Discotech

OpenTable for Nightlife

Marquee Dayclub $$$$

For additional information:
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Nightlife Market is Ripe for Disruption

Nightlife reservation market is comprised of 100,000+ individual promoters (human middlemen) and is **highly fragmented**

Discotech will disrupt the **nightlife industry** the same way that **Priceline and Kayak** disrupted the **travel industry**

1%

$25B Global Market

99%

🔵 Traditional Promoters   🟢 Other

Then

Now

priceline.com

KAYAK

discotech

Why Discotech?

Typical customer experience

Texting and calling club promoters to get information and access to nightlife venues is **non-transparent** and **inefficient.**
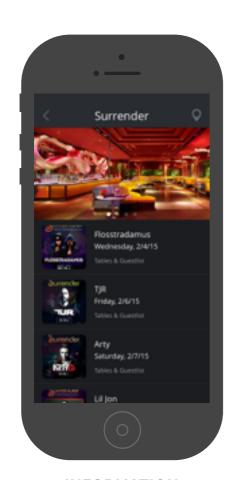
Nightlife venue pain points

Large teams of individual promoters are **hard to manage**, unreliable, and difficult to scale. **Data collection and analytics non-existent.**
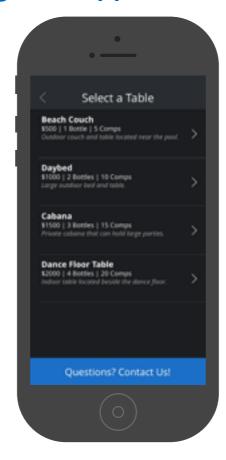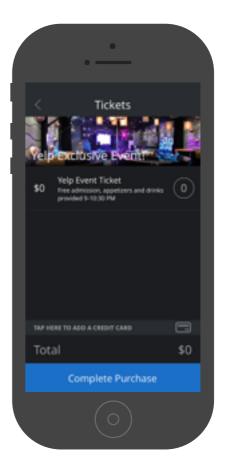
Discotech changes that experience

The nightlife app for millennials

INFORMATION

Discotech **aggregates** venue and event information all in one place - Making it easy to **discover** local attractions.

TRANSPARENCY

Discotech provides users with **pricing** options for tables and tickets directly on the app. Customers no longer need to text and call multiple promoters for quotes.

EFFICIENCY

Discotech allows users to make **reservations**, **purchase tickets**, and **receive confirmation** with a few simple clicks.

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Venue Partners

Discotech is currently working with over 120 venues in Los Angeles, Las Vegas, Miami, and San Francisco. Our partners include 7 of the top 10 largest clubs in the country.

Competition

Discotech is the **only** "One-Stop Shop" for Nightlife Booking

	discotech	TABLELIST	INLIST	EZ VIP.com
Mobile App	✔	✔	✔	
Event Discovery	✔	✔	✔	✔
Table Booking	✔	✔	✔	✔
Guest List	✔			
Ticket Sales	✔		✔	
Loyalty Program	✔	✔		

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Discotech & Wantickets Partnership

Partnership with Wantickets gives us access to national distribution

In Summer of 2015, Discotech entered into a **partnership** with Wantickets to **roll out the app on a world wide basis**.

Wantickets will provide Discotech with access to all of its ticketing inventory, including to venues where it has **exclusive partnerships**.

Wantickets is the largest ticketing provider in the nightlife/EDM space, working with over **1,000 venues in the U.S and 1,300 world wide.**

Primary Revenue Model

GUESTLIST

$3-7 commission per guestlist attendee

TICKETING

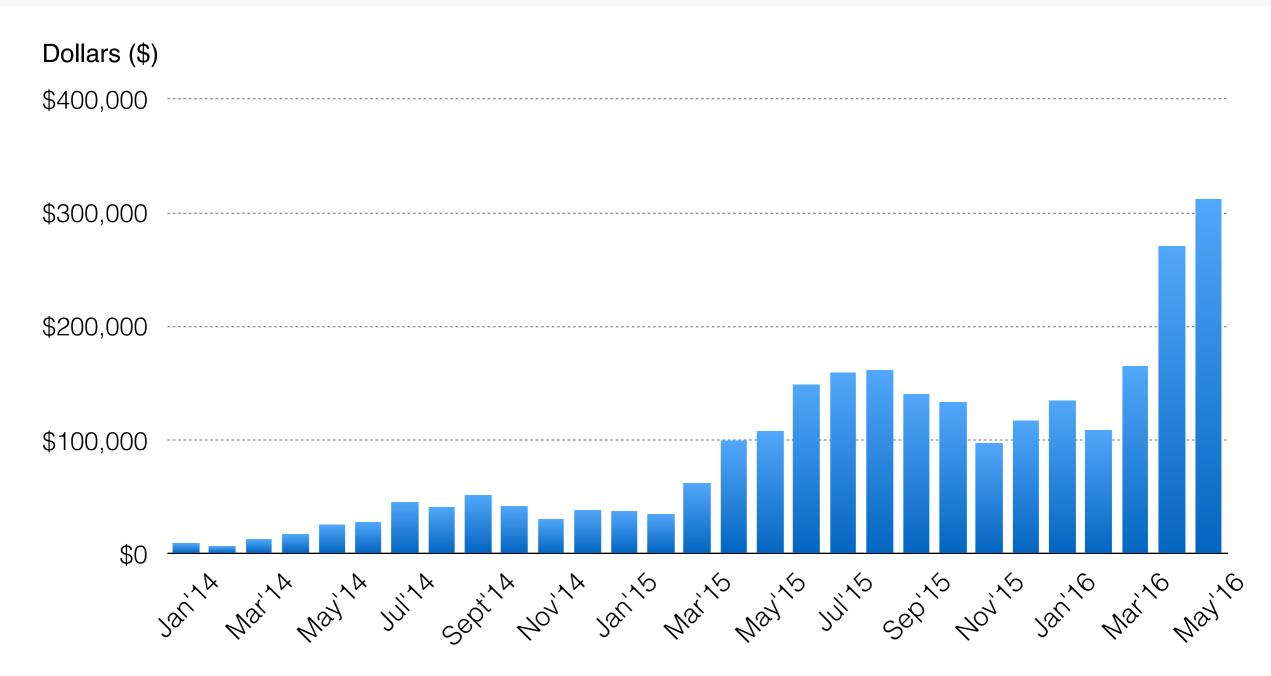15-20% service fee commission on ticket sales (charged to the end customer)

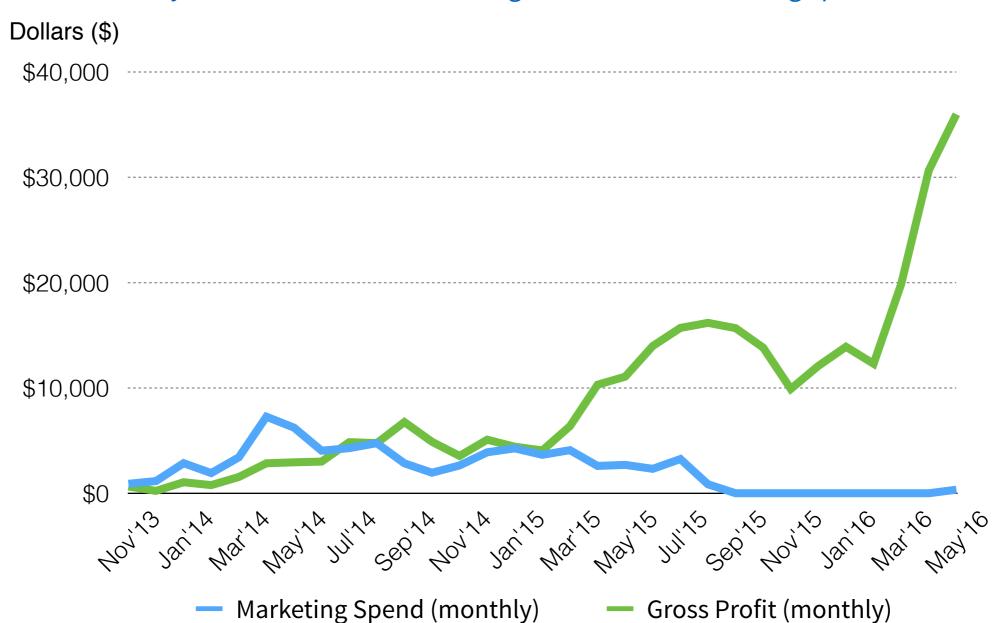$1-10 per guest "bounty" for some tickets

TABLE BOOKINGS

10-20+% commissions on revenue booked
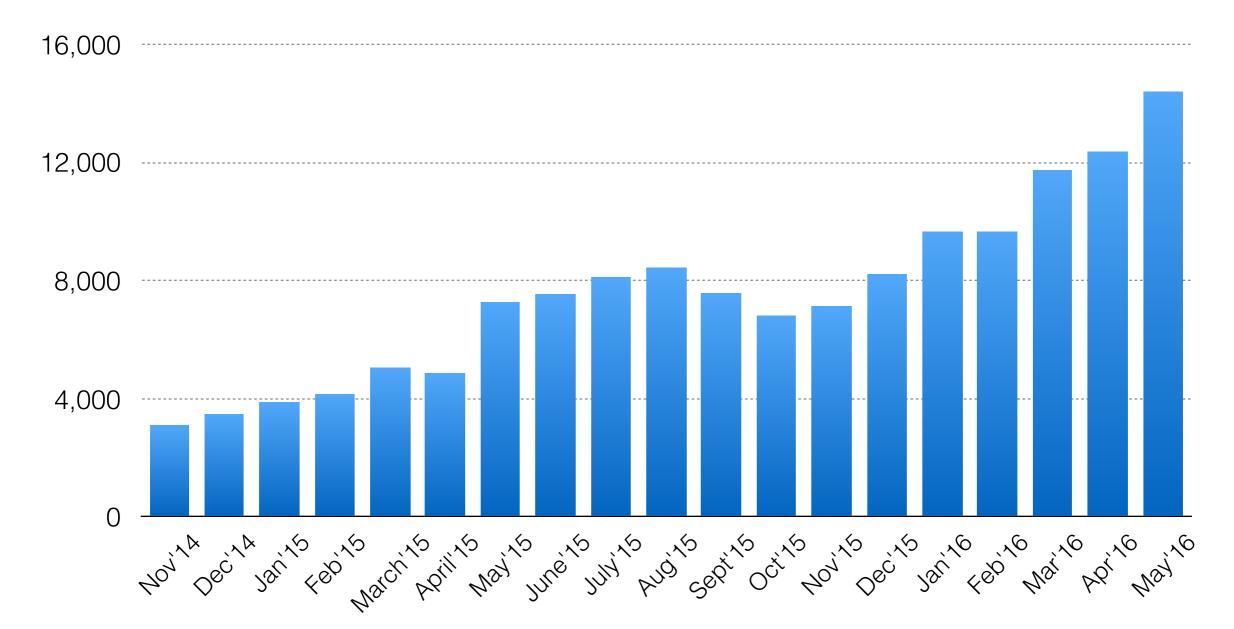
Monthly bookings have grown significantly

Dollars ($)

Note: Summer seasonality is due to the presence of day parties and pool parties. Average selling prices are also higher during the summer.

Gross Profit vs. Marketing Spend (Monthly)

Monthly contribution continues to grow without marketing spend

Dollars ($)

$40,000

$30,000

$20,000

$10,000

$0

Nov'13 · Jan'14 · Mar'14 · May'14 · Jul'14 · Sep'14 · Nov'14 · Jan'15 · Mar'15 · May'15 · Jul'15 · Sep'15 · Nov'15 · Jan'16 · Mar'16 · May'16

— Marketing Spend (monthly)　　　— Gross Profit (monthly)

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Paid vs. Organic Downloads

Discotech has transitioned to a fully organic growth model

We are targeting a $1.0M round of financing

Use of Funds (18 months):

- $270K Management Salaries (3 Founders)
- $500K Product Development (Hire Three Developers)
- $120K Sales and Operations (Hire 2 Sales / Ops Associates)
- $110K Customer Acquisition / Marketing
- Total: $1.0M

We want to invest heavily in our **technology** to add social features and growth hacks to supercharge our organic growth. We also want to further develop our data analytics capabilities.

Product Roadmap

4-6 months

Social Features
- See where your friends are going
- Notifications when your friends make an action
- "Invite a Friend" growth hack
- Split the bill

Web app development
- Implement full app functionality to website
- Website received 36K+ unique visitors in May, 2016

3-4 months

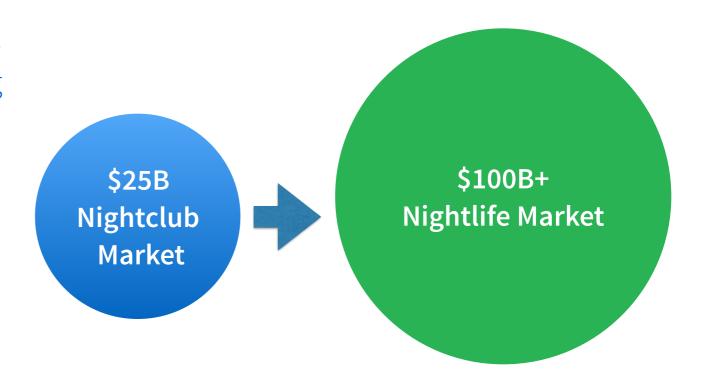## Merchant functionality and data analytics
- Track & analyze customer preferences and spending patterns
- Basic Merchant CRM
- Event and Inventory API (For B2B purposes)

Discotech will be THE lifestyle app for nightlife

We are establishing our first beach front in the night club market because of its severe need for disruption. After penetrating tier 1 markets in this industry, we plan to expand our offering to include:

- Music Festivals
- Bars
- Lounges
- Live music venues (i.e, jazz bars)

$25B
Nightclub
Market

$100B+
Nightlife Market

The Team

Ian Chen (Co-Founder)
CEO
Private Equity @ Gores Group,
Management Consulting @ Bain

THE GORES GROUP   BAIN & COMPANY   Berkeley UNIVERSITY OF CALIFORNIA

Ian Bushong (Co-Founder)
CTO
Engineer @ Ambarella

Ambarella™   Berkeley UNIVERSITY OF CALIFORNIA

Mark Wu (Co-Founder)
COO
Marketing & User Acquisition @
Zoosk

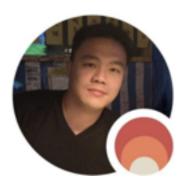ZOOSK   Berkeley UNIVERSITY OF CALIFORNIA

Advisors

Raffi Krikorian
Engineering Lead @ Uber

VP of Engineering @ Twitter
Co-Founder @ WattzOn

Diego Carlin
CEO @ Wantickets

Co-Founder @ Hot Air LLC
President @ Sound in Color
Director @ Abound

Jim Yang
CEO @ Gather

Founder and CEO @ Identyx
(Identyx acquired by Red Hat)
Advisor @ Mobicents and TeleStax
Early Investor @ Refinery29
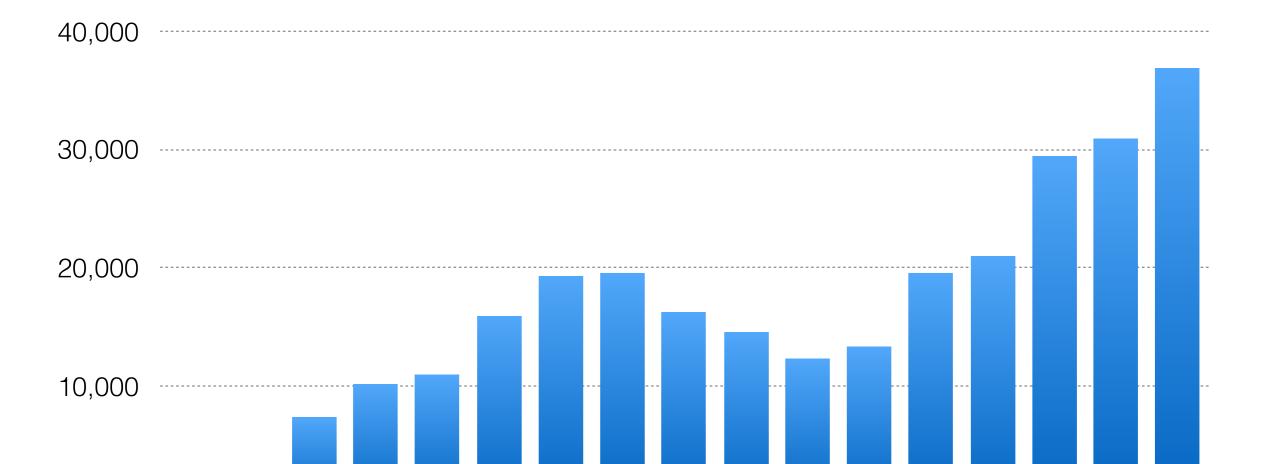
Thank You

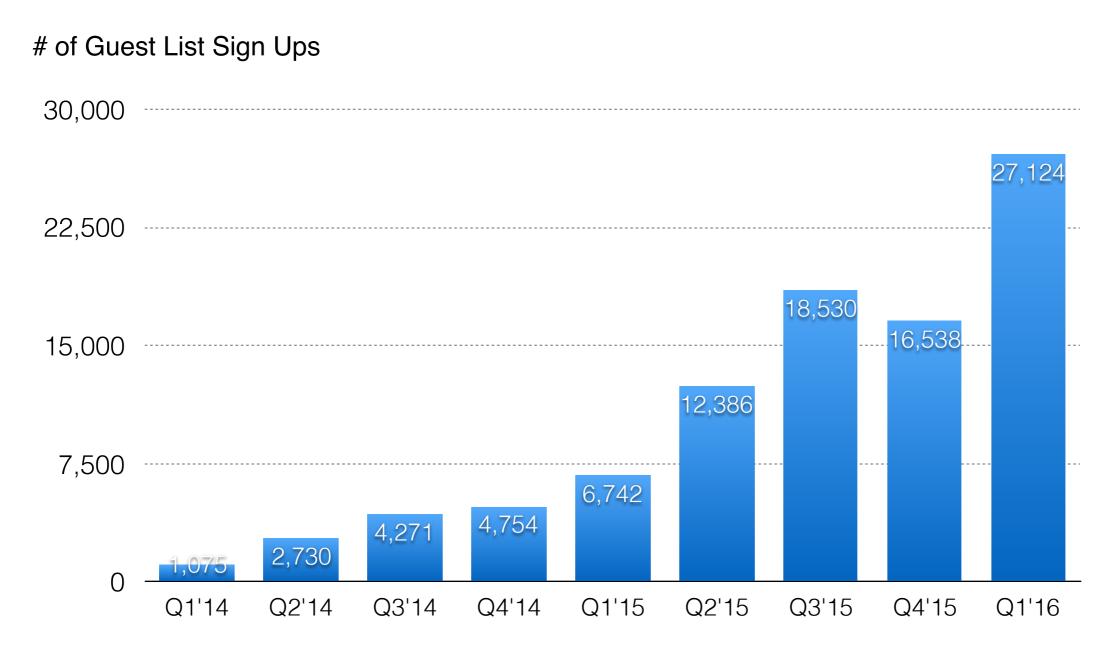**For Additional Information, please contact Ian Chen**

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Back Up Slides

Website traffic is on the rise

Unique website visitors

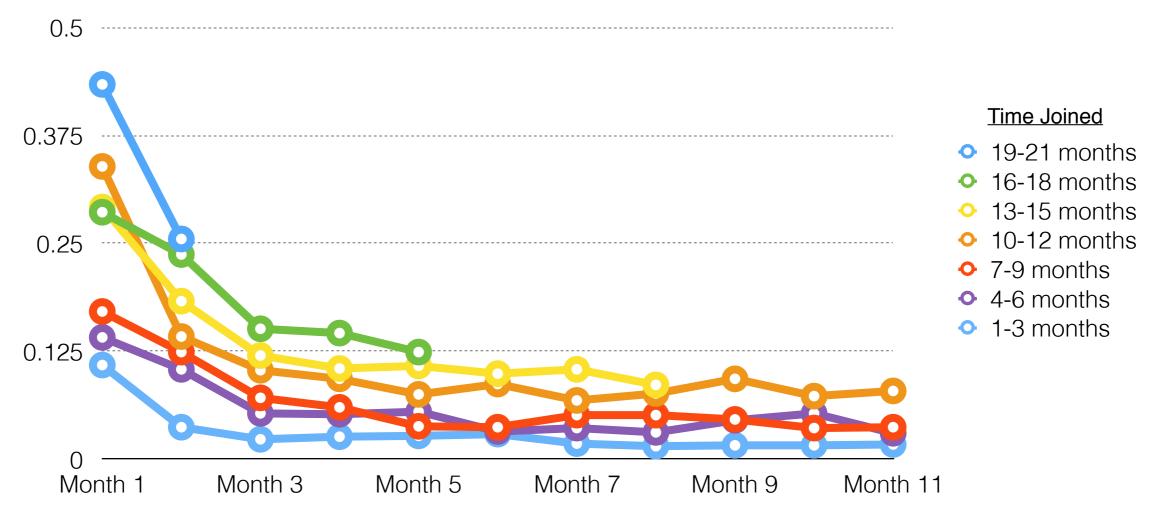# Guest list signups jumped significantly in Q1'16

# of Guest List Sign Ups

*Decline in guest list sign ups in Q4'15 is a function of day parties & pool parties closing in the winter. Pool parties re-open in March.

Guest list usage & retention improved across cohorts

Cohort analysis - Guest list sign ups

Guest list sign ups per download

Time Joined
- 19-21 months
- 16-18 months
- 13-15 months
- 10-12 months
- 7-9 months
- 4-6 months
- 1-3 months

Discotech Burn Rate

Discotech has been extremely **lean** since our inception

Part 1	Expenses	SG&A	Total
Aug-13	$918.58	$8,500.00	$9,418.58
Sep-13	$3,264.64	$10,000.00	$13,264.64
Oct-13	$5,177.28	$11,500.00	$16,677.28
Nov-13	$4,481.71	$0.00	$4,481.71
Dec-13	$1,920.63	$11,000.00	$12,920.63
Jan-14	$5,427.93	$5,000.00	$10,427.93
Feb-14	$5,058.05	$5,600.00	$10,658.05
Mar-14	$12,834.73	$8,500.00	$21,334.73
Apr-14	$9,209.06	$9,500.00	$18,709.06
May-14	$10,878.88	$6,925.00	$17,803.88
Jun-14	$7,511.83	$4,358.00	$11,869.83
Jul-14	$7,591.01	$3,000.00	$10,591.01

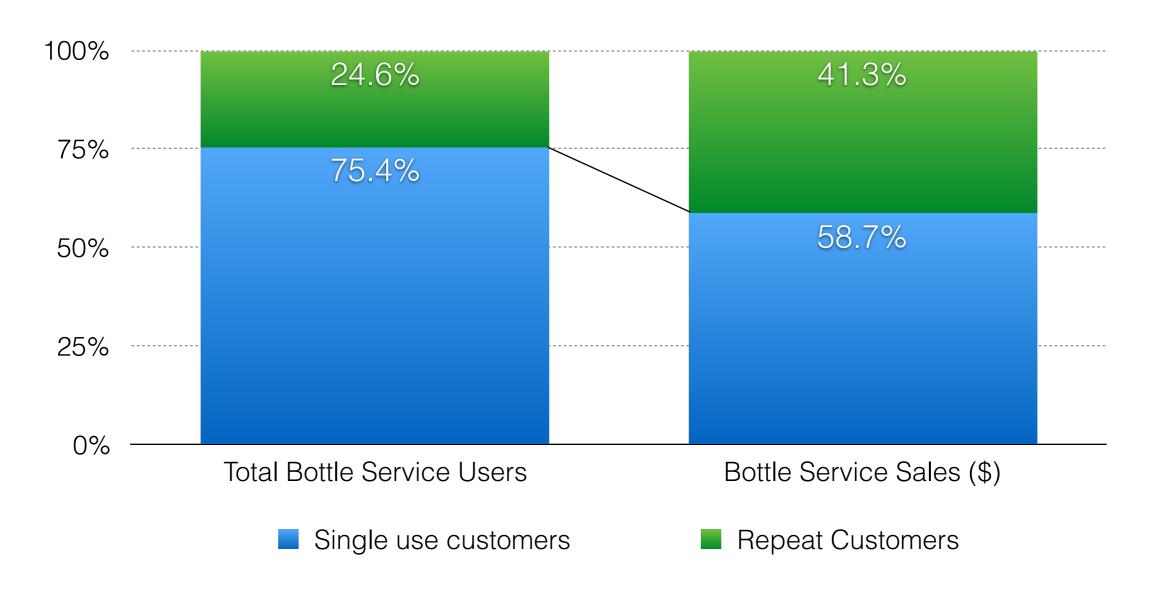|	Expenses	SG&A	Total
Aug-14	$8,133.78	$7,319.30	$15,453.08
Sep-14	$7,494.18	$7,330.70	$14,824.88
Oct-14	$6,984.88	$9,436.55	$16,421.43
Nov-14	$4,723.31	$10,099.40	$14,822.71
Dec-14	$2,381.23	$13,488.44	$15,869.67
Jan-15	$8,547.39	$20,114.22	$28,661.61
Feb-15	$7,957.10	$15,691.35	$23,648.45
Mar-15	$8,810.71	$15,509.19	$24,319.90
Apr-15	$5,307.58	$55,096.59	$60,404.17
May-15	$4,974.21	$8,608.50	$13,582.71
Jun-15	$4,225.57	$4,408.28	$8,633.85
Jul-15	$5,771.99	$11,625.00	$17,396.99
Aug-15	$2,519.94	$11,750.00	$14,269.94

*Note: Founders have not drawn salary since founding of company

Discotech Geographical Expansion Plan

Cities where we have most club venues	Cities where we have some presence	Next 3 Cities	Next 10 Cities
Los Angeles	Washington D.C	Chicago	Austin
Las Vegas	New York City	Seattle	Atlanta
San Francisco	San Diego	Toronto	Boston
Miami			Dallas
			Philadelphia
			Montreal
			Orlando
			Phoenix
			Vancouver

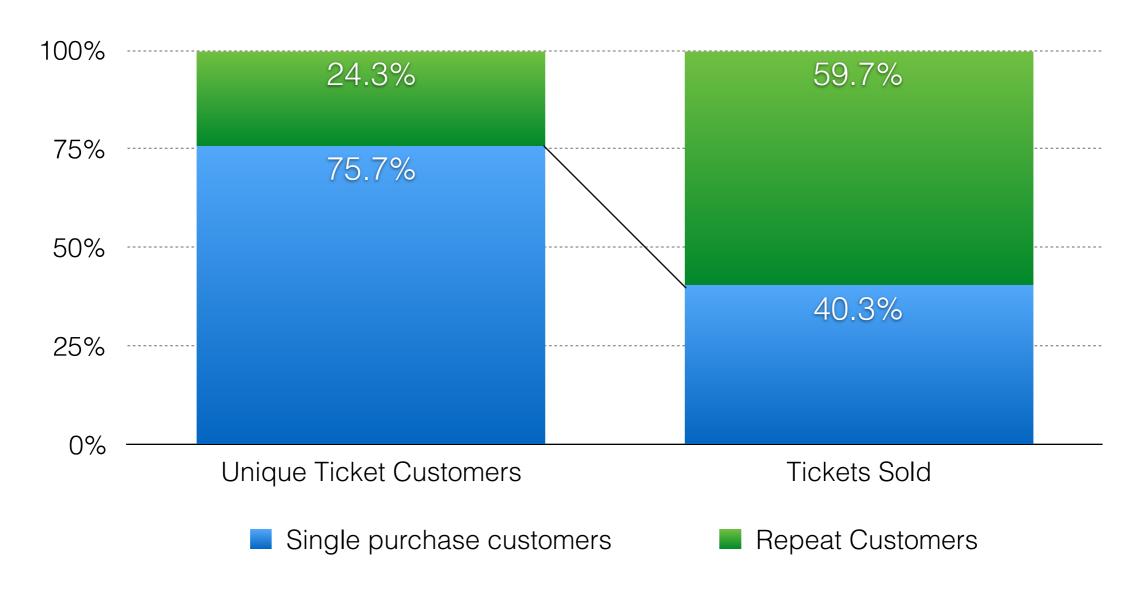# Repeat Customers - Bottle Service

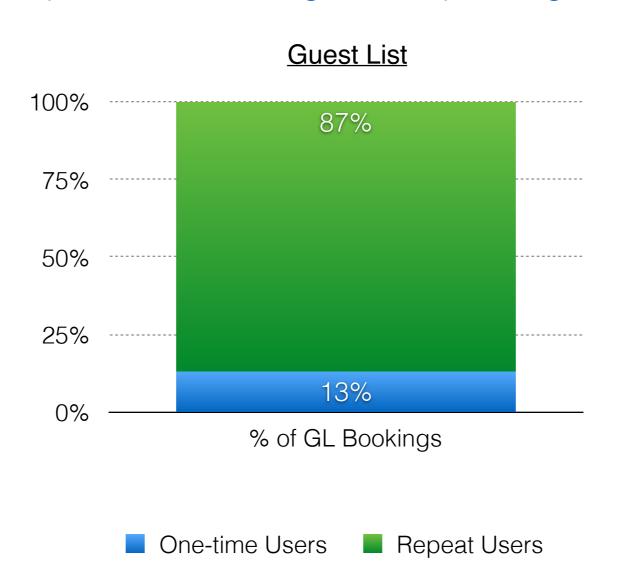Repeat customers make up a substantial portion of our overall bottle service sales

	Total Bottle Service Users	Bottle Service Sales ($)
Repeat Customers	24.6%	41.3%
Single use customers	75.4%	58.7%

Single use customers   Repeat Customers

Discotech Guest List Feature is Sticky

Since inception, we have had significant repeat usage of our guest list

<u>Guest List</u>

87%

13%

% of GL Bookings

■ One-time Users   ■ Repeat Users

Customer LTV is on the rise

Customer LTV is $49.09 at the end of August and has been growing consistently

Dollars ($)

Customer LTV (monthly)