BETTER COLLECTIVE

Q4 2021

January 1 –
December 31

Interim report

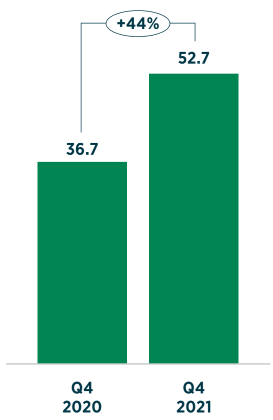
Highlights Q4 2021

- Revenue of 53 mEUR; growth 44% y-o-y, organic growth 25%
  - US revenue reached 20 mEUR
- Operational Earnings of 16.3 mEUR; EBITDA-margin 31%; Publishing 40% and Paid Media 5%. Revenue and earnings dampened due to an exceptionally low sports win margin in October and high growth in NDCs on revenue share
- New Depositing Customers (NDCs) were >267,000 in the quarter with an implied growth of 75%. NDCs sent on revenue share contracts were >190,000 (growth of 69%)
- Financial targets 2022 (without new M&A); Organic revenue growth of 15-25%, Group EBITDA of approximately 75 mEUR, Debt leverage <3,0.
- January 2022 revenue was >26 mEUR and EBITDA >11 mEUR, boosted by US performance

Interim Report Q4 2021

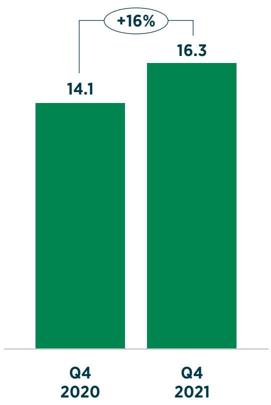
Revenue

mEUR



EBITDA

mEUR



From Q2, 2021, and following the acquisition of Action Network (included in Group accounts from the time of closing on May 28, 2021), Better Collective reports on the geographical segments US and RoW (Rest of World), measuring and disclosing separately for Revenue, Cost and Earnings. Historical financial figures are reported accordingly.

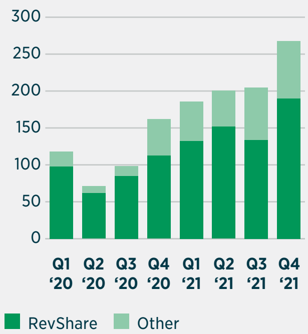
Highlights fourth quarter 2021

- Q4 Group Revenue grew by 44% to 52.8 mEUR (Q4 2020: 36.7 mEUR). Organic revenue growth was 25%.
    - The continued large increase in NDCs sent on revenue share contracts has significantly increased future recurring revenue (in Publishing business) but also had a short term dampening effect on revenue and earnings. Combined with an exceptionally low sports win margin, we have estimated an effect of approximately 6 mEUR in the quarter compared to historical average.
- Q4 Group EBITDA before special items increased 16% to 16.3 mEUR (Q4 2020: 14.1 mEUR). The Group EBITDA-margin before special items was 31% (Publishing 40% and Paid Media 5%).
- Cash Flow from operations before special items was 13.5 mEUR (Q4 2020: 10.1 mEUR), an increase of 33%. The cash conversion was 82%. By the end of Q4, capital reserves stood at 33.5 mEUR of which cash of 30.1 mEUR and unused bank credit facilities of 3.4 mEUR.
- New Depositing Customers (NDCs) were >267,000 in the quarter (growth of 74%). NDCs sent on revenue share contracts were >190,000 (growth of 69%).
- On November 4, Better Collective completed the acquisition of the remaining 40% shares in the US based RotoGrinders Network at a total price of 33 mEUR.
- On December 8, Better Collective initiated a share buyback program to cover future payments relating to completed acquisitions and incentive programs for up to 10 mEUR.

Contents

NDC development

'000



Conference call

A conference call for investors, analysts, and the media will be held today, February 24, 2022, at 10:00 a.m. CET and can be joined online at www.bettercollective.com.

The presentation material for the call will be available on the website one hour before the call.

To participate, please dial:
Confirmation code: 8373938
Denmark +45 3272 0417
The UK +44 (0) 8444819752
Sweden +46 (0) 856618467

Financial highlights full year 2021

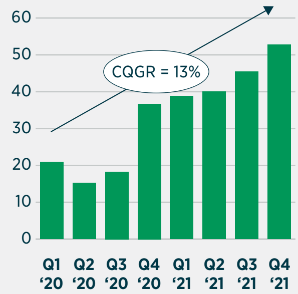
- Revenue grew by 94% to 177.1 mEUR (FY 2020: 91.2 mEUR), with organic growth of 29%.
- EBITDA before special items increased 46% to 55.8 mEUR (FY 2020: 38.2 mEUR). The EBITDA-margin before special items was 32% (Publishing 43% and Paid Media 8%).
- Special items amounted to a cost of 16.7 mEUR (FY 2020: 0.1 mEUR). It includes an 11.5 mEUR adjustment of the contingent liability related to the 2019 acquisition of Rical LLC, treated as a P/L item under IFRS, as well as income related to an adjustment of the variable payment recorded in connection with the acquisition of Dutch assets. M&A cost of 6.0 mEUR is related to M&A activities, primarily Action Network, and 2.5 mEUR cost of Management incentive program related to Action Network.
- Cash Flow from operations before special items was 51.2 mEUR (FY 2020: 38.3 mEUR), an increase of 34%. Cash conversion rate before special items was 92%.
- On May 26, 2021, Better Collective resolved on a directed share issue of 6.9 million shares, thereby raising gross proceeds of SEK 1,500 million and significantly increasing financial flexibility.
- New Depositing Customers were >857,000 in 2021 (growth of 96%). NDCs sent on revenue share contracts were >607,000 (growth of 70%).

During 2021, Better Collective completed acquisitions of approximately 210 mEUR:

- On January 1, 2021 Better Collective increased its ownership to 90% of the shares in Mindway AI that specialises in software solutions based on artificial intelligence and neuroscience for identifying, preventing and intervening in at-risk and problem gambling.
- On March 31, 2021 Better Collective strengthened its position in the Swedish sports betting market by acquiring online sports betting media platform, Rekatochklart.com for 3.8 mEUR.
- On May 28, Better Collective acquired leading US sports betting media platform, Action Network, for 196 mEUR (240 mUSD), gaining market leadership within sports betting media in the US.
- On September 24, Better Collective acquired Soccernews.nl, a Dutch online sports betting community, in separate transactions for total upfront payments of 5.9 mEUR.

Quarterly Revenue

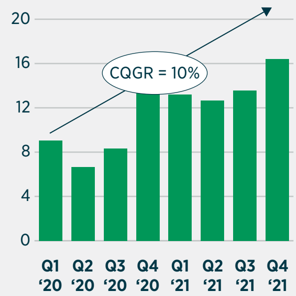
mEUR



* Compounded Quarterly Growth Rate

Quarterly EBITDA before special items

mEUR



Financial calendar

March 23, 2022
Annual report 2021

May 18, 2022
Interim financial report Q1, 2022

Significant events after the closure of the period

- January revenue reached >26 mEUR, more than double vs. 2021, of which 69% was organic growth. Earnings (EBITDA before special items) were >11 mEUR. Performance was boosted by the market opening in the state of New York and related CPA income.

- On January 21 2022, Better Collective entered into a media partnership with the New York Post to bring the best in commercial sports betting content to the publication's readership of more than 92 million unique users. The agreement covers the delivery of content, data, and statistics for the betting section of the New York Post. New York state opened for online sports betting on January 8, 2022. Better Collective is off to a great start across all assets, in particular Action Network.

- On January 11, 2022 the share buyback program of 10 mEUR initiated on December 8, 2021 was completed with 532,482 shares accumulated under the program.

- The board of directors have implemented a new Long Term Incentive Plan (LTI) for key employees in the Better Collective group (excluding the executive management). Grants under the new LTI will be in the form of performance share units and share options vesting over a 3-year period. The total value of the 2022 LTI grant program is 1.4 mEUR (Black-Scholes value) measured at the target level.

Financial targets 2021

- The Group financial targets for 2021 for organic growth (29% vs target of >25%) and Operational Earnings/EBITDA (55.8 mEUR vs target of >55 mEUR) were met. Total revenue ended at 177 mEUR slightly below the target of >180 mEUR. Total revenue and earnings were, as mentioned, affected negatively by an exceptionally low sports win margin in Q4 as well as a high intake of NDCs, which has a short-term dampening effect on margins.

Financial targets 2022

- The Board of Directors have decided on new financial targets for the Better Collective Group for the financial year 2022. Excluding potential new M&A-transactions:

  - Organic revenue growth of 15-25%

  - Operating profit (EBITDA before special items) of approximately 75 mEUR

  - Debt leverage (Net interest bearing debt/EBITDA) <3.0

  - High operational cash conversion rate expected to be maintained

Financial highlights and key ratios

tEUR	Q4 2021	Q4 2020	2021	2020
Revenue	52,794	36,714	177,051	91,186
Revenue Growth (%)	44%	88%	94%	35%
Organic Revenue Growth (%)	25%	32%	29%	8%
Operating profit before depreciation, amortisations, and special items (EBITDA before special items)	16,337	14,108	55,775	38,152
Operating profit before depreciation and amortisations (EBITDA)	16,596	13,977	39,030	38,272
Depreciation	473	438	1,764	1,548
Special items, net	260	-131	-16,746	120
Amortisations	3,530	1,638	8,516	6,235
Operating profit before special items (EBIT before special items)	12,333	12,032	45,495	30,369
Operating profit (EBIT)	12,593	11,900	28,749	30,489
Result of financial items	-339	-884	-2,522	-1,778
Profit before tax	12,254	11,017	26,227	28,712
Profit after tax	10,800	8,464	17,292	21,927
Earnings per share (in EUR)	0.20	0.18	0.34	0.47
Diluted earnings per share (in EUR)	0.19	0.17	0.33	0.45
Balance sheet				
Balance Sheet Total	597,379	315,065	597,379	315,065
Equity	344,848	162,542	344,848	162,542
Current assets	62,898	48,555	62,898	48,555
Current liabilities	55,452	26,312	55,452	26,312
Net interest bearing debt	109,422	63,275	109,422	63,275
Cash flow				
Cash flow from operations before special items	13,535	10,148	51,204	38,321
Cash flow from operations	13,328	9,648	45,207	37,696
Investments in tangible assets	-147	-146	-687	-460
Cash flow from investment activities	-17,999	-32,631	-219,219	-68,090
Cash flow from financing activities	6,790	7,893	188,759	46,790
Financial ratios				
Operating profit before depreciation, amortisations (EBITDA) and special items margin (%)	31%	38%	32%	42%
Operating profit before amortisations margin (EBITDA) (%)	31%	38%	22%	42%
Operating profit margin (%)	24%	32%	16%	33%
Net interest bearing debt / EBITDA before special items	1.96	1.66	1.96	1.66
Liquidity ratio	1.13	1.85	1.13	1.85
Equity to assets ratio (%)	58%	52%	58%	52%
Cash conversion rate before special items (%)	82%	71%	92%	99%
Average number of full-time employees	733	444	635	420
New Depositing Customers (NDCs) (Thousand)	267	153	858	437

For definitions of financial ratios, see definitions section in the end of the report

CEO Comments

Solid US performance and record strong NDC growth

An all-time high intake of NDCs in Q4 and an overall strong performance of our business mark the ending of 2021 - a year of many new opportunities for Better Collective. Our US business delivered prime results following the start of the NFL season, contributing almost 40% to the total quarterly Group revenue.

Business performance

Q4 was as usual a strong season, with high sports activity both in the US and in Europe, even though some games in December 2021 were postponed due to COVID implications. Group revenue increased 44% to 53 mEUR, with the US as a strong growth driver. The RoW was impacted by a very weak October and high intake of NDCs causing a flat revenue development during the quarter.

Throughout 2021, we have sent record high numbers of NDCs to our partners, peaking in Q4, with NDCs exceeding 267,000, whereof >190.000 on revenue share contracts. I am very excited about this development, as it secures future recurring revenue. However, these "quantum-leaps" come with a short-term dampening effect on revenue and earnings. Combined with an all-time low sports win margin in the quarter, we have estimated an effect of approximately 6 mEUR for Q4 compared historical average. The successful development in NDCs is a result of several factors - not least the strong performance in our media partnerships which we further expanded in the beginning of 2022 by signing a large collaboration with The New York Post. We continue to pursue and favour revenue share as the preferred business model, and we have now started working on the first revenue share contracts with US based operators.

In our European business we have seen solid performance in a changing regulatory environment. Germany implemented new regulation from July 1, while the Netherlands implemented new regulation allowing for online betting for the first time on October 1. Other countries such as Sweden, Spain, and Italy adopted different kinds of temporary measures for consumer protection during the COVID-19 pandemic. I am truly proud of our teams managing to adapt to these rapid changes in due time and with the right measures.

The US market

The US market is already the single biggest market for Better Collective and is approaching the same profitability as our European publishing business. We have established ourselves with strong American sports betting brands, including the recently acquired Action Network. Since the time of consolidation, Action Network has been growing its audience significantly and has persistently delivered strong results across all main KPIs. Overall, our US business delivered prime results following the start of the NFL season, and during the quarter US revenue reached 20 mEUR or almost 40% of the total Group revenue. For the full year 2022, we expect revenues above 100 mUSD from the US business.

In the recently opened New York state market, Better Collective is off to a great start, which has boosted the US revenue in January, 2022. This illustrates Better Collective's strong position in the US online sport betting market, which is further strengthened by our media partnerships with nj.com and The New York Post. Currently, Better Collective is live in 16 states, of which the most recent was the state of Louisiana, opening for online sports betting in late January. In 2022, more states are expected to open for

"Q4 was a busy and strong quarter for Better Collective yet again, delivering growth of 44% over Q4 last year. Throughout 2021, we have sent record-breaking numbers of NDCs to our partners which I am very excited about, as it increases future recurring revenue."

Jesper Søgaard
Co-founder and CEO

25%

Organic revenue growth

in Q4 2021

75%

NDC growth

in Q4 2021

online sports betting and igaming which will facilitate further business opportunities and growth for Better Collective.

We already have more than 200 dedicated employees across our US offices in New York, Florida, and Tennessee, and we have developed a strong local management anchored within our Group Management. I am extremely proud of how rapidly we have managed to establish our robust position since the first US state opened for online betting in May of 2018.

Staying responsible and relevant

In November, we launched the self-assessment tool Gamalyze from Mindway AI on our main sports betting media websites. Gamalyze makes it possible for visitors to get insight into their decision making behaviour in gambling. The tool was first launched on bettingexpert.com during Safer Gambling Week 2021 as part of our dedication to responsible gambling.

As the year was coming to an end, we were awarded the prize “Sports Affiliate of the Year” at the SBC Award show in London. This is the third consecutive year that Better Collective has received this award. I am honoured and excited to see how our efforts to stay as relevant to our partners as possible, are being repeatedly recognised by the industry. We will steadily continue to uphold and defend this position in all areas of our business.

Strengthened organisation

As a result of our high growth and preparing for the future, we have revised our management structure to ensure Better Collective remains a growing and resilient business. We have welcomed a recently hired SVP of Product & Tech to further strengthen the technology focus behind our sports betting media brands and soon-to-join SVP of Strategy to strengthen our ambition to further scale our business within the sports betting media industry. An additional five internal promotions to group management positions will further strengthen our key business and functional areas.

During 2021 we have experienced continued competition for talent in many countries, and therefore we continue focusing on being an attractive workplace. We continue to benefit from being a truly international company, and in the second half of 2021 we initiated two academies in specialised areas of our business to educate candidates and potentially offer them employment after completing the training. In addition, we have implemented a new long-term incentive program to attract and retain key employees.

For 2022, we will continue our efforts to seek market growth through M&A-activities while we also have more media partnerships in our pipeline. Upon closing the year of 2021, I would like to express a thanks to all our employees for their truly dedicated work and for their forward-thinking inputs on how Better Collective can become even better

Jesper Søgaard
Co-founder and CEO

200

US employees

Business review and financial performance Q4 2021

Better Collective Group

Key figures for the Group:

tEUR	Q4 2021	Q4 2020	Growth	2021	2020	Growth
Revenue	**52,794**	**36,714**	**44%**	**177,051**	**91,186**	**94%**
Cost	36,457	22,606	61%	121,276	53,034	129%
Operating profit before depreciation, amortisations and special items	**16,337**	**14,108**	**16%**	**55,775**	**38,152**	**46%**
EBITDA-Margin before special items	31%	38%		32%	42%	
Organic Growth	25%	32%		29%	8%	

The fourth quarter showed strong growth, however, as a continuously larger amount of NDCs are sent on revenue share this dampens revenue and profit in the short term. The quarter saw low sports win margins as a result of the strong growth in NDCs while to some extent it also is the outcome of the sports results, particularly in October. The impact from low sports win margins specifically impacts the Publishing and RoW segments as our operator accounts with revenue share are located there. The low sports win margin in Q4 2021 impacted the absolute value of revenue share which declined 0.9 mEUR from Q4 2020 to 16.7 mEUR in Q4 2021. During the month of December, some games in the major sports leagues were postponed due to COVID-19 implications, which reduced the activity marginally. We have estimated that the revenue impact from the low sports win margin and high increase in NDCs on revenue share contracts combined is approximately 6 mEUR for Q4 compared to historical average.

With operational earnings (EBITDA) of 16.3 mEUR in Q4 2021, the EBITDA margin was 31% compared to a margin of 38% in Q4 2020. The EBITDA-margin in Q4 2020 was exceptionally high (54% in Publishing and 13% in Paid Media) partly due to the remaining effect of the cost saving program in connection with COVID-19 close-downs and partly due to high sports activity from postponed matches combined with a favourable sports win margin just above average. In addition, the Paid Media segment was not yet impacted in Q4 2020 by the change in business model towards revenue share that has taken place during 2021.

The number of NDCs delivered to our partners continues its strong growth trend which has been seen since the end of 2020. Q4 delivered at an all-time high of more than 267,000 NDCs, which is an increase of 75% compared to last year.

Publishing

Key figures for the Publishing segment:

tEUR	Q4 2021	Q4 2020	Growth	2021	2020	Growth
Revenue	**38,932**	**22,849**	**70%**	**120,188**	**74,184**	**62%**
Share of Group	*74%*	*62%*		*68%*	*81%*	
Cost	23,336	10,608	119%	68,947	38,820	77%
Share of Group	*64%*	*47%*		*57%*	*73%*	
Operating profit before depreciation, amortisations and special items	**15,596**	**12,241**	**28%**	**51,241**	**35,364**	**45%**
Share of Group	*95%*	*87%*		*92%*	*93%*	
EBITDA-Margin before special items	40%	54%		43%	48%	
Organic Growth	36%	n/a		41%	n/a	

The Publishing segment includes revenue from Better Collective's proprietary online platforms and media partnerships where the online traffic is coming either directly or through organic search results. Revenue grew 70%, of which 36% was organic growth, to 38.9 mEUR. Publishing accounted for 74 % of the Group's revenue in Q4. Cost grew 12.7 mEUR with the majority of the growth coming from the acquisition of Action Network and further investments in US, resulting in EBITDA of 15.6 mEUR, a growth of 28% with an EBITDA-margin of 40%.

Following the proof of concept for our media partnership strategy last year, we continue to see very strong performance from this business area that includes partnerships with The Daily Telegraph, nj.com, and three new partnerships signed during the year. Upon closing the quarter, Better Collective signed an agreement with the New York Post to deliver innovative technology and commercial content for online sports betting through its proprietary sports betting platform, Action Network.

Paid Media

Key figures for the Paid Media segment:

tEUR	**Q4 2021**	Q4 2020	Growth	**2021**	2020	Growth
Revenue	**13,862**	**13,865**	**0%**	**56,863**	**17,002**	**234%**
Share of Group	*26%*	*38%*		*32%*	*19%*	
Cost	13,121	11,998	9%	52,329	14,214	268%
Share of Group	*36%*	*53%*		*43%*	*27%*	
Operating profit before depreciation, amortisations and special items	**741**	**1,867**	**-60%**	**4,534**	**2,788**	**63%**
Share of Group	*5%*	*13%*		*8%*	*7%*	
EBITDA-Margin before special items	5%	13%		8%	16%	
Organic Growth	0%	n/a		9%	n/a	

The revenue in the Paid Media segment was 13.9 mEUR in Q4, and the organic growth was flat at 0%. In addition to the negative impact from the loss of a major customer and challenges from an iOS update, the Paid Media segment continues to be impacted by our decision to switch more NDCs from pure CPA to revenue share contracts or hybrid revenue models (mix of CPA and revenue share). Whereas the switch is expected to have a positive impact in the longer run, the revenue and EBITDA margins are impacted negatively in the short term with EBITDA for Q4 of 0.7 mEUR, and an EBITDA margin of 5%. Paid Media delivered 26% of the Group's revenue in Q4, and 5% of EBITDA.

Whereas 2021 performance was not in line with expectations, we have seen a significant improvement in performance in the latter part of Q4 and continuing into January 2022. The development looks promising for the year ahead, not least because of new successful campaigns in the US, bringing both the growth rate and the EBITDA margin to double digits for January.

Geographical; US and Rest of World (RoW)

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 local reach. Better Collective's regional brands are tailored according to the specific regions or countries and their respective regulations, sports, betting behaviours, user needs, and languages.

From Q2 2021, and following the acquisition of Action Network, Better Collective reports on geographical segments, split between the US and Rest of World (RoW), as the US market contribution to Revenue and EBITDA grows and in Q4 is 38% of revenue and 49% of EBITDA.

Key figures for US and RoW segments:

	US			Rest of World		
tEUR	**Q4 2021**	Q4 2020	Growth	**Q4 2021**	Q4 2020	Growth
Revenue	**19,856**	**3,480**	**471%**	**32,938**	**33,234**	**-1%**
Share of Group	*38%*	*9%*		*62%*	*91%*	
Cost	11,826	2,357	402%	24,631	20,249	21%
Share of Group	*32%*	*10%*		*68%*	*90%*	
Operating profit before depreciation, amortisations and special items	**8,030**	**1,123**	**615%**	**8,306**	**12,985**	**-36%**
Share of Group	*49%*	*8%*		*51%*	*92%*	
EBITDA-Margin before special items	40%	32%		25%	39%	

	US			Rest of World		
tEUR	**2021**	2020	Growth	**2021**	2020	Growth
Revenue	**47,030**	**10,005**	**370%**	**130,021**	**81,181**	**60%**
Share of Group	*27%*	*11%*		*73%*	*89%*	
Cost	29,487	7,907	273%	91,789	45,127	103%
Share of Group	*24%*	*15%*		*76%*	*85%*	
Operating profit before depreciation, amortisations and special items	**17,544**	**2,098**	**736%**	**38,232**	**36,054**	**6%**
Share of Group	*31%*	*5%*		*69%*	*95%*	
EBITDA-Margin before special items	37%	21%		29%	44%	

The US market

Key US brands within sports betting include Action Network, VegasInsider, and Scores&Odds, whereas RotoGrinders is focused on Daily Fantasy Sport (DFS).

After having acquired Action Network, Better Collective is in a leading position within sports betting media in the US, creating a strong foundation for benefitting from the continuous regulation of the US betting market. The performance of Action since the time of consolidation has been strong across KPIs including a significant audience growth.

Overall, the US business delivered a strong performance with the start of the NFL season in September, and EBITDA exceeding expectations. Revenue in the US business was 20 mEUR in Q4 2021, which is more than five times the revenue in Q4, 2020. The EBITDA-margin for the quarter was 40%.

As highlighted in the Publishing section above, our media partnerships continue to deliver a very strong performance - also in the US. This business area includes partnerships with the New York Post (agreement entered in January 2022) and nj.com.

In January 2022, US revenue accounted for >13 mEUR which was boosted by the market opening in the state of New York and related CPA income.

The RoW markets

The Rest of World segment includes all other markets of which the European market is a historically strong but also more mature market. New opportunities in focus include LATAM, and Canada as upcoming regulations of these markets offer new opportunities. The RoW markets are most sensitive to fluctuations in the sports win margin as these markets operate the vast majority of our revenue share accounts with operators

Revenue in the Rest of World markets was 33 mEUR in Q4, 2021, with a flat development vs. 33 mEUR in Q4, 2020, mainly impacted by the significant growth in NDCs and the sports results in October, driving a low sports win margin in the quarter. The margin is further impacted by the switch from revenue share to CPA due to the regulatory change in Germany, whereby the legacy revenue share database will gradually be reduced as new customers are sent on CPA from July 1, 2021.

The EBITDA margin of 25% decreased from 39% in Q4, 2020. Beyond the impact on revenue, the EBITDA margin was also affected by a comparably lower cost base in Q4 2020 vs. Q4 2021 as part of the cost-savings program implemented in 2020 to mitigate the COVID-19 impact on the business. In Q4, Better Collective started business in the newly regulated Dutch market, and saw a good start, especially from the newly acquired soccernews.com. Currently, there are 12 licensed operators in the Dutch market and more are expected to join from April 1, 2022 as their temporary exclusion is lifted. The Dutch market looks quite promising for Better Collective, not least as more operators join this year.

Regulatory updates

US

Better Collective became a licensed vendor in New Jersey in 2014, and since then our US presence has grown tremendously. Better Collective is currently live in 16 states including the most recently launched New York, Arizona, and Louisiana. Given the continued pace of new states regulating, Better Collective expects the US market to continue growing fast, with increasing revenue and operating profit.

After the closing of the quarter, New York launched online sports betting on January 8 with 1.2 million player accounts live in the first 10 days. This is a very strong start to the year, in particular for Action Network and BC US. On January 28, Louisiana launched as well, presenting new possibilities though at a smaller scale. In Illinois, the current in-person registration requirement will expire by March 5, 2022, allowing for online sportsbook registration, which was also temporarily the case during the pandemic.

In Ohio, a sports betting law was signed at the end of 2021, paving the way for the market to launch in 2023. The Ohio Casino Control Commission must now draw up the regulations for the market. By population, Ohio (11.7 million residents) most closely compares in size among established sports betting markets with Illinois and Pennsylvania, currently the third- and fourth-largest sports betting markets in the States. In Arkansas, a plan to launch the mobile sports wagering market in time for the Super Bowl was delayed until March so lawmakers can update their proposed rules.

Brazil

Brazil took a key step toward passing a gambling expansion plan on a national level when lawmakers approved a resolution to fast-track a heavily amended 442/1991 Gambling Bill on December 16, 2021. If the amended bill is adopted, it will legalise land-based and online gambling on a national level. Further guidance around sports betting is still pending.

The Netherlands

Since 1 October 2021, online gambling has been legal in the Netherlands. This has led to new online gambling platforms and more operators are expected to go live in 2022.

Canada

Canada's first province, Ontario, is set to see big changes in legal online sports betting. The province was expected to allow online betting from the end of the year 2021, however it has now been set for April 4, 2022. We may expect for other provinces and territories to show interest in opening up for the competitive gambling market in the future. Better Collective is preparing to roll out key US and international brands in Canada as soon as relevant licenses are acquired and regulation allows.

Sweden

The Swedish government announced that the temporary COVID-19 restrictions for online gambling - including a monthly deposit cap for online casinos - were to end as planned on 14 November, 2021. Upon lifting the restrictions we have seen increased activity in this market.

Germany

The new interstate treaty on gambling, Der Glücksspielneuregulierungstaatsverag (GlüNeuRStV), came into force on July 1, 2021 and runs in line with Better Collective's expectations. Better Collective has in the past year prepared for the new regulatory framework in Germany and has been adapting its business models in collaboration with partners to comply with the new regulations. During Q4, German player behaviour was not notably affected by the new regulation. While some market adjustments are to be expected in the short term following the implementation of the new interstate treaty, the overall market outlook for Better Collective is promising though the intake of NDCs is still limited.

Financial performance full year 2021

Revenue: Growth of 94% to 177 mEUR – organic growth of 29%

2021 Revenue showed strong growth vs. 2020 with 94% and amounted to 177.1 mEUR (2020: 91.2 mEUR).

Revenue share accounted for 38% of the revenue (42% of player-related revenue) with 45% coming from CPA, 7% from subscription sales, and 10% from other income.

The October 2021 acquisition of Atemi significantly increased the share of revenue coming from CPA, and the acquisition of Action Network in May 2021 has further driven an increase in the share of revenue coming from CPA as well as revenue coming from subscription sales.

Cost: 121 mEUR – up from 53 mEUR

Overall, the cost base is impacted by increases following the 2020 acquisitions of HLTV and Atemi, as well as the addition of Mindway as of January 1, 2021 and Action Network as of May 2021. The cost base excluding depreciation and amortisation grew 68.2 mEUR, up to 121.3 mEUR YTD vs. 2020 with the majority coming from the acquisitions.

Total direct cost relating to revenue increased due to the addition of Atemi to 64.9 mEUR (2020: 20.5 mEUR). Beyond the cost of paid traffic, this includes hosting fees of websites, content generation, and external development.

Personnel cost in 2021 increased 69% from 2020 to 40.8 mEUR (2020: 24.2 mEUR). The average number of employees increased 51% to 635 (2020: 420). Personnel costs include costs related to warrants of 1.2 mEUR (2020: 1.0 mEUR).

Other external costs increased 7.2 mEUR or 86% to 15.6 mEUR (2020: 8.4 mEUR). Depreciation and amortisation amounted to 10.3 mEUR (2020: 7.8 mEUR). The increase is primarily due to an impairment of acquired revenue share accounts in the Netherlands, following the regulatory development and operator decisions to discontinue old player databases.

Special items

Special Items amounted to a cost of 16.7 mEUR (2020 0.1 mEUR). Cost of 6.0 mEUR is related to M&A activities where cost related to the acquisition of Action Network amounts to 5.5 mEUR. M&A cost are primarily cost for advisors used in connection with the potential M&A transactions for negotiations, due diligence, legal advice, etc. On November 4, 2021 Better Collective announced the acquisition of the remaining ~40% shareholding in Better Collective Tennessee at an expected price of 33 mEUR. Better Collective acquired 60% of Rical LLC (Better Collective Tennessee) in 2019 and at that time recorded a contingent liability for the expected remaining purchase price. In connection with the final acquisition, an additional purchase price of 11.5 mEUR was charged to Special Items in line with IFRS. Special items also include a reduction of the variable payment related to Dutch assets of 3.0 mEUR and the cost of the Management Incentive Program implemented in connection with the acquisition of Action Network of 2.5 mEUR.

Earnings

Operational earnings (EBITDA) before special items grew 46% to 55.8 mEUR (2020: 38.2 mEUR). The EBITDA-margin before special items was 32% (2020: 42%). The margin is significantly impacted by the full year effect of the acquisition of the Paid Media business in Q4 2020.

Including special items, the reported EBITDA was 39.0 mEUR. (2020: 38.3 mEUR)

EBIT before special items increased 50% to 45.5 mEUR (2020: 30.4 mEUR). Including special items, the reported EBIT was 28.8 mEUR (2020: 30.5 mEUR).

Net financial items

Net financial costs amounted to 2.5 mEUR (2020: 1.8 mEUR) and included net interest, fees relating to bank credit lines and exchange rate adjustments. Interest expenses amounted to 2.2 mEUR and included non-payable, calculated interest expenses on certain balance sheet items, whereas financial fees and net exchange rate gain amounted to 1.7 mEUR and 1.3 mEUR respectively. The financial fees included fees related to financing obtained in connection with the acquisition of Action Network.

Income tax

Better Collective has a tax-presence in the places where the company is incorporated, which are Denmark (where the parent company is incorporated), Austria, France, Greece, Romania, UK, US, Poland, Serbia, and Sweden.

Income tax YTD amounted to 8.9 mEUR (2020: 6.8 mEUR). The Effective Tax Rate was (ETR) 34.1% (YTD 2020: 23.6%).

The tax calculation has been updated with carried forward tax losses and the tax amortisation basis on intangible assets in acquired companies in the US, following final assessment of the accounting and tax treatment. The related deferred tax assets and liabilities have been adjusted accordingly. These adjustments are made in Q4, thereby lowering the ETR for the quarter to 12%.

Net profit
Net profit after tax was 17.3 mEUR (2020: 21.9 mEUR).

Equity
The equity increased to 344.8 mEUR as per December 31, 2021 from 162.6 mEUR on December 31, 2020. Besides the YTD profit of 17.3 mEUR, the equity has been impacted by capital increases (159.1 mEUR) and related transaction costs (-2.3 mEUR), treasury share transactions (8.1 mEUR), and warrant related transactions (3.7 mEUR).

Balance sheet
Total assets amounted to 597.4 mEUR (2020: 315.1 mEUR), with an equity of 344.9 mEUR (2020: 162.5 mEUR). This corresponds to an Equity to assets ratio of 58% (2020: 52%). The liquidity ratio was 1.13 resulting from current assets of 62.9 mEUR and current liabilities of 55.5 mEUR. The ratio of Net interest bearing debt to EBITDA before special items was 1.96 in 2021, sligthly increasing from 1.66 in 2020, and well below the target of 3.0.

Investments
On May 28, 2021, the acquisition of Action Network was completed at a price of 196 mEUR (240 mUSD) at a cash and debt-free basis. The net cash flow impact in connection with the acquisition was 177.5 mEUR, taking into account deferred payments and payment in Better Collective shares. On January 1, 2021, Better Collective increased its ownership to 90% of the shares in Mindway AI that specialises in software solutions based on artificial intelligence and neuroscience for identifying, preventing, and intervening in at-risk and problem gambling. The price for the additional 70% was 2.3 mEUR (17 mDKK) paid in cash. In addition to the investment in Action Network and Mindway AI, 6.0 mEUR (5.0 mGBP) was paid on the deferred payment related to the acquisition of Atemi, and a payment of 1.2 mEUR was made related to variable payment and adjustment of closing net working capital related to the acquisition of HLTV. In March 2021, Better Collective completed the asset acquisition of online sports betting media platform, Rekatochklart.com for 3.8 mEUR and in September the transactions for the Dutch assets Soccernews.nl and Voetbalwedden.net were completed at a total purchase price of up to 10 mEUR. As a consequence of regulatory clarification of accounts containing old players in the Netherlands, the value of accounts has been impaired and the related variable payment has been adjusted. The total cash flow impact from investments in business combinations and intangible assets in 2021 was -207.9 mEUR and -11.6 mEUR respectively. Investments in tangible assets were 0.7 mEUR.

Cash flow and financing
Cash Flow from operations before special items 2021 was 51.2 mEUR (2020: 38.3 mEUR). Acquisitions and other investments reduced cash flow with 219.2 mEUR in 2021 (2020: 68.1 mEUR).

In November 2021 Better Collective and Nordea agreed on a new 3-year committed credit facility of 124 mEUR, replacing the bridge financing taken up in connection with the acquisition of Action Network. At the end of 2021, 121 mEUR was drawn up, and cash and unused credit facilities amounted to 30.1 mEUR.

On May 26, 2021, the Board of Directors resolved on a directed share issue of 6.9 million shares, raising proceeds of 145 mEUR to-maintain financial flexibility.

The parent company
Better Collective A/S, Denmark, is the parent company of the Group.

Revenue for 2021 grew by 37% to 37.0 mEUR (2020: 26.9 mEUR).

Total costs including depreciation and amortisation was 40.1 mEUR (2020: 26.1 mEUR). Profit after tax was 47.7 mEUR (2020: 15.7 mEUR).

The difference in profit before tax is primarily driven by differences in dividend payments from subsidiaries and exchange rate adjustments.

Total equity ended at 355.1 mEUR by December 31, 2021 (2020: 154.9 mEUR). The equity in the parent company was impacted by capital increases (159.1 mEUR) and related transaction costs (2.3 mEUR), treasury share transactions (8.1 mEUR), and cost of warrants of 3.7 mEUR.

Financial targets for 2021

The Board of Directors decided on targets for the financial year 2021 as announced in the full year report and updated in the Q2 report following the acquisition of Action Network. The Group targets for organic growth, EBITDA margin and capital structure were all met, whereas the revenue growth target came in a bit below, mainly as a result of the high number of NDCs sent throughout the year, dampening short term revenue recognition. Compounded annual growth rates (CAGR) for revenue in the period 2018-2021 was 62% of which 21% organic growth. In the two business segments, Paid Media performed lower than expected, whereas Publishing performed significantly better.

Financial Targets for 2021

	Target total	Actual 2021	Target publishing	Actual 2021	Target paid media	Actual 2021
Revenue / revenue growth	>180 mEUR	177 mEUR	>40%	62%	Full year effect	234%
Organic growth	>25%	29%	>25%	41%	>30%	9%
EBITDA / EBITDA margin (before special items)	>55 mEUR	56 mEUR	>40%	43%	>10%	8%
Net interest bearing debt/EBITDA	<3.0	1.7	-	-	-	-

Financial targets for 2022

Better Collective has historically disclosed financial targets for the coming year(s). The Financial targets have focused on growth, profitability and debt leverage. This has allowed management to stay focused and communicate both on the organic development of the company, how profitability is being managed and how the M&A-strategy has been value accretive. The target relating to debt leverage has facilitated communication on how to finance the M&A-strategy.

For the year 2022, the focus will be on the same aspects including executing value accretive acquisitions and from an operational perspective staying focused on organic growth and profitability.

Financial Targets for 2022:

	Target Total	Actual 2021
Organic revenue growth (%)	15-25%	29%
EBITDA (before special items)	Approx. 75 mEUR	56 mEUR
Net interest bearing debt/EBITDA	<3.0	1.7

Major assumptions and additional comments:
The Financial targets do not include new potential acquisitions. Excluding any new acquisitions the debt leverage (Net debt/EBITDA) will expectedly be <1,0 by end of 2022.

Included in the financial targets is assumed continued strong performance in the US-business including continued market openings by ways of additional US states allowing online sports betting.

The financial targets are based upon the assumption that the US-market will still mainly be a CPA-market. Better Collective however experiences more operators being open to work fully or partly on revenue share, which will be preferred pending deal terms. If Better Collective is successful in reaching attractive revenue share agreements in the US, this may impact revenue and earnings short term. If this will be implemented, the financial targets may be adjusted and communicated accordingly.

Disclaimer

This report contains forward-looking statements which are based on the current expectations of the management of Better Collective. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual profits and developments deviating substantially from what has been expressed or implied in such statements.

Other

Shares and share capital

Better Collective A/S is listed on Nasdaq Stockholm main market. The shares are traded under the ticker "BETCO". As per December 31, 2021, the share capital amounted to 546,251.57 EUR, and the total number of issued shares was 54,625,157. The company has one (1) class of shares. Each share entitles the holder to one vote at the general meetings.

On December 7, 2021, the Board of Directors resolved to issue 136,536 new ordinary shares in Better Collective A/S, equal to shares with a nominal value of EUR 1,265.36 related to the exercise of warrants.

Shareholder structure

As of December 31, 2021, the total number of shareholders was 4,223. A list of top 10 shareholders in Better Collective A/S can be found on the company's website.

Nomination committee

Better Collectives nomination committee shall consist of four members, representing the three largest shareholders as per the end of August each year, together with the chairman of the board of directors. The nomination committee was appointed in the beginning of October, 2021 - further details can be found on the company's website.

Annual general meeting

The annual general meeting 2022 will be held on April 26, 2022. Shareholders who wish to have a specific matter brought before the general meeting must submit a written request to the company's board of directors no later than six weeks prior to the general meeting. If the request is received less than six weeks before the date of the general meeting, the board of directors must decide whether the request has been made with enough time for the issues to be included on the agenda.

Incentive programs

In order 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 warrants are subscribed, then the maximum shareholders dilution will be approximately 3.1%.

Warrant programs

Program	warrants outstanding 31/12-2021	vesting period	exercise period	exercise price DKK	exercise price EUR (rounded)
2017*	317,454	2018-2022	2019-2023	12.96	1.74
2019**	1,007,431	2020-2023	2022-2024	64.78	8.71
2020***	25,000	2021-2023	2023-2025	61.49	8.27
2020**	260,000	2021-2023	2023-2025	106.35	14.30
2021**	412,500	2022-2024	2024-2026	150.41	20.23
2021 US MIP Options	175,794	2021-2024	2024-2026	138.90	18.68
2021 US MIP PSU	432,945	2021-2024	2024-2026		

* The 2017 warrant program was established ahead of the IPO
** 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.

On October 1, 2021 the board of directors decided to implement a new management incentive plan (MIP) for the management and certain key employees in Action Network in the form of performance share units and share options. The Management Incentive Program (MIP) covers a grant of 473,563 performance share units and 201,238 share options to 20 employees in total. The duration of the MIP is 3 years. The 3-year value of the program is 12 mUSD (Black-Scholes value) measured at the maximum level (100% achievement of the business plan).

After the closing of the quarter, on January 27, 2022, the board of directors implemented a new Long Term Incentive Plan (LTI) for key employees in the Better Collective group (excl. the executive management). In total the grants under the LTI in 2022 covers 71,432 performance share units and 23,221 share options to 35 key employees in total, vesting over a 3-year period. The total value of the 2022 LTI grant program is 1.4 mEUR (calculated @Black-Scholes value) measured at the target level (100% achievement of the financial goals).

The MIP and the LTI will have no dilutive effect on Better Collective A/S' shareholders, since Better Collective A/S intends to initiate share buy-back programs to meet its obligations under the MIP and the LTI.

Risk management

Through an Enterprise Risk Management process, a number of 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, for discussion of and any further mitigating actions required. The Board evaluates risk dynamically to cater for this variation in risk impact. The policies and guidelines in place stipulate how Better Collective 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 company'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 operators (customers). With the acquisitions in the US, the overall risk profile of Better Collective has changed, and regulatory/compliance as well as financial risk has increased. Better Collective has mitigated the additional risks in US in a number of ways, regulatory and 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 organisational risk through establishment of local governance/management, and finance, HR, and Legal organisation dedicated to the US operations.

The coronavirus outbreak, COVID-19, continues to have an impact on the global economy. If major sports events are cancelled or significantly postponed, it is likely to impact our revenue as we to a large extent rely on the operators' user activity. Additionally, the health and safety of our employees may be at risk. We continue to prepare for sports events up until the point that they may be cancelled. For internal purposes, we have set up a response team to ensure that we follow government guidelines as a minimum. Our first priority is to protect the health and safety of our employees. We have the technological setup to operate the business while our employees work remotely.

Other key risk factors are described in the Annual Report 2020.

Contact

CEO: Jesper Søgaard
CFO: Flemming Pedersen
Investor Relations: Christina Bastius Thomsen +45 2363 8844, 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 February 24, 2022 at 08:00 CET.

About

Better Collective is a global sports betting media group providing platforms that empower and enhance the betting experience for sports fans and iGamers. Aiming to make betting and gambling more entertaining, transparent and fair, Better Collective offers a range of editorial content, bookmaker information, data insights, betting tips, iGaming communities and educational tools. Its portfolio of platforms include bettingexpert.com, VegasInsider.com, HLTV.org and Action Network. Better Collective is headquartered in Copenhagen, Denmark, and listed on Nasdaq Stockholm (BETCO). More information at 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 – December 31, 2021.

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 – December 31, 2021.

The condensed consolidated interim financial statements for the period January 1 – December 31, 2021 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 has 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 at December 31, 2021 and of the results of the Group's and Parent Company's operations and the Group's cash flows for the period January 1 – December 31, 2021.

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, February 23, 2022

Executive Management

Jesper Søgaard
CEO & Co-founder

Christian Kirk Rasmussen
COO & Co-founder

Flemming Pedersen
CFO

Board of Directors

Jens Bager
Chairman

Todd Dunlap

Therese Hillman

Klaus Holse

Leif Nørgaard

Petra von Rohr

Financial statements for the period January 1 – December 31

Condensed interim consolidated income statement

Note	tEUR	**Q4 2021**	Q4 2020	**2021**	2020
3	**Revenue**	**52,794**	**36,714**	**177,051**	**91,186**
	Direct costs related to revenue	19,789	13,489	64,863	20,471
4	Staff costs	11,742	6,765	40,813	24,156
	Depreciation	473	438	1,764	1,548
	Other external expenses	4,927	2,352	15,600	8,407
	Operating profit before amortisations (EBITA) and special items	**15,863**	**13,670**	**54,011**	**36,604**
7	Amortisation and impairment	3,530	1,638	8,516	6,235
	Operating profit (EBIT) before special items	**12,333**	**12,032**	**45,495**	**30,369**
5	Special items, net	260	-131	-16,746	120
	Operating profit	**12,593**	**11,900**	**28,749**	**30,489**
	Financial income	89	522	3,383	1,965
	Financial expenses	428	1,406	5,905	3,743
	Profit before tax	**12,254**	**11,017**	**26,227**	**28,712**
6	Tax on profit for the period	1,454	2,552	8,936	6,785
	Profit for the period	**10,800**	**8,464**	**17,292**	**21,927**
	Earnings per share attributable to equity holders of the company				
	Average number of shares	54,334,102	46,625,803	50,541,901	46,664,615
	Average number of warrants – converted to number of shares	2,405,023	1,971,841	2,334,756	2,043,366
	Earnings per share (in EUR)	0.20	0.18	0.34	0.47
	Diluted earnings per share (in EUR)	0.19	0.17	0.33	0.45

Condensed interim consolidated statement of other comprehensive income

Note	tEUR	**Q4 2021**	Q4 2020	**2021**	2020
	Profit for the period	**10,800**	**8,464**	**17,292**	**21,927**
	Other comprehensive income				
	Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
	Currency translation to presentation currency	-11	289	-300	68
	Currency translation of non-current intercompany loans	5,204	-1,668	16,498	-3,414
6	Income tax	-1,145	367	-3,629	751
	Net other comprehensive income/loss	4,070	-1,012	12,568	-2,595
	Total other comprehensive income/(loss) for the period, net of tax	**14,870**	**7,452**	**29,860**	**19,332**
	Attributable to:				
	Shareholders of the parent	14,870	7,452	29,860	19,332

Financial statements for the period January 1 – December 31

Condensed interim consolidated balance sheet

Note	tEUR	2021	2020
	Assets		
	Non-current assets		
7	**Intangible assets**		
	Goodwill	178,182	99,315
	Domains and websites	329,276	150,274
	Accounts and other intangible assets	12,453	9,378
		519,911	**258,967**
	Property, plant and equipment		
	Land and buildings	47	721
	Right of use assets	2,708	3,225
	Fixtures and fittings, other plant and equipment	1,611	1,448
		4,365	**5,395**
	Other non-current assets		
	Other non-current financial assets	0	1,093
	Deposits	660	434
	Deferred tax asset	9,545	621
		10,204	2,149
	Total non-current assets	**534,481**	**266,510**
	Current assets		
	Trade and other receivables	30,083	18,248
	Corporation tax receivable	500	788
	Prepayments	2,223	1,465
	Restricted Cash	1,489	6,926
	Cash	28,603	21,127
	Total current assets	**62,898**	**48,555**
	TOTAL ASSETS	**597,379**	**315,065**

Financial statements for the period January 1 – December 31

Condensed interim consolidated balance sheet

Note	tEUR	**2021**	2020
	Equity and liabilities		
	Equity		
	Share Capital	546	469
	Share Premium	267,873	108,825
	Currency Translation Reserve	10,798	-1,770
	Treasury Shares	-8,074	-2
	Retained Earnings	73,705	55,019
	Proposed Dividends	0	0
	Total equity	**344,848**	**162,542**
	Non-current Liabilities		
8	Debt to mortgage credit institutions	0	507
8	Debt to credit institutions	121,025	68,770
8	Lease liabilities	1,521	2,124
8	Deferred tax liabilities	69,595	25,207
8	Other long-term financial liabilities	4,939	8,796
8	Contingent Consideration	0	20,807
	Total non-current liabilities	**197,079**	**126,212**
	Current Liabilities		
	Prepayments received from customers and deferred revenue	3,400	450
	Trade and other payables	18,393	10,247
	Corporation tax payable	1,735	1,985
8	Other financial liabilities	10,683	9,850
8	Contingent Consideration	19,893	2,498
	Debt to mortgage credit institutions	0	20
8	Lease liabilities	1,347	1,262
	Total current liabilities	**55,452**	**26,312**
	Total liabilities	**252,531**	**152,523**
	TOTAL EQUITY AND LIABILITIES	**597,379**	**315,065**

Financial statements for the period January 1 – December 31

Condensed interim consolidated statement of changes in equity

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2021	**469**	**108,825**	**-1,770**	**-2**	**55,019**	**0**	**162,542**
Result for the period	0	0	0	0	17,292	0	17,292
Other comprehensive income							
Currency translation	0	0	16,197	0	0	0	16,197
Tax on other comprehensive income	0	0	-3,629	0	0	0	-3,629
Total other comprehensive income	0	0	12,568	0	0	0	12,568
Total comprehensive income for the year	**0**	**0**	**12,568**	**0**	**17,292**	**0**	**29,860**
Transactions with owners							
Capital Increase	77	159,048	0	0	0	0	159,125
Acquisition of treasury shares	0	0	0	-8,135	0	0	-8,135
Disposal of treasury shares	0	0	0	71	11	0	82
Share based payments	0	0	0	0	3,688	0	3,688
Transaction cost	0	0	0	-8	-2,305	0	-2,313
Total transactions with owners	**77**	**159,048**	**0**	**-8,072**	**1,395**	**0**	**152,447**
At December 31, 2021	**546**	**267,873**	**10,798**	**-8,074**	**73,705**	**0**	**344,848**

During the period no dividend was paid.

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2020	**464**	**106,295**	**825**	**0**	**30,732**	**0**	**138,317**
Result for the period	0	0	0	0	21,927	0	21,927
Other comprehensive income							
Currency translation	0	0	-3,346	0	0	0	-3,346
Tax on other comprehensive income	0	0	751	0	0	0	751
Total other comprehensive income	0	0	-2,595	0	0	0	-2,595
Total comprehensive income for the year	**0**	**0**	**-2,595**	**0**	**21,927**	**0**	**19,332**
Transactions with owners							
Capital Increase	5	2,530	0	0	0	0	2,535
Acquisition of treasury shares	0	0	0	-4,903	0	0	-4,903
Disposal of treasury shares	0	0	0	4,901	1,437	0	6,338
Share based payments	0	0	0	0	955	0	955
Transaction cost	0	0	0	0	-33	0	-33
Tax on settlement of warrants	0	0	0	0	0	0	0
Total transactions with owners	**5**	**2,530**	**0**	**-2**	**2,359**	**0**	**4,893**
At December 31, 2020	**469**	**108,825**	**-1,770**	**-2**	**55,019**	**0**	**162,542**

During the period no dividend was paid.

Financial statements for the period January 1 – December 31

Condensed interim consolidated statement of cash flows

Note	tEUR	Q4 2021	Q4 2020	2021	2020
	Profit before tax	12,254	11,017	26,227	28,712
	Adjustment for finance items	339	884	2,522	1,778
	Adjustment for special items	-260	131	16,746	-120
	Operating Profit for the period before special items	12,333	12,032	45,495	30,369
	Depreciation and amortisation	4,003	2,076	10,280	7,783
	Other adjustments of non cash operating items	-1,389	231	-531	955
	Cash flow from operations before changes in working capital and special items	14,949	14,339	55,245	39,107
	Change in working capital	-1,414	-4,192	-4,040	-786
	Cash flow from operations before special items	13,535	10,148	51,204	38,321
	Special items, cash flow	-207	-499	-5,997	-625
	Cash flow from operations	13,328	9,648	45,207	37,696
	Financial income, received	346	892	3,702	1,415
	Financial expenses, paid	-954	-1,476	-4,693	-2,497
	Cash flow from activities before tax	12,720	9,064	44,216	36,614
	Income tax paid	-7,158	-4,199	-12,654	-9,940
	Cash flow from operating activities	**5,562**	**4,866**	**31,562**	**26,675**
	Acquisition of businesses	-17,537	-31,497	-207,900	-65,792
	Acquisition of intangible assets	-317	-1,355	-11,591	-1,802
	Acquisition of property, plant and equipment	-147	-146	-687	-460
	Sale of property, plant and equipment	0	1	972	1
	Change in other non-current assets	2	367	-12	-36
	Cash flow from investing activities	**-17,999**	**-32,631**	**-219,219**	**-68,090**
	Repayment of borrowings	-73,043	-5	-87,069	-22,756
	Proceeds from borrowings	88,810	8,003	139,373	74,629
	Lease liabilities	-282	-276	-1,147	-1,025
	Other non-current liabilities	-844	1	-844	484
	Capital increase	238	193	148,893	393
	Treasury shares	-8,074	0	-8,143	-4,903
	Transaction cost	-14	-23	-2,305	-33
	Cash flow from financing activities	**6,790**	**7,893**	**188,759**	**46,790**
	Cash flows for the period	-5,647	-19,872	1,102	5,375
	Cash and cash equivalents at beginning	35,403	47,810	28,053	22,755
	Foreign currency translation of cash and cash equivalents	336	115	938	-77
	Cash and cash equivalents period end*	**30,093**	**28,053**	**30,093**	**28,053**
	* Cash and cash equivalents period end				
	Restricted cash	1,489	6,926	1,489	6,926
	Cash	28,603	21,127	28,603	21,127
	Cash and cash equivalents period end	**30,093**	**28,053**	**30,093**	**28,053**

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 affiliate marketing. Better Collective’s vision is to empower iGamers by leading the way in transparency and technology.

Basis of preparation
The Interim Report (condensed consolidated interim financial statements) for the period January 1 - December 30, 2021 has been prepared in accordance with IAS 34 “Interim financial statements” 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 analyse 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 1 January 2021 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 2020 annual report which contains a full description of the accounting policies for the Group and the parent company. The annual report for 2020 can be found on Better Collective’s web-site:

https://bettercollective.com/wp-content/uploads/2021/03/BetterCollective_AR20_web.pdf

Segments

From Q4, 2020, and following the acquisition of the Atemi Group on October 1, 2020, Better Collective has operated two different business models regarding customer acquisition with different earnings-profiles.

The Publishing business includes revenue from Better Collective’s proprietary online platforms and media partnerships where the online traffic is coming either directly or through organic search results, whereas Paid Media generates revenue through paid ad-traffic to our websites, thereby running on a significantly lower earnings margin. The segment reporting includes these two segments.

From Q2 2021, and following the acquisition of Action Network (included in Group accounts from time of closing on May 28, 2021) the US market constitutes >20% of Group Revenue and >30% of revenue in Publishing on an annualised basis. Hence, going forward Better Collective will report on the geographical segments US and RoW (Rest of World).

Comparative figures have been re-stated according to the new segment reporting. The performance of the segments is monitored to the level of operating profit before amortisations and special items, hence assets and liabilities for individual segments are not presented.

As of Q4 2021 Special items include cost related to the management incentive program rolled out in connection with the acquisition of Action Network.

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.

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 2020 which contains a full description of significant accounting judgements, estimates and assumptions.

Notes

2 Segments

From Q4, 2020, and following the acquisition of the Atemi Group on October 1, 2020, Better Collective has operated 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 platforms and media partnerships where the online traffic is coming either directly or through organic search results, whereas Paid Media generates revenue through paid ad-traffic to our websites, thereby running on a significantly lower earnings margin.

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

	Publishing		Paid Media		Total	
tEUR	**Q4 2021**	Q4 2020	**Q4 2021**	Q4 2020	**Q4 2021**	Q4 2020
Revenue	**38,932**	**22,849**	**13,862**	**13,865**	**52,794**	**36,714**
Cost	23,336	10,608	13,121	11,998	36,457	22,606
Operating profit before depreciation, amortisations and special items	**15,596**	**12,241**	**741**	**1,867**	**16,337**	**14,108**
EBITDA-Margin before special items	40%	54%	5%	13%	31%	38%
Depreciation	467	422	7	16	473	438
Operating profit before amortisations and special items	**15,129**	**11,819**	**734**	**1,851**	**15,863**	**13,670**
EBITA-Margin before special items	39%	52%	5%	13%	30%	37%

	Publishing		Paid Media		Total	
tEUR	**2021**	2020	**2021**	2020	**2021**	2020
Revenue	**120,188**	**74,184**	**56,863**	**17,002**	**177,051**	**91,186**
Cost	68,947	38,820	52,329	14,214	121,276	53,034
Operating profit before depreciation, amortisations and special items	**51,241**	**35,364**	**4,534**	**2,788**	**55,775**	**38,152**
EBITDA-Margin before special items	43%	48%	8%	16%	32%	42%
Depreciation	1,726	1,532	38	16	1,764	1,548
Operating profit before amortisations and special items	**49,515**	**33,832**	**4,496**	**2,772**	**54,011**	**36,604**
EBITA-Margin before special items	41%	46%	8%	16%	31%	40%%

		2020	
tEUR	Publishing	Paid Media	Total
Revenue	**74,184**	**17,002**	**91,186**
Cost	38,820	14,214	53,034
Operating profit before depreciation, amortisations and special items	**35,364**	**2,788**	**38,152**
EBITDA-Margin before special items	48%	16%	42%
Depreciation	1,532	16	1,548
Operating profit before amortisations and special items	**33,832**	**2,772**	**36,604**
EBITA-Margin before special items	46%	16%	40%

Notes

2 Segments, continued

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 local reach. Better Collective's regional brands are tailored according to the specific regions or countries and their respective regulations, sports, betting behaviours, user needs, and languages. From Q2 2021, and following the acquisition of Action Network (included in Group accounts from time of closing on May 28, 2021) the US market constitutes >20% of Group Revenue and >30% of revenue in Publishing on an annualised basis. Hence, going forward Better Collective will report on the geographical segments US and RoW (Rest of World), measuring and disclosing separately for Revenue, Cost and Earnings. Historical financial figures will be reported accordingly.

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

	Rest of World		US		Total	
tEUR	**Q4 2021**	Q4 2020	**Q4 2021**	Q4 2020	**Q4 2021**	Q4 2020
Revenue	**32,938**	**33,234**	**19,856**	**3,480**	**52,794**	**36,714**
Cost	24,631	20,249	11,826	2,357	36,457	22,606
Operating profit before depreciation, amortisations and special items	**8,306**	**12,985**	**8,030**	**1,123**	**16,337**	**14,108**
EBITDA-Margin before special items	25%	39%	40%	32%	31%	38%
Depreciation	406	316	68	121	473	438
Operating profit before amortisations and special items	**7,901**	**12,669**	**7,962**	**1,001**	**15,863**	**13,670**
EBITA-Margin before special items	24%	38%	40%	29%	30%	37%

	Rest of World		US		Total	
tEUR	**2021**	2020	**2021**	2020	**2021**	2020
Revenue	**130,021**	**81,181**	**47,030**	**10,005**	**177,051**	**91,186**
Cost	91,789	45,127	29,487	7,907	121,276	53,034
Operating profit before depreciation, amortisations and special items	**38,232**	**36,054**	**17,544**	**2,098**	**55,775**	**38,152**
EBITDA-Margin before special items	29%	44%	37%	21%	32%	42%
Depreciation	1,474	1,104	290	444	1,764	1,548
Operating profit before amortisations and special items	**36,757**	**34,950**	**17,254**	**1,654**	**54,011**	**36,604**
EBITA-Margin before special items	28%	43%	37%	17%	31%	40%

		2020	
tEUR	Rest of World	US	Total
Revenue	**81,181**	**10,005**	**91,186**
Cost	45,127	7,907	53,034
Operating profit before depreciation, amortisations and special items	**36,054**	**2,098**	**38,152**
EBITDA-Margin before special items	44%	21%	42%
Depreciation	1,104	444	1,548
Operating profit before amortisations and special items	**34,950**	**1,654**	**36,604**
EBITA-Margin before special items	43%	17%	40%

Notes

3 Revenue specification - affiliate model

In accordance with IFRS 15 disclosure requirements, total revenue is split on Revenue Share, Cost per Acquisition (CPA), Subscription Revenue and Other, as follows:

tEUR	**Q4 2021**	Q4 2020	**2021**	2020
Revenue				
Revenue Share	16,715	17,620	67,858	53,697
CPA	25,344	13,881	80,423	22,251
Revenue - Subscription	4,474	1,980	11,770	5,645
Aff. Revenue Other	6,260	3,233	17,001	9,593
Total Revenue	**52,794**	**36,714**	**177,051**	**91,186**

%-split	**Q4 2021**	Q4 2020	**2021**	2020
Revenue				
Revenue Share	32	48	38	59
CPA	48	38	45	24
Revenue - Subscription	8	5	7	6
Aff. Revenue Other	12	9	10	11
Total Revenue	**100**	**100**	**100**	**100**

4 Share-based payment plans

2017 Warrant program:
During the quarter the company did not grant any warrants under this program.

During the quarter, employees have exercised warrants corresponding to 136,536 shares issued.

2019 Warrant program:
During the quarter the company did not grant any warrants under this program. No warrants were exercised under this program.

The total share based compensation expense recognised for Q4 2021 is 421 tEUR (Q4 2020: 231 tEUR).

The total share based compensation expense recognised for 2021 is 1,203 tEUR (2020: 955 tEUR).

MIP program for Action Network:
During the quarter a new management incentive program for management and selected key employees in Action Network was implemented. Under the program 473,563 performance share units and 201,238 share options were granted to a total of 20 employees. The cost related to the MIP program are recognised as special items and amounts to 2,475 tEUR in Q4 2021 (2021 2,475 tEUR).

Notes

5 Special items

Significant income and expenses, which Better Collective consider non-recurring are presented in the Income statement in a separate line item labelled 'Special items'. The impact of special items is specified as follows:

tEUR	Q4 2021	Q4 2020	2021	2020
Operating profit	**12,593**	**11,900**	**28,749**	**30,489**
Special items related to M&A	-207	-409	-5,991	-676
Variable payments regarding acquisitions - cost	0	0	-11,487	0
Variable payments regarding acquisitions - income	2,952	368	2,952	658
Special items related to Restructuring	0	-100	-6	-493
Special items related to Divestiture of Assets	0	10	272	632
Special items related to Management Incentive Program	-2,485	0	-2,485	0
Special items, Total	**260**	**-131**	**-16,746**	**120**
Operating profit (EBIT) before special items	**12,333**	**12,032**	**45,495**	**30,369**
Amortisations	3,530	1,638	8,516	6,235
Operating profit before amortisations and special items (EBITA before special items)	**15,863**	**13,670**	**54,011**	**36,604**
Depreciation	473	438	1,764	1,548
Operating profit before depreciation, amortisations, and special items (EBITDA before special items)	**16,337**	**14,108**	**55,775**	**38,152**

6 Income tax

Total tax for the period is specified as follows:

tEUR	Q4 2021	Q4 2020	2021	2020
Tax for the period	1,454	2,552	8,936	6,785
Tax on other comprehensive income	1,145	-367	3,629	-751
Total	**2,599**	**2,185**	**12,565**	**6,034**

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

tEUR	Q4 2021	Q4 2020	2021	2020
Deferred tax	135	-446	-38	-1,036
Current tax	1,227	2,983	8,890	7,848
Adjustment from prior years	92	15	84	-27
Total	**1,454**	**2,552**	**8,936**	**6,785**

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

tEUR	Q4 2021	Q4 2020	2021	2020
Specification for the period:				
Calculated 22% tax of the result before tax	2,696	2,424	5,770	6,317
Adjustment of the tax rates in foreign subsidiaries relative to the 22%	183	78	965	357
Tax effect of:				
Special items	-63		4,433	
Special items - taxable items*	649	0	-2,323	0
Non-taxable income	0	0	0	-307
Non-deductible costs	2	35	8	445
Adjustment of tax relating to prior periods*	-2,014	15	84	-27
	1,454	**2,552**	**8,936**	**6,785**
Effective tax rate	**11.9%**	**23.2%**	**34.1%**	**23.6%**

* Q4 Includes adjustment related to final assessment of US tax situation.

Notes

7 Intangible assets

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation				
As of January 1, 2021	**99,315**	**150,274**	**25,175**	**274,764**
Additions	0	10,998	3,298	14,297
Acquisitions through business combinations	75,741	157,151	7,949	240,842
Currency Translation	3,126	10,853	404	14,383
At December 31, 2021	**178,182**	**329,276**	**36,827**	**554,554**
Amortisation and impairment				
As of January 1, 2021	**0**	**0**	**15,797**	**15,797**
Amortisation for the period	0	0	6,823	6,823
Impairment for the period*	0	0	1,693	1,693
Currency translation	0	0	61	61
At December 31, 2021	**0**	**0**	**24,374**	**24,374**
Net book value at December 31, 2021	**178,182**	**329,276**	**12,453**	**519,911**

*Impairment of accounts acquired in connection with Dutch assets.

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation				
As of January 1, 2020	**41,968**	**132,848**	**20,963**	**195,779**
Additions	0	761	309	1,070
Acquisitions through business combinations	58,955	20,551	3,900	83,406
Currency Translation	-1,609	-3,887	4	-5,492
At December 31, 2020	**99,315**	**150,274**	**25,175**	**274,764**
Amortisation and impairment				
As of January 1, 2020	**0**	**0**	**9,008**	**9,008**
Amortisation for the period	0	0	6,235	6,235
Impairment included in Special items	0	0	558	558
Currency translation	0	0	-4	-4
At December 31, 2020	**0**	**0**	**15,797**	**15,797**
Net book value at December 31, 2020	**99,315**	**150,274**	**9,378**	**258,967**

Notes

8 Non-current liabilities and other current financial liabilities

Debt to credit institutions:
As per December 31, 2021 Better Collective has drawn 121.0 mEUR on the credit facility established with Nordea.

Lease liabilities:
Non-current and current lease liabilities, of 1.5 mEUR and 1.3 mEUR respectively.

Deferred Tax:
Deferred tax as of December 31, 2021 amounted to 69.595 mEUR. The change from January 1, 2021 originates from changes in deferred tax related to acquisitions, amortisation of accounts from acquisitions, and deferred tax changes in Parent Company.

Contingent Consideration:
On November 4, 2021 Better Collective announced the acquisition of the remaining shares in Rical LLC. The difference between the recorded contingent consideration and the final purchase prices for the remaining shares has been charged to Special Items in the P/L as cost of 11.5 mEUR in accordance with IFRS.

As per December 31, 2021 the contingent consideration amounted to 19.9 mEUR due to the remaining purchase price related to the acquisition of Rical LLC.

Other financial liabilities:
As per December 31, 2021 other financial liabilities amounted to 15.6 mEUR due to deferred and variable payments related to acquisitions. The decrease from January 1, 2021 relates to the earn-out payment for HLTV and the deferred payments for Atemi countered by deferred payment for Action Network and acquisition of Dutch assets,

Fair value 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.

9 Business combinations

Acquisition of Action Network.

On May 3, 2021 Better Collective signed an agreement to acquire the leading US sports betting media platform, Action Network, for 196 mEUR (240 mUSD), gaining market leadership within sports betting media in the US. The acquisition closed on May 28, 2021 and provides Better Collective with a strong foundation for profiting from the continuous expansion of the US sports betting market.

The transferred consideration was paid with cash and shares, and a deferred payment payable in cash.

Following the publishing of the Q3 2021 report a revised deferred tax calculation on intangible assets has been included. as the goodwill has been re-assessed as not tax deductible, and brought forward tax losses have been included.

tEUR	Fair value determined at acquisition
Acquired net assets at the time of the acquisition	
Sites	153,670
Accounts and other intangible assets	7,773
Deferred tax assets	9,585
Equipment	88
Deposits	183
Prepayments	237
Trade receivables	2,141
Other receivables	147
Cash and cash equivalents	8,131
Deferred tax liabilities	-42,782
Trade payables	-1,245
Prepayments from customers	-2,297
Other payables	-1,566
Identified net assets	**134,054**
Goodwill	69,157
Total consideration	**203,221**

Notes

9 Business combinations, continued

A goodwill of 69,157 tEUR emerged from the acquisition of Action Network 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 growth expectations for the US market. Following the publishing of the Q3 2021 report the goodwill has been re-assessed as not tax deductible. This leads to an increase in deferred tax and goodwill on the transaction, but has no impact on the Profit and Loss.

Transaction costs related to the acquisition of Action Network amounts to 5,519 tEUR in 2021. Transaction costs are accounted for in the income statements under “special items”.

The fair value of the trade receivables amounts to 2,141 tEUR. The gross amount of trade receivables is 2,141 tEUR and no provision has been recorded.

tEUR	
Purchase amount	203,221
Regards to:	
Cash and cash equivalents	8,131
Less deferred payment	8,167
Less price paid in shares	9,388
Net cash outflow	177,535

The acquisition was completed on May 28, 2021. If the transaction had been completed on January 1, 2021 the Group’s revenue YTD would have amounted to 189,241 tEUR and result after tax would have amounted to 16,482 tEUR.

The purchase price allocation is provisional due to uncertainties regarding measurement of acquired intangible assets.

Acquisition of Mindway AI ApS

On January 1, 2021 Better Collective exercised its option to acquire a further 70% of the shares in Mindway AI for a total price of 2.3 mEUR (17 mDKK). The acquisition follows a preliminary investment made in 2019 where Better Collective acquired 19.99% of the company for 0.5 mEUR (4 mDKK). With the new investment, Better Collective now holds 90% of the shares in Mindway AI.

The transferred consideration was paid with cash.

tEUR	Fair value determined at acquisition
Acquired net assets at the time of the acquisition	
Equipment	3
Deposits	5
Trade and other receivables	76
Cash and cash equivalents	89
Corporate tax payables	-2
Loans	-555
Trade and other payables	-197
Identified net assets	**-581**
Goodwill	3,404
Total consideration	**2,823**

Notes

9 Business combinations, continued

A goodwill of 3,404 tEUR emerged from the acquisition of Mindway AI 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 competencies and platform acquired. The goodwill is not tax deductible.

Transaction costs related to the acquisition of Mindway AI amounts to 2 tEUR in 2021. Transaction costs are accounted for in the income statements under "special items".

The fair value of the trade receivables amounts to 76 tEUR. The gross amount of trade receivables is 76 tEUR and no provision has been recorded.

tEUR	
Purchase amount	2,823
Regards to:	
Cash and cash equivalents	89
Less paid in 2020	538
Net cash outflow	2,197

The acquisition was completed on January 1, 2021 and Mindway AI has been fully consolidated from that date.

Notes

10 Cash flow statement - specifications

Note	tEUR	**Q4 2021**	Q4 2020	**2021**	2020
	Acquisition of business combinations:				
	Net Cash outflow from business combinations at acquisition	0	-30,114	-179,732	-53,429
	Business Combinations deferred payments from current period	-687	-1,384	-2,159	-1,384
	Deferred payments - business combinations from prior periods	-16,850	0	-26,010	-10,979
	Total cash flow from business combinations	**-17,537**	**-31,497**	**-207,900**	**-65,792**
	Acquisition of intangible assets:				
	Acquisitions through asset transactions	-168	-1,070	-14,297	-1,070
	Deferred payments related to acquisition value	-129	0	3,535	0
	Deferred payments - acquisitions from prior periods	-20	0	-70	0
	Intangible assets with no cash flow effect	0	0	0	0
	Other investments	-1	-285	-759	-732
	Total cash flow from intangible assets	**-317**	**-1,355**	**-11,591**	**-1,802**

tEUR	**2021**	2020
Cashflow from Equity movements:		
Equity movements with cashflow impact - from cash flow statement:		
Capital increase	148,893	393
Treasury shares	-8,143	-4,903
Transaction cost	-2,305	-33
Warrant settlement, sale of warrants	0	0
Total equity movements with cash flow impact	**138,446**	**-4,542**
Non-cash flow movements on equity:		
New shares for M&A payments	10,232	2,142
Treasury Shares used for payments	82	6,338
Share based payments - warrant expenses with no cash flow effect	3,688	955
Tax impact of settlement of warrants	0	0
Total equity movements with no cash flow impact	**14,002**	**9,435**
Total Transactions with owners - Consolidated statement of changes in equity	**152,447**	**4,893**

Financial statements for the period January 1 – December 31

Condensed interim income statement – Parent company

tEUR	Q4 2021	Q4 2020	2021	2020
Revenue	**10,518**	**9,534**	**36,961**	**26,940**
Other operating income	2,964	1,480	12,748	8,878
Direct costs related to revenue	3,061	1,109	7,407	3,546
Staff costs	3,284	2,653	13,767	10,958
Depreciation	125	126	490	482
Other external expenses	4,642	2,599	15,080	9,129
Operating profit before amortisations (EBITA) and special items	**2,371**	**4,526**	**12,963**	**11,702**
Amortisation and impairment	2,249	464	3,397	1,974
Operating profit (EBIT) before special items	**122**	**4,062**	**9,566**	**9,728**
Special items, net	2,827	326	2,776	266
Operating profit	**2,949**	**4,387**	**12,342**	**9,994**
Financial income	6,559	681	47,400	13,860
Financial expenses	294	2,586	5,102	6,573
Profit before tax	**9,214**	**2,482**	**54,640**	**17,280**
Tax on profit for the period	2,259	460	6,947	1,563
Profit for the period	**6,954**	**2,021**	**47,692**	**15,717**

Condensed interim statement of other comprehensive income

tEUR	Q4 2021	Q4 2020	2021	2020
Profit for the period	**6,954**	**2,021**	**47,692**	**15,717**
Other comprehensive income				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Currency translation to presentation currency	-31	286	50	601
Income tax	0	0	0	0
Net other comprehensive income/loss	**-31**	**286**	**50**	**601**
Total other comprehensive income/(loss) for the period, net of tax	**6,923**	**2,307**	**47,742**	**16,319**

Financial statements for the period January 1 – December 31

Condensed interim balance sheet – Parent company

tEUR	2021	2020
Assets		
Non-current assets		
Intangible assets		
Domains and websites	26,189	15,185
Accounts and other intangible assets	3,257	3,355
	29,446	**18,540**
Property, plant and equipment		
Land and building	0	704
Right of use assets	601	896
Fixtures and fittings, other plant and equipment	310	317
	911	**1,917**
Financial assets		
Investments in subsidiaries	189,318	183,856
Receivables from subsidiaries	245,349	36,969
Other non-current financial assets	0	1,146
Deposits	170	160
	434,837	**222,131**
Total non-current assets	**465,194**	**242,588**
Current assets		
Trade and other receivables	7,683	4,648
Receivables from subsidiaries	22,428	1,657
Tax receivable	0	653
Prepayments	1,331	736
Restricted Cash	1,489	6,926
Cash	5,962	2,560
Total current assets	**38,894**	**17,180**
TOTAL ASSETS	**504,088**	**259,767**

Financial statements for the period January 1 – December 31

Condensed interim balance sheet – Parent company

tEUR	2021	2020
Equity and liabilities		
Equity		
Share Capital	546	469
Share Premium	267,873	108,825
Currency Translation Reserve	544	494
Treasury shares	-8,066	-2
Retained Earnings	94,223	45,137
Proposed Dividends	0	0
Total equity	**355,121**	**154,923**
Non-current Liabilities		
Debt to mortgage credit institutions	0	507
Debt to credit institutions	121,025	68,770
Lease liabilities	330	629
Deferred tax liabilities	1,996	1,163
Other non-current financial liabilities	4,939	8,796
Total non-current liabilities	**128,290**	**79,864**
Current Liabilities		
Trade and other payables	4,046	2,127
Payables to subsidiaries	9,273	12,585
Corporation tax payable	993	70
Other current financial liabilities	6,039	9,850
Debt to mortgage credit institutions	0	20
Lease liabilities	328	328
Total current liabilities	**20,678**	**24,980**
Total liabilities	**148,967**	**104,844**
TOTAL EQUITY AND LIABILITIES	**504,088**	**259,767**

Financial statements for the period January 1 – December 31

Condensed interim statement of changes in equity – Parent company

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2021	**469**	**108,825**	**494**	**-2**	**45,137**	**0**	**154,923**
Result for the period	0	0	0	0	47,692	0	47,692
Other comprehensive income							
Currency translation to presentation currency	0	0	50	0	0	0	50
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	50	0	0	0	50
Total comprehensive income for the year	**0**	**0**	**50**	**0**	**47,692**	**0**	**47,742**
Transactions with owners							
Capital Increase	77	159,048	0	0	0	0	159,125
Acquisition of treasury shares	0	0	0	-8,135	0	0	-8,135
Disposal of treasury shares	0	0	0	71	11	0	82
Share based payments	0	0	0	0	3,688	0	3,688
Transaction cost	0	0	0	0	-2,305	0	-2,305
Total transactions with owners	**77**	**159,048**	**0**	**-8,064**	**1,395**	**0**	**152,455**
At December 31, 2021	**546**	**267,873**	**544**	**-8,066**	**94,223**	**0**	**355,121**

During the period no dividend was paid.

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2020	**464**	**106,295**	**-107**	**0**	**27,060**	**0**	**133,712**
Result for the period	0	0	0	0	15,717	0	15,717
Other comprehensive income							
Currency translation to presentation currency	0	0	601	0	0	0	601
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	601	0	0	0	601
Total comprehensive income for the year	**0**	**0**	**601**	**0**	**15,717**	**0**	**16,319**
Transactions with owners							
Capital Increase	5	2,530	0	0	0	0	2,535
Acquisition/disposal of treasury shares	0	0	0	-4,903	0	0	-4,903
Shared based payments	0	0	0	4,901	1,437	0	6,338
Cash settlement of warrants	0	0	0	0	955	0	955
Tax on settlement of warrants	0	0	0	0	-33	0	-33
Tax on settlement of warrants	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total transactions with owners	**5**	**2,530**	**0**	**-2**	**2,359**	**0**	**4,893**
At December 31, 2020	**469**	**108,825**	**494**	**-2**	**45,137**	**0**	**154,923**

During the period no dividend was paid.

Alternative Performance Measures and Definitions

The group uses Alternative Performance Measures not defined under IFRS to give management and investors important information to enable them to fully analyse the Better Collective business and trends. The APMs are not meant to replace but to complement the performance measures defined under IFRS. Note 5 contains a bridge from the APMs to performance measures defined by IFRS.

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 amortisations (EBITA)	Operating profit plus amortisations	Better Collective reports this APM to allow monitoring and evaluation of the Group's operational profitability.
Operating profit before amortisations margin (%)	Operating profit before amortisations / 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 and profitability excluding special items that do no stem from ongoing operations, providing a more comparable measure over time.
Operating profit before amortisations and special items margin (%)	Operating profit before amortisations and special items / Revenue	This APM supports the assessment and monitoring of the Group's performance and 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 not part of ongoing business, e.g. cost related to M&A and restructuring, adjustments of variable payments, and MIP connected to acquisition.
Net Debt / EBITDA before special items	(Interest bearing debt, including earn-outs from acquisitions, excl. contingent consideration, 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 compared to same period previous year. Organic growth from acquired companies or assets are calculated from the date of acquisition measured against historical baseline performance.	Reported to measure the ability to generate growth from existing business

Definitions

Term	Description
PPC	Pay-Per-Click
SEO	Search Engine Optimisation
Sports win margin	Sports net player winnings (operators) / sports wagering
Sports wagering	The value of bets placed by the players
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

Toldbodgade 12
1253 Copenhagen K
Denmark

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

Facebook
Instagram
Twitter
LinkedIn