

BETTER
COLLECTIVE

BC

Presentation Q1 2021

May 12, 2021



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

BC

- 01** Business highlights Q1 2021
- 02** Financial performance Q1 2021 and financial targets 2021
- 03** General business updates
- 04** The acquisition of Action Network
- 05** Key takeaways



**Jesper
Søgaard**
Co-founder & CEO



**Flemming
Pedersen**
CFO



01

Business highlights Q1 2021



Financial highlights

Q1 2021



Revenue

+86%

38.8 mEUR

EBITDA

+46%

13.2 mEUR

Cash flow

+70%

16.1 mEUR

NDCs

+54%

180,000

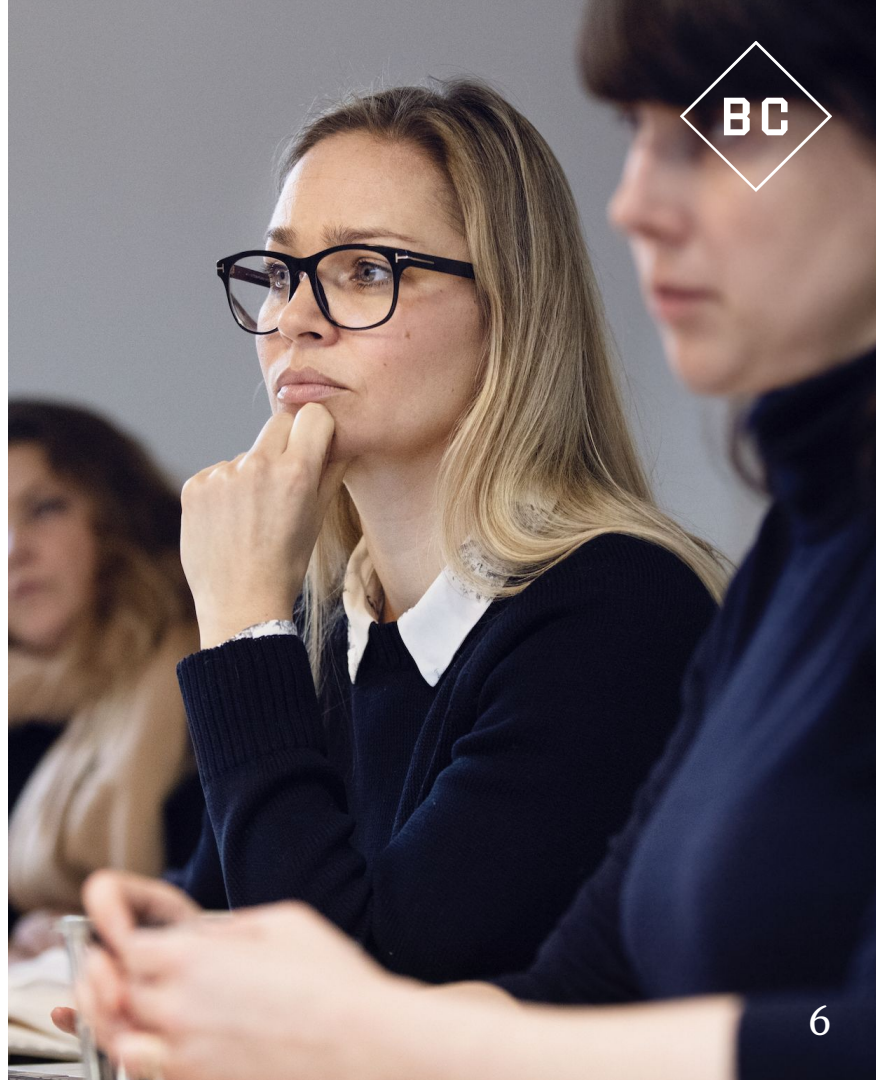
Business highlights

Q1 2021

- ◆ Increased ownership to 90% of the shares in Mindway AI
- ◆ Strengthened position in the Swedish sports betting market through acquisition of Rekatochklart.com (3.8 mEUR)

Significant events after the closure of Q1

- ◆ Acquisition of the Action Network for 240 mUSD, which has placed Better Collective in a clear market leadership position within sports betting media in the US
- ◆ Election of Therese Hillman, CEO of NOD and former Group CEO of NetEnt, to the board of directors.
- ◆ April revenue 13.1 mEUR - growth of 185% of which 51% organic.



02

Financial performance

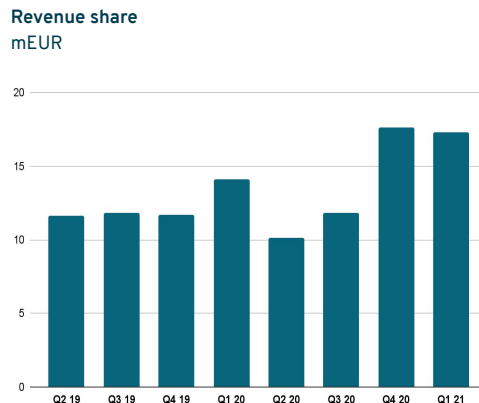
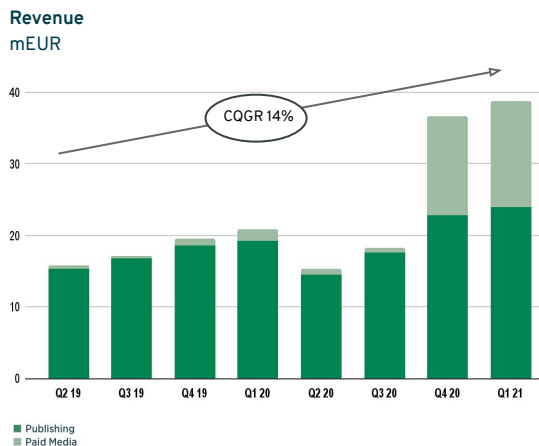
Q1 2021

Revenue and NDC's



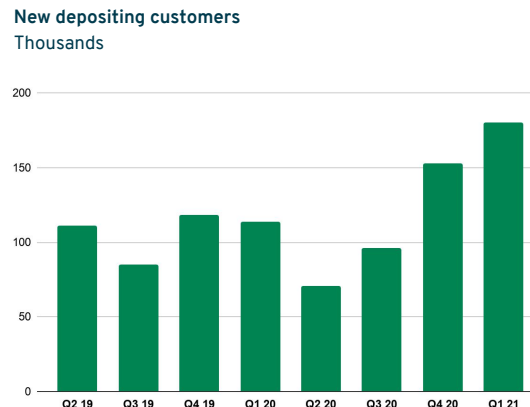
Revenue

- ◇ 38.8 mEUR: 86% increase y-o-y, organic growth 19%
- ◇ Revenue split: 61% from Publishing and 39% from Paid Media
- ◇ Income from revenue share increased by 22% from Q1 2020
- ◇ Revenue share 45% (48% of player-related revenue), CPA 43%, subscription 5%, other 8%



New Depositing Customers

- ◇ 180,000 NDCs with a growth of 54%
- ◇ All time high exceeding 180,000 NDC



Earnings



Operations Earnings (EBITDA before special items)

- ◇ 13.1 mEUR growth of 46%
- ◇ Group EBITDA-margin 34%
- ◇ EBITDA-margin 51% in Publishing and 7% in Paid Media
- ◇ Costs added in Paid Media to shift business model towards revenue share

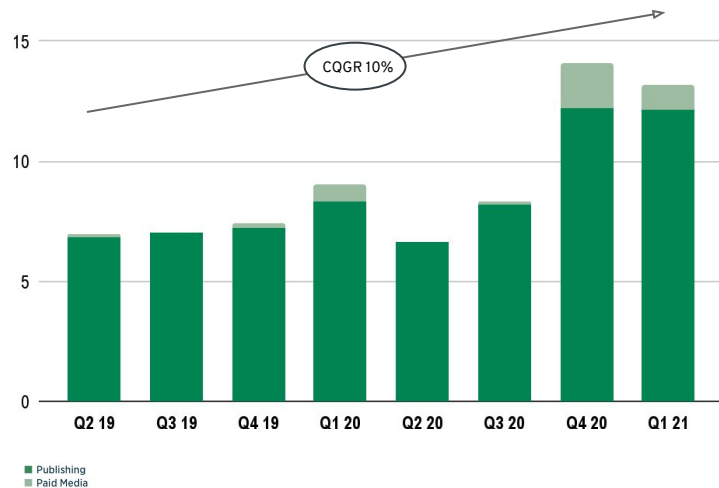
Cost

- ◇ Total cost base grew due to acquisition of Atemi, HLTV and Mindway AI
- ◇ 8% cost increase for Publishing segment (11,727 tEUR)
- ◇ Paid Media segment cost 13,916 tEUR

Tax and Earnings per Share

- ◇ Effective Tax Rate 24.0% (26.4% Q1 2020)
- ◇ EPS increased by 76% to 0.18 EUR/share

EBITDA before special items
mEUR



Cash flow & balance sheet

Cash flow

- ◇ Operating cash flow Q1 2021: 16 mEUR
- ◇ Acquisitions and other investments reduced cash flow with 8.4 mEUR in Q1
- ◇ Q1 cash conversion rate 121% due to improvement of debtors and short debt

Balance Sheet

- ◇ Net debt/EBITDA: 1.30 (Q1 2020: 1.37)
- ◇ 48 mEUR capital reserves including cash 35 mEUR and unused bank credit facilities 13 mEUR
- ◇ Equity ratio: 52% (Q1 2020: 55%)

BC

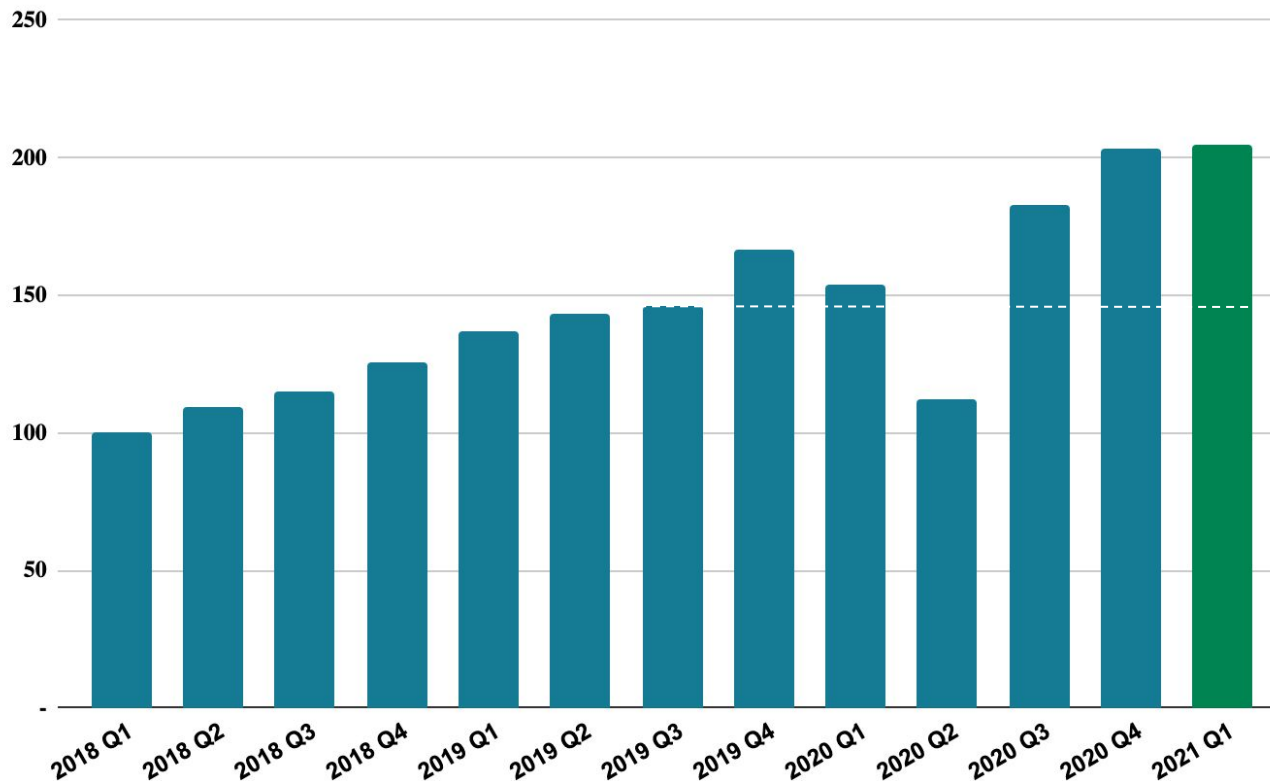
121%

Q1
cash conversion

48

mEUR in capital reserves

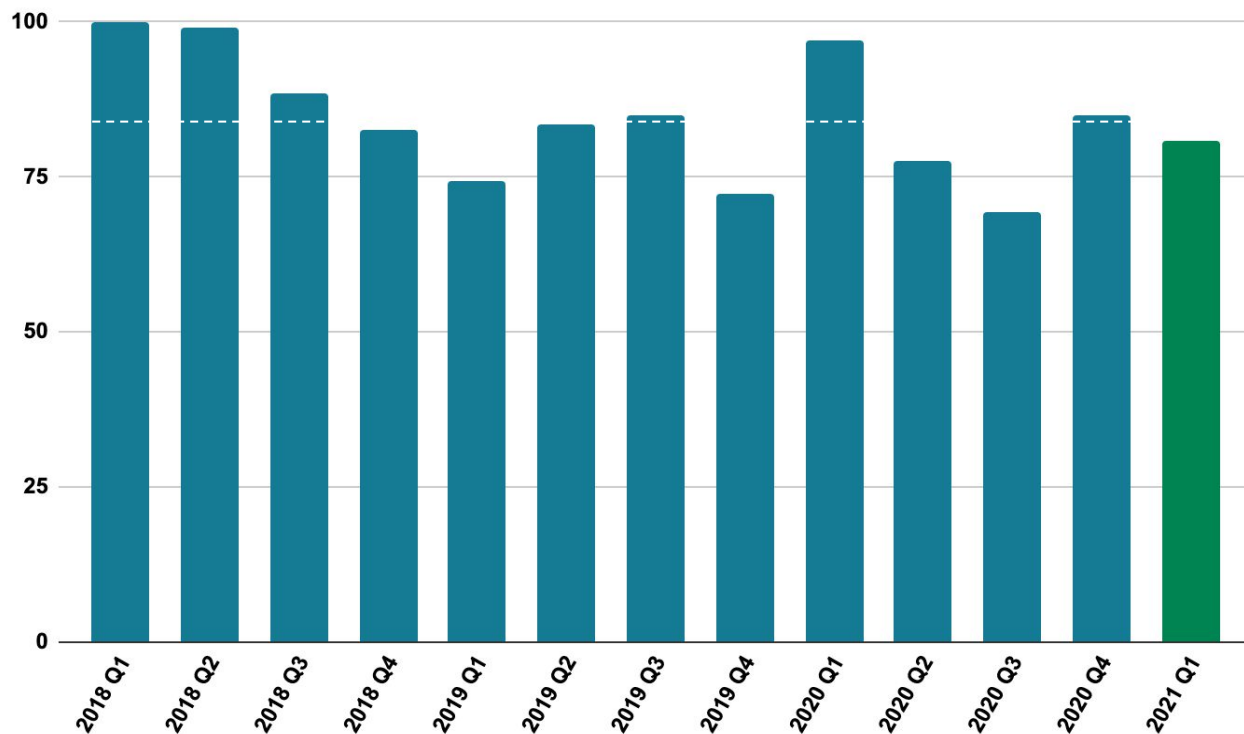
Better Collective's sport wagering



Q1 2021 index: 205
Average index in period shown: 146

Please note that the figures represent Better Collective's aggregated data sources accounting historically for a certain percentage of Better Collective's annual commission earnings.

Better Collective's sports win margin



Q1 2021 index: 80.9
Average index in period shown: 84.2

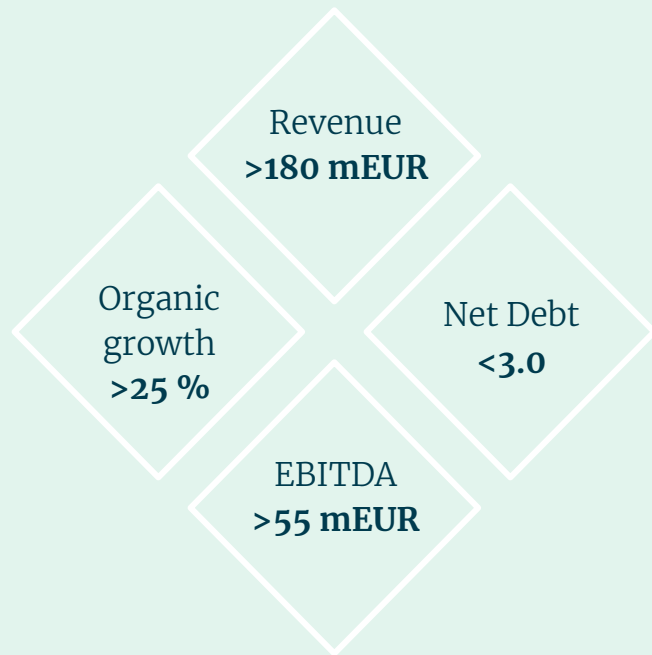
Please note that the figures represent Better Collective's aggregated data sources accounting historically for a certain percentage of Better Collective's annual commission earnings.

Increased financial targets for 2021

- ◇ Revenue target 2021: >180 mEUR - implied growth rate >100%
- ◇ Operational profit > 55 mEUR
- ◇ Earnings margins combined >30%
 - ◇ Continued high earning margin in Publishing segment
 - ◇ Paid Media segment affected by changing the business model towards revenue share rather than CPA

Financial Targets for 2021	Target total	Actual 2020	Target Publishing	Target Paid Media
Revenue/revenue growth	>180 mEUR	91 mEUR	>40%	Full year effect +organic growth
Organic growth	>25%	8%	>25%	>30%
EBITDA/EBITDA margin	>55 mEUR	38 mEUR	>40%	>10%
Net Interest Bearing Debt/EBITDA	< 3.0	1.66	-	-

BC





03

General business updates

BC

Board of Directors

BC



Jens Bager
Chairman
BC since 2016



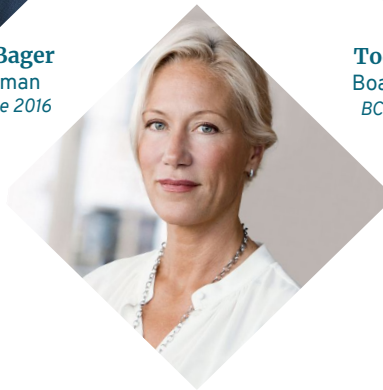
Todd Dunlap
Board Member
BC since 2020



Therese Hillman
Board Member
BC since 2021



Klaus Holse
Board Member
BC since 2017



Petra Von Rohr
Board Member
BC since 2018



Leif Nørgaard
Board Member
BC since 2014

Selected experiences



SimCorp



Booking.com



Microsoft



Regulatory updates

- ◇ Strong start in newly regulated states: Michigan and Virginia
- ◇ Promising developments in Canada and LATAM countries
- ◇ Germany, interim and permanent regimes
- ◇ New market opportunity in the Netherlands
- ◇ Sweden expected to lift its temporary restriction



M&A strategy

BC

23 acquisitions
since 2017
450 mEUR



The HLTV.org acquisition

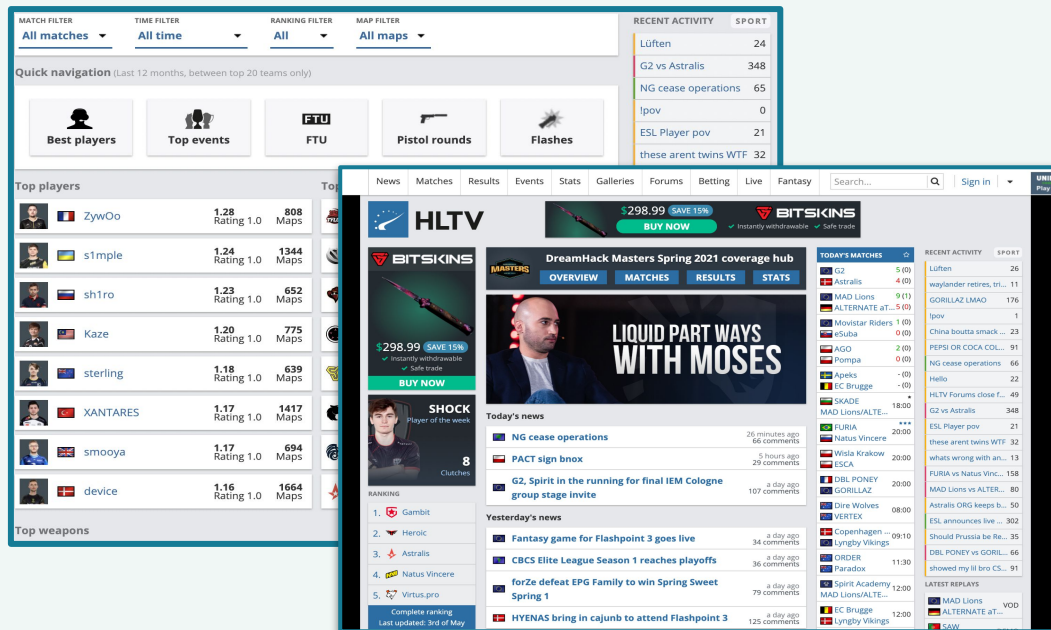


- ◇ HLTV.org and Dust2 acquired on February 28, 2020
- ◇ 40% growth first year of ownership (2020-2021)
- ◇ Significant increase in traffic to HLTV website

Growth of approximately

40%

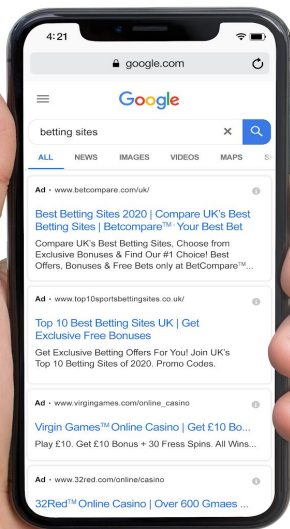
since acquisition



HLTV

The Atemi Group acquisition

- ◇ Atemi Group acquired on October 1, 2020
- ◇ 60% growth first six months of ownership (2020-2021)
- ◇ Changing towards revenue share and new market entries



Growth of approximately

60%

since acquisition

atemi

BETCOMPARE

HOME CASINOS SPORTS BETTING NEWS



UK's Best Gambling Sites

BEFORE YOU BET, COMPARE

Compare Betting Sites >

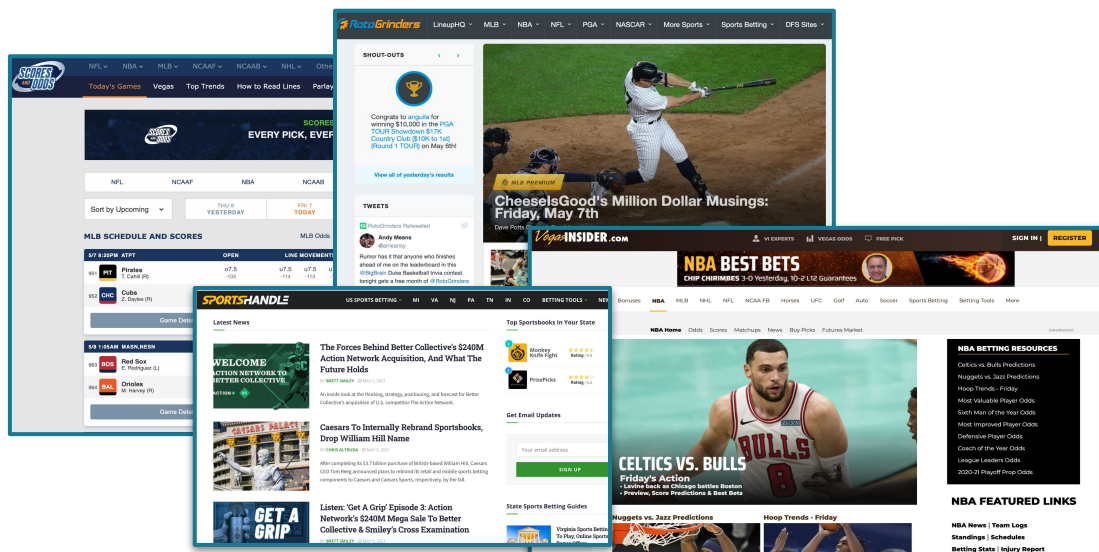
Compare Online Casinos >

Advertiser Disclosure | 18+ T&C Apply



The 2019 US acquisitions

- ♦ RotoGrinders Network acquired on May 28, 2019
- ♦ VegasInsider and ScoresandOdds acquired on July 23, 2019
 - ♦ Changing the business model
 - ♦ Revamping sites



Growth of approximately

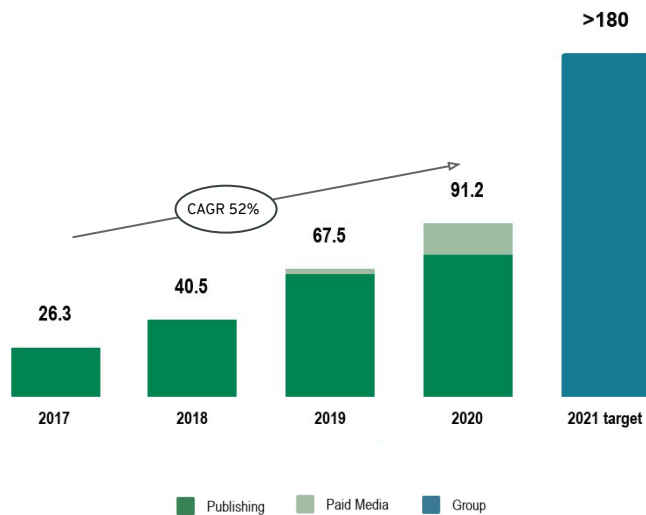
120%

Q1 Y-o-Y

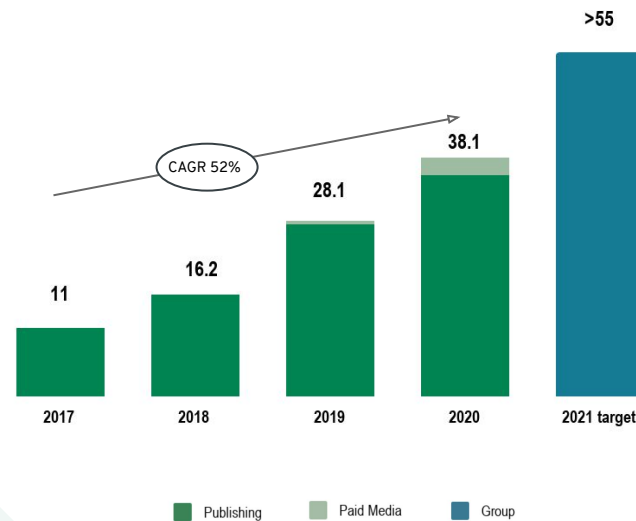
Continued growth



Revenue
mEUR



EBITDA before special items
mEUR



04

The acquisition of Action Network





ACTION



BC

BETTER
COLLECTIVE

Better Collective acquires leading US sports betting media, Action Network, for 240 USDm

Largest acquisition to date



Significant investment into BC US



Capture US market growth



Best-in-breed technology



Independency and transparency



The premier content and product destination for US sports bettors



CONTENT
Award-winning content



TECH
Market-leading mobile app



ACTION

AUDIENCE
Most qualified and highest-intent sports bettors in the U.S.



“Reams of data and information”
The Washington Post

“A must-have subscription for sports bettors”
BUSINESS INSIDER

“Wall-to-wall betting content”
SLATE

Transaction terms and updated financial guidance



Transaction Consideration

\$240 million for 100% of the share capital in Action Network

Financing

BC's committed debt facilities with Nordea Bank and Better Collective shares

Conditions to closing

Customary regulatory approvals. Completion expected in Q2 2021

Governance / Management

Action to operate as a separate business unit led by Action President and CEO Patrick Keane

ACTION ✓**BETTER
COLLECTIVE**

*Combined, Action and Better Collective will become
the US powerhouse within sports betting*

Top of
customer's mind

Users in control

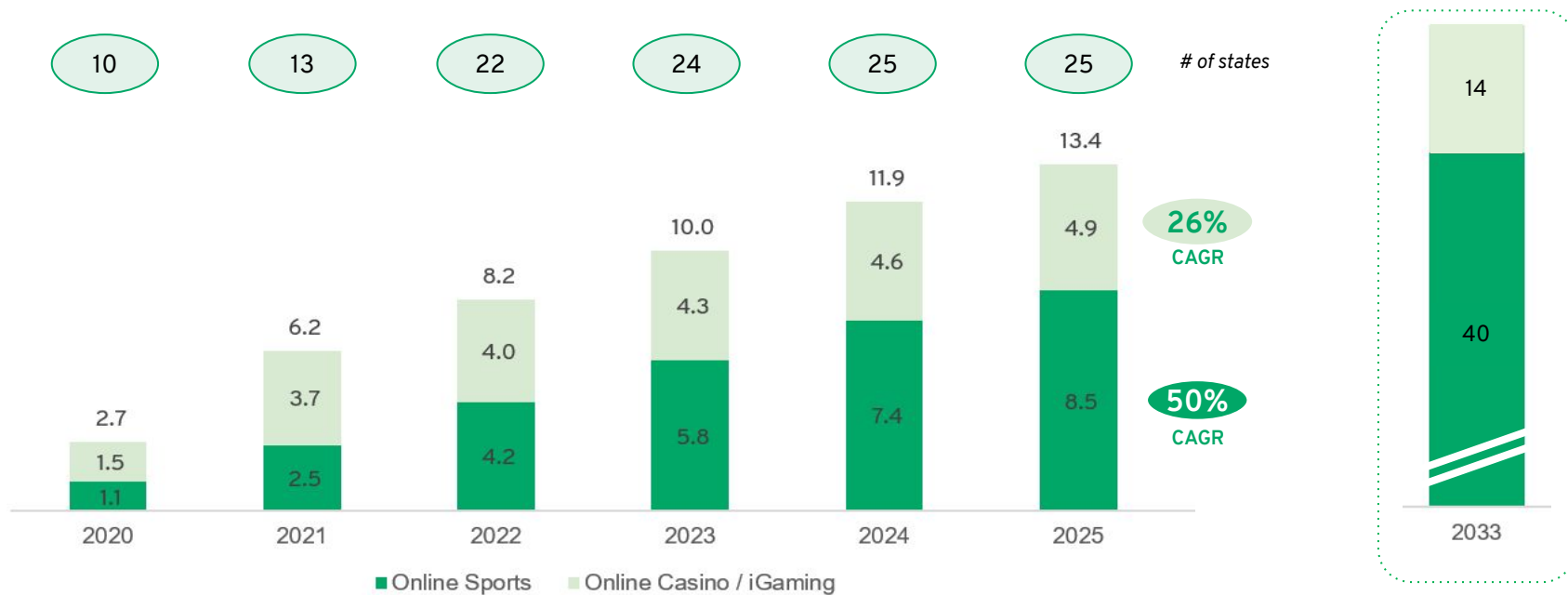
'Live from...
everywhere'

Catering to all
types of bettors

Brand value via
influencers

Immense US market potential; especially within Sports Betting

Market size forecast - Online Sports and Casino (USDbn)



Source: Vixio / Goldman Sachs

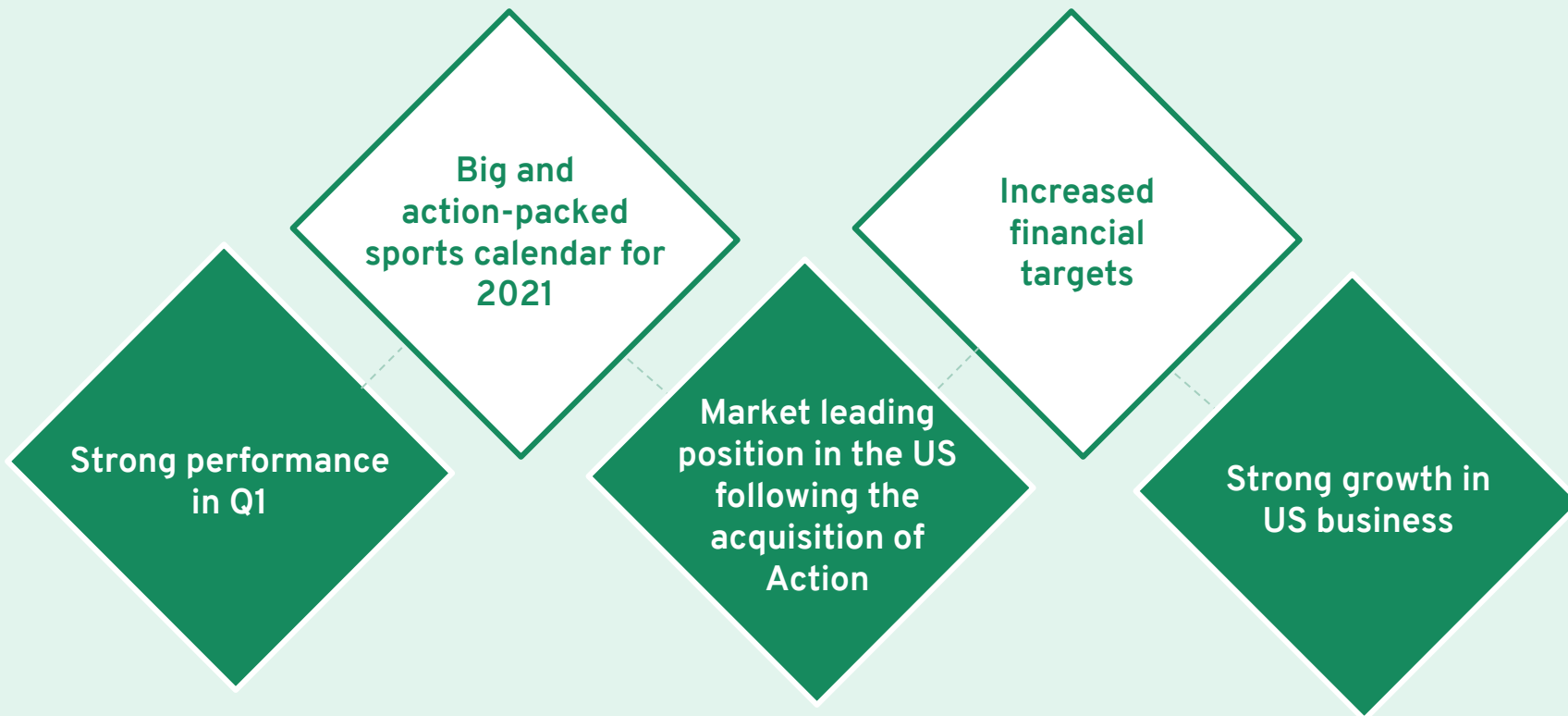
BC

-
- Possible 2021/2022 ● Legal (Retail) ● Legal (Pending) ● Legal (Online) ● 2023+

28

05 | Key takeaways

BC



Thank you for your attention



Upcoming events

24/08/2021
Interim financial report Q2, 2021

17/11/2021
Interim financial report Q3, 2021

Contact

Jesper Søgaard
CEO

Flemming Pedersen
CFO

Christina Bastius Thomsen,
Head of IR & CSR
+45 2363 8844

investor@bettercollective.com
www.bettercollective.com