

LATCH<sup>®</sup>



TISHMAN SPEYER

# Disclaimer

This presentation (this "Presentation") is provided for informational purposes only and has been prepared to assist interested parties in making their own evaluation with respect to a potential business combination between Latch, Inc. ("Latch") and TS Innovation Acquisitions Corp. ("TSIA") and related transactions (the "Proposed Business Combination") and for no other purpose.

No representations or warranties, express or implied are given in, or respect of, this Presentation. To the fullest extent permitted by law, in no circumstances will Latch, TSIA, or any of their respective subsidiaries, stockholders, affiliates, representatives, partners, directors, officers, employees, advisers or agents be responsible or liable for any direct, indirect or consequential loss or loss of profit arising from use of this Presentation, its contents, its omissions, reliance on the information contained within it, or on opinions communicated in relation thereto or otherwise arising in connection therewith. This Presentation does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of Latch or the Proposed Business Combination. Viewers of this Presentation should each make their own evaluation of Latch and of the relevance and adequacy of the information and should make such other investigations as they deem necessary.

## FORWARD-LOOKING STATEMENTS

This presentation contains certain forward-looking statements within the meaning of the federal securities laws with respect to the proposed transaction between Latch and TSIA, including statements regarding the benefits of the transaction, the anticipated timing of the transaction, the services offered by Latch and the markets in which it operates, and Latch's projected future results. These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this presentation, including but not limited to: (i) the risk that the transaction, including the contemporaneous private placement of equity securities (the "PIPE investment"), may not be completed in a timely manner or at all, which may adversely affect the price of TSIA's securities, (ii) the risk that the transaction may not be completed by TSIA's business combination deadline and the potential failure to obtain an extension of the business combination deadline if sought by TSIA, (iii) the failure to satisfy the conditions to the consummation of the transaction, including the adoption of the agreement and plan of merger by the stockholders of TSIA and Latch, the satisfaction of the minimum trust account amount following redemptions by TSIA's public stockholders and the receipt of certain governmental and regulatory approvals, (iv) the lack of a third party valuation in determining whether or not to pursue the proposed transaction, (v) the occurrence of any event, change or other circumstance that could give rise to the termination of the agreement and plan of merger or the termination of any PIPE investor's subscription agreement, (vi) the effect of the announcement or pendency of the transaction on Latch's business relationships, performance, and business generally, (vii) risks that the proposed transaction disrupts current plans of Latch or diverts management's attention from Latch's ongoing business operations and potential difficulties in Latch employee retention as a result of the proposed transaction, (viii) the outcome of any legal proceedings that may be instituted against Latch, TSIA or their respective directors or officers related to the agreement and plan of merger or the proposed transaction, (ix) the amount of the costs, fees, expenses and other charges related to the proposed transaction and PIPE investment, (x) the ability to maintain the listing of TSIA's securities on NASDAQ, (xi) the price of TSIA's securities may be volatile due to a variety of factors, including changes in the competitive and highly regulated industries in which Latch plans to operate, variations in performance across competitors, changes in laws and regulations affecting Latch's business and changes in the combined capital structure, (xii) the ability to implement business plans, forecasts, and other expectations after the completion of the proposed transaction, and identify and realize additional opportunities, including the conversion of pre-orders into binding orders, (xiii) the amount of redemption requests made by TSIA's public stockholders, (xiv) the ability of TSIA to issue equity or equity-linked securities in connection with the transaction or in the future, (xv) possible variances between the unaudited historical financial information Latch presents and its audited financial statements, when they become available and (xvi) the impact of the global COVID-19 pandemic on any of the foregoing. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the "Risk Factors" section of TSIA's Registration Statement on Form S-1, the registration statement on Form S-4 and proxy statement/prospectus described below and other documents filed by TSIA from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Latch and TSIA assume no obligation and do not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Neither Latch nor TSIA gives any assurance that either Latch or TSIA will achieve its expectations. The inclusion of any statement in this communication does not constitute an admission by Latch or TSIA or any other person that the events or circumstances described in such statement are material.

## Additional Information and Where to Find It.

This document relates to the Proposed Business Combination between Latch and TSIA. TSIA filed a registration statement on Form S-4 relating to the Proposed Business Combination (the "Registration Statement"), which includes a proxy statement/prospectus of TSIA. The proxy statement/prospectus will be sent to all TSIA and Latch stockholders. TSIA will also file other documents regarding the Proposed Business Combination with the SEC. Before making any voting decision, investors and security holders of TSIA and Latch are urged to read the Registration Statement, the proxy statement/prospectus contained therein, and all other relevant documents filed or that will be filed with the SEC in connection with the Proposed Business Combination as they become available because they will contain important information about the Proposed Business Combination.

Investors and security holders will be able to obtain free copies of the proxy statement /prospectus and all other relevant documents filed or that will be filed with the SEC by TSIA through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition, the documents filed by TSIA may be obtained free of charge by written request to TSIA at TS Innovation Acquisitions Corp., Rockefeller Center, 45 Rockefeller Plaza, New York, New York 10111.

# Disclaimer (cont.)

## Participants in Solicitation.

TSIA and Latch and their respective directors and officers may be deemed to be participants in the solicitation of proxies from TSIA's stockholders in connection with the Proposed Business Combination. Information about TSIA's directors and executive officers and their ownership of TSIA's securities is set forth in TSIA's filings with the SEC, including TSIA's Registration Statement on Form S-1, which was filed with the SEC on November 5, 2020. To the extent that holdings of TSIA's securities have changed since the amounts printed in TSIA's Registration Statement on Form S-1, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. Additional information regarding the interests of those persons and other persons who may be deemed participants in the Proposed Business Combination may be obtained by reading the proxy statement/prospectus regarding the Proposed Business Combination when it becomes available. You may obtain free copies of these documents as described in the preceding paragraph.

## Industry and Market Data.

This presentation has been prepared by Latch and TSIA and includes market data and other statistical information from sources believed by Latch and TSIA to be reliable, including independent industry publications, governmental publications or other published independent sources. Some data is also based on the good faith estimates of Latch or TSIA, which in each case are derived from its review of internal sources as well as the independent sources described above. Although Latch and TSIA believe these sources are reliable, Latch and TSIA have not independently verified the information and cannot guarantee its accuracy and completeness.

## Financial Information; Non-GAAP Financial Measures.

The financial information and data contained in this Presentation is unaudited and does not conform to Regulation S-X. Accordingly, such information and data may not be included in, may be adjusted in or may be presented differently in the Registration Statement filed by TSIA with the SEC and the proxy statement/prospectus contained therein. Certain of the historical financial information and data contained in this Presentation is preliminary financial information only and is based solely upon information available to Latch as of the date hereof. Such information is subject to change and such changes may be material. Such information has not been subject to adjustment for normal period-end items as well as for other adjustments that may be required when quarterly or annual information is reported. The adjustments could be material and you should not place undue reliance on this information. In addition, Latch's auditors have not completed their audit procedures with respect to such financial information, nor have they expressed any opinion or other form of assurance with respect to financial information presented in this presentation or its achievability. Some of the financial information and data contained in this Presentation, such as EBITDA, adjusted EBITDA, free cash flow, bookings, and booked ARR has not been prepared in accordance with United States generally accepted accounting principles ("GAAP"). Latch and TSIA believe these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Latch's financial condition and results of operations. Latch's management uses these non-GAAP measure for trend analyses and for budgeting and planning purposes.

Latch and TSIA believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in comparing Latch's financial condition and results of operations with other similar companies, many of which present similar non-GAAP financial measures to investors. Management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of EBITDA, adjusted EBITDA, and free cash flow is that they exclude significant expenses and income that are required by GAAP to be recorded in Latch's financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expenses and income are excluded and included in determining these non-GAAP financial measures. The definitions of bookings and booked ARR can be found on slides 47 and 61, respectively, of this Presentation. Bookings and booked ARR presented herein may differ materially from actual revenue and other comparable GAAP measures. Bookings and booked ARR presented herein may differ materially from actual revenue and other comparable GAAP measures. In order to compensate for these limitations, management presents non-GAAP financial measures in connection with GAAP results. You should review Latch's audited financial statements, which will be included in the Registration Statement. A reconciliation of non-GAAP financial measures in this Presentation to the most directly comparable GAAP financial measures is not included, because, without unreasonable effort, Latch is unable to predict with reasonable certainty the amount or timing of non-GAAP adjustments that are used to calculate these non-GAAP financial measures.

## No Offer or Solicitation.

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## Use of Projections.

This Presentation contains projected financial information with respect to Latch and TSIA. Such projected financial information constitutes forward-looking information, and is for illustrative purposes only and should not be relied upon as necessarily being indicative of future results. The assumptions and estimates underlying such financial forecast information are inherently uncertain and are subject to a wide variety of significant business, economic, competitive and other risks and uncertainties. See "Forward-Looking Statements" above. Actual results may differ materially from the results contemplated by the financial forecast information contained in this Presentation, and the inclusion of such information in this Presentation should not be regarded as a representation by any person that the results reflected in such forecasts are achieved.

## Trademarks.

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# Analyst Day Agenda

**Rob Speyer, President & CEO, Tishman Speyer**

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**Luke Schoenfelder, Co-founder, CEO**

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**AvalonBay Customer Story**

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**Dhruva Rajendra, Co-founder, CPO**

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**Break**

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**Prometheus Real Estate Group Fireside**

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**Ali Hussain, COO**

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**Core Redevelopment Fireside**

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**Garth Mitchell, CFO**

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**Break**

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**Catalyst Innovation Lab Fireside**

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**Management team Q&A**

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**Closing remarks**



**Rob Speyer**

**President & Chief Executive Officer, Tishman Speyer**

# Latch - A Unique and Compelling Opportunity.

## Transaction Highlights

### Transaction Structure

- TS Innovation Acquisitions Corp. (TSIA) is a publicly listed special purpose acquisition company with \$300M in cash in trust.
- TSIA is to merge with Latch to form a well-capitalized public company.
- Raising \$190M of PIPE capital in parallel with the merger transaction.

### Valuation

- \$1B pre-transaction equity value with strong balance sheet.

### Capital Structure

- Pre-transaction, Latch is already fully-funded to achieve a positive self sustaining cash flow profile in multi-family and institutional single-family rental.
- Post-transaction, ~\$510M on balance sheet<sup>(1)(2)</sup> enables significant optionality to enhance growth, profitability and geographic and end-market expansion.

### Pro Forma Ownership

- 64% existing shareholders; 24% SPAC and founder shares; 12% PIPE investors<sup>(1)(3)</sup>.

### Milestones

- Transaction announced on January 25, 2021
- S-4 filed publicly March 10, 2021
- We currently estimate the shareholder vote and transaction close to occur middle of Q2'21, subject to SEC review and proxy solicitation timelines.

TSIA identified Latch as a unique and compelling opportunity in the large and fast-growing smart building market – Latch is a disruptive and differentiated smart enterprise technology provider with strong recurring software revenues.

# Tishman Speyer - a Global Leader in Real Estate.

Tishman Speyer is a leading global real estate company at the forefront of driving technological innovation across its diverse global portfolio of residential, office, life sciences and mixed use properties.

**\$56.8 billion**  
global assets<sup>(1)</sup>

**80 million**  
square feet<sup>(2)</sup>

**1,200+<sup>(3)</sup> Employees Across a  
Vertically Integrated Organization**

Acquisitions & Development  
Asset Management  
Global Customer Outreach  
Design & Construction

Equity & Debt Capital Markets  
Leasing  
Portfolio Management  
Property Management



# TSIA – Harnessing Technology in a Changing Real Estate Landscape.

## Technology Driving Change in Real Estate

With rapid changes in technology, customers are looking for more from the buildings they live, work, and play in. Needs are shifting, and TSIA believes companies led by strong management teams who act swiftly to meet those needs will be rewarded.

## Sector Is Modernizing Rapidly

Real estate is the largest asset class in the world<sup>(1)</sup>, and the pace of innovation continues to accelerate.

## Early Winners Gaining Momentum

As new technologies reach scale, continue to expand their offerings and increasingly drive market share and depth of customer relationships, technology companies targeting real estate are well-positioned to be next-generation platforms for the built environment.

## Companies at an Inflection Point

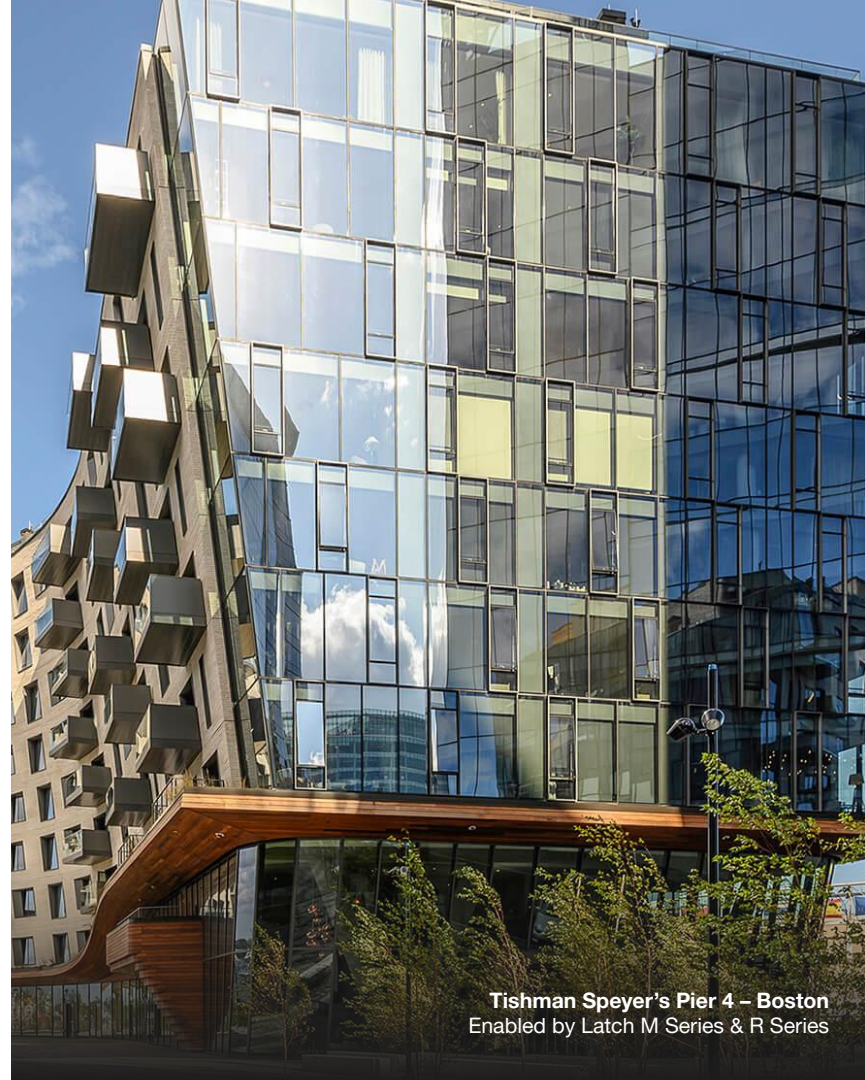
As PropTech companies gain scale, early movers are increasingly ready for the support of public markets investors.

## Leverage Tishman Speyer's Platform

TSIA harnesses Tishman Speyer's global real estate platform to drive synergies, with a vertically integrated real estate business and on-the-ground teams across its global regions.

LATCH

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**Tishman Speyer's Pier 4 – Boston**  
Enabled by Latch M Series & R Series

# Latch – A Perfect Match for TSIA.

## Proven Product & Strong Management Team

Tishman Speyer is a Latch customer and investor, and has long believed in the best-in-class, differentiated product and team. Tishman Speyer believes in Latch's vision to create a more seamless, highly customer-oriented residential experience – and have watched them not only develop the strategy, but execute on these goals over the past years.

## Accelerating Revenue Growth and Differentiated Business Model

Latch has achieved strong y-o-y growth in customer bookings, retention, and net dollar retention as they have expanded and deepened their customer relationships. Their strong performance as a software product creates a differentiated and high quality mix of both bookings and revenues.

## Early Wins, and Expanding TAM

The residential rental access market is enormous (47M+ in the US alone), with enormous untapped market potential across new geographies and asset classes such as commercial real estate access, as Latch scales.

## Company Inflection Point

Latch has reached a critical inflection point, and its sales cycle provides strong line of sight to projected bookings and deliveries. They are ready for a strong entrance into the public markets, with potential upside through future growth.

## Synergies Across Tishman Speyer Platform

With a global portfolio across many asset classes (residential, commercial office, mixed use, life science, and other sectors), Tishman Speyer is well positioned to deliver synergies to Latch in their further growth and product expansion whether it be to help Latch enter new geographies like Europe, or new asset classes like commercial office.

LATCH

+



TISHMAN SPEYER

LATCH

Source: TSIA Internal Data | Latch Confidential, © Latch, Inc.

# Strategic Partnership With A Global Real Estate Platform To Support Growth.

The proposed merger will provide the growth capital for Latch to accelerate product and market expansion and further accelerate bookings, with Tishman Speyer as a strategic partner.

TSIA is excited to be a partner for Latch as it further scales into new markets and new asset classes.



LATCH<sup>®</sup>

LATCH

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# Luke Schoenfelder

Chief Executive Officer & Co-Founder



# The Latch team has been dedicated to our mission since 2014.



Luke Schoenfelder

CEO & Cofounder



Brian Jones

CTO & Cofounder



Thomas Meyerhoffer

CDO & Cofounder



Dhruva Rajendra

CPO & Cofounder



Ali Hussain

COO



Garth Mitchell

CFO



Euan Abraham

SVP Engineering



Orla Lucey

SVP Supply Chain



David Austin

SVP Product Partnerships



Peter Weiss

CREO



**Latch makes spaces  
better places to live,  
work, and visit.**



LATCH

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**We have the opportunity to become the singular software interface for how people interact with each of their spaces.**



**And we're building everything  
hand in hand with the largest  
real estate operators in the  
world, solving their problems  
at each step along the way.**



Over the past 7 years, we've methodically developed and deployed LatchOS SaaS modules to provide the critical capabilities for each building.



### Smart Access

Latch's smart access platform includes complete resident, staff, and construction access management with Latch R, M, and C devices.



### Delivery & Guest Management

Latch capabilities include guest and delivery access sharing, Latch Intercom, Latch Camera, and Latch Delivery Assistant.



### Smart Home & Sensors

Latch's enterprise device management capabilities enable thermostat, lighting, leak detector and other sensor integrations, monitoring, and controls.



### Connectivity

Latch Intercom and Latch Hub's cellular connectivity bring internet access to new and existing building infrastructure.



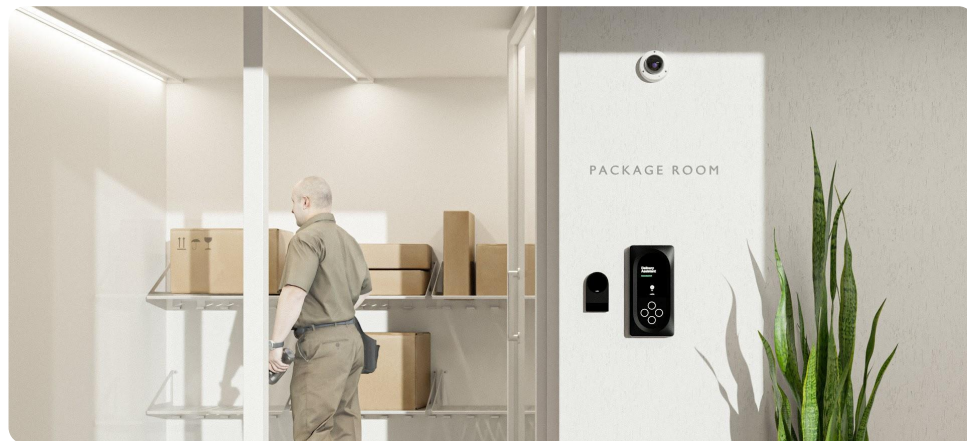
### Resident Experience

Latch's mobile interfaces enable resident onboarding, a streamlined move-in experience that includes product upselling, and community management.

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**\$7 - \$12 per apartment/per month<sup>(1)</sup>** is the current range for Smart Access, Smart Home and Guest Management, 6+ year average contract term<sup>(2)</sup>.

# Real estate owners use LatchOS to drive net operating income at their properties and portfolios.



## \$\$ Increasing revenue.

Up to  
**\$200-500**  
per apt per  
year<sup>(1)</sup>

- Premium experience and positioning
- Accelerated lease up
- Decelerated turnover
- Increased Rent/amenity fee upside
- Ancillary monetization opportunities
- Future-proof system

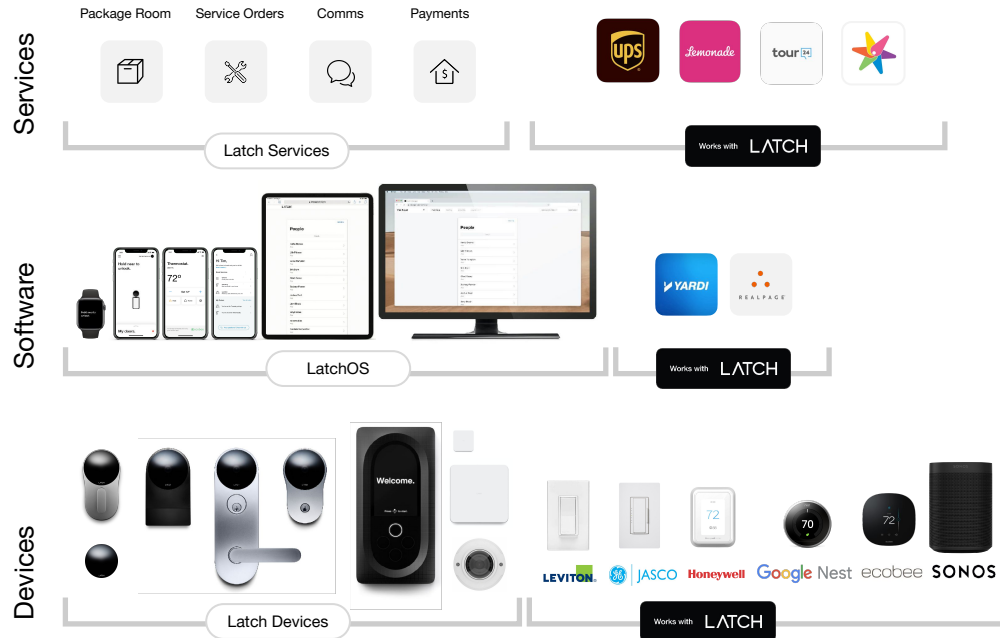
## \$\$ Reducing expenses.

Up to  
**\$100-300**  
per apt per  
year<sup>(1)</sup>

- Consolidation of manual systems
- Recurring rekeying expenses
- Lockout responses
- Resident onboarding/offboarding
- Delivery management
- Service provider oversight

Always evolving, we believe that we have the most complete product ecosystem to meet the needs of the market.

## Latch Product Universe<sup>(2)</sup>



**And we've done it without cutting corners, meeting the complex environmental, legal, regulatory, and critical infrastructure requirements of multi-family environments.**



**Real time  
Internet  
Independence**

**Hardwired  
Power  
Independence**

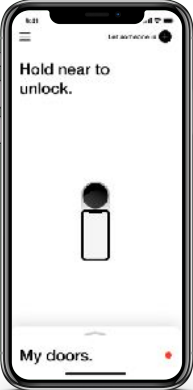


**Security and  
privacy at the  
core**

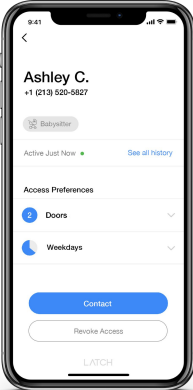


# Once building owners choose Latch, we become a part of each resident's day.

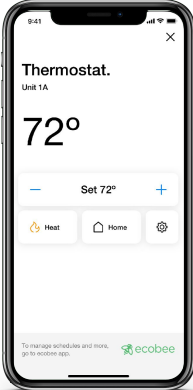
The average resident interacts with our app **4.6x a day** <sup>(1)</sup>.



Unlocking



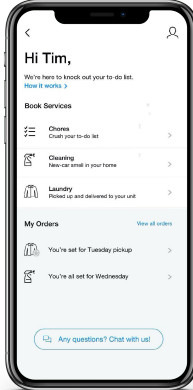
Access Sharing



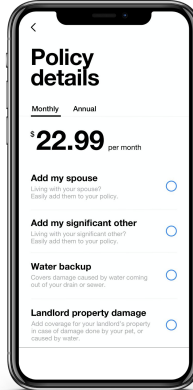
Smart Home



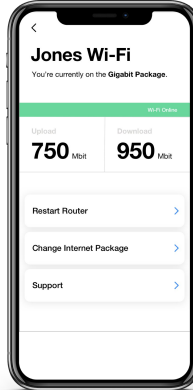
Intercom



Services



Insurance



Internet



Near term roadmap<sup>(2)</sup>

## Latch has never lost a customer and continues to grow revenue with current customers.

We've experienced zero customer churn<sup>(1)</sup> since launching in summer 2017, and our direct sales model enables high repeat customer bookings, larger deal sizes<sup>(2)</sup> and upselling activity. We were able to grow the booked ARR<sup>(3)</sup> from the same customers ending Q4 2019 by 54% until Q4 2020.



# 100%<sup>(3)</sup>

Gross Dollar Retention

# 154%<sup>(4)</sup>

Net Bookings Expansion

y/y change as of 4Q20.

# We've always believed that this market could be best served by an independent, product-driven, company.

We're reaching a true market inflection point and are going public to deliver growth across new products and verticals for years to come.

Tishman Speyer accelerates new business lines and aligns with Latch's value system.

Post-deal closing, targeted investments in new product development, sales and marketing, potential inorganic growth opportunities, and global expansion will allow us to accelerate our operations.



# **AvalonBay x Latch**

Karen Hollinger, Senior Vice President, Avalon Bay

Peter Weiss, Chief Real Estate Officer, Latch

# Dhruva Rajendra

Chief Product Officer & Co-Founder

**Our focus has always been on making buildings better places to live, work, and visit, and our recurring revenue software business model monetizes the recurring value we deliver.**

**Serve enterprise customers.**

**Onboard residents with a  
great experience.**

**Monetize new enterprise and  
resident features.**

# The landscape for building owners to navigate is simultaneously limited and fragmented.

## Traditional Vendors

**Complex Sale**

8+ Vendors.

**Complex Billing**

Multiple Contracts.

**Fragmented Management**

Multiple Interfaces for Property Managers.

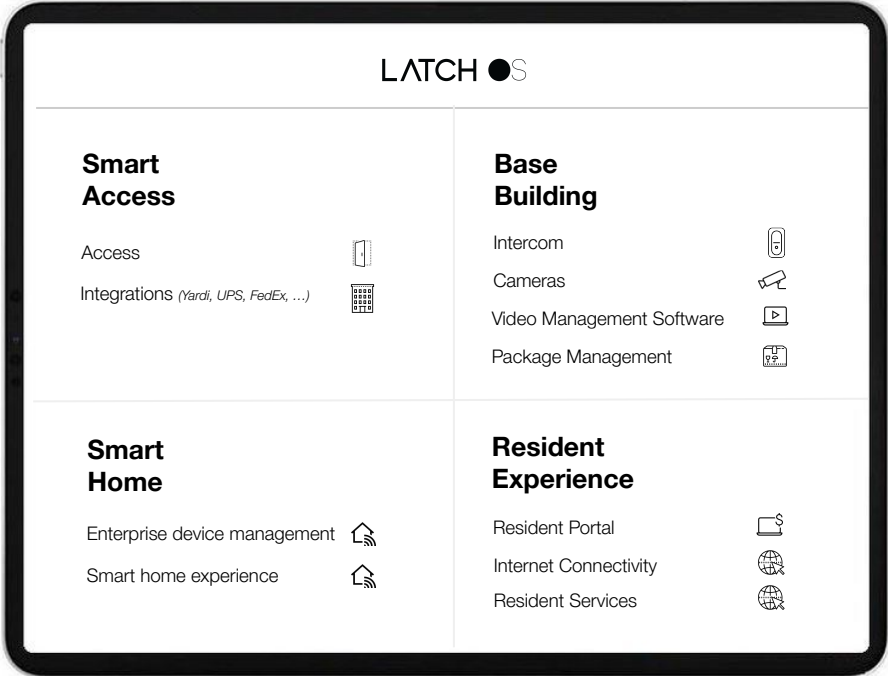
**Fragmented Resident Experience**

Multiple Interfaces for Residents.

**Patchwork of Devices**

Different standards and interfaces create technology silos.

VS.



**Simple Sale**

One single Vendor.

**Straightforward Billing**

One Contract.

**Unified Management**

One Interface for Property Managers.

**Great Resident Experience**

One single interface for key resident facing interactions<sup>(1)</sup>.

**Devices work better together**

Curated set of partner devices and LatchOS seamlessly integrate<sup>(2)</sup>.



**LatchOS is the common platform for each building and we scale our modules to meet the needs of each customer.**



### **Smart Access**

Latch's smart access platform includes complete resident, staff, and construction access management with Latch R, M, and C devices.



### **Delivery & Guest Management**

Latch capabilities include guest and delivery access sharing, Latch Intercom, Latch Camera, and Latch Delivery Assistant.



### **Smart Home & Sensors**

Latch's enterprise device management capabilities enable thermostat, lighting, leak detector and other sensor integrations, monitoring, and controls.



### **Connectivity**

Latch Intercom and Latch Hub's cellular connectivity bring internet access to new and existing building infrastructure.



### **Resident Experience**

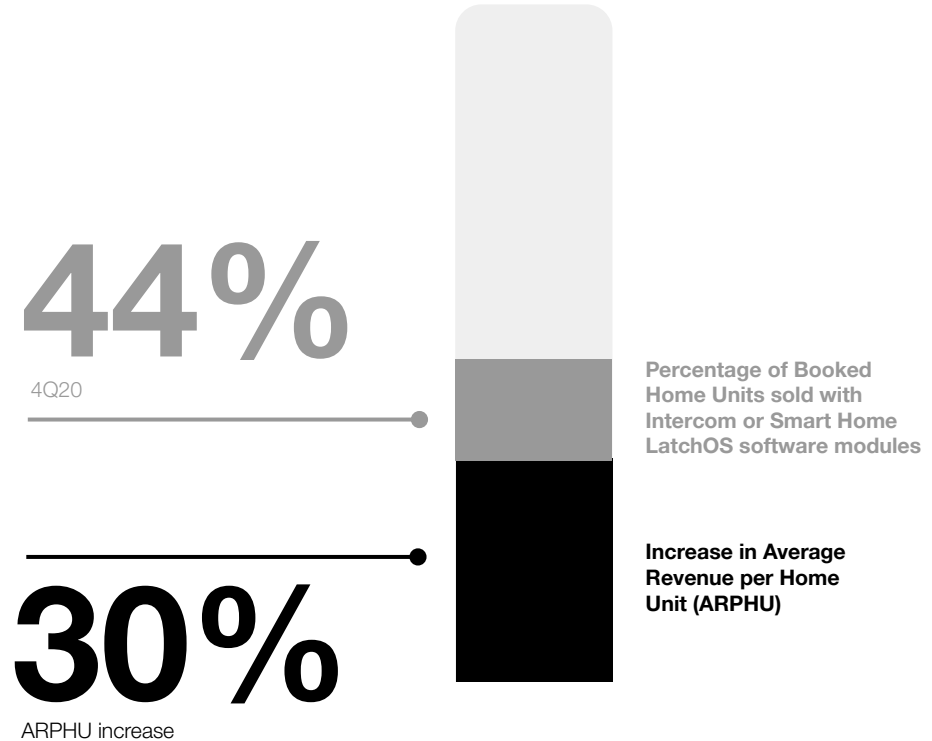
Latch's mobile interfaces enable resident onboarding, a streamlined move-in experience that includes product upselling, and community management.

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**\$7 - \$12 per apartment/per month<sup>(1)</sup>** is the current range for Smart Access, Smart Home and Guest Management, 6+ year average contract term<sup>(2)</sup>.

## Rapid adoption of additional LatchOS modules validates Latch's product expansion strategy.

44%<sup>(1)</sup> of our 4Q20 Booked Home Units were sold with Intercom or Smart Home LatchOS software subscription modules after having just started selling these new modules in May. Those LatchOS modules increase Average Revenue per Home Unit (ARPHU) by ~30%<sup>(2)</sup> each.

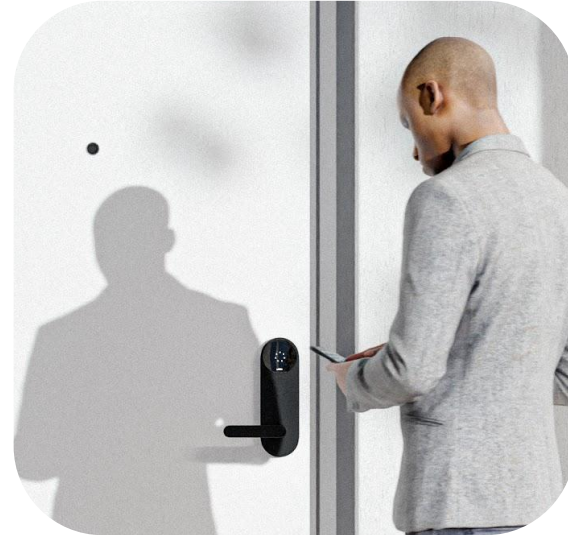


## **We started with our patented access system because it's the common foundation for each stakeholder at a building.**

We believe our combined hardware, firmware, and software access system has the highest resilience and capabilities of any set of products on the market.

Every door can be managed at the edge, without needing an internet connection or power, creating significant advantages.

Access is also one of the highest touchpoints at a property, giving us a platform to launch new features.



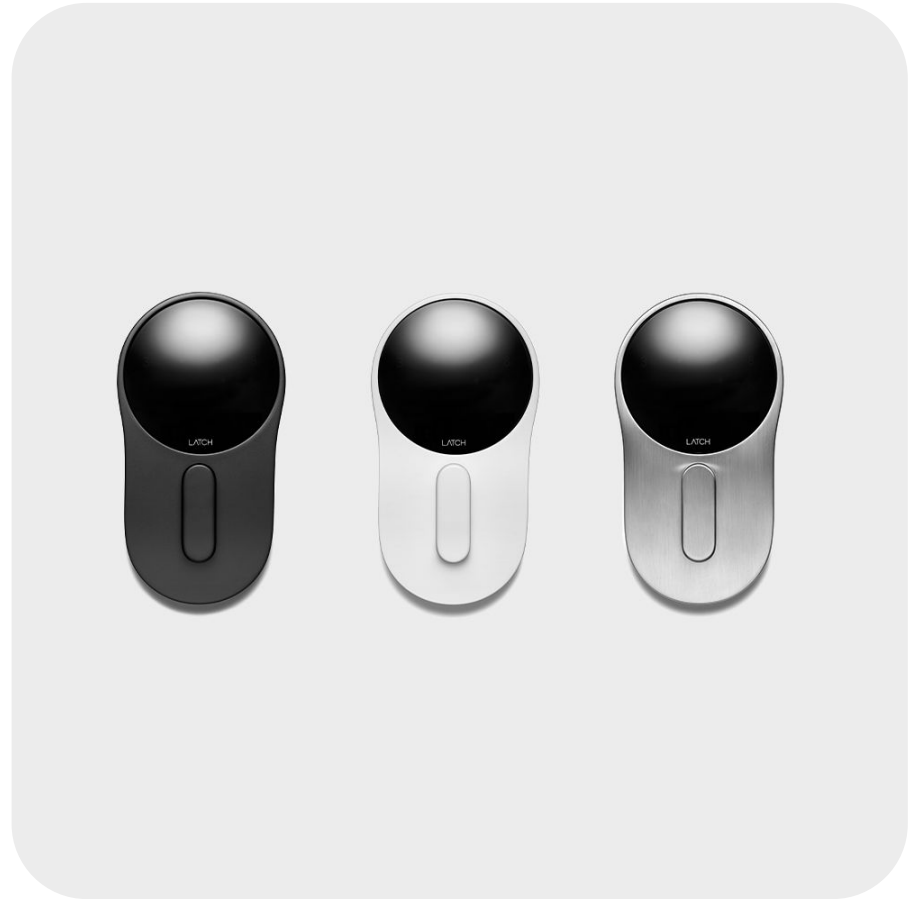
**And we're widening our access  
moat substantially with new  
products and programs.**

## The Latch C2 is one of the most affordable, versatile, and advanced smart lock ever delivered for apartments.

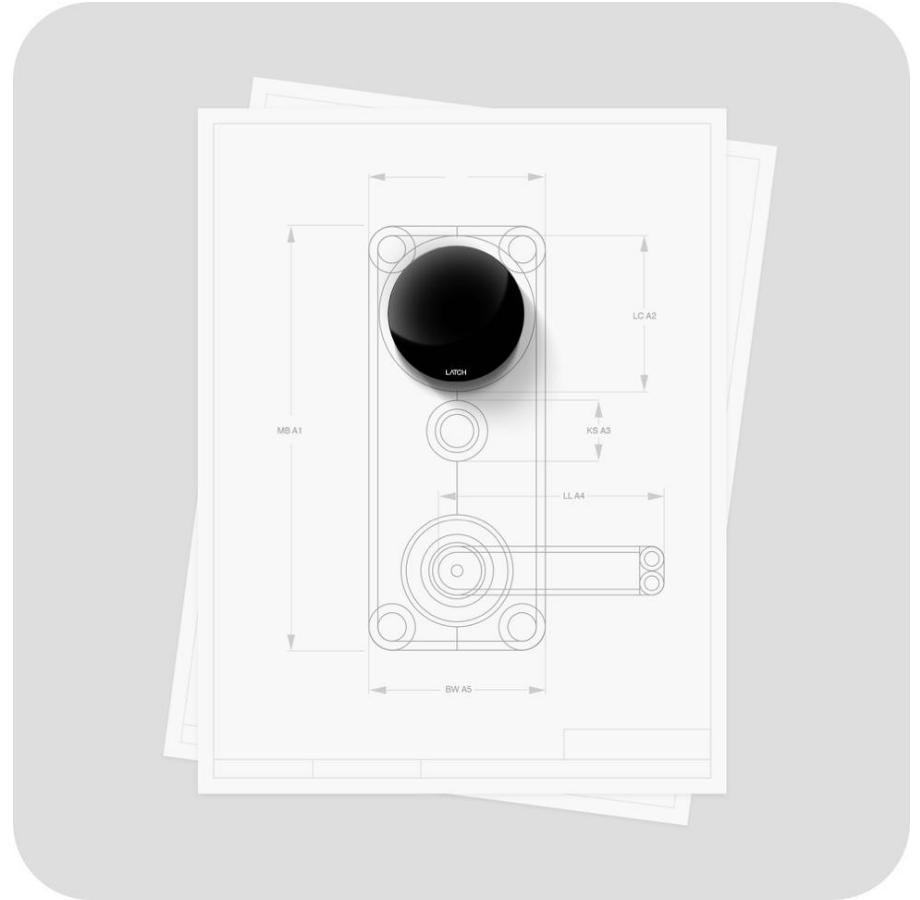
Patent pending turn mechanism makes operations smooth even for older doors.

Wireless charging ensures unprecedented reliability.

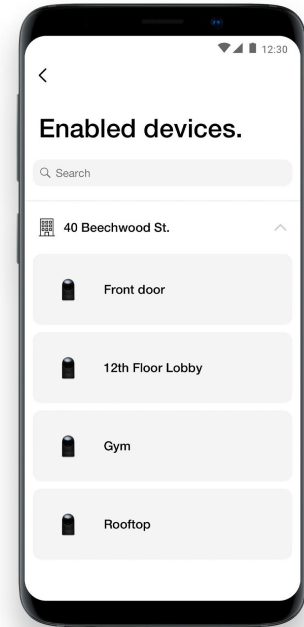
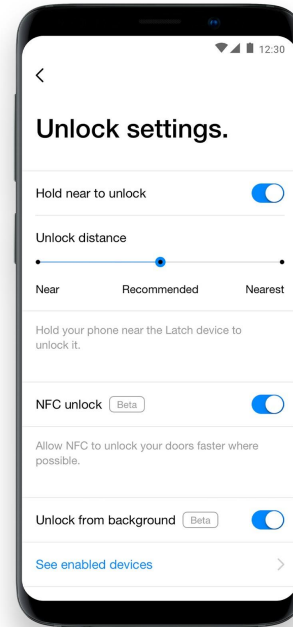
Three piece design makes retrofits easy.



**The Latch Lens program enables traditional lock manufacturers to create locks for markets that we don't currently serve, driving new LatchOS revenue and market expansion.**



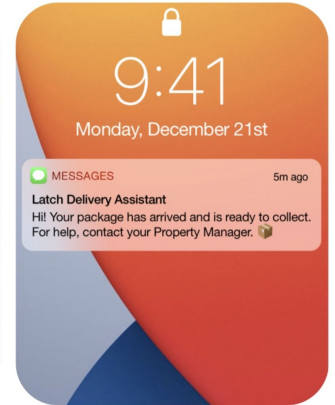
**We are one of the first companies to deliver full-building NFC support for Android devices, enabling faster and more reliable unlocks and deepening our integrations with Google.**



**But access has always  
been just the foundation.**



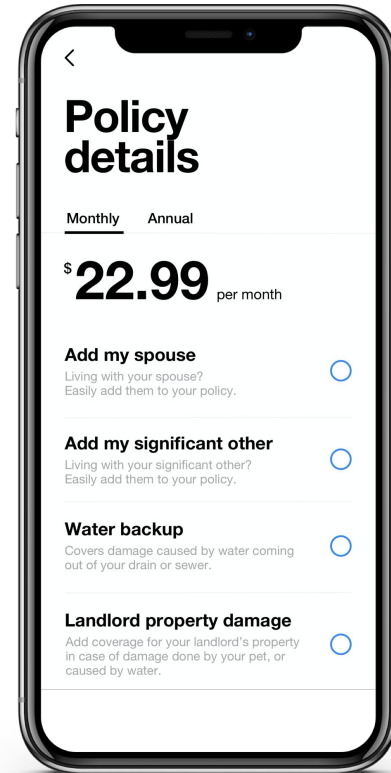
**Latch's critical infrastructure ensures packages get delivered every time, through direct partnerships with carriers like UPS, remote enablement through the Latch Delivery Assistant, and software tools for each user.**



**Our integrations with companies like Google Nest, ecobee, and Jasco ensure an amazing smart home experience, while we enable new business models through leak detectors and other sensors.**



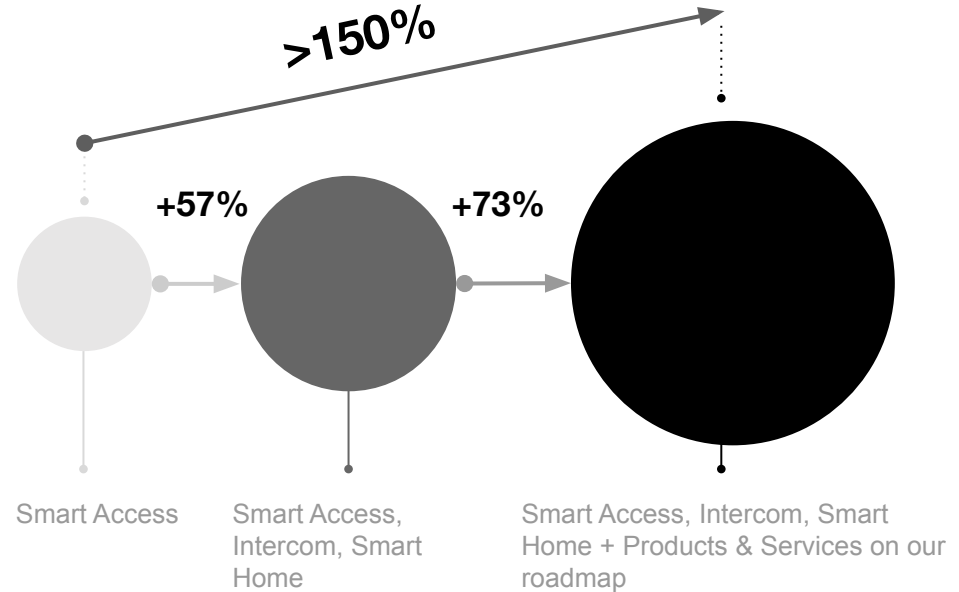
Given our app engagement, we're excited to offer new tools for residents to have an even smoother experience at each LatchOS-powered property, driving new opportunities for growth and expansion.



## Latch has visibility to 150% growth in ARPHU with new products on the roadmap.

From our starting point in smart access we are on track to increase our ARPHU by 57% with our extended product suite of Smart Access, Intercom and Smart Home LatchOS modules. With additional products that are on our near-term roadmap and product launches in 2021 we have the potential to add another 73% ARPHU expansion to take us to >150% growth overall.

### Per Unit/month Gross Average Revenue Per Home Unit (ARPHU)



# ~\$54B/annually

U.S. residential rental owners and operators alone represent a ~\$54B annual market. The 93M apartments in Europe add an incremental ~\$90B annual market opportunity.



## Smart Access

Enterprise Smart access platform includes the Latch M, C, R Series



## Delivery & Guest Management

Guest access Sharing, Intercom, Package Solution, Video Management System, and Cameras



## Smart Home & Sensors

Thermostat, lighting, leak detector and other sensor integrations and enterprise device management capabilities



## Connectivity

Latch Intercom and Latch Hub's cellular connectivity bring internet access to buildings



## Resident Experience

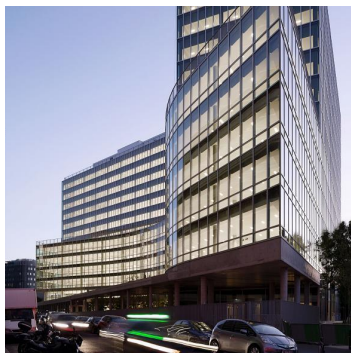
Community Management, Resident Onboarding, Internet, Insurance, etc.



# Beyond the North American core market, Latch has the opportunity to accelerate a European expansion with TSIA.

We can address another **93M<sup>(1)</sup>** apartments through an expansion into European markets - representing **\$90B+<sup>(2)</sup>** in annual TAM.

Our strategy is to start with a focused approach on the **23.5M<sup>(3)</sup>** apartments in Germany, **9.9M<sup>(4)</sup>** apartments in France, and the **4.2M<sup>(5)</sup>** apartments in the United Kingdom - leveraging our partnership with Tishman Speyer and their assets in those markets.



# Latch sees the opportunity to grow into new verticals starting by bringing the LatchOS experience to commercial office.

Our smart access system is able to serve all doors in a building – from garage to unit entrance – and could solve a lot of the key access problems in large office buildings.

Partnering with just our existing and adjacent customers, we believe we could make a compelling move into commercial office. With the largest return to office in history anticipated in 2021, new infrastructure is top of mind and Latch products are designed for expansion.



## **We're just getting started.**

As a product company, Latch will always deliver new products, features, and innovations for our customers and stakeholders, adapting to the market of today and tomorrow.



# Prometheus Real Estate Group x Latch

Tony DeShaw, VP of Facilities and Maintenance, Prometheus  
Peter Weiss, Chief Real Estate Officer, Latch

**Ali Hussain**  
**Chief Operating Officer**

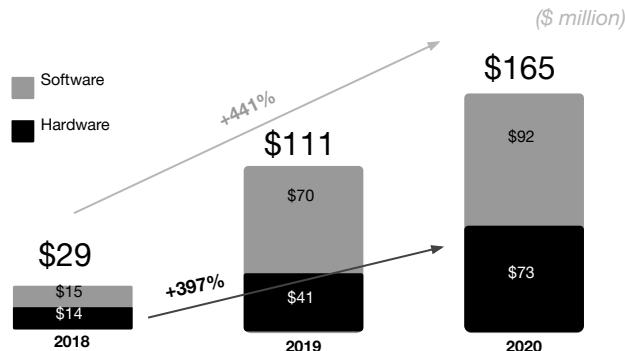
# We're so pleased by the traction we've shown to date.

**\$165M**

Bookings<sup>(4)</sup> in 2020A

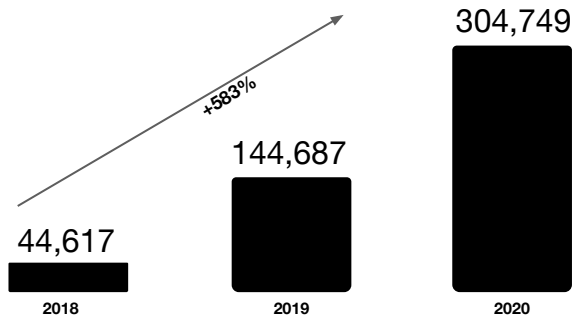
**\$92M**

Software Bookings<sup>(4)</sup> in 2020A



**304,749**

Cumulative Booked Home Units as of 2020A<sup>(5)</sup>



**Robust Traction & Customers**

**1 in 10** New

multi-family apartments in the U.S. built with Latch devices as of 2019.

**7 in 10** of the National Multifamily Housing Council largest developers as customers.

# Latch works with real estate developers - large and small.

Latch has a diverse customer group ranging from the largest real estate companies in the world<sup>(1)</sup> to dedicated and passionate local owners.

Latch products are installed in 35+ states<sup>(1)</sup>, from affordable housing in Baltimore, to historic buildings in Manhattan, to luxury towers in the Midwest.

We're proud to enable some of the best apartment communities in the world.

Akelius

ALLIANCE  
RESIDENTIAL COMPANY

AMLI  
RESIDENTIAL

AvalonBay  
COMMUNITIES

common

Brookfield

FAIRFIELD  
RESIDENTIAL

core  
development group

GOLUB CAPITAL

Garden  
Communities

MORGAN  
COMMUNITIES

MRP | REALTY

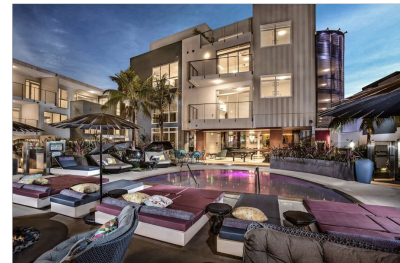
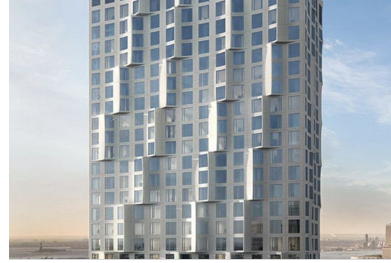
PROMETHEUS

PRM



TISHMAN SPEYER

Toll Brothers



LATCH

Latch Confidential © Latch, Inc.

(1) Based on Latch internal customer list and 2019 FactSet Research

## **We've focused on developing long-term, direct relationships with owners.**

To best serve our customers, we have built direct relationships with real estate owners since the beginning, and believe it is a key part of our differentiation.

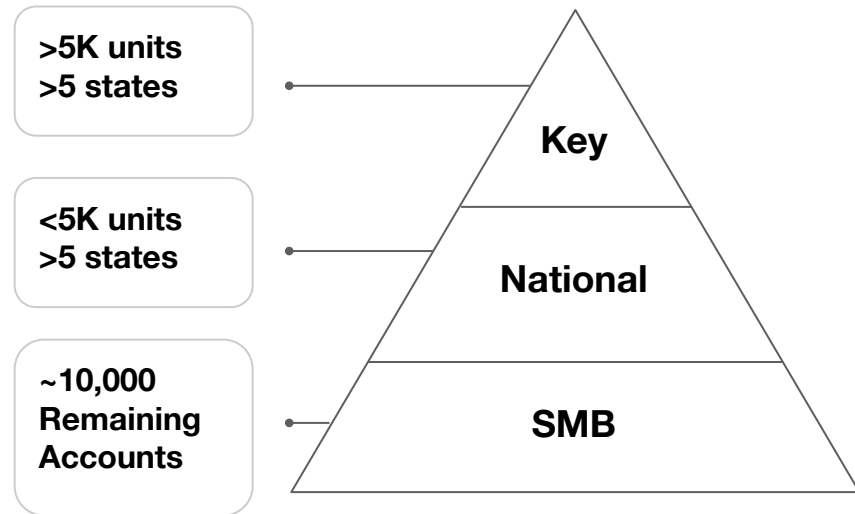
As a result, we have built a first of its kind direct account-based selling motion, which enables us to speak directly to customers, and demonstrate to them the value of LatchOS ourselves.

As a result, we own the long-term software relationship, and maintain the ability to add new products as they become available.

## Our selling professionals are assigned to specific accounts and incentivized to grow with their accounts.

Each rep is assigned Key, National, or SMB accounts, with larger more complex accounts getting more focused, dedicated coverage.

This structurally incentivizes our selling professionals to learn their customers' portfolios and needs intimately, and provide value deeper into their portfolios.



# We've grown via direct demand generation, but we have continued to work with the industry's best partners.

Though we've taken a different approach to working with customers, we've also developed working relationships with the industry's best installers and service providers.

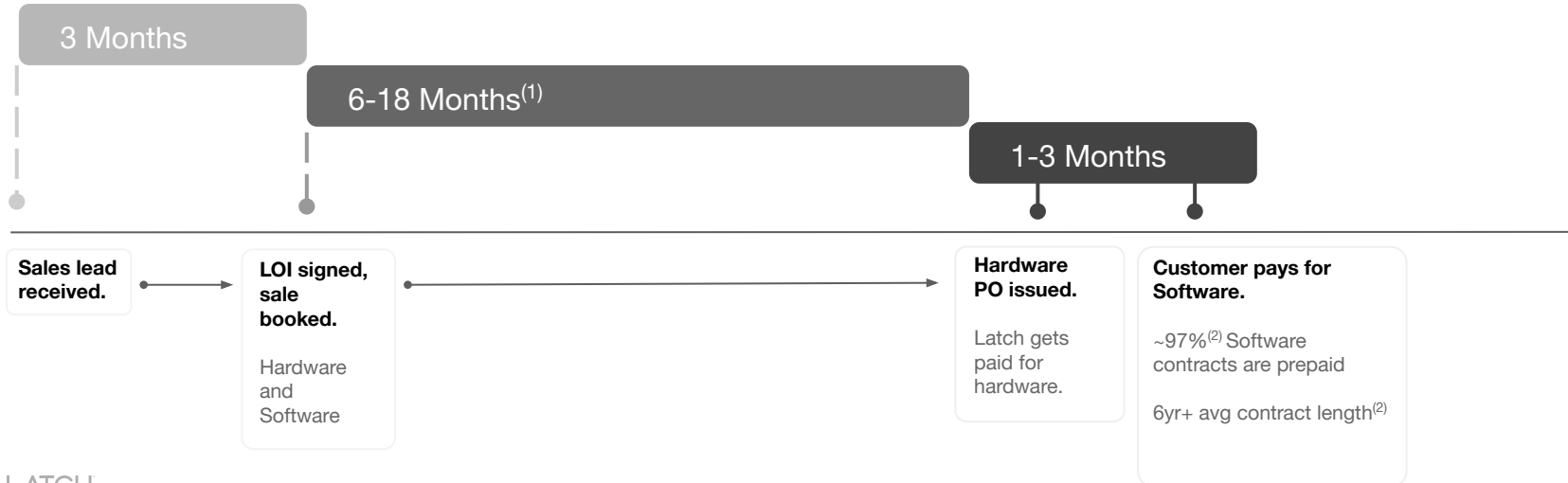
This has allowed us operational lift including the critical installation and in-field support for us to scale without a ton of overhead nationally and to help penetrate smaller SMB accounts it right now does not make sense for us to serve directly.



# Latch talks to customers early in their construction or renovation process, establishing Latch as the technology consultant for the building.

This not only enables us to upsell and provide more value for the customer, it also creates high revenue visibility.

Our strong, direct relationships with the customers also help facilitate repeat purchases and future upsells.

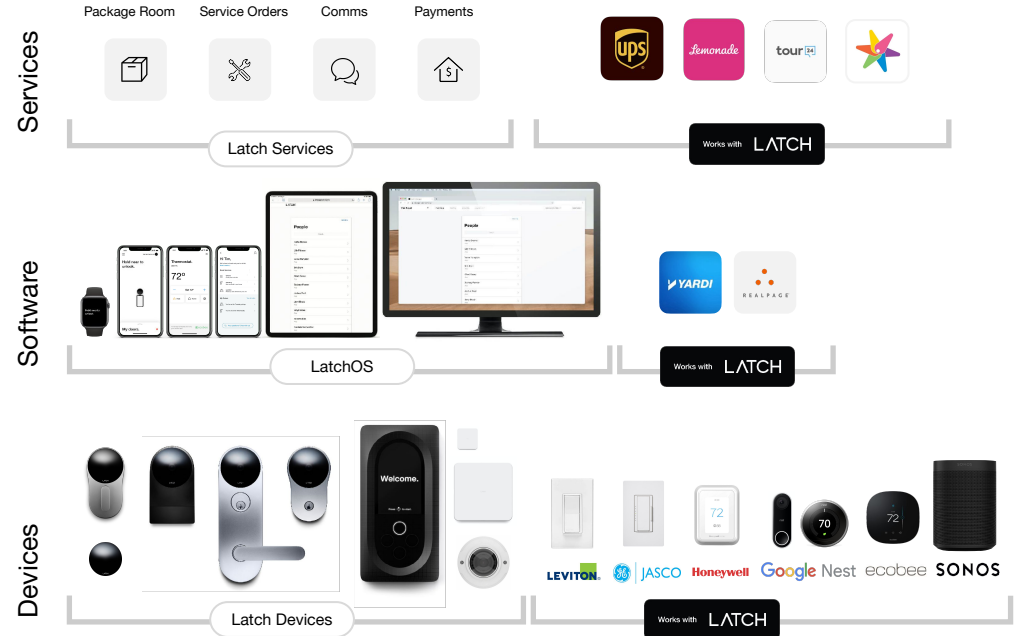




# As the product ecosystem expands, we further differentiate LatchOS

This helps us have broader conversations with our customers to prove our differentiation from other competitors and allow us to limit the need to discount to win deals.

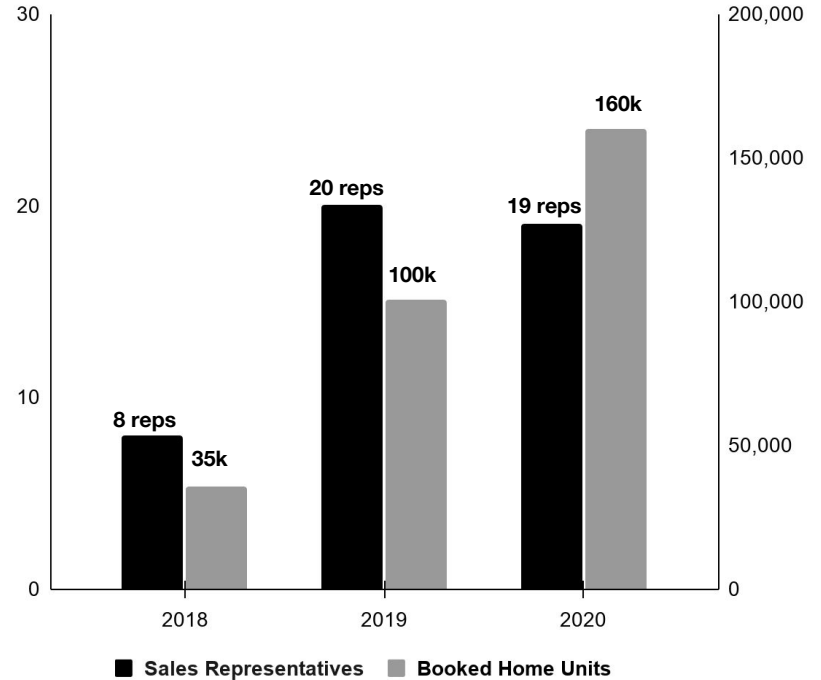
## Latch Product Universe<sup>(2)</sup>



**2020 was a challenging year, which required us to make tough choices. We did what we had to do and still continued to grow.**

In a pandemic year, which we ended with fewer selling professionals than the year before, we still continued to grow.<sup>(1)</sup>

COVID-19 accelerated digital transformation efforts across all industries, real estate included.



# We've recently added world class leaders to our revenue team.



**Chris Lee**

Chief Revenue Officer



**Noelle Uglesic**

VP Revenue Strategy



**Rob Stanger**

VP Revenue Operations  
& GTM Strategy

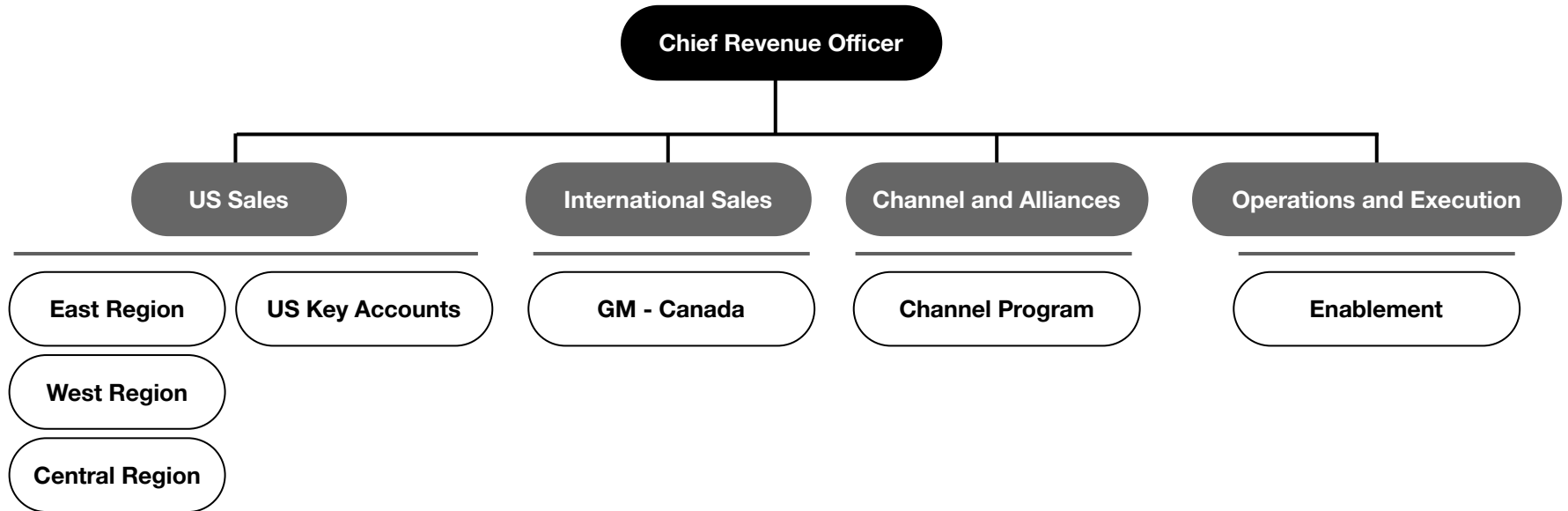


**Adam Sold**

GM - Channel and Alliances



**Our organization is ready to scale our sales and revenue operations.**



## **We've built a strong foundation and are excited to accelerate our growth off of it.**

Though we have already seen demand surge in the last few quarters, our added investment in revenue leadership and multiple-building deals in pipeline make us extremely bullish on our sales outcomes, which we expect to become increasingly clear as the pandemic further fades and our new sales infrastructure fully ramps through the year.

# Core Redevelopment x Latch

Gavin Railing, Regional Property Manager, Core Redevelopment  
Peter Weiss, Chief Real Estate Officer, Latch

**Garth Mitchell**  
**Chief Financial Officer**

## **Key takeaways.**

**Strong financial foundation and unit economics position Latch for sustained efficient growth.**

**Large and growing market opportunity with multiple reinforcing growth vectors and increasing efficiency.**

**Strong post-merger balance sheet with several organic and inorganic opportunities to extend market leadership.**



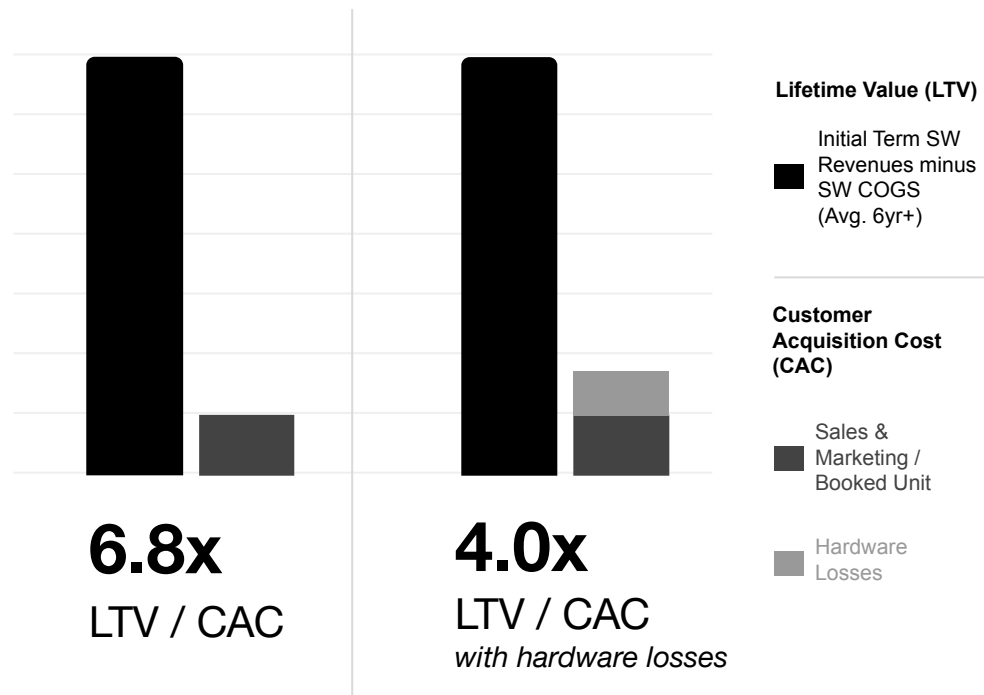
# Annual Historical Financial Results<sup>(1)</sup>

(\$ in millions)	2018A	2019A	2020A
Hardware Bookings	\$14	\$41	\$73
Software Bookings	\$15	\$70	\$92
<b>Total Bookings</b>	<b>\$29</b>	<b>\$111</b>	<b>\$165</b>
<i>YoY Growth (%)</i>		285%	49%
<b>Cumulative Booked Home Units (000s)</b>	<b>45</b>	<b>145</b>	<b>305</b>
<b>Booked ARR<sup>(2)</sup></b>	<b>\$4</b>	<b>\$14</b>	<b>\$31</b>
Net Hardware Revenue	\$4	\$14	\$14
Net Software Revenue	\$0	\$1	\$4
<b>Net Revenue<sup>(3)</sup></b>	<b>\$4</b>	<b>\$15</b>	<b>\$18</b>
<i>YoY Growth (%)</i>		237%	21%
Hardware Cost of Goods Sold	\$6	\$17	\$20
Software Cost of Goods Sold	\$0	\$0	\$0
<b>Cost of Goods Sold</b>	<b>\$6</b>	<b>\$17</b>	<b>\$20</b>
<i>% of Net Revenue</i>	<i>143%</i>	<i>116%</i>	<i>112%</i>
<b>EBITDA</b>	<b>\$(25)</b>	<b>\$(50)</b>	<b>\$(61)</b>
<i>% Margin</i>	<i>NM</i>	<i>NM</i>	<i>NM</i>
<b>Free Cash Flow<sup>(4)</sup></b>	<b>\$(23)</b>	<b>\$(51)</b>	<b>\$(59)</b>

## Latch has strong enterprise SaaS unit economics with 6.8x LTV / CAC.

Our recurring enterprise software solution is highly profitable and sticky. Even if we include hardware losses - which we view as an investment cost to acquire these sticky software contracts - we have an attractive LTV / CAC of 4.0x.

Design, sourcing, and manufacturing efficiencies could turn HW losses to turn into profits with our next generation devices. This will either drive further LTV / CAC expansion by reducing our CAC, or we could reinvest the efficiencies to accelerate share gains.



## Latch cash unit economics are positive on Day 1.

97% of our customers elect to prepay their full 6yr+ software contract value upfront on Day 1.

This creates highly attractive upfront profitability and cash efficiencies, giving us significant flexibility to price our hardware to accelerate market share gains.

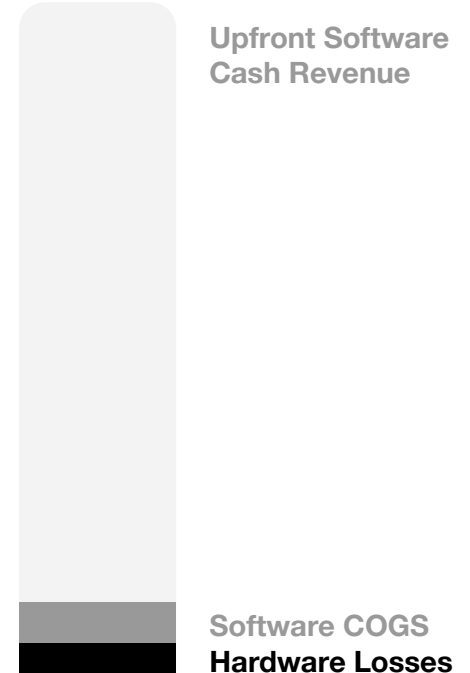
For our end market, upfront payment is rational economic behavior. We incentivize customers to pay upfront, and the advantages seem to be sustainable.

## Upfront Unit Economics

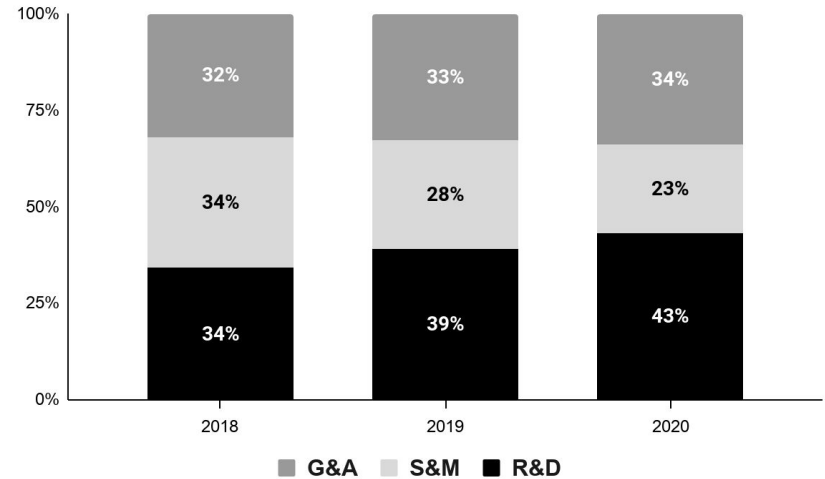
(based on current generation hardware)

**97%** of customers prepay their full software contract value.

**6yr+** average software contract term.



**43% of 2020 Operating Expenses were invested in Research and Development. These investments drive sustained product differentiation and funded the development of our planned 2020 and 2021 new product releases.**



# Innovative enterprise technology company, with large and growing market opportunity, and multiple reinforcing growth vectors.

(\$ in millions)	2020A	2021E	2022E	2023E	2024E	2025E
Hardware Bookings	\$73	\$148	\$308	\$426	\$542	\$626
Software Bookings	\$92	\$160	\$380	\$613	\$887	\$1,154
<b>Total Bookings</b>	<b>\$165</b>	<b>\$308</b>	<b>\$688</b>	<b>\$1,039</b>	<b>\$1,429</b>	<b>\$1,780</b>
YoY Growth (%)	49%	84%	123%	51%	38%	25%
<b>Cumulative Booked Home Units (000s)</b>	<b>305</b>	<b>536</b>	<b>1,018</b>	<b>1,715</b>	<b>2,634</b>	<b>3,711</b>
<b>Booked ARR<sup>(1)</sup></b>	<b>\$31</b>	<b>\$61</b>	<b>\$134</b>	<b>\$252</b>	<b>\$423</b>	<b>\$644</b>
Net Hardware Revenue	\$14	\$38	\$138	\$268	\$380	\$465
Net Software Revenue	\$4	\$11	\$35	\$100	\$220	\$412
<b>Net Revenue<sup>(2)</sup></b>	<b>\$18</b>	<b>\$49</b>	<b>\$173</b>	<b>\$368</b>	<b>\$600</b>	<b>\$877</b>
YoY Growth (%)	21%	165%	252%	112%	63%	46%
Hardware Cost of Goods Sold	\$20	\$36	\$118	\$223	\$312	\$384
Software Cost of Goods Sold	\$0	\$1	\$3	\$11	\$36	\$91
<b>Cost of Goods Sold</b>	<b>\$20</b>	<b>\$37</b>	<b>\$120</b>	<b>\$234</b>	<b>\$348</b>	<b>\$474</b>
% of Net Revenue	112%	74%	69%	64%	58%	54%
<b>EBITDA</b>	<b>\$(61)</b>	<b>\$(88)</b>	<b>\$(112)</b>	<b>\$(67)</b>	<b>\$3</b>	<b>\$104</b>
% Margin	NM	NM	NM	NM	1%	12%
<b>Free Cash Flow<sup>(3)</sup></b>	<b>\$(59)</b>	<b>\$(76)</b>	<b>\$(59)</b>	<b>\$63</b>	<b>\$168</b>	<b>\$249</b>

Expected 65% 5-year CAGR driven by new customer growth, upselling to existing customers, and expansion into new verticals and geographies. Revenue per home unit driven by new product adoption by new and existing customers.

Further market penetration in North America and expansion to Europe expected to drive 2022-2025 growth, while still less than 3% penetrated in the North America and Europe rental homes market at the end of 2025.

Expected unit level profitability improvements driven by next generation access products, scale efficiencies in sourcing and manufacturing, and increased percentage of per home unit revenues from higher margin software products and services.

EBITDA margin improvements expected from efficiency gains on fixed costs and variable operating costs. EBITDA profitability expected by 2025 while maintaining annual net revenue growth >45%. Favorable net working capital cycle expected to lead to positive Free Cash Flow in 2023 due to sustainable end market procurement preferences.

## Reinforcing growth vectors.

<b>Unit growth</b>	<b>Selling deeper into customer portfolios</b> <hr/> <b>Signing new customers</b> <hr/> <b>New verticals and geographies</b>
<b>Revenue per unit growth</b>	<b>Per unit hardware revenue growth</b> <hr/> <b>Per unit recurring revenue growth</b>

## **Increasing efficiency.**

**Efficiencies drive  
increased  
profitability and  
share gains**

**Design, sourcing, and manufacturing  
efficiencies**

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**Optimized distribution for better service and  
improved contribution margin**

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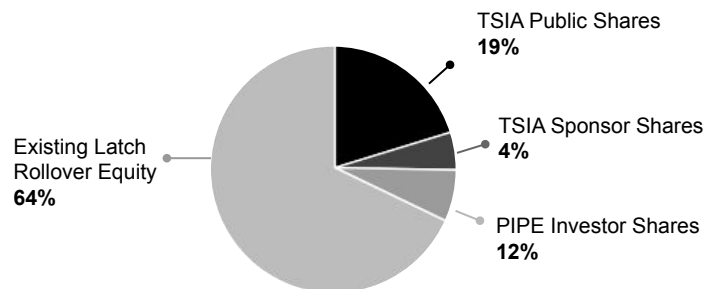
**Larger bundles increase value delivery and  
profitability**

# Detailed Transaction Overview

## Proposed transaction terms

- **\$450M** net cash proceeds inclusive of PIPE proceeds and transaction expenses<sup>(1)</sup>
- **\$190M** of PIPE commitments before transaction announcement

## Pro forma ownership @ \$10.00 per share<sup>(4)</sup>



## Pro Forma Valuation

Latch Share Price	\$10
Pro Forma Shares Outstanding (M)	155.8 <sup>(1)(2)</sup>
<b>Equity Value (\$M)</b>	<b>\$1,558</b>
(-) Assumed Pro Forma Cash (\$M)	(510) <sup>(1)(3)</sup>
(+) Assumed Pro Forma Debt (\$M)	5 <sup>(3)</sup>
<b>Enterprise Value (\$M)</b>	<b>\$1,053</b>

## Sources

Latch Rollover Equity	\$1,000
TSIA Cash Held in Trust	300 <sup>(1)</sup>
PIPE Investment	190
<b>Total Sources</b>	<b>\$1,490</b>

## Uses

Equity Consideration to Existing Investors	\$1,000
Cash to Balance Sheet	450 <sup>(1)</sup>
Estimated Transaction Expenses	40
<b>Total Uses</b>	<b>\$1,490</b>



# Catalyst Innovation Lab x Latch

Stephanie Fuhrman, Head of Innovation, Catalyst

Peter Weiss, Chief Real Estate Officer, Latch

# Management Q&A

# Appendix

# Preliminary Non-GAAP Reconciliations

(\$ in millions)	2018A	2019A	2020A
<b>Net loss</b>	<b>(\$25)</b>	<b>(\$50)</b>	<b>(\$66)</b>
Depreciation and Amortization	0	1	1
Interest Expense (Income)	0	0	3
Income tax provision (benefit)	0	0	0
<b>EBITDA</b>	<b>(\$25)</b>	<b>(\$50)</b>	<b>(\$61)</b>
Adjustments:			
Loss on Extinguishment of Debt	\$1	\$1	\$0
Loss (Gain) on FV of Derivative	0	0	1
Restructuring costs	0	0	1
Transaction-related costs	0	0	2
Litigation costs	0	0	1
Stock-based Compensation	1	4	2
<b>Adjusted EBITDA</b>	<b>(\$24)</b>	<b>(\$45)</b>	<b>(\$55)</b>