

Regulatory Release 12/2019

May 31, 2019

Notice to convene extraordinary general meeting

Better Collective A/S
CVR no.: 27 65 29 13

The board of directors of Better Collective A/S hereby convenes an extraordinary general meeting to be held on Monday 24 June 2019 at 3.00 pm at the company's offices, Toldbodgade 12, 1253 Copenhagen K, with the following

Agenda

1. Proposal from the board of directors to establish an incentive program, including an authorisation to the board of directors to issue warrants to key employees and members of the executive management.
2. Proposal from the board of directors to authorise the board of directors to amend the terms of previously issued warrants under warrant program IV.
3. Proposal on authorisation to the chairman of the meeting.

The board of directors will appoint attorney-at-law Andreas Nielsen as chairman of the meeting in accordance with section 6.7.1 of the company's articles of association.

Re Item 1

In advance of the annual general meeting that was held on 25 April 2019, the board of directors had prepared a proposal for a long-term incentive program. Prior to the annual general meeting, the board of directors decided to withdraw the proposal as set out in regulatory release no. 06/2019. The board of directors has now prepared this revised proposal for LTIP 2019.

The board of directors proposes that the general meeting authorises the board of directors to establish a long-term incentive program (the "LTIP 2019") for certain of the company's key employees and members of the executive management (the "Key Employees").

The reasons for the implementation of the incentive program are to be able to create possibilities for the company to retain and incentivise the Key Employees by offering a long-term ownership engagement. Such ownership engagement is expected to contribute to an increased alignment of interests between the participating Key Employees and the shareholders and promote a long-term commitment to the company's development.

As part of the LTIP 2019, it is proposed that the general meeting authorises the board of directors in one or more issues to issue up to 1,700,000 warrants to the Key Employees granting them a right to subscribe for shares of up to a total nominal amount of EUR 17,000 against payment in cash without pre-emption rights for the company's shareholders, and to adopt the necessary resolutions to carry out the required increase of the company's share capital.

The authorisation shall be valid in the period until the company's annual general meeting to be held in 2022, provided that the annual general meeting to be held in each of the years 2020 and 2021 in relation to the part of the allocation to be made to Other Key Employees (as defined below) ratifies the decision to allow the board of directors to issue the remaining part of the warrants following the relevant annual general meeting (absent such ratification at one of the mentioned annual general meetings, the remaining part of the authorisation shall automatically lapse).

The board of directors is authorised to reissue any expired warrants that have not been duly exercised, provided that the reissuance observes the terms and limitations in time which are set out in the above authorisation. A reissuance shall mean the board of directors' access to issue new warrants as substitution for warrants that have already been issued but which have terminated.

The principle terms and conditions which shall apply to the issued warrants are described below. The board of directors is authorised to determine the detailed terms and conditions of the issued warrants and the distribution thereof in accordance with the principle terms and conditions set out below.

Participation and allotment

The warrants shall be allotted to the Key Employees i) during the 30 day period following the publication of the interim financial report for Q2 in 2019 (the "**First Grant**"), ii) during the 30 day period following the publication of the interim financial report for Q2 in 2020 (the "**Second Grant**") and iii) during the 30 day period following the publication of the interim financial report for Q2 in 2021 (the "**Third Grant**") (each a "**Date of Grant**") in accordance with the below allocation:

CEO	On First Grant: 150,000 warrants, vesting over a three-year period
COO	On First Grant: 150,000 warrants, vesting over a three-year period
CFO	On First Grant: 300,000 warrants, vesting over a four-year period
Other Key Employees	1,100,000 warrants may in the aggregate be allotted to the Other Key Employees in one or more issues on the Date of Grants, provided that no individual Other Key Employee may be allotted more than 100,000 warrants, vesting over a three-year or four-year period.

It is expected that between 20 and 50 participants will be included in the category Other Key Employees and be allotted warrants over the course of the LTIP 2019.

The LTIP 2019 shall be offered to Key Employees who are employed at the time of the relevant allocation. The board of directors shall, within the framework of the resolution from the annual general meeting, determine the vesting period and the number of warrants that each Key Employee shall be allotted in accordance with the abovementioned principles.

In accordance with the Company's incentive guidelines, the value of the warrants to be allotted to the executive management shall not exceed 100 % of the respective manager's annual base salary at the First Grant.

Vesting

The allotted warrants will vest linearly with 1/3 or 1/4, respectively, over a three-year or four-year period from the Date of Grant, as applicable, and subject to fulfilment of the financial vesting targets.

The vesting of warrants will be subject to fulfilment of certain financial vesting targets which will be determined by the board of directors for each vesting period in advance of such period.

The financial vesting targets for the first two consecutive vesting periods will be based on the short-medium term financial targets 1-3 for 2018-2020 of Better Collective A/S as set out on page 18 of the annual report for 2018:

For 2018-2020 Better Collective's relevant short-medium term targets are, i) an average total revenue growth of 30-50% p.a., ii) an average annual organic growth of over 10% and iii) an average annual EBITA-margin of over 40% before special items.

The financial vesting targets for the first two vesting periods will be based on fulfilment of each of the above financial targets weighed for the relevant period with 1/3 each and if not met, vesting will be reduced by up to 50% relative to each financial vesting target.

If none of the financial vesting targets are met at the relevant time of vesting, the warrants will not vest at the end of the relevant vesting period, but lapse.

The financial vesting targets for vesting periods beyond 2020 will be determined by the board of directors on the basis of the short-medium term financial targets applicable at such time and communicated to the market. The board of directors expects to apply a similar mechanism as in the first two vesting periods (described above).

The board of directors will determine the financial vesting targets for subsequent vesting periods prior to the relevant Date of Grant and prior to commencement of each vesting period. The board of directors intends to present the determined financial vesting targets as well as the fulfilment at the latest in connection with the expiration of the LTIP 2019.

Furthermore, it is a prerequisite for the Key Employee's linear vesting rights that their employment with the company is not under notice or terminated for any reason by either party throughout the vesting period.

Exercise period

For holders of warrants which vest over a three-year period, the allotted and vested warrants may be exercised in exercise windows that will open in the period from the third to the fifth anniversary from the Date of Grant. For holders of warrants which vest over a four-year period, the vested warrants may be exercised in exercise windows that will open in the period from the fourth to the fifth anniversary from the Date of Grant (the two-year exercise period and the one-year exercise period jointly referred to as the "**Exercise Periods**"). Exercise will in each case be subject to fulfilment of the financial vesting targets.

If the vested warrants are not exercised in the last exercise window, such warrants will lapse and become void. Should the Key Employee, however, not be able to exercise the vested warrants due to inside information, the Exercise Period will be extended until the first window in which the vested warrants may be exercised.

Exercise price

Each warrant carries the right to subscribe for one share in the company with a nominal value of EUR 0.01 in the Exercise Period against payment of a cash exercise price equivalent to the company's volume weighted average share price in the 10 business days after the Date of Grant plus 10%.

Terms and conditions for the warrants

Other than stated above, the warrants shall be subject to customary terms and conditions for warrants which in connection with the allotment of warrants will be adopted by the board of directors as a schedule to the company's articles of association. These warrants terms will include among others that:

1. The warrants are issued to the participant free of charge.

2. The warrants are non-transferable and cannot be assigned to a third party, including in connection with a division of property following divorce. Equally, the warrants cannot be pledged or subject to encumbrance, debt enforcement or any other form of execution. Notwithstanding the above, the warrants may be transferred to a personally held holding company of the Key Employee.
3. If warrants are transferred in contravention with item 2 above, the warrants will lapse without notice or compensation.
4. The warrants do not provide the Key Employee with the right to vote at the company's general meeting, to receive dividends or to carry out any other shareholder rights.
5. The board of directors shall be authorised to make minor formal adjustments to the resolution which may be required for registration with the Danish Business Authority.
6. The warrants will be subject to customary recalculation provisions.
7. The board of directors may at its discretion, as an alternative to issuing shares upon exercise of the warrants, choose to pay a cash settlement to the warrant holder equal to the difference between the share price and the exercise price of the warrants.
8. The company may elect that the Key Employees will be subject to special tax rules even though this may result in the company not being allowed to make a tax deduction on the value of the warrants.

Dilution and impact on key figures

In case all warrants issued within the LTIP 2019 are utilized for subscription of new shares, a total of 1,700,000 will be issued (subject to adjustment of the exercise price and/or number of shares, e.g. in the event of capital increases and capital decreases not done at market price.), which corresponds to a dilution of approx. 3.75% of the company's share capital on a fully diluted basis (including the current outstanding warrant programs and including the shares that will be issued prior to the extraordinary general meeting in connection with the acquisition of RotoGrinders Network, reference is made to the below).

To illustrate the economic effect of the dilution, if the LTIP 2019 had been fully issued at the end of the first quarter 2019 the figure earnings per share for the financial year 2018 would then have been changed with EUR 0.01 from EUR 0.09 to EUR 0.08.

On 28 May 2019, Better Collective USA, a wholly owned subsidiary of Better Collective A/S, acquired 60 % of the shares of RotoGrinders Network for USD 21 million, reference is made to regulatory release no. 10/2019. Under the purchase agreement, Better Collective USA will settle 15% of the purchase price corresponding to approx. USD 3.15 million through issuance of approx. 397,444 shares in Better Collective A/S to the sellers of RotoGrinders Network. The new shares correspond to a dilution of approx. 0.96% of the company's share capital and votes on a non-diluted basis. The shares will be issued and delivered to the sellers of RotoGrinders Network no later than 17 June 2019.

The company currently has two outstanding warrant programs under which a total of 1,832,220 new shares will be issued if all warrants issued within these programs are utilized for subscription of new shares. This corresponds to a dilution of approx. 4.20% of the company's share capital and votes on a fully diluted basis (including the RotoGrinders shares and excluding the LTIP 2019 warrants).

The aggregated dilution effect of the two existing warrant programs and the LTIP 2019 is approx. 7.80% (including the RotoGrinders shares).

For more information on the outstanding warrants programs see www.bettercollective.com.

Costs

It is the board of directors' opinion is that the LTIP 2019 will trigger costs with respect to accounting and legal advice.

Based on the assumption that 100% of the warrants in LTIP 2019 will be vested, the estimated total accounting costs for the options will amount to approx. EUR 2.9 million during the period 2019-2023, based on the actual value of the warrants at the start of the program. The warrants do not have a market value since they are not transferable. However, the board of directors has calculated a theoretical value of the warrants in accordance with the Black Scholes formula. The calculations have been based on the assumption that the RotoGrinders shares which will be issued no later than 17 June 2019 will in fact be issued (reference is made to regulatory release no. 10/2019), an

assumed share price of SEK 80 per share and an assumed volatility of 45%. In accordance with this valuation, the value of the warrants in LTIP 2019 is approximately EUR 1.70 per warrant. Limitations in the disposal rights have not been taken into consideration in the valuation.

All calculations above are preliminary only and are only intended to provide an illustration of what costs LTIP 2019 may induce. Actual costs may therefore deviate from what has been stated above.

Preparation of the proposal

The LTIP 2019 proposal has been prepared by the remuneration committee together with external consultants. The final proposal has been resolved by the board of directors of the company.

Terms related to the issue of shares

The board of directors may determine any other terms relating to the issue of shares on the basis of the above authorisation, however, as provided under section 155(3)(4) of the Danish Companies Act the following shall apply:

1. Partial payment of the subscription amount is not permitted.
2. The new shares will be without pre-emption rights for existing shareholders, and the pre-emption rights relating to the new shares will not be restricted in respect of future capital increases.
3. The transferability of the new shares will not be restricted, and the new shareholders will not be obligated to let their shares be redeemed.
4. The new shares will be issued through VP Securities A/S and will be admitted to trading and official listing on Nasdaq Stockholm.
5. The new shares will be issued in the name of the holder and will be negotiable instruments.

It is proposed, that the authorisation is inserted as a new section 5.5 of the articles of association and the principle terms and conditions which shall apply to the issued warrants notice is inserted as a new schedule 3 to the articles of association as laid out in the draft new articles of association, attached as [Schedule 1](#).

Re Item 2

The board of directors proposes that the board of directors is authorised to change the terms of the warrants issued to the company's key employees on 25 August 2017, 22 March 2018 and 11 April 2018. Reference is made to schedule 2 of the current articles of association.

The current warrant terms attached as schedule 2 to the company's articles of association provide in section 5.1.1 for exercise windows that open on the anniversary of the respective warrant holder's accession to the individual warrant agreement. Furthermore, section 6.3 of schedule 2 to the company's articles of association provides that the company as soon as possible following an exercise is obligated to issue the shares.

This does not lead to a practical exercise procedure for the company or the warrant holders.

In order to facilitate a more efficient exercise procedure for both the warrant holders and the company, the board of directors requests the general meeting's authorisation to carry out such changes to section 5.1.1 and 6.3 of the warrant terms in schedule 2 of the company's articles of association and in the individual warrant agreements, which would result in an alignment of the individual warrant exercise windows with Better Collective's open trading windows and further to amend Better Collective's obligation to deliver the issued shares to the last day of the open trading window in which the key employee has exercised the warrants. No other changes can be carried out under this authorisation.

It is noted that the amendments to the warrant terms are cost neutral for the company, its shareholders and the warrant holders.

Re Item 3

The board of directors proposes to authorise the chairman of the general meeting – with right of substitution – to file the resolutions passed with the Danish Business Authority and to make such amendments to the resolutions passed

by the general meeting which the Danish Business Authority might demand as a condition to register the resolutions passed by general meeting.

Additional information

Adoption requirements

The approval of the board of director's proposals under the agenda's item 1 and 2 requires that both 2/3 of the casted votes as well as 2/3 of the share capital represented at the general meeting are in favour of the proposal.

The remaining proposals on the agenda can be adopted by simple majority.

Share capital and voting rights

At the time of this notice, the share capital in Better Collective is nominally EUR 413,838,38 divided into 41,383,838 shares of nominally EUR 0.01 each. Each share of EUR 0.01 is entitled to one vote at the general meeting.

Following the issuance and delivery of approx. 397,444 shares to the sellers of RotoGrinders Network no later than 17 June 2019 and thus before the extraordinary general meeting on 25 June 2019, the share capital in Better Collective will be approx. nominally EUR 417,812.82 divided into 41,781,282 shares of nominally EUR 0.01 each. Reference is made to regulatory release no. 10/2019.

Availability of information

This notice with the agenda with the complete proposals and schedules is made public on the company's website (www.bettercollective.com) as of this date. The notice with the complete proposals from the board of directors is furthermore available at the company's address.

Questions to the agenda and other documents for the general meeting may be submitted in writing and must be received by the Company no later than 7 days before the date of the general meeting. Written questions with clear identification of the shareholder must be sent to agm@bettercollective.com or by regular mail to Better Collective A/S, Toldbodgade 12, 1253 Copenhagen C.

Additionally, shareholders may ask questions to the board of directors and to the executive management at the general meeting.

Admission to the general meeting and granting of proxy

The shareholders' right to attend and cast their votes at the extraordinary general meeting is determined on basis of the number of shares held by the shareholders on the expiry of the date of registration on Monday 17 June 2019 at 11.59 pm. Only shareholders holding shares on the registration date are entitled to attend and vote at the general meeting.

The number of shares held by each shareholder in the company on the date of registration is calculated at 11.59 pm on the date of registration. The calculation will be based on the registration of shares in the register of shareholders kept by Euroclear Sweden, and such duly documented notifications to the company regarding the acquisition of shares that have not yet been recorded in the register of shareholders but have been received by the company before 11.59 pm on the date of registration.

A shareholder or proxy wishing to attend the general meeting must submit a request for an admission card so that it has been received by the Company no later than Tuesday 18 June 2019 at 11.59 pm. Admission cards can be requested by submitting the registration form by email (scanned copy) to agm@bettercollective.com or by regular mail to Better Collective, Toldbodgade 12, 1253 Copenhagen C. Admissions cards will be handed out at the entrance to the general meeting upon presentation of valid photo identification. The registration form is attached to this notice as [schedule 2](#) and is also available on the website of the Company, www.bettercollective.com.

Information to shareholders who hold their shares through Euroclear Sweden AB

The following information is to shareholders who hold their shares through Euroclear Sweden AB ("Euroclear Sweden").

In order to attend the extraordinary general meeting and exercise your voting rights, you must register your voting rights in the register of shareholders kept by Euroclear Sweden and complete the registration form (see schedule 2) in accordance with the instructions set out below.

If you want to exercise your voting right by proxy, you must also register your voting rights in the register of shareholders kept by Euroclear Sweden and complete the proxy-absentee vote form (see schedule 3) in accordance with the instructions set out below.

Registration process for voting rights – Direct-registered holders:

Shareholders who hold their shares on an account directly with Euroclear Sweden, a CSD-account (Sw: VP-konto) will automatically be included in the register of shareholders kept by Euroclear Sweden and do not have to perform any registration regarding voting rights.

Registration process for voting rights – Nominee-registered holders:

To be registered and entitled to vote at the general meeting, shareholders who hold shares via a nominee must act in accordance with the instructions set out below:

Nominee-registered shareholders must request the nominee to register their shares temporarily in their own name in the register of shareholders kept by Euroclear Sweden. The request for registration of voting rights shall be submitted to the nominee in sufficient time to allow the registration to be effective and completed at Euroclear Sweden in due time before end of business on Monday 17 June 2019.

Attendance with an adviser

Shareholders may attend the general meeting together with an adviser if they have taken out an admission card for themselves and the accompanying adviser no later than Tuesday 18 June 2019 at 11.59 pm.

Shareholders, who do not wish to or are unable to attend the general meeting may exercise their rights by completing the enclosed proxy/absentee vote form enclosed as [schedule 3](#).

On the proxy/absentee vote form. Shareholders can choose to:

- (i) Vote by post (please note, that a vote by post cannot be withdrawn after it has been received by the company),
- (ii) grant a proxy to a named third party or;
- (iii) Grant a proxy to the chairman of the board of directors (votes will be casted in accordance with the board of directors' recommendations).

Processing of personal data

For information on how your personal data is processed by Euroclear Sweden, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

Language

The general meeting will be conducted in the English language without any simultaneous translation being offered.

The following schedules are attached to this notice:

Schedule 1 – Draft new articles of association

Schedule 2 – Registration form

Schedule 3 – Proxy-absentee vote form

Copenhagen, 31 May 2019

On behalf of the board of directors

Jens Bager, chairman of the board of directors

Contact

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The information was submitted for publication, through the agency of the contact persons set out above, at 2.00 pm CEST on May 31, 2019.

About Better Collective

[Better Collective's](#) vision is to empower iGamers through transparency and technology – this is what has made them the world's leading developer of digital platforms for betting tips, bookmaker information and iGaming communities. Better Collective's portfolio includes more than 2,000+ websites and products, among other [bettingexpert.com](#), the trusted home of tips from expert tipsters and in depth betting theory.