



TicketCo

Investor report

2nd quarter 2024



Transition from smaller to bigger customers

By TicketCo's CEO Carl-Erik Michalsen Moberg

Dear TicketCo Investors,

As our Q2 numbers clearly show, the transition from smaller to bigger customers in the UKI is more time consuming than previously assumed. As we navigate the strategic path outlined in Geoffrey A. Moore's seminal book, "Crossing the Chasm," we are experiencing a temporary slowdown in growth, which is an anticipated and necessary phase in our growth journey.

This phase, often referred to as "the chasm," is characterised by the need to shift our focus from visionary customers who seek innovative solutions to pragmatists who demand proven, reliable products. These are very often larger customers that in large numbers will create a hockey stick of growth.

During this period, it is typical for companies to see a dip in revenue as they invest heavily in refining their product offering, developing comprehensive solutions, and establishing credibility within a broader market. This strategic investment is essential to gain traction with the early majority, who represent a much larger customer base and are crucial for sustained long-term growth.

In a perfect world you plan these dips, but you never know exactly when you are breaking through the chasm. We believe we are very close now. To bridge this chasm successfully, we are now:

1. **Focusing on a Niche Market:** Concentrating our efforts on a specific segment where we can dominate and build a strong reference base.
2. **Developing the Whole Product:** Ensuring our product is fully equipped with all necessary features, services, and support to meet the comprehensive needs of our customers.
3. **Building Credibility:** Leveraging success stories and testimonials from our early adopters to reduce perceived risk for the early majority.
4. **Strengthening Partnerships:** Forming strategic alliances to enhance our product offering and support infrastructure.

These efforts, while impacting our short-term revenue, are pivotal in positioning us for substantial future growth. We are confident that this strategic transition will enable us to secure a dominant position in the market and deliver significant returns in the long run.

Our financial situation is strong, and we have full team buy-in. We've established ourselves as thought leaders through TicketingPodcast.com, and our Customer Success team has strengthened relationships with existing customers. We've entered new league agreements, and we are soon launching our Digital Ticketing Assistant, differentiating us from competitors. The timing for crossing the chasm couldn't be better.

We appreciate your continued support and understanding as we work through this critical phase. A phase where we see a little slowdown in our growth. Our commitment to crossing the chasm and achieving market leadership remains unwavering.

Thank you,
Carl-Erik



TicketCo



Investor report - June 2024

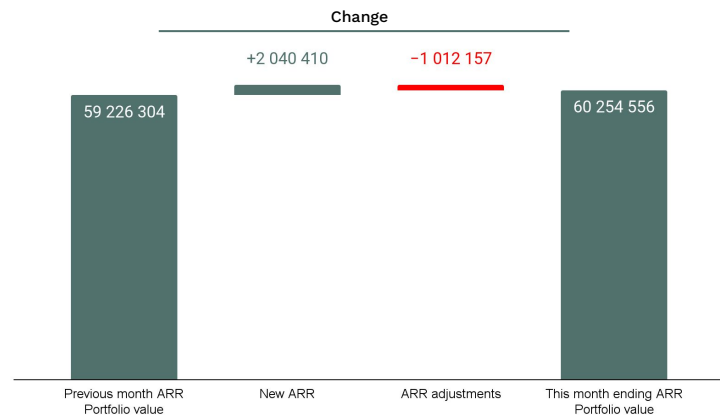
June saw a slowdown in growth due to the following reasons:

- Historically long sales cycles with the first large football clubs in the UK and some lost deals at the start of the year. These lost deals have been great learning cases for improvement
- An intentionally lack of focus on Venues and Festivals as a result of the Sports strategy that we believe will give a big impact in the long run

We remain very confident for future growth due to the following reason:

- Around 300,000 EURO of portfolio that was waiting for activation at the end of June. These deals - now signed within sports - is not reflected in the current numbers
- Final discussions with several EFL clubs that will take us into the bigger leagues in UK

Contract portfolio



Metrics for June

MONTHLY METRICS	JUNE	BUDGET	CHANGE	LAST YEAR	CHANGE
REVENUE	4,6M	5,3M	-14%	5,0M	-9%
EBITDA	1,5M	2,6M	-41%	2,1M	-27%

YEARLY METRICS	YEAR TO DATE	BUDGET	CHANGE	LAST YEAR	CHANGE
REVENUE	26,8M	25,0M	7%	22,8M	18%
EBITDA	4,5M	4,4M	2%	3,6M	25%
CASH BALANCE	14,7M	10,1M		12,7M	

* Note annual numbers are prior to end of year adjustments

TicketCo platform usage in June

Number of active events with tickets sold	5 373
Number of tickets sold	511 466
Payment volume	MNOK 110

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



TicketCo

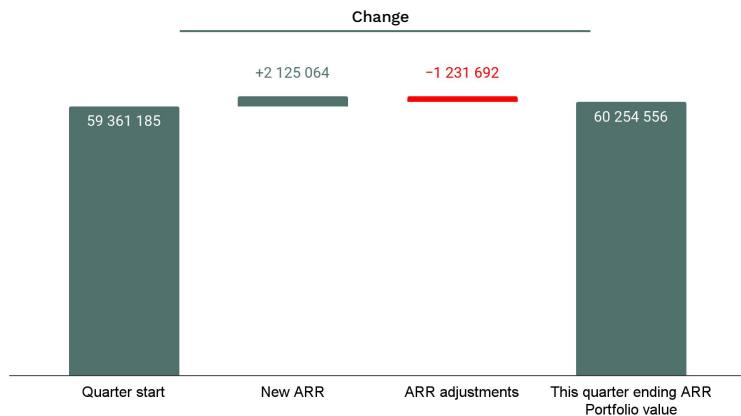
Investor report - Q2 2024

Numbers have not reached our expectations in Q2 but we have learned a lot. By carefully evaluating deals lost we are working on a plan to make sure we improve in the future. The management is certain that the company is learning a lot and that we will sooner rather than later sign our first large club (EFL) in the UK.

Crossing the chasm and signing more and larger customers in a company effort where every department and executive team member is being held accountable.

Something we are very proud of in Q2 is our new League partnerships. League partnerships is something we have talked about for a long time, and we believe that this can be a very strong lead generator for the future. Even though Q2 has been bumpy from short horizon we believe there is a very strong demand in our core markets moving forward.

Contract portfolio



Metrics for Q2

QUARTERLY METRICS			Q2	BUDGET	CHANGE	LAST YEAR	CHANGE
REVENUE			14,9M	14,9M	0%	13,8M	8%
EBITDA			3,3M	4,8M	-32%	4,0M	-16%
YEARLY METRICS			YEAR TO DATE	BUDGET	CHANGE	LAST YEAR	CHANGE
REVENUE			26,8M	25,1M	7%	22,8M	18%
EBITDA			4,5M	4,5M	0%	3,6M	25%
CASH BALANCE			14,7M	10,1M		12,7M	

* Note annual numbers are prior to end of year adjustments

TicketCo platform usage in Q2

	Q2 2024	Q2 2023	% change
Number of active events with tickets sold	10 625	10 805	-2%
Number of tickets sold (in millions)	2,06	2,41	-14%
Payment volume (MNOK)	371	324	+14%

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





Quarterly milestones

**In this report:
Approaching new
markets and
segments through
league agreements**



TicketCo

Entering League Agreements in England and Northern Ireland

Ever since 2019, TicketCo has held a rock-solid position in Norwegian football through our league agreement with Norsk Toppfotball (The Professional Norwegian Football League). This partnership has allowed us to build a strong community and develop tailor-made functionality that strengthens our ties with the clubs, far beyond the industry norm.

Now, we are replicating this successful model in the UK. In May, we signed a league agreement with the National League, covering levels five and six in English football. This league includes a total of 72 clubs, eight of which were already in individual agreements with TicketCo when the league agreement was signed. Our goal is to contract the remaining 64 clubs as their current agreements with other ticket providers expire.

Simultaneously, we have been working with the Northern Ireland Football League (NIFL), and we concluded this agreement in the last week of June. Similar to our agreement with Norsk Toppfotball, this league association encompasses the top clubs in Northern Ireland across three tiers: NIFL Premiership (professional), NIFL Championship (semi-professional), and NIFL Premier Intermediate League (semi-professional). Notably, the NIFL includes clubs with significant UEFA competition appearances such as Linfield (55), Glentoran (45), Crusaders (21), and Coleraine (19) as of August 2022.

We firmly believe that our league agreements with the National League and the Northern Ireland Football League will be significant lead generators for us moving forward. Combined with a more targeted approach towards clubs in the English Football League (tiers 2 to 4 in England), these strategies will elevate TicketCo to the next level.

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