



Q4 2019 Presentation

February, 2020



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



- ◆ Introduction
- ◆ Highlights Q4 and FY 2019
- ◆ Financials Q4 and FY 2019
- ◆ Business Update
- ◆ Q&A



Jesper Søgaard
CEO & co-founder



Flemming Pedersen
CFO

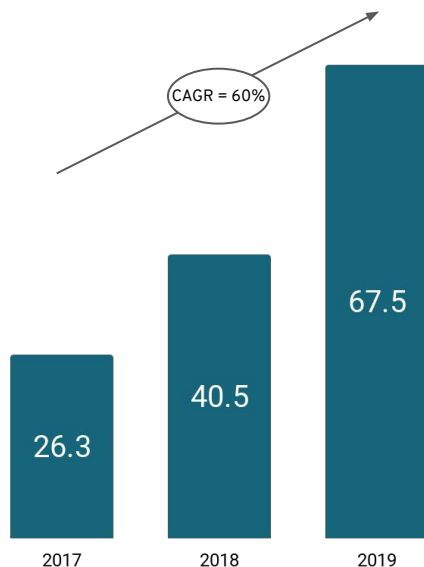
Highlights 2019



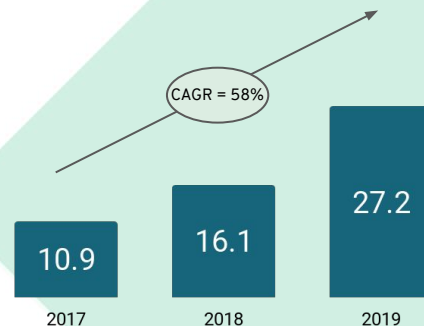
Financial highlights FY 2019



Revenue
mEUR



EBITA*
mEUR



*Before special items

REVENUE
+ 67 %
67.5 mEUR

EBITA*
+ 69 %
27.2 mEUR

CASH FLOW*
+ 75 %
26.6 mEUR

NDCs
+ 66 %
>431,000

Business highlights 2019

- ◆ Acquisitions in the US and UK
- ◆ Media partnerships established
- ◆ Bettingexpert.com upgrade
- ◆ Investment in Mindway AI
- ◆ Co-founding of Responsible Affiliates in Gambling (RAiG, UK)
- ◆ Capital increase of 30m EUR and re-structured bank financing of >80 mEUR
- ◆ After year-end closing: signed LOI for potential acquisition of esports focused company of up to 34 mEUR

Financials

Q4/FY 2019



Financial highlights Q4 2019



REVENUE
+61[%]
19.6 mEUR

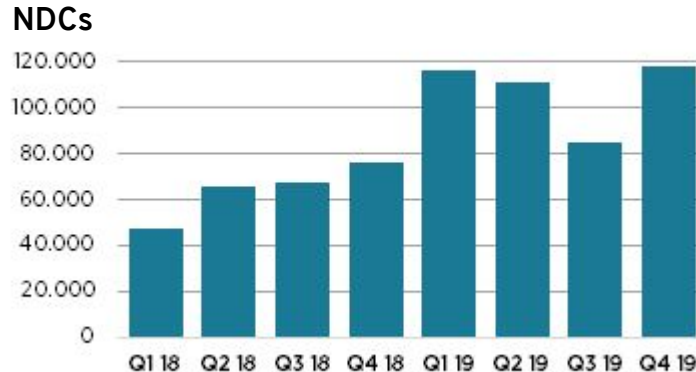
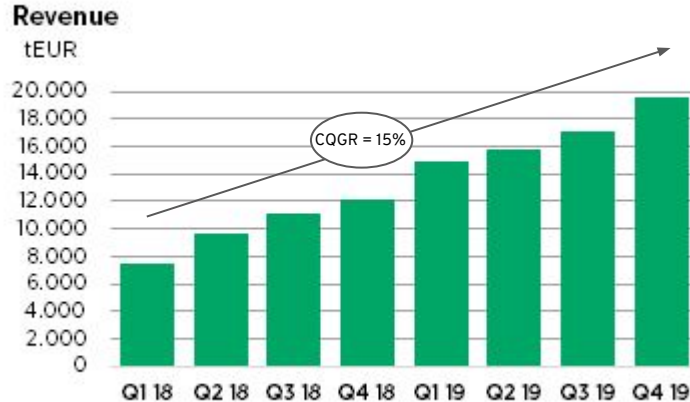
EBITA*
+32[%]
7.1 mEUR

CASH FLOW*
+39[%]
7.5 mEUR

NDCs
+55[%]
>118,000

*Before special items

Revenue



Revenue growth

- ◆ Q4 2019: 19.6 mEUR: growth 61% of which 24% organic
- ◆ Very low average sports win margins
- ◆ Full year 2019: 67.5 mEUR: growth of 67% of which 26% organic

Revenue share 60% (68% of player-related revenue) CPA 18%, Subscription 11%, Other 11%

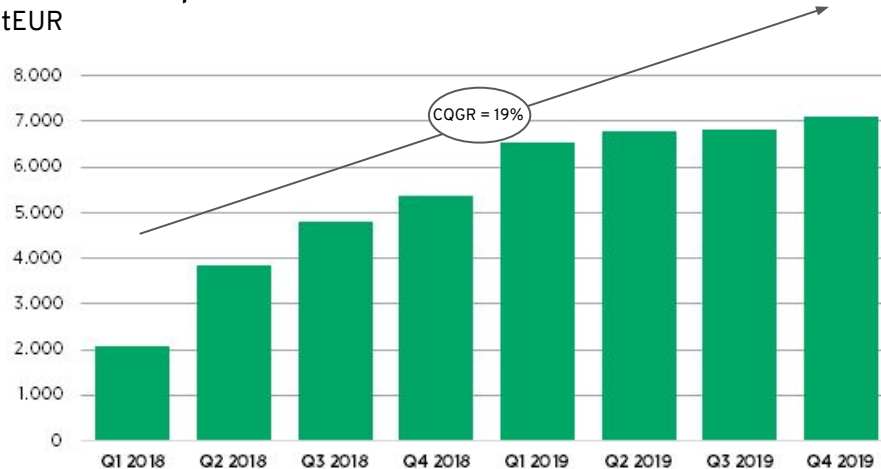
- ◆ Rev share negatively impacted by an estimated 2 mEUR due to lower sports win margins
- ◆ Significant part of US revenue is subscription based

NDCs continue growth to yet an all-time high

- ◆ >118,000 in Q4

Earnings

EBITA before special items
tEUR



EBITA before special items

- ◆ Q4 2019: 7.1 mEUR: growth 32%; Margin 36% (down 4%-point from acquired US business)
- ◆ Full year 2019: 27.2 mEUR: growth 69%; Margin 40% (down 3%-point from acquired US business)

- ◆ **Cost base:** added costs through acquisitions, media partnership and product development

- ◆ Special items -11 tEUR in Q4

Income tax adjusted for special items:

- ◆ 23.3% for Q4 (21.4% for Q4 2018)
- ◆ EPS 0.07 in Q4 (0.08 in Q4 2018)

Cash flow and balance sheet

96%

Cash conversion

90

mEUR in cash and
unused credit facilities

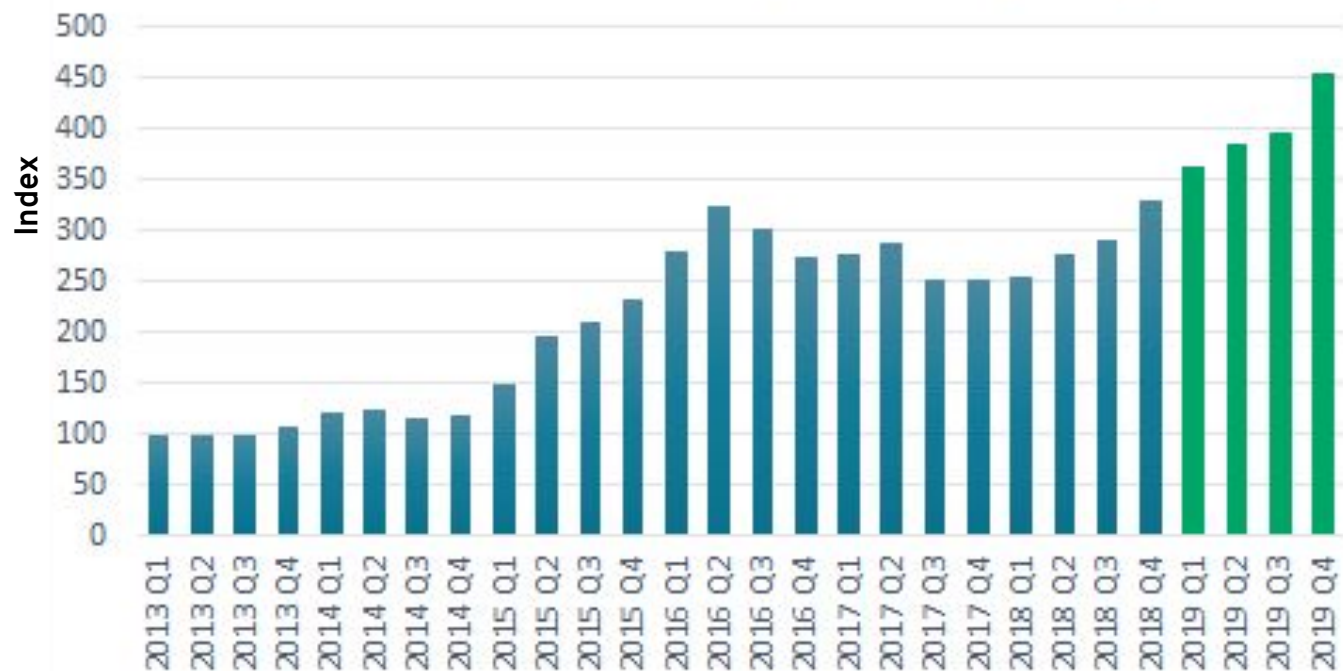
Operating cash flow (before special items):

- ◆ Q4 2019: 7.5 mEUR, Full year 2019: 26.6 mEUR
- ◆ Q4 2019 cash conversion: 96%, Full Year 2019: 91%

90 mEUR in cash and unused credit facilities

- ◆ Net cash 23 mEUR
- ◆ Unused bank credit facilities 67 mEUR
- ◆ Investments Q4: 462 tEUR
- ◆ Net debt/EBITDA: 0.49 (2018: 1.37)
- ◆ Equity ratio: 60% (End 2018: 58%)

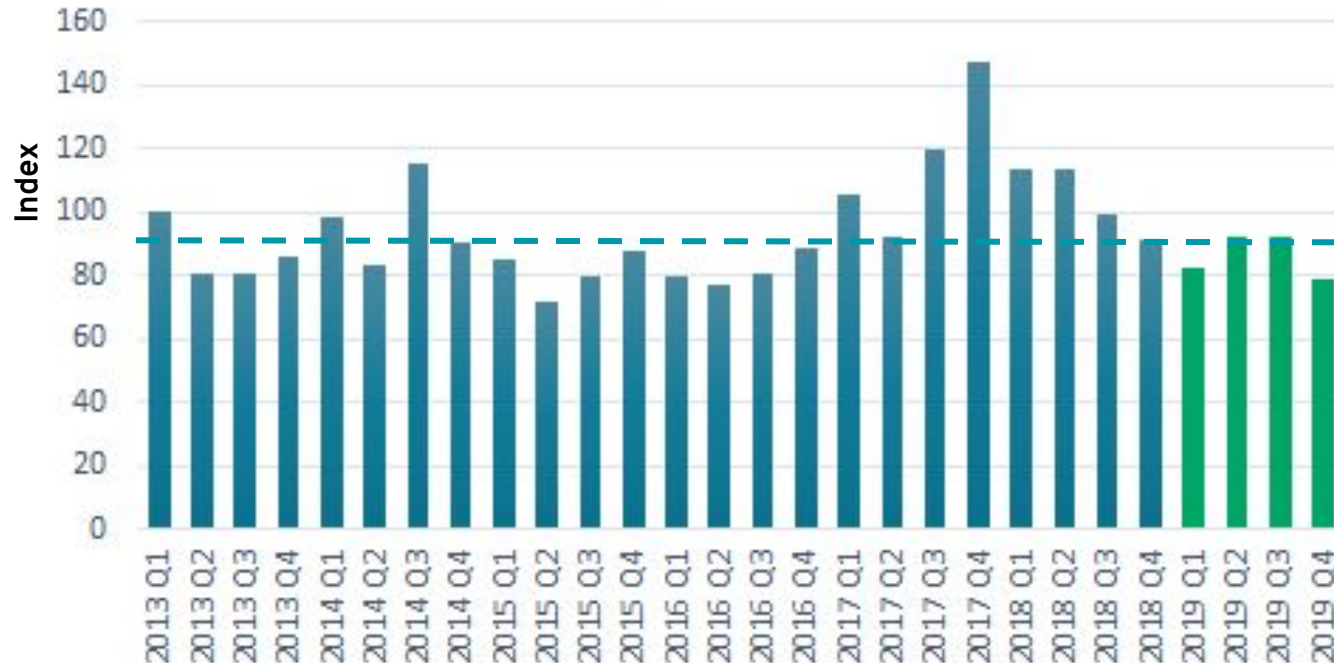
Better Collective's sports wagering



Q4 2019 index: 451

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 Sports win margins

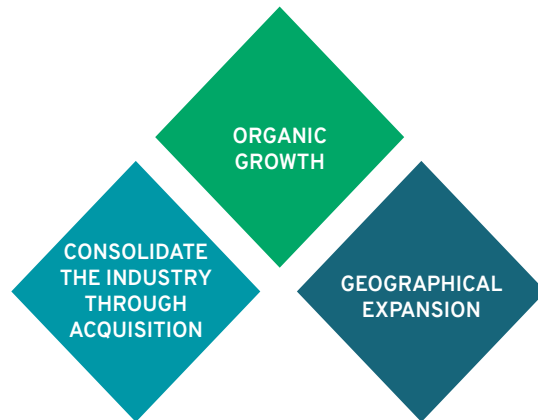


Q4 2019 index: 79
Average index in
period shown: 93.3

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.

Strategy & Outlook

- ◆ Best products and content for sports betting
- ◆ Preferred partner for operators
- ◆ Short-medium term; dedicated focus on US
- ◆ Expanding from our strong foundation in affiliate marketing, we are transforming Better Collective towards a broad based media group



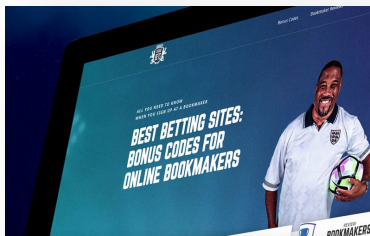
Financial Targets for the short-medium term

	Target 2018-2020	Target 2020	Actual 2019	Actual 2018
Revenue growth p.a. (incl. M&A and organic)	30-50%	>30%	67%	54%
- of which organic growth	Double-digit	>10%	26%	9%
Operating margin (EBITA)*	>40%	>40%	40%	40%
Net Interest Bearing Debt/EBITDA*	< 2.5	< 2.5	0,49	1.37

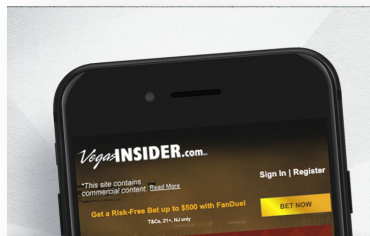
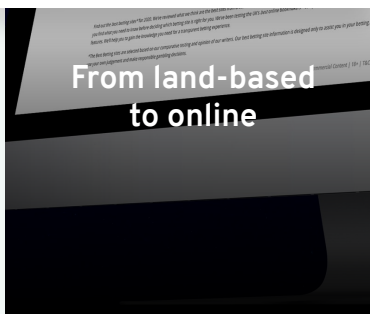
Business Update



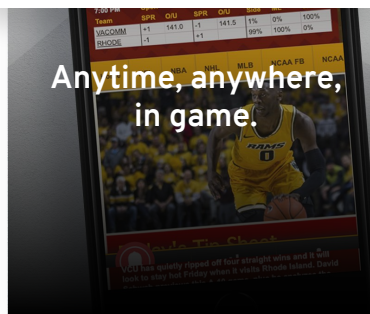
Trends driving our growth



DIGITALISATION



MOBILE USE



REGULATIONS



SPORTS TURNOVER



Selected sports betting media products

Proprietary websites/apps

- ◆ bettingexpert.com
- ◆ SpilXperten.com
- ◆ Spelsidor.se
- ◆ Betarades.gr
- ◆ VegasInsider.com

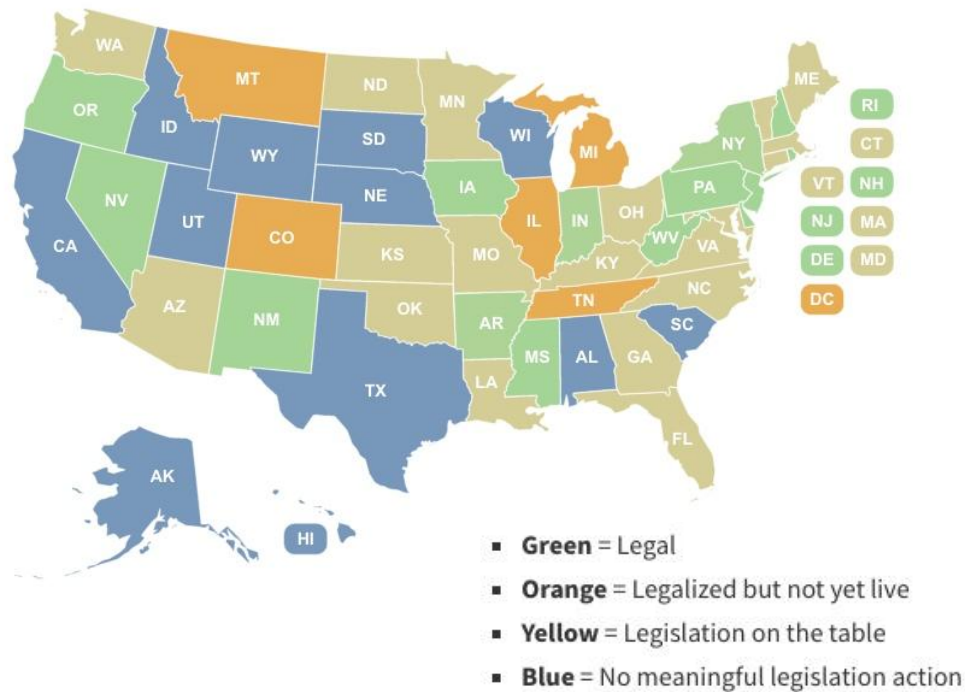
Media Partnerships

- ◆ The Daily Telegraph
- ◆ NJ.com



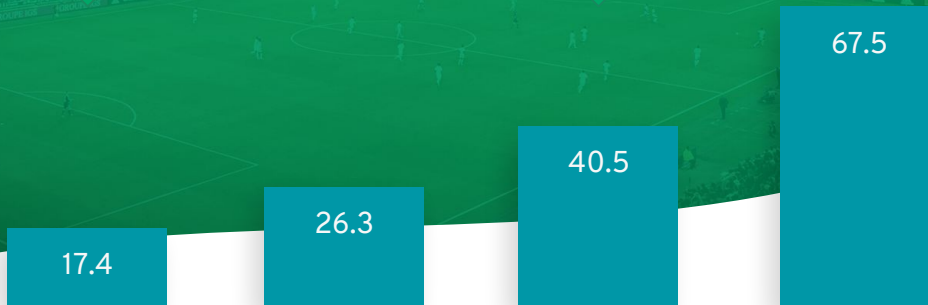
US Business update

- ◆ Regulated sports betting expected to surpass 6 bnUSD in five years
- ◆ BC currently live in 3 states
- ◆ US presence established through acquisitions
- ◆ Portfolio of leading sports betting brands
- ◆ State-by-state regulation
- ◆ Incremental growth



Source: *Sportshandle.com*

Growth story



Revenue
mEUR

At-a-glance

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 for the global network of online bettors.



LEADING SPORTS
BETTING MEDIA GROUP

30M+
VISITS
PER MONTH

#1

EGR POWER
AFFILIATES LIST



FINANCIAL
PERFORMANCE

67.5
mEUR
REVENUE 2019

40%

EBITDA MARGIN
2019



OWNERSHIP

2018
LISTED ON
NASDAQ STOCKHOLM

>50%

SHARES OWNED BY
FOUNDERS AND MGT



GLOBAL

>400
EMPLOYEES



Q&A session

Thank you for your attention!

Upcoming events:

26/03/2020
Annual report, 2019

22/04/2020
Annual General Meeting

13/05/2020
Interim financial report Q1, 2020

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