TicketCo

Investor report

1st quarter 2023

On a journey towards The Digital Ticketing Assistant

By TicketCo's CEO Carl-Erik Michalsen Moberg

TicketCo

Dear TicketCo investors,

TicketCo is on a journey towards The Digital Ticketing Assistant. This project is our most important differentiator towards our competitors, and the backbone of our storytelling throughout all of 2023.

Some of you have reached out to me since our last quarterly report and asked me what this digital ticketing assistant actually is. The easiest answer to this question is that we are building what you might call ChatGPT for events; a smart, proactive digital assistant in a world of stupid, reactive ticketing platforms. We are absolutely certain that it will be a success, and that is why our long term goals are just as important as our short term goals these days.

Short term we are securing our day to day business, our customer base and our ability to innovate. Long term we are planning for a whole new reality once The Digital Ticketing Assistant is fully developed and launched.

In parallel to this we are also focusing on strengthening our brand awareness within our core target groups: ticketing managers and heads of ticketing within spectator sports. Last quarter we launched TicketingPodcast.com as a standalone TicketCo initiative, where ticketing experts share their stories and insight. We have had some remarkable guests appearing already, and more will follow. Please check it out on Spotify, Apple Podcast or anywhere else.

When it comes to our revenue production, the year started with significant growth compared to last year due to the 2022 lockdown in the Norwegian market - a lockdown that showed a strong reopening in February and a more stable March. This has meant that it has been challenging to measure the month for month growth, but on a quarterly basis we grew 12% in revenue towards 2022 with a cash position MNOK 1.3 better than budgeted.

On the product side we have done significant innovation on subscriptions, and we look forward to supporting the new Norwegian football season with a more stable and richer platform. We also expect better customer service long term as we are re-setting our Customer Success department.

Customer Success is a huge focus for software companies these days - also in TicketCo as you will see further down in this report. We are taking our existing customers very seriously. This means that we have to keep on building this department to keep our valuable clients. This will ripple over in the rest of the organisation both on Operations, Sales and Marketing in a positive way.

Investor report - March 2023

March sees result in accordance with budget as the comparison towards 2022 starts to normalise and not being affected by Covid data.

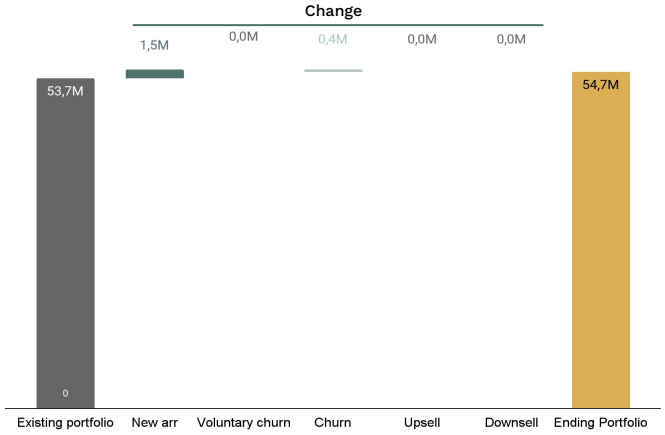
We also had a strong finish of the quarter in terms of new sales, where the sales team signed up another Junkyard Golf venue (one of our largest UK customers) as well as several new customers in Norway.

Our cash position is also stronger than budgeted so far this year, and as we are approaching the high season this gives us confidence into Q2.

Metrics for March

MONTHLY METRICS	MAR.	BUDGET	CHANGE	LAST YEAR	CHANGE
REVENUE	3,4M	3,4M	0%	3,3M	5%
EBITDA	0,1M	0,1M		−0,9M	
YEARLY METRICS	**YEAR TO DATE**	**BUDGET**	**CHANGE**	**LAST YEAR**	**CHANGE**
REVENUE	9,0M	8,5M	5%	8,0M	12%
EBITDA	−0,3M	−1,3M		−4,1M	
CASH BALANCE	11,8M	10,5M		16,8M	

Contract portfolio



TicketCo platform usage in March

Number of active events with tickets sold	**5362**
Number of tickets sold	**680 524**
Payment volume	**MNOK 81**

https://start.ticketco.events/en/investors

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Investor report - Q1 2023

With a revenue at MNOK 9 we are up 12 % over 2022. It is still early to predict, but it seems that the cost of living crisis is affecting some of our customers in the UK market as well as within the culture segment. This was considered when we budgeted 2023. We also had a hypothesis that people would support their sports club even in tough times and we are therefore happy that we are focusing more and more on sports.

We are also growing a more diverse customer base in the UK market, and as we see on the total platform usage in Q1, the amount of events being on sale is considerably higher than what we had in the same quarter in 2022.

As mentioned in the introduction, a direct comparison of Q1-23 towards the same quarter last year is challenging due to the partial lockdown we saw in Norway in Q1-22. Please keep that in mind when studying the numbers.

Payment volume is affected by the EURO currency and might not directly correspond to accounting

Metrics for Q1

MONTHLY METRICS	Q1	BUDGET	CHANGE	LAST YEAR	CHANGE
REVENUE	9,0M	8,5M	5%	8,0M	12%
EBITDA	−0,4M	−1,3M		−4,1M	

YEARLY METRICS	YEAR TO DATE	BUDGET	CHANGE	LAST YEAR	CHANGE
REVENUE	9,0M	8,5M	5%	8,0M	12%
EBITDA	−0,4M	−1,3M		−4,1M	
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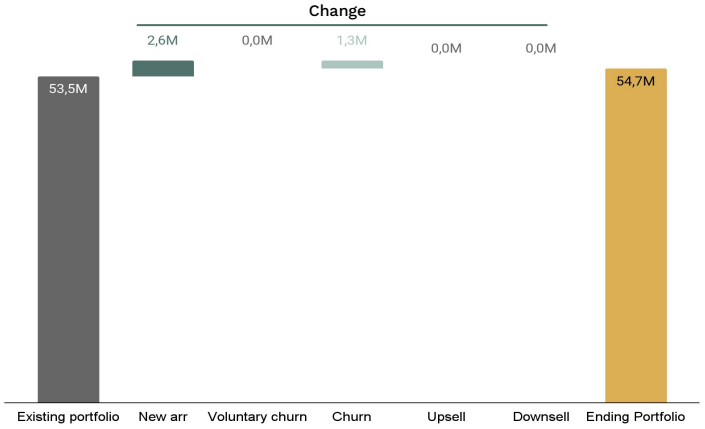

TicketCo platform usage in Q1

	Q1 2023	Q1 2022	% change
Number of active events with tickets sold	**9589**	8986	7%
Number of tickets sold (in millions)	**1,6**	1,3	23%
Payment volume (MNOK)	**212**	170	25%

https://start.ticketco.events/en/investors

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Department insight

This quarter: revisiting Customer Success

'Customer Success Management is the process of proactively orchestrating and managing toward your customer's achievement of their desired outcomes.'

- Ashvin Vaidyanathan & Ruben Rabago, *The Customer Success Professional's Handbook*, 2020

When we presented Customer Success in our Q3-22 Investor Report, we had ever so briefly started the transformation of CS into a revenue producing unit at TicketCo. At the same time we had started implementing automation tools for the easiest and at the same time most time consuming requests from organisers and ticket buyers, with the goal to free up time for the more intricate CS tasks.

That is now 6 months ago, and since then these changes have also caused some structural changes within our company.

To put it shortly, what we have done is to slice our previous Customer Success department into two halves - Operations and Customer Success. Our previous Customer Success Manager Mateusz Drachal is now heading Operations, with a portfolio ranging from partner and supplier relationship, hardware and software, to settlement operations.

Then there is the "new Customer Success", headed by previous Customer Success Agent Jessica Goodfellow (here to the left, accompanied by her UK based colleague Maria Olsen). On the next page you can read Jessica's thoughts about where she wants to take Customer Success, and how it will gain us.

Helping our customers achieve success

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I am really excited to have been entrusted with the task of establishing "Customer Success 2.0" in TicketCo.

I have been working in TicketCo since 2019 as a support agent, and over the last few months, I have been assisting in implementing AI to our support systems in order to better help our ticket buyers. Since then, I have been tasked with an even bigger challenge - to build a "new" Customer Success department.

Until now, we have been operating under the title of Customer Success, although in reality we were working more as Technical Support. Working in Tech Support involves responding reactively to incoming queries, questions or issues; whilst Customer Success is focused on *proactively* approaching and assisting customers.

A good Customer Success Manager, or CSM, will work to help customers achieve their desired outcomes or goals, and through doing so, will ensure that customers realise the value that a certain product provides. For TicketCo, this means our CSMs will be working closely with a select group of customers in order to find out how they are currently interacting with our platform, and how we can improve on this. We will be guiding them and advising them in terms of functionality within the platform, as well as looking to see whether there are any expansion options for their business which TicketCo could assist them with. It all boils down to helping our customers achieve ticketing success with TicketCo, as that will in turn, help us achieve success and move towards our vision of creating a digital ticketing assistant.

Of course, in order to help our customers achieve success, we first need to understand what a "successful customer" means for TicketCo. That is why one of our primary objectives for Q2 is to build a prototype for the TicketCo Customer Health Score. This will be a composite metric or index which will enable us to see a fully formed picture of the likelihood that a customer will renew with TicketCo. As well as NPS, this score will also take other leading indicators into consideration in order to contextualise the voluntary satisfaction scores which we are already collecting. We hope to lay the groundwork for this during the coming quarter, so that we are able to start applying this to our customer base later in the year.

Looking further ahead to the end of 2023, my goal is to have built up a series of templates, guidelines and examples, which are all documented within a brand new intranet page. This will then provide my team, and any new colleagues, with a solid foundation and clear structure for how we communicate with our customers. This will be our CS source of truth! What's more, this fits perfectly with our ambition to implement an improved Customer Journey, with world class practices and internal processes designed to seamlessly guide customers through a fantastic customer experience.

Starting up a new department in TicketCo is indeed a challenge, but one that I am committed to making succeed (there's that word again)!

Jessica Goodfellow, Head of Customer Success

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