BETTER COLLECTIVE

Q2 2022

April 1 –
June 30

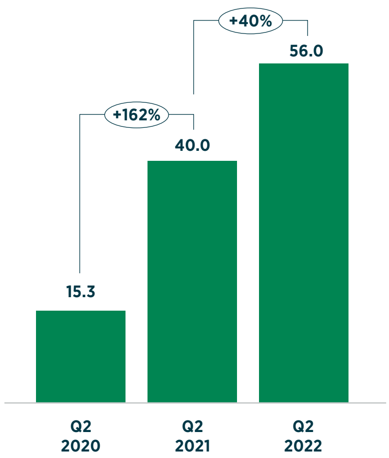
Interim report

Highlights Q2 2022

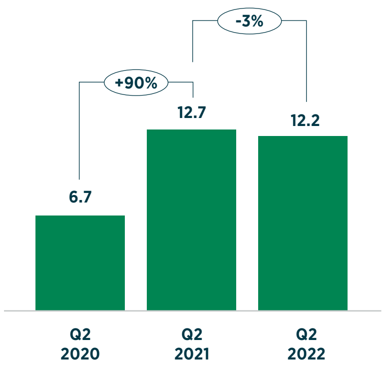
- Revenue of 56 mEUR and growth of 40% y-o-y with 90% growth in the US
  - Strong organic growth of 22% in low season and after an exceptionally strong Q2 2021
  - All-time high revenue share income of 22 mEUR
- Operational earnings of 12 mEUR and an EBITDA-margin of 22%
  - Off-season and continued investments in the US business weigh down the quarter
- New Depositing Customers (NDCs) of >387,000 implying growth of 93%
- Full year financial targets maintained
  - 20-30% organic revenue growth, Group EBITDA of approximately 85 mEUR without new M&A and debt leverage at <3.0
- Acquisition of the globally leading esports brand FUTBIN
- Media partnerships signed with Chicago Tribune, Philadelphia Inquirer, Sport1 and today Boston.com

Interim Report Q2 2022

Revenue
mEUR



EBITDA
mEUR



Highlights second quarter 2022

- Q2 Group revenue grew by 40% to 56.0 mEUR (Q2 2021: 40.0 mEUR). Organic revenue growth was 22%.
  - Strong organic growth despite an exceptional Q2 2021 and low season especially in the US.
  - Revenue share income at an all-time high of 22 mEUR.
  - The sports win margin increased from Q1 but was still below last year. The estimated impact was 7 mEUR vs. Q2 2021, and 16 mEUR vs. H1 2021. For long-term comparison, the H1 2022 EBITDA margin was impacted by 13.7 mEUR vs. historical H1 average indexed from Q1 2018.
- Q2 Group EBITDA before special items was 12.2 mEUR or down 3% y-o-y (Q2 2021: 12.7 mEUR). The Group EBITDA-margin before special items was 22%, where Publishing was 26% and Paid Media was 12%.
  - The US business that now includes Action Network for the full quarter (only June in Q2 2021) shows an EBITDA loss of 1.8 mEUR. This is as expected and reflects the normalized seasonality on Group revenue and further the ongoing change from CPA to revenue share in our partner contracts. We expect these deals to be transformational for our US business, and the short-term costs estimated to impact EBITDA with more than 5 mEUR for the full year have been absorbed by the continued strong growth.
  - We still expect to meet the anticipated market growth in the US with revenues exceeding 100 mUSD by the end of 2022, and we also expect the US business to deliver full year profitability in line with the Group.
- Cash flow from operations before special items more than doubled y-o-y, to 22.5 mEUR (Q2 2021: 11.1 mEUR). The cash conversion was 182% due to significant improvement in net working capital, as expected from the strong Q1. By the end of

Contents

Webcast August 23, 2022

A conference call for investors, analysts, and the media will be held today, August 23, 2022, at 10:00 a.m. CET and can be joined online at www.bettercollective.com.

The presentation material for the call will be available on the website one hour before the call.

To participate, please sign up here:
https://register.vevent.com/register/BI715e34dd5b6c40188e6b205152078261

After signing up you will receive an e-mail with a phone number and a personal dial-in code for the call.

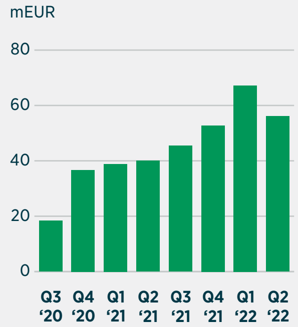
Q2, capital reserves stood at 41 mEUR of which cash of 33 mEUR and unused bank credit facilities of 8 mEUR.

- New Depositing Customers were >387,000 in the quarter implying growth of 93% y-o-y. NDCs sent on revenue share contracts were >317,000 (growth of 110%).
- Better Collective made its second largest acquisition to date by acquiring FUTBIN and related domains, constituting world-leading esports media brands within esoccer. Total purchase price was up to 105 mEUR.
- A new media partnership was established with the Philadelphia Inquirer to deliver engaging sports betting content, data and statistics to the publication's readership of approx. 10 million monthly visitors. The partnership will be co-branded with Action Network that will supply premium content, proprietary tools and in-depth analytics.
- Canada's largest province, Ontario, launched online sports betting in April 2022. Better Collective acquired Canada Sports Betting in March 2022, in order to make a strong entry into the Canadian market. In connection with the acquisition, Better Collective upgraded its targets and we have been very satisfied with the development of the asset.
- Better Collective took the first place in the EGR Power Affiliate 2022 ranking for the fifth consecutive year.
- Better Collective hosted its Bookmaker Awards. Together with its local flagship brands, Betarades and Pariurix, Better Collective honoured the winners in different categories including "Player's Choice" and "Best Overall Bookmaker" in Greece and Romania.
- Mikkel Munch-Jacobsgaard was appointed Director of Investor Relations June 1st. He brings insight and network in the international capital markets through long experience from a role as Institutional Equity Sales at both Danske Bank and SEB.

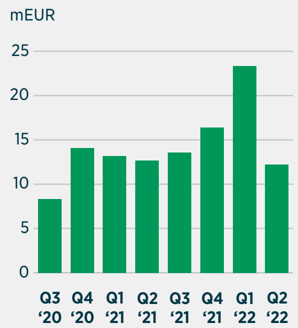
Financial Highlights first six months 2022

- Group revenue grew by 57% to 123.4 mEUR (YTD 2021: 78.8 mEUR). Organic revenue growth was 33%.
- Group EBITDA before special items was 35.3 mEUR, a 37% increase y-o-y (YTD 2021: 25.9 mEUR). The Group EBITDA-margin before special items was 29%, where Publishing was 35% and Paid Media was 14%.
- Cash flow from operations before special items grew 31% to 35.6 mEUR (YTD 2021: 27.2 mEUR). The cash conversion was 99%. By the end of Q2, capital reserves stood at 41 mEUR of which cash of 33 mEUR and unused bank credit facilities of 8 mEUR
- New Depositing Customers were >737,000, doubling from 371.000 YTD 2021.

Quarterly Revenue



Quartly EBITDA before special items



Financial calendar

November 17, 2022
Interim financial report Q3, 2022

Significant events after the closure of the period

- July revenue reached almost 17 mEUR, a total growth of 36% vs. 2021, of which 26% was organic growth. This is slightly above our expectations.

- Better Collective partnered with the Chicago Tribune - a leading source of news and information in the Midwest - to bring engaging sports betting content to the publication's readership of more than 18 million monthly visitors, who rely on the newspaper for insightful and award-winning sports journalism. The partnership will be co-branded with Action Network that will supply premium content, proprietary tools and in-depth analytics, and the plan is to become operational for the start of the NFL season.

- Better Collective signed an agreement with the leading German multi-channel sports platform SPORT1 to bring the best in sports betting content to its approximately 9 million monthly users. The agreement includes delivery of content, data and statistics for a new online sports betting section, and the partnership will be co-branded with our German brand Wettbasis.com.

- Today, Better Collective signed an agreement with Boston.com, part of the Boston Globe Media Partners. Boston Globe Media (BGM) is a multimedia organization that provides news, entertainment and commentary across multiple brands and platforms. Boston.com is the region's leading digital destination for trusted, round-the-clock information on breaking news, sports and entertainment, and as such serve millions of readers each month. Some of BGM's properties include the Boston Globe, Globe.com and Boston.com. The partnership with Boston.com will be co-branded with Better Collective's brand VegasInsider in order to provide content, data and statistics for a new online sports betting section.

- At the SBC Awards North America, Better Collective was awarded with the new title "Sports Media Company of the year".

Financial highlights and key figures

tEUR	**Q2 2022**	Q2 2021	**YTD 2022**	YTD 2021	2021
Income Statement					
Revenue	56,043	40,009	123,437	78,845	177,051
Revenue Growth (%)	40%	162%	57%	118%	94%
Organic Revenue Growth (%)	22%	47%	33%	32%	29%
Operating profit before depreciation, amortisations, and special items (EBITDA before special items)	12,226	12,662	35,337	25,855	55,775
Operating profit before depreciation and amortisations (EBITDA)	12,863	7,071	34,293	20,438	39,030
Depreciation	483	419	970	849	1,764
Operating profit before amortisations and special items (EBITA before special items)	11,743	12,243	34,367	25,007	54,011
Special items, net	638	-5,591	-1,044	-5,417	-16,746
Operating profit before amortisations (EBITA)	12,380	6,652	33,323	19,589	37,265
Amortisation and impairment	2,751	1,536	5,040	3,072	8,516
Operating profit before special items (EBIT before special items)	8,991	10,707	29,327	21,935	45,495
Operating profit (EBIT)	9,629	5,116	28,283	16,518	28,749
Result of financial items	-728	-1,115	-1,349	-1,581	-2,522
Profit before tax	8,901	4,001	26,935	14,936	26,227
Profit after tax	7,105	1,693	20,847	10,000	17,292
Earnings per share (in EUR)	0.13	0.03	0.38	0.20	0.34
Diluted earnings per share (in EUR)	0.12	0.03	0.36	0.19	0.33
Balance Sheet					
Balance Sheet Total	761,597	538,066	761,597	538,066	597,379
Equity	400,317	333,282	400,317	333,282	344,848
Current assets	70,680	65,617	70,680	65,617	62,898
Current liabilities	93,721	55,827	93,721	55,827	55,452
Net interest bearing debt	219,061	89,336	219,061	89,336	109,422
Cashflow					
Cash flow from operations before special items	22,503	11,069	35,648	27,171	51,204
Cash flow from operations	22,313	9,956	35,358	25,950	45,207
Investments in tangible assets	-291	-227	-561	603	-687
Cash flow from investment activities	-87,014	-183,532	-106,161	-191,984	-219,219
Cash flow from financing activities	68,882	180,708	77,890	181,635	188,759
Financial Ratios					
Operating profit before depreciation, amortisations (EBITDA) and special items margin (%)	22%	32%	29%	33%	32%
Operating profit before amortisations margin (EBITDA) (%)	23%	18%	28%	26%	22%
Operating profit margin (%)	17%	13%	23%	21%	16%
Publishing segment - EBITDA before special items margin (%)	26%	43%	35%	47%	43%
Paid media segment - EBITDA before special items margin (%)	12%	11%	14%	9%	8%
Net interest bearing debt / EBITDA before special items	3.36	1.85	3.36	1.85	1.96
Liquidity ratio	0.75	1.18	0.75	1.18	1.13
Equity to assets ratio (%)	53%	62%	53%	62%	58%
Cash conversion rate before special items (%)	182%	93%	99%	107%	92%
Average number of full-time employees	977	589	842	541	635
NDCs (thousand)	387	197	737	371	858

For definitions of financial ratios, see definitions section in the end of the report

CEO Letter

40% growth in a seasonally low quarter as we continue our US expansion

Q2 was another productive quarter with 40% growth. Revenues from revenue share contracts as well as NDCs were an all-time high of 22 mEUR and >387.000, respectively. Our geographical diversification proved its worth as the Europe & RoW Publishing business continued its strong momentum for both revenue and earnings. The US business showed 90% topline growth and a negative EBITDA, which runs in line with our strategy to continue large scale investments in what rapidly has become our largest single market.

"Following a solid Q2 I look forward to an action packed H2 where we expect all time high activities. I feel extremely confident in our strategy and position in the market, all which makes us well prepared to execute!"

Jesper Søgaard
CEO & Co-founder

90%
US growth
in Q2 2022

We confidently continue our North American investments

Following the PASPA repeal in 2018, the US has quickly become the biggest single market for Better Collective. Since the repeal we have efficiently built our own brands and secured further growth by acquiring VegasInsider, Rotogrinders, SportsHandle, ScoresAndOdds.com, Action Network and Canada Sports Betting. I am proud that we have been innovating our business offering by developing media partnerships with prominent media brands like New York Post, Chicago Tribune and today Boston.com. Additionally, we have ramped up our US operations significantly, and our product investments are starting to bear fruit as we recently launched our new VegasInsider App, merged FantasyLabs and RotoGrinders, while we also launched our BetSync app through Action Network. Our efforts were further cemented as Better Collective was awarded "Sports Media Company of the Year" at the 2022 SBC North American Awards. We have been positively surprised by the magnitude of the market opportunity in the US which showed 90% growth during Q2, and we feel well positioned to benefit from the opportunities ahead.

Recent acquisitions bring higher seasonality

Q2 is a seasonally low period for the general industry as sports leagues end and major soccer tournaments only are around every second year. On top of that, Q2 2021 was positively impacted by the EURO2020, a strong sports win margin and a pandemic delayed US sports calendar. For comparison, in Q2 2021, 458 NBA games were played, whereas Q2 2022, with a normalized schedule saw 173 NBA games. The NBA is, second to American football, the largest driver of betting activity. The seasonality of our business has become more material over the past year following recent acquisitions like Action Network (only included in one month of Q2 2021), which has further made our Q2 a relatively smaller quarter. Contrary to last season, we will have a full NFL pre-season during Q3, and will for the first time see the two New York teams play while betting is live in the state of New York. Lastly, revenues from FUTBIN are backend-loaded as the yearly FIFA-game launch is in September and main ad-revenues come on the back of that. Consequently, we expect most of our activities in H2 to fall into Q4.

Media partnerships expand our reach

Our media partnerships have become a strategically important part of our business. When I explain how we drive traffic and NDCs I usually divide it into three segments: 1) our core communities in Publishing where the traffic is organic, 2) Paid Media where we acquire traffic, and 3) our media partnerships, where we operate and monetize our partners' traffic. There are many synergies between these businesses and each one is essential to us. The organic traffic is our core due to the user-stickiness as they keep coming back to our quality content. The acquired traffic provides flexibility when entering new markets and during specific sports events, where we can adjust the activity

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New media partnerships
around Q2 2022

when needed. Further, acquired traffic provides valuable insight into keywords with Google, who has become a bigger partner. Lastly, through our media partnerships we are able to utilize our existing in-house capabilities and add another layer to our customer offerings. So far, these partnerships have created exposure to >125 million additional monthly readers in the US alone. This helps reach audiences in order to deliver more NDCs, as well as promote our own brands like Action Network, Bettingexpert and Wettbasis. During Q2 we saw 93% growth in NDCs.

I am proud of our efforts to innovate our business framework and since our first partnership, we have persistently expanded our reach by partnering with prominent media outlets. In this quarter, the team has put in great work resulting in the finalization of partnerships with the American "Philadelphia Inquirer", "Chicago Tribune", "Boston.com" as well as the German "Sport1". Long term, I believe these media partnerships will become a significant part of our Group's continued growth.

The short- and long-term path of FUTBIN is clear

In April 2022, we acquired the well-established and world-leading esports brand FUTBIN. In short, FUTBIN is a community for players of FIFA Ultimate Team (FUT), which provides a major player base with important daily insights into the game of FIFA. The revenues are derived from ad sales and app subscriptions from the more than 60 million monthly web visitors as well as the more than 3 million daily active users on its proprietary app - all which has further diversified our Group's revenues. We are glad to see the expected user-stickiness and organic growth in the asset, as the Q2 traffic is up +25% y-o-y. During the first 100 days, our esports division has been knowledge sharing in order to leverage the business opportunities. The main short-term opportunities are clear as we aim to; 1) create a community around the brand similar to HLTV in order to further increase engagement, 2) derive synergies from our existing tech competencies to create a combined esports tech-team, and 3) optimize SEO to create a better growth platform. The long-term opportunity within esports lies in the business as a whole, where we overall wish to reach critical mass. In this way, we can partner with large global corporations in big branded deals, utilizing the massive number of users that come through our esports platforms; currently +100 million monthly web visits. Such traffic flow makes Better Collective one of the leading digital esports media in the world.

Capital allocation is a core focus

M&A is part of our DNA and our target list remains strong. We expect to remain active, but we also have a clear focus on our capital allocation and are aware of the current market turmoil that makes capital raises less relevant - and sometimes share buybacks more relevant. On the back of this we are working on other financing options should an opportunity arise.

Action packed H2 in the making

Since founding Better Collective, we have managed to stay largely unaffected by the business cycle and the external environment - a trend I expect to continue. I now look forward to an action packed H2 where we expect all time high activities in Q4 mainly driven by the NFL kick off and the new FIFA-game launch in September (only to impact one month of Q3 but with full effect in Q4), and most major sports leagues being live. Lastly, I look forward to the 2022 World Cup being played out in November and December - conceivably, under upright conditions and in the interest of football.

I feel extremely confident in our strategy and position in the market, all which makes us well prepared to execute!

Jesper Søgaard
Co-founder and CEO

93%

NDC growth

in Q2 2022

+25%

FUTBIN traffic growth

in Q2 2022 vs Q2 2021

Business review and financial performance Q2 2022

Better Collective Group

Key figures for the Group:

tEUR	Q2 2022	Q2 2021	Growth	YTD 2022	YTD 2021	Growth	FY 2021
Revenue	**56,043**	**40,009**	**40%**	**123,437**	**78,845**	**57%**	**177,051**
Cost	43,818	27,347	60%	88,120	52,990	66%	121,276
Operating profit before depreciation, amortisations and special items	**12,226**	**12,662**	**-3%**	**35,318**	**25,855**	**37%**	**55,775**
EBITDA-Margin before special items	22%	32%		29%	33%		32%
Organic Growth	22%	47%		33%	32%		29%

Q2 delivered strong growth of 40% equalling revenue of 56.0 mEUR, with an organic growth of 22% which is in line with expectations. The growth in revenue came despite a tough comparison quarter in 2021 with EURO2020 and an irregular sports season in the US due to COVID-19. Revenue share for the quarter showed an all-time high of 22 mEUR despite lower sports win margin y-o-y, with an estimated impact of 7 mEUR vs. Q2 2021. The sports win margin improved from Q1 2022, but remains impacted in the short-term by an all-time high number of NDCs sent on revenue share contracts, and certain markets still being below historical performance. Revenue share accounted for 39% of the revenue (43% of player-related revenue) with 44% coming from CPA, 7% from subscription sales, and 11% from other income.

The Publishing business in Europe & RoW delivered solid growth in revenue and EBITDA before special items, and Paid Media grew revenue as well as earnings with an improvement in the EBITDA-margin. In the US, the sports calendar was normalized in 2022, with Q2 being low season from a revenue perspective compared to 2021. With Action Network included for the full quarter in Q2 2022 (only June in 2021), continued investments in building the overall US business, integrating FUTBIN and Canada Sports Betting, as well as investing in new markets, total Group EBITDA before special items declined 0.4 mEUR to 12.2 mEUR (Q2 2021 12.7 mEUR), with an EBITDA-margin before special items of 22% (Q2 2021: 32%). This is as expected and reflects the normalized seasonality on revenue, and the ongoing change from CPA to revenue share in our partner contracts. We expect these deals to be transformational for our US business, and the short-term costs that are estimated to impact EBITDA with more than 5 mEUR for the full year, have been absorbed by the continued strong growth. We still expect to meet the anticipated market growth in the US with revenues exceeding 100 mUSD by the end of 2022. We also expect the US business to deliver full year profitability in line with the Group. The number of NDCs delivered to our partners continues its strong growth trend, which has been seen since the end of 2020. Q2 delivered >387.000 NDCs, which is a growth of 93% from Q2 2021.

Considering the rather unstable macro environment, Better Collective as a Group remains largely unaffected.

Publishing

Key figures for the Publishing segment:

tEUR	Q2 2022	Q2 2021	Growth	YTD 2022	YTD 2021	Growth	FY 2021
Revenue	**38,126**	**26,059**	**46%**	**86,506**	**49,936**	**73%**	**120,188**
Share of Group	*68%*	*65%*		*70%*	*63%*		*68%*
Cost	28,116	14,944	88%	56,260	26,671	111%	68,947
Share of Group	*64%*	*55%*		*64%*	*50%*		*57%*
Operating profit before depreciation, amortisations and special items	**10,010**	**11,115**	**-10%**	**30,246**	**23,265**	**30%**	**51,241**
Share of Group	*82%*	*88%*		*86%*	*90%*		*92%*
EBITDA-Margin before special items	26%	43%		35%	47%		43%
Organic Growth	18%	75%		35%	44%		41%

The Publishing business includes revenue from Better Collective's proprietary online platforms and media partnerships where the online traffic is coming either directly or through organic search results. Revenue grew 46%, of which 18% was organic growth, to 38.1 mEUR (Q2 2021: 26.1 mEUR). The Publishing business accounted for 68% of the Group's revenue in Q2 and 82% of operational earnings (EBITDA before special items).

Topline growth in the Publishing business came from both US and Europe & RoW. The main driver on EBITDA was our European & RoW market which showed 30% growth. Due to the aforementioned US impact, this had a negative effect on the EBITDA before special items compared to 2021. In addition to the US, the lower sports win margin compared to Q2 2021 impacted Publishing revenue negatively by an estimated 6 mEUR. The EBITDA in Q2 2022 declined 10% to 10.0 mEUR (Q2 2021: 11.1 mEUR) and the EBITDA-margin was 26% (Q2 2021: 43%).

Our media partnership framework continued its success and delivered strong Q2 performance, during which Better Collective also entered into a new partnership with the Philadelphia Inquirer. After the closing of the quarter, Better Collective signed three additional media partnerships. Amongst many others, our media partnerships now include; the Daily Telegraph (UK), the New York Post, the Philadelphia Inquirer, the Chicago Tribune, Boston.com and Sport1 (Germany). Additionally, as per contract the media partnership with NJ.com was ended by the end of June 2022.

The acquisition of FUTBIN was completed in April, and revenue and cost has been included in the numbers since April 19, 2022. Q2 is a low quarter for FUTBIN as the traffic and revenue on the site is linked to the launch of the annual new FIFA-game, which this year will be launched in September, 2022.

Paid Media

Key figures for the Paid Media segment:

tEUR	**Q2 2022**	Q2 2021	Growth	**YTD 2022**	YTD 2021	Growth	FY 2021
Revenue	**17,917**	**13,950**	**28%**	**36,931**	**28,909**	**28%**	**56,863**
Share of Group	*32%*	*35%*		*30%*	*37%*		*32%*
Cost	15,701	12,403	27%	31,841	26,319	21%	52,329
Share of Group	*36%*	*45%*		*36%*	*50%*		*43%*
Operating profit before depreciation, amortisations and special items	**2,216**	**1,547**	**43%**	**5,090**	**2,590**	**97%**	**4,534**
Share of Group	*18%*	*12%*		*14%*	*10%*		*8%*
EBITDA-Margin before special items	12%	11%		14%	9%		8%
Organic Growth	30%	14%		29%	15%		9%

The revenue in the Paid Media business was 17.9 mEUR in Q2, and the organic growth for Q2 was 30%. As previously explained, Paid Media has been impacted by the decision to switch more NDCs from pure CPA to revenue share contracts or hybrid revenue models (mix of CPA and revenue share). In Q2, revenue from revenue share grew 33% vs. 2021.

Since the latter part of Q4, 2021 and continuing into Q2, 2022, performance has improved significantly. The development looks promising for the year ahead, with an EBITDA for Q2 of 2.2 mEUR, and an EBITDA-margin before special items of 12%. Paid Media delivered 32% of the Group's revenue in Q2, and 18% of operational earnings (EBITDA before special items). The lower sports win margin compared to Q2 2021 impacted revenue negatively by an estimated 1 mEUR.

Geographical split; the US and Europe & Rest of World (RoW)

Better Collective's products cover more than 30 languages and our brands attract more than 130 million users worldwide - these include international brands with a global reach and regional brands with a local reach. The regional brands are tailored according to the specific regions or countries and their respective regulations, sports, betting behaviours, user needs and languages.

Key figures for US and Europe & RoW segments:

tEUR	US Q2 2022	US Q2 2021	US Growth	Europe & RoW Q2 2022	Europe & RoW Q2 2021	Europe & RoW Growth
Revenue	**13,172**	**6,950**	**90%**	**42,872**	**33,059**	**30%**
Share of Group	*24%*	*17%*		*76%*	*83%*	
Cost	14,999	5,076	195%	28,818	22,271	29%
Share of Group	*34%*	*19%*		*66%*	*81%*	
Operating profit before depreciation, amortisations and special items	**-1,828**	**1,873**	**-198%**	**14,053**	**10,789**	**30%**
Share of Group	*-15%*	*15%*		*115%*	*85%*	
EBITDA-Margin before special items	-14%	27%		33%	33%	

tEUR	US YTD 2022	US YTD 2021	US Growth	US FY 2021	Europe & RoW YTD 2022	Europe & RoW YTD 2021	Europe & RoW Growth	Europe & RoW FY 2021
Revenue	**44,196**	**12,748**	**247%**	**47,030**	**79,241**	**66,097**	**20%**	**130,021**
Share of Group	*36%*	*16%*		*27%*	*64%*	*84%*		*73%*
Cost	33,022	8,589	284%	29,487	55,079	44,401	24%	91,789
Share of Group	*37%*	*16%*		*24%*	*63%*	*84%*		*76%*
Operating profit before depreciation, amortisations and special items	**11,175**	**4,159**	**169%**	**17,544**	**24,162**	**21,696**	**11%**	**38,232**
Share of Group	*32%*	*16%*		*31%*	*68%*	*84%*		*69%*
EBITDA-Margin before special items	25%	33%		37%	30%	33%		29%

The US

Key US brands within sports betting include Action Network, VegasInsider and Scores&Odds, whereas RotoGrinders is focused on Daily Fantasy Sport (DFS). After having acquired Action Network, Better Collective holds a leading position as a sports betting media in the US, which creates a strong foundation for benefitting from the continuous regulation of the US betting market.

The performance of Action Network since the time of consolidation has been strong across KPIs, including a significant audience growth. Overall, performance in the US business was satisfactory considering the normalized sports calendar. Revenue nearly doubled in the quarter to 13.2 mEUR with an organic growth of 33% (Q2 2021: 7.0 mEUR). EBITDA for the quarter was negative by 1.8 mEUR (Q2 2021: 1.8 mEUR). The EBITDA-margin before special items was -14% for the quarter. This is in line with our expectations due to the ongoing change from CPA to revenue share. We expect these deals to be transformational for our US business, and the short-term costs, that are expected to have an impact of more than 5 mEUR for the full year, have been absorbed by the continued strong growth. We still expect to meet the anticipated market growth in the US with revenues exceeding 100 mUSD by the end of 2022, while we also expect the US business to deliver profitability in line with the Group.

During Q2, focus was on improving US operations allowing for Better Collective to leverage its full potential during the busy H2. VegasInsider has been performing well after it launched its new app, and celebrated its 25th anniversary. Action Network launched a new version of BetSync, MediaCenter and its new improved app - what categorizes as a true sports media hub. The FantasyLabs (part of the Action Network acquisition) and Rotogrinders operations were merged, and RotoGrinders has been experiencing massive growth on YouTube. Additional three operational departments have been merged in Q2 on the back of the Action Network transaction. Our joint US HQ will be opening in September in New York. Overall, the US business is still expected to deliver revenue of >100 mUSD by the end of 2022.

Europe & Rest of World (RoW)

The Europe & RoW business includes all other markets, of which the European market is a historically strong, but also more mature market. In general, this market performed very well during Q2, in particular thanks to the successful media partnerships and operations in LATAM. Better Collective is slowly establishing a presence in LATAM as current and upcoming regulations of this market offer exciting opportunities.

Revenue in this business was 42.9 mEUR in Q2, 2022 - a 30% growth from 33.1 mEUR in Q2, 2021. The RoW market is most sensitive to fluctuations in the sports win margin as this market operates the vast majority of our revenue share accounts with operators. Consequently, despite good growth some markets have also seen more muted growth impact by a weaker sports win margin. Overall, the sports win margin has improved throughout the quarter, and in particular, the UK market improved after a long period with heavy marketing efforts, such as bonus offers, from larger partners.

The EBITDA margin of 33% was flat compared to Q2, 2021. By the beginning of the quarter, Better Collective started business in the newly regulated Canadian market, and has seen a good start, especially from the newly acquired Canada Sports Betting.

Regulatory updates

The US

Better Collective became a licensed vendor in New Jersey in 2014, and since then our US presence has grown tremendously. Better Collective is currently live in 19 US markets with Arkansas joining the list of most recently launched states, including New York, Arizona, and Louisiana. Given the continued pace of new states regulating, Better Collective expects the US market to continue growing fast, with increasing revenue and operating profit. However, at the moment, most regulators in states that are taking substantive steps to open online sports betting markets are unable to provide clear timelines.

Looking to Maryland, the legalization of online sports betting took a step forward during Q2, but there is still no timeline for launch. Maryland's online market launch will likely occur near the same time as the online and retail sports betting market launches in Ohio. This summer, regulators officially announced that the market in Ohio will open on January 1, 2023. Massachusetts has finally approved and signed a sports betting bill - but is yet to present a timeline for opening. Amongst states where sports betting is legal, both Massachusetts and Maryland are expected to be in the top, of the highest drivers of sports betting activity.

The still-to-be-launched market in Kansas is mirroring Maryland's in many ways, including the lack of a formal opening date. Insiders are speculating that the market may launch in stages, with retail sports betting coming to the state first and online betting to follow.

Canada

The province of Ontario, with a population of approx. 15 million people and a GDP that would place them as the 6th largest state in a US setting, launched online sports betting on April 4, 2022. A number of other provinces throughout Canada are expected to take steps to regulate their online sports betting markets in the near future.

Germany

There is currently a lot of regulatory turmoil in Germany where we have managed to stabilize our product performance and revenues. The German market will establish itself one of the largest in Europe, once the regulatory framework has been finalized and the new licenses have been granted under the regime of the interstate treaty. We are happy to have signed a new media partnership with Sport1, which will increase our market position.

Peru

On 15 July, 2022, the plenary of the Peruvian Congress approved Bill 2070/2021, which creates a regulatory framework for online sports betting and gambling. Licences may be issued to Peruvian companies and the local subsidiaries of foreign entities to operate both online casino games and sports betting. Following the approval by Congress, the bill must be signed into law by the President. The legislation would take formal effect 60 days after its publication in the Peruvian government's Official Gazette.

The United Kingdom

We continue to await the publication of the White Paper on the 2005 UK Gambing Act review which has been further delayed due to the recent UK political turmoil. Larger operators have already taken measures over the past year, which we have seen reflected in our business and we expect minor impact from a potential regulatory change. Some dampening effect to the UK business has already been recognised in Better Collective's update of the financial targets for 2022, and we expect a potential impact to be insignificant compared to both Group revenues and EBITDA.

Financial performance first six months of 2022

Revenue: Growth of 57% to 123 mEUR – organic growth of 33%

Revenue YTD showed strong growth vs. 2021 of 57% and amounted to 123.4 mEUR (YTD 2021: 78.8 mEUR). Revenue share accounted for 33% of the revenue (36% of player-related revenue) with 52% coming from CPA, 6% from subscription sales, and 8% from other income.

Cost: 88 mEUR – up from 53 mEUR

Overall, the cost base is impacted by the addition of Action Network as of May 2021 and the continued investment in building the US business with US cost growing 26 mEUR. The acquisition and integration of FUTBIN as of April 2022 has increased the cost by 1 mEUR, and Paid Media increased cost to drive additional traffic and revenue, whereas media partnerships increased, primarily direct cost. Cost also increased for the Dutch market which launched in October 2021 . The cost base excluding depreciation and amortisation grew 35.1 mEUR, up to 88.1 mEUR YTD 2022 (YTD 2021: 53.0 mEUR).

Total direct cost relating to revenue increased by 14.4 mEUR to 43.8 mEUR (YTD 2021: 29.3 mEUR) with the growth coming from the addition of Action Network, increased cost in Paid Media (driving additional revenue), and direct costs related to media partnerships. Beyond the cost of paid traffic, this includes hosting fees of websites, content generation, and external development.

Personnel cost YTD increased 94 % from YTD 2021 to 33.4 mEUR YTD 2022 (YTD 2021: 17.2 mEUR). The average number of employees increased 56% to 842 (YTD 2021: 541). Personnel costs include costs related to warrants of 0.8 mEUR (YTD 2021: 0.5 mEUR). Other external costs increased 4.5 mEUR or 71% to 11.0 mEUR (YTD 2021: 6.4 mEUR). Depreciation and amortisation amounted to 6.0 mEUR (YTD 2021: 3.9 mEUR). The increase is primarily due to amortisation related to the acquisition of Action Network.

Special items

YTD special items amounted to a cost of 1.0 mEUR (YTD 2021: 5.4 mEUR). The net cost of 1.0 mEUR is primarily related to cost of incentive program of 3.2 mEUR and M&A expenses of 0.3 mEUR, whereas the final calculation and payment of the contingent liability related to the 2019/2021 acquisition of Rotogrinders ended up with an income of 2.4 mEUR.

Earnings

Operational earnings (EBITDA) before special items grew 37% to 35.3 mEUR (YTD 2021: 25.9 mEUR). The EBITDA-margin before special items was 29% (YTD 2021: 33%). The margin is significantly impacted by the lower sports win margin with an estimated impact of 16 mEUR vs. YTD 2021.

Including special items, the reported EBITDA was 34.3 mEUR. (YTD 2021: 20.4 mEUR).

YTD EBIT before special items increased 34% to 29.3 mEUR (YTD 2021: 21.9 mEUR). Including special items, the reported EBIT was 28.3 mEUR (YTD 2021: 16.5mEUR).

Net financial items

Net financial costs amounted to 1.3 mEUR (YTD 2021: 1.6 mEUR) and included net interest, fees relating to bank credit lines and exchange rate adjustments.

Interest expenses amounted to 1.4 mEUR and included non-payable, calculated interest expenses on certain balance sheet items, whereas financial fees and net exchange rate gain amounted to 0.3 mEUR and 0.4 mEUR respectively. The financial fees included cost related to establishment of financing in connection with the acquisition of Canada Sports Betting and FUTBIN.

Income tax

Better Collective has a tax-presence in the places where the company is incorporated, which are Denmark (where the parent company is incorporated), Austria, France, Greece, Malta, Netherlands, Poland, Portugal, Romania, Serbia, Sweden, UK, and US.

Income tax YTD 2022 amounted to 6.1 mEUR (YTD 2021: 5.0 mEUR). The Effective Tax Rate (ETR) was 22.6% (YTD 2021: 33.1%)

Net profit

Net profit after tax was 20.8 mEUR (YTD 2021: 10.0 mEUR). Earnings per share (EPS) nearly doubled to 0.38 EUR/share vs. 0.20 EUR/share YTD 2021.

Equity
The equity increased to 400.3 mEUR as per June 30, 2022, from 344.8 mEUR on December 31, 2021. Besides the YTD profit of 20.8 mEUR, the equity has been impacted by a capital increase of 4.4 mEUR, acquisition and disposal of treasury shares of 8.9 mEUR, and share based payments of 2.6 mEUR. The increase in USD vs. EUR has impacted the equity by 18.9 mEUR.

Balance sheet
Total assets amounted to 761.6 mEUR (2021: 597.4 mEUR), with an equity of 400.4 mEUR (2021: 344.8 mEUR). This corresponds to an equity to assets ratio of 53% (2021: 58%). The liquidity ratio was 0.75 resulting from current assets of 70.7 mEUR and current liabilities of 93.7 mEUR. The ratio of net interest bearing debt to EBITDA before special items was 3.36 at the end of the quarter. The ratio is temporarily above the target of 3.0 due to the acquisition of FUTBIN and Canada Sports Betting in March and April, and is expected to decrease below 3 during end of H2 2022.

Investments
On March 23 Better Collective acquired the assets of Canada Sports Betting ('CSB'), for a purchase price of 21.4 mEUR (23.5 mUSD). The purchase price has been fully paid in cash.

On April 19, Better Collective acquired FUTBIN and related domains, for a purchase price of 105 mEUR. The purchase price was paid in cash and treasury shares, and a variable payment was recorded.

Investments in tangible assets were 0.6 mEUR.

Cash flow and financing
Cash flow from operations before special items YTD 2022 was 35.6 mEUR (YTD 2021: 27.2 mEUR) with a cash conversion of 99% YTD. In Q2 the negative receivable impact from Q1 was neutralised.

Payments related to businesses included deferred payments from the acquisition of Action Network, final earn-out related to HLTV, and the last payment for the 2020 acquisition of Atemi. Acquisition of intangible assets reduced cash with 92.4 mEUR due to the acquisition of CSB and FUTBIN. Total investing activities reduced the cash flow by 106.2 mEUR YTD 2022 (YTD 2021: 192.0 mEUR).

Better Collective has bank credit facilities of a total 214 mEUR. By the end of June 2022, capital reserves stood at 41.4 mEUR consisting of cash of 33.0 mEUR and unused bank credit facilities of 8.5 mEUR.

The parent company
Better Collective A/S, Denmark, is the parent company of the Group.

Revenue YTD grew by 56% to 27.8 mEUR (YTD 2021: 17.8 mEUR).

Total costs including depreciation and amortisation was 27.6 mEUR (YTD 2021:16.9 mEUR).

Profit after tax was 36.9 mEUR (YTD 2021: 32.6 mEUR). The change in profit after tax is primarily due to y-o-y differences in dividend payments from subsidiaries, exchange rate adjustments, and corporate tax.

Total equity ended at 409.1 mEUR by June 30, 2022 (2021: 344.3 mEUR). The equity in the parent company was impacted by capital increases (4.4 mEUR) and treasury share transactions (8.9 mEUR), and cost of warrants of 4.0 mEUR.

Financial targets for 2022

The Board of Directors have decided on targets for the financial year 2022 as announced in the full year report and updated in the Q1 report following the acquisitions of Canada Sports Betting and FUTBIN respectively.

The financial target for revenue growth is expected to be between 20-30%. Operational earnings (EBITDA) for the full year is expected at approximately 85 mEUR. The financial target related to debt leverage is expected at <3.0x.

Financial Targets for 2022

	Target Total	Actual 2021
Organic growth (%)	20-30%	8%
EBITDA (before special items)	Approx. 85 mEUR	56 mEUR
Net interest bearing debt/EBITDA	<3.0	1.96

Major assumptions and additional comments: The Financial targets do not include new potential acquisitions. Excluding any new acquisitions the debt leverage (Net debt/EBITDA) will expectedly be <1,0 by end of 2022. Included in the financial targets is assumed continued strong performance in the US-business including continued market openings by ways of additional US states allowing online sports betting. The financial targets are based upon the assumption that the US-market will still mainly be a CPA-market. Better Collective however experiences more operators being open to work fully or partly on revenue share, which will be preferred pending deal terms. If Better Collective is successful in reaching attractive revenue share agreements in the US, this may impact revenue and earnings short term. If this will be implemented, the financial targets may be adjusted and communicated accordingly.

Disclaimer

This report contains forward-looking statements which are based on the current expectations of the management of Better Collective. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual profits and developments deviating substantially from what has been expressed or implied in such statements.

Other

Shares and share capital
Better Collective A/S is listed on Nasdaq Stockholm main market. The shares are traded under the ticker "BETCO". As per June 30, 2022, the share capital amounted to 550,152.62 EUR, and the total number of issued shares was 55,015,262. The company has one (1) class of shares. Each share entitles the holder to one vote at the general meetings.

On June 8, 2022, the Board of Directors resolved to issue 181,374 new ordinary shares in Better Collective A/S, equal to a nominal value of EUR 1,813.74, related to the exercise of warrants.

Shareholder structure
As of June 30, 2022, the total number of shareholders was 3,890. A list of top 10 shareholders in Better Collective A/S can be found on the company's website.

Annual general meeting
The annual general meeting 2022 was held on April 26, 2022. All items on the agenda were carried, including an amendment of the company's articles of association to appoint a vice chair of the board of directors. Therese Hillman was subsequently appointed vice chair.

Incentive programs
In order to attract and retain key competences, the company has established warrant programs for certain key employees. All warrants with the right to subscribe for one ordinary share. If all outstanding warrants are subscribed, then the maximum shareholders dilution will be approximately 3.2%.

Warrant programs

Program	Warrants outstanding 30/06-2022	Vesting period	Exercise period	Exercise price DKK	Exercise price EUR (rounded)
2017*	136,080	2018-2022	2019-2023	12.96	1.74
2019**	1,007,431	2020-2023	2022-2024	64.78	8.71
2020***	25,000	2021-2023	2023-2025	61.49	8.27
2020**	260,000	2021-2023	2023-2025	106.35	14.3
2021**	408,281	2022-2024	2024-2026	150.41	20.23
2021 US MIP Options	160,556	2021-2024	2024-2026	138.9	18.68
2021 US MIP PSU	288,635	2021-2024	2024-2026		
2022 US MIP Options	68,595	2022-2023	2023-2026	107.25	14.42
2022 US MIP PSU	166,798	2022-2023	2023-2026		

* The 2017 warrant program was established ahead of the IPO
** Key employees and members of executive management
*** Following the AGM on April 22, 2020, 25,000 warrants were issued to the new board member, Todd Dunlap.

Risk management
Through an Enterprise Risk Management process, a number of gross risks in Better Collective are identified. Each risk is described, including current risk mitigation in place, or planned mitigating actions. The subsequent analysis of the identified risks includes an inherent risk evaluation based on two main parameters: probability of occurrence and impact on future Earnings and Cash Flow. Better Collective's management continuously monitors risk development in the Better Collective Group.

The Risk Evaluation is presented to the Board of Directors annually, for discussion of and any further mitigating actions required. The Board evaluates risk dynamically to cater for this variation in risk impact. The policies and guidelines in place stipulate how Better Collective management must work with risk management. Better Collective's compliance with these policies and guidelines is also monitored by the management on an ongoing basis. Better Collective seeks to identify and understand risks and mitigate them accordingly. Also, the company's close and longstanding relationships with customers allow Better Collective to anticipate and respond to market movements and new regulations including compliance requirements from authorities and operators (customers).

With the acquisitions in the US, the overall risk profile of Better Collective has changed, and regulatory/compliance as well as financial risk has increased. Better Collective has mitigated the additional risks in US in a number of ways, regulatory and compliance risk through involvement of regulatory bodies in our licensing process for newly established entities, financial risk through a performance based valuation of the acquired entities), and organisational risk through establishment of local governance/management, and finance, HR, and Legal organisation dedicated to the US operations.

The Russian invasion in Ukraine has brought sanctions and uncertainties in the region. In line with the sanctions, Better Collective has ceased all activities related to the Russian market as well as any financial transactions to or from the region. This impacts <1% of the group's turnover. To a lesser extent, the coronavirus outbreak, COVID-19, continues to have an impact on the global economy. If major sports events are cancelled or significantly postponed, it is likely to impact our revenue as we to a large extent rely on the operators' user activity. Additionally, the health and safety of our employees may be at risk. We continue to prepare for sports events up until the point that they may be cancelled.

For internal purposes, we have set up a response team to ensure that we follow government guidelines as a minimum. Our first priority is to protect the health and safety of our employees. We have the technological setup to operate the business while our employees work remotely.

Other key risk factors are described in the Annual Report 2021.

Contacts

Investor contact: Mikkel Munch-Jacobsgaard, investor@bettercollective.com

This information is such information as Better Collective A/S is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above on August 23, 2022 at 08:00 CET.

About

Better Collective is a digital sports media group providing entertaining and engaging platforms for fans of sports and esports. Better Collective offers a wide range of editorial content, bookmaker information, data insights, betting tips, iGaming communities and educational tools. Its portfolio of platforms and products include bettingexpert.com, wettbasis.com, wettfreunde.net, FUTBIN.com, HLTV.org and Action Network. Better Collective is headquartered in Copenhagen, Denmark, and listed on Nasdaq Stockholm (BETCO).

Statement by the Board of Directors and the Executive Management

Statement by the Board of Directors and the Executive Management on the condensed consolidated interim financial statements and the parent company condensed interim financial statements for the period January 1 – June 30, 2022.

Today, the Board of Directors and the Executive Management have discussed and approved the condensed consolidated interim financial statements and the parent company condensed interim financial statements of Better Collective A/S for the period January 1 – June 30, 2022.

The condensed consolidated interim financial statements for the period January 1 – June 30, 2022 are prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU, and additional requirements of the Danish Financial Statements Act. The Parent Company condensed interim financial statements have been included according to the Danish Executive Order on the Preparation of Interim Financial Reports.

In our opinion, the condensed consolidated interim financial statements and the parent company condensed interim financial statements give a true and fair view of the Group's and Parent Company's assets, liabilities and financial position at June 30, 2022 and of the results of the Group's and Parent Company's operations and the Group's cash flows for the period January 1 – June 30, 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters and the results of the Group's and the Parent Company's operations and financial position, as well as a description of the major risks and uncertainties, the Group and the Parent Company are facing. The Interim Report has not been audited nor reviewed by the Company's auditor.

Copenhagen, August 23, 2022

Executive Management

Jesper Søgaard
CEO & Co-founder

Christian Kirk Rasmussen
COO & Co-founder
Executive Vice President

Flemming Pedersen
CFO
Executive Vice President

Board of Directors

Jens Bager
Chair

Therese Hillman
Vice Chair

Todd Dunlap

Klaus Holse

Leif Nørgaard

Petra von Rohr

Financial statements for the period January 1 – June 30

Condensed interim consolidated income statement

Note	tEUR	Q2 2022	Q2 2021	YTD 2022	YTD 2021	2021
3	**Revenue**	**56,043**	**40,009**	**123,437**	**78,845**	**177,051**
	Direct costs related to revenue	20,679	14,216	43,756	29,317	64,863
4	Staff costs	17,690	9,460	33,402	17,247	40,813
	Depreciation	483	419	970	849	1,764
	Other external expenses	5,448	3,670	10,943	6,426	15,600
	Operating profit before amortisations (EBITA) and special items	**11,743**	**12,243**	**34,367**	**25,007**	**54,011**
7	Amortisation and impairment	2,751	1,536	5,040	3,072	8,516
	Operating profit (EBIT) before special items	**8,991**	**10,707**	**29,327**	**21,935**	**45,495**
5	Special items, net	638	-5,591	-1,044	-5,417	-16,746
	Operating profit	**9,629**	**5,116**	**28,283**	**16,518**	**28,749**
	Financial income	1,028	2,134	3,345	2,928	3,383
	Financial expenses	1,756	3,249	4,694	4,509	5,905
	Profit before tax	**8,901**	**4,001**	**26,935**	**14,936**	**26,227**
6	Tax on profit for the period	1,796	2,309	6,088	4,937	8,936
	Profit for the period	**7,105**	**1,693**	**20,847**	**10,000**	**17,292**
	Earnings per share attributable to equity holders of the company					
	Average number of shares	54,683,432	50,614,127	54,596,952	50,593,490	50,541,901
	Average number of warrants - converted to number of shares	2,350,149	1,963,810	2,576,250	2,000,251	2,334,756
	Earnings per share (in EUR)	0.13	0.03	0.38	0.20	0.34
	Diluted earnings per share (in EUR)	0.12	0.03	0.36	0.19	0.33

Condensed interim consolidated statement of other comprehensive income

Note	tEUR	Q2 2022	Q2 2021	YTD 2022	YTD 2021	2021
	Profit for the period	**7,105**	**1,693**	**20,847**	**10,000**	**17,292**
	Other comprehensive income					
	Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
	Currency translation to presentation currency	-320	-231	-494	-27	-300
	Currency translation of non-current intercompany loans	19,182	3,558	24,640	5,135	16,498
6	Income tax	-4,220	-1,514	-5,421	-1,130	-3,629
	Net other comprehensive income/loss	14,642	1,813	18,725	3,978	12,568
	Total other comprehensive income/(loss) for the period, net of tax	**21,747**	**3,505**	**39,572**	**13,977**	**29,860**
	Attributable to:					
	Shareholders of the parent	21,747	3,505	39,572	13,977	29,860

Financial statements for the period January 1 – June 30

Condensed interim consolidated balance sheet

Note	tEUR	**Q2 2022**	Q2 2021	2021
	Assets			
	Non-current assets			
7	**Intangible assets**			
	Goodwill	186,565	139,666	178,182
	Domains and websites	466,360	319,559	329,276
	Accounts and other intangible assets	23,553	7,430	12,453
		676,478	**466,655**	**519,911**
	Property, plant and equipment			
	Right of use assets	2,218	2,850	2,708
	Leasehold improvements, Fixtures and fittings, other plant and equipment	1,973	1,673	1,657
		4,191	**4,524**	**4,365**
	Other non-current assets			
	Deposits	669	609	660
8	Deferred tax asset	9,578	662	9,545
		10,247	**1,271**	**10,204**
	Total non-current assets	**690,917**	**472,449**	**534,481**
	Current assets			
	Trade and other receivables	33,969	21,770	30,083
	Corporation tax receivable	561	1,745	500
	Prepayments	3,179	1,776	2,223
	Restricted Cash	0	4,438	1,489
	Cash	32,971	35,887	28,603
	Total current assets	**70,680**	**65,617**	**62,898**
	TOTAL ASSETS	**761,597**	**538,066**	**597,379**

Financial statements for the period January 1 – June 30

Condensed interim consolidated balance sheet

Note	tEUR	**Q2 2022**	Q2 2021	2021
	Equity and liabilities			
	Equity			
	Share Capital	550	543	546
	Share Premium	272,252	267,280	267,873
	Currency Translation Reserve	29,523	2,208	10,798
	Treasury Shares	-13	0	-8,074
	Retained Earnings	98,005	63,252	73,705
	Proposed Dividends	0	0	0
	Total equity	**400,317**	**333,282**	**344,848**
	Non-current Liabilities			
8	Debt to credit institutions	185,722	105,275	121,025
8	Lease liabilities	1,147	1,788	1,521
8	Deferred tax liabilities	75,048	24,935	69,595
8	Other long-term financial liabilities	5,642	6,075	4,939
8	Contingent Consideration	0	10,885	0
	Total non-current liabilities	**267,560**	**148,957**	**197,079**
	Current Liabilities			
	Prepayments received from customers and deferred revenue	5,675	2,761	3,400
	Trade and other payables	20,348	19,952	18,393
	Corporation tax payable	8,178	5,317	1,735
	Other financial liabilities	38,125	15,293	10,683
8	Contingent Consideration	0	11,274	19,893
8	Debt to credit institutions	20,163	0	0
8	Lease liabilities	1,232	1,230	1,347
	Total current liabilities	**93,721**	**55,827**	**55,452**
	Total liabilities	**361,281**	**204,784**	**252,531**
	TOTAL EQUITY AND LIABILITIES	**761,597**	**538,066**	**597,379**

Financial statements for the period January 1 – June 30

Condensed interim consolidated statement of changes in equity

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2022	**546**	**267,873**	**10,798**	**-8,074**	**73,705**	**0**	**344,848**
Result for the period	0	0	0	0	20,847	0	20,847
Other comprehensive income							
Currency translation	0	0	24,146	0	0	0	24,146
Tax on other comprehensive income	0	0	-5,421	0	0	0	-5,421
Total other comprehensive income	0	0	18,725	0	0	0	18,725
Total comprehensive income for the year	**0**	**0**	**18,725**	**0**	**20,847**	**0**	**39,572**
Transactions with owners							
Capital Increase	4	4,379	0	0	0	0	4,382
Acquisition of treasury shares	0	0	0	-6,595	0	0	-6,595
Disposal of treasury shares	0	0	0	14,656	842	0	15,498
Share based payments	0	0	0	0	2,626	0	2,626
Transaction cost	0	0	0	0	-15	0	-15
Total transactions with owners	**4**	**4,379**	**0**	**8,061**	**3,453**	**0**	**15,896**
At June 30, 2022	**550**	**272,252**	**29,523**	**-13**	**98,005**	**0**	**400,317**

During the period no dividend was paid.

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2021	**469**	**108,825**	**-1,770**	**-2**	**55,019**	**0**	**162,542**
Result for the period	0	0	0	0	10,000	0	10,000
Other comprehensive income							
Currency translation	0	0	5,107	0	0	0	5,107
Tax on other comprehensive income	0	0	-1,130	0	0	0	-1,130
Total other comprehensive income	0	0	3,978	0	0	0	3,978
Total comprehensive income for the year	**0**	**0**	**3,978**	**0**	**10,000**	**0**	**13,977**
Transactions with owners							
Capital Increase	74	158,455	0	0	0	0	158,528
Acquisition of treasury shares	0	0	0	-69	0	0	-69
Disposal of treasury shares	0	0	0	71	11	0	82
Share based payments	0	0	0	0	509	0	509
Transaction cost	0	0	0	0	-2,287	0	-2,287
Total transactions with owners	**74**	**158,455**	**0**	**2**	**-1,767**	**0**	**156,763**
At June 30, 2021	**543**	**267,280**	**2,208**	**0**	**63,252**	**0**	**333,282**

During the period no dividend was paid.

Financial statements for the period January 1 – June 30

Condensed interim consolidated statement of changes in equity

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2021	**469**	**108,825**	**-1,770**	**-2**	**55,019**	**0**	**162,542**
Result for the period	0	0	0	0	17,292	0	17,292
Other comprehensive income							
Currency translation	0	0	16,197	0	0	0	16,197
Tax on other comprehensive income	0	0	-3,629	0	0	0	-3,629
Total other comprehensive income	0	0	12,568	0	0	0	12,568
Total comprehensive income for the year	**0**	**0**	**12,568**	**0**	**17,292**	**0**	**29,860**
Transactions with owners							
Capital Increase	77	159,048	0	0	0	0	159,125
Acquisition of treasury shares	0	0	0	-8,135	0	0	-8,135
Disposal of treasury shares	0	0	0	71	11	0	82
Share based payments	0	0	0	0	3,688	0	3,688
Transaction cost	0	0	0	-8	-2,305	0	-2,313
Total transactions with owners	**77**	**159,048**	**0**	**-8,072**	**1,395**	**0**	**152,447**
At December 31, 2021	**546**	**267,873**	**10,798**	**-8,074**	**73,705**	**0**	**344,848**

During the period no dividend was paid.

Financial statements for the period January 1 – June 30

Condensed interim consolidated statement of cash flows

Note	tEUR	Q2 2022	Q2 2021	YTD 2022	YTD 2021	2021
	Profit before tax	8,901	4,001	26,935	14,936	26,227
	Adjustment for finance items	728	1,115	1,349	1,581	2,522
	Adjustment for special items	-638	5,591	1,044	5,417	16,746
	Operating Profit for the period before special items	8,991	10,707	29,327	21,935	45,495
	Depreciation and amortisation	3,234	1,954	6,009	3,920	10,280
	Other adjustments of non cash operating items	51	253	446	583	-531
	Cash flow from operations before changes in working capital and special items	12,276	12,915	35,783	26,438	55,245
	Change in working capital	10,227	-1,846	-135	733	-4,040
	Cash flow from operations before special items	22,503	11,069	35,648	27,171	51,204
	Special items, cash flow	-189	-1,114	-290	-1,221	-5,997
	Cash flow from operations	22,313	9,956	35,358	25,950	45,207
	Financial income, received	654	1,567	1,299	2,298	3,702
	Financial expenses, paid	-1,453	-1,463	-3,072	-2,005	-4,693
	Cash flow from activities before tax	21,515	10,059	33,586	26,243	44,216
	Income tax paid	-1,530	-1,800	-2,980	-4,012	-12,654
	Cash flow from operating activities	**19,984**	**8,259**	**30,606**	**22,230**	**31,562**
9	Acquisition of businesses	-10,604	-183,668	-13,181	-188,095	-207,900
7	Acquisition of intangible assets	-76,067	-587	-92,430	-4,517	-11,591
	Acquisition of property, plant and equipment	-291	-227	-561	-368	-687
	Sale of property, plant and equipment	0	971	0	971	972
	Change in other non-current assets	-52	-21	10	24	-12
	Cash flow from investing activities	**-87,014**	**-183,532**	**-106,161**	**-191,984**	**-219,219**
	Repayment of borrowings	-5,069	0	-10,109	-527	-87,069
	Proceeds from borrowings	73,983	35,047	94,982	36,797	139,373
	Lease liabilities	-348	-280	-690	-577	-1,147
	Other non-current liabilities	0	0	0	0	-844
	Capital increase	316	148,225	316	148,297	148,893
	Treasury shares	0	0	-6,595	-69	-8,143
	Transaction cost	0	-2,284	-15	-2,287	-2,305
	Cash flow from financing activities	**68,882**	**180,708**	**77,890**	**181,635**	**188,759**
	Cash flows for the period	1,853	5,435	2,334	11,881	1,102
	Cash and cash equivalents at beginning	30,680	34,840	30,093	28,053	28,053
	Foreign currency translation of cash and cash equivalents	438	50	544	391	938
	Cash and cash equivalents period end*	**32,971**	**40,325**	**32,971**	**40,325**	**30,093**
	Cash and cash equivalents period end					
	Restricted cash	0	4,438	0	4,438	1,489
	Cash	32,971	35,887	32,971	35,887	28,603
	Cash and cash equivalents period end	**32,971**	**40,325**	**32,971**	**40,325**	**30,093**

Notes

1 General information

Better Collective A/S is a limited liability company and is incorporated in Denmark. The parent company and its subsidiaries (referred to as the "Group" or "Better Collective") engage in online affiliate marketing. Better Collective's vision is to empower iGamers by leading the way in transparency and technology.

Basis of preparation
The Interim Report (condensed consolidated interim financial statements) for the period January 1 - June 30, 2022 has been prepared in accordance with IAS 34 "Interim financial statements" as adopted by the EU and additional requirements in the Danish Financial Statements Act. The parent company condensed interim financial statements has been included according to the Danish Executive Order on the Preparation of Interim Financial Reports.

These condensed consolidated interim financial statements incorporate the results of Better Collective A/S and its subsidiaries.

The condensed consolidated interim financial statements refer to certain key performance indicators, which Better Collective and others use when evaluating the performance of Better Collective. These are referred to as alternative performance measures (APMs) and are not defined under IFRS. The figures and related subtotals give management and investors important information to enable them to fully analyse the Better Collective business and trends. The APMs are not meant to replace but to complement the performance measures defined under IFRS.

New financial reporting standards
All new or amended standards (IFRS) and interpretations (IFRIC) as adopted by the EU and which are effective for the financial year beginning on 1 January 2022 have been adopted. The implementation of these new or amended standards and interpretations had no material impact on the condensed consolidated interim financial statements.

Accounting policies
The condensed consolidated interim financial statements have been prepared using the same accounting policies as set out in note 1 of the 2021 annual report which contains a full description of the accounting policies for the Group and the parent company. The annual report for 2021 can be found on Better Collective's web-site:

https://storage.mfn.se/proxy/bc_annual-report-21_web.pdf?url=https%3A%2F%2Fml-eu.globenewswire.com%2FResource%2FDownload%2Ff65d434c-00a6-4660-89b7-cbdec160b482

Significant accounting judgements, estimates, and assumptions
The preparation of condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities.

The Russian invasion in Ukraine has brought sanctions and uncertainties in the region. In line with the sanctions, Better Collective has ceased all activities with Russian-licensed operators for activities in the region as well as any financial transactions to or from the region. This impacts <1% of the group's turnover.

To a lesser extent, the coronavirus outbreak, COVID-19, continues to have an impact on the global economy. If major sports events are cancelled or significantly postponed, it is likely to impact our revenue as we to a large extent rely on the operators' user activity. Additionally, the health and safety of our employees may be at risk. We continue to prepare for sports events up until the point that they may be cancelled. For internal purposes, we have set up a response team to ensure that we follow government guidelines as a minimum. Our first priority is to protect the health and safety of our employees. We have the technological setup to operate the business while our employees work remotely.

Beyond the risks mentioned above, the significant accounting judgements, estimates and assumptions applied in these consolidated interim financial statements are the same as disclosed in note 2 in the annual report for 2021 which contains a full description of significant accounting judgements, estimates and assumptions.

Notes

2 Segments

Publishing and Paid Media
Better Collective operates two different business models regarding customer acquisition with different earnings-profiles. The segments Publishing and Paid Media have been measured and disclosed separately for Revenue, Cost and Earnings. The Publishing business includes revenue from Better Collective's proprietary online platforms and media partnerships where the online traffic is coming either directly or through organic search results, whereas Paid Media generates revenue through paid ad-traffic to our websites, thereby running on a significantly lower earnings margin.

The performance for each segment is presented in the below tables:

	Publishing		Paid Media		Total	
tEUR	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
Revenue	**38,126**	**26,059**	**17,917**	**13,950**	**56,043**	**40,009**
Cost	28,116	14,944	15,701	12,403	43,818	27,347
Operating profit before depreciation, amortisations and special items	**10,010**	**11,115**	**2,216**	**1,547**	**12,226**	**12,662**
EBITDA-Margin before special items	26%	43%	12%	11%	22%	32%
Special items, net	638	-5,591	0	0	638	-5,591
Operating profit before depreciation and amortisations	**10,647**	**5,524**	**2,216**	**1,547**	**12,863**	**7,071**
Depreciation	479	418	4	1	483	419
Operating profit before amortisations	**10,168**	**10,697**	**2,212**	**1,546**	**12,380**	**12,243**
EBITA-Margin	27%	41%	12%	11%	22%	31%

	Publishing		Paid Media		Total	
tEUR	YTD 2022	YTD 2021	YTD 2022	YTD 2021	YTD 2022	YTD 2021
Revenue	**86,506**	**49,936**	**36,931**	**28,909**	**123,437**	**78,845**
Cost	56,260	26,671	31,841	26,319	88,101	52,990
Operating profit before depreciation, amortisations and special items	**30,246**	**23,265**	**5,090**	**2,590**	**35,337**	**25,855**
EBITDA-Margin before special items	35%	47%	14%	9%	29%	33%
Special items, net	-1,044	-5,417	0	0	-1,044	-5,417
Operating profit before depreciation and amortisations	**29,203**	**17,848**	**5,090**	**2,590**	**34,293**	**20,438**
Depreciation	961	843	9	5	970	849
Operating profit before amortisations	**28,242**	**22,422**	**5,081**	**2,585**	**33,323**	**25,007**
EBITA-Margin	33%	45%	14%	9%	27%	32%

2 Segments, continued

Publishing and Paid Media, continued

tEUR	Publishing	2021 Paid Media	Total
Revenue	**120,188**	**56,863**	**177,051**
Cost	68,947	52,329	121,276
Operating profit before depreciation, amortisations and special items	**51,241**	**4,534**	**55,775**
EBITDA-Margin before special items	43%	8%	32%
Special items, net	-16,746	0	-16,746
Operating profit before depreciation and amortisations	**34,496**	**4,534**	**39,030**
Depreciation	1,726	38	1,764
Operating profit before amortisations	**32,769**	**4,496**	**54,011**
EBITA-Margin	27%	8%	31%

Notes

2 Segments, continued

US and Europe & Rest of World
Better Collective's products cover more than 30 languages and attract millions of users worldwide - with international brands with a global reach as well as regional brands with a local reach. Better Collective's regional brands are tailored according to the specific regions or countries and their respective regulations, sports, betting behaviours, user needs, and languages. From Q2 2021, and following the acquisition of Action Network (included in Group accounts from time of closing on May 28, 2021) the US market constitutes >20% of Group Revenue and >30% of revenue in Publishing on an annualised basis. Hence, Better Collective reports on the geographical segments US and Europe & RoW (Rest of World), measuring and disclosing separately for Revenue, Cost and Earnings. Historical financial figures are reported accordingly.

The performance for each segment is presented in the below tables:

	Europe & RoW		US		Total	
tEUR	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
Revenue	**42,872**	**33,059**	**13,172**	**6,950**	**56,043**	**40,009**
Cost	28,818	22,271	14,999	5,076	43,818	27,347
Operating profit before depreciation, amortisations and special items	**14,053**	**10,789**	**-1,828**	**1,873**	**12,226**	**12,662**
EBITDA-Margin before special items	33%	33%	-14%	27%	22%	32%
Special items, net	-189	-244	827	-5,347	638	-5,591
Operating profit before depreciation and amortisations	**13,864**	**10,545**	**-1,001**	**-3,474**	**12,863**	**7,071**
Depreciation	381	349	102	70	483	419
Operating profit before amortisations	**13,483**	**10,195**	**-1,103**	**-3,543**	**12,380**	**6,652**
EBITA-Margin	31%	31%	-8%	-51%	22%	17%

	Europe & RoW		US		Total	
tEUR	YTD 2022	YTD 2021	YTD 2022	YTD 2021	YTD 2022	YTD 2021
Revenue	**79,241**	**66,097**	**44,196**	**12,748**	**123,437**	**78,845**
Cost	55,079	44,401	33,022	8,589	88,101	52,990
Operating profit before depreciation, amortisations and special items	**24,162**	**21,696**	**11,175**	**4,159**	**35,337**	**25,855**
EBITDA-Margin before special items	30%	33%	25%	33%	29%	33%
Special items, net	-290	-70	-754	-5,347	-1,044	-5,417
Operating profit before depreciation and amortisations	**23,872**	**21,626**	**10,421**	**-1,188**	**34,293**	**20,438**
Depreciation	773	692	197	157	970	849
Operating profit before amortisations	**23,099**	**20,934**	**10,224**	**-1,345**	**33,323**	**19,589**
EBITA-Margin	29%	32%	23%	-11%	27%	25%

2 Segments, continued

US and Europe & RoW, continued

tEUR	Europe & RoW	2021 US	Total
Revenue	**130,021**	**47,030**	**177,051**
Cost	91,789	29,487	121,276
Operating profit before depreciation, amortisations and special items	**38,232**	**17,544**	**55,775**
EBITDA-Margin before special items	29%	37%	32%
Special items, net	2,745	-19,491	-16,746
Operating profit before depreciation and amortisations	**40,976**	**-1,947**	**39,030**
Depreciation	1,474	290	1,764
Operating profit before amortisations	**39,502**	**-2,236**	**54,011**
EBITA-Margin	30%	-5%	31%

Notes

3 Revenue specification

In accordance with IFRS 15 disclosure requirements, total revenue is split on Revenue Share, Cost per Acquisition (CPA), Subscription, and Other as follows:

tEUR	**Q2 2022**	Q2 2021	**YTD 2022**	YTD 2021	2021
Revenue					
Revenue Share	21,658	19,432	41,217	36,719	67,858
CPA	24,422	14,978	64,323	31,730	80,423
Subscription	3,872	2,234	7,648	3,986	11,770
Other	6,092	3,365	10,249	6,409	17,001
Total Revenue	**56,043**	**40,009**	**123,437**	**78,845**	**177,051**

%-split	**Q2 2022**	Q2 2021	**YTD 2022**	YTD 2021	2021
Revenue					
Revenue Share	39	49	33	47	38
CPA	44	37	52	40	45
Subscription	7	6	6	5	7
Other	11	8	8	8	10
Total Revenue	**100**	**100**	**100**	**100**	**100**

4 Share-based payment plans

2017 Warrant program:
During the first quarter of 2021 the company did not grant any warrants under this program.

During the quarter, employees exercised warrant corresponding to 181,374 new shares.

2019 Warrant programs:
During the second quarter of 2022 the company did not grant any warrants and no warrants were exercised under this program.

2022 Incentive program:
During the quarter no performance share units or share options were granted under this program. A new Long-term Incentive (LTI) program was established for key employees in Q1 2022 and 73,894 performance share units and 24,564 share options were granted to a total of 36 employees

The total share based compensation expense for the above programs recognised for Q2 2022 is 380 tEUR (Q2 2021: 253 tEUR), and the cost YTD 2022 is 812 tEUR (YTD 2021: 509 tEUR).

Management incentive program - Action Network:
During the quarter no performance share units or share options were granted under this program

The cost related to the MIP program are recognised as special items and amounts to 1,581 tEUR in Q2 2022 (Q2 2021: 0 tEUR), and YTD 2022 3,162 tEUR (YTD 2021 0 tEUR).

Notes

5 Special items

Significant income and expenses, which Better Collective consider non-recurring are presented in the Income statement in a separate line item labelled 'Special items'. The impact of special items is specified as follows:

tEUR	**Q2 2022**	Q2 2021	**YTD 2022**	YTD 2021	2021
Operating profit	**9,629**	**5,116**	**28,283**	**16,518**	**28,749**
Special Items related to:					
Special items related to M&A	-189	-5,581	-290	-5,682	-5,991
Variable payments regarding acquisitions - cost	0	0	0	0	-11,487
Variable payments regarding acquisitions - income	2,408	0	2,408	0	2,952
Special items related to Restructuring	0	0	0	-6	-6
Special items related to Divestiture of Assets	0	-10	0	272	272
Special items related to Management Incentive Program	-1,581	0	-3,162	0	-2,485
Special items, total	**638**	**-5,591**	**-1,044**	**-5,417**	**-16,746**
Operating profit (EBIT) before special items	**8,991**	**10,707**	**29,327**	**21,935**	**45,495**
Amortisations	2,751	1,536	5,040	3,072	8,516
Operating profit before amortisations and special items (EBITA before special items)	**11,743**	**12,243**	**34,367**	**25,007**	**54,011**
Depreciation	483	419	970	849	1,764
Operating profit before depreciation, amortisations, and special items (EBITDA before special items)	**12,226**	**12,662**	**35,337**	**25,855**	**55,775**

6 Income tax

Total tax for the period is specified as follows:

tEUR	**Q2 2022**	Q2 2021	**YTD 2022**	YTD 2021	2021
Tax for the period	1,796	2,309	6,088	4,937	8,936
Tax on other comprehensive income	4,220	1,514	5,421	1,130	3,629
Total	**6,016**	**3,822**	**11,509**	**6,066**	**12,565**

Income tax on profit for the period is specified as follows:

tEUR	**Q2 2022**	Q2 2021	**YTD 2022**	YTD 2021	2021
Deferred tax	-2	-136	2,147	-313	-38
Current tax	1,776	2,454	3,919	5,259	8,890
Adjustment from prior years	22	-9	22	-9	84
Total	**1,796**	**2,309**	**6,088**	**4,937**	**8,936**

Tax on the profit for the period can be explained as follows:

tEUR	**Q2 2022**	Q2 2021	**YTD 2022**	YTD 2021	2021
Specification for the period:					
Calculated 22% tax of the result before tax	1,958	880	5,926	3,286	5,770
Adjustment of the tax rates in foreign subsidiaries relative to the 22%	175	293	466	433	297
Tax effect of:					
Special items	-142	0	260	0	4,433
Special items - taxable items	-443	0	-822	0	-2,323
Other non-taxable income	0	0	-100	0	0
Other non-deductible costs	225	1,145	337	1,226	676
Tax deductable	0	0	0	0	
Adjustment of tax relating to prior periods*	22	-9	22	-9	84
Total	**1,796**	**2,309**	**6,088**	**4,937**	**8,936**
Effective tax rate	**20.2%**	**57.7%**	**22.6%**	**33.1%**	**34.1%**

Notes

7 Intangible assets

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation				
As of January 1, 2022	**178,182**	**329,276**	**36,827**	**544,285**
Additions	0	118,094	15,664	133,758
Acquisitions through business combinations	0	0	0	0
Transfer	0	0	0	0
Disposals	0	0	0	0
Currency Translation	8,383	18,989	783	28,155
At June 30, 2022	**186,565**	**466,360**	**53,273**	**706,198**
Amortisation and impairment				
As of January 1, 2022	**0**	**0**	**24,374**	**24,374**
Amortisation for the period	0	0	5,178	5,178
Impairment for the period*	0	0	0	0
Amortisation on disposed assets	0	0	0	0
Currency translation	0	0	168	168
At June 30, 2022	**0**	**0**	**29,720**	**29,720**
Net book value at June 30, 2022	**186,565**	**466,360**	**23,553**	**676,478**

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation				
As of January 1, 2021	**99,315**	**150,274**	**25,175**	**274,764**
Additions	0	2,982	1,118	4,101
Acquisitions through business combinations	39,801	164,947	0	204,748
Transfer	0	0	0	0
Disposals	0	0	0	0
Currency Translation	551	1,356	13	1,919
At June 30, 2021	**139,666**	**319,559**	**26,306**	**485,531**
Amortisation and impairment				
As of January 1, 2021	**0**	**0**	**15,797**	**15,797**
Amortisation for the period	0	0	3,072	3,072
Amortisation on disposed assets	0	0	0	0
Currency translation	0	0	7	7
At June 30, 2021	**0**	**0**	**18,876**	**18,876**
Net book value at June 30, 2021	**139,666**	**319,559**	**7,430**	**466,655**

7 Intangible assets, continued

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation				
As of January 1, 2021	**99,315**	**150,274**	**25,175**	**274,764**
Additions	0	10,998	3,298	14,297
Acquisitions through business combinations	75,741	157,151	7,949	240,842
Transfer	0	0	0	0
Disposals	0	0	0	0
Currency Translation	3,126	10,853	404	14,383
At December 31, 2021	**178,182**	**329,276**	**36,827**	**544,285**
Amortisation and impairment				
As of January 1, 2021	**0**	**0**	**15,797**	**15,797**
Amortisation for the period	0	0	6,823	6,823
Impairment for the period*	0	0	1,693	1,693
Amortisation on disposed assets	0	0	0	0
Currency translation	0	0	61	61
At December 31, 2021	**0**	**0**	**24,374**	**24,374**
Net book value at December 31, 2021	**178,182**	**329,276**	**12,453**	**519,911**

8 Non-current liabilities and other current financial liabilities

Debt to credit institutions:
As per June 30, 2022 Better Collective has drawn 205.9 mEUR out of the total available credit facility of 214.3 mEUR established with Nordea. 20.2 mEUR of the bank debt is short tem debt due to amortizing loan.

Lease liabilities:
Non-current and current lease liabilities, of 1.1 mEUR and 1.2 mEUR respectively.

Deferred Tax liability:
Deferred tax liability as of June 30, 2022 amounted to 75.0 mEUR. The change from January 1, 2022 originates from amortisation of accounts from acquisitions, and deferred tax changes in Parent Company and Better Collective US, Inc.

Deferred Tax asset:
Deferred tax asset as of June 30, 2022 amounted to 9.5 mEUR, unchanged from January 1, 2022.

Contingent Consideration:
As per June 30, 2022 the contingent consideration amounted to 0 mEUR after final adjustment and settlement of outstanding purchase price related to the acquisition of RiCal LLC. During the quarter Better Collective paid the final part of the contingent liabilities.

Other financial liabilities:
As per June 30, 2022 other financial liabilities amounted to 43.8 mEUR due to deferred and variable payments related to acquisitions. The increase from January 1, 2022 is related to the deferred payment in connection with the acquisition of FUTBIN and capitalisation of media agreement with New York Post, whereas the last payments related to the acquisitions of Atemi and HLTV were made and reduced the liability.

Fair Value is measured based on level 3 - Valuation techniques. In all material aspects the fair value of the financial assets and liabilities is considered equal to the booked value.

9 Business combinations

No acquisitions of business combinations were made in the quarter.

Notes

10 Note to cash flow statement

Note	tEUR	**Q2 2022**	Q2 2021	**YTD 2022**	YTD 2021	2021
	Acquisition of business combinations:					
9	Net Cash outflow from business combinations at acquisition	0	-178,850	0	-181,584	-179,732
	Business Combinations deferred payments from current period	0	-655	0	-655	-2,159
	Deferred payments - business combinations from prior periods	-10,604	-4,163	-13,181	-5,856	-26,010
	Total cash flow from business combinations	**-10,604**	**-183,668**	**-13,181**	**-188,095**	**-207,900**
	Acquisition of intangible assets:					
7	Acquisitions through asset transactions	-107,284	-191	-133,758	-4,101	-14,297
	Deferred payments related to acquisition value	24,048	0	29,408	0	3,535
	Deferred payments - acquisitions from prior periods	0	0	-121	0	-70
	Intangible assets with no cash flow effect	8,138	0	13,455	0	0
	Other investments	-970	-396	-1,414	-416	-759
	Total cash flow from intangible assets	**-76,067**	**-587**	**-92,430**	**-4,517**	**-11,591**

Equity movements with and without cashflow impact

tEUR	**Q2 2022**	Q2 2021	**YTD 2022**	YTD 2021	2021
Cashflow from Equity movements:					
Equity movements with cashflow impact - from cash flow statement:					
Capital increase	316	148,225	316	148,297	148,893
Treasury shares	0	0	-6,595	-69	-8,143
Transaction cost	0	-2,284	-15	-2,287	-2,305
Warrant settlement, sale of warrants	0	0	0	0	0
Total equity movements with cash flow impact	**316**	**145,941**	**-6,294**	**145,941**	**138,446**
Non-cash flow movements on equity:					
New shares for M&A payments	4,066	10,303	4,066	10,232	10,232
Treasury Shares used for payments	8,878	10	15,488	82	82
Share based payments - warrant expenses with no cash flow effect	2,626	509	2,626	509	3,688
Tax impact of settlement of warrants	0	0	0	0	0
Total equity movements with no cash flow impact	**15,570**	**10,822**	**22,180**	**10,822**	**14,002**
Total Transactions with owners - Consolidated statement of changes in equity	**15,886**	**156,763**	**15,886**	**156,763**	**152,447**

Financial statements for the period January 1 – June 30

Condensed interim income statement – Parent company

tEUR	**Q2 2022**	Q2 2021	**YTD 2022**	YTD 2021	2021
Revenue	**15,615**	**9,239**	**27,762**	**17,843**	**36,961**
Other operating income	4,373	4,686	6,227	6,373	12,748
Direct costs related to revenue	3,478	1,419	6,103	2,706	7,407
Staff costs	5,083	3,779	9,177	7,221	13,767
Depreciation	137	122	268	242	490
Other external expenses	4,850	3,359	10,499	6,105	15,080
Operating profit before amortisations (EBITA) and special items	**6,440**	**5,246**	**7,942**	**7,942**	**12,963**
Amortisation	986	362	1,579	724	3,397
Operating profit (EBIT) before special items	**5,455**	**4,884**	**6,363**	**7,218**	**9,566**
Special items, net	-189	-213	-290	-39	2,776
Operating profit	**5,265**	**4,671**	**6,074**	**7,179**	**12,342**
Financial income	33,276	29,818	41,101	32,290	47,400
Financial expenses	1,565	3,024	3,104	4,084	5,102
Profit before tax	**36,976**	**31,464**	**44,071**	**35,385**	**54,640**
Tax on profit for the period	5,553	1,852	7,181	2,783	6,947
Profit for the period	**31,423**	**29,612**	**36,890**	**32,602**	**47,692**

Condensed interim statement of other comprehensive income

tEUR	**Q2 2022**	Q2 2021	**YTD 2022**	YTD 2021	2021
Profit for the period	**31,423**	**29,612**	**36,890**	**32,602**	**47,692**
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Currency translation to presentation currency	-72	30	-134	71	50
Income tax	0	0	0	0	0
Net other comprehensive income/loss	-72	30	-134	71	50
Total other comprehensive income/(loss) for the period, net of tax	**31,351**	**29,642**	**36,756**	**32,673**	**47,742**

Financial statements for the period January 1 – June 30

Condensed interim balance sheet – Parent company

tEUR	Q2 2022	Q2 2021	2021
Assets			
Non-current assets			
Intangible assets			
Domains and websites	144,274	18,174	26,189
Accounts and other intangible assets	8,817	3,751	3,257
	153,091	**21,925**	**29,446**
Property, plant and equipment			
Right of use assets	492	751	601
Fixtures and fittings, other plant and equipment	455	355	310
	947	**1,106**	**911**
Financial assets			
Investments in subsidiaries	192,411	186,840	189,318
Receivables from subsidiaries	280,653	233,995	245,349
Deposits	174	163	170
	473,238	**420,997**	**434,837**
Total non-current assets	**627,277**	**444,028**	**465,194**
Current assets			
Trade and other receivables	11,850	5,779	7,683
Receivables from subsidiaries	24,945	11,757	22,428
Prepayments	1,560	901	1,331
Restricted Cash	0	4,438	1,489
Cash	12,591	9,798	5,962
Total current assets	**50,946**	**32,673**	**38,894**
TOTAL ASSETS	**678,223**	**476,701**	**504,088**

Financial statements for the period January 1 – June 30

Condensed interim balance sheet – Parent company

tEUR	Q2 2022	Q2 2021	2021
Equity and liabilities			
Equity			
Share Capital	550	543	546
Share Premium	272,252	267,280	267,873
Currency Translation Reserve	418	565	552
Treasury shares	-13	0	-8,074
Retained Earnings	135,915	75,972	94,223
Proposed Dividends	0	0	0
Total equity	**409,121**	**344,360**	**355,121**
Non-current Liabilities			
Debt to credit institutions	185,722	105,275	121,025
Lease liabilities	196	481	330
Deferred tax liabilities	3,967	1,393	1,996
Other non-current financial liabilities	1,376	6,075	4,939
Total non-current liabilities	**191,261**	**113,223**	**128,290**
Current Liabilities			
Prepayments received from customers and deferred revenue	1,339	0	0
Trade and other payables	4,270	7,705	4,046
Payables to subsidiaries	13,946	1,619	9,273
Corporation tax payable	5,934	1,767	993
Other current financial liabilities	31,844	7,700	6,039
Debt to credit institutions	20,163	0	0
Lease liabilities	345	328	328
Total current liabilities	**77,840**	**19,118**	**20,678**
Total liabilities	**269,102**	**132,341**	**148,967**
TOTAL EQUITY AND LIABILITIES	**678,223**	**476,701**	**504,088**

Financial statements for the period January 1 – June 30

Condensed interim statement of changes in equity – Parent company

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2022	**546**	**267,873**	**552**	**-8,074**	**94,223**	**0**	**355,121**
Result for the period	0	0	0	0	36,890	0	36,890
Other comprehensive income							
Currency translation to presentation currency	0	0	-134	0	0	0	-134
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	-134	0	0	0	-134
Total comprehensive income for the year	**0**	**0**	**-134**	**0**	**36,890**	**0**	**36,756**
Transactions with owners							
Capital Increase	4	4,379	0	0	0	0	4,382
Acquisition of treasury shares	0	0	0	-6,595	0	0	-6,595
Disposal of treasury shares	0	0	0	14,656	842	0	15,498
Share based payments	0	0	0	0	3,974	0	3,974
Transaction cost	0	0	0	0	-15	0	-15
Total transactions with owners	**4**	**4,379**	**0**	**8,061**	**4,802**	**0**	**17,245**
At June 30, 2022	**550**	**272,252**	**418**	**-13**	**135,915**	**0**	**409,121**

During the period no dividend was paid.

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2021	**469**	**108,825**	**494**	**-2**	**45,137**	**0**	**154,923**
Result for the period	0	0	0	0	32,602	0	32,602
Other comprehensive income							
Currency translation to presentation currency	0	0	71	0	0	0	71
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	71	0	0	0	71
Total comprehensive income for the year	**0**	**0**	**71**	**0**	**32,602**	**0**	**32,673**
Transactions with owners							
Capital Increase	74	158,455	0	0	0	0	158,528
Acquisition of treasury shares	0	0	0	-69	0	0	-69
Disposal of treasury shares	0	0	0	71	11	0	82
Share based payments	0	0	0	0	509	0	509
Transaction cost	0	0	0	0	-2,287	0	-2,287
Total transactions with owners	**74**	**158,455**	**0**	**2**	**-1,767**	**0**	**156,763**
At June 30, 2021	**543**	**267,280**	**565**	**0**	**75,972**	**0**	**344,360**

During the period no dividend was paid.

Financial statements for the period January 1 – June 30

Condensed interim statement of changes in equity – Parent company

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2021	**469**	**108,825**	**494**	**-2**	**45,137**	**0**	**154,923**
Result for the period	0	0	0	0	47,692	0	47,692
Other comprehensive income							
Currency translation to presentation currency	0	0	50	0	0	0	50
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	50	0	0	0	50
Total comprehensive income for the year	**0**	**0**	**50**	**0**	**47,692**	**0**	**47,742**
Transactions with owners							
Capital Increase	77	159,048	8	0	0	0	159,133
Acquisition of treasury shares	0	0	0	-8,135	0	0	-8,135
Disposal of treasury shares	0	0	0	71	11	0	82
Share based payments	0	0	0	0	3,688	0	3,688
Transaction cost	0	0	0	-8	-2,305	0	-2,313
Total transactions with owners	**77**	**159,048**	**8**	**-8,072**	**1,395**	**0**	**152,455**
At December 31, 2021	**546**	**267,873**	**552**	**-8,074**	**94,223**	**0**	**355,121**

During the period no dividend was paid.

Alternative Performance Measures and Definitions

The group uses Alternative Performance Measures not defined under IFRS to give management and investors important information to enable them to fully analyse the Better Collective business and trends. The APMs are not meant to replace but to complement the performance measures defined under IFRS. Note 5 contains a bridge from the APMs to performance measures defined by IFRS.

Alternative Performance Measures

Alternative Performance Measure	Description	SCOPE
Earnings per share (EPS)	Net Profit for the period / (Average number of shares - Average number of treasury shares held by the company)	The group reports this APM for users to monitor development in the net profit per share.
Diluted earnings per share	Net profit for the period / (Average number of shares + Average number of outstanding warrants - Average number of treasury shares held by the company)	The group reports this APM for users to monitor development in the net profit per share, assuming full dilution from active warrant programs.
Operating profit before amortisations (EBITA)	Operating profit plus amortisations	Better Collective reports this APM to allow monitoring and evaluation of the Group's operational profitability.
Operating profit before amortisations margin (%)	Operating profit before amortisations / revenue	This APM supports the assessment and monitoring of the Group's performance and profitability
EBITDA before special items	EBITDA adjusted for special items	This APM supports the assessment and monitoring of the Group's performance as well as profitability excluding special items that do no stem from ongoing operations, providing a more comparable measure over time.
Operating profit before amortisations and special items margin (%)	Operating profit before amortisations and special items / revenue	This APM supports the assessment and monitoring of the Group's performance as well as profitability excluding special items that do no stem from ongoing operations, providing a more comparable measure over time.
Special items	Items that are considered not part of ongoing business	Items that are not part of ongoing business, e.g. cost related to M&A and restructuring, adjustments of earn-out payments.
Net Debt / EBITDA before special items	(Interest bearing debt, including earn-outs from acquisitions, excl. contingent consideration, minus cash and cash equivalents) / EBITDA before special items on rolling twelve months basis	This ratio is used to describe the horizon for pay back of the interest bearing debt, and measures the leverage of the funding.
Liquidity ratio	Current Assets / Current Liabilities	Measures the ability of the group to pay it's current liabilities using current assets.
Equity to assets ratio	Equity / Total Assets	Reported to show how much of the assets in the company is funded by equity
Cash conversion rate before special items	(Cash flow from operations before special items + Cash from CAPEX) / EBITDA before special items	This APM is reported to illustrate the Group's ability to convert profits to cash
NDC	New depositing customers	A key figure to reflect the Group's ability to fuel long-term revenue and organic growth
Organic Growth	Revenue growth as compared to the same period previous year. Organic growth from acquired companies or assets are calculated from the date of acquisition measured against the historical baseline performance.	Reported to measure the ability to generate growth from existing business

Definitions

Term	Description
PPC	Pay-Per-Click
SEO	Search Engine Optimisation
Sports win margin	Sports net player winnings (operators) / sports wagering
Sports wagering	The value of bets placed by the players
Board	The Board of Directors of the company
Executive Management	Executives that are registered with the Danish Company register
Company	Better Collective A/S, a company registered under the laws of Denmark

BETTER COLLECTIVE

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