



BETTER  
COLLECTIVE



Q4 & Full Year 2022 webcast  
*February 22, 2023*

# Forward looking statement

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

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

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

- ◇ Q4 & FY highlights
- ◇ Financial performance
- ◇ Business review
- ◇ Q&A

## Presented by



**Jesper Søgaard**  
*Co-founder & CEO*



**Flemming Pedersen**  
*CFO*



**Mikkel Munch-Jacobsgaard**  
*Director Investor Relations &  
Corporate Communications*



Strong revenue growth of 63% of which 44% organic

Recurring revenue grew 94% to 41.3 mEUR, revenue share income up 81%

Exceptional operational leverage as EBITDA grew 115% despite moving 15 mEUR to revenue share contracts in the US

Another record for NDCs >580.000, ending 2022 at 1.7 million NDCs

Strong performance across the Group with exceptional men's World Cup and a strong US performance across our brands

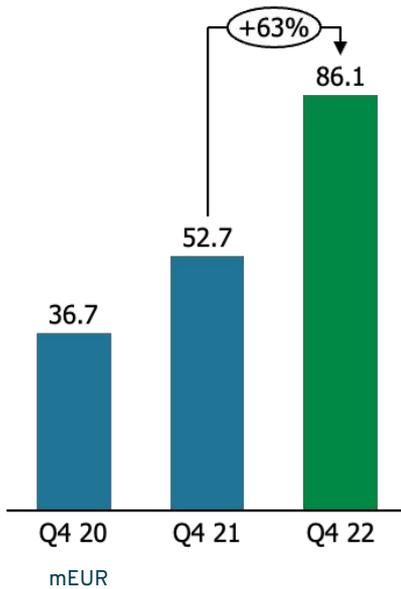
Upgraded 2022 financial targets

January monthly record with >37 mEUR implying >40% growth

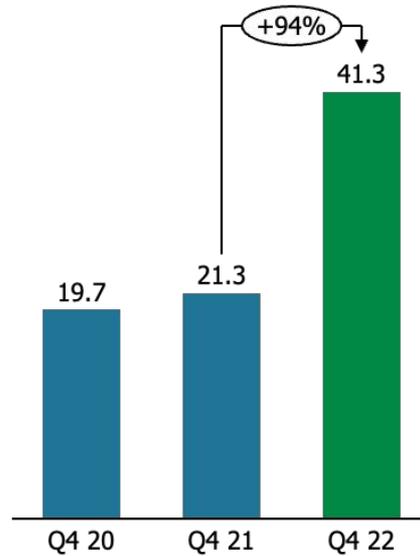


# Q4 Financial performance

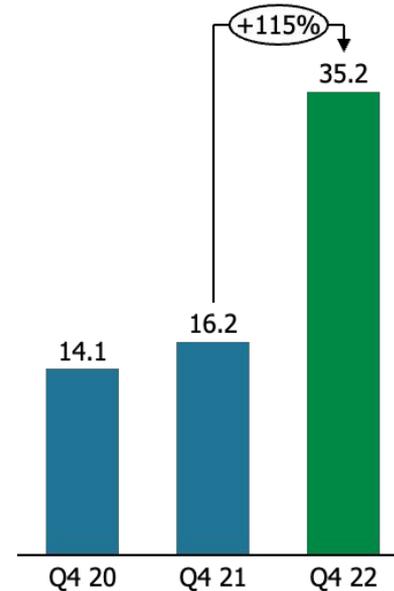
## Revenue



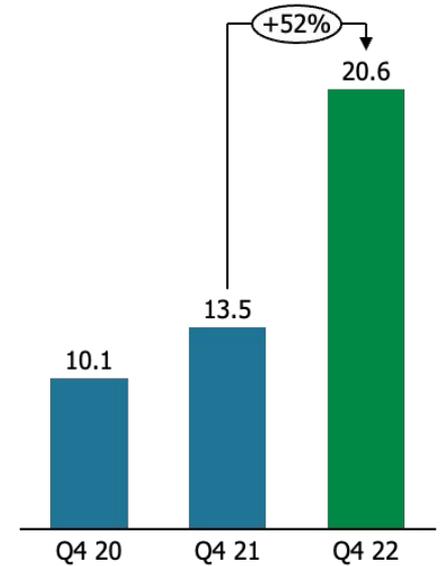
## Recurring revenue



## EBITDA

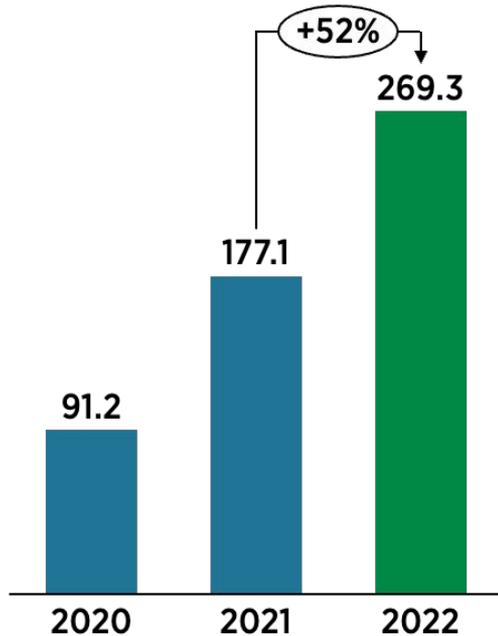


## Cash flow

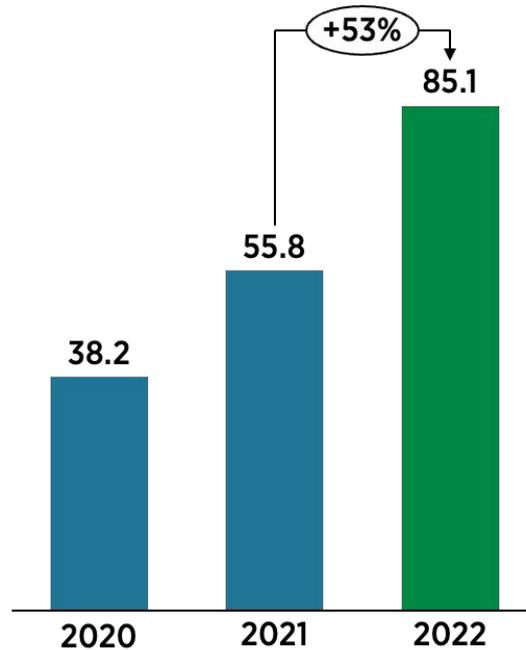


# Full year growth was strong and EPS followed

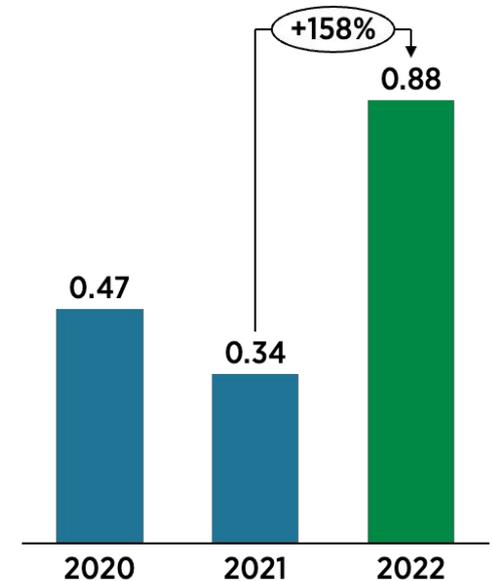
## Revenue



## EBITDA

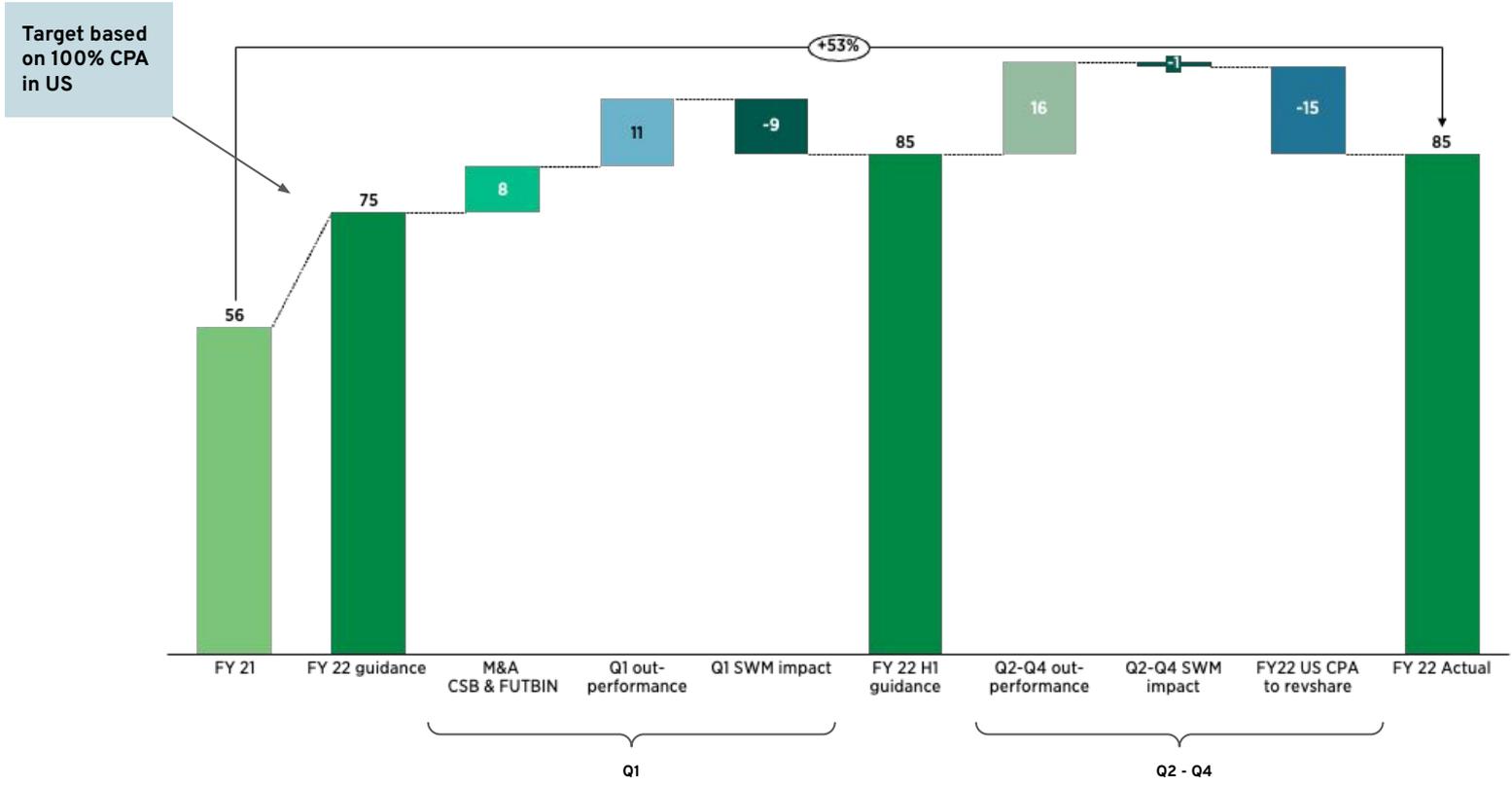


## Earnings per share (EPS) in EUR



\*Organic revenue growth 34%

# Reaching our EBITDA target despite short term headwinds



\*Values in mEUR and guidance are approximations

Q2\*

Two US sportsbooks  
FY EBITDA impact:  
>5 mEUR

Q3

Four US  
sportsbooks  
FY EBITDA impact:  
>10 mEUR

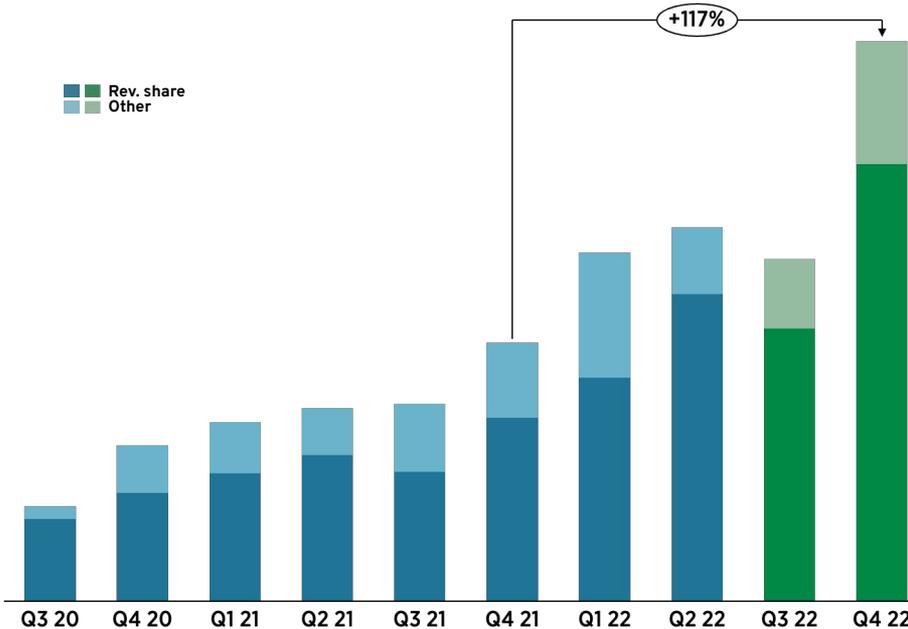
Q4

Six US  
sportsbooks  
FY EBITDA impact:  
15 mEUR

# NDC's building a "snowball" of recurring revenue

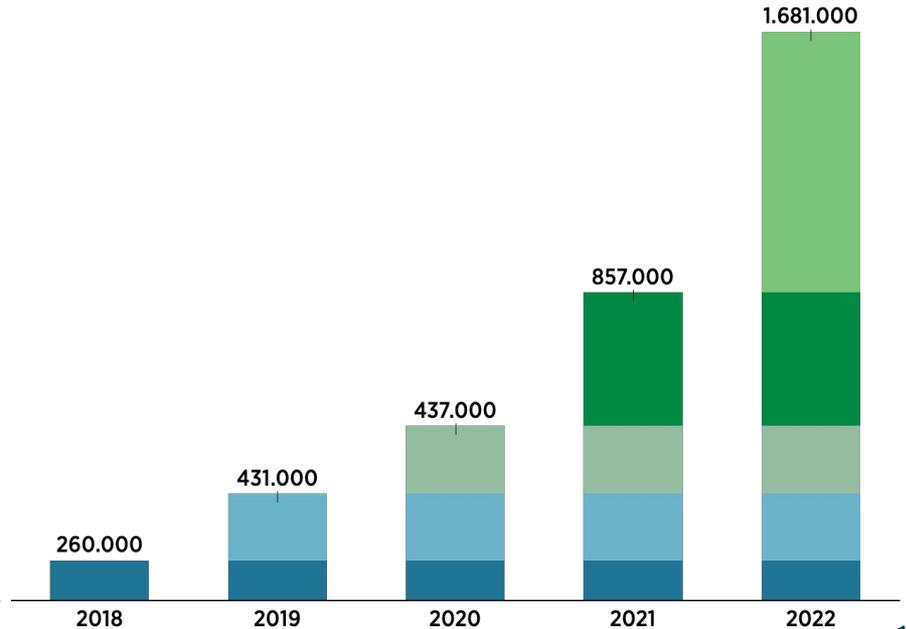
## New Depositing Customers (NDC)

- ◇ >581,000 NDCs with a growth of 117%
- ◇ >452,000 NDCs or 78% sent on revenue share contracts



## Annually accumulated New Depositing Customers

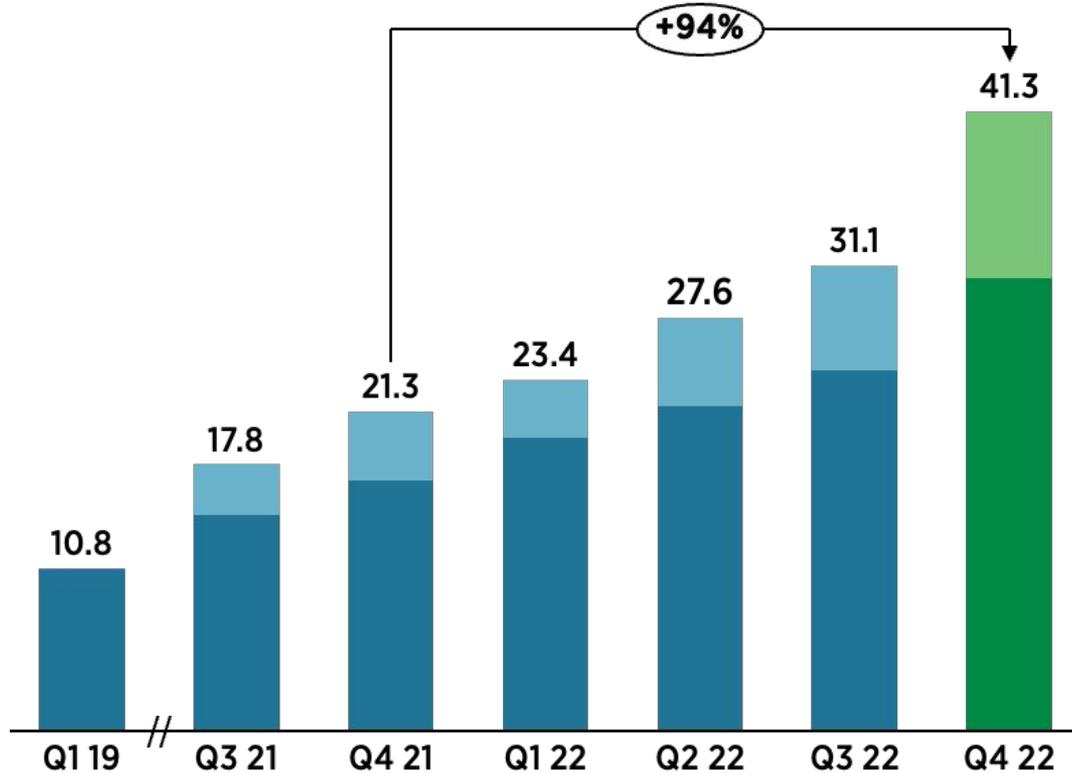
- ◇ Building a solid foundation for recurring revenue share income



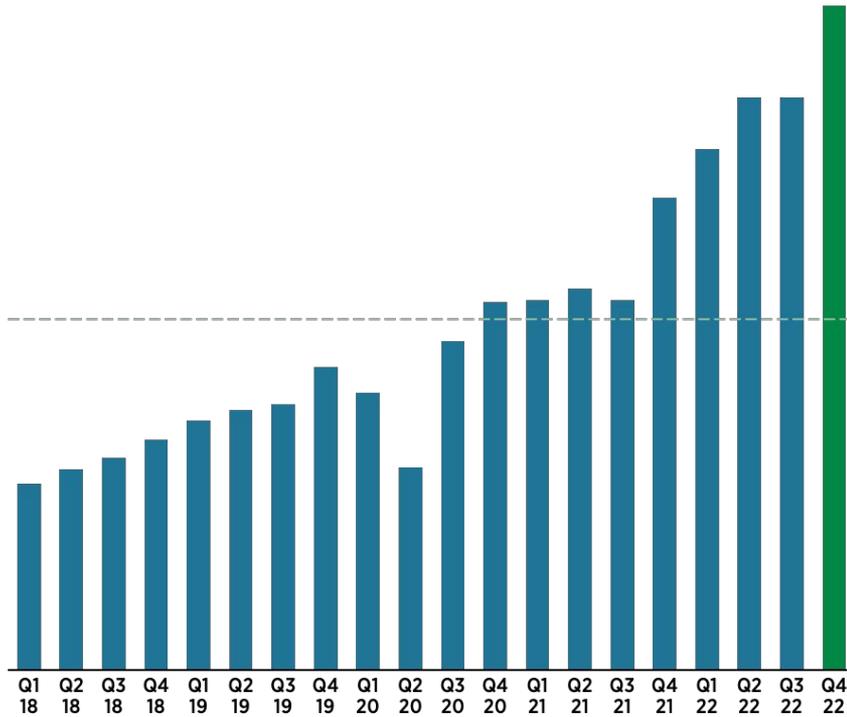
# A decade focusing on recurring revenues



Revenue share income of total recurring revenue in mEUR



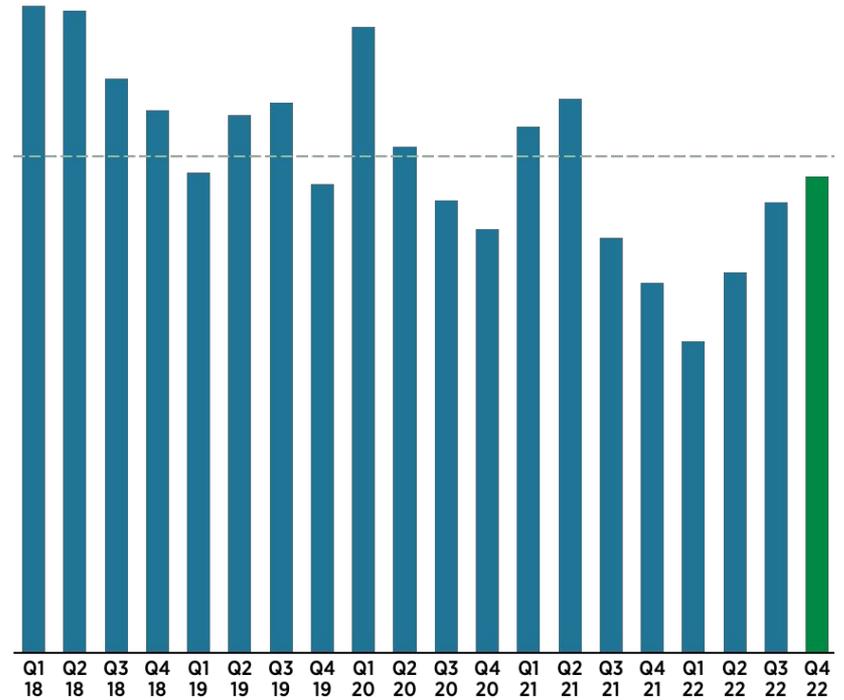
# Wagering continuing all time highs and SWM on mean reversion



**Sports wagering;** *The value of bets placed by the players*

Q4 2022 index: **357**

Average index in period: **188**



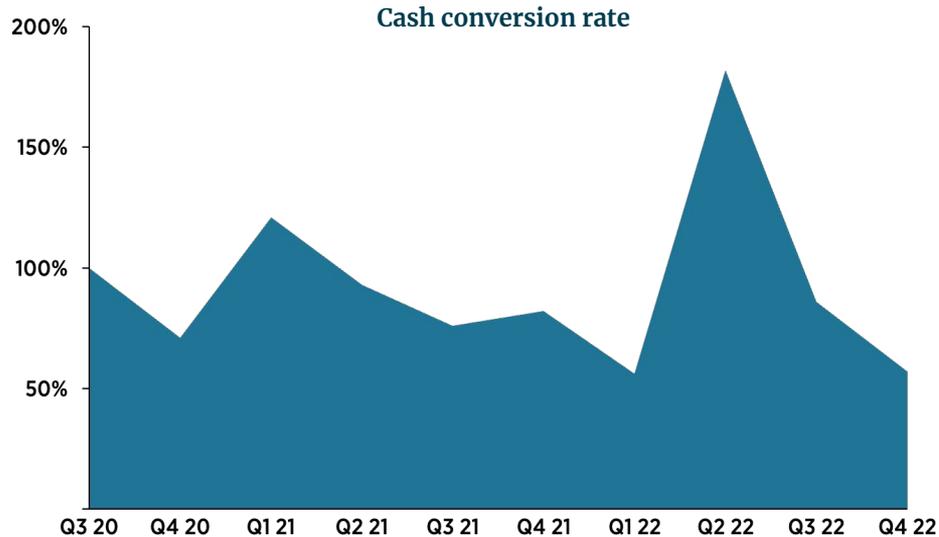
**Sports win margin;** *Sports net player winnings/sports wagering*

Q4 2022 index: **73.6**

Average index in period: **77.8**

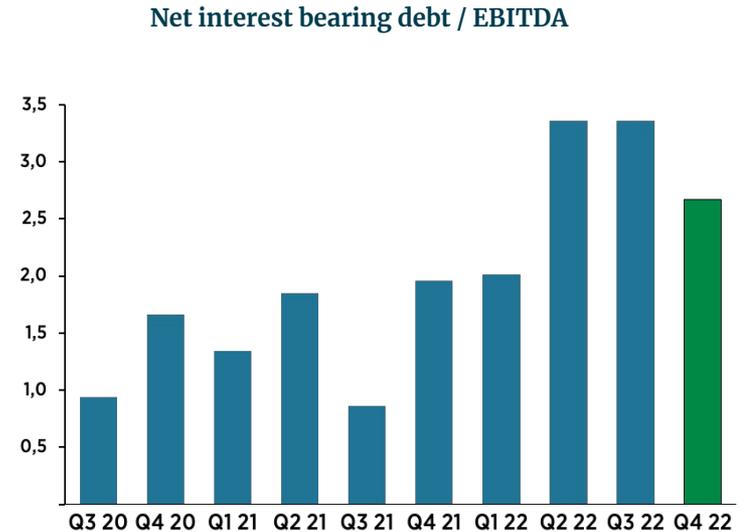
## Cash flow

- ◇ Q4 Operating cash flow: 20.6 mEUR (52% increase YOY)
- ◇ Q4 cash conversion rate 58% (Q4 2021: 82%)



## Balance sheet

- ◇ 76 mEUR capital reserves of which cash 31.5 mEUR and unused bank credit facilities of 44 mEUR
- ◇ Net debt/EBITDA: 2.67 (Q3 2022: 3.38)





HLTV AWARD SHOW 2022

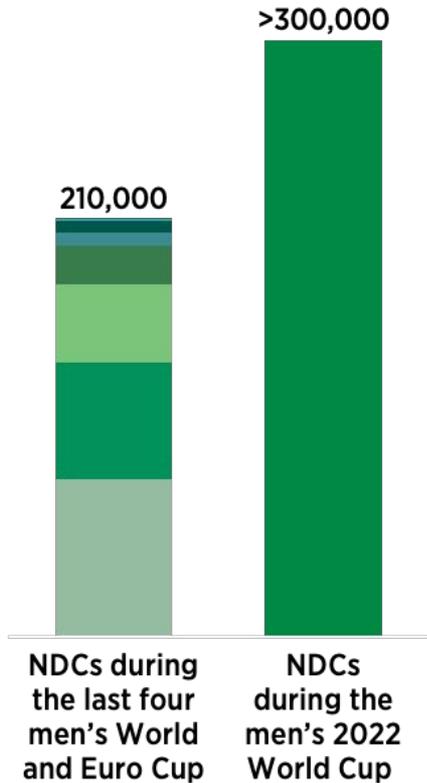
**SIMPLE**  
ALEKSANDR KOSTYLIEV 26 YEARS / NAHCS VIKING

RATING
<b>126</b>
MVPS
<b>2</b>
BIG EVENT EVPS
<b>7 (78%)</b>



# Business review

# Extraordinary men's World Cup soccer performance

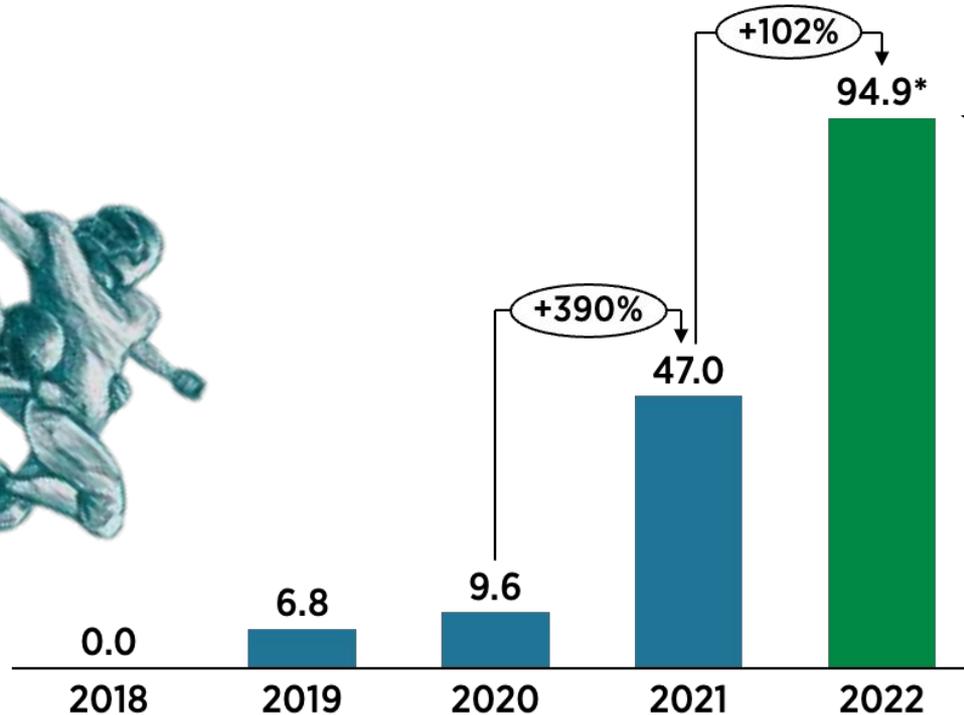


## Record KPIs achieved during the men's World Cup

- ◆ Revenue
- ◆ Revenue share income
- ◆ EBITDA
- ◆ Sports wagering
- ◆ New Depositing Customers

# Exceeded estimate of 100 mUSD in US revenue even after absorbing 15 mEUR in revenue share shift

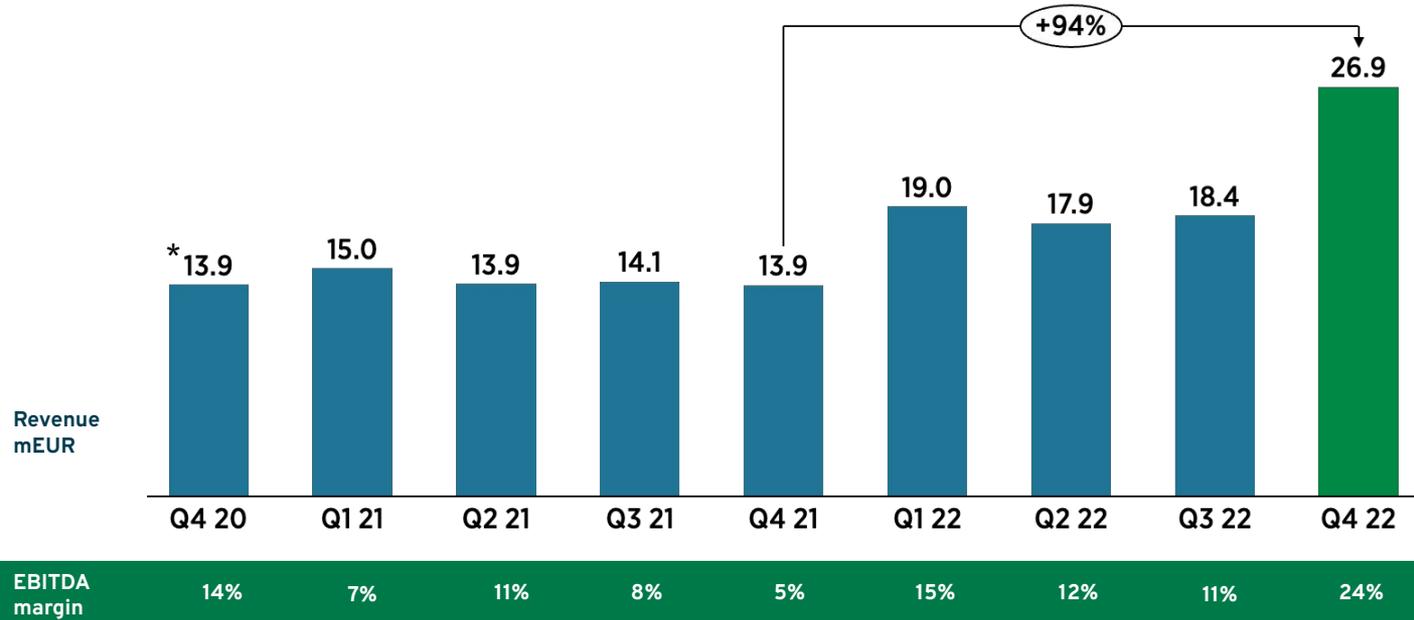
BC



\*Numbers in mEUR

Absorbed 15 mEUR in revenue share shift

# Investments in Paid Media have paid off



Investing in moving revenues from CPA to revenue share

\*Acquired Atemi Group

# Financial targets for 2023

BC

	2022	2023
Revenue target	<b>20-30% organic growth</b> (269.3 mEUR) Exceeded; 34% organic growth	<b>Revenue of 290-300 mEUR</b> (8-11.5% YOY growth)
EBITDA target	<b>Approx. 85 mEUR EBITDA</b> (Margin of 32%) Reached; 85.1 mEUR	<b>EBITDA before special items of 90-100 mEUR</b> (Margin of 31-33%)
Net debt/EBITDA target	<b>Net debt/EBITDA &lt; 3</b> Reached; 2.67	<b>Net debt/EBITDA before special items of &lt; 2.0</b>

# Summarizing our strong performance and outlook

BC

Strong revenue and  
EBITDA growth

Recurring revenue  
at all time high  
growing 95% YOY

Upgraded our 2022 organic  
revenue growth guidance

Strong momentum  
continued into January  
being the strongest  
month ever

# Better Collective's Capital Markets Day in Copenhagen on 23 of March 2023

## Upcoming events

23/03/2023

Annual report 2022

23/03/2023

Better Collective's Capital  
Markets Day

25/04/2023

AGM

16/05/2023

Q1 report



Our CEO, Jesper, accepting the IGB "Idole Affiliate - Lifetime Achievement award" on behalf of himself and co-founder, Christian.

## Contact

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