



# **Better Collective**

## **Articles of Association**

**CVR no. 27 65 29 13**

**1 December 2020**



**1. The name of the Company**

- 1.1 The Company's name is Better Collective A/S.
- 1.2 The Company also carries on business under the secondary names Better A/S, Chrisper Economy A/S and Bettingexpert A/S.

**2. Objects**

- 2.1 The Company's objects are to engage in advisory and consultancy activities and planning and trade and any other business activities related thereto within online betting and gambling. The Company may have interest in other companies or business within the same area of business as a shareholder.

**3. The Company's share capital and shares**

- 3.1 The share capital of the Company amounts to EUR 469,042.19 and is divided into shares of EUR 0.01 each or multiples thereof. The share capital is paid in full.
- 3.2 No shares carry any special rights. No shareholder is obliged to have his or her shares redeemed in full or in part.
- 3.3 The shares are negotiable, but must be registered in the name of the holder and be registered in the Company's register of shareholders.
- 3.4 The shares are freely transferable.
- 3.5 The shares are issued through and registered with VP Securities A/S. Dividend, including any interim dividend, from the shares will be paid by way of transfer through VP Securities A/S.
- 3.6 The Company has appointed Euroclear Sweden AB, reg. no. 556112-8074 as keeper of the Company's register of shareholders for all shares issued by the Company.

**4. Authorisations**

- 4.1 In the period until the annual general meeting to be held in 2021, the board of directors is authorised to increase the company's share capital in one or more issues without pre-emption rights for the company's existing shareholders by up to a nominal amount of EUR 93,445.96 The capital increase shall take place at market price and shall be effected by cash payment, by contribution in kind, by debt conversion or a combination hereof.

For the issuance of shares on the basis of the above authorisation the following shall apply:

- 1. Partial payment of the subscription amount is not permitted.
- 2. The new shares will be without pre-emption rights for existing shareholders, and the pre-emption rights relating to the new shares will not be restricted in respect of future capital increases.
- 3. The transferability of the new shares will not be restricted, and the new shareholders will not be obligated to let their shares be redeemed.



4. The new shares will be issued through VP Securities A/S and will be admitted to trading and official listing on Nasdaq Stockholm.
  5. The new shares will be issued in the name of the holder and will be negotiable instruments.
- 4.2 The board of directors is authorised to pass a resolution on acquisition of treasury shares on the following terms:
1. The company may acquire up to nominal EUR 46,722.98 treasury shares in the period until the annual general meeting to be held in 2021.
  2. Acquisitions of treasury shares should be made on Nasdaq Stockholm (the “Exchange”) at a price per share within the band of prices (spread) applying on the Exchange, or to the extent the company assigns a member of the Exchange to accumulate a certain amount of the company’s shares by proprietary trading during a certain time period on the day of delivery pay the volume weighted average price for the market as a whole for such period of time, even if the volume weighted average price falls outside the range of prices on the day of delivery.

All acquisitions of treasury shares shall be made in accordance with the applicable rules at the Exchange.

## 5. Warrants

- 5.1 Deleted due to exercise of warrants on 7 June 2019.
- 5.2 At a meeting of the board of directors of the Company held on 25 August 2017, the board of directors resolved, pursuant to an authorisation issued by the general meeting, to issue 1,330,344 warrants corresponding to shares of a nominal amount of EUR 13,303.44 and adopted the capital increase required for that purpose. Each of the issued warrants may be exercised at an exercise price of DKK 12.962962. The other terms and conditions of the issued warrants are set out in Schedule 2, which forms an integral part of these articles of association.
- 5.3 Deleted due to exercise of warrants on 7 June 2019.
- 5.4 At a meeting of the board of directors of the Company held on 11 April 2018, the board of directors resolved, pursuant to an authorisation issued by the general meeting, to issue 24,300 warrants corresponding to shares of a nominal amount of EUR 243.00 and adopted the capital increase required for that purpose. Each of the issued warrants may be exercised at an exercise price of DKK 12.962962. The other terms and conditions of the issued warrants are set out in Schedule 2, which forms an integral part of these articles of association.
- 5.5 On the extraordinary general meeting held on 24 June 2019, the general meeting authorised the board of directors to establish a long-term incentive program for the company’s key employees and members of executive management.



The board of directors is authorised in one or more issues to issue up to 1,700,000 warrants to the company's key employees and members of the executive management granting them a right to subscribe for shares of up to a total nominal amount of EUR 17,000 against payment in cash without pre-emption rights for the company's shareholders, and to adopt the necessary resolutions to carry out the required increase of the company's share capital. On the annual general meeting held on 22 April 2020, the authorisation was reapproved by the general meeting.

The authorisation is valid in the period until the company's annual general meeting to be held in 2022, provided that the annual general meeting to be held in 2021 in relation to the part of the allocation to be made to Other Key Employees (as defined in Schedule 3) ratifies the decision to allow the board of directors to issue the remaining part of the warrants (absent such ratification at one of the mentioned annual general meetings, the remaining part of the authorisation shall automatically lapse).

The board of directors is authorised to reissue any expired warrants that have not been duly exercised, provided that the reissuance observes the terms and limitations in time which are set out in this authorisation. A reissuance shall mean the board of directors' access to issue new warrants as substitution for warrants that have already been issued but which have terminated.

The principle terms and conditions which shall apply to the issued warrants are enclosed as Schedule 3. The board of directors is authorised to determine the detailed terms and conditions of the issued warrants and the distribution thereof in accordance with the principle terms and conditions set out in Schedule 4.

The board of directors may determine any other terms relating to the issue of shares on the basis of the above authorisation, however, as provided under section 155(3)(4) of the Danish Companies Act the following shall apply:

1. Partial payment of the subscription amount is not permitted.
2. The new shares will be without pre-emption rights for existing shareholders, and the pre-emption rights relating to the new shares will not be restricted in respect of future capital increases.
3. The transferability of the new shares will not be restricted, and the new shareholders will not be obligated to let their shares be redeemed.
4. The new shares will be issued through VP Securities A/S and will be admitted to trading and official listing on Nasdaq Stockholm.
5. The new shares will be issued in the name of the holder and will be negotiable instruments.

At a meeting of the board of directors of the Company held on 13 September 2019, the board of directors resolved, pursuant to an authorisation issued by the general meeting, to issue 1,099,500 warrants corresponding to shares of a nominal amount of EUR 10,995 and adopted the capital increase required for that purpose. The other terms and conditions of the issued warrants are set out in Schedule 3, which forms an integral part of these articles of association.



5.6 On the annual general meeting held on 22 April 2020, the general meeting resolved to issue 25,000 warrants to a new member of the board of directors without consideration and to resolve on the appertaining capital increase on the following terms:

1. The nominal value of the capital increase resulting from the exercise of the issued warrants will be at least nominally EUR 0.01 and maximum nominally EUR 250, provided that the maximum capital increase is subject to the adjustment mechanism set out in section 11 of schedule 5 below.
2. Each warrant gives the holder a right to subscribe for one ordinary share in the company with a nominal value of EUR 0.01 each. The new shares may be subscribed for against payment of an exercise price per share to be determined by Better Collective's volume weighted average share price in the 10 business days following the date of the annual general meeting.
3. The subscription of the warrants must be made no later than 1 week from the date of the general meeting by signing of a warrant agreement.

Furthermore, the warrants are subject to the terms and conditions as set out schedule 5 below.

For the issuance of shares on the basis of exercise of the issued warrants the following shall apply:

1. Partial payment of the subscription amount is not permitted. Payment of the exercise price for the shares must be made no later than in connection with the holder providing an exercise notice to the company.
2. The new shares will be issued without pre-emption rights for existing shareholders, and the pre-emption rights relating to the new shares will not be restricted in respect of future capital increases other than as provided for in the Company's articles of association.
3. There are no restrictions on the transferability of the shares. No shareholder is obliged to have his or her shares redeemed in full or in part.
4. The new shares will be issued through VP Securities A/S and will be admitted to trading and official listing on Nasdaq Stockholm.
5. The new shares will be issued in the name of the holder and will be negotiable instruments.
6. The new shares shall entitle the holder the right to receive dividends and other rights in the Company upon registration of the capital increase with the Danish Business Authority.
7. The costs relating to the capital increase will be paid by the company and are estimated at DKK 25,000 (exclusive of VAT).



## 6. General meetings

### 6.1 *Shareholders' right to pass resolutions*

6.1.1 The shareholders exercise their right to pass resolutions at the Company's general meetings.

### 6.2 *Right to attend and vote*

6.2.1 Each shareholder is entitled to attend and speak at general meetings, but see articles 6.2.2 - 6.2.4 of these articles of association.

6.2.2 A shareholder's right to attend a general meeting and to vote is determined on the basis of the shares held by the shareholder at the date of registration, which is one week before the date of the general meeting. The shareholding of each individual shareholder is determined at the date of registration, based on the number of shares held by that shareholder as registered in the register of shareholders and on any notice of ownership received by the Company for the purpose of registration in the register of shareholders, but not yet registered.

6.2.3 The shareholder is entitled to attend general meetings by proxy, who must produce a written and dated instrument of proxy. The shareholder or the proxy may attend the general meeting together with an advisor authorised to speak at the general meeting on behalf of the shareholder.

6.2.4 In order to attend the general meeting, it is a condition that the shareholder or the proxy, as the case may be, has notified the attendance for him or herself as well as any accompanying advisor within three calendar days of the general meeting at the latest.

### 6.3 *Place*

6.3.1 General meetings are held in (i) Greater Copenhagen, (ii) the Municipality of Gothenburg, Sweden, or (iii) the Municipality of Stockholm, Sweden, as decided by the board of directors.

### 6.4 *Notice of general meetings*

6.4.1 General meetings must be convened at no less than three weeks' and no more than five weeks' notice.

6.4.2 The board of directors convenes general meetings via the Company's website ([www.bettercollective.com](http://www.bettercollective.com)) as well as in writing to all shareholders registered in the Company's register of shareholders having so requested.

6.4.3 Extraordinary general meetings are held when so decided by a general meeting, the board of directors or the company's auditor or when so requested of the board of directors in writing by shareholders holding at least 5% of the share capital. Any such request by shareholders must specify the matters to be considered at the general meeting. Such extraordinary general meeting must be convened within fourteen days of receipt of the request by the board of directors.

6.4.4 No later than 3 weeks before a general meeting including the date of the general meeting), the following information must be made available for the shareholders' inspection on the Company's website ([www.bettercollective.com](http://www.bettercollective.com)):

1. Notice convening the general meeting.



2. The total number of shares and voting rights on the date of the notice
  3. The documents to be submitted to the general meeting
  4. The agenda and the complete proposals
  5. Forms to be used in connection with voting by proxy and by post, unless such forms are sent directly to the shareholders
- 6.4.5 Shareholders have a right to have one or more specific issues treated at the general meeting if the board of directors has received such proposals in writing no later than six weeks before the date of the general meeting.
- 6.4.6 The shareholders may put questions in writing concerning the agenda or documents for use for the general meeting no later than 7 days before the date of the general meeting.
- 6.5 *Annual general meetings*
- 6.5.1 The annual general meeting is held every year in time for the audited and approved annual report to be submitted to the Danish Business Authority within four months of the end of the financial year at the latest.
- 6.5.2 No later than eight weeks before the contemplated date of the annual general meeting, the board of directors shall publish the date of the general meeting and the deadline for submission of requests for specific business to be included in the agenda, see article 6.4.5.
- 6.5.3 The agenda of the annual general meeting must include the following items:
1. Appointment of the chairman of the general meeting
  2. The board of directors' report on the activities of the Company during the past financial year.
  3. Presentation of the audited annual report and the consolidated financial statements for adoption.
  4. Proposal by the board of director concerning the appropriation of profits or covering of losses as recorded in the approved annual report.
  5. Resolution to grant discharge of liability to members of the board of directors and the executive management.
  6. Election of members of the board of directors, including the chairman of the board of directors.
  7. Approval of the board of directors' remuneration for the current financial year
  8. Election of auditor and determination of remuneration for the auditor.
  9. Any proposals from the board of directors or the shareholders.



6.5.4 The accountant elected by the general meeting shall be present at the Company's annual general meetings.

6.6 *Voting*

6.6.1 At general meetings, each represented share of EUR 0.01 carries one vote.

6.6.2 Each shareholder must vote consistently in respect of all its shares. The shareholders may cast their votes in writing to the board of directors before the general meeting. Postal votes must reach the Company no later than 3 days before the general meeting, and when received by the Company such postal votes cannot be withdrawn.

6.6.3 Unless otherwise provided by the Danish Companies Act, all resolutions at general meetings will be passed by a simple majority of votes. In the event of a tied vote, the proposed resolution has not been passed.

6.6.4 If a person is to be elected, the person receiving the majority of the votes will be elected. In the event of a tied vote, the election will be resolved by lot.

6.7 *Chairman and minute book*

6.7.1 The general meeting is presided over by a chairman appointed by the board of directors.

6.7.2 The chairman of the meeting will ensure that the general meeting is held in a proper and efficient manner.

6.7.3 The business transacted at general meetings must be recorded in a minute book to be signed by the chairman of the meeting. All resolutions at general meetings must be recorded in the Company's minute book.

6.7.4 No later than two weeks after the date of the general meeting, such minute book or a certified copy thereof as well as the voting results for the general meeting must be made available on the Company's website ([www.bettercollective.com](http://www.bettercollective.com)).

6.8 *Language of the general meeting*

6.8.1 General meetings must be held in English, without offering simultaneous interpretation between Danish and English.

6.8.2 Documents to be used for the general meeting in connection with or after the general meeting must be prepared in Danish. However, the board of directors may decide to prepare such documents in English provided that the Danish Business Authority does not require that such documents be prepared in Danish.

**7. Electronic communication**

7.1 The board of directors may choose that all communication from the Company to the individual shareholders is to be effected by electronic means, including by email, and that general notices are made available to the shareholders on the Company's website ([www.bettercollective.com](http://www.bettercollective.com)), unless otherwise provided by law. The Company may at any time communicate to the individual shareholders by ordinary post in addition or as an alternative to electronic means of communication.

7.2 Notices to the shareholders of annual and extraordinary general meetings, including the complete proposals for proposed amendments of the articles of association, the agenda, annual reports, interim reports, company announcements, admission cards, proxy and



voting forms as well as any other general information from the Company to the shareholders, may be forwarded by the Company to the shareholders by electronic means, including by email. Except for admission cards to general meetings, the above documents may be found on the Company's website ([www.bettercollective.com](http://www.bettercollective.com)).

7.3 Each shareholder is responsible for ensuring that the Company has the correct email address of the shareholder at all times. The Company is not obliged to verify such contact information or to send notices in any other way.

7.4 The shareholders may find information about the requirements for the systems to be used and the procedures to be followed when communicating electronically on the Company's website ([www.bettercollective.com](http://www.bettercollective.com)).

## **8. Corporate language**

8.1 The Company's corporate language shall be English.

## **9. The board of directors**

9.1 The general meeting elects no less than three and no more than seven members to the board of directors of the Company.

9.2 Members of the board of directors are elected for a term of one year at a time until the next annual general meeting. Re-election is possible.

9.3 The chairman of the board of directors is elected by the general meeting. If such election has not been made, or if the chairman resigns during a term of election, the board of directors shall elect a chairman among its members to serve until the earlier of the next annual general meeting, or the time when a chairman of the board of directors has otherwise been elected by the general meeting.

9.4 The board of directors forms a quorum when more than half of all members are represented.

9.5 The board of directors prepares rules of procedure with detailed rules on the performance of the duties of the board of directors.

9.6 The remuneration payable to members of the board of directors is determined by the general meeting.

## **10. The executive management**

10.1 The board of directors must appoint one or more executive managers to be responsible for the day-to-day management of the Company and determine the terms for their appointment and the detailed rules on their authority.

10.2 If more than one executive manager is appointed, the board of directors establishes the division of work and responsibility between the executive managers, and one of the executive managers may be appointed managing director.

## **11. Nomination committee**

11.1 A nomination committee shall be appointed consisting of four members.

11.2 The main objective and responsibility of the nomination committee is to prepare proposals to the annual general meeting for the election of the chairman and other members of the



board of directors, the remuneration to the board of directors, the chairman of the general meeting and election of and remuneration to the auditor.

11.3 The appointment of members to the nomination committee and the rules governing the work of the nomination committee are set forth in the rules of procedure for the nomination committee attached as Schedule 6.

**12. Extraordinary dividends**

12.1 The board of directors is authorised to resolve to distribute extraordinary dividends.

**13. Power to bind the Company**

13.1 The Company is bound by the joint signature of two members of the executive board, by the joint signatures of the chairman of the board of directors and a member of the executive board or a member of board of directors or by the joint signatures of all members of the board of directors.

**14. Financial statements and audit**

14.1 The financial year of the Company runs from 1 January to 31 December.

14.2 The annual report of the Company shall be audited by one state-authorized public accountant, unless additional accountants are required under the legislation in force. The accountant is appointed at the general meeting for the period until the next annual general meeting. Re-appointment can occur.

14.3 The Company's annual reports are prepared and presented in English.

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In the event of any discrepancies between the Danish version and the English version of these articles of association, the Danish version shall prevail.

As adopted on 1 December 2020 at a meeting of the board of directors.



**Schedule 1 – Deleted due to exercise of warrants on 7 June 2019**



## Schedule 2 – Warrant terms for key employees

### 15. Background

- 15.1 The General Meeting of the Company has authorised the Management Board of the Company (the “**Board**”) to implement a warrant and share programme (the “**Programme**”) for key employees of the Company to ensure a shared interest and joint efforts in creating value to the Company with the ultimate aim of achieving an exit for the shareholders of the Company, including the Key Employee.
- 15.2 The Key Employee enters into the Programme on the Commencement Date (“**Participation Date**”).

### I. WARRANTS

#### 16. General Description of Warrants

- 16.1 A warrant means a right – but not an obligation – for the Key Employee to subscribe for ordinary shares in the Company at a given time at an agreed price (the exercise price).
- 16.2 As warrant holder the Key Employee is for a given period entitled – but not obligated – to subscribe for shares in the Company by paying the exercise price and the Company is obligated to accept such subscription.
- 16.3 The warrants do not provide the Key Employee with the right to vote at the Company’s general meeting; to receive dividends; or to carry out any other shareholder rights.

#### 17. Grant of Warrants

- 17.1 When the Key Employee has entered into the Programme, cf. clause 15.2, the Key Employee is eligible for grants of options to subscribe for shares in the Company (“**Warrants**”) subject to the terms and conditions set out in this Agreement.
- 17.2 The Warrants shall be granted to the Key Employee as follows:
- [Number] Warrants on 1 July one year following Participation Date - (“**Allotment Year 1**”).
- [Number] Warrants on 1 July two years following Participation Date - (“**Allotment Year 2**”).
- [Number] Warrants on 1 July three years following Participation Date - (“**Allotment Year 3**”).
- Each of the dates of grant set out above shall be referred to as a “**Date of Grant**”.
- The period between the Dates of Grant shall be referred to as the “**Allotment Period**”.
- 17.3 If Exit (as defined in clause 21.3) occurs after Allotment Year 1 but earlier than Allotment Year 3, the Key Employee is entitled to be granted all of the Warrants that would have been granted to the Key Employee if Exit had occurred later. The details of such grant shall be set out in the exit notice as defined in clause 19.4.
- 17.4 The grant of Warrants to the Key Employee is subject to and contingent upon the Key Employee being employed with the Company at each Date of Grant, subject to clause 22.2.
- 17.5 The shares, which the Key Employee may subscribe for by exercise of Warrants, shall be ordinary shares in the Company with the rights accorded to such shares pursuant to the Articles of Association of the



Company in effect from time to time and this Agreement. Shares subscribed for by exercise of Warrants shall be referred to as "**Shares**".

17.6 Rights granted under this Agreement to the Key Employee are not to be taken into account when calculating bonus, pension, salaries, other benefits, allowances or amounts on the basis of the Key Employee's remuneration, or in any other calculations in which benefits, allowances, or other remuneration elements might otherwise be relevant.

**18. Exercise Price**

18.1 Each Warrant carries the right to subscribe for one Share in the Company with a nominal value of EUR 0.01 against payment of a cash exercise price set out in the articles of association (the "**Exercise Price**").

**19. Exercise Period**

19.1 From the Date of Issue and until the Expiry Date as defined in clause 19.5 ("**Exercise Period**"), the Key Employee earns the right to keep and exercise Warrants only in accordance with the following rules:

19.1.1 The Warrants granted in Allotment Year 1 can be exercised in 15 calendar day periods starting one hour after the publication of a year-end report or an interim financial report (the "**Exercise Windows**") provided that the Exercise Window either (i) is open on the second anniversary of the Participation Date or (ii) will open following the second anniversary of the Participation Date and in such Exercise Windows that follow until the Expiry Date.

19.1.2 The Warrants granted in Allotment Year 2 can be exercised in the Exercise Windows provided that the Exercise Window either (i) is open on the third anniversary of the Participation Date or (ii) will open following the third anniversary of the Participation Date and in such Exercise Windows that follow until the Expiry Date.

19.1.3 The Warrants granted in Allotment Year 3 can be exercised in the Exercise Windows provided that the Exercise Window either (i) is open on the fourth anniversary of the Participation Date or (ii) will open following the fourth anniversary of the Participation Date and in such Exercise Windows that follow until the Expiry Date.

19.2 Regardless of Window 1, Window 2, Window 3 and Window 4 in clause 19.1, all granted Warrants can be exercised upon the occurrence of an exit event ("**Exit**") to the extent that the Warrants have not lapsed, cf. clause 19.5. Exit means completion (closing) of:

19.2.1 an acquisition by one or more third party buyers (i.e. undertakings or persons not controlled or advised by any of the Company's shareholders) under one aggregate transaction or multiple successive transactions deriving from one transfer agreement, acquiring more than 60% of the nominal share capital of the Company, or

19.2.2 a divestment of assets of the Company representing more than 2/3 of the value of the Company's assets, respectively, pursuant to the latest annual report of the Company, that gives rise to a distribution (by way of dividend, liquidation, share capital decrease, buy back of shares or similar transactions) to the shareholders of the Company.

19.3 The Board must inform the Key Employee in writing of any contemplated Exit, to the extent practicable, no later than 20 business days prior to the expected closing date of the Exit (the "**Exit Notice**"). The Exit Notice shall contain a computation of the Exercise Price and provide details of the bank account to which the Exercise Price shall be paid.



19.4 The Key Employee shall exercise the Warrants within Window 1, Window 2, Window 3 and Window 4 or in case of an occurrence at an Exit period of 10 business days after the Key Employee having received the Exit Notice, however, in no event later than the closing date of the Exit (the "Exit Exercise Period"). The Key Employee's exercise in accordance with clause 19.2 shall be subject to and contingent upon closing of the Exit. If a contemplated Exit is not closed, any repayments of the Exercise Price from the Key Employee shall be returned.

19.5 Warrants not exercised before the end of Window 4 ("Expiry Date") shall expire without further notice or compensation.

## **20. Exercise Procedure**

20.1 Warrants must be exercised by the Key Employee providing written notice to the Board within the relevant Window or Exit Exercise Period that the Key Employee wishes to exercise Warrants. Simultaneously, the Key Employee must pay the Exercise Price in cash to a bank account designated by the Company.

20.2 The Key Employee may exercise all or part of the Warrants.

20.3 Upon the Key Employee's notification and payment of the Exercise Price pursuant to clause 20.1, the Company will as soon as possible following the relevant Exercise Window register the necessary capital increase with the Danish Business Authority and amend the Company's owner's register to reflect the Key Employee's title to the issued Shares.

20.4 Irrespective of clause 20.3, the Board may at its discretion, as an alternative to issuing Shares, choose to pay a cash settlement to the Key Employee equal to the difference between the Share Price (as defined in Appendix 1) and the Exercise Price. If the Board decides to pay cash settlement, this shall be stated prior to the Key Employee providing the notice, cf. clause 20.1. In the occurrence of an Exit, the decision to pay cash settlement shall be stated in the Exit Notice.

## **21. Transfer Restrictions**

21.1 The Warrants are non-transferable and cannot be assigned to a third party, including in connection with a division of property following divorce. Equally, the Warrants cannot be pledged or subject to encumbrance, debt enforcement or any other form of execution.

21.2 If Warrants are transferred in contravention of clause 21.1, the Warrants shall lapse without notice or compensation.

21.3 The Board may decide to announce that the Company (or a designated third party) offers to purchase all or part of the Warrants at a price equal to the difference between the Share Price (as defined in Appendix 1) and the Exercise Price within a certain period of time. Transfers in accordance with this are not subject to clause 21.1.

## **22. Cessation of Employment**

22.1 If the Key Employee's employment with the Company ceases, any already granted Warrants shall lapse without notice or compensation as of the date that the employment relationship ends, except in the following events:

22.1.1 the Company terminates the Key Employee's employment relationship without the Key Employee having given the employer reasonable cause to do so;



- 22.1.2 the Key Employee terminates the employment relationship as a result of a material breach on the part of the Company; or
- 22.1.3 the employment relationship ends (by termination or expiry) as a result of the Key Employee's death, incapacity (physical or mental) or retirement at an age where the Key Employee is eligible for Company pension or governmental pension.

Any exercise of Warrants not lapsed due to the events specified above may, however, only take place within the relevant Windows where the Warrants in question would otherwise be exercisable and with the given fraction, cf. clause 5.1, had the employment relationship continued unchanged.

- 22.2 In case of one of the events in clauses 22.1.1-22.1.3 (the "**Good Leaver Event**") occurring, the Key Employee will be granted a pro rata share of any Warrants that would have been granted at the end of the Allotment Period during which the employment ended, if the employment had not ceased. Such pro rata grant will take place at the ordinary Date of Grant. If the Key Employee's employment ceases and this is not due to a Good Leaver Event, the right to further grants of Warrants will lapse automatically and without compensation at the time that the employment ends.

### **23. Adjustment of the Exercise Price and/or the Number of Shares**

- 23.1 If changes to the capital structure of the Company are implemented causing the value of the Warrants to be increased or reduced, an adjustment of the Exercise Price and/or the number of Shares which may be subscribed for pursuant to the Warrants ("**Number of Shares**") shall be made. Examples of such changes in the capital structure of the Company are capital increases and capital decreases not done at market price, issuance of bonus shares, change of the denomination of the shares in the Company, purchase and sale of own shares, issuance of warrants and/or, subject to clause 23.2, convertible instruments, merger and demerger. For the avoidance of doubt, Exercise Price or the Number of Shares will not be adjusted in case the Company pays dividends in line with its historical dividend policy, ie dividends in the amount of up to 70 % of the Company's net earnings.
- 23.2 Irrespective of clause 23.1, if the Company resolves to issue share options, shares, warrants, convertible instruments or similar to the Company's employees, managers, consultants or members of the Board or buys or sells own shares in this connection, no adjustment of the Exercise Price nor the Number of Shares shall be made. This applies irrespective of whether such issue provides the right to acquire shares at a price lower than the market price of the Company's shares at the time of allotment or whether the purchase/sale of own shares takes place at a price higher or lower than the market price of the Company's shares.
- 23.3 The Board shall determine whether an implemented change in the capital structure gives rise to an adjustment of the Exercise Price and/or the Number of Shares.
- 23.4 Any adjustment of the Exercise Price and/or the Number of Shares shall be made by the Board as soon as possible after the implementation of the relevant change and to the extent possible according to generally accepted principles and otherwise in such a manner that the market value of the Warrants as estimated by the Board after the relevant change to the extent possible corresponds to the market value of the Warrants as estimated by the Board immediately prior to the change.
- 23.5 The Key Employee is entitled to demand that the adjustment of the Exercise Price and/or Number of Shares made pursuant to clauses 23.3 and 23.4 (but not the decision as to whether an adjustment shall be made or not) is subjected to valuation by an accountant not acting as the Company's accountant. A demand for valuation must be made by the Key Employee to the Company no later than two (2) weeks after the Key Employee has been notified of the Board's adjustment. Thereafter, the valuation shall be made as quickly as possible. The valuation is binding on both the Key Employee and the Company and



cannot be brought before the courts or arbitration. The costs of the valuation shall be borne by the Key Employee unless the valuation made by the accountant is higher than the valuation made by the Board. Otherwise the costs of the valuation shall be borne by the Company.

#### **24. Merger and Demerger**

24.1 If the Company is merged or demerged, irrespective of the Company being the surviving or continuing company, the Warrants shall be exchanged for warrants which entitle the Key Employee to subscribe for the shares in the continuing company (/ies) based on the exchange rate for the Company's shares. As part of the exchange any regulation of the Exercise Price and/or the Number of Shares comprised by the new warrants shall be determined.

#### **25. Liquidation of the Company**

25.1 Warrants shall automatically lapse in the event of the liquidation of the Company. The lapse becomes effective when the General Meeting has adopted the final liquidation accounts.

### **II. FINAL PROVISIONS**

#### **26. Tax**

26.1 Any tax consequences arising or resulting from this Agreement, including tax consequences due to the grant or exercise of Warrants, are of no concern to the Company or the shareholders. Prior to entering into this Agreement, the Key Employee has been encouraged to investigate the Key Employee's tax situation and seek any advice that may be required in this respect.

26.2 The Company as employer and the Key Employee, however, agree that section 7P of the Danish Tax Assessment Act (in Danish: ligningsloven) shall insofar possible apply to the Warrants received by the Key Employee in the Company. For the purpose thereof, the parties agree that the fair market value of each Warrant as of the date of this Agreement is DKK [•] calculated using the Black-Scholes model.<sup>1</sup>

#### **27. Commencement and Termination**

27.1 This Agreement enters into force upon signing by all parties ("**Commencement Date**").

27.2 Part I of this Agreement may be terminated by the Company with the same notice required for the Key Employee's employment; however, the termination of this Agreement does not constitute a termination of the Key Employee's employment contract. If the Agreement is terminated, the Key Employee will receive a pro rata share of Warrants not yet granted and shall be entitled to exercise Warrants as if clauses 18, 19 and 20 had not been terminated.

#### **28. Breach**

28.1 If a party is in breach of this Agreement and such breach is not remedied within two weeks, the party (/ies) not in breach shall have the remedies available to such party (/ies) under Danish law or contract.

28.2 If the Key Employee is in material breach of this Agreement, and such breach is not remedied within one week, the Company shall have the right to demand that all Warrants belonging to the Key Employee shall be transferred to the Company (or any person or company designated by the Company) against payment of the Fair Market Value for Warrants (as defined in Appendix 1) less 25 %.

28.3 In addition to the remedies stated in clauses 28.1 and 28.2, the parties shall be entitled to the remedies of injunction, specific performance or other relief, or any combination of these remedies, for any threatened or actual breach of this Agreement and neither proof of special damages will be necessary to

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<sup>1</sup> The valuation has been removed in connection with the decision to split each Warrant into 54 Warrants adopted on the annual general meeting of the Company held on 25 April 2019.



enforce this indemnity nor will the party not in breach be required to provide security or post any bond for any injunctive relief (if applicable).



## Appendix 1 – Fair Market Value for Warrants

When establishing the Fair Market Value for Warrants, except in clause 26.2, the following formula recognized by the Danish Assessment Council shall be used:

$$(H*L*R) / 100 = F$$

The components contained in the formula shall be defined as follows:

H	=	the Share Price (as defined below) of the underlying Share as a percentage of the Exercise Price (as defined below)
L	=	duration of a Warrant calculated in months
R	=	the minimum lending rate plus 4 %-points reduced by 50 % and divided with 12
F	=	the market value of a Warrant as a percentage of the Share Price of the underlying Share.

The defined terms in the components of the formula shall have the following meaning:

Share Price: The fair market value of the shares as determined by the Board.

Exercise Price: The Exercise Price as defined in clause 18.1 of the Agreement.

If amendments are made to the Assessment Council Model by the tax authorities e.g. due to the minimum interest rate not being fixed, such amendments shall also apply when establishing the value of the Warrants.



### Schedule 3 – Warrant terms for key employees and management

#### 1. Background

- 1.1 The general meeting of the Company has on 24 June 2019 authorised the Board of Directors of the Company (the "**Board**") to implement a long-term incentive program ("**LTIP 2019**") to create possibilities for the Company to retain and incentivise certain key employees by offering a long-term ownership engagement.
- 1.2 The Key Employee enters into LTIP 2019 upon the Key Employee subscribing for the Grant (as defined below in clause 3.1).

#### 2. General Description of warrants

- 2.1 A warrant means a right – but not an obligation – for the Key Employee to subscribe for ordinary shares in the Company at a given time at an agreed price as defined below.
- 2.2 As warrant holder, the Key Employee is for a given period entitled – but not obligated – to subscribe for shares in the Company by paying the exercise price and the Company is obligated to accept such subscription.
- 2.3 The warrants do not provide the Key Employee with the right to vote at the Company's general meeting; to receive dividends; or to carry out any other shareholder rights.
- 2.4 By signing this Agreement, the Key Employee is eligible to subscribe for options to subscribe for shares in the Company ("**Warrants**") subject to the terms and conditions set out in this Agreement.

#### 3. Grant of Warrants

- 3.1 On a date determined by the board of directors which is no later than 13 September 2019, (the "**Date of Grant**"), the Key Employee (i) subscribes for [Number of warrants is reflected in the individual agreement] Warrants (the "**Granted Warrants**") on the terms and conditions set out herein, and (ii) undertakes to duly execute and deliver any additional document required in connection with such subscription.
- 3.2 The Granted Warrants are issued to the Key Employee free of charge.
- 3.3 The Company will keep a register of all issued warrants, including the Granted Warrants.
- 3.4 The grant of Warrants to the Key Employee is subject to and contingent upon the Key Employee being employed with the Company at the Date of Grant.
- 3.5 Each Warrant carries the right for the Key Employee to subscribe for one (1) Share in the Company with a nominal value of EUR 0.01.
- 3.6 The shares, which the Key Employee may subscribe for by exercise of Warrants, shall be ordinary shares in the Company with the rights accorded to such shares pursuant to the Articles of Association of the Company in effect from time to time and this Agreement. Shares subscribed for by exercise of Warrants shall be referred to as "**Shares**".



3.7 Rights granted under this Agreement to the Key Employee are not to be taken into account when calculating bonus, pension, salaries, other benefits, allowances or amounts on the basis of the Key Employee's remuneration, or in any other calculations in which benefits, allowances, or other remuneration elements might otherwise be relevant.

#### 4. Vesting

4.1 The Granted Warrants will vest linearly with either i) 1/3 or i) 1/4 annually over a three-year or a four-year period from the Date of Grant, as applicable, (each year a "Vesting Period") and subject to fulfilment of the respective financial vesting targets as defined below (the "Vesting Targets").

4.2 For 2018-2020 the Company's Vesting Targets are:

- (i) an average total revenue growth of 30-50% p.a.,
- (ii) an average annual organic growth of over 10% and
- (iii) an average annual EBITA-margin of over 40% before special items.

4.3 The vesting of the Granted Warrants for the first Vesting Period will be based on the fulfilment of each of the above Vesting Targets weighed for the relevant period with 1/3 each and if not met, vesting will be reduced by up to 50% relative to each Vesting Target.

4.4 If none of the applicable Vesting Targets are met at the relevant Date of Vesting, the Warrants vesting in such Vesting Period will not vest on the relevant Date of Vesting, but lapse.

4.5 During the Vesting Periods, and subject to the fulfilment of the Vesting Targets, the Granted Warrants vest as follows (depending on whether the individual warrant agreement contains three or four years vesting periods):

[Number] Warrants on the first anniversary of the Grant Date

[Number] Warrants on the second anniversary of the Grant Date

[Number] Warrants on the third anniversary of the Grant Date

[Number] Warrants on the fourth anniversary of the Grant Date

Each of the dates of vesting set out above shall be referred to as a "**Date of Vesting**".

4.6 The Parties agree that the Vesting Targets for Vesting Periods beyond 2020 will be determined by the board of directors prior to commencement of such Vesting Period on the basis of the short-medium term financial targets applicable at such time and communicated to the market.

4.7 The Parties agree that the Vesting Targets for Vesting Periods beyond 2020 will be designed to allow for determination of whether the Vesting Targets have been met prior the Warrants becoming exercisable.

4.8 The vesting of the Granted Warrants at each Date of Vesting is, subject to clause 10 below, contingent upon the Key Employee's employment not being under notice or having been terminated prior to the relevant Date of Vesting.



## 5. Exercise Price

- 5.1 Each Warrant carries the right to subscribe for 1 Share in the Company with a nominal value of EUR 0.01 against payment of a cash exercise price equivalent to the Company's volume weighted average share price in the 10 business days after the Date of Grant plus 10% (the "**Exercise Price**").

## 6. Exercise Period

- 6.1 Starting with the trading window preceding the third or the fourth anniversary of the Date of Grant, as applicable, and until the Expiry Date as defined in clause 6.4 (the "**Exercise Period**"), the Key Employee earns the right to exercise vested Warrants in accordance with the following rules:

- 6.2 The vested Warrants can be exercised in the fifteen (15) calendar day period starting one hour after the publication of a year-end report or an interim financial report (the "**Exercise Windows**") following the third or fourth anniversary of the Date of Grant (depending on the individual warrant agreement) and in such Exercise Windows that follow until the Expiry Date provided, however, that the first Exercise Window shall be the Exercise Window following the Q2 Report in 2022 or 2023, as applicable.

- 6.3 Exercise of Warrants will in each case be subject to the fulfillment of the Vesting Targets in accordance with clause 4.2.

- 6.4 Regardless of the Exercise Windows in clause 6.1, all granted Warrants can be exercised upon the occurrence of an exit event ("**Exit**") to the extent that the Warrants have not lapsed, cf. clause 6.4. Exit shall mean completion of:

- (a) A resolution to the effect that the Company's shares shall no longer be listed on a stock exchange;
- (b) a resolution to liquidate the Company.
- (c) a transfer of shares in that subsidiary of the Company in which the Key Employee is employed, if after such transfer that subsidiary is no longer part of the Company's group; or
- (d) a transfer of assets entailing that the Key Employee is no longer employed in the Company's group. The Board must inform the Key Employee in writing of any contemplated Exit, to the extent practicable, no later than 10 business days prior to the expected closing date of the Exit (the "**Exit Notice**"). The Exit Notice shall contain a computation of the Exercise Price and provide details of the bank account to which the Exercise Price shall be paid.

- 6.5 The Key Employee shall exercise the Warrants within the Exercise Windows or in case of an occurrence of an Exit, in a period of 10 business days after receipt of an Exit Notice, however, in no event later than the closing date of the Exit (the "**Exit Exercise Period**"). The Key Employee's exercise in accordance with clause 6.2 shall be subject to and contingent upon completion of the Exit. If a contemplated Exit is not closed, any payments of the Exercise Price from the Key Employee shall be returned.

- 6.6 Warrants not exercised before the fifth anniversary of the Date of Grant ("**Expiry Date**") shall lapse and become void without further notice or compensation.

- 6.7 Irrespective of clause 6.4 above, should the Key Employee not be able to exercise his Warrants before the Expiry Date due to the Key Employee being in possession of inside information as defined under the Market Abuse Regulation (Regulation (EU) No 596/2014), the Exercise Period will be extended until the



first open trading window in which the Key Employee no longer holds inside information, and thus may exercise the vested Warrants.

## **7. Exercise Procedure**

7.1 Warrants must be exercised by the Key Employee providing written notice to the Board within the relevant Exercise Window or Exit Exercise Period that the Key Employee wishes to exercise vested Warrants. Simultaneously, the Key Employee must pay the Exercise Price in cash to a bank account designated by the Company. The Company may require that the exercise notice is provided in a form determined by the Company provided that the requirements to the notice is communicated to the Key Employee prior to the Warrants becoming Exercisable.

7.2 The Key Employee may exercise all or part of the vested Warrants.

7.3 All Warrants exercised in a given Exercise Window will have binding effect for the Parties on the last day of the Exercise Window selected and will therefore not be considered as exercised until the last day of the Exercise Window selected

7.4 Upon the Key Employee's notification and payment of the Exercise Price pursuant to clause 7.1, the Company will as soon as possible following the relevant Exercise Window register the necessary capital increase with the Danish Business Authority and issue the shares to the Key Employee. The Key Employee shall bear the risk of the price development of the shares subscribed for in the period from the date of exercise and until the date which the Key Employee has disposal of the shares subscribed.

## **8. Cash settlement**

8.1 The Board may at its discretion, as an alternative to issuing Shares upon exercise, choose to pay a cash settlement, either in whole or in part, to the Key Employee equal to the difference between the share price as of market close on the last day of the relevant Exercise Period and the Exercise Price. If the Board decides to pay cash settlement, this shall be informed prior to the Key Employee providing the notice to the Board, cf. clause 7.1. In the occurrence of an Exit, the decision to pay cash settlement shall be stated in the Exit Notice.

## **9. Transfer Restrictions**

9.1 The Warrants are non-transferable and cannot be assigned to a third party, including in connection with a division of property following divorce. Equally, the Warrants cannot be pledged or subject to encumbrance, debt enforcement or any other form of execution.

9.2 If the Warrants are transferred in contravention of clause 9.1, the Warrants will lapse without notice or compensation.

## **10. Cessation of Employment**

10.1 If the Key Employee's employment with the Company ceases, any Granted Warrants not vested shall lapse without notice or compensation as of the date that the employment relationship ends, except in the following events:

- (a) the Company terminates the Key Employee's employment relationship without the Key Employee having given the employer reasonable cause to do so;
- (b) the Key Employee terminates the employment relationship as a result of a material breach on the part of the Company;



- (c) the employment relationship ends (by termination or expiry) as a result of the Key Employee's death, permanent incapacity (physical or mental) or permanent retirement at an age where the Key Employee is eligible for Company pension or governmental pension; or
- (d) the employment relationships ends for any other reason than the above stated and the Board deems the Key Employee to be encompassed by clause 10.3 below.

(Each of 10.1(a)-10.1(d), a "**Good Leaver Event**")

10.2 Any exercise of vested Granted Warrants not lapsed due to the events specified above may, however, only take place within the relevant Exercise Windows where the vested Warrants in question would otherwise be exercisable and with the given fraction, cf. clause 6.1, had the employment relationship continued unchanged.

10.3 In case a Good Leaver Event, the Key Employee will keep his/her vesting rights to a pro-rata share of the Warrants vesting in the relevant Vesting Period until the Time of Resignation. The Time of Resignation shall mean the time where the employee no longer can claim salary from the Company irrespective that the employee in fact ceases to carry out work for the Company at an earlier point in time.

#### **11. Adjustment of the Exercise Price and/or the Number of Shares**

11.1 If changes to the capital structure of the Company are implemented causing the value of the Warrants to be increased or reduced, an adjustment of the Exercise Price and/or the number of Shares which may be subscribed for pursuant to the Warrants ("**Number of Shares**") shall be made. Examples of such changes in the capital structure of the Company are capital increases and capital decreases not done at market price, issuance of bonus shares, change of the denomination of the shares in the Company, purchase and sale of own shares, issuance of warrants and/or, subject to clause 11.2, convertible instruments, merger, demerger and distribution of dividends.

11.2 Irrespective of clause 11.1, if the Company resolves i) to issue share options, shares, warrants, convertible instruments or similar to the Company's employees, managers, consultants or members of the Board or buys or sells own shares in this connection or ii) to issue shares to if done in the context of and as an integral part of an industrial deal, such as a licensing or M&A deal, where the Company's counterparty in such deal is the subscriber, no adjustment of the Exercise Price nor the Number of Shares shall be made. This applies irrespective of whether such issue provides the right to acquire shares at a price lower than the market price of the Company's shares at the time of allotment or whether the purchase/sale of own shares takes place at a price higher or lower than the market price of the Company's shares.

11.3 The Board shall in its sole discretion determine whether an implemented change in the capital structure gives rise to an adjustment of the Exercise Price and/or the Number of Shares.

11.4 Any adjustment of the Exercise Price and/or the Number of Shares shall be made by the Board as soon as possible after the implementation of the relevant change and to the extent possible according to generally accepted principles and otherwise in such a manner that the market value of the Warrants as estimated by the Board after the relevant change to the extent possible corresponds to the market value of the Warrants as estimated by the Board immediately prior to the change.



**12. Merger and Demerger**

12.1 Subject to section 6.2 above, if the Company is merged or demerged, irrespective of the Company being the surviving or continuing company, the Warrants shall be exchanged for warrants which entitle the Key Employee to subscribe for shares in the continuing company or companies based on the exchange rate for the Company's shares. As part of the exchange any regulation of the Exercise Price and/or the Number of Shares comprised by the new warrants shall be determined.

**13. Tax**

13.1 Any tax consequences arising or resulting from this Agreement, including tax consequences due to the grant or exercise of Warrants, are of no concern to the Company or the shareholders. Prior to entering into this Agreement, the Key Employee has been encouraged to investigate the Key Employee's tax situation and seek any advice that may be required in this respect.

13.2 The Company as employer and the Key Employee, however, agree that section 7 P of the Danish Tax Assessment Act (in Danish: ligningsloven) shall insofar possible apply to the Warrants received by the Key Employee in the Company.

**14. Data Protection**

14.1 To the extent permitted by applicable law, the Key Employee consents to the Company storing, processing and collecting, electronically or manually, any personal data relating to the Key Employee for the purposes of the administration and management of its personnel and business as well as any sale or contemplated sale of all or parts of its business. Pursuant to the Personal Data and the General Data Protection Regulation and any other applicable legislation, the Key Employee is entitled to be granted access to the personal data collected and to have inaccurate data corrected.

**15. Commencement and Termination**

15.1 This Agreement enters into force upon signing by all parties.

15.2 This Agreement may be terminated by the Company with the same notice required for the Key Employee's employment; however, the termination of this Agreement does not constitute a termination of the Key Employee's employment contract. If the Agreement is terminated, the Key Employee shall be entitled to exercise vested Warrants as if clauses 5, 6 and 7 had not been terminated.



#### Schedule 4 – Terms and conditions of long-term incentive program

The board of directors of Better Collective A/S (the “**Company**”) has at an extraordinary general meeting held 24 June 2019 been authorised to establish a long-term incentive program (the “**LTIP 2019**”) for the Company’s key employees and members of executive management (the “**Key Employees**”). Reference is made to section 5.5 of the articles of association above. The board of directors is authorised to determine the detailed terms and conditions of the issued warrants and the distribution thereof in accordance with the principle terms and conditions set out below.

#### Participation and allotment

The warrants shall be allotted to the Key Employees i) during the 30 day period following the publication of the interim financial report for Q2 in 2019 (the “**First Grant**”), ii) during the 30 day period following the publication of the interim financial report for Q2 in 2020 (the “**Second Grant**”) and iii) during the 30 day period following the publication of the interim financial report for Q2 in 2021 (the “**Third Grant**”) (each a “**Date of Grant**”) in accordance with the below allocation:

CEO	On First Grant: 150,000 warrants, vesting over a three-year period
COO	On First Grant: 150,000 warrants, vesting over a three-year period
CFO	On First Grant: 300,000 warrants, vesting over a four-year period
Other Key Employees	1,100,000 warrants may in the aggregate be allotted to the Other Key Employees in on or more issues on the Date of Grants, provided that no individual Other Key Employee may be allotted more than 100,000 warrants, vesting over a three-year or four-year period.

It is expected that between 20 and 50 participants will be included in the category Other Key Employees and be allotted warrants over the course of the LTIP 2019.

The LTIP 2019 shall be offered to Key Employees who are employed at the time of the relevant allocation. The board of directors shall, within the framework of the resolution from the annual general meeting determine the vesting period and the number of warrants that each Key Employee shall be allotted in accordance with the abovementioned principles.

In accordance with the Company’s incentive guidelines, the value of the warrants to be allotted to the executive management shall not exceed 100 % of the respective manager’s annual base salary at the First Grant.

#### Vesting

The allotted warrants will vest linearly with 1/3 or 1/4, respectively, over a three-year or four-year period from the Date of Grant, as applicable, and subject to fulfilment of the financial vesting targets.

The vesting of warrants will be subject to fulfilment of certain financial vesting targets which will be determined by the board of directors for each vesting period in advance of such period.



The financial vesting targets for the first two consecutive vesting periods will be based on the short-medium term financial targets 1-3 (set out below) for 2018-2020 of the Company as set out on page 18 of the annual report for 2018.

For 2018-2020 the Company's relevant short-medium term targets are, i) an average total revenue growth of 30-50% p.a., ii) an average annual organic growth of over 10% and iii) an average annual EBITA-margin of over 40% before special items.

The financial vesting targets for the first two vesting periods will be based on fulfilment of each of the above financial targets weighed for the relevant period with 1/3 each and if not met, vesting will be reduced by up to 50% relative to each financial vesting target.

The financial vesting targets for vesting periods beyond 2020 will be determined by the board of directors on the basis of the short-medium term financial targets applicable at such time and communicated to the market. The board of directors expects to apply a similar mechanism as in the first two vesting periods (described above).

If none of the financial vesting targets are met at the relevant time of vesting, the warrants will not vest at the end of the relevant vesting period, but lapse.

The board of directors will determine the financial vesting targets for subsequent vesting periods prior to the relevant date of Date of Grant and prior to commencement of each vesting period. The board of directors intends to present the determined financial vesting targets as well as the fulfilment at the latest in connection with the expiration of the LTIP 2019.

Furthermore, it is a prerequisite for the Key Employee's linear vesting rights that their employment with the Company is not under notice or terminated for any reason by either party throughout the vesting period.

#### **Exercise period**

For holders of warrants which vest over a three-year period, the allotted and vested warrants may be exercised in exercise windows that will open in the period from the third to the fifth anniversary from the Date of Grant. For holders of warrants which vest over a four-year period, the vested warrants may be exercised in exercise windows that will open in the period from the fourth to the fifth anniversary from the Date of Grant (the two-year exercise period and the one-year exercise period jointly referred to as the "**Exercise Periods**"). Exercise will in each case be subject to fulfillment of the financial vesting targets.

If the vested warrants are not exercised in the last exercise window, such warrants will lapse and become void. Should the Key Employee, however, not be able to exercise the vested warrants due to inside information, the Exercise Period will be extended until the first window in which the vested warrants may be exercised.

#### **Exercise price**

Each warrant carries the right to subscribe for one share in the company with a nominal value of EUR 0.01 in the Exercise Period against payment of a cash exercise price equivalent to the company's volume weighted average share price in the 10 business days after the Date of Grant plus 10%.

#### **Terms and conditions for the warrants**

Other than stated above, the warrants shall be subject to customary terms and conditions for warrants which in connection with the allotment of warrants will be adopted by the board of directors as a schedule to the Company's articles of association. These warrants terms will include among others that:

1. The warrants are issued to the participant free of charge.



2. The warrants are non-transferable and cannot be assigned to a third party, including in connection with a division of property following divorce. Equally, the warrants cannot be pledged or subject to encumbrance, debt enforcement or any other form of execution. Notwithstanding the above, the warrants may be transferred to a personally held holding company of the Key Employee.
3. If warrants are transferred in contravention with item 2 above, the warrants will lapse without notice or compensation.
4. The warrants do not provide the Key Employee with the right to vote at the Company's general meeting, to receive dividends or to carry out any other shareholder rights.
5. The board of directors shall be authorised to make minor formal adjustments to the resolution which may be required for registration with the Danish Business Authority.
6. The warrants will be subject to customary recalculation provisions.
7. The board of directors may at its discretion, as an alternative to issuing shares upon exercise of the warrants, choose to pay a cash settlement to the warrant holder equal to the difference between the share price and the exercise price of the warrants.
8. The Company may elect that the Key Employees will be subject to special tax rules even though this may result in the company not being allowed to make a tax deduction on the value of the warrants.



## Schedule 5 – Warrant terms for new board member

### 1. Background

- 1.1 The annual general meeting of Better Collective A/S (“the Company”) has on 22 April 2020 issued 25,000 warrants (the “Grant”) to a member (the “Warrant Holder”) of the board of directors of the Company (the “Board”).
- 1.2 The Warrant Holder enters into the warrant program upon a successful election of him as member of the Board and by subscribing for the Grant (as described below in section 3.1).

### 2. General Description of warrants

- 2.1 A warrant means a right – but not an obligation – for the Warrant Holder to subscribe for ordinary shares in the Company at a given time at an agreed price as defined below.
- 2.2 The Warrant Holder is for a given period entitled – but not obligated – to subscribe for shares in the Company by paying the exercise price and the Company is obligated to accept such subscription.
- 2.3 The warrants do not provide the Warrant Holder with the right to vote at the Company’s general meeting; to receive dividends; or to carry out any other shareholder rights.
- 2.4 By signing a warrant agreement, the Warrant Holder is eligible to subscribe for options to subscribe for shares in the Company (“Warrants”) subject to the terms and conditions set out in this Schedule 5.

### 3. Grant of Warrants

- 3.1 On 22 April 2020 (the “Date of Grant”), the Warrant Holder (i) subscribes for 25,000 Warrants (the “Granted Warrants”) on the terms and conditions set out herein, and (ii) undertakes to duly execute and deliver any additional document required in connection with such subscription.
- 3.2 The Granted Warrants are issued to the Warrant Holder free of charge.
- 3.3 The Company will keep a register of all issued warrants, including the Granted Warrants.
- 3.4 Each Warrant carries the right for the Warrant Holder to subscribe for one (1) Share in the Company with a nominal value of EUR 0.01.
- 3.5 The shares, which the Warrant Holder may subscribe for by exercise of Warrants, shall be ordinary shares in the Company with the rights accorded to such shares pursuant to the Articles of Association of the Company in effect from time to time and Schedule 5. Shares subscribed for by exercise of Warrants shall be referred to as “Shares”.

### 4. Vesting

- 4.1 The Granted Warrants will vest linearly 1/3 over a three-year period from the Date of Grant (each year a “Vesting Period”)
- 4.2 During the Vesting Periods, the Granted Warrants vest as follows:
- 8,333 Warrants on the first anniversary of the Grant Date;



8,333 Warrants on the second anniversary of the Grant Date; and

8,334 Warrants on the third anniversary of the Grant Date;

(each of the dates of vesting set out above shall be referred to as a "**Date of Vesting**").

4.3 The vesting of the Granted Warrants at each Date of Vesting is, subject to section 10 below, contingent upon the Warrant Holder being a member of the board of directors of the Company at the relevant Date of Vesting.

## 5. **Exercise Price**

5.1 Each Warrant carries the right to subscribe for 1 Share in the Company with a nominal value of EUR 0.01 against payment of a cash exercise price equivalent to the Company's volume weighted average share price in the 10 business days after the Date of Grant (the "**Exercise Price**").

## 6. **Exercise Period**

6.1 Starting with the trading window preceding the third anniversary of the Date of Grant, as applicable, and until the Expiry Date as defined in section 6.6 (the "**Exercise Period**"), the Warrant Holder earns the right to exercise vested Warrants in accordance with the rules set out in sections 6.2 to 6.7 below.

6.2 The vested Warrants can be exercised in the fifteen (15) calendar day period starting one hour after the publication of a year-end report or an interim financial report (the "**Exercise Windows**") following the third anniversary of the Date of Grant and in such Exercise Windows that follow until the Expiry Date.

6.3 Regardless of the Exercise Windows in section 6.2, all granted Warrants can be exercised upon the occurrence of an exit event ("**Exit**") to the extent that the Warrants have not lapsed, cf. section 6.6. Exit shall mean completion of:

(a) A resolution to the effect that the Company's shares shall no longer be listed on a stock exchange; and

(b) a resolution to liquidate the Company.

6.4 The Board must inform the Warrant Holder in writing of any contemplated Exit, to the extent practicable, no later than 10 business days prior to the expected closing date of the Exit (the "**Exit Notice**"). The Exit Notice shall contain a computation of the Exercise Price and provide details of the bank account to which the Exercise Price shall be paid.

6.5 The Warrant Holder shall exercise the Warrants within the Exercise Windows or in case of an occurrence of an Exit, in a period of 10 business days after receipt of an Exit Notice, however, in no event later than the closing date of the Exit (the "**Exit Exercise Period**"). The Warrant Holder's exercise in accordance with section 6.4 shall be subject to and contingent upon completion of the Exit. If a contemplated Exit is not closed, any payments of the Exercise Price from the Warrant Holder shall be returned.

6.6 Warrants not exercised before the fifth anniversary of the Date of Grant ("**Expiry Date**") shall lapse and become void without further notice or compensation.

6.7 Irrespective of section 6.6 above, should the Warrant Holder not be able to exercise his Warrants before the Expiry Date due to the Key Warrant Holder being in possession of inside information as defined



under the Market Abuse Regulation (Regulation (EU) No 596/214), the Exercise Period will be extended until the first open trading window in which the Warrant Holder no longer holds inside information, and thus may exercise the vested Warrants.

## **7. Exercise Procedure**

7.1 Warrants must be exercised by the Warrant Holder providing written notice to the Board within the relevant Exercise Window or Exit Exercise Period that the Warrant Holder wishes to exercise vested Warrants. Simultaneously, the Warrant Holder must pay the Exercise Price in cash to a bank account designated by the Company. The Company may require that the exercise notice is provided in a form determined by the Company provided that the requirements to the notice is communicated to the Warrant Holder prior to the Warrants becoming Exercisable.

7.2 The Warrant Holder may exercise all or part of the vested Warrants.

7.3 All Warrants exercised in a given Exercise Window will have binding effect for the Parties on the last day of the Exercise Window selected and will therefore not be considered as exercised until the last day of the Exercise Window selected

7.4 Upon the Warrant Holder's notification and payment of the Exercise Price pursuant to section 7.1, the Company will as soon as possible following the relevant Exercise Window register the necessary capital increase with the Danish Business Authority and issue the shares to the Warrant Holder. The Warrant Holder shall bear the risk of the price development of the shares subscribed for in the period from the date of exercise and until the date which the Warrant Holder has disposal of the shares subscribed.

## **8. Cash settlement**

8.1 The Board may at its discretion, as an alternative to issuing Shares upon exercise, choose to pay a cash settlement, either in whole or in part, to the Warrant Holder equal to the difference between the share price as of market close on the last day of the relevant Exercise Period and the Exercise Price. If the Board decides to pay cash settlement, this shall be informed prior to the Warrant Holder providing the notice to the Board, cf. section 7.1. In the occurrence of an Exit, the decision to pay cash settlement shall be stated in the Exit Notice.

## **9. Transfer Restrictions**

9.1 The Warrants are non-transferable and cannot be assigned to a third party, including in connection with a division of property following divorce. Equally, the Warrants cannot be pledged or subject to encumbrance, debt enforcement or any other form of execution.

9.2 If the Warrants are transferred in contravention of section 9.1, the Warrants will lapse without notice or compensation.

## **10. Cessation of Affiliation**

10.1 If the Warrant Holder's is no longer member of the Board, any Granted Warrants not vested shall lapse without notice or compensation as of the date that the warrant holder no longer is a member of the Board.

## **11. Adjustment of the Exercise Price and/or the Number of Shares**

11.1 If changes to the capital structure of the Company are implemented causing the value of the Warrants to be increased or reduced, an adjustment of the Exercise Price and/or the number of Shares which



may be subscribed for pursuant to the Warrants ("**Number of Shares**") shall be made. Examples of such changes in the capital structure of the Company are capital increases and capital decreases not done at market price, issuance of bonus shares, change of the denomination of the shares in the Company, purchase and sale of own shares, issuance of warrants and/or, subject to section 11.2, convertible instruments, merger, demerger and distribution of dividends.

- 11.2 Irrespective of section 11.1, if the Company resolves i) to issue share options, shares, warrants, convertible instruments or similar to the Company's employees, managers, consultants or members of the Board or buys or sells own shares in this connection or ii) to issue shares to if done in the context of and as an integral part of an industrial deal, such as a licensing or M&A deal, where the Company's counterparty in such deal is the subscriber, no adjustment of the Exercise Price nor the Number of Shares shall be made. This applies irrespective of whether such issue provides the right to acquire shares at a price lower than the market price of the Company's shares at the time of allotment or whether the purchase/sale of own shares takes place at a price higher or lower than the market price of the Company's shares.
- 11.3 The Board shall in its sole discretion determine whether an implemented change in the capital structure gives rise to an adjustment of the Exercise Price and/or the Number of Shares.
- 11.4 Any adjustment of the Exercise Price and/or the Number of Shares shall be made by the Board as soon as possible after the implementation of the relevant change and to the extent possible according to generally accepted principles and otherwise in such a manner that the market value of the Warrants as estimated by the Board after the relevant change to the extent possible corresponds to the market value of the Warrants as estimated by the Board immediately prior to the change.

## **12. Merger and Demerger**

- 12.1 Subject to section 6.4 above, if the Company is merged or demerged, irrespective of the Company being the surviving or continuing company, the Warrants shall be exchanged for warrants which entitle the Warrant Holder to subscribe for shares in the continuing company or companies based on the exchange rate for the Company's shares. As part of the exchange any regulation of the Exercise Price and/or the Number of Shares comprised by the new warrants shall be determined.

## **13. Data Protection**

- 13.1 To the extent permitted by applicable law, the Warrant Holder consents to the Company storing, processing and collecting, electronically or manually, any personal data relating to the Warrant Holder for the purposes of the administration and management of its personnel and business as well as any sale or contemplated sale of all or parts of its business. Pursuant to the Personal Data and the General Data Protection Regulation and any other applicable legislation, the Warrant Holder is entitled to be granted access to the personal data collected and to have inaccurate data corrected.



## Schedule 6 – Instruction for the nomination committee in Better Collective A/S (the “Company”)

### 1. Appointment of Nomination Committee

- 1.1 The Nomination Committee shall consist of four members, representing the three largest shareholders as per the end of August each year, together with the chairman of the board of directors. The “three largest shareholders” refer to the ownership grouped registered or in any other way known shareholders as per the end of August.
- 1.2 The chairman of the board of directors shall as soon as possible when the information regarding the three shareholders as per the end of August is known, contact the three largest shareholders to find out whether they wish to appoint a representative to the Nomination Committee. In case one of the three largest shareholders refrain from appointing a representative, or such representative resign prior to completion of the assignment and without the shareholder who has appointed the representative appointing a new member, the chairman of the board of directors shall encourage the next owner in size (i.e. in the first place the fourth largest shareholder) to appoint a representative. The procedure shall go on until the Nomination Committee is composed of four members including the chairman of the board of directors.
- 1.3 The Nomination Committee shall appoint the chairman of the Nomination Committee among its members. The chairman of the board of directors or another member of the board of directors should not be appointed as chairman of the Nomination Committee.
- 1.4 The members of the Nomination Committee shall be announced no later than six months before the annual shareholders’ meeting. When significant changes in the ownership occur after the date the Nomination Committee was appointed, the Nomination Committee may, if it considers it necessary, decide to offer a new owner a position in the Nomination Committee in accordance with the principles above. Changes in the Nomination Committee shall be made public immediately.
- 1.5 The Nomination Committee’s term shall run until such time as a new Nomination Committee has been elected.
- 1.6 No fees shall be paid to the members of the Nomination Committee.

### 2. Duties of the Nomination Committee

- 2.1 The Nomination Committee shall prepare and propose the following to the coming annual shareholders’ meeting:
  - (a) election of chairman at the shareholders’ meeting;
  - (b) election of chairman of the board of directors and other members of the board of directors,
  - (c) fees to the board of directors, divided between the chairman and other members, and any fees for committee work;
  - (d) election of auditor and fees to the auditor; and
  - (e) principles for appointment of the Nomination Committee, when deemed necessary.
- 2.2 On request by the Nomination Committee, the Company shall provide the Nomination Committee with human resources such as a secretary function in order to facilitate the Nomination Committee’s work. The Nomination Committee shall also have the right to, as far as necessary in connection with



the future election of a board member, obtain material from external consultants on knowledge, experience and profile in reference to suitable candidates, and with the right for the Nomination Committee to charge the Company with reasonable costs for the production of such material.