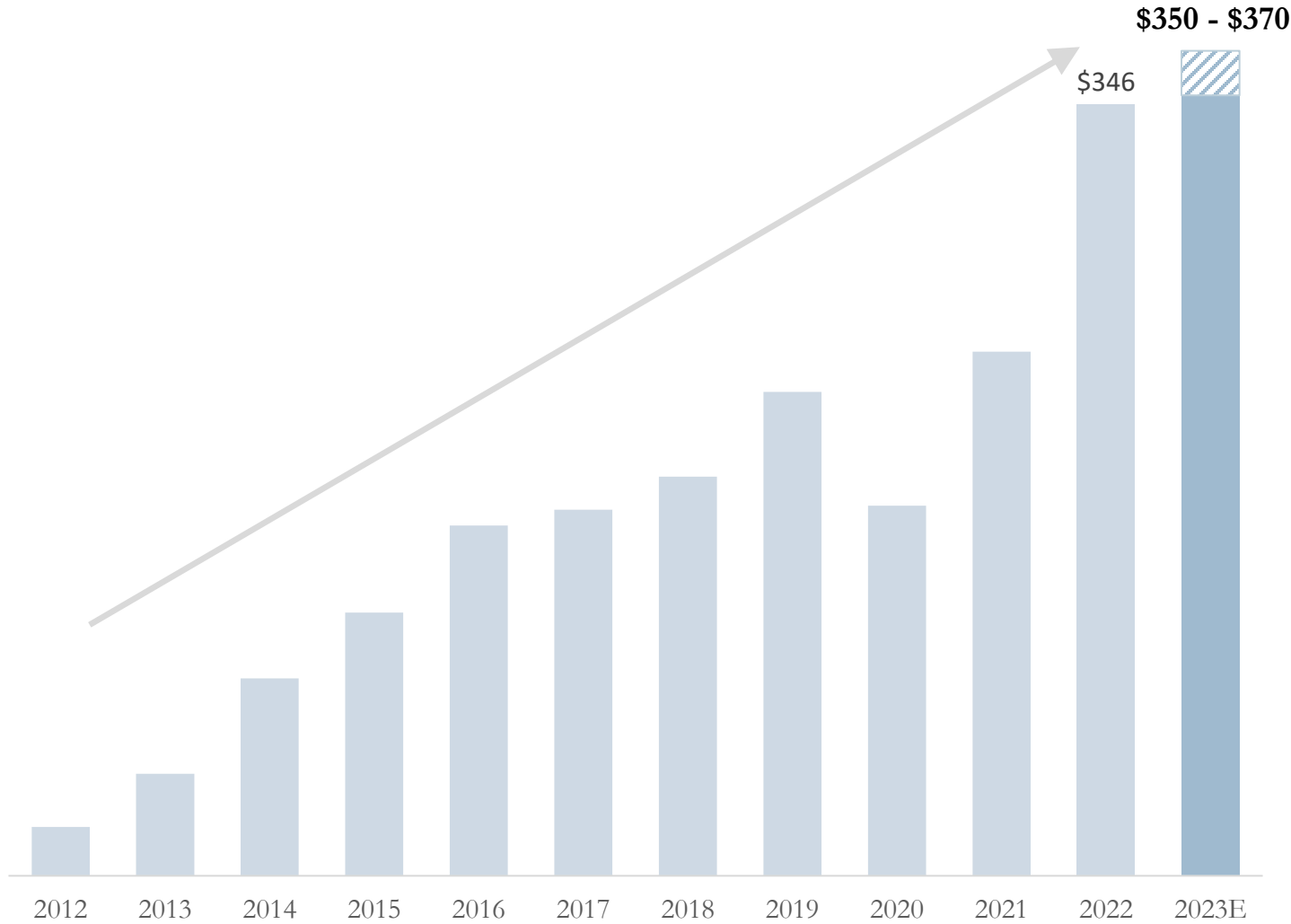
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Deliver exceptional luxury travel experiences with superior service and certainty



# Inspirato at a glance

## Total Revenue (\$ in mm)



## BY THE NUMBERS



1. Market cap as of 3/31/23, share price of \$0.96. Share count includes all voting Class A and Class V shares. See appendix for capitalization detail  
 2. Includes net loss attributable to noncontrolling interests. Adjusted EBITDA is a non-GAAP financial measures. See appendix for reconciliation  
 3. Total Active Subscribers as of 3/31/23 includes all subscribers who have one or more Active Subscription(s)  
 4. Paid Forward Booking value for all Residence, Hotel and Inspirato Experiences as of 3/31/23  
 5. Total nights delivered in three months ended March 31, 2023; includes all Paid, Inspirato Pass, Inspirato for Good, Inspirato for Business, employee and other complimentary nights in all residences and hotels; excludes bookings from Inspirato Experiences and Inspirato Travel Services

# Inspirato has built significant barriers to entry that help protect its subscription products

1

## CONTROLLED/EXCLUSIVE LUXURY INVENTORY

Through exclusive leases, manage and control 500+ residences<sup>1</sup> worth more than ~\$1.5bn<sup>2</sup>

2

## RATE & CALENDAR CONTROL

Ability to effectively manage and fully dictate rate and availability without landlord interference

3

## LUXURY SALES & SERVICE

~450 person sales and service organization, including dedicated travel advisors and on-site concierge

4

## PREDICTABLE SUBSCRIPTION REVENUE

~14.4k Active Subscriber<sup>3</sup> base provides consistent cash flow and stability

5

## PROPRIETARY TECHNOLOGY

Patents allowed business process technology that provides opaque subscription distribution of perishable inventory

6

## TRUSTED AND ICONIC LIFESTYLE BRAND

\$100mm+ invested during the last 10 years

7

## NETWORK EFFECT

Discerning subscriber base of travel enthusiasts allows for thoughtful portfolio management, improving value proposition for subscribers

1. Source: Inspirato internal systems as of 3/31/23. Figures are specific to Inspirato's portfolio of Residences only (excludes Hotels & Resorts, Experiences, and Inspirato Travel Services)

2. Based on management estimates as of 12/31/21

3. Source: Inspirato internal systems as of 3/31/23. Total Active Subscribers includes all subscribers who have one or more Active Subscription(s)

# Focused on our path to profitability

1

## Initiatives aimed at Improving Gross Margins



### Portfolio Optimization

Remove and/or renegotiate select  
Controlled Accommodations

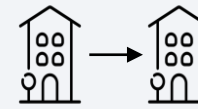


### Inventory Allocation

Drive bookings to leased properties

2

## Heightened focus on reducing costs



### Moderated Portfolio Growth

Leverage same-store margin profile



### Improved Operating Efficiencies

Renegotiate vendor contracts

3

## Increased visibility on Operating Expenses



### Extended Stay Offerings

Travel alternative with  
low operating expenses



### Redefining LTV/CAC<sup>1</sup>

Reduce Sales & Marketing expense through  
Inspirato for Good (IFG), Inspirato for Business  
(IFB), and Saks Partnership

4

## Committed to best-in-class member satisfaction



### White Glove Service

VIP access to bucket list travel events and experiences



### Customer Satisfaction

2022 marked 5 consecutive years of 70+ NPS<sup>2</sup>

1. Lifetime Value to Customer Acquisition Cost

2. Source: Inspirato internal systems as of 12/31/22. Net Promoter Score (NPS). Net Promoter Score (NPS) is a customer satisfaction metric taken from asking customers how likely they are to recommend Inspirato to others on a scale of 0-10. Inspirato's reported NPS is measured after travel within Inspirato's managed and controlled portfolio

# The Inspirato platform

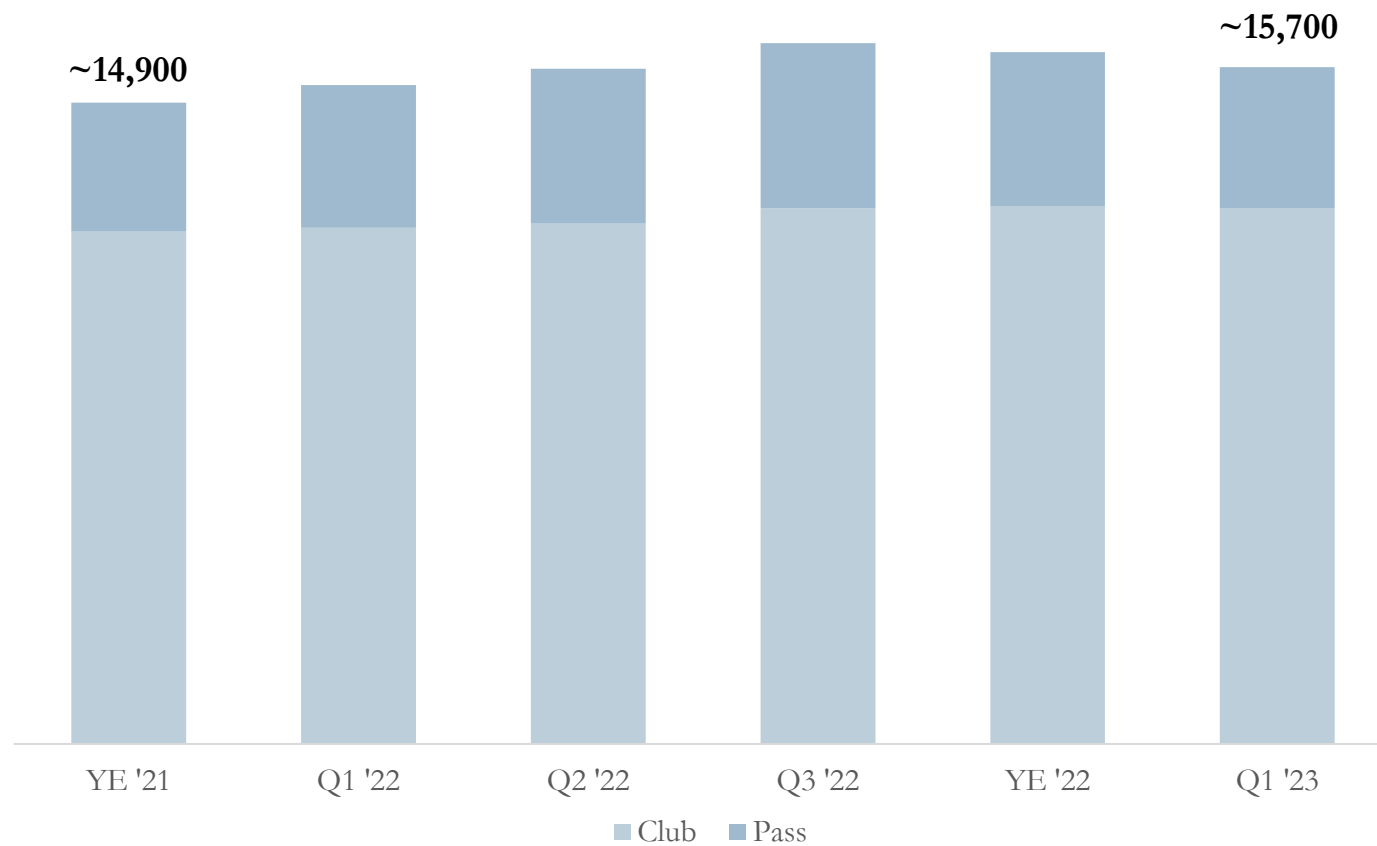


1. As of 3/31/23; Inspirato's portfolio of more than 500 Residences and more than 350 Hotel & Resort Partners are located across more than 225 destinations



# Highly attractive subscriber demographic

Pass & Club Subscriptions



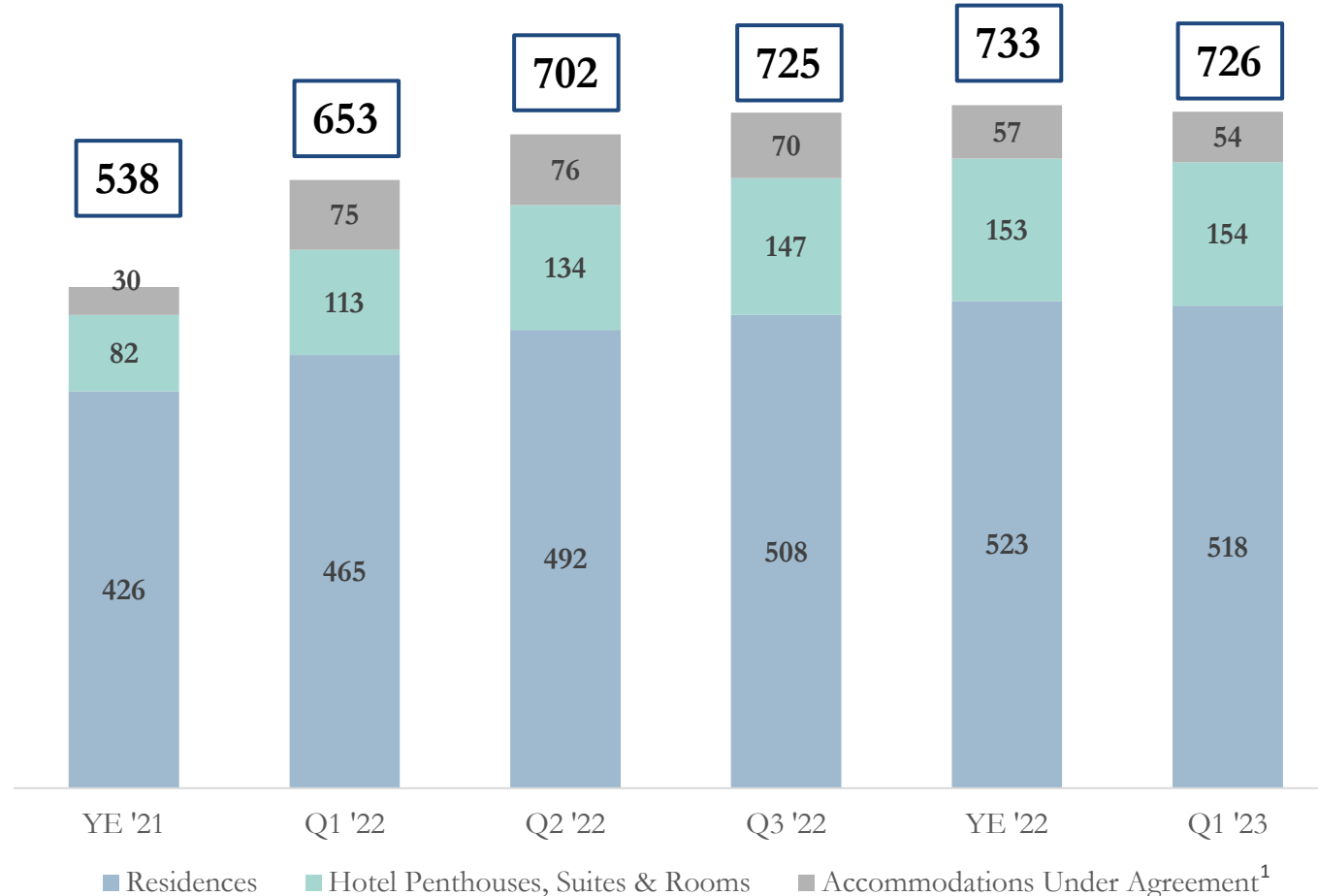
Complementary suite of products and multiple price points offer recurring revenue and ability to attract, retain and upgrade new and existing subscribers

- Average retention of ~82%<sup>1</sup>
- ~40% of Active Subscribers with a household income of \$500k+<sup>2</sup>
- New subscriber acquisition strategies, including: Inspirato for Good, Inspirato for Business and Saks Partnership

1. 2022 full-year retention, including beginning of period and end of period monthly, annual and multi-year pre-paid subscribers  
 2. Source: Datalabs. Based on available household income data as of 11/7/22

# Optimizing Controlled Accommodations Portfolio

**Total Controlled Accommodations**  
(# of units)



- Successfully executed capital-light Controlled Accommodations growth strategy since 2020
  - Increase barriers to entry
  - Meet needs of growing subscriber base
  - Satisfy increased travel demand
- Plan to moderate pace of growth in 2023
  - Rationalizing portfolio in 2023 by terminating select leases
- Ability to capture newly found economic availability
  - New member acquisition strategies, including: Inspirato for Good, Inspirato for Business and Saks partnership

1. Source: Inspirato systems as of 3/31/23. Represents residences and/or hotels in which the Company has signed lease agreements but has yet to offer on the platform

# Introducing Inspirato through new markets



- Philanthropic partnership aimed at accelerating non-profit fundraising and increasing brand awareness among qualified prospects
- Vacations to luxury residences and hotel suites
- Key Statistics:
  - 500+ total packages sold in 2022 (launched in September)
  - ~850 additional packages sold in Q1 '23
  - ~\$2.3 million total sales<sup>2</sup> in Q1 '23



- B2B platform geared toward incentive programs, retention initiatives and corporate benefit packages
- Custom-made, flat-rate travel packages inclusive of pre-determined number of trips and Inspirato Club access
- Key Statistics:
  - \$2.4 million of sales<sup>2</sup> in Q4 '22
  - \$4.4 million of sales<sup>2</sup> in Q1 '23



- Nearly 3,000 Saks stylists will promote and sell Inspirato memberships
- Existing Inspirato subscribers will be invited to join the SaksFirst rewards program<sup>1</sup>
- Saks has the opportunity to earn commissions and incentive-based warrants to acquire Inspirato shares up to a cap of approximately 15% of Inspirato's current total shares outstanding

1. Pending application approval

2. IFG and IFB sales will be recognized as subscription revenue over the life of the contract and travel revenue at the time of travel

# Multiple streams of travel revenue

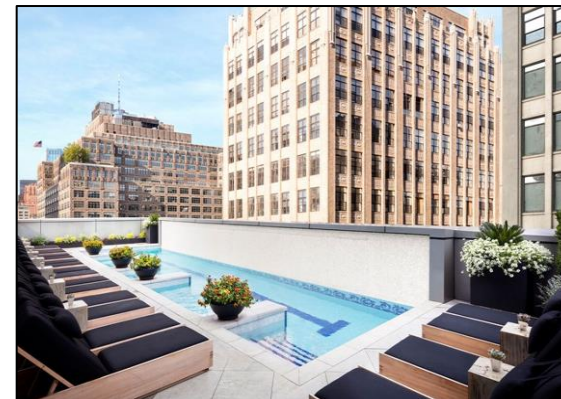
- Unique portfolio of luxury residences
  - Portfolio of more than 500 residences in over 100 iconic vacation destinations
- Exclusive hotel partnerships
  - Exclusive rates and amenities at hundreds of luxury hotels
- Inspirato Only
  - Members-only group travel to safaris, adventures, sporting events and VIP experiences
- Bespoke custom travel
  - Tailor-made itineraries and travel services for customized trips in and out of the Inspirato Network



Naupaka Big Island, HI



Juniper Vail, CO



Inspirato SoHo at The Dominick NYC, NY



Inspirato Only at Augusta

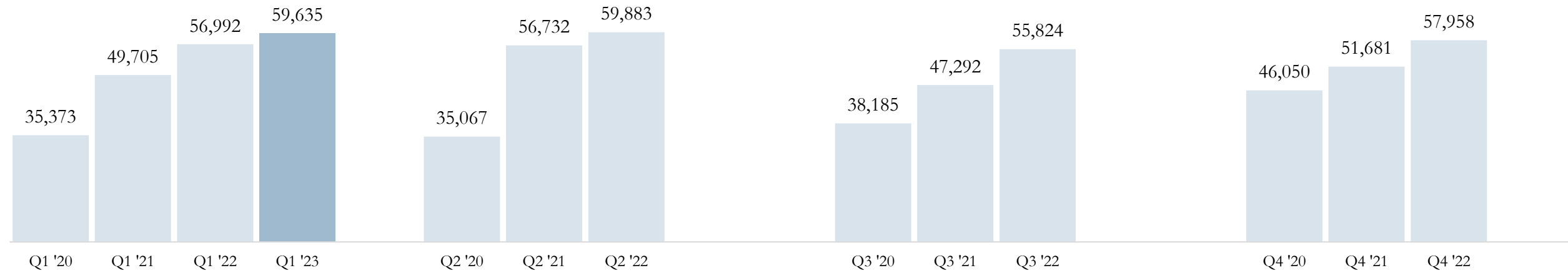
## Section 2. Business Highlights



Los Cabos, Mexico

# Sustained levels of strong travel demand

**Total Nights Booked<sup>1</sup>**



1. Source: Inspirato internal systems as of 3/31/23. Total Nights Booked includes all Paid, Inspirato Pass, Inspirato for Good, Inspirato for Business, employee and other complimentary nights in all residences and hotels; excludes bookings from experience travel and Inspirato Travel Services

# Exclusive portfolio of unique luxury residences



100+  
RESIDENCE  
DESTINATIONS<sup>1</sup>

500+  
RESIDENCES<sup>1</sup>

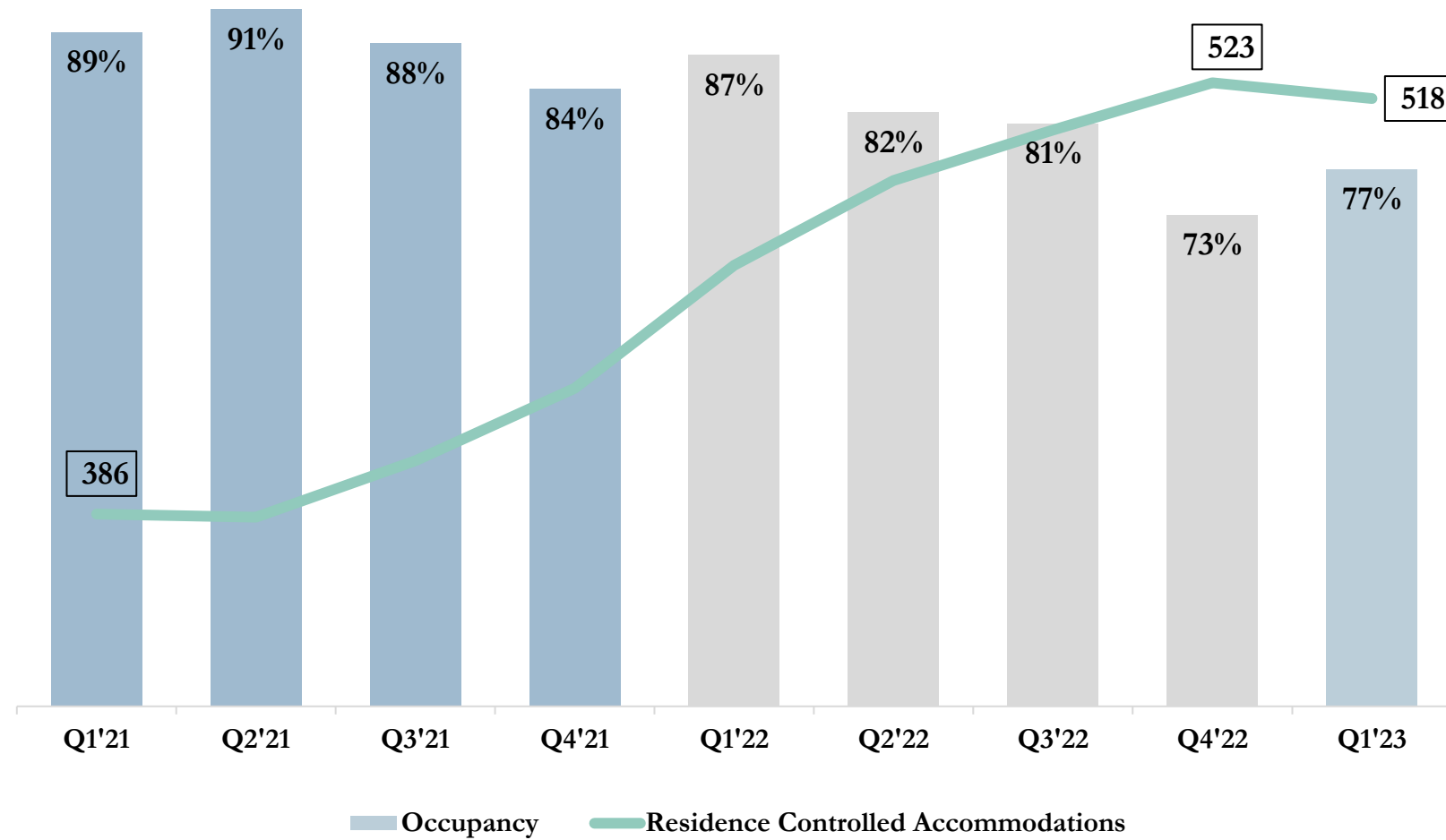
~\$1.5bn+  
RESIDENCE  
PORTFOLIO VALUE<sup>2</sup>

Note:

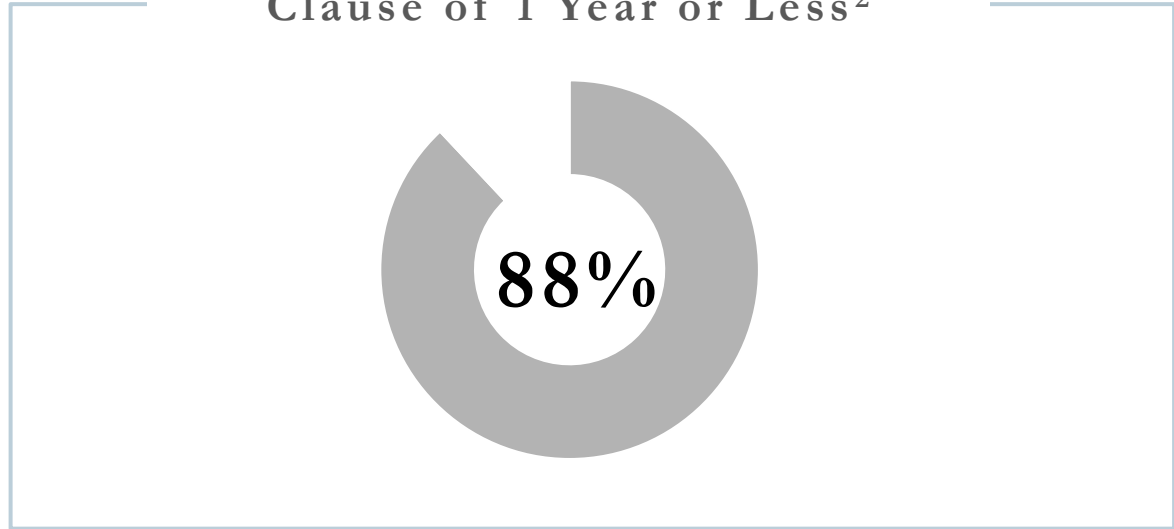
1. Figures are specific to Inspirato's portfolio of Residences only (excludes Hotels & Resorts, Experiences, and Inspirato Travel Services)
2. Based on management estimates as of 12/31/21

# Comprehensive leased portfolio with favorable lease terms

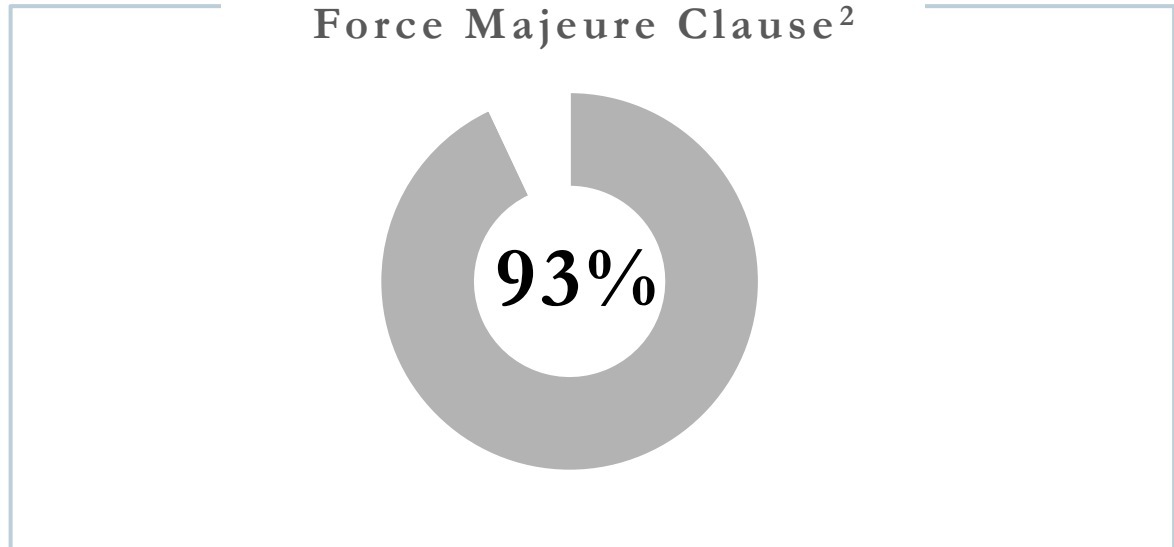
Total Occupancy and Residence Controlled Accommodations<sup>1</sup>



% of Leases with Termination Clause of 1 Year or Less<sup>2</sup>



% of Leases with Force Majeure Clause<sup>2</sup>

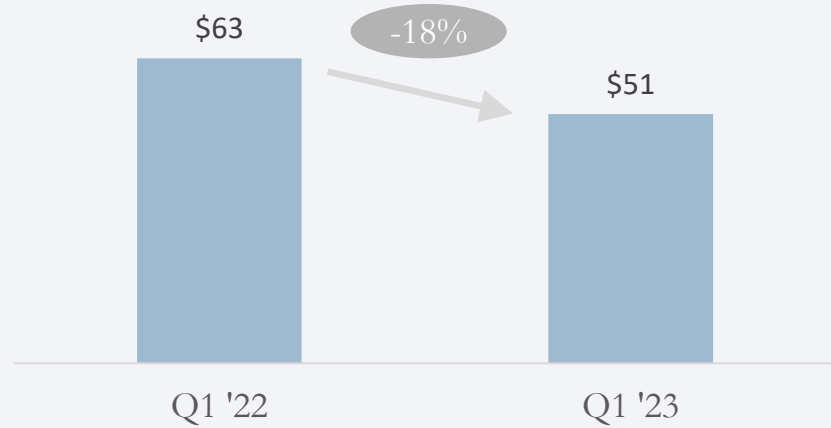


1. Total Occupancy is inclusive of Paid, Inspirato Pass, Inspirato for Good, Inspirato for Business, employee and other complimentary nights in residences. Residence Controlled Accommodations reflect end of period residence count and does not include hotels, penthouses and suite or accommodations under agreement  
 2. Includes leases, net rate and revenue share agreements for residences as of 3/31/23

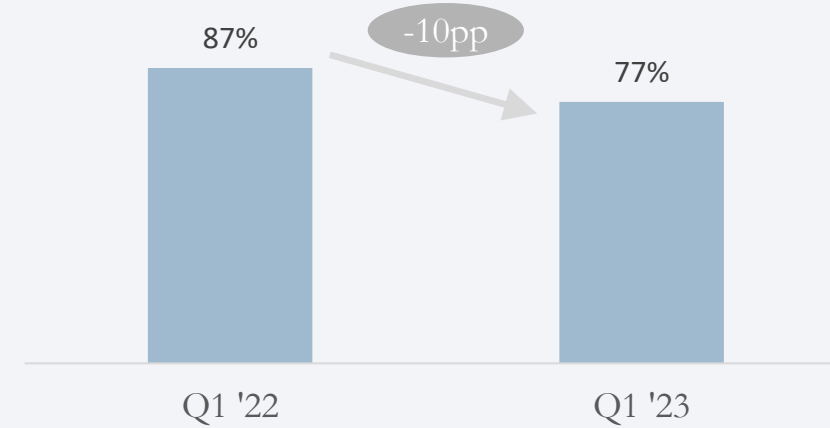


# Residence portfolio performance snapshot

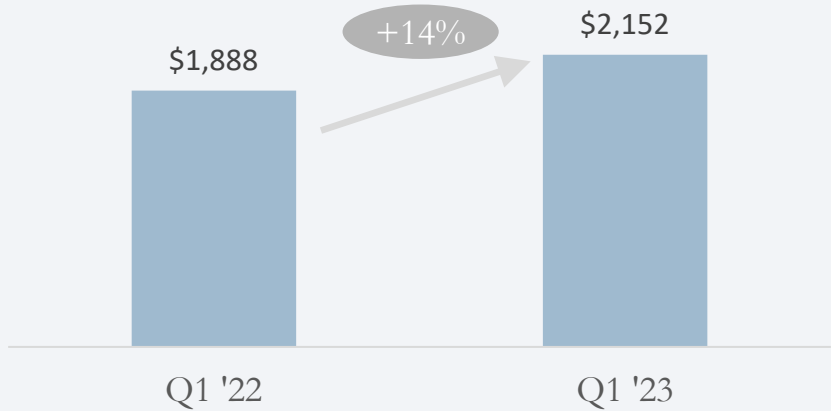
**Next 12 month Paid & Stayed Usage Backlog<sup>1</sup>**  
 (\$ in mm)



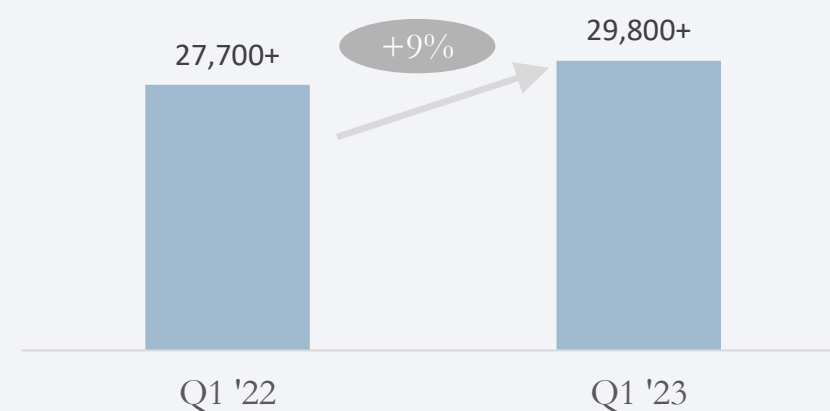
**Total Occupancy<sup>2</sup>**



**Paid ADR<sup>3</sup>**



**Nights Delivered**



Source: Inspirato internal systems and residence portfolio as of 3/31/23

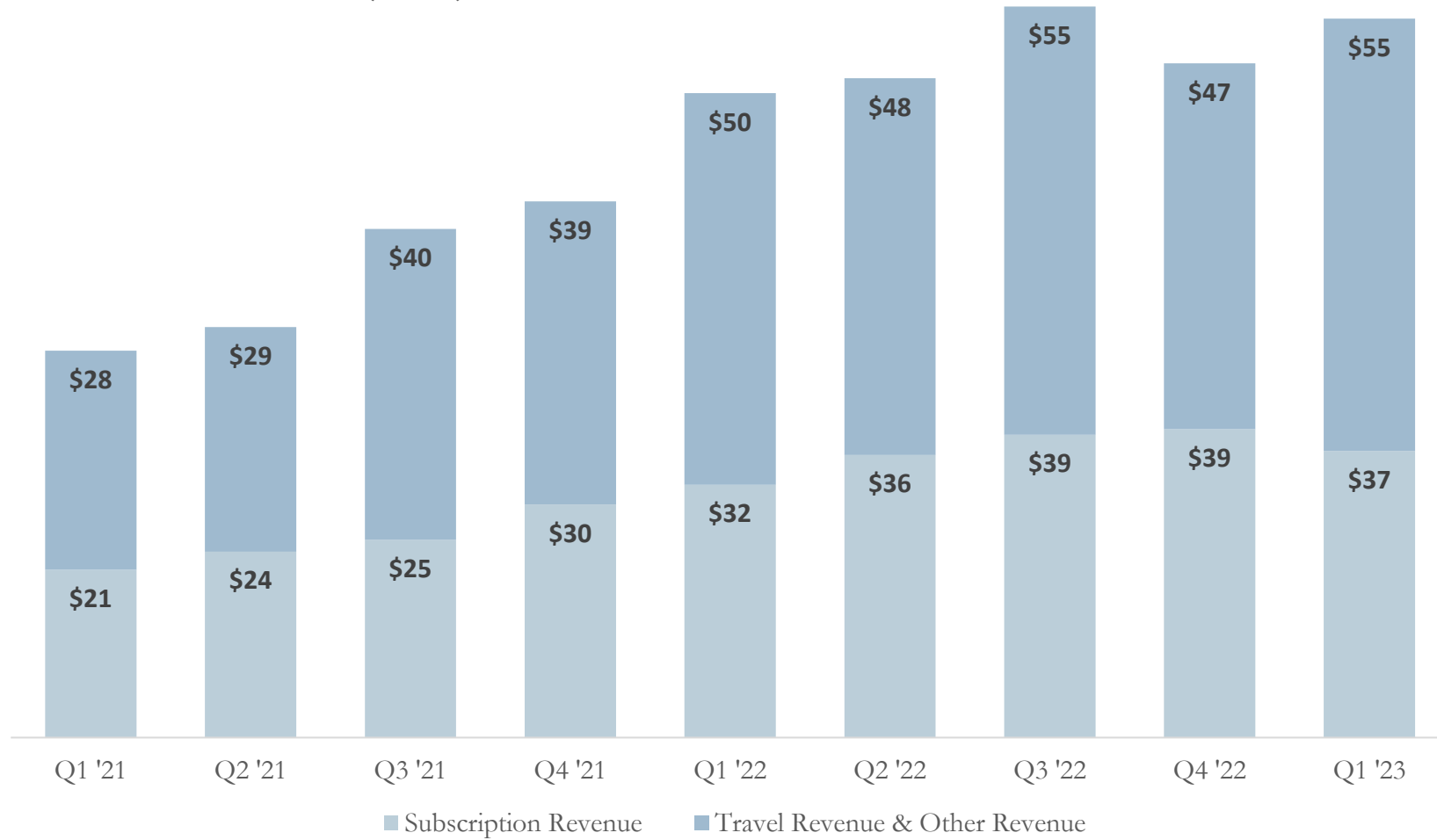
1. Value of paid residence reservations in the upcoming 12-month period as of 3/31/22 and 3/31/23

2. Total Occupancy is inclusive of Paid, Pass, Inspirato for Good, Inspirato for Business, employee and complimentary nights in all residences, excluding bookings from hotels, Inspirato Experience travel and Inspirato Travel Services for the twelve months ended 3/31/22 and 3/31/23

3. Paid ADR (Average Daily Rate) = Total Paid Residence Revenue / Total Paid Residence Nights for the three months ended 3/31/22 and 3/31/23

# Track record of steady growth in subscription and travel revenue

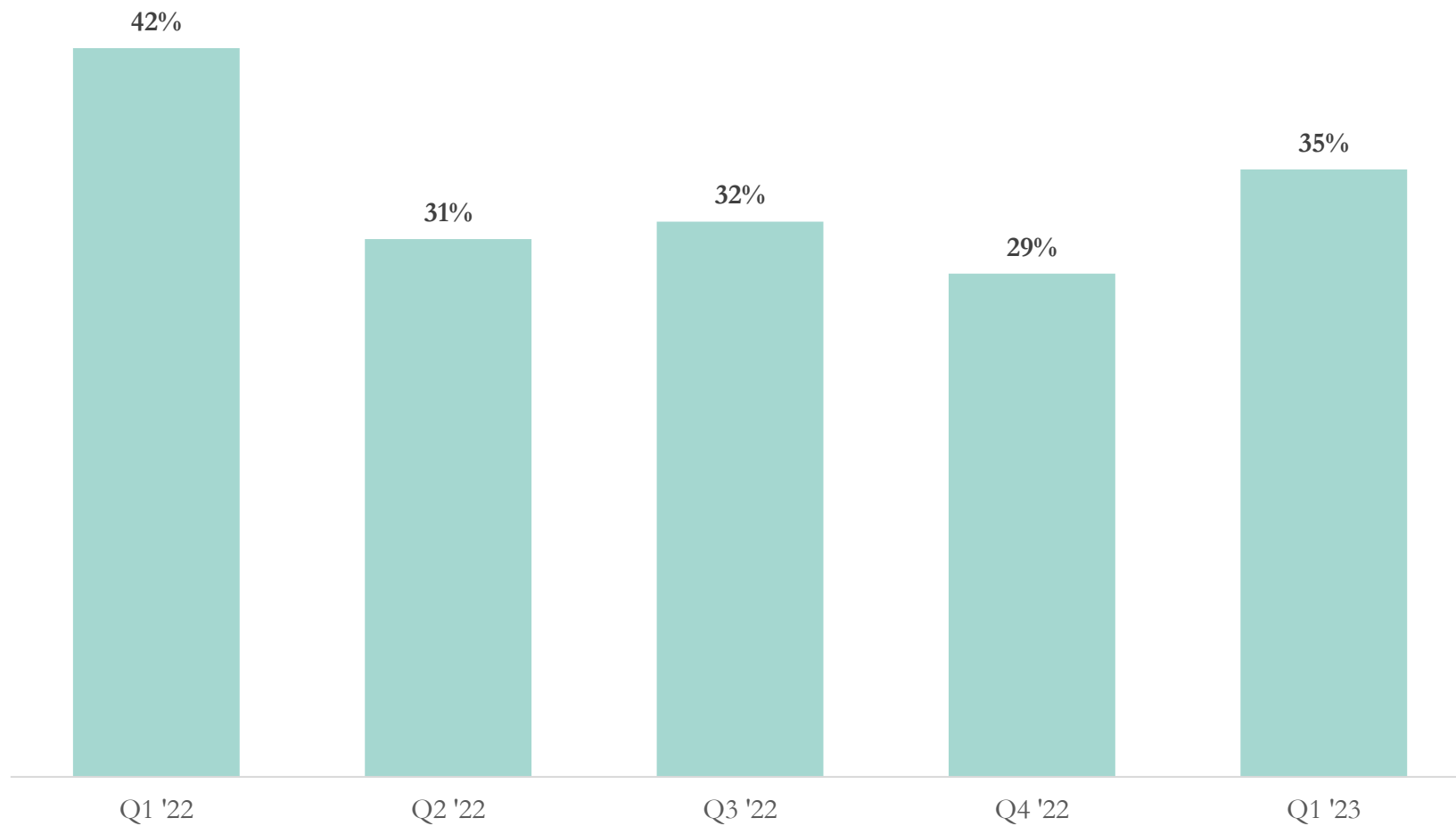
Total Revenue (mm)



- Subscription revenue offers stable revenue base
  - 80+% of Club subscriptions sold in Q1 '23 were multi-year contracts compared to ~15% in Q1 '22
- Travel revenue subject to seasonal travel demand, paid vs pass utilization and ADR trends
- 12% year-over-year growth in total revenue to \$92 million in Q1 '23
- Anticipate \$350 - \$370 million total revenue in 2023
  - Inspirato for Good, Inspirato for Business and Saks partnership offer upside to projected travel revenue

# Sustainable gross margin with numerous optimization initiatives

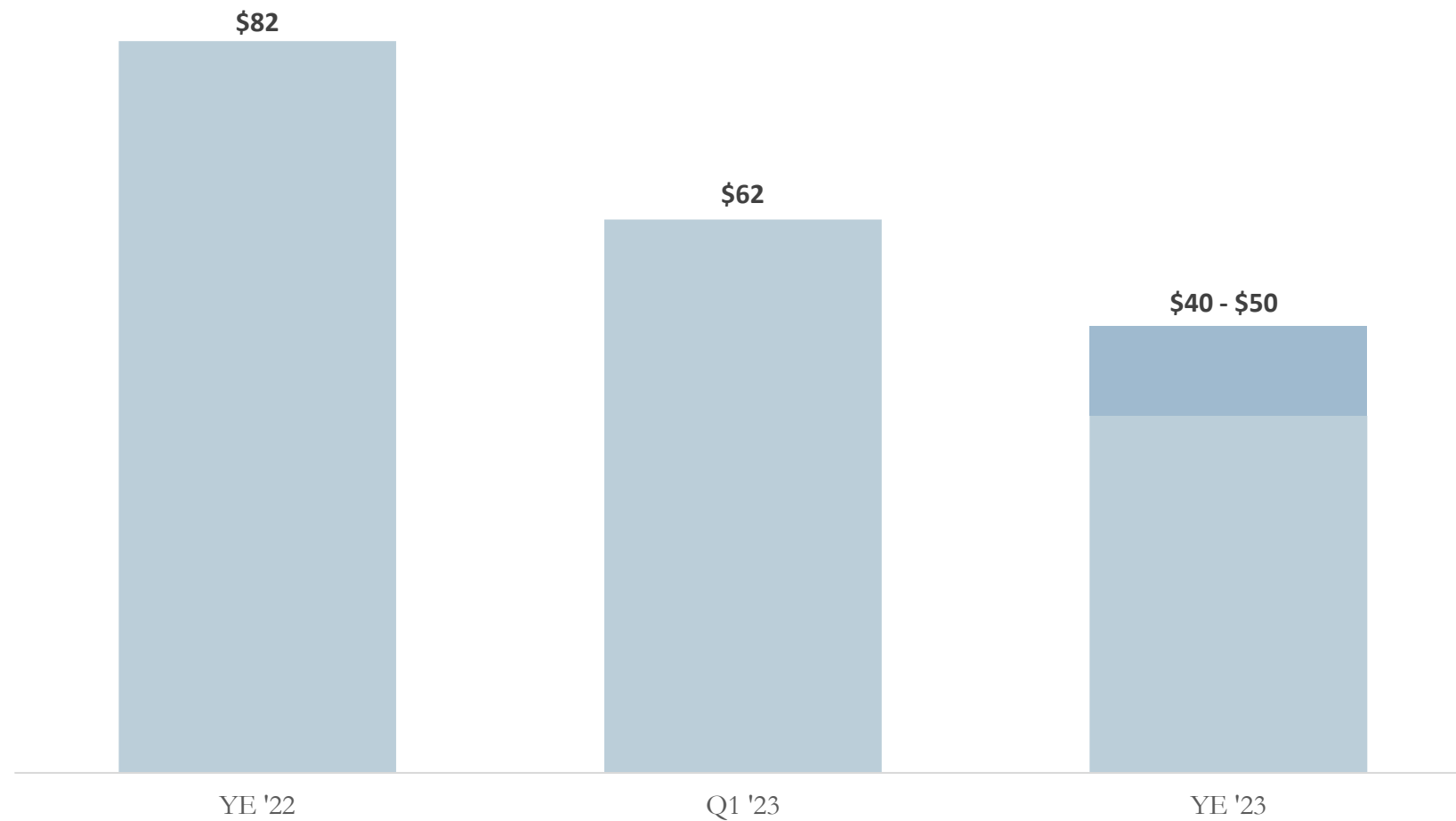
Gross Margin (% of total revenue)



- Significant portfolio growth in 2021 and 2022 created drag on gross margin
- Focused on portfolio optimization in 2023
  - Remove/renege underperforming accommodations
  - Drive bookings to more margin-accretive properties
- Long-term opportunity to enhance margins
  - Optimize portfolio composition
  - Capture in-destination economies of scale
  - In-source key vendor categories

# Balance sheet and liquidity

Cash Balance (mm)



- Liquidity with no long-term debt
- Number of one-time corporate expenses in Q1 '23
- 2<sup>nd</sup> quarter is typically one of the peak paid booking quarters throughout the year
  - Summer travel bookings
  - Semi-annual sale in May
- Anticipate relatively flat cash balance at end of Q2 '23 compared to Q1 '23
- Expect year-end cash balance between \$40 - \$50 million



**Section 3.**  
Financial Summary

Tuscany, Italy

# Capitalization

## Total Fully Diluted Share Count (mm)<sup>1</sup>

| Class                                   | # Shares     | %           |
|---|--------------|-------------|
| Class A                                 | 66.7         | 53%         |
| Class V                                 | 59.2         | 47%         |
| <b>Total Shares Outstanding</b>         | <b>125.9</b> | <b>99%</b>  |
| Rollover Options <sup>2</sup>           | 0.9          | 1%          |
| <b>Fully Diluted Shares<sup>3</sup></b> | <b>126.8</b> | <b>100%</b> |

## Valuation (mm)

|   |                      |
|---|----------------------|
| Shares Outstanding                      | 125.9                |
| Share Price <sup>4</sup>                | \$0.96               |
| <b>Equity Value</b>                     | <b>\$121</b>         |
| (-) PF Net Cash                         | (62)                 |
| <b>Enterprise Value</b>                 | <b>\$60</b>          |
| <i>2023e Revenue</i>                    | <i>\$350 - \$370</i> |
| <i>Enterprise Value / 2023e Revenue</i> | <i>0.2x</i>          |

1. As of 3/31/23. Due to rounding, the sum of percentages do not agree with the total

2. Rollover Options reduced from 4.8 million due to treatment under treasury stock method

3. Excludes 8.6 million public warrants with exercise price of \$11.50 per share as their effect would have been anti-dilutive under the treasury stock method

4. As of 3/31/23

# Q1 2023 Financial Update

Three months ended,

| (\$ in thousands)                         | March 31, 2022     | March 31, 2023    |
|---|--------------------|-------------------|
| <b>Subscription Revenue</b>               | \$ 32,166          | \$ 36,511         |
| <b>Travel Revenue</b>                     | 49,773             | 55,128            |
| <b>Other Revenue</b>                      | 134                | 61                |
| <b>Total Revenue</b>                      | <b>\$ 82,073</b>   | <b>\$ 91,700</b>  |
| Cost of Revenue <sup>1</sup>              | 47,309             | 60,052            |
| <b>Gross Profit</b>                       | <b>\$ 34,764</b>   | <b>\$ 31,648</b>  |
| <b>Gross Margin</b>                       | <b>42%</b>         | <b>35%</b>        |
| General & Administrative <sup>2</sup>     | 17,694             | 18,110            |
| <i>% of Revenue</i>                       | 22%                | 20%               |
| Sales and marketing                       | 10,142             | 6,647             |
| <i>% of Revenue</i>                       | 12%                | 7%                |
| Operations                                | 9,674              | 8,205             |
| <i>% of Revenue</i>                       | 12%                | 9%                |
| Technology & Development                  | 2,808              | 3,362             |
| <i>% of Revenue</i>                       | 3%                 | 4%                |
| <b>Total Operating Expense</b>            | <b>40,318</b>      | <b>36,324</b>     |
| <i>% of Revenue</i>                       | <b>49%</b>         | <b>40%</b>        |
| <b>Net Loss</b>                           | <b>\$ (24,203)</b> | <b>\$ (5,903)</b> |
| <b>Adjusted Net Loss<sup>3</sup></b>      | <b>\$ (6,533)</b>  | <b>\$ (5,799)</b> |
| <b>Adjusted EBITDA<sup>3</sup></b>        | <b>\$ (3,685)</b>  | <b>\$ (3,149)</b> |
| <b>Adjusted EBITDA Margin<sup>4</sup></b> | <b>(4%)</b>        | <b>(3%)</b>       |

1. Cost of Revenue includes depreciation and amortization

2. General & Administrative expense includes equity-based compensation and public company readiness costs

3. Adjusted EBITDA and Adjusted Net Loss are non-GAAP financial measures. See slide 25 for reconciliations

4. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by revenue

Section 4.  
Appendix



Tuscany, Italy



# Non-GAAP measure reconciliation

Three months ended,

| <i>(\$ in thousands)</i>             | March 31, 2022     | March 31, 2023    |
|--------------------------------------|--------------------|-------------------|
| <b>Net loss</b>                      | <b>\$ (24,203)</b> | <b>\$ (5,903)</b> |
| Warrant fair value losses            | 17,670             | 104               |
| <b>Adjusted Net Loss<sup>1</sup></b> | <b>\$ (6,533)</b>  | <b>\$ (5,799)</b> |

Three months ended,

| <i>(\$ in thousands)</i>           | March 31, 2022     | March 31, 2023    |
|------------------------------------|--------------------|-------------------|
| <b>Net loss</b>                    | <b>\$ (24,203)</b> | <b>\$ (5,903)</b> |
| Interest, net                      | 139                | (113)             |
| Income taxes                       | 181                | 200               |
| Depreciation & amortization        | 1,034              | 1,906             |
| Equity-based compensation          | 402                | 657               |
| Warrant fair value losses          | 17,670             | 104               |
| Public company readiness costs     | 1,092              | -                 |
| <b>Adjusted EBITDA<sup>2</sup></b> | <b>\$ (3,685)</b>  | <b>\$ (3,149)</b> |

1. Adjusted net loss is a non-GAAP financial measure that we define as net income (loss) before warrant fair value gains and losses

2. Adjusted EBITDA is a non-GAAP financial measure that we define as net income (loss) before interest, taxes, depreciation and amortization, equity-based compensation expense, warrant fair value gains and losses, and public company readiness expenses

# Key Definitions

**Adjusted Net Loss.** Adjusted net loss is a non-GAAP financial measure that we define as net income (loss) before warrant fair value gains and losses. The above items are excluded from our Adjusted Net Loss measure because our management believes that these costs and expenses are not indicative of our core operating performance and do not reflect the underlying economics of our business.

**Adjusted EBITDA.** Adjusted EBITDA is a non-GAAP financial measure that we define as net income (loss) before interest, taxes, depreciation and amortization, equity-based compensation expense, warrant fair value gains and losses, and public company readiness expenses. The above items are excluded from our Adjusted EBITDA measure because our management believes that these costs and expenses are not indicative of our core operating performance and do not reflect the underlying economics of our business.

## Key Business Metrics

We use a number of operating and financial metrics, including the following key business metrics, to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and business plans, and make strategic decisions. We regularly review and may adjust our processes for calculating our internal metrics to improve their accuracy.

**12-Month Forward Booking.** Paid Forward Booking value for all Residence, Hotel, Inspirato Experiences and Bespoke custom travel.

**Active Subscriptions and Active Subscribers.** We use Active Subscriptions to assess the adoption of our subscription offerings, which is a key factor in assessing our penetration of the market in which we operate and a key driver of revenue. We define Active Subscriptions as subscriptions as of the measurement date that are paid in full, as well as those for which we expect payment for renewal. Active Subscribers are subscribers who have one or more Active Subscription(s).

**Controlled Accommodations.** Controlled Accommodations includes leased residences, hotel penthouses, suites and rooms, and residences under net rate agreements, including those that have executed agreements but have not yet been released for booking by our members.

**Total Nights Delivered.** Total Nights Delivered includes all Paid, Inspirato Pass, Inspirato for Good, Inspirato for Business, employee and other complimentary nights in all residences or hotels.

**Total Occupancy.** Total Occupancy is inclusive of Paid, Inspirato Pass, Inspirato for Good, Inspirato for Business employee and other complimentary nights in residences.

**Net Promoter Score (NPS).** Net Promoter Score (NPS) is a customer satisfaction metric taken from asking customers how likely they are to recommend Inspirato to others on a scale of 0-10. Inspirato's reported NPS is measured after travel within Inspirato's managed and controlled portfolio.