BETTER COLLECTIVE

Q2 2019 Presentation

August 14, 2019

Forward looking statement

This presentation contains certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events and such statements and opinions pertaining to the future that, for example, contain wording such as “believes”, “deems”, “estimates”, “anticipates”, “aims’, “expects”, “assumes”, “forecasts”, “targets”, “intends”, “could”, “will”, “should”, “would”, “according to estimates”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “to the knowledge of” or similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements and opinions concerning the future financial returns, plans and expectations with respect to the business and management of the Company, future growth and profitability and general economic and regulatory environment and other matters affecting the Company.

Forward-looking statements are based on current estimates and assumptions made according to the best of the Company’s knowledge. Forward-looking statements are inherently associated with both known and unknown risks, uncertainties, and other factors that could cause the actual results, including the Company’s cash flow, financial condition and results of operations, to differ materially from the results, or fail to meet expectations expressly or implicitly assumed or described in those statements or to turn out to be less favourable than the results expressly or implicitly assumed or described in those statements. The Company can give no assurance regarding the future accuracy of the opinions set forth herein or as to the actual occurrence of any predicted developments.

In light of the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that the future events may not occur. Moreover, the forward-looking estimates and forecasts derived from third-party studies may prove to be inaccurate. Actual results, performance or events may differ materially from those in such statements due to, without limitation: changes in general economic conditions, in particular economic conditions in the markets on which the Company operates, changes affecting interest rate levels, changes affecting currency exchange rates, changes in competition levels, changes in laws and regulations, and occurrence of accidents or environmental damages and systematic delivery failures.

Agenda

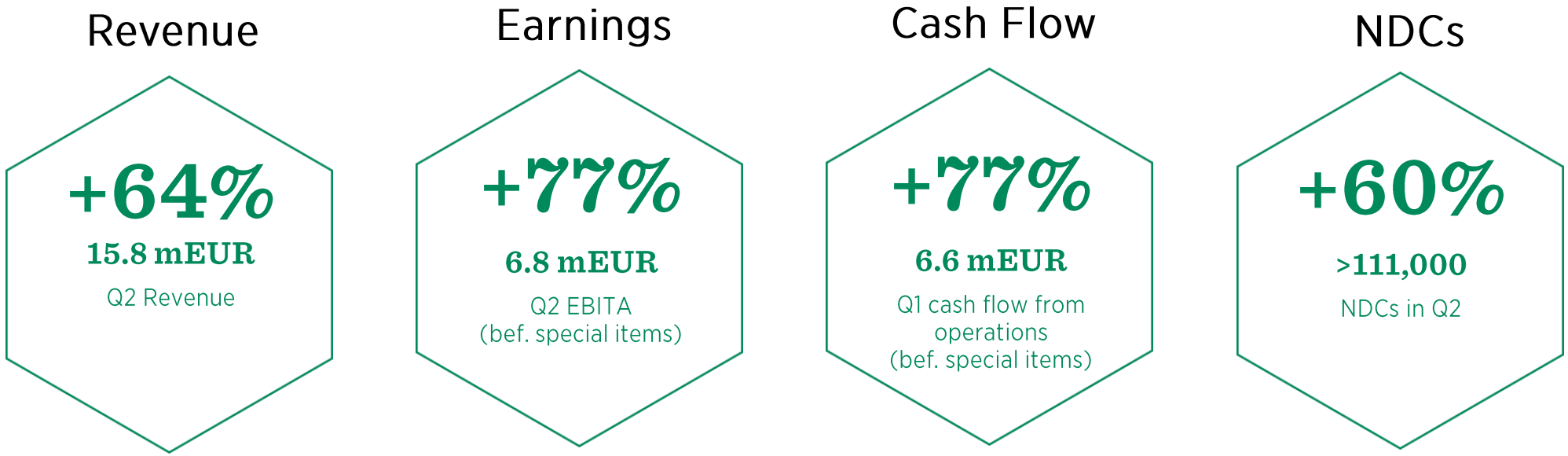
- Highlights Q2 2019
- Financials Q2 2019
- US update
- Strategy and Outlook
- Company overview
- Summary
- Q&A

Jesper Søgaard
CEO & co-founder

Flemming Pedersen
CFO

Christina Bastius Thomsen
Head of IR & CSR

Highlights Q2 2019



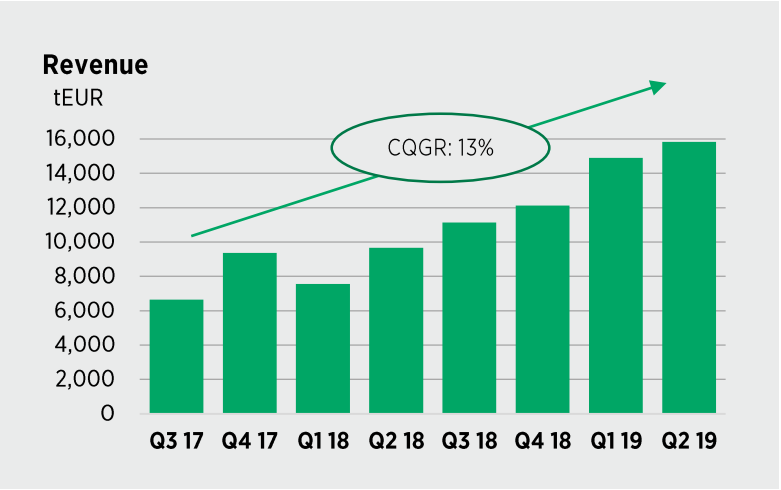
- US acquisitions
- Media partnership
- NJ revenue share license
- Credit facilities expanded
- Co-founding of RAiG affiliate trade body

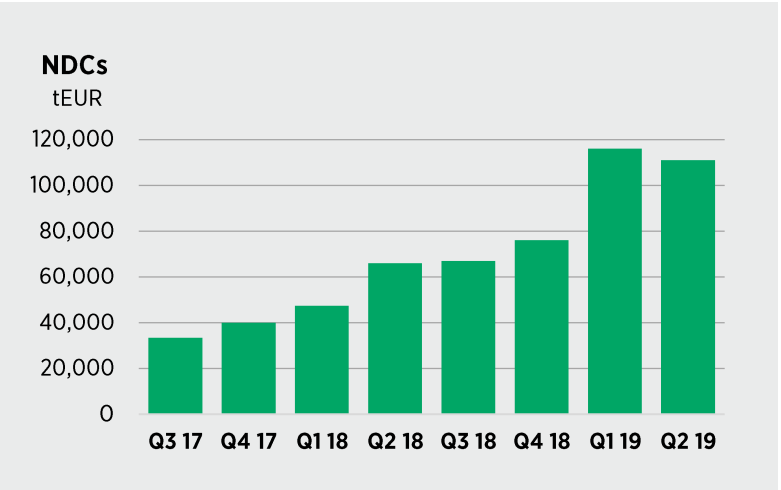
Financials Q2 2019

www.bettercollective.com

Revenue

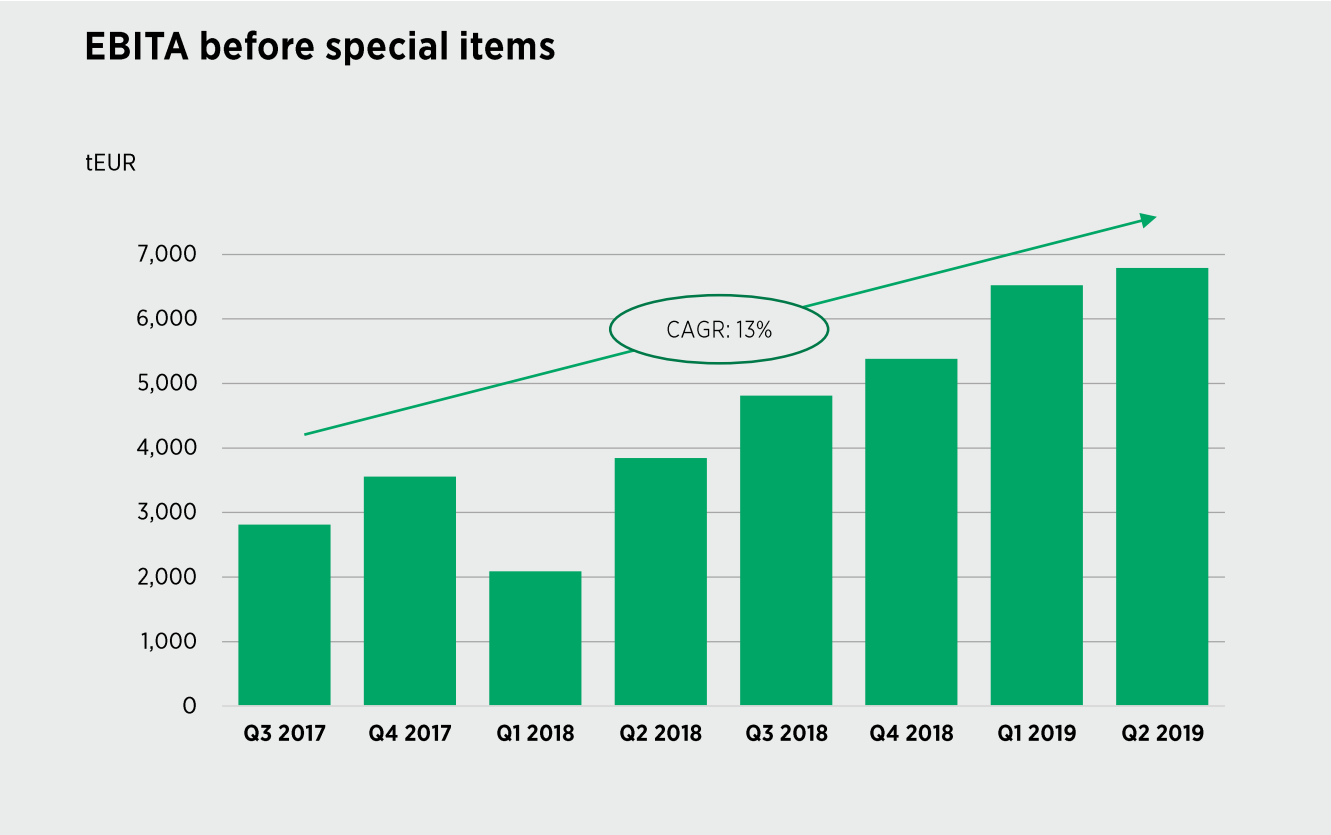
- Revenue growth:
  - Q2 15.8 mEUR: growth 64% of which 18% organic
  - Tough comparison in Q2 2018 (World Cup)
  - NDCs delivered in 2018/2019 continue to drive revenue growth
- Revenue share 74%/CPA 15% of revenue generated by players
  - CPA share higher due to recent acquisition and US business
  - Significant part of US revenue is subscription based
- NDCs continue high growth
  - > 111,000 in Q2





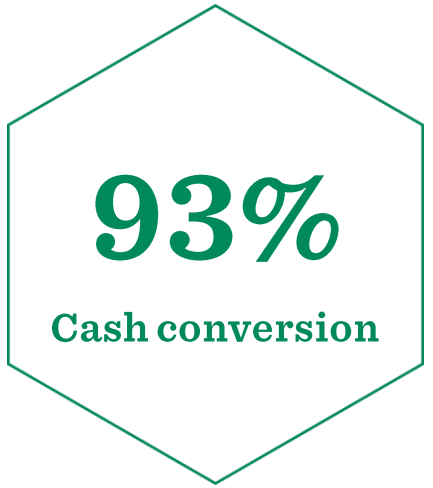
Earnings

- EBITA before special items:
  - Q2 6.8 mEUR: growth 77%; margin 43%
- Cost base: added costs through US acquisitions, media partnership and product development
- Special Items 0.1 mEUR in Q2
- Income tax adjusted for special items:
  - ETR Q2: 23.2% (Q2 2018: 23.6%)
- EPS 0.09 (Q2 2018: -0.04)

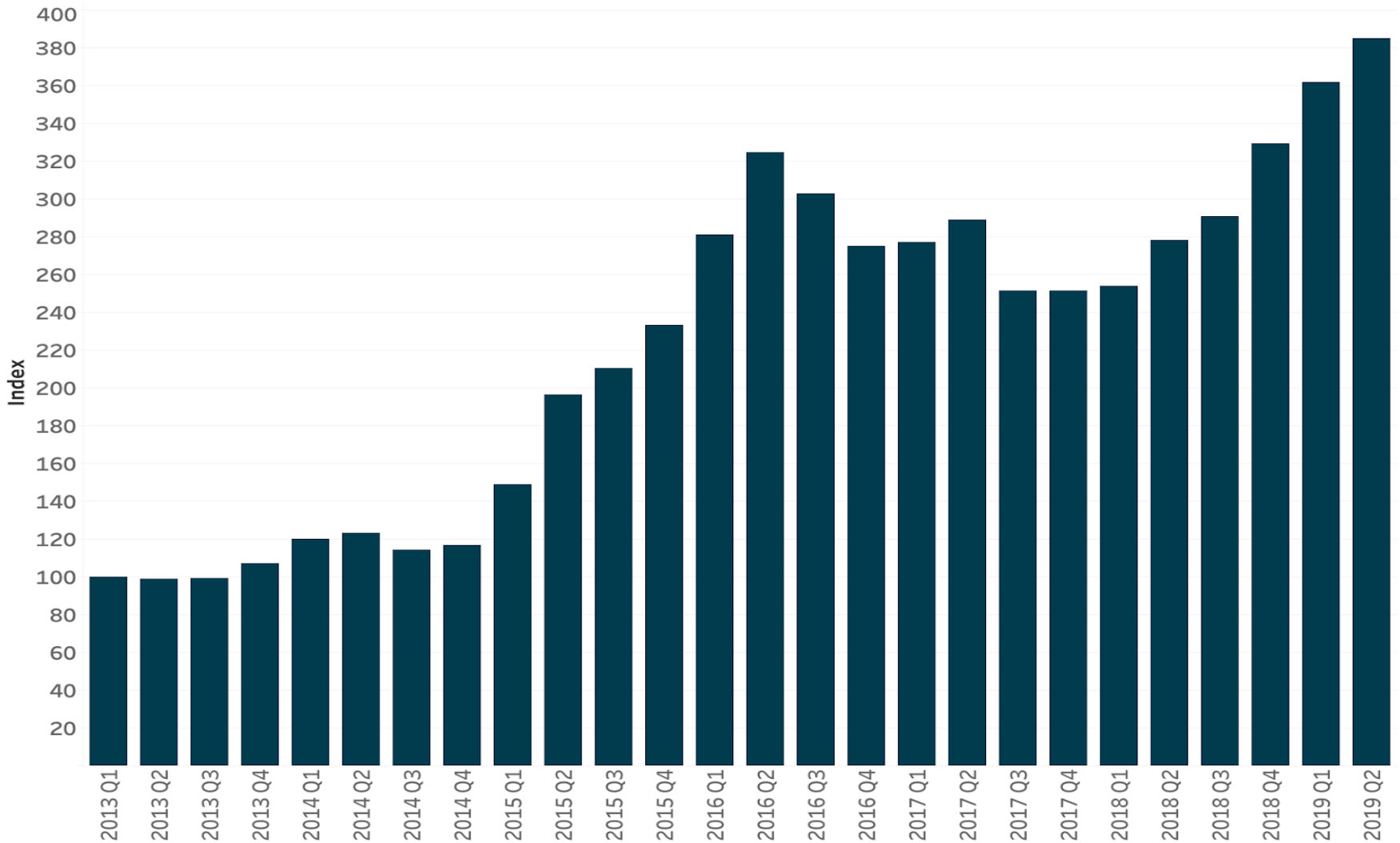


Cash flow and balance sheet

- Operating cash flow (before special items):
  - Q2 2019: 6.6 mEUR
  - Q2 cash conversion: 93%
- 77 mEUR in cash and unused credit facilities
  - Investments Q2: 30 mEUR
- Net debt/EBITDA: 0.95
- Equity ratio: 53% (End 2018: 58%)

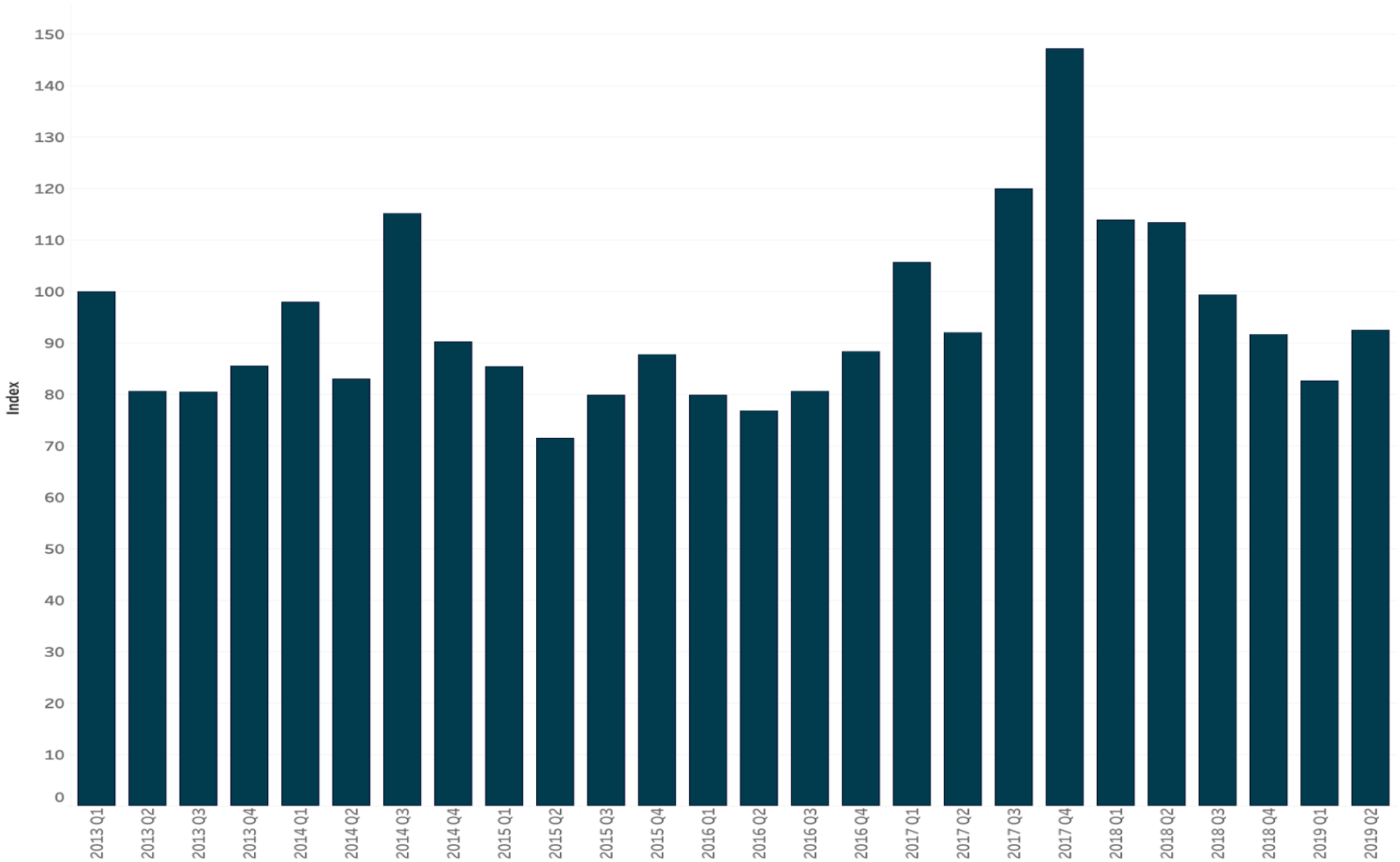


Better Collective's Sports Wagering



Please note that the financial analyses herein are derived from Better Collective's aggregated data sources accounting historically for 50% or more of Better Collective's annual commission earnings.

Better Collective's Gross Win Margin



Q2 2019 index: 93

Average index in period shown: 94

Please note that the financial analyses herein are derived from Better Collective's aggregated data sources accounting historically for 50% or more of Better Collective's annual commission earnings.

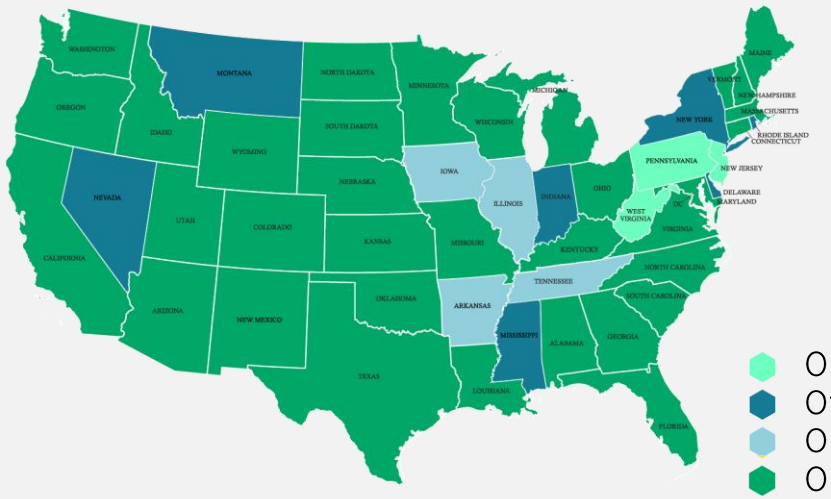
US update

Regulatory update USA

Regulated sport betting expected to surpass 6 bnUSD in five years

US Supreme Court strikes down federal ban on sports betting May/18

New regulation state-by-state over the coming years



- Online sports betting
- Offline sports betting
- Online sports betting exp. in 2019
- Online later than 2019 or tbd

Recent updates

- Pennsylvania: has recently launched sports betting online
- West Virginia: online but operator issues
- New York is live offline
- Tennessee, Indiana, Iowa and Illinois are expected during 2019 or early 2020.

US acquisitions and partnership

Rotogrinders Network

- Daily Fantasy Sports and online gambling
- Potential sports bettors in current user base
- Acquisition of 60% of the shares in Rical LLC (the RotoGrinders Network) for 21 mUSD.
- In the period 2022-2024, BC will acquire the remaining 40% of the shares of RotoGrinders.

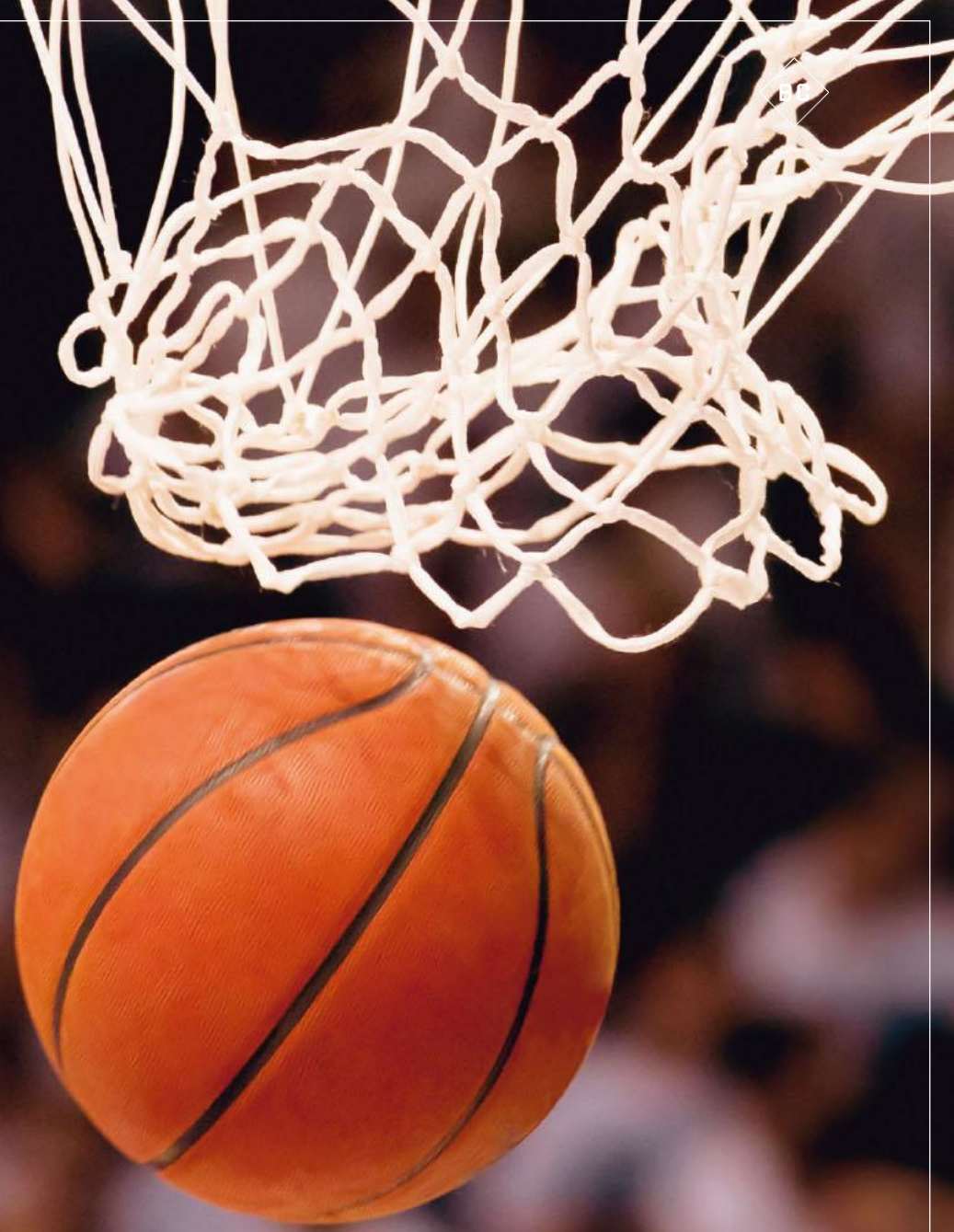
VegasInsider / ScoresandOdds

- Sites market leading within sports betting information for more than 20 years
- Subscriptions and sales of picks (tips)
- Business model changes to include affiliate marketing
- Asset acquisition for a total transaction price of 20 million USD, paid in cash.

Nj.com media partnership

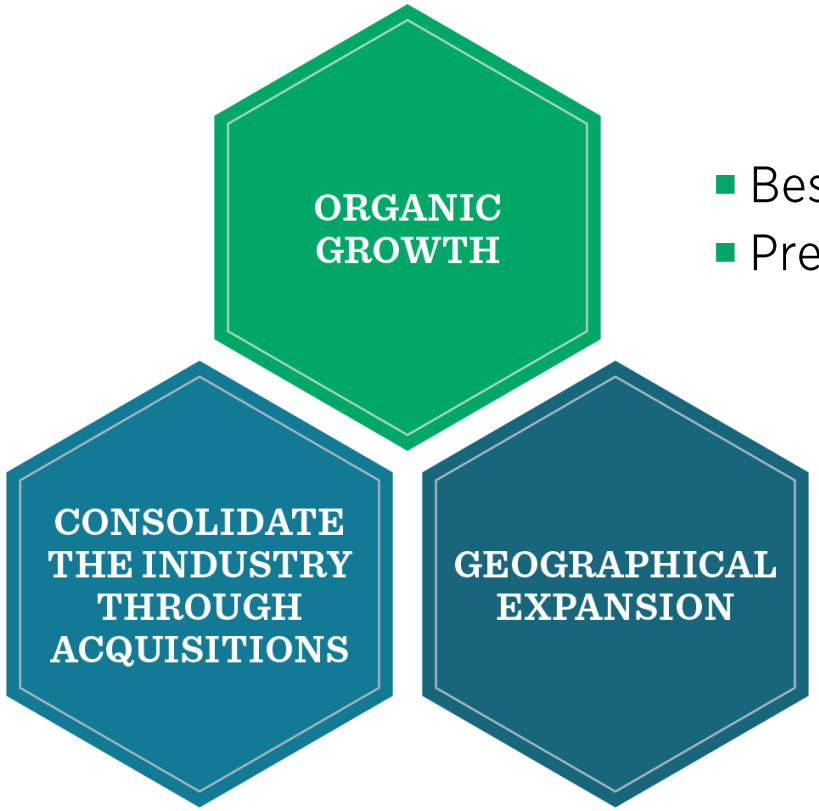
- No. 1 local news media
- Agreement with NJ Advance Media LCC for BC to deliver its innovative technology and content for sports betting and casino on nj.com.
- BC to market, operate and manage customer contact to betting operators
- Media partnership division launched

Strategy and Outlook



Strategy – continuing the growth journey

No. 1 affilliate company within sports betting



- Best products for sports betting and casino
- Preferred partner for operators

- Short-medium term; dedicated focus on US

Corporate resonsibility

- We strongly endorse responsible gambling
  - Make users aware of legal gambling age and of possible negative effects of gambling
  - Supporting research and actions to prevent gambling addiction
- We comply with applicable legislation in the countries in which we operate
  - Only regulated markets and markets where gambling is accepted by authorities
  - Zero-tolerance policy to corruption and bribery
- We co-founded Responsible Affiliates in Gambling (RAiG)
  - Alongside Oddschecker and The Racing Post
- People remain the key driver in everything that we do
  - Our culture is driven by an urge to accomplish, create and grow
  - We encourage diversity and actively embrace international talent

Outlook

The Board of Directors has decided upon the following Financial Targets for the short-medium term (for the period 2018-2020):

tEUR	Target 2018-2020	Comments	2017	2018
Revenue growth p.a.(%)	30-50%	Including M&A and double-digit organic growth	51%	54%
Operating margin (EBITA)*	> 40%		42%	40%
Capital structure; Net Interest Bearing Debt/EBITDA	< 2,5		1,05	1.37

*Before special items

As revenue is expected to fluctuate between quarters based on NDC-growth, specific events and sports outcomes, the above targets are to be seen over short-medium term rather than for each quarter.

Better Collective pre-IPO

Better Collective is the leading developer of digital platforms within the iGaming industry. Through our products, we aim to make sports betting and gambling entertaining, transparent and fair.

#1 SPORTS BETTING AFFILIATE

3M+

UNIQUE VISITS PER MONTH

FINANCIAL PERFORMANCE

26.3

mEUR REVENUE 2017

40%

EBITDA MARGIN 2017

OWNERSHIP

PRIVATE

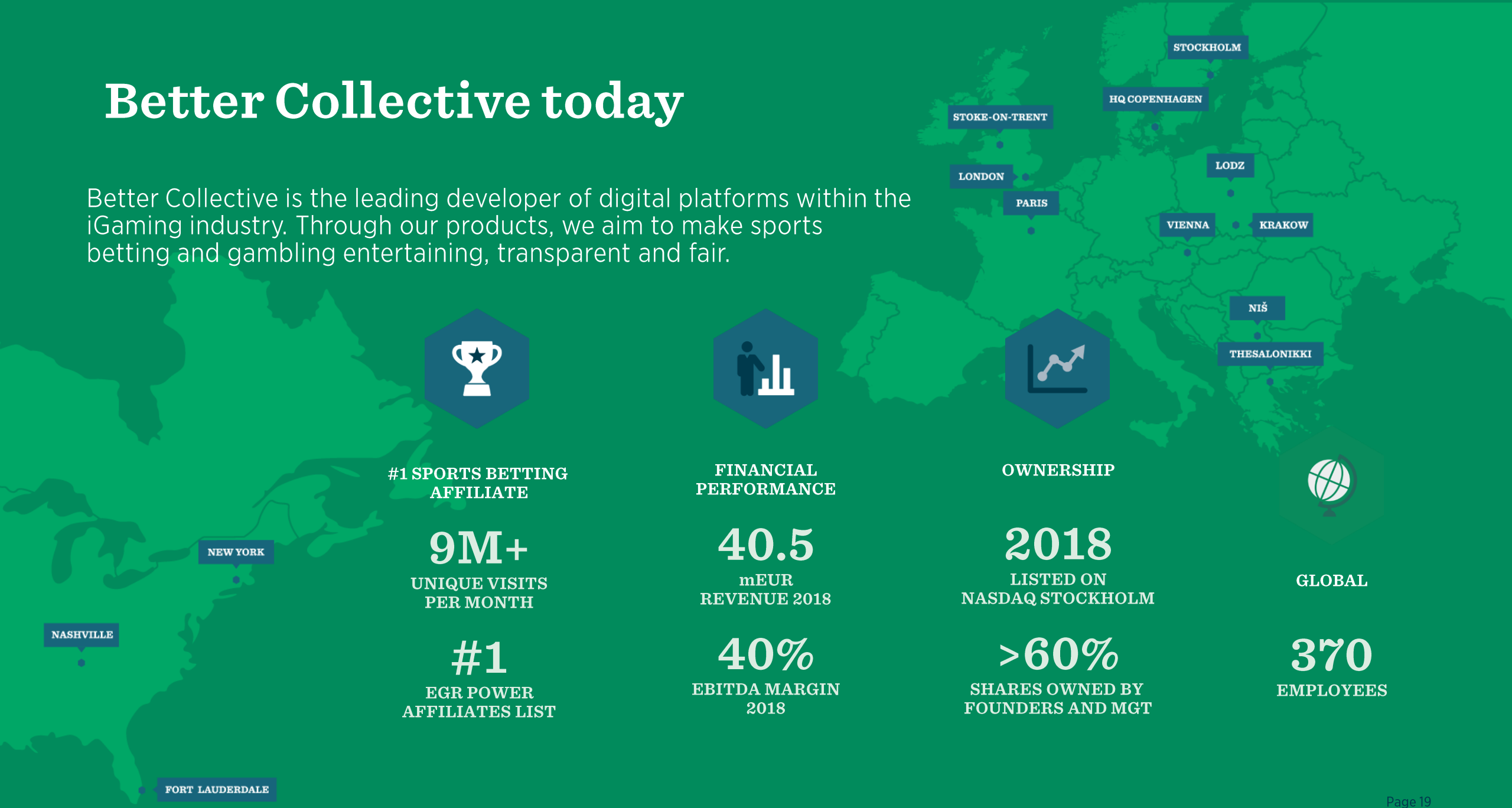
GLOBAL

193

EMPLOYEES

Better Collective today

Better Collective is the leading developer of digital platforms within the iGaming industry. Through our products, we aim to make sports betting and gambling entertaining, transparent and fair.



#1 SPORTS BETTING AFFILIATE

9M+
UNIQUE VISITS PER MONTH

#1
EGR POWER AFFILIATES LIST

FINANCIAL PERFORMANCE

40.5
mEUR REVENUE 2018

40%
EBITDA MARGIN 2018

OWNERSHIP

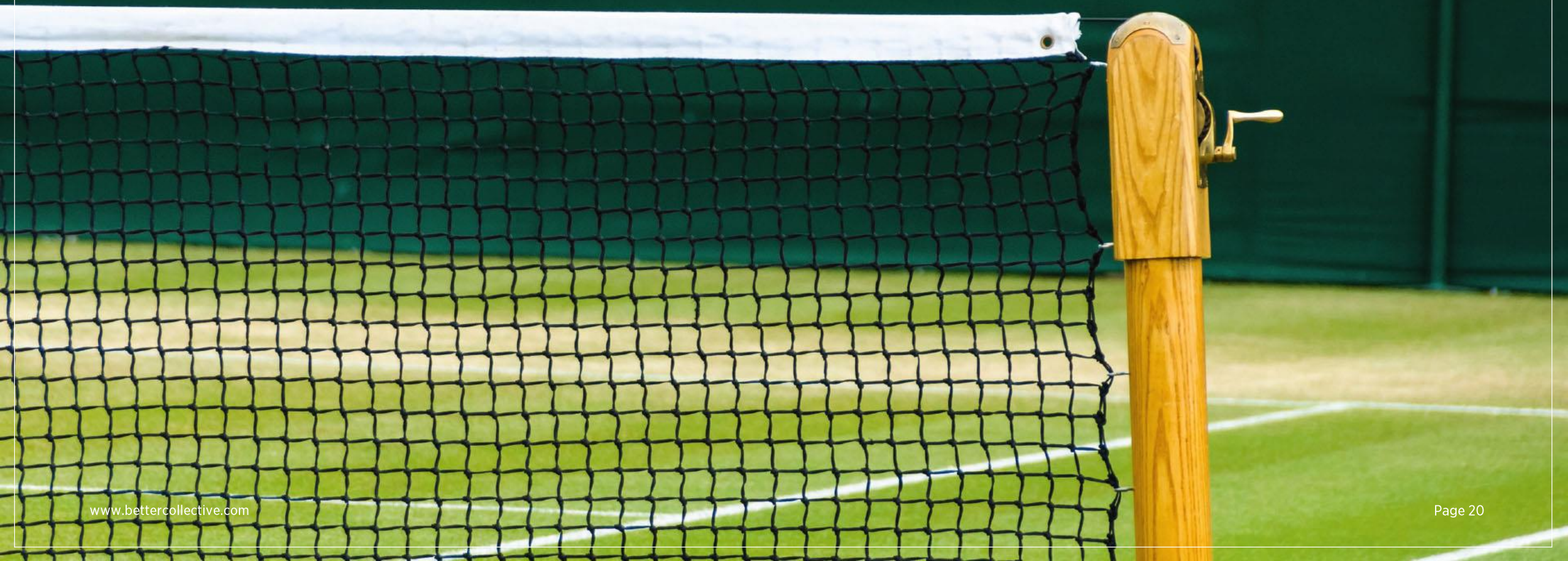
2018
LISTED ON NASDAQ STOCKHOLM

>60%
SHARES OWNED BY FOUNDERS AND MGT

GLOBAL

370
EMPLOYEES

Q&A session



BETTER COLLECTIVE

Thank you for your attention

Upcoming events:

07/11/2019
Interim financial report Q3, 2019

19/02/2020
Full year report, 2019

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