

**BETTER
COLLECTIVE**



REMUNERATION REPORT 2020

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Introduction

This remuneration report (the “Report”) provides an overview of the total remuneration received by each member of the Board of Directors (“Board”) and of the Executive Management (“Executive Management”) of Better Collective A/S, CVR no. 27652913, (the “Company”) during the 2020 financial year with comparative figures for 2019.

The Executive Management includes executives in the Company registered as such with the Danish Business Authority (in Danish: Erhvervsstyrelsen).

The remuneration of the Board and Executive Management during 2020 has been provided in accordance with the remuneration policy of Better Collective adopted by the Annual General Meeting on April 22, 2020, and is available on the Company’s website, <https://bettercollective.com/corporate-governance/> (the “Remuneration Policy”).

The overall objective of the Remuneration Policy of Better Collective is to attract, motivate and retain qualified members of the Board and the Executive Management as well as to align the interests of the Board and the Executive Management with the interests of the Company’s shareholders and other stakeholders. The remuneration of the Board and the Executive Management shall be designed to support the strategic goals of Better Collective and to promote value creation for the benefit of the shareholders of Better Collective.

The Report has been prepared in accordance with section 139b of the Danish Companies Act (the “DCA”) and the draft European Commission Guidelines on the standardized presentation of the remuneration report under Directive 2007/36/EC, as amended by Directive (EU) 2017/828 as regards the encouragement of long-term shareholder engagement (the “Guidelines”).

The information included in the present Report has been derived from the audited annual reports of the Company for the financial years 2019 - 2020, available on the Company’s website, <https://bettercollective.com/investors/>

Overview financial performance

Better Collective is a global sports betting media group, aiming to become the world's leading sports betting aggregator. In 2020, Better Collective continued executing its M&A strategy, and completed acquisitions of approximately 80 mEUR. In February, Better Collective established a strong position within the esports betting market through the acquisition of HLTV.org ApS. In October, Better Collective completed the acquisition of Atemi Group, which is one of the world's largest companies specialised within lead generation for iGaming through paid media (PPC) and social media advertising.

2020 was an unusual year with an unprecedented halt in sports and general insecurities as the COVID-19 pandemic affected societies worldwide. COVID-19 had a significant impact from the last part of Q1 as the pandemic set a halt on major sports events and thereby also online sports betting. Q2 was the most affected until some of the major sports in Europe resumed in June. In Q3, sports calendars were still affected with amended and reduced tournament formats, whereas Q4 was largely back on track.

Revenue grew by 35% to 91 mEUR (FY 2019: 68 mEUR), with organic growth of 8%. EBITA before special items increased 34% to 37 mEUR (FY 2019: 27 mEUR). The EBITA-margin before special items was 40%. Cash Flow from operations before special items was 38 mEUR (FY 2019: 27 mEUR), an increase of 44%. The cash conversion rate before special items was 99%. Earnings per share (EPS) increased by 48% to 0.48 EUR/share (2019: 0.32 EUR/share).

Adjusting the operation to the COVID-19 situation called for flexibility. Internally, resources were redistributed to focus on business areas that remained active during the first lockdown. Additionally, a cost-saving program was implemented, comprising of more than 50 single initiatives.

These included reducing founders' (CEO and COO) remuneration to 1 DKK for Q2 2020. The Board of Directors similarly waived their fee in Q2 2020. All employees in the company contributed by a temporary salary reduction depending on whether national support programmes were available.

Remuneration board of directors

Fixed Annual Fee

The members of the Board are remunerated with fixed annual fees approved by the General Meeting. All members of the Board receive an annual base fee which shall be in line with the market practice of comparable listed companies taking into account the required competencies, effort, and scope of work of the members of the Board. The Chairman of the Board receives 3 times the annual base fee for his/her extended duties. All members of the Board, who are also members of the committees established by the Board, receive an additional fixed fee as remuneration for their committee work. The Chairman of a committee receives 2 times the annual fixed fee for the committee. The size of the fixed committee fee depends on the competencies, effort, and scope of work required by the members of each committee.

The following fees for 2020 were approved at the Annual General Meeting on April 22, 2020:

Members of the Board may be entitled to reasonable travel allowance and participation in relevant training. In the event a member of the Board takes on specific ad hoc tasks outside the scope of ordinary tasks of the Board in accordance with the Rules of Procedure of the Board, the member may be offered a fixed fee for the work carried out related to such tasks.

Remuneration paid out in shares

One-third of the Board of Directors' fixed annual remuneration is paid out in shares in the Company which must be held in custody by the Board members for a minimum of three years with the purpose of aligning the interests of the Company's shareholders

and the members of the Board of Directors in regard to the development of the share price. Following the approval at the Annual General Meeting on April 22, 2020, the first payment in shares will take place in 2021.

The Board waived their fees in Q2 2020 as part of the COVID-19 cost-saving program implemented on April 1, 2020. Todd Dunlap, elected at the AGM on April 22, 2020, received his fee in Q2 2020.

Remuneration of the board

Name and position		Board fee ²	Committee fee	Travel allowance and benefits	Extra-ordinary items	Total remuneration
Jens Bager, Chairman	2020	60	9	-	-	69
Chair of the remuneration committee	2019	55	9	-	-	64
Todd Dunlap, member ¹	2020	22	-	-	34	54
	2019	-	-	-	-	-
Klaus Holse, member	2020	20	5	-	-	25
Member of the remuneration committee	2019	18	5	-	-	23
Søren Jørgensen, member	2020	20	5	-	-	25
Member of the audit committee	2019	18	5	-	-	23
Leif Nørgaard, member	2020	20	9	-	-	29
Chair of the audit committee	2019	18	9	-	-	28
Petra von Rohr, member	2020	20	5	-	-	25
Member of the audit committee	2019	18	5	-	-	23
Total 2020		162	32	-	-	226
Total 2019		128	32	-	-	160

¹ Todd Dunlap was elected at the AGM on April 22, 2020

² The board waived their fee for Q2 2020. Todd Dunlap, elected later, received his fee for Q2 2020

Board fee

	Member	Chair	Committee - member	Committee - Chair
2020	30,000	90,000	6,750	13,500
2019	20,000	60,000	5,000	10,000

Share-based instruments

To remain competitive in the international market and to be able to attract and retain qualified members of the Board of Directors, it is considered in the best interest of Better Collective and its shareholders to include the possibility to offer a share-based instrument to a new member/proposed candidate of the Board of Directors on a discretionary basis. A new member of the Board may be granted share-based instruments upon election given certain circumstances. The grant of share-based instruments to a new member of the Board of Directors is subject to approval by the Annual General Meeting. Following the

Annual General Meeting on April 22, 2020, 25,000 warrants were issued to the new board member, Todd Dunlap.

The warrants will vest annually over a period of 3 years, starting from the Annual General Meeting in 2020. Vesting of the warrants is contingent on Todd Dunlap being a member of the board of directors of Better Collective. The exercise price is 8.25 EUR (61.49 DKK), based on Better Collective's volume weighted average share price in the 10 business days following the Annual General Meeting in 2020.

Warrant program for board member

Name and position	Warrants held at the beginning of Program	Granted during the year	Exercised during the year	Warrants held at the end of the year	Not yet vested at the end of the year	Vested	Market value ¹ tEUR
Todd Dunlap, board member	0	25,000	0	25,000	25,000	0	81

¹ The market value of the share options is calculated using the Black-Scholes formula with the volatility, risk-free interest rate, duration and official share price prevailing at 2020.12.31. The calculated market value of the share options is thus different from the intrinsic value.

Remuneration executive management

The Executive Management's terms of executive employment and remuneration are agreed upon between the individual executive and the Board. The total remuneration of the Executive Management may consist of the following fixed and variable remuneration components:

- (a) a fixed base salary including pension contributions (the "Base Salary")
- (b) variable remuneration consisting of STI (up to 100% of the Base Salary)
- (c) variable remuneration consisting of LTI (up to 100% of the Base Salary)
- (c) customary non-monetary executive employment benefits
- (d) termination and severance payment

The purpose of these remuneration components is to create a well-balanced remuneration package reflecting individual performance and responsibility of the members of the Executive Management in relation to established financial and non-financial targets and the Company's overall performance.

Base salary

The annual base salary is determined with a view to providing a competitive remuneration to attract and retain members of the Executive Management with the required professional and personal competencies. The annual base salary for the members of the Executive

Management shall be in line with market practice and based on the individual member's responsibilities and performance. The members of the Executive Management shall be entitled to customary non-monetary benefits as approved by the Board. The members of the Executive Management can also participate in the pension scheme of the Company, which for the Executive Management may amount to up to 16% of the fixed remuneration.

Variable remuneration

In addition to the annual base salary, the members of the Executive Management may receive variable remuneration which shall be

based on the individual performance and responsibility of the members of the Executive Management in relation to established financial and non-financial targets, both in the short and the longer term, as well as the Company's overall performance. The Executive Management may, at the discretion of the Board, be entitled to participate in the following incentive schemes:

- (a) Cash bonus (STI)
- (b) Share-based incentive (LTI)

STI

Cash bonus schemes consist of an annual bonus, which the individual member of the Executive Management can receive if KPIs and associated financial and non-financial goals of the Company and other possible personal targets for the relevant year have been met. The maximum cash bonus shall be equivalent to 100 percent of the Base Salary of each eligible participant of the Executive Management. Payment of bonus is only relevant when KPIs have been fully or partly met (as determined by the Board of Directors). If no targets are met, no bonus is paid out. Targets for the Executive Management shall be agreed upon

Remuneration of executive management

Name and position		Base salary	Benefits	Cash bonus ²	Pension contribution	Warrants ¹	Total remuneration
Jesper Søgaard, CEO	2020	197	-	19	22	-	238
	2019	244	-	73	27	326	670
Flemming Pedersen, CFO	2020	320	-	12	43	-	375
	2019	305	-	46	49	653	1,053
Christian Kirk Rasmussen, COO	2020	197	-	19	22	-	238
	2019	244	-	73	27	326	670
Total 2020		714	-	50	87	-	851
Total 2019		793	-	192	102	1,305	2,393

¹ Fair value at grant, Black-Scholes

² Cash bonus paid in 2020 relates to 2019

in advance by the Board of Directors and the Executive Management. KPIs for the 2020 annual bonus included a revenue target (excl. M&A) in combination with an EBITA-margin threshold and a US performance target. None of the KPIs were met, why no Cash Bonus will be paid out for 2020. The actual bonus paid out in 2020 relates to 2019 as there was a difference between the amount reported in 2019 and the actual pay-out.

Proportion of fixed and variable salaries

The table below shows the composition of the remuneration of members of Executive Management by category, i.e. the fixed remuneration (base salary, pension, and other benefits), variable remuneration (cash bonus), and the accounting cost of share options (based on the value of share options awarded in the current year).

Proportion of fixed and variable components

2020	Fixed component	Variable component	warrants (variable)
Jesper Søgaard, CEO	92%	8%	0%
Flemming Pedersen, CFO	97%	3%	0%
Christian Kirk Rasmussen, COO	92%	8%	0%

LTI

The general meeting decides whether or not to establish an LTI. The LTI program shall be based on the issuance of share-based rights in the Company (“Warrants”). Each Warrant will entitle the recipient to receive one share in the Company against payment of an exercise price (determined in connection with the implementation of the LTI program) after a minimum three-year vesting period, provided the targets for vesting are met. When an LTI program is established, the Executive Management may participate with an awarded value of shares and/or warrants for the grant year of up to 100 percent of the annual base salary (at the time of grant). The value of the granted warrants is calculated in accordance with the Black-Scholes formula. Warrants granted under an LTI program will vest annually over a period of minimum three years from the date of grant. The targets for granting and/or vest-

ing, if any, will be defined in advance by the Board of Directors. The targets may include financial and strategic targets of the Company as well as individual targets. If the targets have not been fully or partly met, vesting of the warrants will be reduced or lapse. It is a prerequisite for the Executive Management's vesting rights that their executive employment with the Company is not under notice or terminated for any reason by any party throughout the vesting period. This prerequisite may not apply in certain “good leaver” situations. The Remuneration Policy ensures a correlation between Executive Management remuneration and long-term value creation which is in the interest of shareholders as it strengthens the sustainability of Better Collective's business model. The LTIP's financial improvement incentive and retention element both contribute to long-term value creation and sustainability in the company.

The warrants will vest annually over a period of 3 or 4 years, starting from the date of grant. The vesting of warrants will be subject to fulfillment of certain financial vesting targets. The financial vesting targets for the first two consecutive vesting periods were based on the short-medium term financial targets for 2018-2020 as set out on page 18 of the annual report for 2018. The financial vesting targets for vesting periods beyond 2020 will be determined by the board of directors on the basis of the financial targets applicable at such time and communicated to the market. The exercise price is 8.69 EUR (64.78 DKK), based on Better Collective's volume weighted average share price in the 10 business days after the date of grant plus 10%.

Based on 2020 financial performance, all warrants in the vesting period subject to fulfillment of the financial vesting targets for 2020 will be vesting.

Termination and Severance Payments

The Executive Management will typically be employed without a time limit, but with the right to reciprocal termination. The Company may terminate with a notice of termination of 12 months, while the Executive Management member may give notice to the company of 6 to 9 months. The total value of remuneration to each member of the Executive Management regarding the notice period, including severance pay, cannot exceed two years' remuneration including all remuneration components. In the event of the death of a member of the Executive Management, the company may pay what amounts to up to 6 to 12 months' remuneration to the Executive Management member's survivor. In the 2020 financial year, no termination or severance payments were paid.

Claw-Back

In the situation where bonus, warrants, or other incentive remunerations have been provided to a member of the Executive Management on the basis of data or accounts which subsequently prove to have been misstated, the Company may reclaim the incentive remuneration in full or in part on the basis of such data. In the 2020 financial year, no incentive remuneration was reclaimed.

Warrant programs for executive management

Name and position	Warrants held at the beginning of Program	Granted during the year	Exercised during the year	Warrants held at the end of the year	Not yet vested at the end of the year	Vested	Market value ¹ tEUR
Jesper Søgaard, CEO	2019	150,000	0	150,000	150,000	0	326
Flemming Pedersen, CFO	2019	300,000	0	300,000	300,000	0	653
	2017	274,644	0	274,644	183,114	91,530	168
Christian Kirk Rasmussen, COO	2019	150,000	0	150,000	150,000	0	326

¹ The market value of the share options is calculated using the Black-Scholes formula with the volatility, risk-free interest rate, duration and official share price prevailing at 2020.12.31. The calculated market value of the share options is thus different from the intrinsic value.

Comparative overview

Annual change in executive management's and the board's remuneration

Name and position	2020	2019
Jesper Søgaard, CEO	-64%	40%
Flemming Pedersen, CFO	-64%	11%
Christian Kirk Rasmussen, COO	-64%	40%
Total, Executive management ¹	-64%	25%
Fixed base fee to members of the Board	21%	53%
Average salary increase per FTE, Parent company ²	-3%	9%
Average salary increase per FTE, BC Group ³	0%	-10%
Change in key figures, BC Group		
Revenue growth (%)	35%	67%
Organic revenue growth (%)	8%	26%
Operating profit before special items (EBITA)	40%	40%

¹ See page 6 for details.

² In 2020, no overall target bonus was paid and salary adjustments were put on hold due to the COVID-19 uncertainty and impact on the business, causing a minor drop in average salary (excl. CXO). From 2018 to 2019, general growth and promotions caused an increase in the average salary in the parent company.

³ In 2020, salary adjustments were put on hold due to the COVID-19 uncertainty and impact on the business, resulting in an unchanged average salary (excl. CXO). From 2018 to 2019, the total number of FTEs grew significantly through hires and acquisitions causing a different mix of geographies and salary levels, resulting in an average salary decrease in the group.

Compliance with the remuneration policy

The remuneration of the Board and Executive Management for the 2020 financial year complies with the framework provided by the Remuneration Policy. There has been no deviation or derogation from the framework provided by the Remuneration Policy.

Shares held by management

Overview of shares held by the Board of Directors and the Executive Management.

In order to reduce the risk for unlawful trading, Better Collective has chosen a “trading window” approach that applies to members of the Board of Directors as well as employees of the Better Collective Group. This means that trading in Better Collective A/S shares is allowed

only during a period of 30 calendar days starting one hour after the publication of a year-end report or an interim financial report.

The table below shows the number of shares in Better Collective A/S held by members of the Board of Directors and Executive Management:

Number of shares in Better Collective A/S held by members of the Board and the executive management

Name and position	Holdings at beginning of year	Bought during the year	Sold during the year	Holdings at end of the year	Market value ¹ tEUR
Jesper Søgaard, CEO	12,171,179	-	1,500,000	10,671,179	161,028
Flemming Pedersen, CFO	137,322	-	100,000	37,322	563
Christian Kirk Rasmussen, COO	12,171,179	-	1,500,000	10,671,179	161,028
Executive management, total	24,479,680	-	3,100,000	21,379,680	322,619
Jens Bager, Chairman	1,109,626	60,000	169,626	1,000,000	15,090
Todd Dunlap, member	-	-	-	-	-
Klaus Holse, member	215,622		45,000	170,622	2,575
Søren Jørgensen, member	277,805	8,989	68,200	218,594	3,299
Leif Nørgaard, member	437,139	63,000	60,000	440,139	6,642
Petra von Rohr, member	21,600			21,600	326
Board of directors, total	2,061,792	131,989	342,826	1,850,955	27,931
Total	26,541,472	131,989	3,442,826	23,230,635	350,550

¹The end-of-year market values are based on the official share price and exchange rate prevailing 2020.12.31

Management's statement

Management's statement on the Remuneration Report

The Board of Directors has today considered and adopted the Remuneration Report 2020 of Better Collective A/S.

The Remuneration Report is prepared in accordance with section 139 (b) of the Danish Companies Act.

The Remuneration Report is submitted to the Annual General Meeting for an advisory vote.

Copenhagen, March 25, 2020

Jens Bager
Chairman

Todd Dunlap

Klaus Holse

Søren Jørgensen

Leif Nørgaard

Petra von Rohr