



BETTER  
COLLECTIVE

# Annual General Meeting 2020

April 22, 2020

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# Agenda

1. Appointment of chairman of the general meeting.
2. The board of directors' report on the activities of the company during the past financial year.
3. Presentation of the audited annual report and the consolidated financial statements for the financial year 2019 for adoption.
4. Resolution on the appropriation of profits as recorded in the approved annual report.
5. Resolution to grant discharge of liability to members of the board of directors and the executive management.
6. Election of members of the board of directors, including the chairman of the board of directors
7. Approval of the board of directors' remuneration for the current financial year
8. Election of auditor and determination of remuneration for the auditor
9. Any proposals from the board of directors or the shareholders
  - a. Proposal to adopt a remuneration policy
  - b. Proposal to issue 25,000 warrants to the new member of the board of directors
  - c. Proposal to authorize the board of directors to increase the share capital of the company
  - d. Proposal to authorize the board of directors to acquire treasury shares
  - e. Proposal to re-approve the board of directors' authorization to issue warrants to key employees in 2020 in accordance with the existing authorization in section 5.5 of the articles of association.
10. Proposal on authorisation to the chairman of the meeting.



**Jens Bager**  
Chairman of the board



**Jesper Søgaard**  
CEO & co-founder



**Daniel Mariussen**  
Chairman of the  
nomination committee



**Andreas Nielsen**  
Chairman of the  
meeting

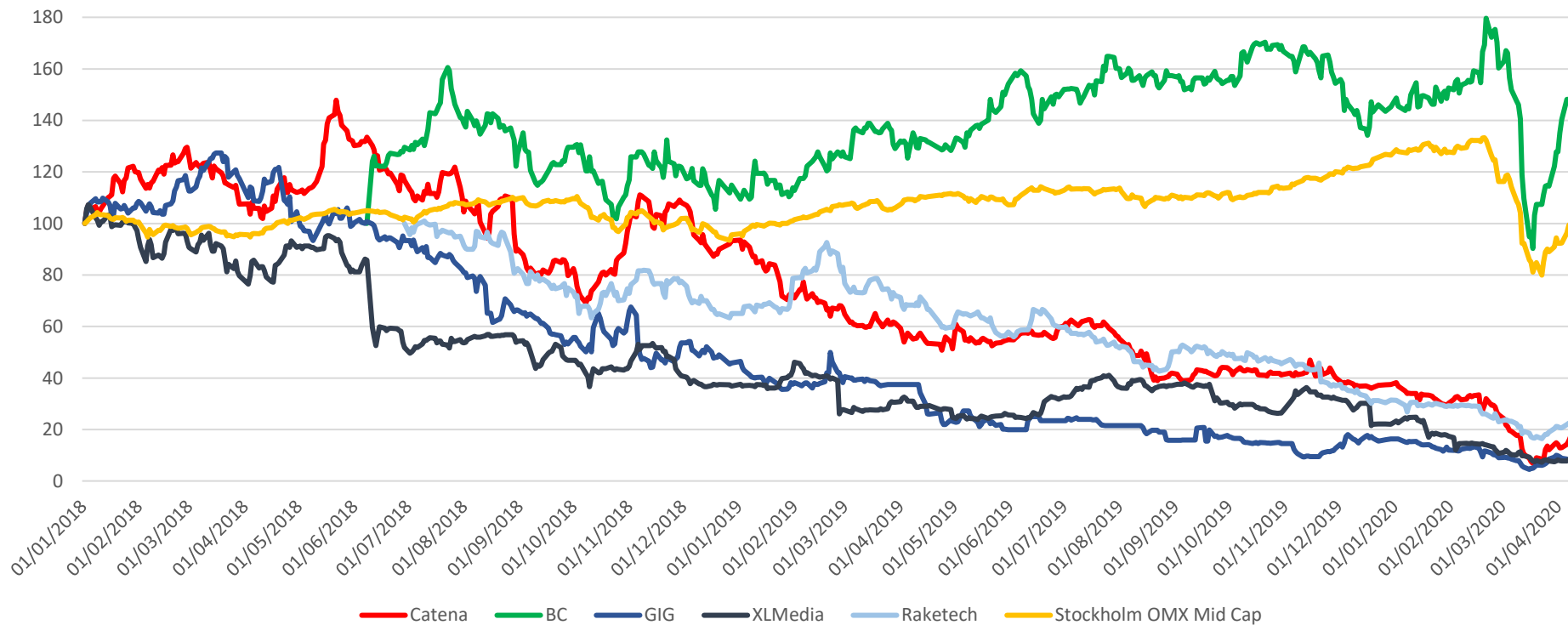
A basketball is suspended in the air, hanging from a white net. The background is a blurred crowd of people, suggesting a basketball game in progress. The lighting is warm, highlighting the orange of the ball and the white of the net.

# Chairman's report Jens Bager

# The BETCO share and shareholders

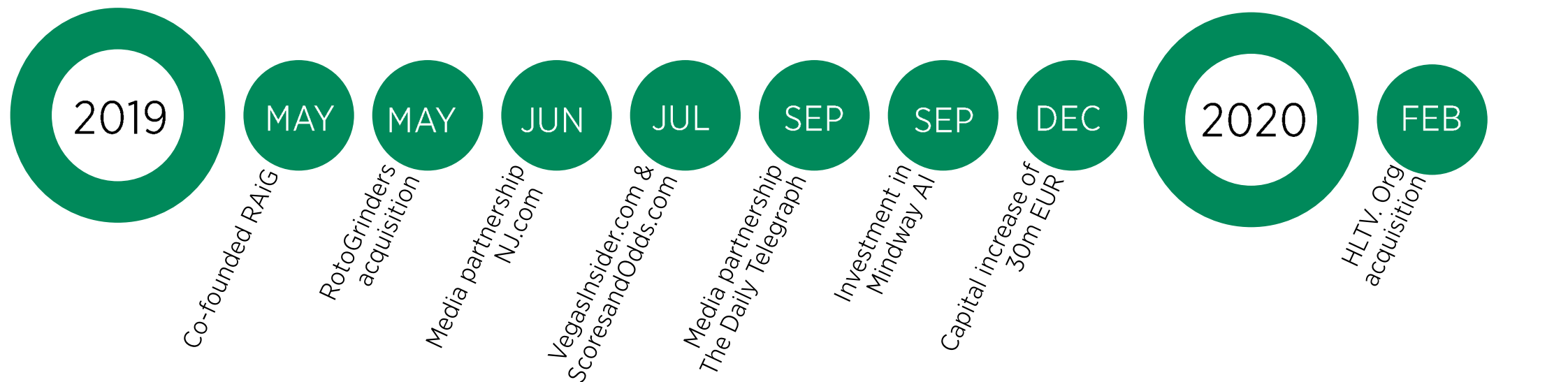
- Share price increase 2019 of 32.75%
- Founders and management: 57%
- 1,086 shareholders, increase of 37% since IPO
- Top 10 shareholders 75%

Peer group share price development – index (including April 17, 2020)



Prices are indexed from 2<sup>nd</sup> of January, 2018 at 100, or from IPO.

# Highlights Full Year 2019



REVENUE  
**+ 67 %**  
 67.5 mEUR

EBITA\*  
**+ 69 %**  
 27.2 mEUR

CASH FLOW\*  
**+ 75 %**  
 26.6 mEUR

NDCs  
**+ 66 %**  
 >431,000

# Board of directors



**Jens Bager**

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**Chairman**

BC since 2016

Chairman of  
Remuneration committee



**Klaus Hulse**

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**Board member**

BC since 2017

Member of  
Remuneration committee



**Søren Jørgensen**

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**Board member**

BC since 2014

Member of  
Audit committee



**Leif Nørgaard**

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**Board member**

BC since 2014

Chairman of  
Audit committee



**Petra von Rohr**

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**Board member**

BC since 2018

Member of  
Audit committee

# Executive management remuneration

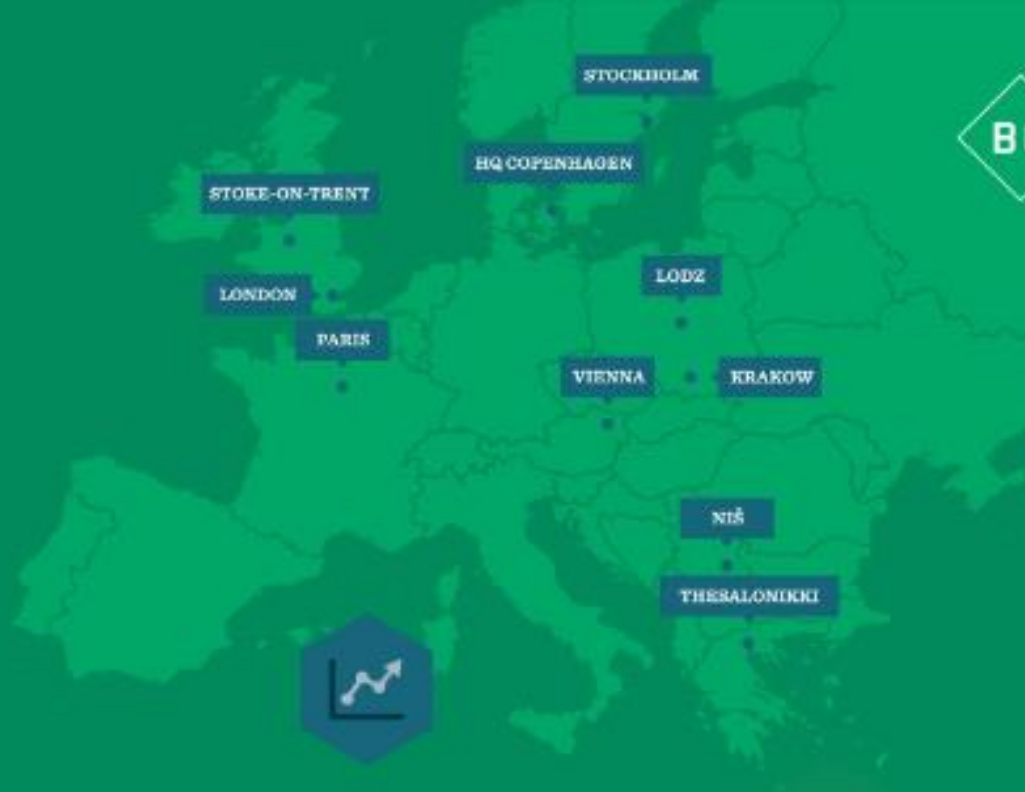
tEUR	2019	2018
<b>Remuneration to Executive Directors*</b>		
Wages and salaries	985	800
Pensions, defined contribution	102	104
Other social security costs	2	1
Share-based payments	176	91
<b>Total</b>	<b>1,265</b>	<b>996</b>

# CEO's report Jesper Søgaard



# At-a-glance

Better Collective is the leading developer of digital platforms within the iGaming industry. Through our products, we aim to make sports betting and gambling entertaining, transparent and fair for the global network of online bettors.



## LEADING SPORTS MEDIA GROUP

**30M+**  
VISITS  
PER MONTH

**#1**  
EGR POWER  
AFFILIATES LIST



## FINANCIAL PERFORMANCE

**67.5**  
mEUR  
REVENUE 2019

**40%**  
EBITDA MARGIN  
2019



## OWNERSHIP

**2018**  
LISTED ON  
NASDAQ STOCKHOLM

**>50%**  
SHARES OWNED BY  
FOUNDERS AND MGT



## GLOBAL

**>400**  
EMPLOYEES

NASHVILLE

FORT LAUDERDALE

# Megatrends in iGaming



## DIGITALISATION

From land-based  
to online



## MOBILE USE

Anytime, anywhere,  
in game.



## REGULATIONS

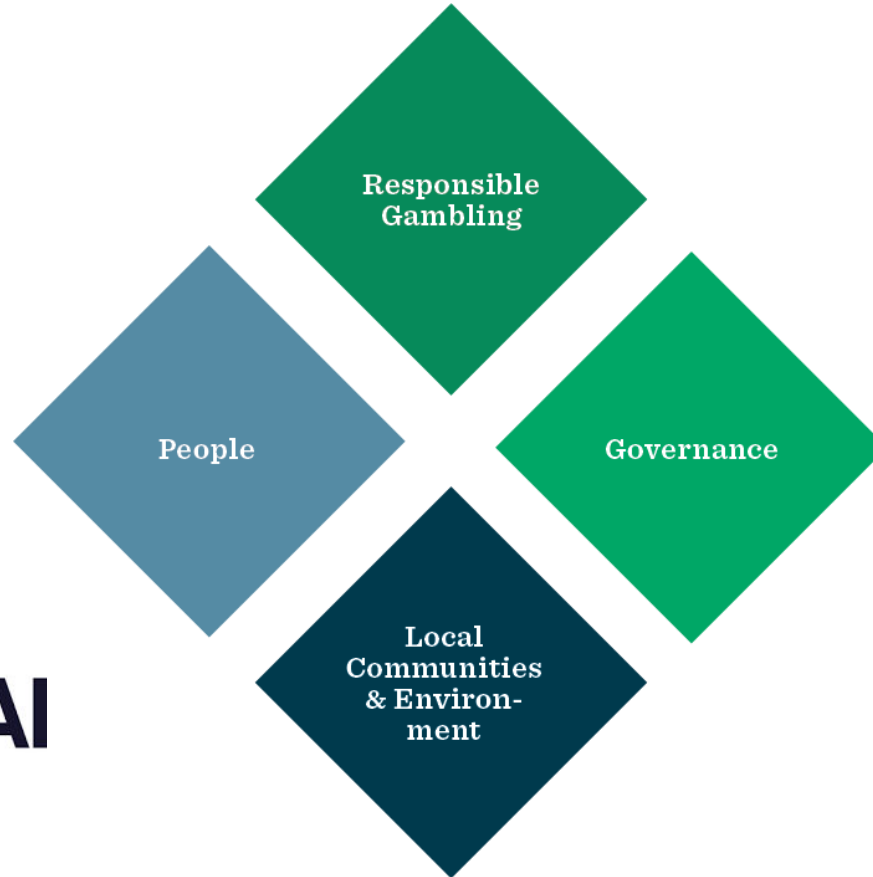
Opening  
new markets



## SPORTS TURNOVER

Games to bet on are  
increasing

# | Sustainability



# Strong position in esports betting

- HLTV.org acquisition on February 28, 2020
- Global, leading esports platform for Counter-Strike: Global Offensive (CS:GO)
- Official CS:GO World Ranking and CS:GO Player of the Year Award
- Current business model: to promote/ advertise esports betting operators
- Founders to continue as daily management for at least three years
- Purchase price up to 34.5 mEUR (257 mDKK) incl. earn-out
- Last financial year: ~ 5 mEUR revenues / ~3.5 mEUR earnings before tax

5 mEUR  
REVENUE

3.5 mEUR  
EARNINGS before tax  
FINANCIALS 2018/19

26.5M  
VISITS/MONTH



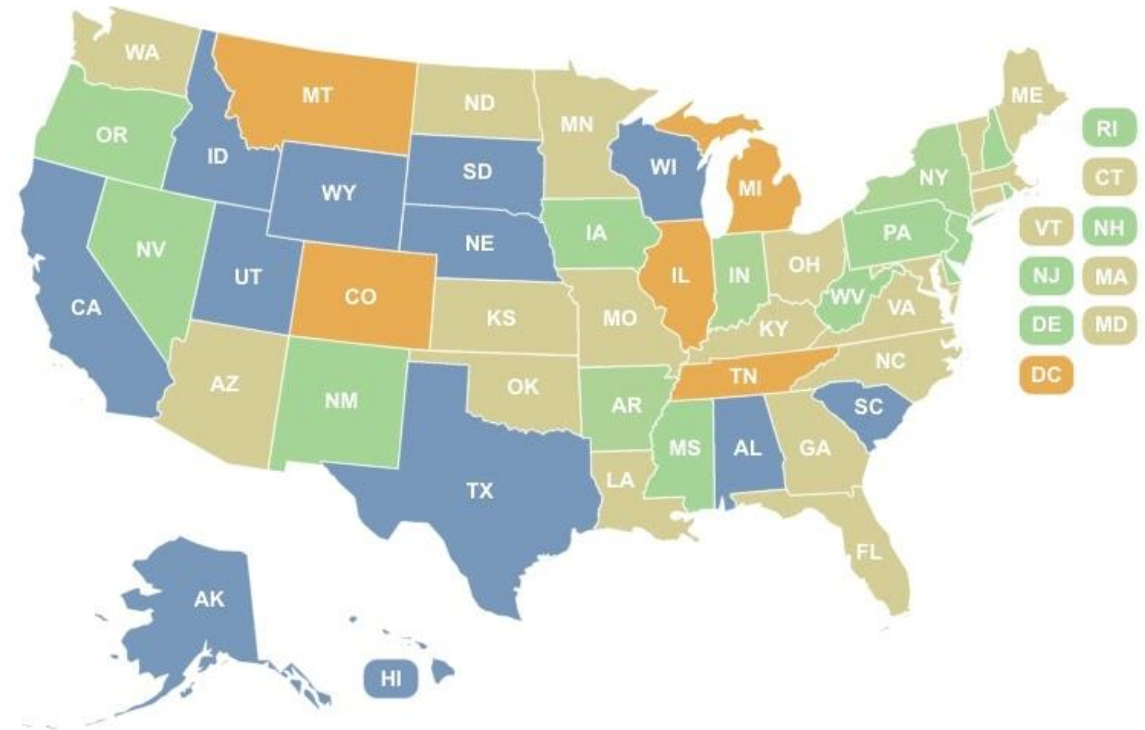
The screenshot shows the HLTV website interface. At the top, there's a banner for 'SPIL PÅ CS:GO PÅ eODDSET'. Below that, a 'Featured events' table shows matches for Monday through Sunday. A prominent bet slip for 'Demolition Cr...' is shown with odds of 3.60. The page also features a 'Recent activity' sidebar on the right and a 'Filters' section on the left.

Featured events	Mon	Tue	Wed	Thu	Fri	Sat	Sun
FLASHPOINT Quali...		Group stage 18:00-6:00	Group stage 18:00-6:00	Semi-finals 18:00-0:00			

# US moving towards legalised sports betting

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

- **Green** = Legal
- **Orange** = Legalized but not yet live
- **Yellow** = Legislation on the table
- **Blue** = No meaningful legislation action



# Media partnerships

The Telegraph

HOME | NEWS | SPORT | BUSINESS | ALL SECTIONS

## Betting

Free bets | Racing | Racecards | Fast results | Football | Sports reviews | Casino reviews | Casino offers | More

### The latest betting news and tips

Provided by **bettingexpert**

Whether it's the latest odds, tips or in-depth reviews and guides, check out the best betting information to stay ahead of the game. 18+

#### Latest

**BATE Borisov vs Torpedo-BelAZ Zhodino predictions:**

**Isloch Minsk vs Slavia Mozyr predictions:**

**Shakhtyor Soligorsk vs FC Slutsk predictions:**

#### Latest offers

**Up to £100 bet credits**  
New customers only

Go to bet365 and receive this

Telavox 4G 10.59 69%  
nj.com

True Jersey. Sign In Search

HOME NBA COLLEGE BASKET

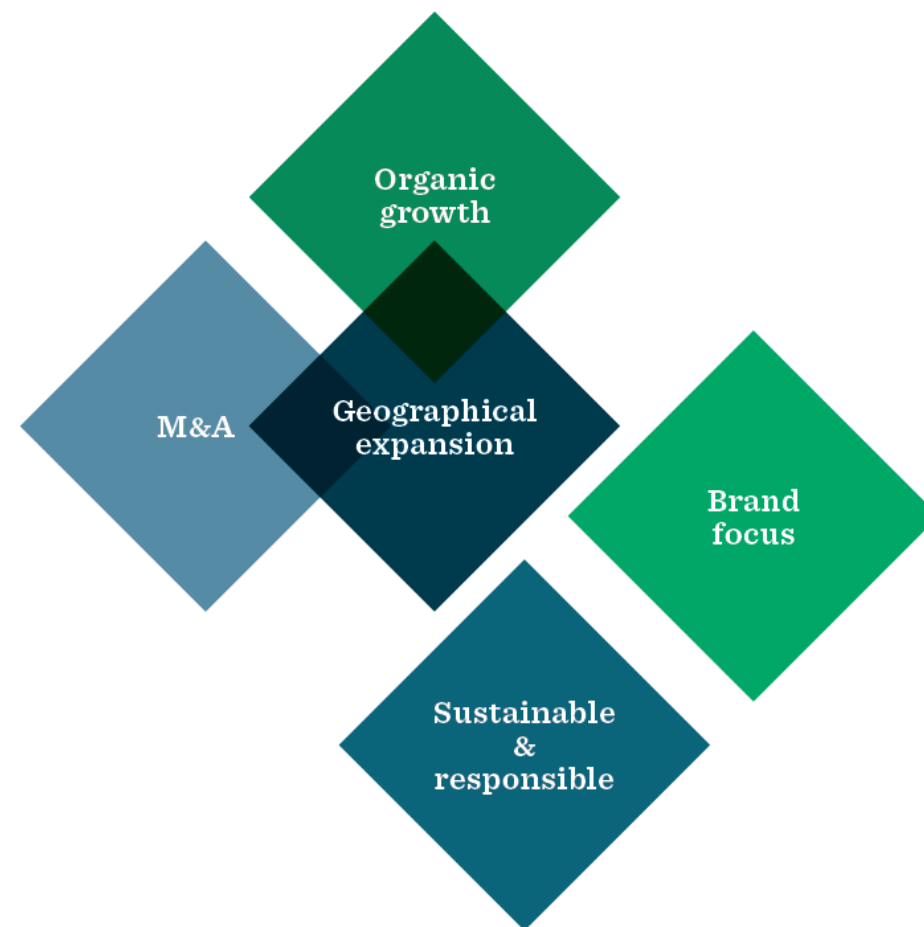


Tom Brady's next team:  
NFL betting odds for  
who Tom Brady will play  
for in 2020

# Strategy and outlook

## Continuing the growth journey

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



### Financial Targets for the short-medium term

	Target 2018-2020	Target 2020	Actual 2019	Actual 2018
Revenue growth p.a. (incl. M&A and organic)	30-50%	>30%	67%	54%
- of which organic growth	Double-digit	>10%	26%	9%
Operating margin (EBITA)*	>40%	>40%	40%	40%
Net Interest Bearing Debt/EBITDA*	< 2.5	< 2.5	0.49	1.37

# | COVID-19 update

- Until mid March, business performance was strong
- Postponement of major sports events has led to reduced sports betting activity to approx. half of normal levels.
- Esports and casino not affected.
- Revenue in Jan/Feb 2020 combined amounted to 14,1 mEUR; growth of 37% (of which 21% organic)
- Measured on gross gaming activity in revenue share accounts, player activity in February was all time high.

Financial targets for 2020 unchanged until further, given these assumptions:

- Estimated effect of reduced sports betting of a total 6-10 mEUR based on the assumption that all major sports events, other than EURO 2020, will be back to a normal activity level in the second half of 2020.
- Esports (HLTV) and casino business continue to perform at regular levels.
- Costs are maintained at current levels and thus lower than budgeted for the full year, offsetting some of the reduced revenue.



# | Thanks to employees



## | Agenda items 3-5

3. Presentation of the audited annual report and the consolidated financial statements for the financial year 2019 for adoption.
4. Resolution on the appropriation of profits as recorded in the approved annual report.
5. Resolution to grant discharge of liability to members of the board of directors and the executive management.

## | Agenda items 6-8

6. Election of members of the board of directors, including the chairman of the board of directors
7. Approval of the board of directors' remuneration for the current financial year
8. Election of auditor and determination of remuneration for the auditor

# | The nomination committee

In accordance with shareholders' decision, the nomination committee has been appointed and is composed by four members in total:

- Daniel Nyvang Mariussen (Chairman), representing Chr. Dam Holding and J. Søgaard Holding
- Martin Jonasson, representing Andra AP-Fonden and Tredje AP-Fonden
- Michael Knutsson, representing Knutsson Holdings
- Jens Bager, Chairman of the board of directors, Better Collective

In all, the nomination committee represents 65% of the total number of shares in Better Collective, based on ownership data as per August 31, 2019.

# Election of board of directors



- Jens Bager
- Chairman
  - BC since 2016



- Klaus Holse
- Board member
  - BC since 2017



- Søren Jørgensen
- Board member
  - BC since 2014



- Leif Nørgaard
- Board member
  - BC since 2014



- Petra von Rohr
- Board member
  - BC since 2018



- Todd Dunlap
- Board candidate

# | Approval of the board of directors' remuneration

- The remuneration of the chairman of the board of directors is proposed to be increased by 30,000 EUR to a total of 90,000 EUR
- The remuneration to the other members of the board of directors to be increased by 10,000 EUR to a total of 30,000 EUR each
- The remuneration of the chairman of a committee is proposed to be increased by 3,500 EUR to a total of 13,500 EUR
- The remuneration to the other members of a committee is proposed to be increased by 1,750 EUR to a total of 6,750 EUR
- 1/3 of the total remuneration payable to the chairman of the board of directors, the members of the board of directors and to members and chairmen of the remuneration and audit committee is paid in shares in Better Collective A/S.

# | Election of auditor

- The nomination committee proposes, in accordance with the audit committee's recommendation, to re-elect Ernst & Young Godkendt Revisionspartnerselskab as auditor until the close of the next annual general meeting.
- Further, and in accordance with the audit committee's recommendation, we propose that remuneration to Ernst & Young Godkendt Revisionspartnerselskab shall be paid in accordance with an approved account.

## | Agenda items 6-8

6. Election of members of the board of directors, including the chairman of the board of directors
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8. Election of auditor and determination of remuneration for the auditor



# | Agenda item 9

9. Any proposals from the board of directors or the shareholders
  - a. Proposal to adopt a remuneration policy
  - b. Proposal to issue 25,000 warrants to the new member of the board of directors
  - c. Proposal to authorize the board of directors to increase the share capital of the company
  - d. Proposal to authorize the board of directors to acquire treasury shares
  - e. Proposal to re-approve the board of directors' authorization to issue warrants to key employees in 2020 in accordance with the existing authorization in section 5.5 of the articles of association.

## 9a) Proposal to adopt remuneration policy

- The board of directors proposes that a remuneration policy for the board of directors and executive management of Better Collective A/S is adopted. The remuneration policy is enclosed as Schedule 3 to this notice.
- The remuneration policy has been prepared in order to ensure compliance with new requirements in sections 139 and 139 a of the Danish Companies Act. The remuneration policy will replace Better Collective's General guidelines for incentive remuneration to the board of directors and the executive management, which will be removed from the Company's articles of association as set out in the draft new articles of association.

## **9b) Proposal to issue 25,000 warrants to the new member of the board of directors**

Subject to Todd Dunlap being elected to the board of directors, reference is made to item 6 on the agenda, and under due consideration of the Company's articles of association and the Danish Companies Act sections 167, 154 and 158, the nomination committee proposes to issue 25,000 warrants to Todd Dunlap without consideration and to resolve on the appertaining capital increase on the following terms:

1. The nominal value of the capital increase resulting from the exercise of the issued warrants will be at least nominally EUR 0.01 and maximum nominally EUR 250, provided that the maximum capital increase is subject to the adjustment mechanism set out in section 11 of schedule 5 to the Company's revised articles of association enclosed as Schedule 4 to this notice.
2. Each warrant gives the holder a right to subscribe for one ordinary share in the company with a nominal value of EUR 0.01 each. The new shares may be subscribed for against payment of an exercise price per share to be determined by Better Collective's volume weighted average share price in the 10 business days following the date of the annual general meeting.
3. The subscription of the warrants must be made no later than 1 week from the date of the general meeting on by signing a warrant agreement.

Furthermore, the warrants are subject to the terms and conditions as set out in the new schedule 5 to the Company's draft articles of association.

## 9b) Proposal to issue 25,000 warrants to the new member of the board of directors (cont.)

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

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

It is proposed that the resolution to issue warrants is inserted as a new section 5.6 in the articles of association.

## 9c) Proposal to authorize the board of directors to increase the share capital of the company

The board of directors proposes that the general meeting in the period until the annual general meeting to be held in 2021 authorises the board of directors to increase the company's share capital in the company without pre-emption rights for the existing shareholders of the company in one or more issues by up to a nominal amount of EUR 93,445.96, corresponding to a maximum dilution of 20 % of the outstanding share capital on a non-diluted basis. The capital increase shall take place at market price and may be completed against cash payment, by contribution in kind or by conversion of debt.

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

1. Partial payment of the subscription amount is not permitted.
2. The new shares will be issued without pre-emption rights for existing shareholders, and the pre-emption rights relating to the new shares will not be restricted in respect of future capital increases other than as provided for in the Company's articles of association.
3. There are no restrictions on the transferability of the shares. No shareholder is obliged to have his or her shares redeemed in full or in part.
4. The new shares will be issued through VP Securities A/S and will be admitted to trading and official listing on Nasdaq Stockholm.
5. The new shares will be issued in the name of the holder and will be negotiable instruments.

It is proposed that the authorisation to increase the share capital without pre-emption rights is inserted as a new section 4.1 in the articles of association.

The purpose of the authorization is to make it possible for the company to (i) settle part of the purchase price and/or earn-out payments related to acquisitions (ii) finance future acquisitions by way of payment in whole or in part in shares in the company, (iii) make it possible to procure capital in the future.

## 9d) Proposal to authorize the board of directors to acquire treasury shares

It is proposed to authorise the board of directors to pass a resolution on acquisition of treasury shares on the following terms:

1. The company may acquire up to nominal EUR 46,722.98 treasury shares in the period until the annual general meeting to be held in 2021.
2. Acquisitions of treasury shares should be made on Nasdaq Stockholm (the “Exchange”) at a price per share within the band of prices (spread) applying on the Exchange, or to the extent the company assigns a member of the Exchange to accumulate a certain amount of the company’s shares by proprietary trading during a certain time period on the day of delivery pay the volume weighted average price for the market as a whole for such period of time, even if the volume weighted average price falls outside the range of prices on the day of delivery.

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

It is proposed that the authorisation to the board of directors to acquire treasury shares is inserted as a new section 4.2 in the articles of association as set out in the draft new articles of association.

## **9e) Proposal to re-approve the board of directors' authorization to issue warrants to key employees in 2020 in accordance with the existing authorization in section 5.5 of the articles of association.**

- The board of directors proposes that the existing authorization granted by the extraordinary general meeting held on 24 June 2019 as set out in section 5.5 of the company's articles of association is re-approved by the general meeting.
- The re-approval of the authorization is subject to schedules 3 and 4 to the company's articles of association, which implies that the board of directors during the 30 day period following the publication of the financial report for Q2 in 2020 is authorized to issue up to 600,500 warrants to key employees of the company, provided that no individual key employee may be allotted more than 100,000 warrants.

## 10 Proposal on authorisation to the chairman of the meeting

The board of directors proposes to authorise the chairman of the general meeting – with right of substitution – to file the resolutions passed with the Danish Business Authority and to make such amendments to the resolutions passed by the general meeting which the Danish Business Authority might demand as a condition to register the resolutions passed by general meeting.



| Thank you

