Interim report Q3, 2024

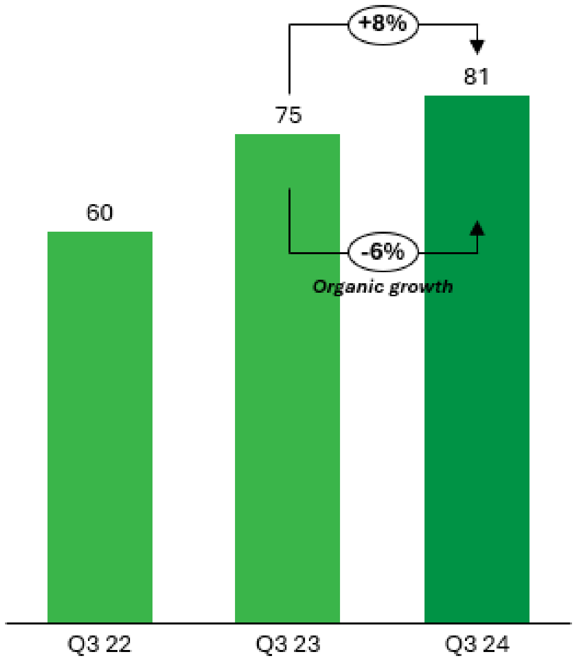
- Revenue of 81 mEUR, growth of 8%, organic growth -6%
- Recurring revenue of 53 mEUR, growth of 14%
- EBITDA before special items of 22 mEUR up 14%
- Net debt to EBITDA of 2x
- Downgrade of 2024 financial guidance ahead of the report due to lower-than-expected partner activity in the US, and an accelerated slowdown in Brazil heading into the expected regulation next year
- Initiated a 50 mEUR cost reduction program to streamline operations and align investment base with market dynamics and outlook
- 2023-2027 targets remain unchanged

November 13, 2024

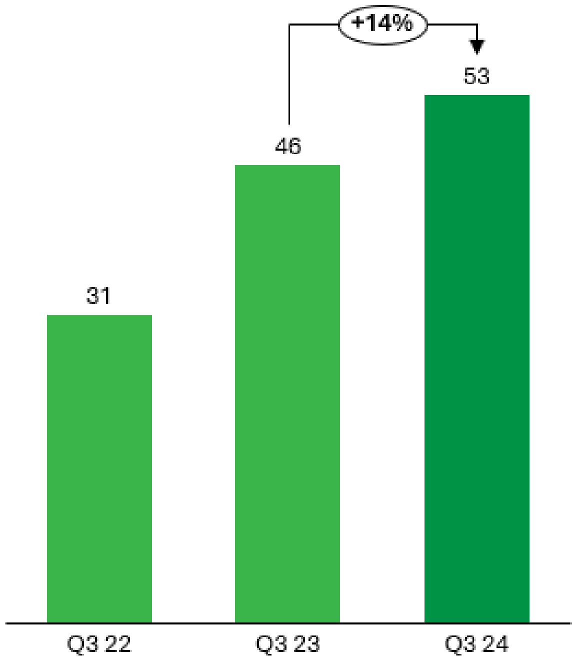
Better Collective A/S
Sankt Annæ Plads 28-30
1250 Copenhagen (DK)

www.bettercollective.com
CVR NO.: 27 65 29 13

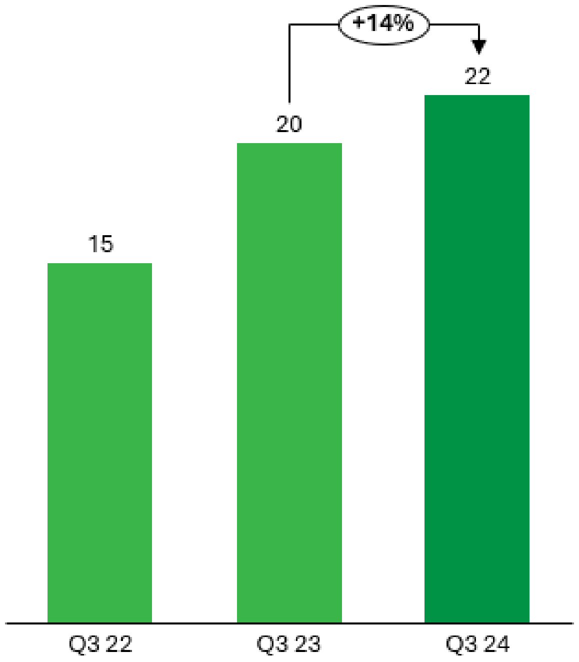
Revenue
mEUR



Recurring revenue
mEUR



EBITDA*
mEUR



*Before special items

Table of contents

Q3 webcast November 14th, 2024

A conference call for Better Collective's stakeholders will be held on November 14, at 14:30 CET and can be joined online here. The conference call is later than usual as it will be hosted from New York.

To participate through phone, follow this link. Once signed up you will receive an e-mail with a phone number and a personal dial-in code for the call.

The presentation material for the webcast will be available after market close on November 13th via: www.Bettercollective.com

Upcoming events

- Q4 release – February 19, 2025
- Annual Report – March 25, 2025

Highlights Q3, 2024

Ahead of the release of the Q3 report, Better Collective downgraded its financial guidance as per below:

- Revenue of 355-375 mEUR (previously 395-425 mEUR)
- EBITDA of 100-110 mEUR (previously 130-140 mEUR)
- Net debt to EBITDA below 3x (unchanged)

Long term 2023-2027 targets remain unchanged as per below:

- Revenue CAGR of +20%
- EBITDA before special items margin of 35-40%
- Net debt to EBITDA below 3x

Group revenue increased 8% to 81 mEUR with organic growth declining -6%. The decline was due to a lower activity than expected by partners in the US as well as an accelerated slowdown in Brazil heading into the expected regulation from next year. The rest of the business is performing in line with expectations.

Recurring revenue grew by 14% to 53 mEUR making up 65% of group revenues.

EBITDA before special items was 22 mEUR up 14% compared to Q3 last year.

Cash flow from operations before special items was 32 mEUR. The cash conversion was 131%. By the end of Q3, capital reserves stood at 107 mEUR of which cash of 44 mEUR and unused credit facilities of 61 mEUR.

The group delivered 396.000 New Depositing Customers (NDCs) of which 84% were on revenue share contracts. The NDCs were down 11% due to the factors mention under revenue development.

Better Collective has experienced a changing landscape in the US market, primarily when it comes to the part of business that relies on performance marketing. The US market stands out from most of the rest of the world because it is young, constantly evolving, and dominated by a few key players. In the past quarter, Better Collective has experienced overall partner activity has decreased. We have continued to see increased success in our collaborations with partners working on revenue share contracts building a sustainable long-term growth, however deferring revenue and earnings. In response to these market changes, Management has initiated a restructuring of operations to ensure continued sustainability and profitability in North America whilst continuing to build value around revenue share.

Central to the US strategy is the transition from upfront payments to revenue share income. This shift not only aligns with the changing market dynamics but also provides long-term financial stability. The transition started two years ago, and as of this quarter, the Group estimates this strategic shift has resulted in an accumulated Customer Lifetime Value (CLV) database of more than 155 mEUR, with a portion already recognized as revenue in hybrid deals. This leaves approximately an estimated more than 120 mEUR to be recognized in the future. Better Collective continues to send new depositing customers to its partners daily, constantly adding more and more value to the revenue share databases. In 2025, Better Collective expects to recognize around 10-15 mEUR in pure revenue share income in the US market and expects this to increase in the future.

Management has decided to aim for the North American business to deliver a minimum 20% reported EBITDA-margin, and more than 35% margin when incorporating the continued revenue-share build up. As the business navigates this transition, the commitment to adapting to the US market's shifting landscape remains steadfast.

The Brazilian market has within a few years grown to become a significant part of Better Collective’s operations accounting for approximately 20% of Group revenues. These revenues are predominantly generated through revenue share income as well as advertising revenues. At the outset of 2024, Better Collective anticipated a highly active year leading up to the expected regulation that has been awaited for years. Better Collective notes that several international sportsbooks have reduced activity in anticipation of the official regulation early 2025. This dynamic has affected Better Collective in two ways; Firstly, revenue share income has declined and secondly, there has been a decrease in new depositing customers as partners have limited marketing activity in the period leading up to the regulation. This was mentioned earlier in the year and has accelerated in Q3.

While regulation is anticipated by early 2025, final decisions have not been made, leaving some uncertainties. Brazil remains a new and immature market, and Better Collective does expect the period after a potential launch to include changes and adjustments from a regulatory point of view, like other markets post launch. Once the market regulations take effect, Better Collective's revenue share income in Brazil will be subject to a still unknown tax rate. It is anticipated that approximately 100 sportsbooks will be granted licenses, creating a highly competitive market dynamic that offers a favorable business environment for Better Collective. Better Collective remains confident in the long-term growth trajectory of the Brazilian market and is greatly positioned to grasp growth opportunities ahead.

Following recent large acquisitions as well as a changing market outlook, Better Collective has announced a cost reduction program of more than 50 mEUR. At the end of October, Better Collective made the difficult decision to lay off more than 300 employees, representing more than 15% of the workforce, and certain other operating costs will be reduced to lower levels. With most measures already having been executed, Better Collective is well on track for the cost reductions and tactical adjustments to have full effect from the beginning of 2025.

On May 5, Google activated a new policy focusing on third-party content across a variety of commercial categories. This impacted the rankings and thereby audience to some of Better Collective's media partnerships. The owned and operated sports media portfolio has made up for the decreased performance. Since Q2, Better Collective has not experienced more changes.

Better Collective has acquired Playmaker HQ, Playmaker Capital and AceOdds within the past year. The acquisitions have developed in line with integration plans – except for Playmaker HQ where there was an earn-out settlement in Q2. Following the settlement the brand has been performing as expected.

In Q3, Better Collective has acquired a smaller social media asset in North America for a consideration of 7 mUSD.

Better Collective is still working on implementing the ad serving platform, Advantage, on larger brands, and remains committed to the development of the platform and the long-term opportunities it entails within its sports media network.

On 6th of September, Better Collective's Board of Directors resolved to extend the buy-back program so that execution of the buy-back program will take place until and including 27th of November 2024. With the extension the intention remains to acquire up to 20mEUR.

Significant events after close

On October 10, Better Collective appointed its nomination committee as per Regulatory Release no. 50.

On October 24, Better Collective adjusted its financial guidance for 2024 following an assessment of preliminary Q3 performance, including the first six weeks of high season in the US market. After recent large acquisitions and the market outlook, Better Collective also announced the implementation of a streamlining process to optimize the organization accordingly.

Financial highlights and key figures

tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Income statements					
Revenue	81,152	75,431	275,305	241,491	326,686
Recurring revenue	52,825	46,312	167,661	141,864	191,118
Revenue Growth (%)	8%	26%	14%	32%	21%
Organic Revenue Growth (%)	-6%	16%	0%	23%	13%
Operating profit before depreciation, amortization, and special items (EBITDA before special items)	22,333	19,595	79,881	81,566	111,080
Operating profit before depreciation and amortization (EBITDA)	21,905	19,073	76,451	79,218	109,132
Depreciation	2,281	1,200	5,383	2,611	3,958
Operating profit before amortization and special items (EBITA before special items)	20,052	18,395	74,497	78,954	107,122
Special items, net	- 428	- 522	- 3,429	- 2,347	- 1,948
Operating profit before amortization (EBITA)	19,624	17,873	71,068	76,607	105,174
Amortization and impairment	10,712	6,375	26,830	16,314	24,283
Operating profit before special items (EBIT before special items)	9,340	12,019	47,667	62,640	82,839
Operating profit (EBIT)	8,913	11,498	44,238	60,293	80,891
Result of financial items	- 5,346	- 6,378	- 17,759	- 15,985	- 22,881
Profit before tax	3,566	5,119	26,479	44,308	58,010
Profit after tax	1,119	3,107	18,966	32,344	39,835
Earnings per share (in EUR)	0.01	0.06	0.31	0.59	0.74
Diluted earnings per share (in EUR)	0.01	0.05	0.29	0.56	0.70

For a definition of financial key figures and ratios, please refer to page 40.

tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Balance sheet					
Balance Sheet Total	1,141,598	930,934	1,141,598	930,934	937,862
Equity	650,319	437,744	650,319	437,744	435,273
Current assets	104,977	106,674	104,977	106,674	105,812
Current liabilities	76,810	92,666	76,810	92,666	103,493
Net interest bearing debt	236,185	222,991	236,185	222,991	221,133
Cashflow					
Cash flow from operations before special items	32,421	14,245	81,271	81,859	119,384
Cash flow from operations	31,879	13,912	68,205	79,858	114,639
Investments in tangible assets	- 3,296	- 1,958	- 4,866	- 4,140	- 5,143
Cash flow from investment activities	- 24,112	- 30,941	- 147,098	- 81,702	- 106,248
Cash flow from financing activities	- 5,348	- 318	106,303	29,695	29,334
Financial ratios					
Operating profit before depreciation, amortization (EBITDA) and special items margin (%)	28%	26%	29%	34%	34%
Operating profit before amortization margin (EBITDA) (%)	27%	25%	28%	33%	33%
Operating profit margin (%)	11%	15%	16%	25%	25%
Publishing segment - EBITDA before special items margin (%)	29%	25%	30%	36%	37%
Paid media segment - EBITDA before special items margin (%)	24%	29%	26%	29%	29%
Net interest bearing debt / EBITDA before special items	2.16	1.91	2.16	1.91	1.99
Liquidity ratio	1.37	1.15	1.37	1.15	1.02
Equity to assets ratio (%)	57%	47%	57%	47%	46%
Cash conversion rate before special items (%)	131%	63%	96%	95%	103%
Average number of full-time employees	1,874	1,053	1,776	1,126	1,252
NDCs (thousand)	396	445	1,347	1,447	1,916

CEO letter

Positioning Better Collective for the next chapter of growth

Better Collective has been on a strong path of growth for over two decades both financially as well as organizationally, expanding the team significantly across many geographies. Our audience across our sports media network has surged from 7 million to over 400 million visits since 2018, a testament to the impact we've made in the digital sports media arena in the pursuit of becoming the leading digital sports media group. However, sometimes, in the pursuit of growth, it's necessary to pause, reassess, and adapt, to prepare for the next chapter of growth.

During Q3 we have experienced changing dynamics in the US market, which has changed the outlook. Further, Brazil has seen an increasing slowdown all year heading into the expected regulation. The impact on Q3 and the outlook led us to lower our financial targets for the year, marking the first downgrade since becoming a listed company in 2018. Although the first state in the US has been operational for six years, it is effectively only three years mature for most states. Meanwhile, the Brazilian market is expectedly on the brink of regulation. Young markets bring challenges and opportunities, and we are committed to navigating this, like done historically in more mature regulations.

In the fast-evolving digital sports media landscape, adaptability is key. We have initiated a review of our Group's operational cost. The decision to streamline our operations comes against the backdrop of 35 acquisitions, as the complexity introduced by such rapid expansion has made it essential to find efficiencies and optimize our structure. Furthermore, the changed market outlook makes it important to readjust. Regrettably, as part of this process, more than 300 valued colleagues have left our team post Q3, representing around 15% of our workforce. I want to take a moment to acknowledge the contributions of these colleagues. Their hard work and dedication have been instrumental in building this company, and we remain grateful for their efforts in helping us reach where we are today.

Our tactical adjustments have concentrated on reducing operational expenses, specifically targeting non-revenue driving costs and pausing certain investments. This approach has been crucial in minimizing effects on our commercial organization, impacting only those areas with changing growth outlooks. We have strategically safeguarded direct costs associated with our Paid Media and Media Partnerships businesses to preserve their growth roles in our operations. Lastly, we remain firm believers in our strategy to own the strongest sports media brands and foresee great growth ahead, hence the portfolio of brands remains unaffected of the initiatives taken.

I have been asked whether the changes we have encountered represents a structural shift to our business model. I want to assure you that it does not. We operate in the sports media and sports betting industries which are sectors with bright futures and significant growth potential. In an expanding, growing and competitive industry, sportsbooks and other partners will continue to seek growth in new and existing markets through customer acquisition and brand awareness. I remain certain that our unique products and offerings will remain a central part of our partners pursuit for growth in the future, just as it has been the case over the past 20 years.

This is how I have always considered our business: given the nature of our high-margin operating model, we have operated in full investment mode, supported by a strong database of contractually secured revenue share that promises steady inflow of revenues well into the future. This stability has allowed us to remain ambitious and pursue numerous investment projects that drive innovation and expansion. When we encounter changed market dynamics and/or shifts in the market outlook, it has always been our option to pull the breaks and readjust.

The recent changes leave Better Collective a leaner organization, poised to attack future opportunities and challenges head-on. By ensuring our operations reflect current demand, we retain the flexibility to scale up as opportunities arise. I am optimistic that this strategic recalibration will lead to a stronger foundation for future growth, allowing us to continue delivering exceptional value to our partners and stakeholders. Related to returning to growth, our long-term financial guidance remains intact, implying strong growth ahead, including M&A when the timing is right.

> *"I have been asked whether the changes we have encountered represent a structural shift to our business model. I want to assure you that it does not".*

Lastly, I want to extend a big thank you to my incredible colleagues, investors, partners, and other stakeholders for your unwavering support. Despite current times presenting headwinds, we are adapting and building a resilient future together. Thank you for your trust and partnership.

Jesper Søgaard
Co-founder & CEO

BETTER COLLECTIVE

Business review and financial performance

Group

Q3 revenues came in at 81 mEUR growing 8% driven by M&A, as organic growth declined by 6%. The decline was due to a lower activity by partners in the US as well as a continued slowdown in Brazil heading into the expected regulation next year.

Recurring revenue grew by 14% to 53 mEUR making up 65% of group revenues.

Costs were up by 5% while EBITDA before special items was up 14%.

Q3 is typically characterized as a relatively low-season quarter until the commencement of the US season towards its end.

The group delivered 396.000 New Depositing Customers (NDCs) of which 84% were on revenue share contracts. The NDCs were down 11% due to the factors mention under revenue development.

Key figures for the group

tEUR	Q3 2024	Q3 2023	Growth	YTD 2024	YTD 2023	Growth
Revenue	**81,152**	**75,431**	**8%**	**275,305**	**241,491**	**14%**
Cost	58,820	55,837	5%	195,424	159,925	22%
Operating profit before depreciation and amortization and special items	**22,333**	**19,595**	**14%**	**79,881**	**81,566**	**-2%**
EBITDA-Margin before special items	28%	26%		29%	34%	
Operating profit before depreciation and amortization	**21,905**	**19,073**	**15%**	**76,451**	**79,218**	**-3%**
EBITDA-Margin	27%	25%		28%	33%	
Organic Growth	-6%	16%		-3%	23%	

Publishing

The Publishing business generates revenue from Better Collective's owned and operated sports media network and its Media Partnerships. The audience mainly comes from direct traffic and organic search results.

The Publishing revenue reached 56 mEUR, reflecting a 16% growth, though organic growth declined by 5%. The operational profit was 16 mEUR, an increase of 38%, resulting in a margin of 29%. This business contributed to 69% of the group's revenues and 73% of its operating profit.

The growth in Publishing was due to M&A activity, as the business experienced an organic decline. This decline stemmed from reduced activity by partners in the US and a continued slowdown in the Brazilian market, anticipating regulation next year. Revenue share income remained flat compared to last year, with decreased activity in Brazil impacting the revenue share databases. Similarly, CPA saw no growth due to the changed market dynamics in the US and Brazil. Other revenues grew by 8 mEUR or 80% to 18 mEUR, driven by recent acquisitions of Playmaker Capital and Playmaker HQ.

The media partnership business was affected in May by a Google Policy change. Since Q2, the group has not seen further changes.

Key figures for the Publishing segment

tEUR	Q3 2024	Q3 2023	Growth	YTD 2024	YTD 2023	Growth
Revenue	**56,361**	**48,463**	**16%**	**193,845**	**161,214**	**20%**
Share of Group	69%	64%		70%	67%	
Cost	39,997	36,574	9%	134,882	102,761	31%
Share of Group	68%	66%		69%	64%	
Operating profit before depreciation and amortization and special items	**16,364**	**11,888**	**38%**	**58,963**	**58,452**	**1%**
Share of Group	73%	61%		74%	72%	
EBITDA-Margin before special items	29%	25%		30%	36%	
Operating profit before depreciation and amortization	**15,936**	**11,366**	**40%**	**55,550**	**56,105**	**-1%**
EBITDA-Margin	28%	23%		29%	35%	
Organic Growth	-5%	14%		0%	21%	

Paid Media

The Paid Media business involves purchasing advertising on search engines and third-party sports media platforms. Because this requires upfront payments for advertising on external platforms, the gross margin is typically lower than that of the Publishing business, due to substantial direct costs.

The Paid Media revenue was 25 mEUR, reflecting an 8% decline and a 9% decrease in organic growth. This lack of growth was largely due to lower-than-expected CPA revenue from the US and secondly reduced revenue share in Brazil, attributed to decreased activity ahead of anticipated regulation next year.

While revenue share income grew by 10% to 12 mEUR, CPA revenues fell by 18% due to this. The operating profit stood at 6 mEUR, a 23% decrease compared to last year, resulting in a margin of 24%. Paid Media contributed to 31% of group revenues and 27% of group operational profits.

Key figures for the Paid Media segment

tEUR	Q3 2024	Q3 2023	Growth	YTD 2024	YTD 2023	Growth
Revenue	**24,792**	**26,969**	**-8%**	**81,459**	**80,277**	**1%**
Share of Group	31%	36%		30%	33%	
Cost	18,822	19,262	-2%	60,542	57,164	6%
Share of Group	32%	34%		31%	36%	
Operating profit before depreciation and amortization and special items	**5,969**	**7,707**	**-23%**	**20,917**	**23,113**	**-9%**
Share of Group	27%	40%		26%	28%	
EBITDA-Margin before special items	24%	29%		26%	29%	
Operating profit before depreciation and amortization	**5,969**	**7,707**	**-23%**	**20,901**	**23,113**	**-10%**
EBITDA-Margin	24%	29%		26%	29%	
Organic Growth	-9%	19%		-7%	27%	

Europe & Rest of World

The Europe & Rest of the World (ROW) division encompasses all markets outside of North America. Within this division, the European markets are characterized as mature and represent Better Collective's legacy markets. South America is experiencing strong growth and is becoming an increasingly significant part of the business. Key sports brands in the Europe portfolio includes Soccernews in the Netherlands, Betarades in Greece, AceOdds in the UK, Tipsbladet in Denmark, Wettbasis in Germany, Goal.pl in Poland, and Svenska Fans in Sweden. In South America, notable brands are Bolavip, SomosFanaticos in Brazil, and Redgol in Chile. The portfolio also features prominent esport communities such as HLTV and FUTBIN. Due to the long history of revenue share in Europe & ROW, this business has a significant part of recurring revenue.

Revenue for this business reached 62 mEUR, marking a growth of 15%, with 1% from organic growth. Revenue share income increased by 10% to 37 mEUR, while CPA dropped by 13% to 13 mEUR. Both revenue streams were affected by the ongoing slowdown in Brazil, in anticipation of expected regulation next year. Other revenues rose by 32%, driven by M&A, including advertising revenue. Operational profits were 23 mEUR, a 39% increase compared to last year. This business contributed 77% of the group's total revenue and 104% of its operational profits.

Key figures for Europe & RoW segment

tEUR	Q3 2024	Q3 2023	Growth	YTD 2024	YTD 2023	Growth
Revenue	**62,180**	**53,988**	**15%**	**196,532**	**159,978**	**23%**
Share of Group	77%	70%		71%	66%	
Cost	39,005	36,305	7%	126,841	102,434	24%
Share of Group	66%	65%		65%	64%	
Operating profit before depreciation and amortization and special items	**23,175**	**16,637**	**39%**	**69,691**	**56,498**	**23%**
Share of Group	104%	85%		87%	69%	
EBITDA-Margin before special items	37%	31%		35%	36%	
Operating profit before depreciation and amortization	**23,476**	**16,519**	**42%**	**70,621**	**55,055**	**28%**
EBITDA-Margin	38%	31%		36%	35%	
Organic Growth	1%	15%		7%	21%	

North America

North America, encompassing the United States and Canada, has recently initiated the regulation of sports betting and iGaming in selected states and provinces. As these markets are still relatively new in terms of regulation, most of the revenues have been generated from one-time payments (CPA). However, there is a gradual shift towards revenue sharing. Our North American portfolio features prominent sports brands such as Action Network, Yardbarker, The Nation Network, Playmaker HQ, VegasInsider, RotoGrinders, Sports Handle, and Canada Sports Betting, among others.

North American revenue totaled 19 mEUR, reflecting a 12% decline overall, with organic growth decreasing by 24%. Revenue share income fell to 4 mEUR, primarily due to a reduced number of hybrid (revenue share contracts including an upfront payment) NDCs sent during the quarter. CPA revenue dropped by 13% to 5 mEUR, while subscription revenue remained steady. However, other revenues saw a 20% increase, driven by M&A activities.

Better Collective has experienced market changes, requiring strategic flexibility, as overall partner activity has decreased.

Following these changes, the North American group's largest partners primarily operate on revenue share contracts. This approach is focused on sustainable long-term growth, however amplifying the short-term revenue decline. In response to these market changes, the Management has initiated a restructuring of its operations to ensure sustainability and profitability in North America.

Operational profits were at -1 mEUR due to decreasing revenues. This business contributed 23% to the group's total revenue.

Q3 is typically characterized as a relatively low-season quarter especially in this market until the commencement of the US season towards its end.

The US business has been on a revenue share transition which started two years ago, and as of this quarter, the Group estimates this strategic shift has resulted in an accumulated Customer Lifetime Value (CLV) database value of more than 155 mEUR, with a portion already recognized as revenue in hybrid deals. This leaves approximately an estimated more than 120 mEUR to be recognized in the future, further supporting the financial outlook and growth prospects. The CLV database has not been discounted back, and assumptions include churn, no inflation, and no change in the number of regulated states nor further regulation of online casino. Better Collective continues to send new depositing customers to its partners constantly adding more and more value to the revenue share databases.

In 2025, Better Collective expects to recognize around 10-15 mEUR in pure revenue share income in the US market and expects this to increase in the future.

Management has decided to aim for the North American business to deliver a minimum 20% reported EBITDA-margin, and more than 35% margin when incorporating the continued revenue-share build up. As the business navigates this transition, the commitment to adapting to the US market's shifting landscape remains steadfast.

Key figures North America segment

tEUR	Q3 2024	Q3 2023	Growth	YTD 2024	YTD 2023	Growth
Revenue	**18,972**	**21,444**	**-12%**	**78,773**	**81,514**	**-3%**
Share of Group	23%	30%		29%	34%	
Cost	19,814	19,532	1%	68,583	57,491	19%
Share of Group	34%	35%		35%	36%	
Operating profit before depreciation and amortization and special items	**- 842**	**2,958**	**-128%**	**10,190**	**25,068**	**-59%**
Share of Group	-4%	15%		13%	31%	
EBITDA-Margin before special items	-4%	13%		13%	30%	
Operating profit before depreciation and amortization	**- 1,571**	**2,554**	**-161%**	**5,830**	**24,164**	**-76%**
EBITDA-Margin	-8%	11%		7%	29%	
Organic Growth	-24%	18%		-21%	25%	

Financial performance for the period

Revenue growth of 14% to 275 mEUR

Revenue showed growth versus 2023 of 14% and amounted to 275 mEUR (YTD 2023: 241 mEUR). Revenue share accounted for 48% of the revenue with 26% coming from CPA, 4% from subscription sales, and 21% from other income.

Cost of 195 mEUR - up 22%

The increase in costs compared to Q3, 2023 is primarily driven by acquisitions contributing with 46 mEUR in increased cost base.

The increase in personnel cost is mainly driven by an increase in average number of employees increasing from average 1,126 in Q3 2023 to 1,776 in Q3 2024, where 370 employees joined Better Collective as part of the acquisition of Playmaker Capital.

Total direct cost relating to revenue increased by 7 mEUR to 82 mEUR (YTD 2023: 75 mEUR) corresponding to an increase of 10%. The increase primarily stems from increased cost related to media partnerships, paid media spending and increased cost base due to acquisitions.

Personnel cost increased 30% to 86 mEUR 2024 (YTD 2023: 66 mEUR) due to the increase in the average number of employees. Personnel costs include costs related to warrants of 1 mEUR (YTD 2023: 2 mEUR).

Other external costs increased 9 mEUR or 46% to 28 mEUR (YTD 2023: 19 mEUR) primarily due to other promotions costs and increased cost base due to acquisitions.

Depreciation and amortization amounted to 32 mEUR (YTD 2023: 19 mEUR), an increase of 13 mEUR compared to YTD 2023. The increase is mainly due to amortization related to intangible assets accounted for as part of the acquisitions of Skycon in Q2, 2023 and the acquisitions in H2, 2023 of Playmaker HQ, Digital Sportmedia I Norden AB (the four brands are SvenskaFans.com, Hockeysverige.se, Fotbolldirekt.se and Innebandymagazinet.se), Goalmedia Technologia E Marketing Digital (the brand is Torcedores) and Tipsbladet as well as the acquisition of Playmaker Capital completed February 6, 2024 and new media partnerships entered during 2023 and 2024.

Special items

Special items amounted to an expense of 3 mEUR (YTD 2023: 2 mEUR). The net expense of 3 mEUR is primarily related to M&A expenses of 2 mEUR, restructuring of 1 mEUR, the early settlement of the Playmaker HQ earnout and related impairment of goodwill in Q2, with a net financial impact of 2.4 mEUR and positive impact of 2.5 mEUR related to earnout adjustments.

Earnings

Operational earnings (EBITDA) before special items decreased 2% to 80 mEUR (YTD 2023: 82 mEUR). The EBITDA-margin before special items was 29% (YTD 2023: 34%). Including special items, the reported EBITDA was 75 mEUR. (YTD 2023: 79 mEUR).

EBIT before special items decreased 24% to 48 mEUR (YTD 2023: 63 mEUR). Including special items, the reported EBIT was 44 mEUR (YTD 2023: 60 mEUR).

Net financial items

Net financial costs amounted to 17 mEUR (YTD 2023: 16 mEUR) and included net interest, fees relating to bank credit lines, unrealized losses on shares and exchange rate adjustments. Interest expenses amounted to 21 mEUR and included non-payable, calculated interest expenses on certain balance sheet items, 16 mEUR had cash flow effect.

Net financial costs are impacted by a realized loss of 4 mEUR on Catena Media shares and unrealized net exchange rate loss amounted to 3 mEUR.

Income tax

Better Collective has a tax presence in the places where the Group is incorporated. Income tax amounted to 8 mEUR (YTD 2023: 12 mEUR). The Effective Tax Rate was 28.4% (YTD Q3 2023: 27.0%) increasing primarily due to unrecognized tax losses of 1 mEUR.

Net profit

Net profit after tax was 19 mEUR (YTD 2023: 32 mEUR). Earnings per share (EPS) was EUR/share 0.31 versus 0.59 EUR/share YTD 2023.

Equity

The equity increased to 650 mEUR as per September 30, 2024, from 435 mEUR on December 31, 2023. Besides the net profit of 19 mEUR, the equity has been primarily impacted by the share exchange in connection with the acquisition of Playmaker Capital of 46 mEUR, the acquisition and disposal of treasury shares of 30 mEUR and the capital increase in March with 145 mEUR.

Balance sheet

Total assets amounted to 1,142 mEUR (YTD 2023: 931 mEUR), with an equity of 650 mEUR (2023: 438 mEUR). This corresponds to an equity to assets ratio of 57% (2023: 47%). The liquidity ratio was 1.37 resulting from current assets of 105 mEUR and current liabilities of 77 mEUR. The ratio of net interest-bearing debt to EBITDA before special items was 2.16 at the end of September.

Investments

In Q4 of 2023 Better Collective announced the acquisition of Playmaker Capital, which closed on 6 February 2024. This strategic move, with a total purchase price of 111 million EUR, cements our position as a market leader in South America while reinforcing our North American market presence.

Better Collective announced the acquisition of AceOdds on May 16, 2024, for a total consideration of 43 mEUR on a net cash-/debt free basis. AceOdds is a UK sports betting media brand with its roots in the UK, and this acquisition is poised to enhance Better Collective's presence across the UK, significantly.

In Q3, Better Collective has acquired a smaller social media asset in North America for a consideration of 7 mUSD.

Cash flow and financing

Cash flow from operations before special items was 32 mEUR (2023: 14 mEUR) with a cash conversion of 131% in Q3 2024.

Better Collective A/S completed its offering of new shares through an accelerated bookbuilding process with a subscription price at market of DKK 189.4 on February 28. Total proceeds from the accelerated bookbuilding process amounted to DKK 1,081.9 million (app. 145 mEUR). The proceeds prepare the Company for future M&A opportunities as the sports media landscape remains highly fragmented.

On July 5, 2024, Better Collective reestablished its 3-year financing agreement with Nordea, Nykredit Bank and Citibank with a total committed facility of 319 mEUR and a 100 mEUR higher accordion option. By the end of September 2024, capital reserves stood at 107 mEUR consisting of cash of 44 mEUR and unused bank credit facilities of 61 mEUR.

The parent company

Better Collective A/S is the parent company of the group. Revenue grew by 35% to 96 mEUR (Q3 2023: 71 mEUR). Total costs including depreciation and amortization was 86 mEUR (Q3 2023: 68 mEUR). Profit after tax was 33 mEUR (Q3 2023: 36 mEUR). The change in profit after tax is primarily due to increased cost and amortizations. Total equity ended at 676 mEUR by September 30, 2024 (2023: 443 mEUR).

Financial targets

2024

Prior to releasing its Q3 report, Better Collective downgraded its 2024 financial targets as follows:

- Revenue of 355-375 mEUR previously 395-425 mEUR
- EBITDA of 100-110 mEUR previously 130-140 mEUR
- Net/debt to EBITDA stay below 3x (unchanged)

2023- 2027

The long-term 2023-2027 financial targets remain unchanged:

- Revenue CAGR of +20%
- EBITDA margin before special items of 35-40%.
- Net debt to EBITDA before special items of <3.

2023-2027 implications

The long-term targets include M&A funded by own cash flow and debt and not capital increases. After the changes to the short term 2024 guidance and uncertainties relating to selected markets, the targets remain intact.

Disclaimer

This report contains certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events. Such statements or opinions pertaining to the future, for example wording like; "believes", "deems", "estimates", "anticipates", "aims', and "forecasts" or similar expressions are intended to identify a statement as forward-looking. This applies to statements and opinions concerning the future financial returns, plans and expectations with respect to the business and management of the group, future growth, profitability, general economic and regulatory environment, and other matters affecting Better Collective.

Forward-looking statements are based on current estimates and assumptions made according to the best of the group's knowledge. These statements are inherently associated with both known and unknown risks, uncertainties, and other factors that could cause the results, including the group's cash flow, financial condition, and 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 favorable than the results expressly or implicitly assumed or described in those statements. Better Collective can give no assurance regarding the future accuracy of the opinions set forth herein or as to the actual occurrence of any predicted developments and/or targets.

Considering the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that certain future events may not occur. Moreover, forward-looking estimates derived from third-party studies may prove to be inaccurate. Actual results, performance or events may differ materially from those in such statements e.g. due to changes in general economic conditions, in particular economic conditions in the markets in which the group 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. We undertake no obligation to update or revise any forward-looking statements, whether because of new information, future events or otherwise, except to the extent required by law.

Other

Shares and share capital

Better Collective A/S is listed on Nasdaq Stockholm main market and Nasdaq Copenhagen main market. The shares are traded under the ticker "BETCO" and "BETCO DKK". As per September 30, 2024, the share capital amounted to 630,776.27 EUR, and the total number of issued shares was 63,076,627. The company has one (1) class of shares. Each share entitles the holder to one vote at the general meetings.

Shareholder structure

As of September 30, 2024, the total number of shareholders was 5,478. A list of top ten shareholders in Better Collective A/S can be found on the group's website.

Incentive programs

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 long-term incentive programs are subscribed, then the maximum shareholders dilution will be approximately 2.93%. On January 2, 2024, the board of directors implemented a Long-Term Incentive Plan (LTI) for key employees in the Better Collective group.

On June 5, 2024, CFO exercised 150,000 warrants and on September 5, 2024, CEO, CFO and COO exercised 150,000 warrants each under the 2019 programs in accordance with the terms of the long-term incentive programs. As the program expires this was the final window to exercise. The Board decided to cash settled the program.

In total the grants under the LTI in 2024 cover 61,523 performance share units and 426,870 share options to 79 key employees in total, vesting over a 3-year period. The total value of the 2024 LTI grant program is 3.6 mEUR (calculated Black-Scholes value) measured at the target level, which is to say 100% achievement of the financial goals.

Program	Long-term incentive programs outstanding September, 2024	Vesting period	Exercise period	Exercise price DKK	Exercise price EUR (rounded)
2019*	0	2020-2023	2022-2024	64.78	8.69
2020**	25,000	2021-2023	2023-2025	61.49	8.24
2020*	163,999	2021-2023	2023-2025	106.35	14.26
2021*	377,372	2022-2024	2024-2026	150.41	20.17
2021 US MIP Options	43,358	2021-2024	2024-2026	138.90	18.62
2022 US MIP Options	15,238	2022-2023	2023-2026	107.25	14.38
2022 Options	20,973	2022-2024	2025-2027	130.98	17.56
2022 PSU	62,810	2022-2024	2025-2027		
2023 CXO Options	300,000	2023-2025	2026-2028	142.08	19.05
2023 Options	236,730	2023-2025	2026-2028	87.06	11.67
2023 PSU	120,650	2023-2025	2026-2028		
2024 Options	426,870	2024-2026	2027-2029	173.87	23.31
2024 PSU	55,236	2024-2026	2027-2029		

* 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, various 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. The board evaluates risk dynamically to account for this variation in risk impact. The policies and guidelines in place stipulate how 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 group'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 sportsbooks.

With the continued expansion in North and South America, the overall risk profile of Better Collective has changed, and compliance as well as financial risk have increased. Better Collective has mitigated the additional risks in several ways, 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 organizational risk through establishment of local governance, and finance, HR, and legal organization dedicated to the North and South American operations. Other key risk factors are described in the Annual report 2023.

Contacts

VP of Group Strategy, Investor Relations and Corporate Communications; 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 November 13, 2024, after market close (CET).

About

Better Collective owns global and national sport media, with a vision to become the leading digital sports media group. We are on a mission to excite sports fans through engaging content and foster passionate communities worldwide. Better Collective's portfolio of digital sports media brands includes; HLTV, FUTBIN, Betarades, Soccernews, Tipsbladet, Action Network, Playmaker HQ, VegasInsider, Bolavip and Redgol. Headquartered in Copenhagen, Denmark, and dual listed on Nasdaq Stockholm (BETCO) and Nasdaq Copenhagen (BETCO DKK).

To learn more about Better Collective please visit www.Bettercollective.com

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 – September 30, 2024.

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 – September 30, 2024.

The condensed consolidated interim financial statements for the period January 1 – September 30, 2024., 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 on September 30, 2024, and of the results of the group's and parent company's operations and the group's cash flows for the period January 1 – September 30, 2024.

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, November 13, 2024

Executive Management

Jesper Søgaard
Co-founder & CEO

Christian Kirk Rasmussen
Co-founder & COO
Executive Vice President

Flemming Pedersen
CFO
Executive Vice President

Board of Directors

Jens Bager
Chair

Therese Hillman
Vice Chair

Britt Boeskov

Todd Dunlap

Leif Nørgaard

René Rechtman

Petra von Rohr

Independent auditor's report

To the shareholders of Better Collective A/S

We have reviewed the condensed consolidated interim financial statements of Better Collective A/S for the period 1 January – 30 September 2024, which comprise a consolidated income statement, consolidated statement of other comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement and notes as presented on page 18 - 35. The condensed consolidated interim financial statements are prepared in accordance with IAS 34 *Interim Financial Reporting*, as adopted by the EU, and additional requirements of the Danish Financial Statements Act.

Management's responsibilities for the condensed consolidated interim financial statements

Management is responsible for the preparation of condensed consolidated interim financial statements in accordance with IAS 34 *Interim Financial Reporting*, as adopted by the EU, and additional requirements of the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a conclusion on the condensed consolidated interim financial statements. We conducted our review in accordance with the International Standard on Review of Interim Financial Information Performed by the Independent Auditor of the Entity and additional requirements applicable in Denmark.

This requires us to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated interim financial statements, taken as a whole, are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*, as adopted by the EU, and additional requirements of the Danish Financial Statements Act. This standard also requires us to comply with relevant ethical requirements.

A review of the condensed consolidated interim financial statements in accordance with the International Standard on Review of Interim Financial Information Performed by the Independent Auditor of the Entity is a limited assurance engagement. The auditor performs procedures primarily consisting of making enquiries of Management and others within the company, as appropriate, applying analytical procedures and evaluate the evidence obtained.

The procedures performed in a review are substantially less that those performed in an audit conducted in accordance with the International Standards on Auditing. Accordingly, we do not express an audit opinion on the condensed consolidated interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*, as adopted by the EU, and additional requirements of the Danish Financial Statements Act.

Other matters

The condensed consolidated interim financial statements contain actual figures for the period 1 July – 30 September 2024 (Q3 2024), together with comparative figures for the period 1 July – 30 September 2023 (Q3 2023). The actual figures for Q3 2024 and the comparative figures for Q3 2023 have not been subject to review. Accordingly, we do not express an opinion or any other form of assurance on the actual Q3 2024 figures or on the comparative figures for Q3 2023.

Copenhagen, November 13, 2024

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Mikkel Sthyr
State Authorised Public Accountant
mne26693

Kennet Hartmann
State Authorised Public Accountant
mne40036

Condensed interim financial statements for the period

Consolidated income statement

Note	tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
3	Revenue	81,152	75,431	275,305	241,491	326,686
	Direct costs related to revenue	24,871	25,669	82,008	74,862	99,296
4	Staff costs	25,852	23,408	85,564	66,018	88,921
	Other external expenses	8,097	6,760	27,852	19,045	27,389
	Operating profit before depreciation and amortization (EBITDA) and special items	**22,333**	**19,595**	**79,881**	**81,566**	**111,080**
	Depreciation	2,281	1,200	5,383	2,611	3,958
	Operating profit before amortization (EBITA) and special items	**20,052**	**18,395**	**74,497**	**78,954**	**107,122**
7	Amortization and impairment	10,712	6,375	26,830	16,314	24,283
	Operating profit (EBIT) before special items	**9,340**	**12,019**	**47,667**	**62,640**	**82,839**
5	Special items, net	- 428	- 522	- 3,429	- 2,347	- 1,948
	Operating profit	**8,913**	**11,498**	**44,238**	**60,293**	**80,891**
	Financial income	496	799	3,686	4,179	5,987
	Financial expenses	5,842	7,178	21,446	20,164	28,868
	Profit before tax	**3,566**	**5,119**	**26,479**	**44,308**	**58,010**
6	Tax on profit for the period	2,447	2,012	7,513	11,964	18,175
	Profit for the period	**1,119**	**3,107**	**18,966**	**32,344**	**39,835**
	Earnings per share attributable to equity holders of the company					
	Average number of shares	62,219,980	55,183,479	61,472,484	55,164,474	55,186,772
	Average number of warrants - converted to number of shares	2,385,990	2,635,780	2,506,396	2,679,260	2,658,571
	Earnings per share (in EUR)	0.01	0.06	0.31	0.59	0.74
	Diluted earnings per share (in EUR)	0.01	0.05	0.29	0.56	0.70

Consolidated statement of other comprehensive income

Note	tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
	Profit for the period	1,119	3,107	18,966	32,344	39,835
	Other comprehensive income					
	Other comprehensive income that may be reclassified to profit or loss in subsequent periods:					
	Fair value adjustment of hedges for the year	- 537	0	- 54	0	- 483
	Currency translation to presentation currency	- 2,170	805	- 2,512	521	1,318
	Currency translation of non-current intercompany loans	- 12,834	8,055	- 3,650	3,048	- 9,440
	Income tax	2,941	- 1,772	921	- 671	0
	Net other comprehensive income/loss	**- 12,600**	**7,087**	**- 5,296**	**2,898**	**- 8,605**
	Total comprehensive income/(loss) for the period, net of tax	**- 11,481**	**10,194**	**13,671**	**35,242**	**31,230**
	Attributable to:					
	Shareholders of the parent	- 11,481	10,194	13,671	35,242	31,230

Consolidated statement of financial position

Note	tEUR	Q3 2024	Q3 2023	2023
	Assets			
	Non-current assets			
7	**Intangible assets**			
	Goodwill	344,660	262,980	255,074
	Domains and websites	537,686	473,436	466,615
	Accounts and other intangible assets	122,688	54,978	79,740
	Total intangible assets	**1,005,035**	**791,395**	**801,429**
	Tangible assets			
	Right of use assets	18,774	14,906	15,575
	Leasehold improvements, Fixtures and fittings, other plant and equipment	7,371	5,510	6,006
	Total tangible assets	**26,145**	**20,416**	**21,582**
	Other non-current assets			
	Deposits	1,829	1,716	1,803
	Deferred tax asset	3,612	10,732	7,236
	Total other non-current assets	**5,441**	**12,448**	**9,039**
	Total non-current assets	**1,036,621**	**824,259**	**832,050**
	Current assets			
	Trade and other receivables	47,151	45,097	48,954
	Corporation tax receivable	7,624	6,854	2,252
	Prepayments	6,585	4,306	4,250
	Other current financial assets	0	9,742	6,804
	Cash	43,617	40,676	43,552
	Total current assets	**104,977**	**106,674**	**105,812**
	Total assets	**1,141,598**	**930,934**	**937,862**

Note	tEUR	Q3 2024	Q3 2023	2023
	Equity and liabilities			
	Equity			
	Share Capital	631	552	554
	Share Premium	469,460	273,184	274,580
	Reserves	- 3,941	5,024	- 6,486
	Retained Earnings	184,168	158,983	166,624
	Total equity	**650,319**	**437,744**	**435,273**
	Non-current Liabilities			
8	Debt to credit institutions	260,100	248,359	248,657
8	Lease liabilities	14,942	12,577	13,326
8	Deferred tax liabilities	100,051	90,173	84,670
8	Other long-term financial liabilities	39,377	49,415	52,443
	Total non-current liabilities	**414,469**	**400,524**	**399,096**
	Current Liabilities			
	Prepayments received from customers and deferred revenue	6,436	4,066	4,262
	Trade and other payables	27,773	26,486	27,838
	Corporation tax payable	5,988	4,516	6,754
8	Other financial liabilities	31,853	54,866	61,938
	Debt to credit institutions	0	23	0
8	Lease liabilities	4,760	2,708	2,702
	Total current liabilities	**76,810**	**92,666**	**103,493**
	Total liabilities	**491,279**	**493,189**	**502,589**
	Total Equity and liabilities	**1,141,598**	**930,934**	**937,862**

Consolidated statement of changes in equity

tEUR	Share capital	Share premium	Currency translation reserve	Hedging reserves	Treasury shares	Retained earnings	Total equity
As at January 1, 2024	**554**	**274,580**	**15,055**	**- 483**	**- 21,057**	**166,624**	**435,273**
Result for the period	0	0	0	0	0	18,966	18,966
Fair value adjustment of hedges	0	0	0	- 54	0	0	- 54
Currency translation to presentation currency	0	0	- 6,162	0	0	0	- 6,162
Tax on other comprehensive income	0	0	803	118	0	0	921
Total other comprehensive income	0	0	- 5,360	64	0	0	- 5,296
Total comprehensive income for the year	**0**	**0**	**- 5,360**	**64**	**0**	**18,966**	**13,671**
Transactions with owners							
Capital Increase	77	194,880	0	0	0	- 1,758	193,199
Acquisition of treasury shares	0	0	0	0	- 15,414	0	- 15,414
Disposal of treasury shares	0	0	0	0	23,254	9,017	32,271
Share based payments	0	0	0	0	0	- 5,679	- 5,679
Transaction cost	0	0	0	0	0	- 3,002	- 3,002
Total transactions with owners	**77**	**194,880**	**0**	**0**	**7,840**	**- 1,422**	**201,375**
At September 30, 2024	**631**	**469,460**	**9,695**	**- 419**	**- 13,217**	**184,168**	**650,319**

During the period no dividend was paid.

tEUR	Share capital	Share premium	Currency translation reserve	Hedging reserves	Treasury shares	Retained earnings	Total equity
As at January 1, 2023	**551**	**272,550**	**23,177**	**0**	**- 7,669**	**124,307**	**412,917**
Result for the period	0	0	0	0	0	32,344	32,344
Fair value adjustment of hedges	0	0	0	0	0	0	0
Currency translation to presentation currency	0	0	3,568	0	0	0	3,568
Tax on other comprehensive income	0	0	- 671	0	0	0	- 671
Total other comprehensive income	0	0	2,898	0	0	0	2,898
Total comprehensive income for the year	**0**	**0**	**2,898**	**0**	**0**	**32,344**	**35,242**
Transactions with owners							
Capital Increase	1	634	0	0	0	0	635
Acquisition of treasury shares	0	0	0	0	- 13,368	0	- 13,368
Disposal of treasury shares	0	0	0	0	0	0	0
Share based payments	0	0	0	0	0	2,359	2,359
Transaction cost	0	0	0	0	- 13	- 27	- 40
Total transactions with owners	**1**	**634**	**0**	**0**	**- 13,381**	**2,332**	**- 10,414**
At September 30, 2023	**552**	**273,184**	**26,074**	**0**	**- 21,050**	**158,983**	**437,744**

During the period no dividend was paid.

Consolidated statement of changes in equity - continued

tEUR	Share capital	Share premium	Currency translation reserve	Hedging reserves	Treasury shares	Retained earnings	Total equity
As at January 1, 2023	**551**	**272,550**	**23,177**	**0**	**- 7,669**	**124,307**	**412,917**
Result for the period	0	0	0	0	0	39,835	39,835
Fair value adjustment of hedges	0	0	0	- 483	0	0	- 483
Currency translation to presentation currency	0	0	- 8,122	0	0	0	- 8,122
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	- 8,122	- 483	0	0	- 8,605
Total comprehensive income for the year	**0**	**0**	**- 8,122**	**- 483**	**0**	**39,835**	**31,230**
Transactions with owners							
Capital Increase	3	2,030	0	0	0	0	2,033
Acquisition of treasury shares	0	0	0	0	- 13,375	0	- 13,375
Disposal of treasury shares	0	0	0	0	0	0	0
Share based payments	0	0	0	0	0	2,495	2,495
Transaction cost	0	0	0	0	- 13	- 12	- 26
Total transactions with owners	**3**	**2,030**	**0**	**0**	**- 13,389**	**2,482**	**- 8,874**
At December 31, 2023	**554**	**274,580**	**15,055**	**- 483**	**- 21,057**	**166,624**	**435,273**

During the period no dividend was paid.

Consolidated statement of cash flows

Note	tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
	Profit before tax	3,566	5,119	26,479	44,308	58,010
	Adjustment for finance items	5,346	6,378	17,759	15,985	22,882
	Adjustment for special items	428	522	3,429	2,347	1,947
	Operating Profit for the period before special items	9,340	12,019	47,667	62,640	82,839
	Depreciation and amortization	12,992	7,575	32,213	18,926	28,241
	Other adjustments of non-cash operating items	- 691	807	1,168	2,417	2,581
	Cash flow from operations before changes in working capital and special items	21,640	20,402	81,048	83,983	113,661
	Change in working capital	10,780	- 6,157	222	- 2,124	5,722
	Cash flow from operations before special items	32,421	14,245	81,271	81,859	119,384
	Special items, cash flow	- 542	- 333	- 13,065	- 2,000	- 4,744
	Cash flow from operations	31,879	13,912	68,205	79,858	114,639
	Financial income, received	161	- 475	1,169	166	493
	Financial expenses, paid	- 3,633	- 3,027	- 18,468	- 7,078	- 10,712
	Cash flow from activities before tax	28,407	10,410	50,907	72,946	104,420
	Income tax paid	- 4,069	- 3,005	- 9,884	- 11,972	- 15,411
	Cash flow from operating activities	**24,338**	**7,406**	**41,023**	**60,974**	**89,009**
9	Acquisition of businesses	- 900	- 19,636	- 117,399	- 49,403	- 57,282
7	Acquisition of intangible assets	- 20,556	- 8,094	- 28,588	-11,718	- 27,469
	Acquisition of property, plant and equipment	- 3,296	- 1,958	- 4,866	- 4,140	- 5,143
	Sale of property, plant and equipment	117	0	555	3	3
	Acquisition of other financial assets	0	0	0	- 14,930	- 14,930
	Sale of other financial assets	454	0	3,226	0	0
	Change in other non-current assets	69	- 1,253	- 25	- 1,514	- 1,427
	Cash flow from investing activities	**- 24,112**	**- 30,941**	**- 147,098**	**- 81,702**	**- 106,248**

Note	tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
	Repayment of borrowings	0	0	- 136,321	- 1,486	- 1,486
	Proceeds from borrowings	13,434	0	124,195	45,490	45,490
	Lease liabilities	- 1,669	- 1,475	- 3,548	- 1,993	- 2,814
	Other non-current liabilities	0	4,569	- 2,582	444	- 483
	Capital increase	1,218	397	146,362	634	2,033
	Treasury shares	- 13,103	- 3,804	- 13,103	- 13,381	- 13,381
	Transaction cost	- 33	- 4	- 3,002	- 13	- 26
	Warrant settlement, sale of warrants	- 5,195	0	- 5,698	0	0
	Cash flow from financing activities	**- 5,348**	**- 317**	**106,303**	**29,694**	**29,334**
	Cash flows for the period	- 5,121	- 23,853	227	8,967	12,095
	Cash and cash equivalents at beginning	48,756	64,536	43,552	31,497	31,497
	Foreign currency translation of cash and cash equivalents	- 18	- 7	- 163	211	- 41
	Cash and cash equivalents period end	**43,617**	**40,676**	**43,617**	**40,676**	**43,552**
	Cash and cash equivalents period end					
	Cash	43,617	40,676	43,617	40,676	43,552
	Cash and cash equivalents period end	**43,617**	**40,676**	**43,617**	**40,676**	**43,552**

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 performance marketing. Better Collective’s vision is to become the leading digital sports media group.

Basis of preparation

The Interim Report (condensed consolidated interim financial statements) for the period January 1 – September 30, 2024, has been prepared in accordance with IAS 34 “Interim financial reporting” 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 analyze 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 January 1, 2024, 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 2023 annual report which contains a full description of the accounting policies for the Group and the parent company. The lifetime of accounts and other intangible assets has been reassessed in connection with acquisitions in 2024. The lifetime for accounts is 3-5 years and for other intangible assets 2-3 years.

The annual report for 2023 including full description of the accounting policies can be found on Better Collective’s website: https://storage.mfn.se/9896a1ee-39d1-49c3-a0fd-7447b83bcb8e/annual-report-2023.pdf

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.

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 2023 which contains a full description of significant accounting judgements, estimates and assumptions.

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 sports media and media partnerships where the audience is coming either directly or through organic search results, whereas Paid Media generates revenue through paid ad-traffic to our brands, thereby running on a lower gross margin.

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

	Publishing		Paid Media		Group	
tEUR	**Q3 2024**	**Q3 2023**	**Q3 2024**	**Q3 2023**	**Q3 2024**	**Q3 2023**
Revenue Share	28,573	28,636	12,455	11,319	41,028	39,955
CPA	5,784	5,717	12,336	15,120	18,120	20,837
Subscription	3,986	4,106	0	0	3,986	4,106
Other	18,018	10,003	0	530	18,018	10,533
Revenue	**56,361**	**48,463**	**24,792**	**26,969**	**81,152**	**75,431**
Cost	39,997	36,574	18,822	19,262	58,820	55,837
Operating profit before depreciation, amortization and special items	**16,364**	**11,888**	**5,969**	**7,707**	**22,333**	**19,595**
EBITDA-Margin before special items	29%	25%	24%	29%	28%	26%
Special items, net	- 428	- 522	- 0	0	- 428	- 522
Operating profit before depreciation and amortization	**15,936**	**11,366**	**5,969**	**7,707**	**21,905**	**19,073**
EBITDA-Margin	28%	23%	24%	29%	27%	25%
Depreciation	2,230	1,196	50	4	2,281	1,200
Operating profit before amortization	**13,705**	**10,170**	**5,919**	**7,703**	**19,624**	**17,873**
EBITA-Margin	24%	21%	24%	29%	24%	24%

	Publishing		Paid Media		Group	
tEUR	**YTD 2024**	**YTD 2023**	**YTD 2024**	**YTD 2023**	**YTD 2024**	**YTD 2023**
Revenue Share	92,878	91,934	39,343	29,571	132,222	121,504
CPA	33,116	28,698	39,730	49,150	72,846	77,848
Subscription	12,204	12,669	0	0	12,204	12,669
Other	55,648	27,912	2,386	1,557	58,033	29,469
Revenue	**193,845**	**161,214**	**81,459**	**80,277**	**275,305**	**241,491**
Cost	134,882	102,761	60,542	57,164	195,424	159,925
Operating profit before depreciation, amortization and special items	**58,963**	**58,452**	**20,917**	**23,113**	**79,881**	**81,566**
EBITDA-Margin before special items	30%	36%	26%	29%	29%	34%
Special items, net	- 3,413	- 2,347	- 16	0	- 3,429	- 2,347
Operating profit before depreciation and amortization	**55,550**	**56,105**	**20,901**	**23,113**	**76,451**	**79,218**
EBITDA-Margin	29%	35%	26%	29%	28%	33%
Depreciation	5,237	2,601	147	10	5,383	2,611
Operating profit before amortization	**50,314**	**53,504**	**20,754**	**23,103**	**71,068**	**76,607**
EBITA-Margin	26%	33%	25%	29%	26%	32%

2. Segments, continued

	Publishing	Paid Media	Group
tEUR	**2023**	**2023**	**2023**
Revenue Share	120,776	41,049	161,825
CPA	40,589	63,371	103,960
Subscription	17,959	0	17,959
Other	41,003	1,938	42,941
Revenue	**220,328**	**106,358**	**326,686**
Cost	139,685	75,920	215,605
Operating profit before depreciation, amortization and special items	**80,642**	**30,438**	**111,080**
EBITDA-Margin before special items	37%	29%	34%
Special items, net	- 1,948	0	- 1,948
Operating profit before depreciation and amortization	**78,695**	**30,438**	**109,132**
EBITDA-Margin	36%	29%	33%
Depreciation	3,909	49	3,958
Operating profit before amortization	**74,785**	**30,389**	**105,174**
EBITA-Margin	34%	29%	32%

2. Segments, continued

Europe & Rest of World and North America

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 national reach. Better Collective's regional brands are tailored according to the specific regions or countries and their respective regulations, sports, betting behaviors, user needs, and languages. Better Collective reports on the geographical segments Europe & ROW (Rest of World) and North America, 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		North America		Group	
tEUR	Q3 2024	Q3 2023*	Q3 2024	Q3 2023*	Q3 2024	Q3 2023
Revenue Share	37,478	33,918	3,550	6,037	41,028	39,955
CPA	12,645	14,621	5,475	6,216	18,120	20,837
Subscription	645	477	3,342	3,630	3,986	4,107
Other	11,413	4,971	6,606	5,562	18,018	10,533
Revenue	**62,180**	**53,988**	**18,972**	**21,444**	**81,152**	**75,431**
Cost	39,005	36,305	19,814	19,532	58,820	55,837
Operating profit before depreciation, amortization and special items	**23,175**	**16,637**	**- 842**	**2,958**	**22,333**	**19,595**
EBITDA-Margin before special items	37%	31%	-4%	13%	28%	26%
Special items, net	301	- 118	- 728	- 403	- 428	- 522
Operating profit before depreciation and amortization	**23,476**	**16,519**	**- 1,571**	**2,554**	**21,905**	**19,073**
EBITDA-Margin	38%	31%	-8%	11%	27%	25%
Depreciation	1,922	912	359	288	2,281	1,200
Operating profit before amortization	**21,554**	**15,607**	**- 1,929**	**2,266**	**19,624**	**17,873**
EBITA-Margin	35%	29%	-10%	10%	24%	24%

	Europe & RoW		North America		Group	
tEUR	YTD 2024	YTD 2023*	YTD 2024	YTD 2023*	YTD 2024	YTD 2023
Revenue Share	118,657	100,764	13,565	20,740	132,222	121,504
CPA	41,385	36,675	31,461	41,173	72,846	77,848
Subscription	1,877	1,531	10,327	11,138	12,204	12,670
Other	34,613	21,007	23,420	8,462	58,033	29,469
Revenue	**196,532**	**159,978**	**78,773**	**81,514**	**275,305**	**241,491**
Cost	126,841	102,434	68,583	57,491	195,424	159,925
Operating profit before depreciation, amortization and special items	**69,691**	**56,498**	**10,190**	**25,068**	**79,881**	**81,566**
EBITDA-Margin before special items	35%	36%	13%	30%	29%	34%
Special items, net	930	- 1,443	- 4,360	- 904	- 3,429	- 2,347
Operating profit before depreciation and amortization	**70,621**	**55,055**	**5,830**	**24,164**	**76,451**	**79,218**
EBITDA-Margin	36%	35%	7%	29%	28%	33%
Depreciation	4,461	1,853	922	759	5,383	2,611
Operating profit before amortization	**66,160**	**53,202**	**4,908**	**23,405**	**71,068**	**76,607**
EBITA-Margin	34%	33%	6%	28%	26%	32%

*Figures were restated because of the transfer of Canada and renaming USA to North America (NA) in Q3 2023 and Q4 2023.

2. Segments, continued

	Europe & Row	North America	Group
tEUR	**2023**	**2023**	**2023**
Revenue Share	136,211	25,614	161,825
CPA	49,173	54,787	103,960
Subscription	2,461	15,499	17,960
Other	30,241	12,700	42,941
Revenue	**218,085**	**108,600**	326,686
Cost	137,903	77,702	215,605
Operating profit before depreciation, amortization and special items	**80,182**	**30,898**	**111,080**
EBITDA-Margin before special items	37%	28%	34%
Special items, net	- 1,060	- 888	- 1,948
Operating profit before depreciation and amortization	**79,123**	**30,010**	**109,132**
EBITDA-Margin	37%	27%	33%
Depreciation	3,199	759	3,958
Operating profit before amortization	**76,176**	**28,998**	**105,174**
EBITA-Margin	35%	27%	32%

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	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Revenue category					
Recurring revenue (Revenue share, Subscription, CPM)	52,825	46,312	167,661	141,864	191,118
CPA, Fixed Fees	28,183	29,055	106,991	99,539	135,385
Other	144	64	653	88	183
Total revenue	**81,152**	**75,431**	**275,305**	**241,491**	**326,686**
%-split					
Recurring revenue	65	61	61	59	58
CPA, Fixed Fees	35	39	39	41	42
Other	0	0	0	0	0
Total	**100**	**100**	**100**	**100**	**100**

tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Revenue type					
Revenue Share	41,028	39,955	132,222	121,504	161,825
CPA	18,120	20,837	72,846	77,848	103,960
Subscription	3,986	4,107	12,204	12,669	17,959
Other	18,018	10,533	58,033	29,469	42,941
Total revenue	**81,152**	**75,431**	**275,305**	**241,491**	**326,686**
%-split					
Revenue Share	51	53	48	50	50
CPA	22	28	26	32	32
Subscription	5	5	4	5	5
Other	22	14	21	12	13
Total	**100**	**100**	**100**	**100**	**100**

4. Share-based payment plans

2019 Warrant programs:

During the third quarter of 2024 the company did not grant any new warrants and 545,835 warrants were exercised under this program.

2020 Warrant programs:

During the third quarter of 2024 the company did not grant any new warrants and 27,000 warrants were exercised under this program.

2021 Incentive Program:

During the third quarter of 2024 the company did not grant any new warrants and 0 warrants were exercised under this program.

2022 Incentive Program:

During the third quarter of 2024 the company did not grant any new warrants and 0 warrants were exercised under this program.

2023 Incentive Program:

During the third quarter of 2024 the company did not grant any new warrants and 0 warrants were exercised under this program.

2023 CXO Options Program:

During the third quarter of 2024 the company did not grant any new warrants and 0 warrants were exercised under this program.

2024 Incentive Program:

On January 2, 2024, a new LTI program consisting of Performance Stock Units and stock options was announced. Under the program 426,870 options and 61,523 PSUs were granted to certain key employees. Whereas the options have the right to subscribe for one ordinary share, the PSUs have a performance-based element that can increase to two shares for one PSU – both are classified as equity-settled share-based payment transactions*. The vesting period runs from 2024-2026 and the exercise period runs from 2027 to 2029.

4. Share-based payment plans, continued

Management Incentive Program - Action Network:
During the third quarter of 2024 the company did not grant any new warrants and 0 warrants were exercised under this program.

Total share-based compensation:
The total share-based compensation expense for the above programs recognized for Q3 2024 is -693 tEUR (Q3 2023: 1,407 tEUR) and the cost YTD 2024 is 1,167 tEUR (YTD 2023: 2,467 tEUR).

The Board of Directors keeps the right to change the classification of the share-based programs, to a cash-settled.

5. Special items

Special items consist of recurring and non-recurring items that management does not consider to be part of the group's ordinary operating activities, i.e. acquisition costs, dual listing, adjustment of earn-out payments related to acquisitions, impairments and restructuring costs are presented in the Income statement in a separate line item labelled 'Special items'. The impact of special items is specified as follows:

tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Operating profit	8,908	11,498	44,234	60,293	80,891
Special Items related to:					
Special items related to dual listing	0	0	0	0	- 1,129
Special items related to M&A	728	- 760	- 1,359	- 1,716	- 10,224
Variable payments regarding acquisitions - cost	0	98	0	- 44	0
Variable payments regarding acquisitions - income	115	0	19,114	0	9,924
Special items related to Restructuring	- 1,270	158	- 2,601	- 509	- 519
Special items related to impairment	0	0	- 18,584	0	0
Special items related to Management Incentive Program	0	- 18	0	- 78	0
Special items, total	**- 428**	**- 522**	**- 3,429**	**- 2,347**	**- 1,948**
Operating profit (EBIT) before special items	**9,336**	**12,019**	**47,663**	**62,640**	**82,839**
Amortization and impairment	9,158	6,375	26,830	16,314	24,283
Operating profit before amortization and special items (EBITA before special items)	**18,494**	**18,395**	**74,493**	**78,954**	**107,122**
Depreciation	2,281	1,200	5,383	2,611	3,958
Operating profit before depreciation, amortization, and special items (EBITDA before special items)	**20,775**	**19,595**	**79,876**	**81,566**	**111,080**

Due to underperformance from acquisition of SOME content producer and podcast maker Playmaker HQ (not to be confused with Playmaker Capital), Better Collective and the founders and former owners of Playmaker HQ have agreed to renegotiate and settle the earn out. The initial acquisition price of Playmaker HQ was 54mUSD of which 15mUSD was upfront cash. The final price agreed is 25mUSD (23m EUR). Consequently, Better Collective have performed an impairment test based on the reassessment, identifying an impairment of 20mUSD (18m EUR) for the CGU North America, recognized in Q2. The net impact on special items is negative 2.4mEUR, resulting from the aforementioned goodwill impairment and the recognition of the remaining earn-out as income.

6. Income tax

Total tax for the period is specified as follows:

tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Tax for the period	2,447	2,012	7,513	11,964	18,175
Tax on other comprehensive income	- 2,941	1,772	- 921	671	0
Total	**- 494**	**3,784**	**6,592**	**12,635**	**18,175**

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

tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Deferred tax	261	- 283	1,499	1,608	3,641
Current tax	1,749	1,829	6,345	9,906	16,400
Adjustment from prior years	437	467	- 331	450	- 1,867
Total	**2,447**	**2,012**	**7,513**	**11,964**	**18,175**

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

tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Specification for the period:					
Calculated 22% tax of the result before tax	785	1,126	5,825	9,748	12,762
Adjustment of the tax rates in foreign subsidiaries relative to the 22%	- 167	470	361	1,467	1,955
Tax effect of:					
Special items	0	186	0	573	868
Special items - taxable items	0	- 541	0	- 541	- 233
Other non-taxable income	- 348	- 312	- 652	- 1,027	- 410
Other non-deductible costs	374	752	943	1,431	3,461
Unrecognized tax losses carried forward	1,366	0	1,366	0	2,010
Tax deductible	0	- 136	0	- 136	- 371
Adjustment of tax relating to prior periods	437	467	- 331	450	-1,867
Total	**2,447**	**2,012**	**7,513**	**11,964**	**18,175**
Effective tax rate	**68.6%**	**39.3%**	**28.4%**	**27.0%**	**31.3%**

7. Intangible assets

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets*	Total
Cost or valuation				
As of January 1, 2024	**255,074**	**466,615**	**140,065**	**861,754**
Additions	0	0	29,149	29,149
Acquisitions through business combinations	110,322	76,523	41,510	228,355
Transfer	0	0	- 295	- 295
Disposals	0	0	- 4,655	- 4,655
Currency Translation	- 2,872	- 5,452	645	- 7,679
At September 30, 2024	**362,524**	**537,686**	**206,420**	**1,106,630**
Amortization and impairment				
As of January 1, 2024	**0**	**0**	**60,325**	**60,325**
Amortization for the period	0	0	26,717	26,717
Impairment for the period	18,584	0	0	18,584
Amortization on disposed assets	0	0	- 2,151	- 2,151
Currency translation	-720	0	- 1,159	- 1,879
At September 30, 2024	**17,863**	**0**	**83,732**	**101,595**
Net book value at September 30, 2024	**344,660**	**537,686**	**122,688**	**1,005,035**

*Accounts and other intangible assets consist of accounts (63,373 tEUR), Media Partnerships (53,521 tEUR), Development projects (1,550 tEUR) and software and others (4,245 tEUR)

7. Intangible assets, continued

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets*	Total
Cost or valuation				
As of January 1, 2023	**183,942**	**460,513**	**63,705**	**708,159**
Additions	0	3,832	16,231	20,063
Acquisitions through business combinations	78,350	7,758	29,579	115,688
Transfer	0	0	0	0
Disposals	0	0	- 2,324	- 2,324
Currency Translation	688	1,333	74	2,095
At September 30, 2023	**262,980**	**473,436**	**107,265**	**843,681**
Amortization and impairment				
As of January 1, 2023	**0**	**0**	**36,688**	**36,688**
Amortization for the period	0	0	16,345	16,345
Amortization on disposed assets	0	0	0	0
Currency translation	0	0	- 747	- 747
At September 30, 2023	**0**	**0**	**52,286**	**52,286**
Net book value at September 30, 2023	**262,980**	**473,436**	**54,978**	**791,395**

*Accounts and other intangible assets consist of accounts (36,398 tEUR), Media Partnerships (18,027 tEUR) and software and others (553 tEUR)

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets*	Total
Cost or valuation				
As of January 1, 2023	**183,942**	**460,513**	**63,705**	**708,159**
Additions	0	3,412	53,914	57,326
Acquisitions through business combinations	75,335	10,842	29,579	115,756
Transfer	0	0	0	0
Disposals	0	0	- 6,531	- 6,531
Currency Translation	- 4,203	- 8,151	- 602	- 12,956
At December 31, 2023	**255,074**	**466,616**	**140,065**	**861,754**
Amortization and impairment				
As of January 1, 2023	**0**	**0**	**36,688**	**36,688**
Amortization for the period	0	0	24,283	24,283
Currency translation	0	0	- 646	- 646
At December 31, 2023	**0**	**0**	**60,325**	**60,325**
Net book value at December 31, 2023	**255,074**	**466,616**	**79,740**	**801,429**

*Accounts and other intangible assets consist of accounts (30,474 tEUR), Media Partnerships (48,769 tEUR) and software and others (497 tEUR)

7. Intangible assets, continued

Goodwill and intangible assets with indefinite life

The Group normally performs its annual impairment test in December or otherwise when circumstances my indicate that the carrying amount may be impaired. When it was announced on 24,October 2024 that the financial outlook for 2024 had been changed and the financial guidance was downgraded. The changed outlook indicates a potential decrease in the recoverable amount, for which reason management have performed an impairment test for the group and the individual CGUs.

The Group added intangible assets YTD 2024 from business combinations of AceOdds and Playmaker Capital. Goodwill and domains and websites arising on business combinations are not subject to amortization, but are reviewed annually for impairment, or more frequently if there are any indicators of impairment that are noted during the year. The Group's impairment test for goodwill and domains and websites with indefinite life are based on a value-in-use basis.

Cash-generating units

Goodwill from a business combination is allocated to cash-generating units in which synergies are expected to be generated from the acquisition. A cash-generating unit represents the smallest identifiable group of assets that together have cash inflows that are largely independent of the cash inflows from other assets.

In Q3 2024 Better Collective continues to have four cash generating units with the business acquisitions of Aceodds included in Publishing, and the acquisition of Playmaker Capital Playmaker allocated between existing cash generating units. Goodwill in Playmaker Capital is allocated to the CGU's; Paid Media (9%), Rest of BC (57%) and North America (35%) based on the proportional share of the fair value of acquired intangible assets identified in the Purchase Price Allocation (PPA). This allocation reflects the economic benefits each CGU is expected to generate. The allocation is provisional due to uncertainties regarding measurement of acquired intangible assets.

Performance and cash flows from domains and websites owned by the individual cash generating units are allocated for the basis for impairment.

Recoverable amount

When testing for impairment, the Group estimates a recoverable amount for goodwill and for domains and websites. The recoverable amount is the higher of the asset or cash-generating unit's fair value less costs of disposal and its value in use. The recoverable amount is normally determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The recoverable amount of domains and websites has been determined on the level of the cash-generating units, as explained above.

Carrying amount of goodwill and Domains and Websites for the CGUs

Q3 2024

tEUR	North America	HLTV	Paid Media	Rest of BC	Total
Goodwill	138,868	17,812	81,347	106,633	344,660
Domains and Websites	236,336	20,579	0	280,771	537,686

2023

tEUR	North America	HLTV	Paid Media	Rest of BC	Total
Goodwill	126,399	17,812	73,771	37,092	255,074
Domains and Websites	213,764	20,551	0	232,300	466,615

Impairment test

For all CGUs North America, HLTV, Paid Media and the rest of Better Collective, the Group has performed an impairment test on goodwill and domains and websites as of September 30, 2024, on a value-in-use basis. Key estimates in the impairment test are growth in revenue, gross profits, discount rate and growth expectations in the terminal period. These are based on current and future development in the four CGUs and on historical data, including expected long-term market growths. Data is based on both internal and external data sources.

The Group uses a 10-year forecast in the Discounted Cash Flow (DCF) model, including a 3-year budget and a 7-year projection leading to steady-state. This period is chosen due to high expected growth in the initial years, with growth gradually reducing to a steady rate by the terminal period. A shorter forecast would result in an inflated terminal value. Therefore, a 10-year period allows for a more accurate present value of the groups assets for impairment assessment.

Management has based the value-in-use by estimating the present value of future cash flows from a three-year forecast for 2025-2027. The forecast indicates an average annual revenue growth up to 11% in 2028 and a normalized average margin of 35%. Beyond the forecast, EBITDA growth, cash conversion and tax-rates have been projected with a time horizon of 7 years until 2034. From 2028 onward, the average gross profit growth rate is estimated to decline. In 2028, the average growth rate is projected to be 9% and the decline continues, reaching 3% by 2034, stabilizing thereafter at a theoretical steady state level in the terminal period.

7. Intangible assets, continued

Based on expected 2034 EBITDA and cash flow, management has applied a terminal value rate of 2.5%. The cash flows assume a discount factor of 9.2% for HLTV, Paid Media, Rest of BC and 10.4 % for North America based on the Group's weighted average cost of capital (WACC) in all years 2025-2034, with individual tax rates per country (22-25%). The applied pre-tax discount rate was 12% in 2023 for all CGU's.

As at September 30, 2024 and December 31, 2023 the Board of Directors have evaluated goodwill, domains and websites for impairment. The results of the impairment tests for goodwill and domains and websites showed that the recoverable amount exceeded the carrying value and that there was no impairment loss to be recognized. The Board of Directors have approved the inputs to the impairment testing and are satisfied that the judgements made are appropriate.

Sensitivity test

Sensitivity tests have been performed to determine the lowest forecast and terminal period growth rates and/or highest discount rates that can occur in the CGUs with indefinite useful life without leading to any impairment loss.

8. Non-current liabilities and other current financial liabilities

Debt to credit institutions

As per September 30, 2024, Better Collective has drawn 260.1 mEUR (2023: 248.7) out of the total committed club facility of 319 mEUR established with Nordea, Nykredit, and Citibank. On July 5, 2024 Better Collective reestablished its 3 year financing agreement with Nordea, Nykredit Bank and Citibank with a total committed facility of 319 mEUR and a 100 mEUR higher accordion option with expiry at the end of October 2026.

Lease liabilities

Non-current and current lease liabilities, of 14.9 mEUR (2023: 13.3 mEUR) and 4.7 mEUR (2023: 2.7 mEUR) respectively.

Deferred Tax liability

Deferred tax liability as of September 30, 2024, amounted to 100 mEUR (2023: 86.2 mEUR). The change from January 1, 2024, originates from changes in deferred tax related to acquisitions, amortization of accounts from acquisitions, and deferred tax changes in the Parent Company and Better Collective US, Inc.

Deferred Tax asset

Deferred tax asset as of September 30, 2024, amounted to 3.6 mEUR (2023: 7.2 mEUR). The change from January 1, 2024, originates from changes in deferred tax related to acquisitions, amortization of accounts from acquisitions, and deferred tax changes in Better Collective US, Inc and Playmaker Capital.

The group has total tax assets of 1,366t EUR related to tax losses carried forward, which are not recognized in the financial statement due to the uncertainty of utilizing the tax asset. Of not recognized tax losses carry forwards 1,366t EUR, may be carried forward for up to 3 years.

Other financial liabilities

As per September 30, 2024, other non-current and current financial liabilities amounted to 70.7 mEUR (2023: 114.4 mEUR) due to deferred and variable payments related to acquisitions and media partnerships. The decrease from January 1, 2024, is mainly related to changes in earn outs and media partnerships.

Fair Value of financial assets and liabilities 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.

The fair value of financial instruments is measured based on level 2. The fair value is measured according to generally accepted valuation techniques. Market-based input is used to measure the fair value.

9. Business combinations

Acquisition of Playmaker Capital

On November 6, 2023 Better Collective announced the acquisition of Playmaker Capital for a total price consideration of 176 mEUR. The consideration comprises 35 % cash and a cap of 65 % shares in Better Collective A/S. The consideration is financed partly by own cash and utilization of available facilities of 72 mEUR as well as a share consideration.

The share consideration payable to Playmaker Capital shareholders, a total of 3,143,009 Better Collective shares, has been provided by Better Collective delivering 1,387,580 existing shares held as treasury shares and by issuing 1,755,429 new shares.

Playmaker Capital is a leading digital sports media group that owns and operates several strong sports media brands across the Americas. The acquisition has been closed on 6 February 2024, and Playmaker Capital are consolidated into Better Collective Group from the closing date.

tEUR	
Purchase amount	110,762
Cash and cash equivalents	4,840
Shares	73,314
Cash outflow	**32,608**

The transferred consideration was in cash and shares in Better Collective A/S.

Acquired net assets at the time of acquisition	tEUR
Domains and websites	76,523
Customer Relations	7,446
Technology	2,137
Other assets	18,034
Deferred tax liabilities	- 18,376
Other liabilities	- 68,314
Identified net assets	17,450
Goodwill	93,312
Total consideration	**110,762**

A goodwill of 93,312 tEUR emerged from the acquisition of Playmaker Capital as an effect of the difference between the transferred consideration and the fair value of acquired net assets. Goodwill is connected to the future growth expectations given the strong platform and significant synergistic opportunities. The goodwill is not tax deductible.

Transaction costs related to the acquisition of Playmaker Capital amounts to 6,420 tEUR. Transaction costs are accounted for in the income statements under “special items” since the announcement. The acquisition was completed on February 6, 2024. If the transaction had been completed on January 1, 2024 the group’s revenue would have amounted to 279 mEUR and result after tax would have amounted to 21 mEUR. The purchase price allocation is provisional due to uncertainties regarding measurement of acquired intangible assets.

Acquisition of AceOdds

On May 16, 2024 Better Collective announced the acquisition of AceOdds for a total price consideration of 43 mEUR. The consideration consist of 38 mEUR in cash and 2mEUR as shares in Better Collective A/S. AceOdds is a UK sports betting media brand with its roots in the UK, and this acquisition is poised to enhance Better Collective's presence across the UK, significantly. The acquisition is a strategic move for Better Collective with significant synergistic opportunities. The acquisition was closed on 16 May 2024, and AceOdds are consolidated into Better Collective Group from the closing date.

tEUR	
Purchase amount	42,969
Cash and cash equivalents	2,919
Shares	2,340
Cash outflow	**37,710**

The transferred consideration was in cash and shares in Better Collective A/S.

Acquired net assets at the time of acquisition	tEUR
Accounts	31,927
Other receivables and assets	680
Cash	2,919
Corporate Tax	- 1,420
Deferred Tax Liability	- 7,982
Identified net assets	26,124
Goodwill	16,845
Total consideration	**42,969**

9. Business combinations, continued

A goodwill of 16,845 tEUR emerged from the acquisition of AceOdds as an effect of the difference between the transferred consideration and the fair value of acquired net assets. Goodwill is connected to the future growth expectations given the strong platform and significant synergistic opportunities. The goodwill is not tax deductible.

Transaction costs related to the acquisition of AceOdds amounts to 283 tEUR. Transaction costs are accounted for in the income statements under "special items" since the announcement. The acquisition was completed on May 16, 2024. If the transaction had been completed on January 1, 2024 the group's revenue would have amounted to 280 mEUR and result after tax would have amounted to 22 mEUR. The purchase price allocation is provisional due to uncertainties regarding measurement of acquired intangible assets.

10. Note to cash flow statement

tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Acquisition of business combinations:					
Net Cash outflow from business combinations at acquisition	0	- 19,636	- 70,318	- 49,403	- 57,282
Business Combinations deferred payments from current period	0	0	0	0	0
Deferred payments - business combinations from prior periods	- 900	0	- 47,081	0	0
Total cash flow from business combinations	- 900	- 19,636	**- 117,399**	**- 49,403**	**- 57,282**
Acquisition of intangible assets:					
Acquisitions through asset transactions	- 5,806	- 4,120	- 5,806	- 20,063	- 50,639
Deferred payments related to acquisition value	0	0	0	0	- 494
Deferred payments - acquisitions from prior periods	- 8,500	- 9,250	- 8,500	- 9,738	- 9,745
Intangible assets with no cash flow effect	0	5,276	0	18,287	33,613
Other investments	- 6,250	0	- 14,283	- 203	- 203
Total cash flow from intangible assets	**- 20,556**	**- 8,094**	**- 28,588**	**- 11,718**	**- 27,469**

11. Subsequent events after closing

On 10th of October, Better Collective appointed its nomination committee as per Regulatory Release no. 50. On 24th of October.

Better Collective adjusted its financial guidance for 2024 following an assessment of preliminary Q3 performance, including the first six weeks of high season in the US market. After recent large acquisitions and the market outlook, the Group also announced the implementation of a streamlining process to optimize the organization accordingly.

Income statement – Parent company

tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Revenue	**29,269**	**23,101**	**96,033**	**71,306**	**98,513**
Other operating income	3,108	3,284	9,352	12,177	12,516
Direct costs related to revenue	5,000	6,928	16,620	18,006	23,071
Staff costs	12,656	11,418	38,229	30,034	40,796
Depreciation	1,176	510	2,375	822	1,438
Other external expenses	5,762	4,648	18,645	12,891	18,632
Operating profit before amortization (EBITA) and special items	**7,783**	**2,881**	**29,516**	**21,730**	**27,091**
Amortization	4,168	2,281	10,147	6,117	9,908
Operating profit (EBIT) before special items	**3,614**	**600**	**19,370**	**15,613**	**17,182**
Special items, net	- 50	- 276	1,895	- 1,443	312
Operating profit	3,565	324	**21,265**	**14,170**	**17,494**
Financial income	6,090	36,361	47,225	48,951	70,010
Financial expenses	18,236	7,096	32,180	24,459	45,054
Profit before tax	**- 8,581**	**29,589**	**36,310**	**38,663**	**42,450**
Tax on profit for the period	- 1,067	1,490	2,838	2,197	3,181
Profit for the period	**- 7,515**	**28,099**	**33,472**	**36,465**	**39,269**

Statement of other comprehensive income

tEUR	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Profit for the period	- 7,515	28,099	33,472	36,465	39,269
Other comprehensive income					
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:					
Fair value adjustment of hedges for the year	- 537	0	- 54	0	- 483
Currency translation to presentation currency	33	441	- 2,477	- 1,162	- 910
Income tax	118	0	118	0	0
Net other comprehensive income/loss	**- 386**	**441**	**- 2,413**	**- 1,162**	**- 1,393**
Total comprehensive income/(loss) for the period, net of tax	**- 7,901**	**28,540**	**31,058**	**35,303**	**37,877**

Statement of financial position – Parent company

tEUR	Q3 2024	Q3 2023	2023
Assets			
Non-current assets			
Intangible assets			
Goodwill	17,805	17,802	17,812
Domains and websites	169,180	168,387	167,831
Accounts and other intangible assets	49,976	22,184	50,418
Total intangible assets	**236,960**	**208,373**	**236,061**
Tangible assets			
Right of use assets	9,057	7,889	7,469
Fixtures and fittings, other plant and equipment	3,132	2,228	2,494
Total tangible assets	**12,189**	**10,117**	**9,962**
Financial assets			
Investments in subsidiaries	375,991	226,799	234,330
Receivables from subsidiaries	347,098	293,908	282,016
Deposits	958	1,094	940
Total financial assets	**724,047**	**521,801**	**517,285**
Total non-current assets	**973,197**	**740,291**	**763,308**
Current assets			
Trade and other receivables	15,262	12,584	15,735
Receivables from subsidiaries	22,897	15,151	13,153
Tax receivable	2,580	6,153	1,479
Prepayments	3,384	2,251	2,453
Other current financial assets	0	9,751	6,804
Cash	18,134	17,978	17,825
Total current assets	**62,256**	**63,867**	**57,450**
Total assets	**1,035,452**	**804,158**	**820,758**

tEUR	Q3 2024	Q3 2023	2023
Equity and liabilities			
Equity			
Share Capital	631	552	554
Share Premium	469,460	273,184	274,580
Reserves	- 16,449	- 21,638	- 21,876
Retained Earnings	222,002	186,997	189,953
Total equity	**675,645**	**439,095**	**443,211**
Non-current Liabilities			
Debt to credit institutions	260,100	248,359	248,657
Lease liabilities	7,123	6,392	6,024
Deferred tax liabilities	15,582	12,400	13,832
Other non-current financial liabilities	199	15,362	25,261
Total non-current liabilities	**283,004**	**282,513**	**293,774**
Current Liabilities			
Prepayments received from customers and deferred revenue	2,012	- 382	312
Trade and other payables	4,707	7,851	11,495
Payables to subsidiaries	15,453	23,223	11,993
Tax payable	906	309	196
Other current financial liabilities	51,671	50,068	58,295
Lease liabilities	2,054	1,482	1,483
Total current liabilities	**76,803**	**82,550**	**83,773**
Total liabilities	**359,806**	**365,063**	**377,547**
Total equity and liabilities	**1,035,452**	**804,158**	**820,758**

Statement of changes in equity – Parent company

tEUR	Share capital	Share premium	Currency translation reserve	Hedging reserves	Treasury shares	Retained earnings	Total equity
As of January 1, 2024	**554**	**274,580**	**- 336**	**- 483**	**- 21,057**	**189,952**	**443,211**
Result for the period	0	0	0	0	0	33,472	33,472
Fair value adjustment of hedges	0	0	0	- 54	0	0	- 54
Currency translation to presentation currency	0	0	- 2,477	0	0	0	- 2,477
Tax on other comprehensive income	0	0	0	118	0	0	118
Total other comprehensive income	0	0	- 2,477	64	0	0	- 2,413
Total comprehensive income for the year	**0**	**0**	**- 2,477**	**64**	**0**	**33,472**	**31,059**
Transactions with owners							
Capital Increase	77	194,880	0	0	0	- 1,758	193,199
Acquisition of treasury shares	0	0	0	0	- 15,414	0	- 15,414
Disposal of treasury shares	0	0	0	0	23,254	9,017	32,271
Share based payments	0	0	0	0	0	- 5,679	- 5,679
Transaction cost	0	0	0	0	0	- 3,002	- 3,002
Total transactions with owners	**77**	**194,880**	**0**	**0**	**7,840**	**- 1,422**	**201,375**
At September 30, 2024	**631**	**469,460**	**- 2,813**	**- 419**	**- 13,217**	**222,002**	**675,645**

During the period no dividend was paid.

tEUR	Share capital	Share premium	Currency translation reserve	Hedging reserves	Treasury shares	Retained earnings	Total equity
As of January 1, 2023	**551**	**272,550**	**574**	**0**	**- 7,669**	**145,047**	**411,054**
Result for the period	0	0	0	0	0	36,465	36,465
Fair value adjustment of hedges	0	0	0	0	0	0	0
Currency translation to presentation currency	0	0	- 1,162	0	0	0	- 1,162
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	- 1,162	0	0	0	- 1,162
Total comprehensive income for the year	**0**	**0**	**- 1,162**	**0**	**0**	**36,465**	**35,303**
Transactions with owners							
Capital Increase	1	634	0	0	0	3,152	3,787
Acquisition of treasury shares	0	0	0	0	- 13,368	0	- 13,368
Disposal of treasury shares	0	0	0	0	0	0	0
Share based payments	0	0	0	0	0	2,359	2,359
Transaction cost	0	0	0	0	- 13	- 27	- 40
Total transactions with owners	**1**	**634**	**0**	**0**	**- 13,381**	**5,485**	**- 7,262**
At September 30, 2023	**552**	**273,184**	**- 588**	**0**	**- 21,050**	**186,997**	**439,095**

During the period no dividend was paid.

Statement of changes in equity – Parent company

tEUR	Share capital	Share premium	Currency transla-tion re-serve	Hedging reserves	Treasury shares	Retained earnings	Total equity
As of January 1, 2023	**551**	**272,550**	**574**	**0**	**- 7,669**	**145,047**	**411,054**
Result for the period	0	0	0	0	0	39,269	39,269
Fair value adjustment of hedges	0	0	0	- 483	0	0	- 483
Currency translation to presentation currency	0	0	- 910	0	0	0	- 910
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	- 910	- 483	0	0	- 1,393
Total comprehensive income for the year	**0**	**0**	**- 910**	**- 483**	**0**	**39,269**	**37,877**
Transactions with owners							
Capital Increase	3	2,030	0	0	0	3,154	5,187
Acquisition of treasury shares	0	0	0	0	- 13,375	0	- 13,375
Disposal of treasury shares	0	0	0	0	0	0	0
Share based payments	0	0	0	0	0	2,495	2,495
Transaction cost	0	0	0	0	- 13	- 12	- 26
Total transactions with owners	**3**	**2,030**	**0**	**0**	**- 13,389**	**5,636**	**- 5,720**
At December 31, 2023	**554**	**274,580**	**- 336**	**- 483**	**- 21,057**	**189,953**	**443,211**

During the period no dividend was paid.

Alternative Performance Measures and Definitions

The group uses and communicate certain Alternative Performance Measures ("APM"), which are not defined under IFRS. Such are not to replace performance measures defined and under IFRS. The APM's may not be indicative of the group's historical operating results, nor are such measures meant to be predictive of the group's future results. The group believes however that the APMs are useful supplemental indicators that may be used to assist in evaluating a company's future operating performance, and its ability to service its debt. Accordingly, the APMs are disclosed to permit a more complete and comprehensive analysis of the group's operating performance, consistently with how the group's business performance is evaluated by the Management. The group believes that the presentation of these APMs enhances an investor's understanding of the group's operating performance and the group's ability to service its debt. Accordingly, the group discloses the APM's to permit a more complete and comprehensive analysis of its operating performance relative to other companies and across periods, and of the group's ability to service its debt. However, these APM's may be calculated differently by other companies and may not be comparable with APM's with similarly titled measures used by other companies. The group's APMs are not measurements of financial performance under IFRS and should not be considered as alternatives to other indicators of the Company's operating performance, cash flows or any other measures of performance derived in accordance with IFRS. The group's APM's have important limitations as analytical tools, and they should not be considered in isolation or as substitutes for analysis of the group's results of operations as reported under IFRS. Our currently applied APM's are summarized and described below.

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 amortization (EBITA)	Operating profit plus amortizations	Better Collective reports this APM to allow monitoring and evaluation of the Group's operational profitability.
Operating profit before amortizations margin (%)	Operating profit before amortizations / 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 amortizations and special items margin (%)	Operating profit before amortizations 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, 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 its 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

Alternative Performance Measure	Description	SCOPE
Recurring revenue	Recurring revenue is a combined set of revenues that is defined as recurring as management considers that the sources of these revenue streams will continuously generate revenue over a variable period of time and size e.g. if players continue to bet with gaming operators with which BC has revenue share agreements, customers continue current subscriptions or if BC on a current basis receive revenues from customers having current marketing agreements in respect of banners, etc. on the group's websites. Accordingly, it includes Revenue share income, CPM /Advertising and subscription revenues.	The group reports this APM to distinguish between what management consider as recurring revenue streams and what management consider as non-recurring revenue streams, e.g. revenues reflecting one-time settlements with gaming operators.
CLV	The Customer Lifetime Value (CLV) shows expected revenue generated throughout the lifetime of a New Depositing Customer (NDC). This measure is pivotal for understanding how much value a NDC is anticipated to bring to the Group. The prerequisites going into the CLV are a number of factors such as average value, average frequency, NDC lifespan and churn rate. Average revenue per NDC x NDC lifespan	A key figure to assess the value of NDCs generated by the Group, providing critical insights into NDC profitability. It allows the Group to identify the most valuable segments and optimize marketing strategies accordingly.

*Net debt definition has been changed from Q3, 2023 so it is excluding earn-outs. Comparatives have been changed accordingly.

Definitions

Term	Description
PPC	Pay-Per-Click
SEO	Search Engine Optimization
Sports win margin	Sports net player winnings (operators) / sports wagering
Sports wagering	The value of bets placed by the players
Recurring revenue	Recurring revenue is a combined set of revenues that is defined as recurring. It includes revenue share income, CPM/Advertising and subscription revenues
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

Better Collective A/S
Sankt Annæ Plads 26-28
1250 Copenhagen K
Denmark

CVR no 27 65 29 13
+45 29 91 99 65
info@bettercollective.com
bettercollective.com