



**ARRANGEMENT INVOLVING
PLAYMAKER CAPITAL INC.
AND
BETTER COLLECTIVE A/S**

**NOTICE OF MEETING AND MANAGEMENT INFORMATION
CIRCULAR FOR THE SPECIAL MEETING OF SHAREHOLDERS OF
PLAYMAKER CAPITAL INC. TO BE HELD ON JANUARY 22, 2024 AT
10:00 A.M. (TORONTO TIME)**

This management information circular and the accompanying materials are important and require your immediate attention. Please carefully read this management information circular, including its accompanying materials and the documents incorporated by reference herein, as they contain detailed information related to, among other things, the proposed plan of arrangement that will be voted upon at the special meeting. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult a professional advisor.

YOUR VOTE IS IMPORTANT. TAKE ACTION AND VOTE TODAY. THE BOARD OF DIRECTORS OF PLAYMAKER CAPITAL INC. UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ARRANGEMENT RESOLUTION SET FORTH IN THIS MANAGEMENT INFORMATION CIRCULAR

December 15, 2023



LETTER TO SHAREHOLDERS

December 15, 2023

Dear Playmaker Shareholders:

The Board of Directors (the “**Company Board**”) of Playmaker Capital Inc. (“**Playmaker**” or the “**Company**”) invites you to attend the special meeting (the “**Meeting**”) of the holders of common shares (the “**Company Shares**”) of the Company (the “**Company Shareholders**”) to be held via live audio webcast on January 22, 2024 at 10:00 a.m. (Toronto time) at <https://web.lumiagn.com/#/205606471>.

The Arrangement

At the Meeting, Company Shareholders will be asked to consider and, if deemed advisable, pass a special resolution (the “**Arrangement Resolution**”) to approve an arrangement (the “**Arrangement**”), in accordance with the terms of an arrangement agreement entered into by Playmaker and Better Collective A/S (“**Better Collective**” or the “**Purchaser**”) on November 6, 2023, as amended on December 8, 2023 (the “**Arrangement Agreement**”), pursuant to which Better Collective agreed to acquire all of the issued and outstanding Company Shares by way of a statutory plan of arrangement (the “**Plan of Arrangement**”) under Section 182 of the *Business Corporations Act* (Ontario) (the “**OBCA**”).

Under the terms of the Arrangement Agreement, which was negotiated at arm’s length, each Company Shareholder (other than Company Shareholders validly exercising their dissent rights (the “**Dissenting Shareholders**”) and JPG Investments Inc., Jordan Gnat and their affiliates (collectively, the “**Rollover Shareholders**”)) will receive, at such Company Shareholder’s election on the closing of the Arrangement, for each Company Share held: (a) \$0.70 in cash (the “**All Cash Consideration**”), (b) 0.0206 of an ordinary share in the capital of Better Collective (each ordinary share, a “**Better Collective Share**”) (the “**All Share Consideration**”), or (c) a combination of \$0.245 in cash and 0.0134 of a Better Collective Share (the “**Combination Consideration**” and, together with the All Cash Consideration and the All Share Consideration, the “**Consideration**”), in each case subject to proration to ensure that the aggregate of the cash consideration payable under the Arrangement does not exceed 35% of the total Consideration payable to such Company Shareholders and the aggregate value of the share consideration issuable under the Arrangement does not exceed 65% of the total Consideration payable to such Company Shareholders (“**Proration**”). Company Shareholders who do not make a valid election (other than Dissenting Shareholders and the Rollover Shareholders) will receive, on the closing of the Arrangement, the Combination Consideration for each Company Share held by such Company Shareholder.

Pursuant to the Arrangement, each option to purchase Company Shares (whether vested or unvested) (each, a “**Company Option**”) outstanding immediately prior to 12:01 a.m. (Toronto time) (the “**Effective Time**”) on the date the Arrangement becomes effective (the “**Effective Date**”), or such other time on the Effective Date agreed to by Playmaker and Better Collective, will be deemed unconditionally vested and exercisable and shall be deemed to be transferred to Playmaker in exchange for a cash payment equal to the amount, if any, by which \$0.70 exceeds the exercise price for such Company Option, less applicable withholding taxes. Following such transfer, each such Company Option will immediately be cancelled. Additionally, each restricted share unit (each, a “**Company RSU**”) of Playmaker (whether vested or unvested) outstanding immediately prior to the Effective Time will be deemed to be unconditionally vested and shall be deemed to be assigned and transferred to Playmaker in exchange for a cash payment equal to \$0.70 for each Company RSU, less applicable withholding taxes. Following such transfer, such Company RSUs will immediately be cancelled.

The Consideration represents a 46% premium to the closing price of the Company Shares on the TSX Venture Exchange (“**TSXV**”) on November 3, 2023 and a 44% premium to the 10-day volume-weighted average price of the Company Shares on the TSXV for the period ended on November 3, 2023. If consummated, the Arrangement would result in the Company Shareholders owning approximately 5.5% of Better Collective on a fully diluted basis.

Company Shareholders representing approximately 50% of Playmaker’s issued and outstanding Company Shares, including several of Playmaker’s largest shareholders and each of the Company’s directors and named executive officers, have entered into a voting and support agreement pursuant to which each has committed to vote in favour of the Arrangement Resolution.

Election

If you are a Company Shareholder whose name is entered on the securities register of the Company (a “**Registered Company Shareholder**”), in order to make your election to receive the All Cash Consideration, the All Share Consideration or the Combination Consideration, as applicable (subject to Proration and adjustment in accordance with the Plan of Arrangement), you must submit the enclosed letter of transmittal and election form (the “**Letter of Transmittal and Election Form**”) by 5:00 p.m. (Toronto time) on January 18, 2024, or, if the Meeting is adjourned or postponed, no later than 5:00 p.m. (Toronto time) two days (excluding Saturdays, Sundays or any day on which major banks are closed for business in Toronto, Ontario or Copenhagen, Denmark) (each, a “**Business Day**”) before the adjourned Meeting is reconvened or the postponed Meeting is convened (the “**Election Deadline**”). Please refer to the enclosed management information circular dated December 15, 2023 (the “**Circular**”) and the Letter of Transmittal and Election Form for additional information. If an election is not made in accordance with the instructions in the Letter of Transmittal and Election Form, you will receive the Combination Consideration. Beneficial Company Shareholders (i.e., Company Shareholders that hold Company Shares through a broker, investment dealer or other intermediary holding Company Shares on behalf of beneficial Company Shareholders (each an “**Intermediary**”)) should follow the instructions provided by your Intermediary to make your election. All cash Consideration paid at closing of the Arrangement will be paid in Canadian dollars.

Company Shareholders who choose not to vote, or to vote against the Arrangement Resolution, may still make an election to receive the All Cash Consideration, the All Share Consideration or the Combination Consideration by completing the election form included with the Letter of Transmittal and Election Form accompanying the Circular and submitting such form to Odyssey Trust Company prior to the Election Deadline. Company Shareholders whose Company Shares are registered in the name of an Intermediary should contact that Intermediary for instructions and assistance in delivery of the DRS advice statement(s), share certificate(s) or other evidence representing those Company Shares and making an election with respect to the form of Consideration they wish to receive.

Recommendation of the Company Board

The Company Board, after careful consideration of such matters as it considered relevant, as more fully described under the heading “The Arrangement – Reasons for the Recommendations” contained in the enclosed Circular, including, among other things, a thorough review of the Arrangement Agreement, after evaluating the Arrangement with management and Playmaker’s legal and financial advisors, including receipt of the Fairness Opinion (as defined and discussed in the enclosed Circular), has unanimously determined the Arrangement is in the best interests of Playmaker and is fair to Company Shareholders (other than the Rollover Shareholders) and that it is advisable and in the best interests of Playmaker to approve the entering into and execution and delivery of the Arrangement Agreement and the performance of its obligations thereunder, and has unanimously approved the Arrangement. Accordingly, the Company Board unanimously recommends that Company Shareholders vote **FOR** the Arrangement.

Required Approvals

To be effective, the Arrangement Resolution must be passed by an affirmative vote of: (i) at least two-thirds of the votes cast at the Meeting in person or by proxy by Company Shareholders; and (ii) a majority of the votes cast at the Meeting in person or by proxy by Company Shareholders, excluding the votes of persons whose votes must be excluded in accordance with MI 61-101 (as defined in the Circular). The Arrangement is also subject to other customary closing conditions, including approval by the Ontario Superior Court of Justice (Commercial List), approval of certain U.S. gaming authorities and approval under the *Investment Canada Act*.

The Company Board has set the close of business on December 11, 2023 (the “**Record Date**”) as the record date for determining the Company Shareholders who are entitled to receive notice of, and to vote at, the Meeting. Only persons shown on the relevant security register at the close of business on the Record Date, or their proxyholders, will be entitled to participate at the Meeting and vote on the Arrangement Resolution. Each Registered Company Shareholder whose name is entered on the securities register of the Company at the close of business on the Record Date is entitled to one vote for each Company Share registered in his, her or its name.

VOTE YOUR COMPANY SHARES TODAY FOR THE ARRANGEMENT RESOLUTION

The Company Board and management have decided to conduct the Meeting via live audio webcast at <https://web.lumiagn.com/#/205606471>. Registered Company Shareholders and duly appointed proxyholders will be able to vote in real time and ask questions at the Meeting by following the instructions set out in the Circular. Beneficial Company Shareholders who have not duly appointed themselves as proxyholders (pursuant to the process summarized in the Circular) may attend the Meeting as guests. Guests may listen but cannot vote at the Meeting or ask questions. Beneficial Company Shareholders should follow the instructions provided by their intermediary to ensure their vote is counted at the Meeting and should arrange for their intermediary to complete the necessary steps to ensure that they receive the Consideration for their Company Shares as soon as possible following completion of the Arrangement.

Your vote is very important regardless of the number of Company Shares you own. If you are a Registered Company Shareholder and you are unable to attend the Meeting, we encourage you to complete, sign, date and return the applicable proxy accompanying the Circular so that your Company Shares can be voted at the Meeting (or at any adjournments or postponements thereof) in accordance with your instructions. To be effective, the enclosed proxy must be received by Playmaker’s transfer agent, Odyssey Trust Company, according to the instructions on the proxy, not later than 10:00 a.m. (Toronto time) on January 18, 2024, or not later than 48 hours (other than a Saturday, Sunday or holiday in Ontario) immediately preceding the time of the Meeting (as it may be adjourned or postponed from time to time). Voting by proxy will not prevent you from voting online at the Meeting if you attend the virtual Meeting, but will ensure that your vote will be counted if you are unable to attend.

A Company Shareholder who wishes to appoint a person other than the management nominees identified on the form of proxy or voting instruction form (“**VIF**”), as applicable, to represent him, her or it at the Meeting may do so by inserting such person’s name in the blank space provided in the form of proxy or VIF, as applicable, and following the instructions for submitting such form of proxy or VIF, as applicable. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy (or proxies) or VIF. If you wish that a person other than the management nominees identified on the form of proxy or VIF attend and participate at the Meeting as your proxy and vote your Company Shares, including if you are not a Registered Company Shareholder and wish to appoint yourself as proxyholder to attend, participate and vote at the Meeting, you **MUST** (1) submit your form of proxy (or proxies) or VIF, as applicable, **AND** (2) thereafter, register such proxyholder, all in accordance with the instructions set out in the Circular. Failure to register a proxyholder will result in the proxyholder not receiving an invite code to participate in the Meeting. Without an invite code, proxyholders will not be able to attend, participate or vote at the Meeting. To register a proxyholder, Company Shareholders **MUST** email appointee@odysseytrust.com and provide Odyssey Trust Company with their proxyholder’s contact information, so that Odyssey Trust Company may provide the proxyholder with an invite code via email.

If you are a Registered Company Shareholder, we encourage you to complete, sign, date and return the enclosed Letter of Transmittal and Election Form in accordance with the instructions set out therein and in the Circular, together with your DRS advice statement(s), share certificate(s) or other evidence representing your Company Shares, to the Depositary (as defined in the accompanying Circular) at the address specified in the Letter of Transmittal and Election Form. The Letter of Transmittal and Election Form contains other procedural information, including information with respect to making an election for the All Cash Consideration, All Share Consideration or Combination Consideration relating to the Arrangement and should be reviewed carefully.

Company Shareholders Receiving Better Collective Shares

On closing of the Arrangement, all of the Better Collective Shares issued as Consideration under the Arrangement will initially be held in the name of Odyssey Transfer and Trust Company (the “**Depositary**”) and credited to the Depositary’s nominee account through its broker, Stifel Nicolaus & Co. (“**Stifel**”). The Depositary will hold the Better

Collective Shares as agent for the Company Shareholders that are entitled to receive such Better Collective Shares under the Arrangement. Within five Business Days following the Effective Date, the Depositary will deliver by first class mail to all Registered Company Shareholders and Intermediaries an account statement specifying their entitlement to the Better Collective Shares under the Arrangement (which will reflect their Consideration election and applicable Proration), along with an instruction form (the “**BC Share Instruction Form**”) to be completed and returned to the Depositary, which will provide each Registered Company Shareholder and Intermediary with an option to either (i) transfer their Better Collective Shares to a brokerage or custody account in their name that is permitted to hold the Better Collective Shares, or (ii) sell such Better Collective Shares in the local market via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), at the market price when such trade is executed, and remit to such Registered Company Shareholder or Intermediary the cash proceeds from the sale, subject to applicable withholding taxes.

As the Depositary receives valid and properly completed BC Share Instruction Forms from Registered Company Shareholders and Intermediaries, it will deliver those forms to Stifel for processing within two Business Days of receipt.

Closing

If the Company Shareholders approve the Arrangement Resolution at the Meeting, it is currently anticipated that the Arrangement will be completed in the first quarter of 2024, subject to obtaining approval of the Ontario Superior Court of Justice (Commercial List), approval of certain U.S. gaming authorities and approval under the *Investment Canada Act*, as well as the satisfaction or waiver of other customary closing conditions contained in the Arrangement Agreement.

Securityholder Questions

Full details of the Arrangement are set out in the accompanying Notice of Special Meeting of Company Shareholders and in the Circular. The Circular describes the Arrangement and includes certain additional information to assist you in considering how to vote on the proposed Arrangement Resolution, including certain risk factors relating to the completion of the Arrangement. You should carefully review and consider all of the information in the Circular, including any documents incorporated by reference therein. If you require assistance, please consult your financial, legal, tax or other professional advisor.

On behalf of the Company Board, I thank all Company Shareholders for their continued support of Playmaker. We look forward to receiving your endorsement for the Arrangement at the Meeting.

Yours very truly,

(signed) “Jordan Gnat”

Jordan Gnat
Director and Chief Executive Officer, Playmaker Capital Inc.

PLAYMAKER CAPITAL INC.

NOTICE OF SPECIAL MEETING OF COMPANY SHAREHOLDERS

TO BE HELD ON JANUARY 22, 2024

NOTICE IS HEREBY GIVEN that, pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated December 14, 2023 (the “**Interim Order**”), a special meeting (the “**Meeting**”) of holders (“**Company Shareholders**”) of common shares (the “**Company Shares**”) of Playmaker Capital Inc. (“**Playmaker**” or the “**Company**”) will be held via a live audio webcast online at <https://web.lumiagm.com/#/205606471> on January 22, 2024 at 10:00 a.m. (Toronto time), for the following purposes:

- (a) to consider and, if deemed advisable, to pass a special resolution (the “**Arrangement Resolution**”), the full text of which is set forth in Appendix “B” to the accompanying management information circular (the “**Circular**”), approving an arrangement (the “**Arrangement**”) pursuant to Section 182 of the *Business Corporations Act* (Ontario) (the “**OBCA**”) involving, among other things, the acquisition by Better Collective A/S (“**Better Collective**” or the “**Purchaser**”) of all of the outstanding Company Shares, all as more particularly described in the Circular, which resolution, to be effective, must be passed by an affirmative vote of: (i) at least two-thirds of the votes cast at the Meeting in person or by proxy by Company Shareholders; and (ii) a majority of the votes cast at the Meeting in person or by proxy by Company Shareholders, excluding the votes of persons whose votes must be excluded in accordance with Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions*; and
- (b) to transact such further and other business as may properly be brought before the Meeting or any postponement or adjournment thereof.

Specific details of the matters proposed to be put before the Meeting are set forth in the Circular which accompanies this Notice of Meeting. A copy of the arrangement agreement dated November 6, 2023 between Playmaker and Better Collective, as amended on December 8, 2023, is available for inspection by Company Shareholders on SEDAR+ at www.sedarplus.ca under Playmaker’s profile.

The Meeting will be conducted in a virtual-only format via live audio webcast. The live audio webcast will permit all participants to communicate adequately with each other during the Meeting. A summary of the information Company Shareholders will need to attend the Meeting online is provided in the enclosed Circular.

The Record Date for determining the Company Shareholders entitled to receive notice of and vote at the Meeting is the close of business on December 11, 2023 (the “**Record Date**”). Only Company Shareholders whose names have been entered in the register of Company Shareholders as of the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting.

To be included at the Meeting, your voting instructions must be received by Odyssey Trust Company (“**Odyssey**”), at Trader’s Bank Building, 702-67 Yonge Street, Toronto, ON M5E 1J8, Canada, in the enclosed envelope, by mail or by hand delivery or online at <https://vote.odysseytrust.com> by 10:00 a.m. (Toronto time) on January 18, 2024 (or, if the Meeting is postponed or adjourned, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto) prior to the date of the postponed or adjourned Meeting). Please note if you received a voting instruction form, you hold your Company Shares through a broker, investment dealer or other intermediary (each an “**Intermediary**”) and consequently must provide your instructions to your Intermediary as specified in the voting instruction form and by the deadline set out therein (which may be an earlier time than set out above). The chair of the Company Board (the “**Chair**”), on behalf of the Company, reserves the right to accept late proxies and to waive the proxy cut-off, with or without notice, but is under no obligation to accept or reject any particular late proxy. **Company Shareholders who are planning to return the form of proxy or voting instruction form are encouraged to review the Circular carefully before submitting such form.**

A Company Shareholder who is unable to attend the Meeting online via the live audio webcast and who wishes to ensure that their Company Shares will be voted at the Meeting is requested to complete, date and execute the enclosed form of proxy and deliver it by internet, by telephone, by hand or by mail in accordance with the instructions set out in the form of proxy and in the Circular. Company Shareholders whose names are entered on the securities register of the Company (“**Registered Company Shareholders**”), or the persons they appoint as their proxies, will be able to virtually attend the Meeting, ask questions and vote, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the enclosed Circular. Company Shareholders who beneficially own Company Shares that are registered in the name of an Intermediary or clearing agency (“**Beneficial Company Shareholders**”) who have not duly appointed themselves as proxyholders may still virtually attend the Meeting as guests provided they are connected to the internet. Guests will be able to listen to the Meeting and ask questions following conclusion of the formal business of the Meeting but will not be able to vote at the Meeting. Company Shareholders who wish to appoint a person other than the management nominees identified on the form of proxy or voting instruction form (including Beneficial Company Shareholders who wish to appoint themselves to attend) must carefully follow the instructions in the enclosed Circular and on their form of proxy or voting instruction form. These instructions include the additional step of registering such proxyholder with Playmaker’s transfer agent, Odyssey, after submitting their form of proxy or voting instruction form. Failure to register the proxyholder with Playmaker’s transfer agent will result in the proxyholder not receiving an invite code to vote at the Meeting and only being able to attend as a guest, provided that they click “**Guest**” on the virtual meeting platform and complete the associated online form.

Pursuant to the Interim Order, Registered Company Shareholders have the right to dissent with respect to the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of their Company Shares in accordance with Section 185 of the OBCA, as modified by the Interim Order and the plan of arrangement (“**Plan of Arrangement**”). A Registered Company Shareholder wishing to exercise rights of dissent with respect to the Arrangement must send to Playmaker a written objection to the Arrangement Resolution, which written objection must be received by Playmaker at 2 St. Clair Ave. West, Suite 601, Toronto, Ontario M4V 1L5 Attention: Jordan Gnat, Chief Executive Officer, not later than 5:00 p.m. (Toronto time) on January 18, 2024, being two Business Days (as defined in the Circular) immediately prior to the date of the Meeting (or two Business Days immediately prior to any adjournment or postponement thereof), and must otherwise strictly comply with the dissent procedures prescribed by the OBCA, as modified by the Interim Order and the Plan of Arrangement. A Company Shareholder’s right to dissent is more particularly described in the Circular under the heading “Rights of Dissenting Company Shareholders”. Copies of the Plan of Arrangement, the Interim Order and the text of Section 185 of the OBCA are set forth in Appendix “A”, Appendix “C” and Appendix “J” to the Circular, respectively.

Persons who are Beneficial Company Shareholders who wish to dissent should be aware that only Registered Company Shareholders are entitled to dissent. Accordingly, a Beneficial Company Shareholder desiring to exercise this right must make arrangements for the Company Shares beneficially owned by such Beneficial Company Shareholder to be registered in the Beneficial Company Shareholder’s name prior to the time the written objection to the Arrangement Resolution is required to be received by Playmaker or, alternatively, make arrangements for the registered holder of such Company Shares to dissent on the Beneficial Company Shareholder’s behalf.

Failure to strictly comply with the requirements set forth in Section 185 of the OBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any right of dissent. It is strongly suggested that any Company Shareholder wishing to dissent seek independent legal advice.

DATED at Toronto, Ontario this 15th day of December, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “Jordan Gnat”

Jordan Gnat
Director and Chief Executive Officer
Playmaker Capital Inc.

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MANAGEMENT INFORMATION CIRCULAR

This management information circular is furnished in connection with the solicitation of proxies by management of Playmaker Capital Inc. for use at the Meeting of Company Shareholders to be held in the manner, at the date and time, and for the purposes set forth in the attached Notice of Meeting.

NOTICE REGARDING INFORMATION

NO CANADIAN SECURITIES REGULATORY AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MANAGEMENT INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

The Company has not authorized any person to give any information or to make any representation in connection with the Arrangement or any other matters to be considered at the Meeting other than those contained in this Circular. If any such information or representation is given or made, such information or representation should not be relied upon as having been authorized or as being accurate. For greater certainty, to the extent that any information provided on Playmaker's website is inconsistent with this Circular, the information provided in this Circular should be relied upon.

This Circular does not constitute an offer to buy, or a solicitation of an offer to sell, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation.

Company Shareholders should not construe the contents of this Circular as legal, tax or financial advice and should consult with their own legal, tax, financial or other professional advisors.

The information concerning Better Collective incorporated by reference or contained in this Circular has been publicly filed or provided by Better Collective. Although Playmaker has no knowledge that would indicate that any statements contained herein taken from or based upon such documents, records or sources are untrue or incomplete, Playmaker does not assume any responsibility for the accuracy or completeness of the information taken from or based upon such documents, records or sources, or for any failure by Better Collective, any of its affiliates or any of its representatives to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to Playmaker. In accordance with the Arrangement Agreement, Better Collective provided Playmaker with all necessary information concerning Better Collective and its affiliates that is required by law to be included in this Circular and ensured that such information does not contain any misrepresentations (as defined herein).

All summaries of, and references to, the Arrangement Agreement and the Plan of Arrangement in this Circular are qualified in their entirety by, in the case of the Arrangement Agreement, the complete text of the Arrangement Agreement, a copy of which is available on SEDAR+ at www.sedarplus.ca and, in the case of the Plan of Arrangement, the complete text of the Plan of Arrangement, a copy of which is attached at Appendix "A" to this Circular. Company Shareholders are urged to read carefully the full text of the Arrangement Agreement and the Plan of Arrangement.

This Circular is dated December 15, 2023. Information contained in this Circular is given as of December 15, 2023 unless otherwise specifically stated and except for information contained in documents incorporated by reference herein, which is given as at the respective dates stated in such documents.

DEFINED TERMS

This Circular contains defined terms. For a glossary of defined terms used herein, see Appendix "K" to this Circular. The defined terms and abbreviations used in the Appendices to this Circular, other than in Appendix "K" to this Circular, are, except to the extent noted, defined separately in each such Appendix.

REPORTING CURRENCY AND FINANCIAL INFORMATION

Except as otherwise indicated in this Circular, all references to “\$” or “C\$” are to Canadian dollars and all references to “US\$” are to U.S. dollars.

All financial statements and financial data derived therefrom included or incorporated by reference in this Circular pertaining to Playmaker have been prepared in accordance with IFRS as issued by the International Accounting Standards Board, and are audited in accordance with Canadian generally accepted auditing standards. The consolidated financial statements and parent company financial statements of Better Collective have been prepared in accordance with IFRS as adopted by the EU and additional requirements of the Danish Financial Statements Act, and have been audited in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Financial data included or incorporated by reference in this Circular pertaining to Better Collective have been derived from either the financial statements or have otherwise been derived from Better Collective’s regularly maintained records and operating systems or management analysis, and includes certain applied non-IFRS measures. If you have any questions in respect of such potential measurement differences, please contact your financial, tax and/or other professional advisors.

The closing price of the Company Shares on the TSX Venture Exchange (“TSXV”) on November 6, 2023, the last trading day before the execution of the Arrangement Agreement was announced, was \$0.49. See “Information Relating to Playmaker – Trading Price and Volume of Company Shares”.

EXCHANGE RATE INFORMATION

The following table sets forth, for the periods indicated, the high, low, average and period-end daily rates of exchange for US\$1.00, expressed in Canadian Dollars, posted by the Bank of Canada:

	Year Ended December 31		
	2022	2021	2020
	\$	\$	\$
Highest rate during the period	1.3856	1.2942	1.4496
Lowest rate during the period	1.2451	1.2040	1.2718
Average rate for the period	1.3013	1.2535	1.3415
Rate at the end of the period	1.3544	1.2678	1.2732

On December 14, 2023, the daily rate of exchange posted by the Bank of Canada for conversion of U.S. Dollars into Canadian Dollars was US\$1.00 equals C\$1.3419.

FORWARD-LOOKING STATEMENTS

Certain statements in this Circular, including the documents incorporated by reference herein, are forward-looking statements. Forward-looking statements are provided for the purpose of presenting information about management’s current expectations and plans relating to the future, and readers are cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of Playmaker or Better Collective. Such statements are all subject to risks, uncertainties and changes in circumstances that could significantly affect Better Collective’s future financial results and business. Accordingly, Better Collective and Playmaker caution that the forward-looking statements contained herein are qualified by important factors that could cause actual results to differ materially from those reflected by such statements. Such factors include, but are not limited to: (a) Better Collective may not be able to achieve the anticipated financial returns from the acquisition of Playmaker due to fees, costs and taxes in connection with the integration of Playmaker into Better Collective’s existing operations; (b) the closing of the Arrangement may be delayed or may not occur at all, for reasons beyond Better Collective’s and Playmaker’s control; (c) the requirement

to satisfy the closing conditions in the Arrangement Agreement; (d) potential adverse reactions or changes to business or regulatory relationships resulting from the announcement or completion of the Arrangement; (e) the ability of Better Collective or Playmaker to retain and hire key personnel; (f) the occurrence of any event, change or other circumstances that could give rise to the right of one or both of Better Collective and Playmaker to terminate the Arrangement Agreement; (g) other risk factors pertaining to Better Collective as discussed in Appendix “F” to this Circular; (h) other risk factors pertaining to Better Collective following closing of the Arrangement as discussed in Appendix “G” to this Circular; and (i) other factors as discussed in the annual information form of Playmaker dated March 31, 2023 for the year ended December 31, 2022 as filed with applicable securities regulatory authorities in Canada, and elsewhere in documents that Playmaker files from time to time with such securities regulatory authorities in Canada, including management’s discussion and analysis of financial condition and results of operations of Playmaker for the years ended December 31, 2022 and 2021, management’s discussion and analysis of financial condition and results of operations of Playmaker for the three and nine months ended September 30, 2023, and the notice of annual meeting of shareholders and management information circular of Playmaker dated May 9th, 2023.

Forward-looking statements are typically identified by words such as “expect”, “anticipate”, “believe”, “foresee”, “could”, “estimate”, “goal”, “intend”, “plan”, “seek”, “strive”, “will”, “may” and “should” and similar expressions. Forward-looking statements reflect current estimates, beliefs and assumptions, which are based on Better Collective’s and Playmaker’s perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. Better Collective’s and Playmaker’s estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. Better Collective and Playmaker can give no assurance that such estimates, beliefs and assumptions will prove to be correct. In particular, certain statements included in the sections entitled “The Arrangement – Reasons for the Recommendations” and “Information Relating to Better Collective” are forward-looking statements.

This Circular, including the documents incorporated by reference herein, contains forward-looking statements concerning:

- expectations regarding whether the Arrangement will be consummated, including whether conditions to the consummation of the Arrangement will be satisfied, or the anticipated timing for the closing of the Arrangement;
- expectations regarding receipt of all necessary approvals and the expiration of relevant waiting periods;
- the timing of the Meeting and the Final Order;
- expectations regarding the projected closing date of the Arrangement;
- the anticipated value of the Consideration to be received by the Company Shareholders, which will fluctuate in value due to trading prices of the Better Collective Shares forming part of the Consideration;
- the potential benefits of the acquisition of Playmaker, including benefits through the integration of Playmaker into Better Collective’s existing operations;
- the anticipated financial returns from the acquisition of Playmaker;
- expectations for the effects of the Arrangement on Better Collective’s financial position, cash flow and growth prospects;
- the exercise of Dissent Rights by Company Shareholders with regards to the Arrangement;
- anticipated tax treatment of the Arrangement for Company Shareholders; and
- anticipated future results and financial information relating to Better Collective.

Certain material factors or assumptions are applied in making forward-looking statements. With respect to the Arrangement and this Circular, the expectations and assumptions expressed or implied in the forward-looking statements, include, but are not limited to the ability of the parties to receive, in a timely manner and on satisfactory terms, Company Shareholder Approval, Key Regulatory Approvals and stock exchange and Court approvals for the Arrangement, the ability of the parties to satisfy, in a timely manner, the conditions to the closing of the Arrangement,

other expectations and assumptions concerning the Arrangement, and expectations and assumptions concerning availability of capital resources.

The forward-looking statements contained in this Circular, including documents incorporated by reference herein, are subject to inherent risks and uncertainties and other factors which could cause actual results to differ materially from those anticipated by the forward-looking statements. The factors which could cause results to differ from current expectations include, but are not limited to:

- there can be no assurance that the Arrangement will occur or that the anticipated strategic benefits and operational, competitive and cost synergies will be realized;
- the Arrangement is subject to various Regulatory Approvals, including approval under the *Investment Canada Act*, and the fulfillment of certain conditions, and there can be no assurance that any such approvals will be obtained and/or any such conditions will be met. The Arrangement could be modified, restructured or terminated by each of Playmaker and Better Collective in certain circumstances, and as such, the market price of Company Shares or the business and operations of Playmaker may be materially adversely affected;
- the portion of the Consideration represented by the Better Collective Shares is fixed and there can be no assurance that the market value of the Better Collective Shares that the holders of Company Shares may receive on the Effective Date will equal or exceed that value;
- changes in tax laws, regulations or future assessments; and
- failure to realize anticipated results, including revenue growth, anticipated cost savings or operating efficiencies from Better Collective's major initiatives, including those from restructuring.

The foregoing risks or other risks arising in connection with the failure of the Arrangement, including the diversion of management attention from conducting the business of Playmaker, may have a material adverse effect on Playmaker's business operations, financial results and share price.

Readers are cautioned that the foregoing list of factors is not exhaustive. Other risks and uncertainties not presently known to Better Collective and Playmaker or that Better Collective and Playmaker presently believe are not material could also cause actual results or events to differ materially from those expressed in the forward-looking statements contained herein.

Additional information on these and other factors that could affect the operations or financial results of Better Collective or Playmaker are included in reports filed by Better Collective and Playmaker with applicable securities regulatory authorities and may be accessed through Better Collective's website (www.bettercollective.com) and SEDAR+ (www.sedarplus.ca) respectively. Better Collective's company announcements, together with other regulatory information required by law, are also filed with the Danish Financial Supervisory Authority and such filings are available on the Danish Financial Supervisory Authority's database for company announcements <https://oam.finanstilsynet.dk/#!/>. In addition, for purposes of this Circular, the annual reports of Better Collective for the years ended December 31, 2022, December 31, 2021 and December 31, 2020, and the interim report of Better Collective for the nine month period ended September 30, 2023, have been filed by Playmaker on its SEDAR+ profile at www.sedarplus.ca under "Other Documents". These risks and other factors are also discussed in more detail in this Circular under "Risk Factors", "Information Relating to Playmaker – Risk Factors", and "Information Relating to Better Collective". Readers are encouraged to read such sections in detail. The contents of Better Collective's website are not incorporated by reference in this Circular, except to the extent that the contents of any document posted on Better Collective's website are expressly incorporated by reference herein.

The forward-looking statements contained in this Circular, including the documents incorporated by reference herein, are expressly qualified in their entirety by this cautionary statement. The Company and Better Collective cannot guarantee that the results or events expressed or implied in any forward-looking statement and information will materialize, and accordingly, readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Better Collective's and Playmaker's expectations only as of the date of this Circular (or in the case of forward-looking statements in a document incorporated by reference herein, as of the date indicated in such

document). Better Collective and Playmaker disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

NOTICE TO COMPANY SHAREHOLDERS IN THE UNITED STATES

THE ARRANGEMENT AND THE BETTER COLLECTIVE SHARES TO BE ISSUED IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITY IN ANY STATE IN THE UNITED STATES, NOR HAVE THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE IN THE UNITED STATES PASSED ON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

The issuance of the Better Collective Shares to Company Shareholders pursuant to the Arrangement has not and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States. Such securities will be issued in reliance upon the exemption from registration provided by section 3(a)(10) of the U.S. Securities Act and exemptions from applicable securities laws of each state of the United States in which the holders reside. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of securities issued in exchange for one or more bona fide outstanding securities from the general registration requirements under the U.S. Securities Act where, among other things, the terms and conditions of such issuance and exchange are approved, after a hearing upon the substantive and procedural fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or by a Governmental Entity that is expressly authorized by Law to grant such approval. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered, and the Final Order, if granted by the Court, will constitute the basis for the exemption from registration under section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the Better Collective Shares pursuant to the Arrangement. See “Regulatory Matters – U.S. Securities Law Matters”.

The Better Collective Shares to be issued pursuant to the Arrangement will not be subject to resale restrictions under the U.S. Securities Act, except for restrictions imposed by the U.S. Securities Act on the resale of Better Collective Shares received pursuant to the Arrangement by persons who are, or within 90 days prior to the completion of the Arrangement or the date of sale, were, “affiliates” (as defined in Rule 144(a)(1) of the U.S. Securities Act) of Better Collective or the Purchaser. See “Regulatory Matters – U.S. Securities Law Matters”.

Company Shareholders who are citizens of, residents of, or otherwise subject to tax in the United States should be aware that the Arrangement described herein may have both U.S. and Canadian tax consequences to them that may not be fully described in this Circular. For a general discussion of the Canadian federal income tax consequences to investors who are citizens of, residents of, or otherwise subject to tax in the United States, see “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada” and “Certain U.S. Federal Income Tax Considerations”. U.S. holders are urged to consult their own tax advisors with respect to such U.S. and Canadian income tax consequences and the applicability of any federal, state, local, foreign and other tax laws to them in light of their own particular circumstances.

The solicitation of proxies for the Meeting by means of this Circular is not subject to the requirements of section 14(a) of the U.S. Exchange Act, based on exemptions from the SEC’s proxy solicitation rules applicable to “foreign private issuers” (as that term is defined in Rule 3b-4 of the U.S. Exchange Act). Accordingly, the solicitation of proxies contemplated herein is made in accordance with Canadian corporate and securities laws and this Circular has been prepared solely in accordance with the disclosure requirements of Canadian Securities Laws. Company Shareholders located or resident in the United States should be aware that, in general, such Canadian disclosure requirements are different from those applicable to proxy statements, prospectuses or registration statements prepared in accordance with U.S. laws. The financial statements of Playmaker incorporated by reference herein have been prepared in accordance with IFRS and have been subject to Canadian generally accepted auditing standards. Accordingly, the financial statements of Playmaker may not be comparable to financial statements prepared in accordance with U.S. GAAP.

The enforcement by investors of civil liabilities under U.S. Securities Laws may be affected adversely by the fact that Playmaker and the Purchaser are organized under the laws of a jurisdiction outside the United States, that their officers and directors include residents of countries other than the United States, that some or all of the experts named in this

Circular and the documents incorporated by reference may be residents of countries other the United States, or that all or a substantial portion of the assets of Playmaker, the Purchaser and such persons are located outside the United States. As a result, it may be difficult or impossible for Company Shareholders in the United States to effect service of process within the United States on Playmaker, the Purchaser or such persons, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the securities laws of the United States. In addition, Company Shareholders in the United States should not assume that the courts of Canada: (a) would enforce judgments of U.S. courts obtained in actions against such persons predicated upon civil liabilities under the securities laws of the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the securities laws of the United States.

SUMMARY

The following is a summary of certain information contained elsewhere in, or incorporated by reference into, this Circular, including the Appendices hereto. Certain capitalized terms used in this summary are defined in the Glossary of Defined Terms found in Appendix “K” of this Circular. This summary is qualified in its entirety by the more detailed information appearing elsewhere, or incorporated by reference, in this Circular.

Purpose of the Meeting

The purpose of the Meeting is for Company Shareholders to consider and, if deemed advisable, approve, with or without variation, the Arrangement Resolution with respect to the Arrangement involving, among other things, the acquisition by Better Collective of all of the outstanding Company Shares pursuant to the Arrangement Agreement, all as more particularly described in this Circular; and to transact such further and other business as may properly be brought before the Meeting or any adjournment(s) or postponement(s) thereof.

Date, Time and Place

The Meeting will be held via a live audio webcast online at <https://web.lumiagm.com/#/205606471> on January 22, 2024 at 10:00 a.m. (Toronto time).

Record Date

The Record Date for determining the Company Shareholders entitled to receive notice of and to vote at the Meeting is December 11, 2023. Only Company Shareholders of record as of the close of business (Toronto time) on the Record Date are entitled to receive notice of and to vote at the Meeting.

Background to the Arrangement

On November 6, 2023, Playmaker and Better Collective entered into the Arrangement Agreement, which sets out the terms and conditions for implementing the Arrangement. The Arrangement Agreement is the result of extensive arm’s length negotiations conducted among representatives of Playmaker and Better Collective and their respective legal and financial advisors. See “The Arrangement – Background to the Arrangement”.

Company Shareholder Approval

To be effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of: (i) at least two-thirds of the votes cast at the Meeting in person or by proxy by Company Shareholders; and (ii) a majority of the votes cast at the Meeting in person or by proxy by Company Shareholders, excluding the votes of persons whose votes must be excluded in accordance with MI 61-101. The Company Board unanimously recommends that Company Shareholders vote **FOR** the Arrangement Resolution. See “The Arrangement – Company Shareholder Approval”.

Effects of the Arrangement

If the Arrangement Resolution is passed and all other conditions to closing of the Arrangement are satisfied, Better Collective will acquire all of the issued and outstanding Company Shares from Company Shareholders at the Effective Time.

Under the Arrangement and subject to the following paragraph, each Company Shareholder (other than Dissenting Shareholders and the Rollover Shareholders) will be entitled to elect to receive, for each Company Share held: (i) C\$0.70 in cash, (ii) 0.0206 Better Collective Shares, or (iii) a combination of \$0.245 in cash and 0.0134 Better Collective Shares, in each case subject to Proration to ensure that the aggregate of the cash consideration payable under the Arrangement to Company Shareholders does not exceed 35% of the total Consideration payable to such Company Shareholders and the aggregate value of the share consideration issuable under the Arrangement to Company Shareholders does not exceed 65% of the total Consideration payable to such Company Shareholders. See

“The Arrangement – Description of the Plan of Arrangement”, “The Arrangement – Election Procedure”, “Certain Canadian Federal Income Tax Considerations” and “Certain U.S. Federal Income Tax Considerations”.

On completion of the Arrangement, Better Collective will continue to be a corporation governed by the laws of Denmark, and Playmaker will continue to be a company governed by the OBCA. After the Effective Date, Better Collective will own all of the outstanding Company Shares and Playmaker’s operations will be managed and operated as a Subsidiary of Better Collective. See “Information Relating to Better Collective”.

Playmaker

Playmaker is a digital sports media company that lives at the intersection of sports, betting, media, and technology. Playmaker is building a premier collection of sports media brands, curated to deliver highly engaged audiences of sports fans to sports betting companies, leagues, teams and advertisers. Playmaker is focused on the immediately profitable portion of the iGaming ecosystem and is rolling up digital sports media assets and technology to create an ecosystem of highly engaged sports fans that we will monetize with sports betting companies, leagues, teams, and advertisers. The team at Playmaker has global experience in the gambling, sports, technology and media industries. This wide range of expertise provides Playmaker insight into markets around the world, and a strong understanding of what is required to scale businesses in this sector. Playmaker’s mandate for target acquisitions is global with a core focus on the United States, Latin America, and Canada. The team’s combined experience and network provide a unique and proprietary source of deal flow that assists the company in accessing opportunities in markets all around the world. See “Information Relating to Playmaker”.

Better Collective

Better Collective owns a portfolio of national and global sports media brands and operates numerous digital sports media and communities. At its core, Better Collective produces a range of sports coverage that spans from popular leagues such as the Premier League and NFL to niche competitions. Better Collective’s brands are an integral part of the sports entertainment industry with an audience of more than 180 million monthly visits from fans exploring the world of sports through a wide range of content such as video formats, podcasts, editorial sports news as well as expert and data insights and betting tips regarding the latest and upcoming sports events. Through its sports media brands like Action Network, HLTV, RotoGrinders, VegasInsider and FUTBIN, Better Collective caters to dedicated as well as casual sports fans who seek engaging sports content. Better Collective has a strong set of digital capabilities, including search engine optimization and audience targeting and a track record in attracting sports fans to its media brands and platforms. In combination with the content offerings, Better Collective can build and grow a loyal audience across its media brands and communities. As such, Better Collective is an attractive partner for businesses, including online gambling and betting, aiming to gain the attention of Better Collective’s vast audience with their commercial messages. See “Information Relating to Better Collective”.

Recommendation of the Company Board

After careful consideration, the Company Board unanimously determined that the Arrangement is in the best interests of Playmaker and is fair to the Company Shareholders (other than the Rollover Shareholders). **The Company Board unanimously recommends that Company Shareholders vote FOR the Arrangement Resolution.** See “The Arrangement – Recommendation of the Company Board”.

Reasons for the Recommendations

In recommending that Company Shareholders vote in favor of the Arrangement Resolution, the Company Board considered a number of positive factors, including, but not limited to, the following (which factors are not necessarily presented in order of relative importance):

- **Significant Premium to Market Price.** Company Shareholders will receive \$0.70 per Company Share under the Arrangement, representing a premium of approximately 46% to the Company’s spot price on November 3, 2023 and a premium of approximately 44% to the Company’s 10 day volume-weighted average trading price for the period ended November 3, 2023.

- **Optionality for Company Shareholders.** The Company Shareholders have the option to elect to receive either (i) \$0.70 in cash, (ii) 0.0206 Better Collective Shares or (iii) \$0.245 in cash and 0.0134 Better Collective Shares, subject to Proration.
- **Review of Strategic Alternatives.** The Company Board carefully considered the identity and potential strategic interest of other industry and financial counterparties for a potential transaction with Playmaker and, after consultation with its financial advisor, determined that it was unlikely that any other party was willing to propose a transaction on terms (including price) more favourable to the Company, Company Shareholders and other relevant Company stakeholders than the Proposed Transaction. The Company Board also considered Playmaker’s standalone business strategy and concluded that the Consideration is more favorable to Company Shareholders than the alternative of remaining an independent public company and pursuing the Company’s long-term plans, taking into account the associated risks, rewards and uncertainties with pursuing such plans. Furthermore, the Arrangement Agreement allows the Company Board, subject to certain conditions, to engage in discussions or negotiations with respect to an unsolicited written bona fide Acquisition Proposal at any time prior to the approval of the Arrangement Resolution by Company Shareholders and to change its recommendation, terminate the Arrangement Agreement and enter into an agreement with respect to a Superior Proposal. See “Ability to Respond to Superior Proposals” below.
- **Participation by Company Shareholders in Future Growth.** To the extent they receive their Consideration in Better Collective Shares, Company Shareholders will have an opportunity to participate in any future increase in value of the businesses of Better Collective and the Company. As a result of the Arrangement, Better Collective is expected to benefit from: (i) the creation of an integrated sports media platform that leverages the Company’s current portfolio assets while supplementing them with those owned by Better Collective, (ii) significant potential revenue and cost synergies, (iii) greater control over product development, (iv) greater access to product and media talent, and (v) the capacity to expand into new verticals.
- **Liquid Consideration.** To the extent they receive their Consideration in cash, Company Shareholders will benefit from certainty of value and immediate liquidity. Furthermore, even to the extent they receive Consideration in Better Collective Shares, in light of the significant historical trading liquidity of the Better Collective Shares, Company Shareholders are expected to benefit from immediate liquidity at prevailing market prices if they choose to sell their Better Collective Shares following closing of the Arrangement. Accordingly, the Company Board concluded that the Arrangement provides Company Shareholders with the opportunity to achieve enhanced liquidity if they so choose.
- **Arms-Length Negotiations.** The Arrangement is the result of a rigorous solicitation, evaluation and negotiation process that was undertaken at arm’s length with the oversight and participation of the independent directors and their financial and legal advisors. The Company Board, after considering advice from its financial advisors, concluded that \$0.70 per Company Share (based on the closing price of the Better Collective Shares as of November 3, 2023) was the highest price that Better Collective was willing to pay for the Company Shares.
- **Independent Fairness Opinion of Canaccord Genuity.** The Company Board took into account the fact that Canaccord Genuity, which was independent of Better Collective and the Company’s management, delivered the Fairness Opinion to the Company Board. The Fairness Opinion states that, as of November 6, 2023, based upon and subject to the scope of review, assumptions, qualifications, and limitations set forth in such opinion and such other matters that Canaccord Genuity considered relevant, the Consideration to be received under the Arrangement by Company Shareholders was fair, from a financial point of view, to such Company Shareholders (other than the Rollover Shareholders). The fees payable to Canaccord Genuity for the Fairness Opinion were not contingent upon the conclusion reached by Canaccord Genuity or the outcome of the Proposed Transaction. See “The Arrangement – Fairness Opinion”, and Appendix “E” to this Circular.
- **The Terms and Conditions of the Arrangement Agreement.** The Company Board, after consulting with its legal and financial advisors, concluded that the terms and conditions of the Arrangement Agreement, including Playmaker’s and Better Collective’s representations, warranties and covenants, as well as the conditions to Better Collective’s obligation to complete the

Arrangement, are reasonable and customary in the circumstances, and the risk of the Arrangement not being completed is mitigated by the limited nature of the conditions in favour of Better Collective.

- **Equitable and Fair Treatment of All Stakeholders.** In the Company Board's view, the terms of the Arrangement Agreement treat all stakeholders of the Company equitably and fairly.
- **No Financing Condition.** The Arrangement is not subject to a financing condition in favour of Better Collective and Better Collective has sufficient cash on its balance sheet to fund the aggregate cash consideration payable to Company Shareholders pursuant to the Arrangement.
- **No Approval Requirement from Better Collective Shareholders.** The Arrangement does not require the approval of Better Collective's shareholders.
- **Voting and Support Agreements.** The Supporting Shareholders, who together hold or exercise control and direction over approximately 50% of the outstanding Company Shares, entered into the Voting and Support Agreements pursuant to which the Supporting Shareholders agreed, among other things, to vote the subject securities in favour of the Arrangement Resolution. The Voting and Support Agreements will terminate if the Arrangement Agreement is terminated, including if the Arrangement Agreement is terminated by Playmaker in accordance with the terms of such agreement to enter into a binding written agreement with respect to a Superior Proposal. With the exception of Jordan Gnat and Federico Grinberg, none of the Supporting Shareholders are "interested parties" within the meaning of MI 61-101.
- **Benefit to the Company, Employees and Other Stakeholders.** The Arrangement is expected to benefit the Company, its employees and other stakeholders based upon Better Collective's strong commitment to the Canadian business, including (i) its plans to maintain Playmaker's Canadian leadership team and utilize Playmaker's existing consumer brands, (ii) its intention to continue to invest in Canadian business, and (iii) its plans to maintain a strong local employee base in Toronto and Edmonton.

The Company Board's reasons contain forward-looking information and are subject to various risks and assumptions. See "Forward-Looking Statements".

In making its determination and recommendation, the Company Board also observed that a number of procedural safeguards were and are present to permit the Company Board (including the Independent Directors) to effectively represent the interests of Playmaker, the securityholders of Playmaker and Playmaker's other stakeholders, including, among others:

- **Ability to Respond to Superior Proposals.** Notwithstanding the limitations contained in the Arrangement Agreement on Playmaker's ability to solicit interest from third parties, subject to certain conditions and limitations, the Arrangement Agreement allows the Company Board to engage in discussions or negotiations in response to an unsolicited written bona fide Acquisition Proposal at any time prior to the approval of the Arrangement Resolution by Company Shareholders if the Company Board determines, in good faith after consultation with its outside financial and legal advisors, that such Acquisition Proposal constitutes or would reasonably be expected to result in a Superior Proposal. The Company is also permitted, in the event it receives a Superior Proposal, to change its recommendation, terminate the Arrangement Agreement and enter into an agreement with respect to the Superior Proposal in compliance with the Arrangement Agreement if, among other things, the Company pays the Termination Fee to Better Collective.
- **Shareholder and Court Approvals.** The Arrangement is subject to the following shareholder and Court approvals, which protect Company Shareholders:
 - The Arrangement Resolution must be approved by (i) the affirmative vote of at least two-thirds (66 2/3%) of the votes cast on the Arrangement Resolution by Company Shareholders present in person or represented by proxy at the Meeting; and (ii) a simple majority of the votes cast on the Arrangement Resolution by Company Shareholders present in person or represented by proxy at the Meeting, excluding Company Shares held

by Messrs. Gnat and Grinberg and entities controlled by each of them, in accordance with MI 61-101.

- The Arrangement must be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to securityholders of Playmaker.
- **Dissent Rights.** The availability of dissent rights to Registered Company Shareholders with respect to the Arrangement.

The Company Board also considered a number of uncertainties, risks and other potential negative factors associated with the transaction, including the following:

- **Non-Completion.** The risks and costs to Playmaker if the Arrangement is not completed for any reason, including the potential diversion of management and employee attention, potential employee attrition and the potential effect on business and stakeholder relationships. The announcement and pendency of the Arrangement, or the failure to complete the Arrangement, may result in significant costs to the Company and cause substantial harm to the Company's relationships with its employees (including making it more difficult to attract and retain key personnel) and other business partners.
- **Fluctuating Market Value of Better Collective Shares.** The number of Better Collective Shares to be issued as a portion of the Consideration for each Company Share held are based on a fixed exchange ratio and will not be adjusted based on fluctuations in the market value of the Company Shares or the Better Collective Shares. The Better Collective Shares issued as a portion of the Consideration on closing of the Arrangement may have a market value that is materially different from that on the date the Proposed Transaction was announced.
- **No Longer an Independent Public Company.** Following the Arrangement, Playmaker will no longer exist as an independent public company and the Company Shares will be delisted from the TSXV and the OTCQX.
- **Conduct of Business Restrictions.** The restrictions on the conduct of Playmaker's business prior to the completion of the Arrangement, which require Playmaker to conduct its business in the ordinary course, subject to limited exceptions, may delay or prevent Playmaker from undertaking business opportunities that may arise pending completion of the Arrangement, including the pursuit of gaming licenses in certain jurisdictions.
- **Tax Treatment.** The disposition of Company Shares in exchange for Better Collective Shares in connection with the transaction will be taxable to Company Shareholders.
- **Termination Fee.** The potential payment of the Termination Fee, being \$5,000,000, by Playmaker under the circumstances specified in the Arrangement Agreement, and that such Termination Fee may act as deterrent to the emergence of a Superior Proposal.
- **Fees and Expenses.** The fees and expenses associated with the Arrangement, a significant portion of which will be incurred regardless of whether the Arrangement is consummated.
- **Other Risks.** The other risks associated with the Arrangement and the business of Playmaker and Better Collective described under "Information Relating to Playmaker – Risk Factors", "Information Relating to Better Collective" and "Risk Factors".

After taking into account all of the factors set forth above, as well as others, the Company Board concluded that the risks, uncertainties, restrictions and potentially negative factors associated with the Arrangement were outweighed by the potential benefits of the Arrangement to the Company Shareholders.

Fairness Opinion

On November 6, 2023, Canaccord Genuity rendered its opinion to the Company to the effect that, as of November 6, 2023 and, based upon and subject to the scope of the review, assumptions, qualifications and limitations set forth in such opinion and such other matters that Canaccord Genuity considered relevant, the Consideration to be received under the Arrangement by Company Shareholders was fair, from a financial point of view, to such Company Shareholders (other than the Rollover Shareholders).

This summary of the Fairness Opinion is qualified in its entirety by reference to the full text of the Fairness Opinion. A copy of the Fairness Opinion, which sets forth the assumptions made, general procedures followed, matters considered and limitations on the review undertaken by Canaccord Genuity, is attached as Appendix “E” to this Circular. See “The Arrangement – Fairness Opinion”.

Letter of Transmittal and Election Form

A Letter of Transmittal and Election Form has been mailed, together with this Circular, to each person who was a registered holder of Company Shares on the Record Date. Each Registered Company Shareholder must forward a properly completed and signed Letter of Transmittal and Election Form, with accompanying DRS advice statement(s), share certificate(s) or other evidence representing Company Shares, if any, and all other required documents, in order to receive the Consideration to which such Company Shareholder is entitled under the Arrangement. It is recommended that Registered Company Shareholders complete, sign and return the Letter of Transmittal and Election Form with accompanying DRS advice statement(s), share certificate(s) or other evidence representing Company Shares, if any, to the Depositary as soon as possible. Registered Company Shareholders that hold their Company Shares in book-entry or other uncertificated form may deliver their Company Shares to the Depositary by noting their respective holder account number(s) in the Letter of Transmittal and Election Form, in accordance with the instructions in the Letter of Transmittal and Election Form.

The payments of the cash portion of the Consideration (and any cash in lieu of fractional Better Collective Shares, as applicable) paid at closing of the Arrangement to Company Shareholders will be denominated in Canadian dollars.

Any Letter of Transmittal and Election Form, once deposited with the Depositary, will be irrevocable and may not be withdrawn by a Company Shareholder except that all Letters of Transmittal and Election Forms will be automatically revoked if the Depositary is notified in writing by Playmaker and Better Collective that the Arrangement Agreement has been terminated. If a Letter of Transmittal and Election Form is automatically revoked, the certificate(s) representing the Company Shares, if any, received with the Letter of Transmittal and Election Form will be promptly returned to the Company Shareholder submitting the same to the address specified in the Letter of Transmittal and Election Form. See “The Arrangement – Letter of Transmittal and Election Form”.

Election Procedure

The Letter of Transmittal and Election Form contains an election form which Company Shareholders may use to elect to receive either the All Cash Consideration, the All Share Consideration or the Combination Consideration at closing of the Arrangement in exchange for their Company Shares, subject to Proration. Such election MUST be made by the Election Deadline. If a Company Shareholder fails to submit an election by the Election Deadline or chooses not to submit an election by the requisite deadline, each such Company Shareholder will receive the Combination Consideration in respect of each Company Share held. On closing of the Arrangement, all of the Better Collective Shares issued as Consideration under the Arrangement will initially be held in the name of Odyssey Transfer and Trust Company and credited to the Depositary’s nominee account through its broker, Stifel. The Depositary will hold the Better Collective Shares as agent for the Company Shareholders that are entitled to receive such Better Collective Shares under the Arrangement. Within five Business Days following the Effective Date, the Depositary will deliver by first class mail to all Registered Company Shareholders and Intermediaries an account statement specifying their entitlement to the Better Collective Shares under the Arrangement (which will reflect their Consideration election and applicable Proration), along with the BC Share Instruction Form to be completed and returned to the Depositary, which will provide each Registered Company Shareholder and Intermediary with an option to either (i) transfer their Better Collective Shares to a brokerage or custody account in their name that is permitted to hold the Better Collective Shares, or (ii) sell such Better Collective Shares in the local market via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), at the market price when such trade is executed, and remit to such Registered Company Shareholder or Intermediary the cash proceeds from the sale, subject to applicable withholding taxes (if any). See “The Arrangement – Post-Closing Instruction Procedure” for additional details concerning the distribution of the Better Collective Shares.

The aggregate Consideration to be paid under the Arrangement (other than to Dissenting Shareholders and the Rollover Shareholders) is subject to Proration. Even if you elect to receive the All Cash Consideration or the All Share

Consideration, your election may be prorated, which would result in you receiving some amount of the other form of Consideration.

None of Playmaker, Better Collective or the Depositary are liable for failure to notify Company Shareholders who do not properly complete a Letter of Transmittal and Election Form or who otherwise make a deficient deposit with the Depositary.

Company Shareholders whose Company Shares are registered in the name of an Intermediary must contact their Intermediary to deposit their Company Shares.

Depositing Shareholders are encouraged to deliver a properly completed and duly executed Letter of Transmittal and Election Form together with the relevant DRS advice statement(s), share certificate(s) or other evidence representing the Company Shares and any other required documents to the Depositary as soon as possible.

The use of mail to transmit the Letter of Transmittal and Election Form, together with any DRS advice statement(s), share certificate(s) or other evidence representing the Company Shares, is at each holder's risk. The Company recommends that such DRS advice statement(s), share certificate(s) and other evidence representing the Company Shares be delivered by hand to the Depositary and a receipt therefor be obtained or that registered mail be used and appropriate insurance be obtained.

The Depositary will receive reasonable and customary compensation from Better Collective for its services in connection with the Arrangement, will be reimbursed for certain out-of-pocket expenses and will be indemnified against certain liabilities, including liability under securities laws and expenses in connection therewith.

Company Shareholders Receiving Better Collective Shares

On closing of the Arrangement, all of the Better Collective Shares issued as Consideration under the Arrangement will initially be held in the name of the Depositary and credited to the Depositary's nominee account through its broker, Stifel. The Depositary will hold the Better Collective Shares as agent for the Company Shareholders that are entitled to receive such Better Collective Shares under the Arrangement. Within five Business Days following the Effective Date, the Depositary will deliver by first class mail to all Registered Company Shareholders and Intermediaries an account statement specifying their entitlement to the Better Collective Shares under the Arrangement (which will reflect their Consideration election and applicable Proration), along with a BC Share Instruction Form to be completed and returned to the Depositary, which will provide each Registered Company Shareholder and Intermediary with an option to either (i) transfer their Better Collective Shares to a brokerage or custody account in their name that is permitted to hold the Better Collective Shares, or (ii) sell such Better Collective Shares in the local market via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), at the market price when such trade is executed, and remit to such Registered Company Shareholder or Intermediary the cash proceeds from the sale, subject to applicable withholding taxes.

As the Depositary receives valid and properly completed BC Share Instruction Forms from Registered Company Shareholders and Intermediaries, it will deliver those forms to Stifel for processing within two Business Days of receipt.

Transfer of Better Collective Shares to Participating Brokerage or Custody Accounts

Within one Business Day of receiving a validly completed BC Share Instruction Form from the Depositary instructing Stifel to transfer the Better Collective Shares to a brokerage or custody account in respect of a Registered Company Shareholder or Intermediary, Stifel will initiate the transfer of the Better Collective Shares out of the Depositary's nominee account for credit to such Company Shareholder's brokerage or custody account the applicable number of Better Collective Shares using the instructions provided by the Depositary. The Depositary will mail a confirmation to the applicable Registered Company Shareholders or Intermediary once the transfer is complete. Neither Company Shareholders nor any Intermediary may direct the date or time at which Better Collective Shares are transferred from the Depositary's nominee account to a brokerage or custody account.

Sale of Better Collective Shares and Payment of Cash

Upon receipt of a validly completed BC Share Instruction Form from the Depositary instructing Stifel to sell the Better Collective Shares on behalf of a Registered Company Shareholder or Intermediary, Stifel will promptly, and in any event, generally within one Business Day (subject to market conditions and system availability) submit a trade order via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), for the number of Better Collective shares instructed to be sold. Upon settlement of the trade, Stifel will receive the cash proceeds from the trade in the local currency and will convert the cash proceeds to U.S. dollars based on the exchange rate available to Stifel at such time. Within one Business Day of settlement, Stifel will wire the cash proceeds in U.S. dollars to the Depositary's bank account. Within three Business Days of the funds being received by the Depositary, the Depositary will mail a cheque to the applicable Registered Company Shareholder or Intermediary who provided the instructions to have their Better Collective Shares sold. See "The Arrangement – Election Procedure". Neither Company Shareholders nor any Intermediary may direct the date, time, or price at which Better Collective Shares are sold or the exchange rate at which the proceeds are converted to U.S. dollars.

Procedure for Non-Responding Registered Company Shareholders and Intermediaries

Approximately 30 days after distributing the BC Share Instruction Forms to all Registered Company Shareholders and Intermediaries, the Depositary will send a follow-up communication to all Non-Responding Shareholders. The Depositary will continue to send follow-up communications to such Non-Responding Shareholders every 12 to 18 weeks over the Post-Closing Instruction Period.

Within 30 days of the expiry of the Post-Closing Instruction Period, the Depositary will submit instructions to Stifel to sell in the local market all Better Collective Shares held for the benefit of Non-Responding Shareholders. As soon as practicable after receipt of such instructions, Stifel will submit a trade order via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), for the total number of Better Collective Shares held for the benefit of Non-Responding Shareholders. Upon settlement of the trade, Stifel will receive the cash proceeds from the trade in the local currency and will convert the cash proceeds to U.S. dollars based on the exchange rate available to Stifel at such time. Within one Business Day of settlement, Stifel will wire the cash proceeds in U.S. dollars to the Depositary's bank account. After receipt of the cash proceeds from Stifel, the Depositary will retain such cash proceeds (together with all other undistributed cash Consideration due and payable to Non-Responding Shareholders) until it receives a validly completed Letter of Transmittal and Election Form, BC Share Instruction Form and/or any other required documents or instructions as reasonably requested by the Depositary from any applicable Non-Responding Shareholders instructing where to deliver the cash proceeds to which they are entitled. On an annual basis thereafter, the Depositary will send a follow up communication to such Non-Responding Shareholders seeking instructions on where to deliver the cash proceeds to which they are entitled. If the Depositary does not receive a validly completed Letter of Transmittal and Election Form, BC Share Instruction Form and/or any other required documents or instructions as reasonably requested by the Depositary from any applicable Non-Responding Shareholders prior to the sixth anniversary of the Effective Date, any remaining cash proceeds (together with all other undistributed cash Consideration due and payable to Non-Responding Shareholders) held by the Depositary shall be deemed to have been surrendered to Better Collective and be paid or returned over by the Depositary to Better Collective or as directed by Better Collective.

No Fractional Shares and Rounding of Cash Consideration

In no event will any Company Shareholder be entitled to a fractional Better Collective Share. Where the aggregate number of Better Collective Shares to be issued to a Company Shareholder as Consideration under the Arrangement would result in a fraction of a Better Collective Share being issuable, the number of Better Collective Shares to be received by such Company Shareholder will be rounded down to the nearest whole Better Collective Share. In lieu of any such fractional Better Collective Share, such Company Shareholder will be entitled to receive a cash payment equal to such fractional interest multiplied by the Better Collective Share Market Price, rounded down to the nearest \$0.01.

In any case where the aggregate cash consideration payable to a particular Company Shareholder under the Arrangement would, otherwise include a fraction of a cent, the Consideration payable will be rounded down to the nearest \$0.01. See “The Arrangement – Election Procedure – No Fractional Shares and Rounding of Cash Consideration”.

The Arrangement Agreement

The Arrangement Agreement provides for the Arrangement and matters related thereto. Under the Arrangement Agreement, Playmaker has agreed to, among other things, call the Meeting to seek the approval of Company Shareholders for the Arrangement Resolution and, if approved, apply to the Court for the Final Order. The following is a summary of certain terms of the Arrangement Agreement and is qualified in its entirety by the full text of the Arrangement Agreement and the amendment thereto, a copy of which is available on SEDAR+ at www.sedarplus.ca under Playmaker’s company profile. See “The Arrangement Agreement”.

Covenants, Representations and Warranties

The Arrangement Agreement contains customary covenants and representations and warranties for an agreement of this type, which are summarized in this Circular. See “The Arrangement Agreement – Covenants”.

Conditions to the Arrangement

The obligations of Playmaker and Better Collective to complete the Arrangement are subject to the satisfaction or waiver of certain conditions set out in the Arrangement Agreement which are summarized in this Circular. These conditions include the receipt of Company Shareholder Approval, the Final Order and the Regulatory Approvals and the absence of a Company Material Adverse Effect with respect to Playmaker or a Purchaser Material Adverse Effect with respect to Better Collective. See “The Arrangement Agreement – Conditions Precedent to the Arrangement”.

Non-Solicitation Provisions

The Company is subject to restrictions on its ability to solicit proposals from third parties with respect to Acquisition Proposals, to provide non-public information to, or to participate or engage in discussions or negotiations with third parties or take certain other actions regarding any Acquisition Proposal, with customary exceptions for unsolicited Acquisition Proposals that the Company Board determines in good faith are, or would reasonably be expected to lead to, a Superior Proposal. See “The Arrangement Agreement – Covenants”.

Termination of the Arrangement Agreement

The Company and the Purchaser may mutually agree in writing to terminate the Arrangement Agreement and abandon the Arrangement at any time prior to the Effective Date. In addition, each of the Company and the Purchaser may terminate the Arrangement Agreement and abandon the Arrangement at any time prior to the Effective Date if certain specified events occur. See “The Arrangement Agreement – Termination of the Arrangement Agreement”.

Termination Fee

The Company is required to pay the Termination Fee of \$5,000,000 to Better Collective in certain circumstances, including in the event the Company Board withdraws or modifies its recommendation with respect to the Arrangement or the Company enters into an agreement in respect of a Superior Proposal, subject to certain conditions. See “The Arrangement Agreement – Termination of the Arrangement Agreement”.

Procedure for the Arrangement to Become Effective

The Arrangement will be implemented by way of a Court approved Plan of Arrangement under Section 185 of the OBCA pursuant to the terms of the Arrangement Agreement. In order for the Arrangement to become effective, (i) the Arrangement must be approved by the Company Shareholders in the manner set forth in the Interim Order; and (ii) the Court must grant the Final Order approving the Arrangement.

In addition the Arrangement will only become effective if all other conditions precedent to the Arrangement set out in the Arrangement Agreement, including approval under the *Investment Canada Act*, have been satisfied or waived by the appropriate party. For a description of the other conditions precedent see “The Arrangement Agreement – Conditions to the Arrangement”. See also “The Arrangement – Procedure for the Arrangement to Become Effective”.

Court Approval

The Arrangement requires approval by the Court under Section 182 of the OBCA. Prior to making this Circular, Playmaker obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and other procedural matters. A copy of the Interim Order is attached hereto as Appendix “C”. A copy of the notice of application in respect of the hearing of Playmaker’s application for the Final Order is attached hereto as Appendix “D”.

Subject to the approval of the Arrangement Resolution by Company Shareholders at the Meeting, the hearing of Playmaker’s application for the Final Order is expected to take place on January 24, 2024 via teleconference, or at any other date and time and by any method as the Court may direct. Any Company Shareholder who wishes to participate, appear, to be represented, and to present evidence or arguments at the hearing must file and serve a Notice of Appearance and satisfy the other requirements of the Court, as directed in the Interim Order appended hereto as Appendix “C” and as the Court may direct in the future. In the event that the hearing is postponed, adjourned or rescheduled then, subject to further direction of the Court, only those persons having previously served a Notice of Appearance in compliance with the Interim Order will be given notice of the new date. Participation in the hearing of Playmaker’s application for the Final Order, including who may participate and present evidence or argument and the procedure for doing so, is subject to the terms of the Interim Order and any subsequent direction of the Court.

At the hearing, the Court will consider, among other things, the fairness and reasonableness of the Arrangement and the rights of every person affected. The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. If the Court approves the Arrangement with amendments, depending on the nature of the amendments, either Playmaker or Better Collective may determine not to complete the transaction contemplated by the Arrangement Agreement. See “The Arrangement – Court Approval”.

Treatment of Outstanding Company Equity-Based Incentives

The outstanding Company Options and Company RSUs will be treated in accordance with the Plan of Arrangement and the Arrangement Agreement. See “The Arrangement – Treatment of Outstanding Company Equity-Based Compensation”.

Dissent Rights

Under the Interim Order, Registered Company Shareholders are entitled to Dissent Rights. Failure to strictly comply with the procedures specified in the OBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any Dissent Rights. Persons who are Beneficial Company Shareholders who wish to dissent should be aware that only Registered Company Shareholders are entitled to Dissent Rights. Accordingly, a Beneficial Company Shareholder desiring to exercise this right must make arrangements for the Company Shares beneficially owned by such Company Shareholder to be registered in the Company Shareholder’s name prior to the time the written objection to the Arrangement Resolution is required to be received by Playmaker or, alternatively, make arrangements for the registered holder of such Company Shares to dissent on the Beneficial Company Shareholder’s behalf.

If you wish to exercise Dissent Rights, you should review the requirements summarized in this Circular carefully and consult with your legal advisor. See “Rights of Dissenting Company Shareholders” and Appendix “J” of this Circular.

Stock Exchange Listing and Reporting Issuer Status

The Better Collective Shares currently trade on Nasdaq Stockholm under the symbol “BETCO” and on Nasdaq Copenhagen under the symbol “BETCO DKK”. Better Collective will apply to list the Better Collective Shares issuable under the Arrangement on Nasdaq Stockholm and/or Nasdaq Copenhagen in connection with closing of the

Arrangement. Irrespective of whether the Better Collective Shares issued upon closing of the Arrangement are initially listed on Nasdaq Stockholm or Nasdaq Copenhagen, once such Better Collective Shares have been transferred to a brokerage account pursuant to the procedures set out in “The Arrangement – Post-Closing Instruction Procedure” Company Shareholders holding such Better Collective Shares will be entitled to request that their custodian bank transfer such Better Collective Shares to the Danish infrastructure so that they are tradeable on Nasdaq Copenhagen (if initially listed on Nasdaq Stockholm) or to the Swedish infrastructure so that they are tradeable on Nasdaq Stockholm (if initially listed on Nasdaq Copenhagen), as applicable.

If the Arrangement is completed, Better Collective intends to have the Company Shares delisted from the TSXV and the OTCQX. In addition, it is expected that Playmaker will apply to cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer and thus will terminate its reporting obligations in Canada following completion of the Arrangement.

Upon completion of the Arrangement, Better Collective will become a reporting issuer in all of the provinces of Canada (other than Québec) by virtue of the completion of the Arrangement with Playmaker. Better Collective will generally be exempt from the continuous disclosure, insider reporting and early warning requirements under Canadian Securities Laws provided that Better Collective complies with the terms of the Exemptive Relief Order granted by the OSC on December 1, 2023, which include (among other things) (i) that Better Collective continues to be incorporated and organized under the laws of Denmark and the total number of equity securities of Better Collective owned, directly or indirectly, by residents of Canada does not exceed 10%, on a fully-diluted basis, calculated in accordance with NI 71-102, (ii) adherence to the continuous disclosure requirements of applicable Danish and Swedish laws (including Danish Securities Laws) and the rules of Nasdaq Stockholm and Nasdaq Copenhagen, and (iii) filing on SEDAR+ copies of all documents and company announcements Better Collective is required to file with the Danish Financial Supervisory Authority, Nasdaq Stockholm or Nasdaq Copenhagen, make publicly available on its website or send to its securityholders under applicable Danish and Swedish disclosure requirements. See “Regulatory Matters – Stock Exchange Listings and Approvals” and “Regulatory Matters – Canadian Securities Law Matters”.

Certain Canadian Federal Income Tax Considerations

Company Shareholders should carefully read the information in this Circular under “Certain Canadian Federal Income Tax Considerations” which qualifies the information set out below and should consult their own tax advisors.

Company Shareholders who are residents of Canada for purposes of the Tax Act will generally dispose of their Company Shares on a taxable basis under the Arrangement.

Company Shareholders who are not residents of Canada for purposes of the Tax Act and whose Company Shares are not “taxable Canadian property” for purposes of the Tax Act will generally not be subject to tax under the Tax Act on the disposition of their Company Shares under the Arrangement.

See “Certain Canadian Federal Income Tax Considerations” for a general summary of Canadian federal income tax considerations relevant to Company Shareholders. Such summary is not intended to be legal or tax advice to any particular Company Shareholder. Company Shareholders should consult their own tax and investment advisors with respect to their particular circumstances.

Certain U.S. Federal Income Tax Considerations

For Company Shareholders who are U.S. Holders (as defined below), the exchange of Company Shares for the All Cash Consideration, All Share Consideration or the Combination Consideration is expected, in each case, to be a taxable transaction for U.S. federal income tax purposes.

See “Certain U.S. Federal Income Tax Considerations” for a general summary of certain U.S. federal income tax considerations relevant to Company Shareholders that are U.S. Holders. Such summary does not address the U.S. federal income tax consequences to Non-U.S. Holders (as defined below) of participating in the Arrangement, holding Better Collective Shares following the Arrangement or exercising Dissent Rights, and is not intended to be legal or tax advice to any particular Company Shareholder. Accordingly, a Non-U.S. Holder should consult its own tax advisor

regarding the U.S. federal income, U.S. federal net investment income, U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local and non-U.S. tax consequences (including the potential application and operation of any income tax treaties) relating to the Arrangement, holding Better Collective Shares following the Arrangement or exercising Dissent Rights in light of such U.S. Holder's personal circumstances.

Risk Factors

There are a number of risk factors relating to the Arrangement, the business of Playmaker, the business of Better Collective and the Better Collective Shares, all of which should be carefully considered by Company Shareholders. See "Risk Factors – Risks Related to the Arrangement", "Information Relating to Playmaker – Risk Factors", "Information Relating to Better Collective", and "Risk Factors – Risks Related to Better Collective Following Completion of the Arrangement".

United States Securities Law Matters

Exemptions from U.S. Registration

The issuance of the Better Collective Shares to Company Shareholders pursuant to the Arrangement will be issued in reliance upon the exemption from registration provided by section 3(a)(10) of the U.S. Securities Act and exemptions from applicable securities laws of each state of the United States in which the holders reside. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of securities issued in exchange for one or more bona fide outstanding securities from the general registration requirements under the U.S. Securities Act where, among other things, the terms and conditions of such issuance and exchange are approved, after a hearing upon the substantive and procedural fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or by a Governmental Entity that is expressly authorized by Law to grant such approval. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered, and the Final Order, if granted by the Court, will constitute the basis for the exemption from registration under section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the Better Collective Shares pursuant to the Arrangement. Prior to the hearing of the Final Order, the Court will be advised that the Better Collective Shares will be issued in reliance upon the section 3(a)(10) exemption.

Resale of Better Collective Shares in the United States

Company Shareholders who are not "affiliates" (as defined in Rule 144(a)(1) of the U.S. Securities Act) of Better Collective or the Purchaser at the time of sale, and have not been affiliates of Better Collective or the Purchaser within 90 days prior to the completion of the Arrangement or within 90 days prior to the time of the sale, may resell Better Collective Shares issued to them upon closing of the Arrangement in the United States without restriction under the U.S. Securities Act. As defined in Rule 144 under the U.S. Securities Act, an "affiliate" of an issuer is a person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer. Persons who are officers, directors or 10% or greater shareholders of an issuer are generally considered to be its "affiliates" for purposes of Rule 144 of the U.S. Securities Act.

Company Shareholders who are affiliates (or, if applicable, former affiliates) of Better Collective or the Purchaser may not be able to resell the Better Collective Shares that they receive pursuant to the Arrangement in the absence of registration under the U.S. Securities Act or reliance upon an exemption therefrom. In general, persons who are affiliates of Better Collective or the Purchaser or were affiliates of Better Collective or the Purchaser 90 days prior to the completion of the Arrangement or prior to the date of sale will be entitled to sell pursuant to Rule 144 under the U.S. Securities Act, during any three-month period, those Better Collective Shares that they receive pursuant to the Arrangement subject to certain restrictions, including volume limitations, restrictions on manner of sale requirements, aggregation rules, notice filing requirements and the availability of current public information about the issuer. Unless certain conditions are satisfied, Rule 144 is not available for resales of securities of issuers that have ever had (i) no or nominal operations and (ii) no or nominal assets other than cash or cash equivalents. If Better Collective were to be deemed to have ever been such an issuer, Rule 144 of the U.S. Securities Act may be unavailable for resales of the Better Collective Shares unless and until Better Collective has satisfied the applicable conditions.

Any Company Shareholder who is an affiliate (or, if applicable, former affiliate) of Better Collective or the Purchaser is urged to consult with its own legal advisor to ensure that any proposed resale of Better Collective Shares issued to them pursuant to the Arrangement complies with applicable U.S. Securities Act requirements.

QUESTIONS AND ANSWERS ABOUT THE MEETING AND THE ARRANGEMENT

Q. What am I voting on?

A. You are being asked to consider and, if deemed advisable, approve the Arrangement involving, among other things, the acquisition by Better Collective of all of the outstanding Company Shares pursuant to the Arrangement Agreement dated November 6, 2023, as amended on December 8, 2023, between Playmaker and Better Collective.

Q. Where and when will the Meeting be held?

A: The Meeting will be held via a live audio webcast online at <https://web.lumiagm.com/#/205606471> on January 22, 2024 at 10:00 a.m. (Toronto time).

Q. What will I receive for my Company Shares under the Arrangement?

A. Under the terms of the Arrangement Agreement, which was negotiated at arm's length, and subject to the following paragraph, each Company Shareholder (other than Dissenting Shareholders and the Rollover Shareholders) will receive, at such Company Shareholder's election on the closing of the Arrangement, for each Company Share held: (a) \$0.70 in cash, (b) 0.0206 of a Better Collective Share, or (c) a combination of \$0.245 in cash and 0.0134 of a Better Collective Share, in each case subject to proration to ensure that the aggregate of the cash consideration payable under the Arrangement to Company Shareholders does not exceed 35% of the total Consideration payable to such Company Shareholders and the aggregate value of the share consideration issuable under the Arrangement to Company Shareholders does not exceed 65% of the total Consideration payable to such Company Shareholders ("**Proration**"). Company Shareholders who do not make a valid election (other than Dissenting Shareholders and the Rollover Shareholders) will receive, on the closing of the Arrangement, the Combination Consideration for each Company Share held by such Company Shareholder. Even if you elect to receive the All Cash Consideration or the All Share Consideration, your election may be prorated, which would result in you receiving some amount of the other form of Consideration.

In no event will any Company Shareholder be entitled to a fractional Better Collective Share. Where the aggregate number of Better Collective Shares to be issued to a Company Shareholder as Consideration under the Arrangement would result in a fraction of a Better Collective Share being issuable, the number of Better Collective Shares to be received by such Company Shareholder will be rounded down to the nearest whole Better Collective Share. In lieu of any fractional Better Collective Share that a Company Shareholder may be entitled to receive, that Company Shareholder will receive a cash payment equal to the applicable fractional interest multiplied by the Better Collective Share Market Price, rounded down to the nearest \$0.01. See "The Arrangement – Election Procedure – No Fractional Shares and Rounding of Cash Consideration".

Q. Does the Company Board support the Arrangement?

A. Yes. The Company Board has unanimously determined that the Arrangement is in the best interests of Playmaker and is fair to Company Shareholders, and recommends that Company Shareholders vote **FOR** the Arrangement Resolution.

In making its recommendation, the Company Board considered a number of factors as described in this Circular under "The Arrangement – Reasons for the Recommendations". Canaccord Genuity is acting as independent financial advisor to the Company, and has delivered a Fairness Opinion to the Company Board stating that, as of November 6, 2023 and, based upon and subject to the scope of review, the assumptions, qualifications, and limitations set forth in such opinion and such other matters that Canaccord Genuity considered relevant, the Consideration to be received under the Arrangement by Company Shareholders was fair, from a financial point of view, to such Company Shareholders (other than the Rollover Shareholders).

See “The Arrangement – Background to the Arrangement”, “The Arrangement – Fairness Opinion”, and Appendix “E” to this Circular.

Q. Why should I support the Arrangement?

A. In recommending that Company Shareholders vote in favor of the Arrangement Resolution, the Company Board considered a number of potentially positive factors, including, but not limited to:

- **Significant Premium to Market Price.** Company Shareholders will receive \$0.70 per Company Share under the Arrangement, representing a premium of approximately 46% to the Company’s spot price on November 3, 2023 and a premium of approximately 44% to the Company’s 10 day volume-weighted average trading price for the period ended November 3, 2023.
- **Optionality for Company Shareholders.** The Company Shareholders have the option to elect to receive either (i) \$0.70 in cash, (ii) 0.0206 Better Collective Shares or (iii) \$0.245 in cash and 0.0134 Better Collective Shares, subject to Proration.
- **Review of Strategic Alternatives.** The Company Board carefully considered the identity and potential strategic interest of other industry and financial counterparties for a potential transaction with Playmaker and, after consultation with its financial advisor, determined that it was unlikely that any other party was willing to propose a transaction on terms (including price) more favourable to the Company, Company Shareholders and other relevant Company stakeholders than the Proposed Transaction. The Company Board also considered Playmaker’s standalone business strategy and concluded that the Consideration is more favorable to Company Shareholders than the alternative of remaining an independent public company and pursuing the Company’s long-term plans, taking into account the associated risks, rewards and uncertainties with pursuing such plans. Furthermore, the Arrangement Agreement allows the Company Board, subject to certain conditions, to engage in discussions or negotiations with respect to an unsolicited written bona fide Acquisition Proposal at any time prior to the approval of the Arrangement Resolution by Company Shareholders and to change its recommendation, terminate the Arrangement Agreement and enter into an agreement with respect to a Superior Proposal. See “Ability to Respond to Superior Proposals” below.
- **Participation by Company Shareholders in Future Growth.** To the extent they receive their Consideration in Better Collective Shares, Company Shareholders will have an opportunity to participate in any future increase in value of the businesses of Better Collective and the Company. As a result of the Arrangement, Better Collective is expected to benefit from: (i) the creation of an integrated sports media platform that leverages the Company’s current portfolio assets while supplementing them with those owned by Better Collective, (ii) significant potential revenue and cost synergies, (iii) greater control over product development, (iv) greater access to product and media talent, and (v) the capacity to expand into new verticals.
- **Liquid Consideration.** To the extent they receive their Consideration in cash, Company Shareholders will benefit from certainty of value and immediate liquidity. Furthermore, even to the extent they receive Consideration in Better Collective Shares, in light of the significant historical trading liquidity of the Better Collective Shares, Company Shareholders are expected to benefit from immediate liquidity at prevailing market prices if they choose to sell their Better Collective Shares following closing of the Arrangement. Accordingly, the Company Board concluded that the Arrangement provides Company Shareholders with the opportunity to achieve enhanced liquidity if they so choose.
- **Arms-Length Negotiations.** The Arrangement is the result of a rigorous solicitation, evaluation and negotiation process that was undertaken at arm’s length with the oversight and participation of the independent directors and their financial and legal advisors. The Company Board, after considering advice from its financial advisors, concluded that \$0.70 per Company Share (based on the closing price of the Better Collective Shares as of November 3, 2023) was the highest price that Better Collective was willing to pay for the Company Shares.
- **Independent Fairness Opinion of Canaccord Genuity.** The Company Board took into account the fact that Canaccord Genuity, which was independent of Better Collective and the Company’s

management, delivered the Fairness Opinion to the Company Board. The Fairness Opinion states that, as of November 6, 2023, based upon and subject to the scope of review, assumptions, qualifications, and limitations set forth in such opinion and such other matters that Canaccord Genuity considered relevant, the Consideration to be received under the Arrangement by Company Shareholders was fair, from a financial point of view, to such Company Shareholders (other than the Rollover Shareholders). The fees payable to Canaccord Genuity for the Fairness Opinion were not contingent upon the conclusion reached by Canaccord Genuity or the outcome of the Proposed Transaction. See “The Arrangement – Fairness Opinion”, and Appendix “E” to this Circular.

- **The Terms and Conditions of the Arrangement Agreement.** The Company Board, after consulting with its legal and financial advisors, concluded that the terms and conditions of the Arrangement Agreement, including Playmaker’s and Better Collective’s representations, warranties and covenants, as well as the conditions to Better Collective’s obligation to complete the Arrangement are reasonable and customary in the circumstances, and the risk of the Arrangement not being completed is mitigated by the limited nature of the conditions in favour of Better Collective.
- **Equitable and Fair Treatment of All Stakeholders.** In the Company Board’s view, the terms of the Arrangement Agreement treat all stakeholders of the Company equitably and fairly.
- **No Financing Condition.** The Arrangement is not subject to a financing condition in favour of Better Collective and Better Collective has sufficient cash on its balance sheet to fund the aggregate cash consideration payable to Company Shareholders pursuant to the Arrangement.
- **No Approval Requirement from Better Collective Shareholders.** The Arrangement does not require the approval of Better Collective’s shareholders.
- **Voting and Support Agreements.** The Supporting Shareholders, who together hold or exercise control and direction over approximately 50% of the outstanding Company Shares, entered into the Voting and Support Agreements pursuant to which the Supporting Shareholders agreed, among other things, to vote the subject securities in favour of the Arrangement Resolution. The Voting and Support Agreements will terminate if the Arrangement Agreement is terminated, including if the Arrangement Agreement is terminated by Playmaker in accordance with the terms of such agreement to enter into a binding written agreement with respect to a Superior Proposal. With the exception of Jordan Gnat and Federico Grinberg, none of the Supporting Shareholders are “interested parties” within the meaning of MI 61-101.
- **Benefit to the Company, Employees and Other Stakeholders.** The Arrangement is expected to benefit the Company, its employees and other stakeholders based upon Better Collective’s strong commitment to the Canadian business, including (i) its plans to maintain Playmaker’s Canadian leadership team and utilize Playmaker’s existing consumer brands, (ii) its intention to continue to invest in Canadian business, and (iii) its plans to maintain a strong local employee base in Toronto and Edmonton.

Q. Did the Company Board obtain a Fairness Opinion?

- A. Yes. Canaccord Genuity rendered an opinion that, as of November 6, 2023 and, based upon and subject to the scope of the review, assumptions, qualifications, and limitations set forth in such opinion and such other matters that Canaccord Genuity considered relevant, the Consideration to be received under the Arrangement by Company Shareholders was fair, from a financial point of view, to such Company Shareholders (other than the Rollover Shareholders).

Q. What approvals are required by Company Shareholders at the Meeting?

- A. To be effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of: (i) at least two-thirds of the votes cast at the Meeting in person or by proxy by Company Shareholders, and (ii) a majority of the votes cast at the Meeting in person or by proxy by Company Shareholders, excluding the votes of persons whose votes must be excluded in accordance with MI 61-101. See “The Arrangement – Company Shareholder Approval”.

Q. What other conditions is the Arrangement subject to?

- A. The Arrangement is subject to, inter alia, approvals by certain U.S. gaming authorities, approval under the *Investment Canada Act*, and no more than five percent of the available Dissent Rights being exercised by Company Shareholders in respect of the Arrangement. See “Regulatory Matters”.

The Arrangement must also be approved by the Court. The Court will be asked to make an order approving the Arrangement and to determine that the Arrangement is fair and reasonable. The Company will apply to the Court for this order if the Company Shareholders approve the Arrangement at the Meeting. See “The Arrangement – Court Approval”.

Q. When will the Arrangement become effective?

- A. Subject to obtaining the Court and Regulatory Approvals described above, as well as the satisfaction of all other conditions precedent, if Company Shareholders approve the Arrangement Resolution, it is anticipated that the Arrangement will be completed in the first quarter of 2024.

Q. What will happen to Playmaker if the Arrangement is completed?

- A. If the Arrangement is completed, Better Collective will acquire all of the Company Shares, and Playmaker will become a wholly-owned subsidiary of Better Collective. Better Collective intends to have the Company Shares delisted from the TSXV and OTCQX. In addition, it is expected that Playmaker will apply to cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer and thus will terminate its reporting obligations in Canada following completion of the Arrangement.

Q. Are the Better Collective Shares listed on a stock exchange?

- A. The Better Collective Shares currently trade on Nasdaq Stockholm under the symbol “BETCO” and on Nasdaq Copenhagen under the symbol “BETCO DKK”. Better Collective will apply to list the Better Collective Shares issuable under the Arrangement on Nasdaq Stockholm and/or Nasdaq Copenhagen in connection with the closing of the Arrangement. Irrespective of whether the Better Collective Shares issued upon closing of the Arrangement are initially listed on Nasdaq Stockholm or Nasdaq Copenhagen, once such Better Collective Shares have been transferred to a brokerage account pursuant to the procedures set out in “The Arrangement – Post-Closing Instruction Procedure” Company Shareholders holding such Better Collective Shares will be entitled to request that their custodian bank transfer such Better Collective Shares to the Danish infrastructure so that they are tradeable on Nasdaq Copenhagen (if initially listed on Nasdaq Stockholm) or to the Swedish infrastructure so that they are tradeable on Nasdaq Stockholm (if initially listed on Nasdaq Copenhagen), as applicable.

Q. How do I elect to receive my Consideration under the Arrangement?

- A. Each Registered Company Shareholder will have the right to elect in the accompanying Letter of Transmittal and Election Form to receive, in respect of each Company Share held, either (i) \$0.70 in cash, (ii) 0.0206 of a Better Collective Share, or (iii) \$0.245 in cash and 0.0134 of a Better Collective Share, subject to Proration. Company Shareholders whose Company Shares are registered in the name of an Intermediary should contact such Intermediary for instructions and assistance in making an election with respect to the form of Consideration they wish to receive.

Q. What happens if I do not make an election in respect of the Consideration I wish to receive under the Arrangement?

- A. If you fail to make a proper election prior to the Election Deadline, or chose not to make an election, you will receive the Combination Consideration of \$0.245 in cash and 0.0134 of a Better Collective Share for each Company Share held.

Q. What are the Canadian federal income tax consequences of the Arrangement?

A. For a summary of certain Canadian federal income tax consequences of the Arrangement, see “Certain Canadian Federal Income Tax Considerations” in this Circular. Such summary is not intended to be legal or tax advice to any particular Company Shareholder. Company Shareholders should consult their own tax and investment advisors with respect to their particular circumstances.

Q. What are the U.S. federal income tax consequences of the Arrangement?

A. For a summary of certain U.S. federal income tax consequences of the Arrangement, see “Certain U.S. Federal Income Tax Considerations” in this Circular. Such summary is not intended to be legal or tax advice to any particular Company Shareholder. Company Shareholders should consult their own tax and investment advisors with respect to their particular circumstances.

Q. Are Company Shareholders entitled to Dissent Rights?

A. Yes. Under the Interim Order, registered holders of Company Shares are entitled to Dissent Rights only if they follow the procedures specified in the OBCA, as modified by the Interim Order and the Plan of Arrangement. Persons who are Beneficial Company Shareholders who wish to dissent should be aware that only Registered Company Shareholders are entitled to Dissent Rights. Accordingly, a Beneficial Company Shareholder desiring to exercise this right must make arrangements for the Company Shares beneficially owned by such Company Shareholder to be registered in the Company Shareholder’s name prior to the time the written objection to the Arrangement Resolution is required to be received by Playmaker or, alternatively, make arrangements for the registered holder of such Company Shares to dissent on the Beneficial Company Shareholder’s behalf.

If you wish to exercise Dissent Rights, you should review the requirements summarized in this Circular carefully and consult with your legal advisor. See “Rights of Dissenting Company Shareholders”.

Q. What will happen if the Arrangement Resolution is not approved or the Arrangement is not completed for any reason?

A. If the Arrangement Resolution is not approved or the Arrangement is not completed for any reason, the Arrangement Agreement may be terminated. If, for any reason, the Arrangement is not completed or its completion is materially delayed and/or the Arrangement Agreement is terminated, the market price of Company Shares may be materially adversely affected. The Company’s business, financial condition or results of operations could also be subject to various material adverse consequences, including that Playmaker would remain liable for its own costs relating to the Arrangement. See “The Arrangement Agreement” and “Risk Factors – Risks Related to the Arrangement”.

Q. How do I vote on the Arrangement Resolution?

A. You should carefully read and consider the information contained in this Circular. Registered Company Shareholders should then vote by completing the enclosed form of proxy or, alternatively, over the internet or by telephone, in each case in accordance with the enclosed instructions. A proxy will not be valid for use at the Meeting unless the completed form of proxy is deposited at the offices of Odyssey, Trader’s Bank Building, 702-67 Yonge Street, Toronto, ON M5E 1J8, Canada, in the enclosed envelope, by mail or by hand delivery or online at <https://vote.odysseytrust.com> by 10:00 a.m. (Toronto time) on January 18, 2024 (or if the Meeting is postponed or adjourned, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto) prior to the date of the postponed or adjourned Meeting). The Company reserves the right to accept late proxies and to extend or waive the proxy cut-off, with or without notice, but is under no obligation to accept or reject any particular late proxy. See “General Information About the Meeting and Voting – Voting at the Meeting”.

If you hold your Company Shares through an Intermediary, please follow the instructions on the voting instruction form provided by such Intermediary to ensure that your vote is counted at the Meeting. See “General Information About the Meeting and Voting – Voting at the Meeting”.

Q. Should I send in my proxy now?

A. Yes. To ensure your vote is counted, you need to complete and submit the enclosed form of proxy or, if applicable, provide your Intermediary with voting instructions. You are encouraged to vote well in advance of the proxy cut-off at 10:00 a.m. (Toronto time) on January 18, 2024 (or if the Meeting is postponed or adjourned, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto) prior to the date of the postponed or adjourned Meeting).

Q. Should I send in my Letter of Transmittal and Election Form now?

A. Yes. It is recommended that all Registered Company Shareholders complete, sign and return the Letter of Transmittal and Election Form, together with any DRS advice statement(s), share certificate(s) and other documents evidencing ownership of the Company Shares to the Depositary as soon as possible. Registered Company Shareholders that hold their Company Shares in book-entry or other uncertificated form may deliver their Company Shares to the Depositary by noting their respective holder account number(s) in the Letter of Transmittal and Election Form, in accordance with the instructions in the Letter of Transmittal and Election Form. To make a valid election as to the form of Consideration that you wish to receive under the Arrangement, you must sign the Letter of Transmittal and Election Form and make a proper election thereunder and return it to the Depositary prior to the Election Deadline. If you fail to make a proper election by the Election Deadline, you will be deemed to have elected to receive, for each Company Share, the Combination Consideration (being \$0.245 in cash and 0.0134 Better Collective Shares). Please be sure to use the Letter of Transmittal and Election Form. See “The Arrangement – Election Procedure”.

Q. If my Company Shares are held by an Intermediary, will they vote my Company Shares or make an election for me?

A. An Intermediary will vote the Company Shares held by you, or make an election on your behalf, only if you provide instructions to such Intermediary on how to vote or which election to make. If you fail to give proper instructions, those Company Shares will not be voted and no election will be made on your behalf. Company Shareholders should instruct their Intermediaries to vote their Company Shares and make an election on their behalf by following the instructions provided to them by their Intermediaries. Unless your Intermediary gives you its proxy to vote the Company Shares at the Meeting, you cannot vote those Company Shares owned by you at the Meeting. See “General Information About the Meeting and Voting – Voting at the Meeting”.

Company Shareholders who fail to make a proper election by the Election Deadline will be deemed to have elected to receive, for each Company Share held, the Combination Consideration (being \$0.245 in cash and 0.0134 Better Collective Shares). Please be sure to use the Letter of Transmittal and Election Form. See “The Arrangement – Election Procedure”.

Q. When will I receive the Consideration payable to me under the Arrangement for my Company Shares?

A. You will receive the cash consideration due to you under the Arrangement as soon as practicable after the Arrangement becomes effective and your Letter of Transmittal and Election Form and all other required documents, together with any DRS advice statement(s), share certificate(s) and other documents evidencing ownership of the Company Shares, are properly completed and received by the Depositary. You will receive the Better Collective Shares due to you under the Arrangement as soon as practicable after your Letter of Transmittal and Election Form and BC Share Instruction Form and all other required documents are properly completed and received by the Depositary in accordance with the instructions and timeline set out under “The Arrangement – Election Procedure”.

It is anticipated that the Arrangement will be completed in the first quarter of 2024 assuming the Arrangement Resolution is approved, all Court and all other approvals have been obtained, and all other conditions of closing have been satisfied or waived. See “The Arrangement – Procedure for the Arrangement to Become Effective”.

Q. What happens if I send in my DRS advice statement(s) or share certificate(s) and the Arrangement Resolution is not approved or the Arrangement is not completed?

A. If the Arrangement Resolution is not approved or if the Arrangement is not otherwise completed, any DRS advice statement(s), share certificate(s) or other evidence representing Company Shares, if any, submitted by you to the Depository will be returned promptly to you by the Depository.

Q. Can I revoke my vote after I have voted by proxy?

A. Yes. A Registered Company Shareholder executing the enclosed form of proxy has the right to revoke it by providing a new proxy dated as at a later date, provided that the new proxy is received by Odyssey before 10:00 a.m. (Toronto time) on January 18, 2024 (or if the Meeting is postponed or adjourned, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto) prior the date of the postponed or adjourned Meeting). A Registered Company Shareholder may also revoke any prior proxy without providing new voting instructions by clearly indicating in writing that such Company Shareholder wants to revoke his, her or its proxy and delivering this signed written document to the principal office of Playmaker at 2 St. Clair Ave. West, Suite 601, Toronto, Ontario, M4V 1L5, at any time up to and including the last business day preceding the day of the Meeting, or any postponement or any adjournment of the Meeting or in any other way permitted by law. **In addition to the foregoing, if a Registered Company Shareholder, or the Person appointed as their proxy, is using a control number or an invite code, as applicable, to log in to the Meeting and such Person accepts the terms and conditions, any vote cast by such Registered Company Shareholder, or the Person appointed as their proxy, on a ballot at the Meeting will be counted and the corresponding submitted proxy will be disregarded.**

If you hold your Company Shares through an Intermediary, the methods to revoke your proxy may be different and you should carefully follow the instructions provided to you by your Intermediary. See “General Information About the Meeting and Voting – Revocation of Proxies”.

Q. What is the process for having my Better Collective Shares issued to me following closing of the Arrangement?

A. On closing of the Arrangement, all of the Better Collective Shares issued as Consideration under the Arrangement will initially be held in the name of the Depository and credited to the Depository’s nominee account through its broker, Stifel. The Depository will hold the Better Collective Shares as agent for the Company Shareholders that are entitled to receive such Better Collective Shares under the Arrangement. Within five Business Days following the Effective Date, the Depository will deliver by first class mail to all Registered Company Shareholders and Intermediaries an account statement specifying their entitlement to the Better Collective Shares under the Arrangement (which will reflect their Consideration election and applicable Proration), along with the BC Share Instruction Form to be completed and returned to the Depository, which will provide each Registered Company Shareholder and Intermediary with an option to either (i) transfer their Better Collective Shares to a brokerage or custody account in their name that is permitted to hold the Better Collective Shares, or (ii) sell such Better Collective Shares in the local market via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), at the market price when such trade is executed, and remit to such Registered Company Shareholder or Intermediary the cash proceeds from the sale, subject to applicable withholding taxes.

Q. When should I complete and return the BC Share Instruction Form?

- A. Registered Company Shareholders and Intermediaries will be sent their BC Share Instruction Forms within five Business Days of the Effective Date. It is recommended that all Registered Company Shareholders and Intermediaries complete, sign and return the BC Share Instruction Form to the Depositary as soon as possible after receipt of such BC Share Instruction Form.

Q. What if I do not complete and return the BC Share Instruction Form?

- A. Approximately 30 days after distributing the BC Share Instruction Forms to all Registered Company Shareholders and Intermediaries, the Depositary will send a follow-up communication to all Non-Responding Shareholders. The Depositary will continue to send follow-up communications to such Non-Responding Shareholders every 12 to 18 weeks over the one-year period following the Post-Closing Instruction Period.

Within 30 days of the expiry of the Post-Closing Instruction Period, the Depositary will submit instructions to Stifel to sell in the local market all Better Collective Shares held for the benefit of Non-Responding Shareholders. As soon as practicable after receipt of such instructions, Stifel will submit a trade order via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), for the total number of Better Collective Shares held for the benefit of the Non-Responding Shareholders. Upon settlement of the trade, Stifel will receive the cash proceeds from the trade in the local currency and will convert the cash proceeds to U.S. dollars based on the exchange rate available to Stifel at such time. Within one Business Day of settlement, Stifel will wire the cash proceeds in U.S. dollars to the Depositary's bank account. After receipt of the cash proceeds from Stifel, the Depositary will retain such cash proceeds (together with all other undistributed cash Consideration due and payable to Non-Responding Shareholders) until it receives a validly completed Letter of Transmittal and Election Form, BC Share Instruction Form and/or any other required documents or instructions as reasonably requested by the Depositary from any Non-Responding Shareholders instructing where to deliver the cash proceeds to which they are entitled. If the Depositary does not receive a validly completed Letter of Transmittal and Election Form, BC Share Instruction Form and/or any other required documents or instructions as reasonably requested by the Depositary from any applicable Non-Responding Shareholders prior to the sixth anniversary of the Effective Date, any remaining cash proceeds (together with all other undistributed cash Consideration due and payable to Non-Responding Shareholders) held by the Depositary shall be deemed to have been surrendered to Better Collective and be paid or returned over by the Depositary to Better Collective or as directed by Better Collective.

GENERAL INFORMATION ABOUT THE MEETING AND VOTING

Date, Time and Place

The Meeting will be conducted in a virtual-only format via live audio webcast. The live audio webcast will permit all participants to communicate adequately with each other during the Meeting. A summary of the information Company Shareholders will need to attend the Meeting online is provided below. See “General Information About the Meeting and Voting – Voting at the Meeting” below.

The Meeting will be held via a live audio webcast online at <https://web.lumiagm.com/#/205606471> on January 22, 2024 at 10:00 a.m. (Toronto time).

Record Date

The Record Date for determining the Company Shareholders entitled to receive notice of and to vote at the Meeting is December 11, 2023. Only Company Shareholders of record as of the close of business (Toronto time) on the Record Date are entitled to receive notice of and to vote at the Meeting.

Solicitation of Proxies

This Circular is furnished by management of Playmaker in connection with the solicitation of proxies for use at the Meeting to be held via a live audio webcast online at <https://web.lumiagm.com/#/205606471> on January 22, 2024 at 10:00 a.m. (Toronto time), and at any postponements or adjournments of the Meeting.

The solicitation of proxies by this Circular is being made by or on behalf of management of Playmaker. It is expected that the solicitation will be made primarily by mail, but proxies may also be solicited by telephone, over the internet, in writing or in person. The cost of the solicitation will be borne by Playmaker.

Quorum

A quorum for the transaction of business at the Meeting or any adjournment thereof shall be the holders of not less than 10% of the Company Shares entitled to vote at the Meeting, present in person or represented by proxy.

Eligibility for Voting

The authorized capital of the Company consists of (i) an unlimited number of Company Shares and (ii) an unlimited number of Preferred Shares, issuable in series. The Company Shares are listed and posted for trading on the TSXV under the symbol “PMKR”, and are also traded over-the-counter on the OTCQX under the symbol “PMKRF”. Company Shareholders are entitled to one vote for each Company Share held on all matters upon which Company Shareholders are entitled to vote at the Meeting. As at the date of this Circular, there are 229,679,664 Company Shares issued and outstanding and no Preferred Shares issued and outstanding.

Any Company Shareholder who was a Company Shareholder as of the close of business on the Record Date shall be entitled to receive notice of and vote at the Meeting or any adjournment thereof.

Principal Shareholders

To the knowledge of the Company and its executive officers, the only person or company that beneficially owned, or controlled or directed, directly or indirectly, voting securities of the Company carrying 10% or more of the votes attached to any class of issued and outstanding Shares as of the date hereof, is:

Name	Type of Ownership	Shares	Percentage of Voting Rights ⁽¹⁾
Relay Ventures Fund III Capital Inc. ⁽²⁾	Beneficial	32,994,480	14.4%
JPG Investments Inc.	Beneficial	27,895,357 ⁽³⁾	12.1%

Notes:

- (1) Percentages presented on a non-diluted basis.
- (2) John Albright is a founding member of Relay Ventures Fund III Capital Inc. Shares held by Relay Ventures Fund III Capital Inc. are held by two separate funds controlled by Relay Ventures Fund III Capital Inc.
- (3) 1,325,576 Company Shares are held through Jordan Gnat and his affiliates.

Management of the Company understands that Company Shares registered in the name of CDS or DTC are beneficially owned through various dealers and other intermediaries on behalf of their clients and other parties. The names of the beneficial holders of such Company Shares are not known to the Company. Except as set out above, the Company and its executive officers have no knowledge of any person or company that beneficially owns, or controls or directs, directly or indirectly, 10% or more of the outstanding Company Shares.

Notice-and-Access

The Company is using Notice-and-Access under National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations* to distribute this Circular and its accompanying materials. This allows the Company to post electronic versions of the meeting materials on SEDAR+ at www.sedarplus.ca, and on the Company’s website at www.playmaker.fans instead of mailing paper copies to Company Shareholders. Notice-and-Access is more environmentally friendly, reducing the use of paper and certain physical delivery-related emissions, and more cost effective for the Company, as it reduces print and mailing costs.

Company Shareholders still have the right to request paper copies of the meeting materials posted online by the Company under Notice-and-Access if they choose. The Company will not use the “stratification” procedure for Notice-and-Access, where a paper copy of the meeting materials is provided along with the notice package.

The meeting materials are available under the Company’s profile on SEDAR+ and on the Company’s website at www.playmaker.fans. The Company will provide paper copies of this Circular and its accompanying materials free of charge, for a period of up to one year from the date the Circular is filed on SEDAR+, to any Company Shareholder who requests them by emailing Mike Cooke, Chief Financial Officer of the Company at mike@playmaker.fans. Shareholders who wish to receive a paper copy of the meeting materials in advance of the Meeting should submit their request to the Company no later than January 8, 2024, to allow themselves sufficient time to receive and review the materials before the proxy submission deadline of 10:00 a.m. (Toronto Time) on January 18, 2024. The Company will send materials within three (3) Business Days of receiving a request if the request is received before the meeting date, or within 10 days if received on or after the meeting date. Company Shareholders should consider emailing their request to the Company and requesting an electronic copy of the materials to ensure they have sufficient time to review the materials, in which case requests should be sent to the Company by January 8, 2024.

Company Shareholders will be sent a paper copy of a notice package under Notice-and-Access by pre-paid mail containing: (i) a notification about the Company’s use of Notice-and-Access with instructions about how to access the proxy-related materials online, and (ii) for Registered Company Shareholders, a form of proxy, or for Beneficial Company Shareholders a VIF.

Voting and Other Meeting Activities

Only Registered Company Shareholders, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. Each Company Share in existence as of the Record Date is entitled to one vote at the Meeting. See

“General Information About the Meeting and Voting” for details of these voting rights. The list of Company Shareholders entitled to vote at the Meeting will be available for inspection during usual business hours at the principal office of Playmaker’s transfer agent, Odyssey, in Toronto, Ontario.

Registered Company Shareholders, or the Persons they appoint as their proxies, who participate in the Meeting online will be able to listen to the Meeting, ask questions and vote, all in real time, provided they are connected to the Internet and comply with all of the requirements set out below under “General Information About the Meeting and Voting – Voting at the Meeting”. Company Shareholders who beneficially own Company Shares that are registered in the name of an Intermediary or clearing agency (“**Beneficial Company Shareholders**”) and who have not duly appointed themselves as proxyholders may still attend the Meeting as guests provided they are connected to the Internet. Guests will be able to listen to the Meeting and ask questions following conclusion of the formal business of the Meeting but will not be able to vote at the Meeting. See “General Information About the Meeting and Voting – Voting at the Meeting” below.

Voting by Beneficial Company Shareholders

While only Registered Company Shareholders, or the Persons they appoint as their proxies, are permitted to attend and vote at the Meeting, in many cases Company Shares held by Beneficial Company Shareholders are registered either:

1. in the name of an Intermediary that the Beneficial Company Shareholder deals with in respect of the Company Shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered retirement savings plans, registered retirement income funds and registered educational savings plans and similar plans; or
2. in the name of a clearing agency (such as CDS) of which the Intermediary is a participant.

In accordance with Canadian Securities Laws, Playmaker has distributed copies of the Notice of Meeting, this Circular, and the form of proxy and voting instruction form (collectively, the “**Meeting Materials**”) to CDS and Intermediaries for onward distribution to Beneficial Company Shareholders.

Intermediaries are required to forward Meeting Materials to Beneficial Company Shareholders unless a Beneficial Company Shareholder has waived the right to receive them. Very often, Intermediaries will use service companies (such as Broadridge Financial Solutions Inc. (“**Broadridge**”)) to forward the Meeting Materials to Beneficial Company Shareholders. Generally, Beneficial Company Shareholders who have not waived the right to receive Meeting Materials will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Beneficial Company Shareholders to direct the voting of the Company Shares they beneficially own. Beneficial Company Shareholders should follow the procedures set out below, depending on which type of form they receive.

1. **Voting Instruction Form.** In most cases, a Beneficial Company Shareholder will receive, as part of the Meeting Materials, a voting instruction form. If the Beneficial Company Shareholder does not wish to attend and vote at the Meeting online via the live audio webcast (or have another person attend and vote on the holder’s behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. Voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone or through the internet at www.proxyvote.com. If a Beneficial Company Shareholder wishes to attend and vote at the Meeting online via the live audio webcast (or have another Person attend and vote on the holder’s behalf), the Beneficial Company Shareholder must complete, sign and return the voting instruction form in accordance with the directions provided by Broadridge and a form of proxy giving the right to attend and vote will be forwarded to the Beneficial Company Shareholder; or
2. **Form of Proxy.** Less frequently, a Beneficial Company Shareholder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Company Shares beneficially owned by the Beneficial Company Shareholder but which is otherwise incomplete. If the Beneficial Company Shareholder does not

wish to attend and vote at the Meeting online via the live audio webcast (or have another Person attend and vote on the Beneficial Company Shareholder's behalf), the Beneficial Company Shareholder must complete the form of proxy and deposit it with Odyssey as described above. If a Beneficial Company Shareholder wishes to attend and vote at the Meeting online via the live audio webcast (or have another Person attend and vote on the Beneficial Company Shareholder's behalf), the Beneficial Company Shareholder must strike out the names of the Persons named in the proxy and insert the Beneficial Company Shareholder's (or such other Person's) name in the blank space provided.

Beneficial Company Shareholders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, in order to have their Company Shares voted at the Meeting. The Company may also utilize the Broadridge QuickVote™ service to assist Beneficial Company Shareholders with voting their Company Shares over the telephone.

Voting at the Meeting

General

Registered Company Shareholders, or the Persons they appoint as their proxies, may vote at the Meeting by completing a ballot online during the Meeting, as further described below under "General Information About the Meeting and Voting – Voting at the Meeting – How do I Attend and Participate at the Meeting?"

Beneficial Company Shareholders who have not duly appointed themselves as proxyholder will not be able to vote at the Meeting but will be able to participate as a guest and ask questions following conclusion of the formal business of the Meeting. This is because Playmaker and Odyssey do not have a record of the Beneficial Company Shareholders, and, as a result, will have no knowledge of Beneficial Company Shareholders' shareholdings or entitlement to vote unless such Beneficial Company Shareholders appoint themselves as proxyholders.

Beneficial Company Shareholders who wish to vote at the Meeting online must appoint themselves as proxyholder by inserting the applicable Beneficial Company Shareholder's name in the space provided on the voting instruction form sent to them and they must follow all of the applicable instructions, including the deadline, provided by their respective Intermediaries. See "General Information About the Meeting and Voting – Voting at the Meeting – Appointment of a Third Party as a Proxy" and "General Information About the Meeting and Voting – Voting at the Meeting – How do I Attend and Participate at the Meeting?" below.

U.S. Beneficial Company Shareholders who wish to attend and vote at the Meeting online must first obtain a valid legal proxy from their broker, bank or other agent and then register in advance to attend the Meeting online. Such U.S. Beneficial Company Shareholders are encouraged to follow the instructions from their broker or bank included with these proxy materials, or contact their broker or bank to request a legal proxy form. After first obtaining a valid legal proxy from a broker, bank or other agent, to then register to attend the Meeting, U.S. Beneficial Company Shareholders who wish to attend and vote at the Meeting online must submit a copy of their legal proxies to Odyssey. Requests for registration should be directed by mail to the attention of the Proxy Department of Odyssey at Trader's Bank Building, 702-67 Yonge Street, Toronto, ON M5E 1J8, Canada or by email at appointee@odysseytrust.com. Requests for registration must be labeled as "Legal Proxy" and be received no later than 10:00 a.m. (Toronto time) on January 18, 2024. Such U.S. Beneficial Company Shareholders will receive a confirmation of their registrations by email after Odyssey receives the submitted registration materials. Please note that U.S. Beneficial Company Shareholders who wish to attend and vote at the Meeting online are required to register their appointments via email at appointee@odysseytrust.com.

Appointment of a Third Party as a Proxy

The following applies to Company Shareholders who wish to appoint someone as their proxyholder other than the management nominees named in the form of proxy or voting instruction form. This includes Beneficial Company Shareholders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting.

Company Shareholders who wish to appoint someone other than the management nominees as their proxyholder to attend and participate at the Meeting as their proxy and vote their Company Shares must submit their form of proxy or voting instruction form, as applicable, appointing that Person as proxyholder and register that proxyholder online, as described below. Registering a proxyholder is an additional step to be completed after a Company Shareholder has submitted such Company Shareholder's form of proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving an invite code to vote in the Meeting and only being able to attend as a guest, provided that they click "Guest" on the virtual meeting platform and complete the associated online form.

Step 1 – Submit a form of proxy or voting instruction form: To appoint someone other than the management nominee(s) as proxyholder, insert that Person's name in the blank space provided in the form of proxy or voting instruction form (if permitted) and follow the instructions for submitting such form of proxy or voting instruction form. This must be completed before registering such proxyholder, which is an additional step to be completed once the form of proxy or voting instruction form (as applicable) has been submitted.

Beneficial Company Shareholders who wish to vote at the Meeting must insert their own name in the space provided on the voting instruction form sent to them by their respective Intermediaries, follow all of the applicable instructions provided by their respective Intermediaries and register themselves as their respective proxyholders, as described below. By doing so, Beneficial Company Shareholders are instructing their respective Intermediaries to appoint them as proxyholder. It is important that Beneficial Company Shareholders comply with the signature and return instructions provided by their respective Intermediaries. Please also see further instructions below under the heading. See "General Information About the Meeting and Voting – Voting at the Meeting – How do I Attend and Participate at the Meeting?"

Step 2 – Register the chosen proxyholder: To register a third party proxyholder, Company Shareholders must email appointee@odysseytrust.com by no later than 10:00 a.m. (Toronto time) on January 18, 2024 and provide Odyssey with the required proxyholder contact information so that Odyssey may provide the proxyholder with an invite code via email to participate in the Meeting. Without an invite code, proxyholders will not be able to vote at the Meeting but will be able to participate as a guest, provided that they click "Guest" on the virtual meeting platform and complete the associated online form.

How do I Attend and Participate at the Meeting?

The Meeting will be held in a virtual-only format, which will be conducted via live audio webcast. Attending the Meeting online enables Registered Company Shareholders, or the Persons they appoint as their proxies, to vote at the Meeting and ask questions at the appropriate times during the Meeting, all in real time.

Guests, including Beneficial Company Shareholders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out below. Guests can listen to the Meeting and ask questions following conclusion of the formal business of the Meeting but are not able to vote.

Log in online with your smartphone, tablet or computer. You will need the latest version of Chrome, Safari, Microsoft Edge or Firefox to do so. It is recommended that you log in at least 15 minutes before the Meeting starts.

If you are a Registered Company Shareholder, click "Shareholder" and then enter your log-in credentials, which is the control number located on your form of proxy or in the email notification you received from Odyssey.

OR

If you are a duly appointed proxyholder click "Invitation" and then enter your invite code that was provided to you by Odyssey after the voting deadline passed. In order to be a duly appointed proxyholder the proxyholder must be registered as described in "Voting at the Meeting – Appointment of a Third Party as a Proxy" above.

OR

If you are a Beneficial Company Shareholder that has not appointed yourself as a proxyholder click “Guest” and then complete the online form.

Without an invite code, duly appointed proxyholders will not be able to vote at the Meeting.

It is important that Registered Company Shareholders, or the Persons they appoint as their proxies, who attend the Meeting online are connected to the Internet at all times during the Meeting in order to vote online when balloting commences. It is the responsibility of Registered Company Shareholders, or the Persons they appoint as their proxies, to ensure connectivity for the duration of the Meeting. Registered Company Shareholders, or the Persons they appoint as their proxies, are encouraged to allow ample time to check into the Meeting online and complete the related procedures outlined above.

If a Registered Company Shareholder, or the Person appointed as their proxy, is using a control number or an invite code, as applicable, to log in to the Meeting and such Person accepts the terms and conditions, any vote cast by such Registered Company Shareholder, or the Person appointed as their proxy, on a ballot at the Meeting will be counted and the corresponding submitted proxy will be disregarded.

Proxies

A proxy is a document that authorizes someone else to attend the Meeting and cast the votes for a Registered Company Shareholder. Registered Company Shareholders are being sent a form of proxy for the Meeting permitting them to appoint a Person to attend and act as proxyholder at the Meeting. Registered Company Shareholders may use the enclosed form of proxy or any other valid proxy form to appoint a proxyholder. The enclosed form of proxy authorizes the proxyholder to vote and otherwise act for a Registered Company Shareholder at the Meeting, including any continuation after postponement or adjournment of the Meeting.

Appointment of Proxyholders

The persons specified in the enclosed form of proxy are directors and/or executive officers of Playmaker. **A Company Shareholder has the right to appoint a Person (who need not be a Company Shareholder) to represent the Company Shareholder at the Meeting other than the Persons designated in the form of proxy. You may exercise such right by inserting the name in full of the desired Person in the blank space provided in the form of proxy. If you leave the space on the proxy form blank, the directors and officers of Playmaker named in the enclosed form of proxy are appointed to act as your proxyholder.**

To be valid, a proxy must be signed by a Company Shareholder or Company Shareholder’s attorney authorized in writing or, if a Company Shareholder is a corporation, by a duly authorized officer or attorney. Proxies must be received by Odyssey at Trader’s Bank Building, 702-67 Yonge Street, Toronto, ON M5E 1J8, Canada, in the enclosed envelope, by mail, hand delivery or online at <https://vote.odysseytrust.com> by 10:00 a.m. (Toronto time) on January 18, 2024 (or if the Meeting is postponed or adjourned, at least 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto) prior the date of the postponed or adjourned Meeting). The additional registration steps outlined below under “General Information About the Meeting and Voting – Voting at the Meeting” must also be followed. **Failure to properly complete or deposit a proxy may result in its invalidation. The time limit for the deposit of proxies may be waived by the Chair of the Meeting at their discretion without notice. Without an invite code, duly appointed proxyholders will not be able to vote at the meeting.**

Voting of Proxies

If you have properly filled out, signed and delivered your proxy, then your proxyholder can vote your Company Shares for you at the Meeting. The Company Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the Company Shareholder on any ballot that may be called for and, if the Company Shareholder specifies a choice with respect to any matter to be acted upon, the Company Shares will be voted accordingly. **If a choice is not so specified with respect to any such matter, and the Persons named in the enclosed**

form of proxy have been appointed as proxyholder, the Company Shares represented by such proxy will be voted FOR the Arrangement Resolution.

The enclosed form of proxy confers discretionary authority upon the proxy nominee with respect to any amendments or variations to the matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. If any such amendments or variations are proposed to the matters described in the Notice of Meeting or if any other matters properly come before the Meeting, the proxyholder may vote your Company Shares as he or she considers best. The Company Board is not currently aware of any amendments to the matters to be presented for action at the Meeting or of any other matters to be presented for action at the Meeting.

Revocation of Proxies

In addition to revocation in any other manner permitted by Law, a Company Shareholder who has given a proxy may revoke it by:

- (1) executing a proxy bearing a later date and by delivering it to Odyssey at Trader's Bank Building, 702-67 Yonge Street, Toronto, ON M5E 1J8, Canada before 10:00 a.m. (Toronto time) on January 18, 2024, or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto) prior to any reconvened Meeting in the event of an adjournment of the Meeting; or
- (2) executing a valid notice of revocation and delivering such notice to (i) the principal office of Playmaker at 2 St. Clair Ave. West, Suite 601, Toronto, Ontario, M4V 1L5, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of the Meeting, or (ii) the Chair of the Meeting at the Meeting prior to the commencement of voting in respect of the Arrangement Resolution.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

In addition to the foregoing, if a Registered Company Shareholder, or the Person appointed as their proxy, is using a control number or an invite code, as applicable, to log in to the Meeting and such Person accepts the terms and conditions, any vote cast by such Registered Company Shareholder, or the Person appointed as their proxy, on a ballot at the Meeting will be counted and the corresponding submitted proxy will be disregarded.

THE ARRANGEMENT

Background to the Arrangement

On November 6, 2023, Playmaker and Better Collective entered into the Arrangement Agreement, which sets out the terms and conditions for implementing the Arrangement. The Arrangement Agreement is the result of extensive arm's length negotiations among representatives of Playmaker and Better Collective and their respective legal and financial advisors. The following is a summary of the principal events leading up to the execution and public announcement of the Arrangement Agreement.

Between January and September of 2022, Playmaker received a number of inquiries from third parties interested in exploring an acquisition of the Company.

In October 2022, Moelis & Company ("Moelis"), financial advisor to Better Collective, initiated preliminary discussions with Jordan Gnat regarding a potential business combination or similar transaction between Playmaker and Better Collective. Those discussions focused on the strategic rationale for combining the businesses, including the fact that both companies were leading sports media brands in fast-growing markets and could offer one another product, portfolio and geographic diversification that would enhance the value of their respective brands, while providing significant synergies, cost optimization, growth acceleration and share price appreciation for Company Shareholders.

In response to the inquiries received from third parties, including Better Collective, on November 7, 2022, Playmaker engaged Oakvale Capital LLP (“**Oakvale**”), a leading M&A and strategic advisory boutique focused on the gaming, gambling and sports industries, to serve as financial advisor to the Company with a mandate to explore strategic alternatives, including potential take-private transactions, mergers, significant acquisitions or other business combinations.

Between November 7, 2022 and May 2023, Oakvale reached out to 20 parties to explore their interest in a potential strategic transaction with Playmaker, including parties who had previously expressed an interest in acquiring the Company in 2022. Of the 20 parties that Oakvale reached out to, seven were traditional media companies, six were affiliate marketing companies, three were business-to-consumer operators, three were business-to-business adtech companies, and one was a private equity sponsor. The parties chosen were broadly targeted by Oakvale, with each party having a unique value proposition. Nine parties signed non-disclosure agreements with Playmaker and were given access to a data room. Of those nine parties, five engaged in due diligence on the Company and held meetings with management between December 2022 and June 2023.

Between May 2022 and June 2023, Playmaker also engaged in discussions with three North American private equity firms regarding a potential acquisition of the Company. All three private equity firms signed non-disclosure agreements with Playmaker and were given access to a data room. Of the three firms, two engaged in meaningful due diligence and conducted several meetings with management. However, given prevailing market circumstances at the time, neither firm was prepared to move forward with an offer at a valuation that the Company Board was willing to consider.

On November 22, 2022, Better Collective and Playmaker executed a mutual confidentiality agreement (the “**Mutual CA**”). Between November, 2022 and late February 2023, preliminary discussions between Playmaker, Better Collective and their respective financial advisors regarding a potential transaction continued, and were then put on pause in March 2023. Mr. Gnat kept the Company Board apprised of the ongoing discussions between Playmaker, Better Collective and their respective advisors during that period.

Between November 2022 and June 2023, management of Playmaker provided the Company Board with periodic updates on the strategic review process undertaken with the assistance of Oakvale at the Company’s quarterly board meetings, and solicited their feedback on the conduct of the strategic review process and the terms of the proposals received.

From February 2023 to May 2023, Playmaker engaged in discussions with another media company concerning a potential merger, whereby Playmaker would be the surviving entity and remain listed on the TSXV. However, the parties could not come to an agreement on valuation and structure of the combined business, and discussions broke off in June 2023.

In June 2023, Jesper Søgaaard, CEO of Better Collective, and Moelis reached back out to Oakvale and Mr. Gnat to notify them that Better Collective was interested in submitting a proposal to acquire Playmaker. They indicated that Better Collective valued Playmaker at an equity value of approximately \$198 million, assuming the conversion of the debentures under the Beedie Credit Agreement into Company Shares, or \$0.75 per Company Share on a fully diluted basis, and would be prepared to acquire the Company for a mix of cash and Better Collective Shares (the “**Initial Proposal**”), with the exact consideration mix to be determined at a later date. Mr. Gnat promptly took the Initial Proposal back to the Company Board for consideration. On June 12, 2023, Mr. Gnat and Moelis spoke by telephone, at which time Mr. Gnat advised Moelis that the Company Board would permit Better Collective to conduct due diligence on the Company.

On June 14, 2023, Playmaker and Better Collective executed an amendment to the Mutual CA to extend the term.

Between June 2023 and August 2023, Better Collective and Moelis continued to conduct high level financial and operational due diligence on the Company.

On August 7, 2023, Mr. Søgaaard and Mr. Gnat discussed a potential transaction in greater detail. Mr. Søgaaard advised Mr. Gnat that Better Collective was interested in pursuing a potential acquisition of Playmaker for total consideration

of approximately \$0.75 per Company Share, comprised of approximately 40% in cash and 60% in Better Collective Shares, subject to satisfactory completion of financial and legal due diligence. Mr. Søgaaard also expressed Better Collective's desire to maintain the continuity of Playmaker's business plan and to retain its key management team and employee base. Mr. Gnat was supportive of Mr. Søgaaard's strategic vision for Better Collective and believed there was significant upside for Company Shareholders on a combined basis.

On August 8, 2023, Mr. Gnat received a non-binding offer letter (the "**Offer Letter**") from Better Collective pursuant to which Better Collective offered to acquire all of the issued and outstanding shares of Playmaker for \$0.75 per Company Share, comprised of cash consideration of \$0.2625 per Company Share and Better Collective Shares with an offer value equivalent to \$0.4875 per Company Share, representing an implied equity valuation of approximately \$200 million (collectively, the "**Proposed Transaction**"). The Offer Letter indicated that Better Collective was prepared to dedicate significant time and resources to completing its due diligence and negotiate definitive documentation within a 30 day exclusivity period.

Later in the day on August 8, 2023, Messrs. Gnat, Cassaday and Cooke met with Playmaker's legal counsel, Goodmans LLP ("**Goodmans**"), to discuss the Proposed Transaction and the various legal issues to be considered in evaluating the Offer Letter.

Following the meeting with Goodmans on August 8, 2023, Mr. Gnat circulated the Offer Letter to the Company Board and proposed that it be discussed at the Company Board's upcoming meeting on August 10, 2023.

On August 10, 2023, Mr. Gnat presented the Offer Letter to the Company Board and advised the Company Board that Better Collective had asked that he maintain a role with them following closing of the Proposed Transaction. Mr. Cooke and Mr. Gnat also provided the Company Board with an update on the Company's financial results to date and provided a financial forecast over the next 12 months. The Company Board discussed the benefits and risks involved in pursuing the Proposed Transaction versus continuing to explore other strategic alternatives or maintaining the status quo, taking into account prevailing macroeconomic and market conditions in Canada, including substantially higher interest rates, related increases in the cost of capital and depressed trading prices for small-cap issuers. Having received analysis and periodic updates from Oakvale about the strategic process dating back to November 2022, the Company Board determined that it was unlikely any other party would be willing and able to propose a transaction that was on terms (including price) more favourable to the Company, Company Shareholders and other relevant Company stakeholders than the Proposed Transaction. The Company Board also considered Playmaker's standalone business strategy and concluded that the Consideration to be received by Company Shareholders pursuant to the Arrangement was more favorable to Company Shareholders than the alternative of remaining an independent public company and pursuing the Company's long-term plans, taking into account the associated risks, rewards and uncertainties of such plans. Based on the foregoing, the Company Board authorized the execution of the Offer Letter, which would allow for exclusive negotiations with Better Collective in respect of the Proposed Transaction over the next 30 days.

At the August 10 meeting, the independent directors of the Company Board (the "**Independent Directors**") met in camera to consider whether it was necessary or advisable to form a special committee of independent directors, and to receive advice from Goodmans on conflict of interest transactions and the requirements under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") applicable to the Proposed Transaction. While the Independent Directors recognized that management of Playmaker could have actual or perceived conflicts of interest in connection with the Proposed Transaction, they concluded that they could satisfy their fiduciary duties and address any actual or perceived conflicts of interest by conducting in camera meetings of the Independent Directors, with the assistance of financial and legal advisors, and did not need to establish a special committee.

Following the in camera meeting, the Company Board and management reconvened and authorized Mark Trachuk to solicit proposals from three independent financial advisory firms to provide a fixed fee fairness opinion to the Company Board in connection with the Proposed Transaction. The Company Board discussed the process for overseeing the evaluation and negotiation of the Proposed Transaction. Goodmans discussed the corporate law duties and responsibilities of the Company Board in connection with the Proposed Transaction and provided an overview of the next steps that the Company Board and management would be required to take after executing the Offer Letter,

which included due diligence (and reverse due diligence of Better Collective) and the negotiation of definitive transaction documents.

Following the meeting, Goodmans circulated a memorandum to the Company Board detailing the Company Board's duties and responsibilities in connection with the Proposed Transaction, including relevant MI 61-101 considerations.

On August 10, 2023, Goodmans and Stikeman Elliott LLP (“**Stikeman**”), Canadian counsel to Better Collective, discussed the fact that, by virtue of the issuance of Better Collective Shares pursuant to the Arrangement, Better Collective would become a “reporting issuer” under Canadian Securities Laws and consequently would be subject to additional regulatory compliance obligations and incur significant costs associated therewith. Stikeman further noted that Better Collective would not be considered a “designated foreign issuer” for the purposes of National Instrument 71-102 – Continuous Disclosure and Other Exemptions Relating to Foreign Issuers (“**NI 71-102**”), as Denmark, Better Collective's jurisdiction of incorporation, is not an enumerated designated foreign jurisdiction under NI 71-102. As a result, Better Collective would not be entitled to the broad relief from periodic and timely continuous disclosure requirements under Canadian Securities Laws afforded to designated foreign issuers under NI 71-102, absent a grant of discretionary relief by the Canadian Securities Administrators. Following discussions between Goodmans and Stikeman, it was determined that Goodmans and Stikeman would jointly apply on behalf of Better Collective and the Company, on a confidential pre-filing basis, for exemptive relief from various continuous disclosure, insider reporting and early warning requirements under Canadian Securities Laws (the “**Exemptive Relief**”).

On August 11, 2023, Playmaker and Better Collective executed the Offer Letter. Later in the day on August 11, 2023, Playmaker and Goodmans met by video conference with representatives of Better Collective and Stikeman to discuss various legal work streams, including preparation of definitive documentation, due diligence, regulatory approvals, minority approval requirements and overall deal timing.

On August 13, 2023, Mr. Trachuk advised the Company Board that he had contacted Canaccord Genuity and two other independent financial advisory firms about the prospect of delivering a fixed-fee fairness opinion in connection with the Proposed Transaction, noting that each firm would present to the Company Board at its next meeting.

On August 14, 2023, Mr. Gnat, Mr. Søgaard, and Christian Kirk Rasmussen, COO of Better Collective met by videoconference to discuss the key workstreams for the Proposed Transaction, including the principal areas of focus for due diligence.

On August 15, 2023, Messrs. Gnat, Cassaday and Cooke met with Moelis to discuss the due diligence process and organization of the Playmaker data room, as well as the process for reverse due diligence of Better Collective.

Later in the day on August 15, 2023, Stikeman provided Goodmans with a draft pre-filing application in connection with the Exemptive Relief.

On August 16, 2023, the Company Board met again to receive presentations from three independent financial advisory firms in respect of the Proposed Transaction. At the meeting, the Independent Directors met *in camera*. During the *in camera* session, Goodmans advised that in exercising their fiduciary duties, the Independent Directors would be required to consider, among other things, the qualifications and independence of each financial advisor. The Independent Directors discussed the relevant background and expertise of each financial advisor, their independence and the fees proposed by each. Mr. Trachuk noted that Canaccord Genuity was very familiar with the Company's business and had deep expertise in the industry in which Playmaker operates. The Independent Directors concluded that Canaccord Genuity was the most qualified for the mandate and was independent of the Company, and authorized Mr. Trachuk to execute the Canaccord Genuity Engagement Agreement in connection with the Proposed Transaction.

Between August 14, 2023 and August 25, 2023, Goodmans, Stikeman and Playmaker and Better Collective's respective Canadian and U.S. tax and financial advisors had a number of discussions concerning the structure of the Proposed Transaction, and whether the issuance of the Better Collective Shares could be implemented on a tax deferred basis, including through the issuance of exchangeable shares. There were significant complexities around achieving a tax deferred structure in light of local Danish laws, however the parties agreed to continue exploring alternative structures with their tax advisors.

On August 18, 2023, Goodmans circulated a due diligence request list to Stikeman in connection with its and Playmaker's due diligence investigations of Better Collective.

On August 23, 2023, Goodmans and Stikeman finalized the parties' joint pre-filing application for the Exemptive Relief, and confidentially submitted the application to the OSC.

Between August 28, 2023 and August 31, 2023, Messrs. Gnat, Cassaday and Federico Grinberg travelled to Copenhagen to meet Better Collective's senior leadership team and advisors in person. At the meetings in Copenhagen, Playmaker and Better Collective's management discussed various due diligence matters, structuring of the Proposed Transaction and post-closing integration plans.

On September 1, 2023, the Company Board held a meeting at which Mr. Gnat provided an update on management's recent discussions with Better Collective, including the due diligence and strategic review sessions held in Copenhagen the previous week. Mr. Gnat noted that the meetings in Copenhagen had been positive and that there were strong synergies between Playmaker and Better Collective including from strategic, operational and cultural perspectives. Mr. Gnat noted that Better Collective was particularly interested in leveraging Playmaker's scale and market presence in the United States, Canada and Latin America.

At the September 1, 2023 meeting, Sandford Loudon and Yasser Rashid of Oakvale provided a detailed presentation to the Company Board on the strategic process dating back to November 2022, and on the financial terms of the Proposed Transaction. Messrs. Loudon and Rashid described the various discussions that were undertaken in the prior 12 months, including with various strategic counterparties and private equity sponsors, and noted that none of those counterparties were prepared to move forward with an offer at a valuation close to what was offered by Better Collective. Mr. Loudon then went on to provide an overview of Better Collective's business, financials, operations, strategy and leadership team, with reference to Better Collective's recent financial performance, recent acquisitions, and Oakvale's overall outlook on Better Collective's business prospects over the next two years. Mr. Rashid then provided a detailed discussion of Better Collective's balance sheet, various efforts to benchmark Better Collective against its peers, and a discussion of how Playmaker would generally fit into Better Collective's current ecosystem. Mr. Loudon and Mr. Rashid also provided their analysis on the recent appreciation of the Better Collective Shares and their outlook on the potential share appreciation over the next several years, taking into account the acquisition of the Company.

At the September 1, 2023 meeting, Mr. Cooke and Mr. Gnat provided an overview of the Company's financial results to date and its financial, operational and growth prospects over the next 12 months in the absence of the Proposed Transaction. Mr. Gnat then discussed the proposed deal terms discussed between Playmaker and Better Collective in further detail. As part of that discussion, Mr. Gnat advised the Company Board that Better Collective had requested that certain significant Company Shareholders take as much of their consideration as possible in Better Collective Shares (rather than cash), and that the parties had discussed Mr. Gnat receiving 85% of his consideration in Better Collective Shares and 15% of his consideration in cash. Mr. Gnat also advised the Company Board that Better Collective had requested that Mr. Gnat and Relay Ventures agree to a post-closing lock-up of the Better Collective Shares they receive as part of the Proposed Transaction, but that a specific lock-up period had not yet been proposed. In addition, Mr. Gnat advised the Company Board that in recognition of these undertakings by Mr. Gnat, Better Collective was prepared to offer him a loan (the "**Gnat Loan**") to cover his significant tax liability in connection with the Proposed Transaction, given that he was not going to have the same liquidity as other Company Shareholders on account of the fact that a larger portion of his consideration would be payable in Better Collective Shares and all of his Better Collective Shares would be subject to a lengthy lock-up period following closing. Goodmans advised the Company Board that the proposed Gnat Loan and the acceleration of equity incentives under the Arrangement were "collateral benefits" under MI 61-101 and would trigger a "majority of the minority" vote, which would exclude the Company Shares held by Mr. Gnat, Mr. Grinberg and their respective affiliates. Ultimately, it was agreed that the Gnat Loan would not be granted as it was determined not to be permissible under Danish law.

The Company Board then conducted an in camera session where the Independent Directors discussed the relative merits of pursuing the Proposed Transaction compared to maintaining the status quo or identifying potential alternative transactions that might be available to Playmaker. The Company Board also considered and discussed the "collateral benefits" to be received by certain members of management under the Arrangement.

On September 7, 2023, Stikeman received an initial comment letter from the OSC in respect of the parties' joint pre-filing application for the Exemptive Relief. Stikeman and Goodmans worked collaboratively to provide answers to the OSC's initial questions on a timely basis, and counsel ultimately submitted a joint response letter to the OSC on September 20, 2023.

On September 11, 2023, Playmaker received an initial draft of the Arrangement Agreement from Stikeman. On September 13, 2023, Playmaker received initial drafts of the forms of Voting and Support Agreements for its key shareholders, directors and officers, which they shared with Goodmans for review and consideration.

On September 15, 2023, the Company Board met to discuss the Proposed Transaction, including work undertaken by Playmaker's legal and financial advisors and ongoing due diligence investigations by each party. Oakvale provided a status update concerning Playmaker's financial due diligence of Better Collective and the general status of the Proposed Transaction, noting that discussions would likely continue into October. Following the update by Oakvale, Goodmans provided a summary of the draft Arrangement Agreement and the forms of Voting and Support Agreements received from Stikeman, and discussed its approach to negotiating such agreements with the input of the Company Board. The Company Board provided feedback to Goodmans and management on how to negotiate the various open points in the transaction documents, including to require Better Collective to settle all outstanding Company Equity Awards in cash.

Later on September 15, 2023, Goodmans received an initial draft of the Rollover Agreement from Stikeman. On that same day, Goodmans circulated revised drafts of the Arrangement Agreement and the forms of Voting and Support Agreements back to Stikeman.

On September 19, 2023, Messrs. Gnat, Grinberg, Cassaday and Cooke travelled to New York along with Todd Chapman and Michael Bellom of Playmaker, to meet with Marc Pedersen, CEO of North America for Better Collective and Better Collective's U.S. leadership team to discuss the potential combination of Better Collective and Playmaker's U.S. business. The discussion was wide ranging, covering Playmaker's product and technology roadmap and capabilities, Playmaker's integrated media growth strategy, the Canadian sports betting and i-Gaming opportunity, Playmaker's organizational structure and team growth plans, Playmaker's standalone operating plans, and potential synergies resulting from the potential combination of Better Collective and Playmaker, including how Playmaker and Better Collective could collaborate to drive growth for Better Collective.

On September 21, 2023, based on feedback from the Company Board, Goodmans proposed to Stikeman that Company Shareholders be allowed to elect to receive the Consideration either 100% in cash, 100% in Better Collective Shares or receive default consideration of 40% in cash and 60% in Better Collective Shares, subject to proration and caps. The intention of such proposal was to provide Company Shareholders with additional optionality in respect of the Proposed Transaction, such that they could receive more immediate liquidity on the Effective Date or increased participation in the future upside of Better Collective.

On September 22, 2023, Stikeman responded to Goodmans and confirmed that Better Collective would agree to give Company Shareholders the right to elect the Consideration received, subject to proration and aggregate 40% and 60% cash and share caps.

On September 26, 2023, the Company Board met to discuss the meetings held in New York and receive an update on the Proposed Transaction. Mr. Gnat noted that the meetings in New York were positive, and that Playmaker's management had made several presentations to Better Collective, including concerning The Nation Network, Futbol Sites and YardBarker, and Better Collective had also presented to Playmaker on the state of its North American business generally. Noting that the exclusivity period under Better Collective's Offer Letter would expire at the end of the day, the Company Board authorized Mr. Gnat to extend such exclusivity for one week, with another potential week of exclusivity to be granted at the Company's discretion, provided that the transaction documents were continuing to be advanced and meaningful progress was being made.

On September 27, 2023, Better Collective conducted a management Q&A session on the Company's U.S., Canadian and LATAM businesses. On the same day, Goodmans and Stikeman met by video conference to discuss the status of the transaction documents and the various open due diligence items.

Later that day, Stikeman provided Goodmans with additional comments on the draft Arrangement Agreement, which included comments on certain deal protections and covenants to obtain regulatory approvals, including the Heritage Approval.

On October 6, 2023, representatives from Stikeman, Goodmans, Bech-Bruun and Odyssey met by video conference to discuss Odyssey's engagement as depositary under the Arrangement and the logistics around how the Better Collective Shares would be issued to Company Shareholders on closing.

On October 11, 2023, Stikeman received a second comment letter from the OSC concerning the parties' joint pre-filing application for the Exemptive Relief.

On October 11, 2023, Mr. Trachuk had a discussion with Canaccord Genuity whereby they indicated that they had substantially completed their work and were in a position to provide their fairness opinion in connection with the Proposed Transaction.

On October 13, 2023, Stikeman, Goodmans, Bech-Bruun and Odyssey met again via video conference to discuss the logistics around how the Better Collective Shares would be issued to Company Shareholders on closing.

On October 13, 2023, the Company Board met to discuss the Proposed Transaction, including the status of the definitive agreements being prepared in respect thereof. Mr. Gnat advised the Company Board that Better Collective and its financial advisors were nearly through their financial due diligence, and that Better Collective had recently submitted a number of adjustments to Playmaker's financial model. These adjustments totaled approximately \$40 million in the aggregate, which (if agreed by Playmaker) would result in a downward adjustment of \$40 million to the aggregate Consideration. Messrs. Gnat, Cooke and Cassaday provided the Company Board with examples of the adjustments being proposed, which included adjustments related to future contingent consideration payable if Playmaker's material subsidiaries acquired in past transactions achieved their maximum earn-out targets, and certain employment-related liabilities, each of which had not been previously accounted for by Better Collective. The Company Board discussed the proposed financial adjustments and the justification for each, most of which management advised were explainable and did not warrant any adjustment to the Consideration. The Company Board discussed the possibility of Better Collective proposing a reduction to the purchase price based on these financial adjustments, and how it would respond to such request. At the meeting, Goodmans provided the Company Board with an update on the status of the definitive agreements and solicited feedback from the Company Board on the key outstanding issues, noting that updated versions of same would be sent back to Stikeman later that day.

Later in the day on October 13, 2023, Goodmans sent Stikeman comments on the draft Arrangement Agreement.

Between October 13, 2023 and October 20, 2023, Playmaker's management team, together with Oakvale, reviewed, itemized, responded to and provided explanations for the various financial adjustments raised by Better Collective and its financial advisors.

On October 20, 2023, Mr. Gnat met with Mr. Sogaard by videoconference to discuss the financial adjustments proposed by Better Collective. After such discussion, Mr. Sogaard advised that he would review the responses provided by Playmaker management with Better Collective's financial advisors and come back to Mr. Gnat with any follow-up. Later that day, Mr. Sogaard advised Mr. Gnat that Better Collective was prepared to offer \$0.70 per Company Share, with a split of 35% in cash and 65% in Better Collective Shares, subject to proration and the same ability for Company Shareholders to elect to receive either 100% in cash, 100% in Better Collective Shares or receive the default consideration of 35% in cash and 65% in Better Collective Shares (the "**Revised Offer**"). Mr. Sogaard explained to Mr. Gnat that the \$0.05 decrease to the Consideration being offered per Company Share was intended to capture \$15 million of downward adjustments to Playmaker's financial model resulting from Better Collective's financial due diligence, including amounts relating to future contingent payment obligations and certain employment-related liabilities. As part of the Revised Offer, Mr. Sogaard also advised that Better Collective was prepared to settle all of Playmaker's outstanding Company Equity Awards in cash. Later that day, Mr. Gnat provided the Company Board with an update on the terms of the Revised Offer via e-mail.

On October 20, 2023, Mr. Trachuk provided the updated terms of the Revised Offer to Canaccord Genuity, so they could be incorporated in Canaccord Genuity's fairness opinion. Canaccord Genuity and Mr. Trachuk discussed the Revised Offer and the preliminary financial analysis completed by Canaccord Genuity.

On October 22, 2023, the Company Board met to receive an update on the ongoing discussions between Playmaker and Better Collective in connection with the Proposed Transaction. Mr. Gnat advised the Company Board of his discussion with Mr. Søgaard on October 20, 2023, including the Revised Offer. The Company Board engaged in a discussion concerning the adjustments proposed by Better Collective, the process undertaken by Playmaker to review, itemize, respond to and provide explanations for the various adjustments proposed, the reasonableness of the \$15 million in downward adjustments, and the key economic terms of the Revised Offer.

At the October 22 meeting, the independent members of the Company Board met in camera to discuss the relative advantages and disadvantages of the Revised Offer in detail versus continuing to explore other alternatives or maintaining the status quo, factoring in the financial analyses done by Oakvale on Better Collective and the potential upside of the business of Better Collective. Goodmans reviewed with the Independent Directors their fiduciary duties and responsibilities in considering to proceed with the Revised Offer. The Independent Directors discussed the adjustments proposed by Better Collective, and re-affirmed that they remained supportive of the Proposed Transaction given that \$0.70 (i) was still higher than any other option available to the company based on the strategic review process conducted by Oakvale, including maintaining the status quo and (ii) represented a significant premium to the market price of the Company Shares. Following the conclusion of the in camera meeting, the independent members of the Company Board authorized the continued negotiation of the Proposed Transaction based on the terms of the Revised Offer and provided their instructions on the material outstanding issues in the transaction documents.

Later in the day on October 22, 2023, Stikeman provided Goodmans with an initial draft of the Relay Lock-Up Agreement.

Between October 20, 2023 and October 26, 2023, Goodmans, Stikeman and the parties respective tax advisors continued discussions on whether the Better Collective Shares could be structured on a tax deferred basis. Following meaningful analysis and discussion, it was determined that, due to the requirements of local Danish laws, the Proposed Transaction had to be structured on a taxable basis.

On October 23, 2023, Goodmans and Stikeman met by video conference to discuss the material outstanding deal terms and issues in the transaction documents. Over the course of the next 10 days, Goodmans and Stikeman exchanged drafts of the Arrangement Agreement, Voting and Support Agreements, Rollover Agreement and Relay Lock-Up Agreement. Goodmans and management of Playmaker sent periodic updates to the Company Board over the course of those 10 days updating them on status of the transaction documents and soliciting their feedback on the key outstanding issues. During that period, Better Collective and Playmaker discussed Mr. Gnat receiving 75% of his Consideration in Better Collective Shares, rather than 85%, with the remaining 25% payable in cash. In addition, Better Collective advised Playmaker that while the terms of Mr. Gnat's employment arrangement would be determined at a later date, at this stage they wished to offer him stock options in order to incentivize him to continue employment with Better Collective post-closing of the Proposed Transaction and to further align Better Collective and Mr. Gnat's interests. Better Collective provided Playmaker with a letter of intent concerning the Gnat Option Grant (the "**Option Grant LOI**"), which Mr. Gnat shared with the Company Board later that day.

On October 25, 2023, Stikeman submitted a response to the OSC's second comment letter in respect of the parties' joint pre-filing application for the Exemptive Relief.

On November 2, 2023, Mr. Gnat shared final drafts of the Voting and Support Agreements with each director and executive officer of the Company and certain significant shareholders, including JPG Investments Inc., Relay Ventures, Ben Maggin, Daniel Kersh, David Copeland, Javier Troncoso, Jay Downton, Jeff Kloster, Mark Johns, Ryan Barnet and Sebastian Nahuel Pan, representing approximately 50% of the issued and outstanding Company Shares. By November 5, 2023, each of the Voting and Support Agreements had been executed in escrow pending execution of the Arrangement Agreement.

On November 5, 2023, Goodmans sent a written update on the status of the negotiations to the Company Board by email on November 5, 2023, along with updated final drafts of the transaction documents.

On November 6, 2023, the Company Board met after markets closed to receive an update on the status of the negotiations with Better Collective. Goodmans summarized the terms of the transaction documents and advised that, subject to Company Board approval, all material issues had been resolved consistent with the feedback provided by the Company Board, and that the definitive documentation in respect of the Proposed Transaction was now in final form. Mr. Gnat advised the Company Board that the Better Collective Board had met on November 5, 2023 and approved the Arrangement. The Company Board also considered the Gnat Option Grant and determined that it was reasonable given Better Collective's desire to retain Mr. Gnat and the fact that the details surrounding the Gnat Option Grant would be disclosed in the Circular.

The Company Board then received a detailed financial analysis of the Proposed Transaction from Canaccord Genuity, including with respect to the Consideration proposed to be received by Company Shareholders in connection with the Proposed Transaction. Goodmans then provided a detailed description of the nature of the collateral benefits that each of Mr. Gnat and Mr. Grinberg would be entitled to receive in connection with the Proposed Transaction as a result of the Gnat Option Grant and the proposed accelerated vesting of the Company Equity Awards.

Next, Canaccord Genuity delivered its Fairness Opinion to the Company Board. The Company Board, after having undertaken a thorough review of, and having carefully considered, the terms of the Arrangement, and after consulting with its financial and legal advisors (including having received the Fairness Opinion), (i) determined that the Arrangement was fair, from a financial perspective, to Company Shareholders (other than Mr. Gnat, JPG Investments Inc. and their respective affiliates), (ii) determined that it was in the best interests of Playmaker to enter into the Arrangement Agreement, (iii) approved the execution, delivery and performance of the Arrangement Agreement and the consummation of the transactions contemplated thereby, and (iv) resolved to recommend that Company Shareholders approve the Arrangement Resolution and directed that such matter be submitted for consideration of Company Shareholders at the Meeting.

The Independent Directors then conducted an in camera meeting to discuss the Proposed Transaction and consider the other alternatives available to the Company, taking into account the legal and financial advice they had received. Following their deliberations, the Independent Directors approved the Proposed Transaction and the entering into of the Arrangement Agreement and related agreements.

The Arrangement Agreement and other transaction documents were finalized and a press release announcing the transaction was issued on November 6, 2023 after markets closed.

On November 9, 2023, Stikeman and Goodmans submitted the parties' formal joint application to the OSC in respect of the Exemptive Relief. On November 23, 2023, the OSC provided a third and final comment letter, which was responded to by counsel on November 28, 2023. On December 1, 2023, the OSC issued an order granting the Exemptive Relief (the "**Exemptive Relief Order**").

On December 15, 2023, the Company Board approved this Circular and certain other procedural matters related to the Meeting and to the Arrangement.

Recommendation of the Company Board

After careful consideration, the Company Board unanimously determined that the Arrangement is in the best interests of Playmaker and is fair to Company Shareholders. **The Company Board unanimously recommends that Company Shareholders vote FOR the Arrangement Resolution.**

Reasons for the Recommendations

In recommending that Company Shareholders vote in favor of the Arrangement Resolution, the Company Board considered a number of positive factors, including, but not limited to, the following (which factors are not necessarily presented in order of relative importance):

- **Significant Premium to Market Price.** Company Shareholders will receive \$0.70 per Company Share under the Arrangement, representing a premium of approximately 46% to the Company's spot

price on November 3, 2023 and a premium of approximately 44% to the Company's 10 day volume-weighted average trading price for the period ended November 3, 2023.

- **Optionality for Company Shareholders.** The Company Shareholders have the option to elect to receive either (i) \$0.70 in cash, (ii) 0.0206 Better Collective Shares or (iii) \$0.245 in cash and 0.0134 Better Collective Shares, subject to Proration.
- **Review of Strategic Alternatives.** The Company Board carefully considered the identity and potential strategic interest of other industry and financial counterparties for a potential transaction with Playmaker and, after consultation with its financial advisor, determined that it was unlikely that any other party was willing to propose a transaction on terms (including price) more favourable to the Company, Company Shareholders and other relevant Company stakeholders than the Proposed Transaction. The Company Board also considered Playmaker's standalone business strategy and concluded that the Consideration is more favorable to Company Shareholders than the alternative of remaining an independent public company and pursuing the Company's long-term plans, taking into account the associated risks, rewards and uncertainties with pursuing such plans. Furthermore, the Arrangement Agreement allows the Company Board, subject to certain conditions, to engage in discussions or negotiations with respect to an unsolicited written bona fide Acquisition Proposal at any time prior to the approval of the Arrangement Resolution by Company Shareholders and to change its recommendation, terminate the Arrangement Agreement and enter into an agreement with respect to a Superior Proposal. See "Ability to Respond to Superior Proposals" below.
- **Participation by Company Shareholders in Future Growth.** To the extent they receive their Consideration in Better Collective Shares, Company Shareholders will have an opportunity to participate in any future increase in value of the businesses of Better Collective and the Company. As a result of the Arrangement, Better Collective is expected to benefit from: (i) the creation of an integrated sports media platform that leverages the Company's current portfolio assets while supplementing them with those owned by Better Collective, (ii) significant potential revenue and cost synergies, (iii) greater control over product development, (iv) greater access to product and media talent, and (v) the capacity to expand into new verticals.
- **Liquid Consideration.** To the extent they receive their Consideration in cash, Company Shareholders will benefit from certainty of value and immediate liquidity. Furthermore, even to the extent they receive Consideration in Better Collective Shares, in light of the significant historical trading liquidity of the Better Collective Shares, Company Shareholders are expected to benefit from immediate liquidity at prevailing market prices if they choose to sell their Better Collective Shares following closing of the Arrangement. Accordingly, the Company Board concluded that the Arrangement provides Company Shareholders with the opportunity to achieve enhanced liquidity if they so choose.
- **Arms-Length Negotiations.** The Arrangement is the result of a rigorous solicitation, evaluation and negotiation process that was undertaken at arm's length with the oversight and participation of the independent directors and their financial and legal advisors. The Company Board, after considering advice from its financial advisors, concluded that \$0.70 per Company Share (based on the closing price of the Better Collective Shares as of November 3, 2023) was the highest price that Better Collective was willing to pay for the Company Shares.
- **Independent Fairness Opinion of Canaccord Genuity.** The Company Board took into account the fact that Canaccord Genuity, which was independent of Better Collective and the Company's management, delivered the Fairness Opinion to the Company Board. The Fairness Opinion states that, as of November 6, 2023, based upon and subject to the scope of the review, assumptions, qualifications, and limitations set forth in such opinion and such other matters that Canaccord Genuity considered relevant, the Consideration to be received under the Arrangement by Company Shareholders was fair, from a financial point of view, to such Company Shareholders (other than the Rollover Shareholders). The fees payable to Canaccord Genuity for the Fairness Opinion were not contingent upon the conclusion reached by Canaccord Genuity or the outcome of the Proposed Transaction. See "The Arrangement – Fairness Opinion", and Appendix "E" to this Circular.
- **The Terms and Conditions of the Arrangement Agreement.** The Company Board, after consulting with its legal and financial advisors, concluded that the terms and conditions of the

Arrangement Agreement, including Playmaker's and Better Collective's representations, warranties and covenants, as well as the conditions to Better Collective's obligation to complete the Arrangement are reasonable and customary in the circumstances, and the risk of the Arrangement not being completed is mitigated by the limited nature of the conditions in favour of Better Collective.

- **Equitable and Fair Treatment of All Stakeholders.** In the Company Board's view, the terms of the Arrangement Agreement treat all stakeholders of the Company equitably and fairly.
- **No Financing Condition.** The Arrangement is not subject to a financing condition in favour of Better Collective and Better Collective has sufficient cash on its balance sheet to fund the aggregate cash consideration payable to Company Shareholders pursuant to the Arrangement.
- **No Approval Requirement from Better Collective Shareholders.** The Arrangement does not require the approval of Better Collective's shareholders.
- **Voting and Support Agreements.** The Supporting Shareholders, who together hold or exercise control and direction over approximately 50% of the outstanding Company Shares, entered into the Voting and Support Agreements pursuant to which the Supporting Shareholders agreed, among other things, to vote the subject securities in favour of the Arrangement Resolution. The Voting and Support Agreements will terminate if the Arrangement Agreement is terminated, including if the Arrangement Agreement is terminated by Playmaker in accordance with the terms of such agreement to enter into a binding written agreement with respect to a Superior Proposal. With the exception of Jordan Gnat and Federico Grinberg, none of the Supporting Shareholders are "interested parties" within the meaning of MI 61-101.
- **Benefit to the Company, Employees and Other Stakeholders.** The Arrangement is expected to benefit the Company, its employees and other stakeholders based upon Better Collective's strong commitment to the Canadian business, including (i) its plans to maintain Playmaker's Canadian leadership team and utilize Playmaker's existing consumer brands, (ii) its intention to continue to invest in Canadian business, and (iii) its plans to maintain a strong local employee base in Toronto and Edmonton.

The Company Board's reasons contain forward-looking information and are subject to various risks and assumptions. See "Forward-Looking Statements".

In making its determination and recommendation, the Company Board also observed that a number of procedural safeguards were and are present to permit the Company Board (including the Independent Directors) to effectively represent the interests of Playmaker, the securityholders of Playmaker and Playmaker's other stakeholders, including, among others:

- **Ability to Respond to Superior Proposals.** Notwithstanding the limitations contained in the Arrangement Agreement on Playmaker's ability to solicit interest from third parties, subject to certain conditions and limitations, the Arrangement Agreement allows the Company Board to engage in discussions or negotiations in response to an unsolicited written bona fide Acquisition Proposal at any time prior to the approval of the Arrangement Resolution by Company Shareholders if the Company Board determines, in good faith after consultation with its outside financial and legal advisors, that such Acquisition Proposal constitutes or would reasonably be expected to result in a Superior Proposal. The Company is also permitted, in the event it receives a Superior Proposal, to change its recommendation, terminate the Arrangement Agreement and enter into an agreement with respect to the Superior Proposal in compliance with the Arrangement Agreement if, among other things, the Company pays the Termination Fee to Better Collective.
- **Shareholder and Court Approvals.** The Arrangement is subject to the following shareholder and Court approvals, which protect Company Shareholders:
 - The Arrangement Resolution must be approved by (i) the affirmative vote of at least two-thirds (66 2/3%) of the votes cast on the Arrangement Resolution by Company Shareholders present in person or represented by proxy at the Meeting; and (ii) a simple majority of the votes cast on the Arrangement Resolution by Company Shareholders

present in person or represented by proxy at the Meeting, excluding Company Shares held by Messrs. Gnat and Grinberg and entities controlled by each of them, in accordance with MI 61-101.

- The Arrangement must be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to securityholders of Playmaker.
- **Dissent Rights.** The availability of dissent rights to Registered Company Shareholders with respect to the Arrangement.

The Company Board also considered a number of uncertainties, risks and other potential negative factors associated with the transaction, including the following:

- **Non-Completion.** The risks and costs to Playmaker if the Arrangement is not completed for any reason, including the potential diversion of management and employee attention, potential employee attrition and the potential effect on business and stakeholder relationships. The announcement and pendency of the Arrangement, or the failure to complete the Arrangement, may result in significant costs to the Company and cause substantial harm to the Company's relationships with its employees (including making it more difficult to attract and retain key personnel) and other business partners.
- **Fluctuating Market Value of Better Collective Shares.** The number of Better Collective Shares to be issued as a portion of the Consideration for each Company Share held are based on a fixed exchange ratio and will not be adjusted based on fluctuations in the market value of the Company Shares or the Better Collective Shares. The Better Collective Shares issued as a portion of the Consideration on closing of the Arrangement may have a market value that is materially different from that on the date the Proposed Transaction was announced.
- **No Longer an Independent Public Company.** Following the Arrangement, Playmaker will no longer exist as an independent public company and the Company Shares will be delisted from the TSXV and the OTCQX.
- **Conduct of Business Restrictions.** The restrictions on the conduct of Playmaker's business prior to the completion of the Arrangement, which require Playmaker to conduct its business in the ordinary course, subject to limited exceptions, may delay or prevent Playmaker from undertaking business opportunities that may arise pending completion of the Arrangement, including the pursuit of gaming licenses in certain jurisdictions.
- **Tax Treatment.** The disposition of Company Shares in exchange for Better Collective Shares in connection with the transaction will be taxable to Company Shareholders.
- **Termination Fee.** The potential payment of the Termination Fee, being \$5,000,000, by Playmaker under the circumstances specified in the Arrangement Agreement, and that such Termination Fee may act as deterrent to the emergence of a Superior Proposal.
- **Fees and Expenses.** The fees and expenses associated with the Arrangement, a significant portion of which will be incurred regardless of whether the Arrangement is consummated.
- **Other Risks.** The other risks associated with the Arrangement and the business of Playmaker and Better Collective described under "Information Relating to Playmaker – Risk Factors", "Information Relating to Better Collective" and "Risk Factors".

After taking into account all of the factors set forth above, as well as others, the Company Board concluded that the risks, uncertainties, restrictions and potentially negative factors associated with the Arrangement were outweighed by the potential benefits of the Arrangement to the Company Shareholders.

The foregoing summary of the information and factors considered by the Company Board is not intended to be exhaustive, but includes the material information and factors considered by the Company Board in their consideration of the Arrangement. In reaching its conclusion and recommendation, the Company Board did not find it practicable to, and did not, quantify or otherwise attempt to assign any relative weight to each of the specific factors considered. The conclusion and recommendation of the Company Board were made after consideration of all of the above-noted factors and in light of its own knowledge of the business, financial condition and prospects of Playmaker and was based upon the advice of the financial advisors and legal advisors of Playmaker. In addition, individual members of

the Company Board may have assigned different weights to different factors. It should be noted that this explanation of the reasoning of the Company Board and certain information presented in this section is forward-looking in nature and should be read in light of the factors set forth in “Forward-Looking Statements” and “Risk Factors.”

Fairness Opinion

In connection with the evaluation by the Company Board of the Arrangement, the Company Board received and considered, among other things, the Fairness Opinion, first provided orally and subsequently confirmed in writing.

The Company engaged Canaccord Genuity on August 17, 2023 pursuant to the Canaccord Genuity Engagement Agreement to act as financial advisor to the Company Board in connection with the Arrangement and to provide an opinion as to the fairness to the holders of Company Shares (other than the Rollover Shareholders), from a financial point of view, of the Consideration payable pursuant to the Arrangement. The terms of the Canaccord Genuity Engagement Agreement provide that Canaccord Genuity is to be paid a fixed fee, payable upon delivery of the Fairness Opinion, orally or otherwise, by Canaccord Genuity to the Company Board and a separate fee in respect of any subsequent fairness opinion delivered, if more than one fairness opinion shall be requested by the Company, which fee shall be payable, in each case, regardless of the conclusion reached by Canaccord Genuity or the outcome of the proposed transaction with Better Collective. The Company is also required to reimburse Canaccord Genuity for all reasonable and documented out-of-pocket expenses incurred by Canaccord Genuity in entering into and performing its obligations under the Canaccord Genuity Engagement Agreement.

On November 6, 2023, at a meeting of the Company Board held to evaluate the Arrangement, Canaccord Genuity delivered an oral opinion, which was subsequently confirmed in writing by delivery of the Fairness Opinion. The oral opinion from Canaccord Genuity reflected the determination that, as of November 6, 2023 and, based upon and subject to the scope of the review, assumptions, qualifications and limitations set out in the Fairness Opinion and such other matters that Canaccord Genuity considered relevant, the Consideration to be received under the Arrangement by Company Shareholders was fair, from a financial point of view, to such Company Shareholders (other than the Rollover Shareholders).

The Fairness Opinion was given as of November 6, 2023 and Canaccord Genuity has disclaimed any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion after such date. Canaccord Genuity reserves the right to change, modify or withdraw the Fairness Opinion in the event that there is a material change in any fact or matter affecting the Fairness Opinion after the date thereof or if Canaccord Genuity learns that the information relied upon was inaccurate, incomplete or misleading in any material respect.

The full text of the Fairness Opinion is attached hereto as Appendix “E” and incorporated by reference into this Circular. The Fairness Opinion sets forth, among other things, the assumptions made, matters considered and limitations and qualifications on the review undertaken by Canaccord Genuity in rendering the Fairness Opinion. Company Shareholders are encouraged to read the Fairness Opinion carefully in its entirety. The Fairness Opinion is not intended to be, and does not constitute, a recommendation as to how the Board or any Company Shareholder should vote with respect to the Arrangement or any other matter. The summary of the Fairness Opinion set forth in this Circular is qualified in its entirety by reference to the full text of the Fairness Opinion.

The Fairness Opinion was provided for the sole use and benefit of the Company Board and may not be used by any other person or relied upon by any other person other than the Company Board, or used for any other purpose, without the express prior written consent of Canaccord Genuity. Canaccord Genuity are not legal, tax or accounting experts, were not engaged to review any legal, tax or accounting aspects of the Arrangement and expressed no opinion concerning any legal, tax or accounting matters concerning the Arrangement. Without limiting the generality of the foregoing, Canaccord Genuity has not reviewed and is not opining upon the tax treatment under the Arrangement.

Description of the Plan of Arrangement

The following summary of certain transaction steps of the Plan of Arrangement is qualified in its entirety by reference to the full text of the Plan of Arrangement, a copy of which is attached as Appendix “A” to this Circular.

The Arrangement is being implemented pursuant to a statutory plan of arrangement under the OBCA. The purpose of the Plan of Arrangement is to facilitate a series of transactions which will occur in a specific sequence and as a consequence of which Better Collective will acquire all of the Company Shares.

Arrangement Steps

If approved, the Arrangement will become effective at the Effective Time. Pursuant to the Plan of Arrangement, commencing immediately following the Effective Time, the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time:

- (1) *Board Nomination Agreement.* The Board Nomination Agreement will be terminated.
- (2) *Vested Portion of Company Options and Accelerated Unvested Company Options.* Each Company Option (whether vested or unvested), notwithstanding the terms of the Company Incentive Plans or any award agreement governing the Company Options, shall be deemed to be unconditionally fully vested and exercisable.
- (3) *Unexercised Company Options.* All unexercised Company Options shall, without any further action by or on behalf of the holder, be deemed to be assigned and transferred by such holder to the Company (free and clear of all Liens) in exchange for a cash payment equal to the amount (if any) by which \$0.70 exceeds the exercise price of such Company Option, subject to applicable withholdings, and each such Company Option shall immediately be cancelled and, for greater certainty, where such amount is zero or negative, such Company Option shall be cancelled without any consideration.
- (4) *Company RSUs (Vested or Unvested).* Each Company RSU (whether vested or unvested), notwithstanding the terms of the Company Incentive Plans or any award agreement governing the Company RSUs, shall be deemed to be unconditionally fully vested, and thereafter such Company RSU shall, without any further action by or on behalf of a holder the Company RSU, be deemed to be assigned and transferred by such holder to the Company (free and clear of all Liens) in exchange for a cash payment equal to \$0.70 for each Company RSU and such Company RSU shall immediately be cancelled.
- (5) *Company PSUs (Vested or Unvested).* Each Company PSU (whether vested or unvested), notwithstanding the terms of the Company Incentive Plan or any award agreement governing the Company PSUs, shall immediately be cancelled for no consideration and the holder shall no longer have any rights thereto.
- (6) *Company DSUs (Vested or Unvested).* Each Company DSU (whether vested or unvested), notwithstanding the terms of the Company Incentive Plan or any award agreement governing the Company DSUs, shall immediately be cancelled for no consideration and the holder shall no longer have any rights thereto.
- (7) *Company Registers.* Concurrently with the steps set out in clauses (2), (3), (4), (5) and (6) above, (i) each holder of Company Options, Company RSUs, Company PSUs and Company DSUs shall cease to be a holder of such Company Options, Company RSUs, Company PSUs and Company DSUs, (ii) such holder's name shall be removed from each applicable register, (iii) the Company Incentive Plans and all award agreements relating to the Company Options, Company RSUs, Company PSUs and Company DSUs shall be terminated and shall be of no further force and effect, and (iv) such holder shall thereafter have only the right to receive the consideration to which they are entitled pursuant to clauses (3) and (4) above at the time and in the manner specified in clauses (3) and (4) above;

- (8) *Dissenting Shareholders.* Each of the Company Shares held by Dissenting Shareholders shall be deemed to have been transferred without any further act or formality to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined under Article 3 of the Plan of Arrangement, and:
- (i) such Dissenting Shareholders shall cease to be the holders of such Company Shares and to have any rights as holders of such Company Shares other than the right to be paid fair value by the Purchaser for such Company Shares as set out in Section 3.1 of the Plan of Arrangement;
 - (ii) such Dissenting Shareholders' names shall be removed as the holders of such Company Shares from the registers of Company Shares maintained by or on behalf of the Company; and
 - (iii) the Purchaser shall be deemed to be the legal and beneficial owner of such Company Shares so transferred, free and clear of all Liens, and shall be entered in the register of Company Shares maintained by or on behalf of the Company;
- (9) *Cash Election Shares.* Concurrently with the steps described in clauses (10) to (12) below, subject to proration in accordance with Section 2.5 of the Plan of Arrangement, each Cash Election Share outstanding immediately prior to the Effective Time (other than Rollover Shares and Company Shares held by a Dissenting Shareholder) shall, without any further action by or on behalf of a holder of such Company Shares, be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the All Cash Consideration, and
- (i) holders of such Company Shares shall cease to be the holders of such Company Shares and to have any rights as holders of such Company Shares other than the right to be paid the Consideration by the Purchaser in accordance with the Plan of Arrangement;
 - (ii) such holders' names shall be removed from the register of the Company Shares maintained by or on behalf of the Company; and
 - (iii) the Purchaser shall be deemed to be the legal and beneficial owner of such Company Shares so transferred, free and clear of all Liens, and shall be entered in the register of the Company Shares maintained by or on behalf of the Company;
- (10) *Share Election Shares.* Concurrently with the steps described in clause (9) above and clauses (11) and (12) below, subject to proration in accordance with Section 2.6 of the Plan of Arrangement, each Share Election Share outstanding immediately prior to the Effective Time (other than Rollover Shares and Company Shares held by a Dissenting Shareholder) shall, without any further action by or on behalf of a holder of such Company Shares, be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the All Share Consideration, and:
- (i) the holders of such Company Shares shall cease to be the holders of such Company Shares and to have any rights as holders of such Company Shares other than the right to be paid the Consideration by the Purchaser in accordance with the Plan of Arrangement;
 - (ii) such holders' names shall be removed from the register of the Company Shares maintained by or on behalf of the Company; and
 - (iii) the Purchaser shall be deemed to be the legal and beneficial owner of such Company Shares so transferred, free and clear of all Liens, and shall be entered in the register of the Company Shares maintained by or on behalf of the Company;

- (11) *Company Shares.* Concurrently with the steps described in clauses (9) and (10) above and clause (12) below, each Company Share outstanding immediately prior to the Effective Time (other than Cash Election Shares, Share Election Shares, Rollover Shares and Company Shares held by a Dissenting Shareholder) shall, without any further action by or on behalf of a holder of such Company Shares, be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the Combination Consideration, and:
- (i) the holders of such Company Shares shall cease to be the holders of such Company Shares and to have any rights as holders of such Company Shares other than the right to be paid the Consideration by the Purchaser in accordance with the Plan of Arrangement;
 - (ii) such holders' names shall be removed from the register of the Company Shares maintained by or on behalf of the Company; and
 - (iii) the Purchaser shall be deemed to be the legal and beneficial owner of such Company Shares so transferred, free and clear of all Liens, and shall be entered in the register of the Company Shares maintained by or on behalf of the Company;
- (12) *Rollover Shares.* Concurrently with the steps described in clauses (9) to (11) above, each Rollover Share outstanding immediately prior to the Effective Time shall, subject to the terms and conditions of the Rollover Agreement, be deemed to be assigned and transferred by the applicable Rollover Shareholder to the Purchaser in exchange for the Rollover Consideration, and:
- (i) the Rollover Shareholders shall cease to be the holders of such Rollover Shares and to have any rights as holders of such Rollover Shares other than the right to be paid the Rollover Consideration by the Purchaser in accordance with the Rollover Agreement and the Plan of Arrangement;
 - (ii) the Rollover Shareholders' name shall be removed from the register of the Company Shares maintained by or on behalf of the Company; and
 - (iii) the Purchaser shall be deemed to be the legal and beneficial owner of such Rollover Shares so transferred, free and clear of all Liens, and shall be entered in the register of the Company Shares maintained by or on behalf of the Company, such that following the transactions contemplated in clause (4) to and including this clause (12), the Purchaser shall be the legal and beneficial owner of 100% of the Company Shares.

Election Mechanics

With respect to the exchange of Company Shares effected pursuant to Section 2.3 of the Plan of Arrangement:

- (1) each Company Shareholder (other than the Rollover Shareholders) who has not exercised Dissent Rights may elect to receive the All Cash Consideration in respect of each Company Share held by such Company Shareholder (such election being a “**Cash Election**”), the aggregate amount of which All Cash Consideration to be paid in respect of such Company Shares being subject to proration in accordance with the subsection titled “Cash Proration” below;
- (2) each Company Shareholder (other than the Rollover Shareholders) who has not exercised Dissent Rights may elect to receive the All Share Consideration in respect of each Company Share held by such Company Shareholder (such election being a “**Share Election**”), the aggregate amount of which All Share Consideration to be paid in respect of such Company Shares being subject to proration in accordance with the subsection titled “Share Proration” below;

- (3) each Company Shareholder (other than the Rollover Shareholders) who has not exercised Dissent Rights may elect to receive the Combination Consideration in respect of each Company Share held by such Company Shareholder (such election being a “**Combination Election**”);
- (4) in order to make the election provided for in clauses (1), (2) and (3) above, each electing Company Shareholder must deposit with the Depositary, prior to the Election Deadline, a duly completed and executed Letter of Transmittal and Election Form indicating such Company Shareholder’s election, which election shall be irrevocable and may not be withdrawn, together with any certificates representing the Company Shares held by such Company Shareholder and such additional documents and instruments as the Depositary or the Purchaser may reasonably require; and
- (5) for the avoidance of doubt, any Company Shareholder who (i) does not make a valid Cash Election, Share Election or Combination Election prior to the Election Deadline in accordance with Section 2.4 of the Plan of Arrangement, or (ii) exercises Dissent Rights but, for any reason, is not ultimately determined to be entitled to be paid the fair value of his, her or its Company Shares in accordance with Article 3 of the Plan of Arrangement shall, in each case, be deemed to have elected to receive the Combination Consideration in exchange for the transfer of each of his, her or its Company Shares to the Purchaser pursuant to clause (11) under the subheading “Arrangement Steps”.

Cash Proration

Notwithstanding the subsection above titled “Election Mechanics” or any other provision in the Plan of Arrangement to the contrary:

- (1) the maximum aggregate amount of cash consideration to be paid to the Company Shareholders pursuant to clauses (9), (10) and (11) above under the subheading “Arrangement Steps” (the “**Maximum Cash Consideration**”) shall be the amount that is obtained by multiplying the All Cash Consideration by the number of Company Shares (other than the share portion of the Combination Consideration, Rollover Shares and Company Shares held by a Dissenting Shareholder) that are issued and outstanding immediately prior to the Effective Time; and
- (2) in the event that the aggregate amount of consideration that would otherwise be payable in cash to the Cash Electing Shareholders pursuant to clause (9) above under the subheading “Arrangement Steps” but for the application of Section 2.5 of the Plan of Arrangement (the “**Total Elected Cash Consideration**”) exceeds the Maximum Cash Consideration, then the aggregate amount of cash to be paid to Cash Electing Shareholders pursuant to clause (9) above under the subheading “Arrangement Steps” shall be determined by multiplying the aggregate amount of cash that would, but for the application of Section 2.5 of the Plan of Arrangement, be paid to such Cash Electing Shareholder by the Cash Proration Factor; and such Cash Electing Shareholder shall be deemed to have elected to receive (i) the All Cash Consideration for such number of his, her or its Company Shares, rounded down to the nearest whole number, as is equal to the aggregate amount of cash received by such Cash Electing Shareholder, as adjusted in accordance with this subsection, divided by the All Cash Consideration, and (ii) the All Share Consideration for the remainder of his, her or its Company Shares for which, but for this subsection, such Cash Electing Shareholder would otherwise have received the All Cash Consideration.

Share Proration

Notwithstanding the subsection above titled “Election Mechanics” or any other provision in the Plan of Arrangement to the contrary:

- (1) the maximum aggregate number of Better Collective Shares to be paid to Company Shareholders pursuant to clauses (9), (10) and (11) above under the subheading “Arrangement Steps” (the “**Maximum Share Consideration**”) shall be the number of Better Collective Shares that is

obtained by multiplying the All Share Consideration by the number of Company Shares (other than the share portion of the Combination Consideration, Rollover Shares and Company Shares held by a Dissenting Shareholder) that are issued and outstanding immediately prior to the Effective Time; and

- (2) in the event that the aggregate amount of consideration that would otherwise be payable in Better Collective Shares to the Share Electing Shareholders but for the application of Section 2.6 of the Plan of Arrangement (the “**Total Elected Share Consideration**”) exceeds the Maximum Share Consideration, then the aggregate number of Better Collective Shares to be paid to Share Electing Shareholders pursuant to clause (10) above under the subheading “Arrangement Steps” shall be determined by multiplying the aggregate number of Better Collective Shares that would, but for Section 2.6 of the Plan of Arrangement, be paid to such Share Electing Shareholder by the Share Proration Factor; and such Share Electing Shareholder shall be deemed to have elected to receive (i) the All Share Consideration for such number of his, her or its Company Shares, rounded down to the nearest whole number, as is equal to the aggregate number of Better Collective Shares received by such Share Electing Shareholder, as adjusted in accordance with this subsection, divided by the All Share Consideration, and (ii) the All Cash Consideration for the remainder of his, her or its Company Shares for which, but for this subsection, such Share Electing Shareholder would otherwise have received the All Share Consideration.

Payment and Delivery of Consideration

- (1) Prior to the filing by the Company of the Articles of Arrangement with the Director in accordance with Section 2.8 of the Arrangement Agreement, Better Collective shall deposit, or arrange to be deposited, with the Depositary (or its nominee) and for the benefit of Company Shareholders, (i) sufficient cash and sufficient Better Collective Shares to satisfy the aggregate consideration payable to the Company Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares) in accordance with Section 2.3 of the Plan of Arrangement; (ii) the aggregate amount of cash and sufficient Better Collective Shares to satisfy the aggregate Rollover Consideration payable to the Rollover Shareholders in accordance with Section 2.3 of the Plan of Arrangement; and (iii) the aggregate amount of cash to satisfy the payment to Company Shareholders in lieu of fractional Better Collective Shares in accordance with Section 4.5 of the Plan of Arrangement. Any Better Collective Shares issued in accordance with Section 2.3 of the Plan of Arrangement shall be admitted to trading and official listing as soon as practicable after the Effective Date.
- (2) Upon surrender to the Depositary for cancellation of a certificate or instrument which immediately prior to the Effective Time represented outstanding Company Shares, together with a duly completed and executed Letter of Transmittal and Election Form and such additional documents and instruments as the Depositary or Better Collective may reasonably require (or, if such Company Shares are held in book-entry or other uncertificated form, upon the entry through a book-entry transfer agent of the surrender of such Company Shares on a book-entry account statement, it being understood that any reference herein to “certificates” shall be deemed to include references to book entry account statements relating to the ownership of Company Shares),
 - (i) the holders holding Company Shares (other than the Rollover Shareholders in respect of their Rollover Shares) formerly represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, the consideration which such holder has the right to receive under the Plan of Arrangement for such Company Shares (other than Rollover Shares), including the cash payment in lieu of fractional Better Collective Shares in accordance with Section 4.5 of the Plan of Arrangement, less any amounts withheld pursuant to Section 4.3 of the Plan of Arrangement, and
 - (ii) the Rollover Shareholders in respect of their Rollover Shares shall be entitled to receive in exchange therefor, and the Depositary shall deliver to the Rollover Shareholders the

Rollover Consideration to which the Rollover Shareholders have the right to receive under the Plan of Arrangement and the Rollover Agreement for such Rollover Shares, including the cash payment in lieu of fractional Better Collective Shares in accordance with Section 4.5 of the Plan of Arrangement, less any amounts withheld pursuant to Section 4.3 of the Plan of Arrangement

and, in each case, any certificate or instrument so surrendered shall forthwith be cancelled.

- (3) All Better Collective Shares issued as Consideration under the Plan of Arrangement will initially be held in the name of Odyssey Transfer and Trust Company (the “**Depository**”) and credited to Odyssey’s nominee account through its broker, Stifel Nicolaus & Co. (“**Stifel**”). The Depository will hold the Better Collective Shares as agent for the Company Shareholders that are entitled to receive such Better Collective Shares under the Plan of Arrangement. Within five Business Days following the Effective Date, the Depository will deliver by first class mail to all Registered Company Shareholders and brokers, investment dealers or other intermediaries holding Company Shares on behalf of Beneficial Company Shareholders (each, an “**Intermediary**”) an account statement specifying their entitlement to the Better Collective Shares under the Plan of Arrangement (which will reflect their Consideration election pursuant to Section 2.4 of the Plan of Arrangement and applicable Proration), along with an instruction form (the “**BC Share Instruction Form**”) to be completed and returned to the Depository, which will provide each Registered Company Shareholder and Intermediary with an option to either (i) transfer their Better Collective Shares to a brokerage or custody account in their name that is permitted to hold the Better Collective Shares, or (ii) sell such Better Collective Shares in the local market via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable) at the market price when such trade is executed, and remit to such Registered Company Shareholder or Intermediary the cash proceeds from the sale, subject to applicable withholding taxes. As the Depository receives valid and properly completed BC Share Instruction Forms from Registered Company Shareholders and Intermediaries, it will deliver those forms to Stifel for processing within two Business Days of receipt.
- (4) Within one Business Day of receiving a validly completed BC Share Instruction Form from the Depository in accordance with Section 4.1(c) of the Plan of Arrangement instructing Stifel to transfer the Better Collective Shares to a brokerage or custody account in respect of a Registered Company Shareholder or Intermediary, Stifel will initiate the transfer of the Better Collective Shares out of Odyssey’s nominee account for credit to such Company Shareholder’s brokerage or custody account the applicable number of Better Collective Shares using the instructions provided by the Depository. The Depository will mail a confirmation to the applicable Registered Company Shareholders or Intermediary once the transfer is complete. Neither Company Shareholders nor any Intermediary may direct the date or time at which Better Collective Shares are transferred from Odyssey’s nominee account to a brokerage or custody account.
- (5) Upon receipt of a validly completed BC Share Instruction Form from the Depository instructing Stifel to sell the Better Collective Shares on behalf of a Registered Company Shareholder or Intermediary, Stifel will promptly, and in any event, generally within one Business Day (subject to market conditions and system availability) submit a trade order via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), for the number of Better Collective Shares instructed to be sold. Upon settlement of the trade, Stifel will receive the cash proceeds from the trade in the local currency and will convert the cash proceeds to U.S. dollars based on the exchange rate available to Stifel at such time. Within one Business Day of settlement, Stifel will wire the cash proceeds in U.S. dollars to the Depository’s bank account. Within three Business Days of the funds being received by the Depository, the Depository will mail a cheque to the applicable Registered Company Shareholder or Intermediary who provided the instructions to have their Better Collective Shares sold. Neither the Company Shareholders nor any

Intermediary may direct the date, time, or price at which Better Collective Shares are sold or the exchange rate at which the proceeds are converted to U.S. dollars.

- (6) Approximately 30 days after distributing the BC Share Instruction Forms to all Registered Company Shareholders and Intermediaries, the Depositary will send a follow-up communication to all Registered Company Shareholders and Intermediaries who have not yet completed and returned a BC Share Instruction Form (“**Non-Responding Shareholders**”). The Depositary will continue to send follow-up communications to such Non-Responding Shareholders every 12 to 18 weeks over the one year period following the Effective Date (the “**Post-Closing Instruction Period**”).
- (7) Within 30 days of the expiry of the Post-Closing Instruction Period, the Depositary will submit instructions to Stifel to sell in the local market all Better Collective Shares held for the benefit of Non-Responding Shareholders. As soon as practicable after receipt of such instructions, Stifel will submit a trade order via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), for the total number of Better Collective Shares held for the benefit of Non-Responding Shareholders. Upon settlement of the trade, Stifel will receive the cash proceeds from the trade in the local currency and will convert the cash proceeds to U.S. dollars based on the exchange rate available to Stifel at such time. Within one Business Day of settlement, Stifel will wire the cash proceeds in U.S. dollars to the Depositary’s bank account. After receipt of the cash proceeds from Stifel, the Depositary will retain such cash proceeds (together with all other undistributed cash Consideration due and payable to Non-Responding Shareholders) until it receives a validly completed Letter of Transmittal and Election Form, BC Share Instruction Form and/or any other required documents or instructions as reasonably requested by the Depositary from any applicable Non-Responding Shareholders instructing where to deliver the cash proceeds to which they are entitled. On an annual basis thereafter, the Depositary will send a follow up communication to such Non-Responding Shareholders seeking instructions on where to deliver the cash proceeds to which they are entitled. If the Depositary does not receive a validly completed Letter of Transmittal and Election Form, BC Share Instruction Form and/or any other required documents or instructions as reasonably requested by the Depositary from any applicable Non-Responding Shareholders on or prior to the sixth anniversary of the Effective Date, any remaining cash proceeds (together with all other undistributed cash Consideration due and payable to Non-Responding Shareholders) held by Odyssey shall be deemed to have been surrendered to the Purchaser and be paid or returned over by the Depositary to the Purchaser or as directed by the Purchaser in accordance with Section 4.1(h) of the Plan of Arrangement.
- (8) Until surrendered as contemplated by Section 4.1 of the Plan of Arrangement, each certificate that immediately prior to the Effective Time represented Company Shares shall be deemed after the Effective Time to represent only the right to receive upon such surrender the consideration in lieu of such certificate as contemplated in Section 4.1 of the Plan of Arrangement, less any amounts withheld pursuant to Section 4.3 of the Plan of Arrangement. Any such certificate formerly representing Company Shares that were transferred pursuant to Section 2.3 of the Plan of Arrangement, and not duly surrendered with all other instruments required by Section 4.1 of the Plan of Arrangement, on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Company Shares of any kind or nature in the consideration or against or in the Company or Better Collective or any of their respective affiliates. On such date, all consideration to which such former holder was entitled shall be deemed to have been surrendered to Better Collective or the Company, as applicable, and the cash amount forming part of such consideration shall be paid or returned over by the Depositary to Better Collective or as directed by Better Collective and the Better Collective Shares forming part of such consideration shall be returned over by the Depositary to Better Collective, cancelled by Better Collective or acquired by Better Collective for no consideration (in the sole discretion of Better Collective).
- (9) In the event of the surrender of a certificate of Company Shares that is not registered in the transfer records of the Company under the name of the Person surrendering such certificate, the consideration to which the registered holder is entitled pursuant to Section 2.3 of the Plan of

Arrangement shall be paid to such a transferee if such certificate is presented to the Depository and such certificate is duly endorsed or is accompanied by all documents required to evidence and effect such transfer.

- (10) Any payment made by way of cheque by the Depository pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depository or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Affected Securities pursuant to the Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, for no consideration.
- (11) No holder of Company Shares shall be entitled to receive any consideration with respect to such Company Shares other than any consideration to which such holder is entitled to receive in accordance with Section 2.3 and Section 4.1 of the Plan of Arrangement less any amount withheld pursuant to Section 4.3 of the Plan of Arrangement and, for greater certainty, subject to Section 4.6 of the Plan of Arrangement, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

Consideration Election

With respect to the transfer and assignment of Company Shares as outlined in clause (9) above, each Company Shareholder (other than Dissenting Shareholders and the Rollover Shareholders) is entitled to elect to receive, for each Company Share held, either (i) \$0.70 in cash, (ii) 0.0206 of a Better Collective Share, or (iii) \$0.245 in cash and 0.0134 of a Better Collective Share. This election would be made by a Company Shareholder by depositing with the Depository, prior to the Election Deadline, a duly completed Letter of Transmittal and Election Form indicating such Company Shareholder's election, together with certificates, if any, representing such Company Shareholder's Company Shares. Any Letter of Transmittal and Election Form, once deposited with the Depository, will be irrevocable and may not be withdrawn by a Company Shareholder. Any Company Shareholder who does not deposit with the Depository a duly completed Letter of Transmittal and Election Form prior to the Election Deadline, or otherwise fails to comply with the Consideration election requirements of the Plan of Arrangement or of the Letter of Transmittal and Election Form, will be deemed to have elected to receive, for each Company Share held, \$0.245 in cash and 0.0134 of a Better Collective Share. See "Letter of Transmittal and Election Form" and "Election Procedure" for further information in this respect.

Paramountcy

From and after the Effective Time: (i) the Plan of Arrangement will take precedence and priority over any and all securities of the Company issued and outstanding prior to the Effective Time, including Company Shares and Company Equity Awards; (ii) the rights and obligations of the registered or beneficial holders of such securities, Better Collective, Playmaker and their respective affiliates, the Depository and any transfer agent or other depository therefor in relation to the Plan of Arrangement, will be solely as provided for in the Plan of Arrangement; and (iii) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any securities of the Company are deemed to have been settled, compromised, released and determined without liability except as set forth in the Plan of Arrangement.

Amendments to the Plan of Arrangement

The Company and Better Collective reserve the right to amend, modify and/or supplement the Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that any such amendment, modification and/or supplement must be (i) set out in writing, (ii) approved by each of Playmaker and Better Collective (subject to the Arrangement Agreement), in each case acting reasonably, (iii) if made following the Meeting, approved by the Court, and (iv) communicated to the Company Shareholders if and as required by the Court.

Procedure for the Arrangement to Become Effective

The Arrangement will be implemented by way of a Court approved Plan of Arrangement under Section 182 of the OBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective:

- (1) the Arrangement must be approved by the Company Shareholders in the manner set forth in the Interim Order; and
- (2) the Court must grant the Final Order approving the Arrangement.

In addition the Arrangement will only become effective if all other conditions precedent to the Arrangement set out in the Arrangement Agreement, including, but not limited to, the Key Regulatory Approvals, have been satisfied or waived (where applicable) by the appropriate party. For a description of the other conditions precedent see “The Arrangement Agreement”.

Company Shareholder Approval

To be effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of: (i) at least two thirds of the votes cast at the Meeting in person or by proxy by Company Shareholders, and (ii) a majority of the votes cast at the Meeting in person or by proxy by Company Shareholders, excluding the votes of persons whose votes must be excluded in accordance with MI 61-101. **The Company Board recommends that Company Shareholders vote FOR the Arrangement Resolution.**

Voting and Support Agreements

On November 6, 2023, concurrently with the execution of the Arrangement Agreement, Better Collective entered into (i) voting and support agreements (the “**General Shareholder Voting and Support Agreements**”) with certain shareholders of Playmaker, including Ben Maggin, Daniel Kersh, David Copeland, Javier Troncoso, Jay Downton, Jeff Kloster, Mark Johns, Ryan Barnett and Sebastian Nahuel Pan (the “**General Shareholders**”); (ii) a voting and support agreement (the “**Gnat Voting and Support Agreement**”) with Jordan Gnat and JPG Investments Inc. (together with their respective affiliates, the “**Gnat Supporting Shareholders**”); (iii) a voting and support agreement (the “**Relay Voting and Support Agreement**”, together with the General Shareholder Voting and Support Agreements and the Gnat Voting and Support Agreement, the “**Shareholder Voting and Support Agreements**”) with Relay Ventures (the “**Relay Supporting Shareholder**”, together, with the General Shareholders and Gnat Supporting Shareholders, the “**Supporting Shareholders**”); and (iv) voting and support agreements (the “**D&O Voting and Support Agreements**” and together with the Shareholder Voting and Support Agreements, the “**Voting and Support Agreements**”) with all of the directors and executive officers of Playmaker (the “**D&O Supporting Shareholders**”, and together with the Supporting Shareholders, the “**Supporting Shareholders and D&Os**”).

The Supporting Shareholders and D&Os beneficially own, directly or indirectly, or exercise control or direction over, in the aggregate, Company Shares representing approximately 50% of the outstanding Company Shares as of the date of this Circular and have agreed, subject to the terms of their respective Voting and Support Agreements, to, *inter alia*, support the Arrangement and the transactions contemplated thereby, including to vote all of their respective Company Shares in favour of the Arrangement and any other matters necessary for the consummation of the Arrangement.

The following is a summary of the principal terms of the Voting and Support Agreements. This summary does not purport to be complete and is qualified in its entirety by the complete text of the applicable Voting and Support Agreements, copies of which are available on SEDAR+ at www.sedarplus.ca.

Supporting Shareholders

Pursuant to the Shareholder Voting and Support Agreements, each Supporting Shareholder has agreed in favour of the Purchaser that, from the date of the applicable Voting and Support Agreement until the termination of the

Shareholder Voting and Support Agreement in accordance with Article 4 thereof, except as permitted by the Shareholder Voting and Support Agreement:

- (1) at any meeting of securityholders of Playmaker, including at the meeting of holders of Company Shares to be called to approve the Arrangement or any other transactions contemplated by the Arrangement Agreement (or reasonably ancillary thereto) or at any adjournment or postponement thereof or in any other circumstances upon which a vote, consent or other approval (including by written consent in lieu of a meeting) with respect to the Arrangement or any other transactions contemplated by the Arrangement Agreement (or reasonably ancillary thereto) is sought, each Supporting Shareholder shall cause his or her Subject Securities having voting rights in respect of such matter to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) its Subject Securities having voting rights in respect of such matter in favour of the approval of the Arrangement and any other transactions contemplated by the Arrangement Agreement (or reasonably ancillary thereto) and any other matter necessary for the consummation thereof, and provide its consent or other approval in respect thereof (as applicable); and
- (2) at any meeting of any securityholders of the Company or at any adjournment or postponement thereof or in any other circumstances upon which a vote, consent or other approval of all or some of the securityholders of the Company is sought (including by written consent in lieu of a meeting), each Supporting Shareholder shall cause their Subject Securities having voting rights at such meeting to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) its Subject Securities having voting rights at such meeting against any arrangement agreement or plan of arrangement (other than the Arrangement), merger agreement or merger, consolidation, business combination, sale or transfer of a material amount of assets, amalgamation, reorganization, recapitalization, dissolution, liquidation or winding up of or by the Company or any other Acquisition Proposal, or any amendment of the Company's constituting documents or other proposal or transaction involving the Company or any of its subsidiaries, which could reasonably be expected to prevent or materially delay or interfere with the Meeting or the successful completion of the Arrangement or which would reasonably be expected to result in a Company Material Adverse Effect;
- (3) it shall not, directly or indirectly, through any representative, agent or otherwise:
 - (i) solicit, assist, initiate, encourage or otherwise facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;
 - (ii) enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than the Purchaser and its affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;
 - (iii) withdraw, amend, modify or qualify the Supporting Shareholder's support, or publicly propose or state an intention to withdraw, amend, modify or qualify the Supporting Shareholder's support, of the transactions contemplated by the Arrangement Agreement;
 - (iv) accept, approve, endorse or recommend, or propose publicly to accept, approve, endorse or recommend, any Acquisition Proposal; or
 - (v) accept or enter into, or propose publicly to accept or enter into, any agreement, understanding or arrangements in respect of an Acquisition Proposal;

- (4) it shall immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiation, or other activities commenced prior to the date of the applicable Shareholder Voting and Support Agreement with any Person (other than the Purchaser and its affiliates) that it is engaged in with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal, whether or not initiated by the applicable Supporting Shareholder;
- (5) it shall not directly or indirectly: (i) sell, transfer, assign, tender, exchange, grant a participation interest in, gift, option, pledge, hypothecate, grant a security interest in, place in trust or otherwise convey, dispose or encumber (including by way of tendering to a take-over bid) (each, for the purposes of this section, a “**Transfer**”), or enter into any agreement, understanding, option or other arrangement with respect to the Transfer of, any of their Subject Securities to any Person, other than pursuant to the Arrangement Agreement or the Shareholder Voting and Support Agreements; (ii) grant any proxies or power of attorney, deposit any of their Subject Securities into any voting trust or enter into any voting arrangement, whether formal or informal or by proxy, voting agreement or otherwise, with respect to their Subject Securities, other than pursuant to the Shareholder Voting and Support Agreements; (iii) otherwise enter into any agreement or arrangement with any person or entity or commit any act that could limit, restrict or affect such Supporting Shareholder’s legal power, authority, or right to vote any of their Subject Securities or otherwise prevent or prohibit such Supporting Shareholder from performing any of their obligations under the Shareholder Voting and Support Agreements; or (iv) requisition or join in the requisition of any meeting of any of the securityholders of the Company for the purpose of considering any resolution; provided that each Supporting Shareholder may Transfer Subject Securities to a corporation or other entity directly or indirectly owned or controlled by such Supporting Shareholder provided that (x) such Transfer shall not relieve or release the applicable Supporting Shareholder of or from their obligations under the Shareholder Voting and Support Agreement, including, without limitation, the obligation of such Supporting Shareholder to vote or cause to be voted all Subject Securities at the Meeting in favour of the approval of the Arrangement and any other matter necessary for the consummation of the Arrangement and (y) prior to or concurrent with the completion of such Transfer, the transferee agrees to be bound by the terms of the Shareholder Voting and Support Agreement as though it were an original signatory hereto on terms acceptable to the Purchaser acting reasonably; and
- (6) it shall not exercise any Dissent Rights or similar rights in respect of any resolution approving the Arrangement or any aspect thereof or matter related thereto and shall not exercise any other securityholder rights or remedies available at common law or pursuant to applicable corporate law or other legislation.

Each Supporting Shareholder covenants and agrees in favour of the Purchaser that: (a) no later than ten (10) calendar days prior to the date of any meeting of any securityholders of the Company to consider the Arrangement, including the Meeting, such Supporting Shareholder shall duly complete and cause forms of proxy or voting instruction forms, as applicable, in respect of all the Subject Securities having voting rights in respect of the Arrangement to be validly delivered to the Company (or as otherwise directed on such forms prepared by the Company and with a copy to the Purchaser) to cause the Subject Securities to be voted in favour of the approval of the Arrangement and any other matter necessary for the consummation of the Arrangement; and (b) such forms of proxy or voting instruction forms, as applicable, shall not be revoked or withdrawn, unless the prior written consent from the Purchaser has been obtained or the applicable Voting and Support Agreement is terminated in accordance with its terms.

The Shareholder Voting and Support Agreements may be terminated at any time by a written instrument executed by each of the Purchaser and the applicable Supporting Shareholders. The Shareholder Voting and Support Agreements shall terminate and be of no further force or effect on the earlier of: (a) the Effective Time and (b) the date on which the Arrangement Agreement terminates or is terminated in accordance with its terms. The Shareholder Voting and Support Agreements may also be terminated by the applicable Supporting Shareholders (A) without the prior written approval of the applicable Supporting Shareholder, there is a decrease in the amount of, or change in the form of, the consideration payable by the Purchaser for the Subject Securities pursuant to the Arrangement Agreement or the Plan of Arrangement, or (B) the Arrangement Agreement or the Plan of Arrangement is amended in a manner that materially adversely impacts any Supporting Shareholder.

Directors and Executive Officers of Playmaker

Under the D&O Voting and Support Agreements, the D&O Supporting Shareholders have each agreed:

- (1) at any meeting of any securityholders of the Company, including the Meeting, called to vote upon the Arrangement or any other transactions contemplated by the Arrangement Agreement (or reasonably ancillary thereto) or at any adjournment or postponement thereof or in any other circumstances upon which a vote, consent or other approval (including by written consent in lieu of a meeting) with respect to the Arrangement or any other transactions contemplated by the Arrangement Agreement (or reasonably ancillary thereto) is sought, the D&O Supporting Shareholders shall cause his or her Subject Securities having voting rights in respect of such matter to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) its Subject Securities having voting rights in respect of such matter in favour of the approval of the Arrangement and any other transactions contemplated by the Arrangement Agreement (or reasonably ancillary thereto) and any other matter necessary for the consummation thereof, and provide its consent or other approval in respect thereof (as applicable);
- (2) (i) no later than ten (10) calendar days prior to the date of any meeting of any securityholders of the Company to consider the Arrangement, including the Meeting, the applicable D&O Supporting Shareholder shall duly complete and cause forms of proxy or voting instruction forms, as applicable, in respect of all the Subject Securities having voting rights in respect of the Arrangement to be validly delivered to the Company (or as otherwise directed on such forms prepared by the Company and with a copy to the Purchaser) to cause the Subject Securities to be voted in favour of the approval of the Arrangement and any other matter necessary for the consummation of the Arrangement; and (ii) such forms of proxy or voting instruction forms, as applicable, shall not be revoked or withdrawn, unless the prior written consent from the Purchaser has been obtained or the Voting and Support Agreement is terminated in accordance with its terms;
- (3) not to directly or indirectly: (i) Transfer or enter into any agreement, understanding, option or other arrangement with respect to the Transfer of, any of its Subject Securities to any Person, other than pursuant to the Arrangement Agreement or the Voting and Support Agreements, (ii) grant any proxies or power of attorney, deposit any of its Subject Securities into any voting trust or enter into any voting arrangement, whether formal or informal or by proxy, voting agreement or otherwise, with respect to its Subject Securities, other than pursuant to the Voting and Support Agreement, (iii) otherwise enter into any agreement or arrangement with any person or entity or commit any act that could limit, restrict or affect the applicable D&O Supporting Shareholder's legal power, authority, or right to vote any of its Subject Securities or otherwise prevent or prohibit the D&O Supporting Shareholders from performing any of its obligations under the Voting and Support Agreement; or (iv) requisition or join in the requisition of any meeting of any of the securityholders of the Company for the purpose of considering any resolution; provided that, the D&O Supporting Shareholder may Transfer Subject Securities to a corporation or other entity directly or indirectly owned or controlled by the D&O Supporting Shareholders provided that (x) such Transfer shall not relieve or release the D&O Supporting Shareholders of or from its obligations under the Voting and Support Agreements, including, without limitation, the obligation of the D&O Supporting Shareholders to vote or cause to be voted all Subject Securities at the Meeting in favour of the approval of the Arrangement and any other matter necessary for the consummation of the Arrangement and (y) prior to or concurrent with the completion of such Transfer, the transferee agrees to be bound by the terms of the Voting and Support Agreement as though it were an original signatory hereto on terms acceptable to the Purchaser acting reasonably; and
- (4) not to exercise any Dissent Rights or similar rights in respect of any resolution approving the Arrangement or any aspect thereof or matter related thereto.

Each D&O Voting and Support Agreement will terminate upon the earlier of: (i) the Effective Time; and (ii) the date on which the Arrangement Agreement terminates or is terminated in accordance with its terms. The Arrangement Agreement may also be terminated by the D&O Supporting Shareholders if (A) without the prior written approval of

the D&O Supporting Shareholders, there is a decrease in the amount of, or change in the form of, the consideration payable by the Purchaser for the Subject Securities pursuant to the Arrangement Agreement or the Plan of Arrangement, or (B) the Arrangement Agreement or the Plan of Arrangement is amended in a manner that materially adversely impacts the D&O Supporting Shareholders.

Each D&O Voting and Support Agreement also provides that the applicable D&O Supporting Shareholder, in their respective capacity as director or officer of Playmaker, will not be limited or restricted in any way in the exercise of their fiduciary duties as a director or officer of Playmaker.

Rollover and Lock-Up Agreements

Pursuant to a rollover and lock-up agreement with Better Collective dated November 6, 2023 (the “**Rollover Agreement**”), the Rollover Shareholders have agreed to exchange each Company Share they respectively hold for (i) \$0.175 in cash (representing 25% of the aggregate Consideration payable by Better Collective per Company Share held by the Rollover Shareholders) and (ii) 0.0155 Better Collective Shares (representing 75% of the aggregate Consideration payable by Better Collective per Company Share held by the Rollover Shareholders).

Pursuant to the Rollover Agreement and a lock-up agreement by and between Better Collective and Relay Ventures dated November 6, 2023 (the “**Relay Lock-Up Agreement**” and, together with the Rollover Agreement, the “**Lock-Up Agreements**”), each of the Rollover Shareholders and Relay Ventures have agreed not to, directly or indirectly, whether in one transaction or a series of transactions and whether by merger, amalgamation, consolidation, division, operation of law, or otherwise, (i) sell, transfer, assign or similarly dispose of, or enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment or similar disposition of, any interest in any of the Better Collective Shares they are entitled to receive on closing of the Arrangement (the “**Lock-Up Shares**”) or any interest (including a beneficial interest) in, or the ownership, control or possession of, any Lock-Up Shares, (ii) enter into any swap, hedging, monetization, derivative transaction, short sale, or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Lock-Up Shares, whether any such transaction is to be settled by delivery of such securities, in cash or otherwise, (iii) lend, secure, pledge, lien, charge or grant any rights in respect of or security over any of the Lock-Up Shares or (iv) publicly announce any intention to effect any transaction specified in clause (i), (ii) or (iii) (in each case, for the purposes of this section, a “**Transfer**”).

Pursuant to the terms and conditions of the Rollover Agreement, the Rollover Shareholders (i) may not Transfer any of their Lock-Up Shares in the period beginning on the Effective Date and ending 24 months thereafter, (ii) will have the right to Transfer up to 50% of their Lock-Up Shares in the period beginning 24 months after the Effective Date and ending 12 months thereafter, and (iii) after such date, will have the right to Transfer any and all of their remaining Lock-Up Shares, such that all of the Rollover Shareholders’ Lock-Up shares are transferable on the day that is 36 months after the Effective Date.

Pursuant to the terms and conditions of the Relay Lock-Up Agreement, Relay Ventures (i) may not Transfer any of its Lock-Up Shares in the period beginning on the Effective Date and ending first 12 months thereafter, (ii) will have the right to Transfer up to 25% of its Lock-Up Shares in the period beginning 12 months after the Effective Date and ending three months thereafter, (iii) will have the right to Transfer up to 50% of its Lock-Up Shares in the period beginning 15 months after the Effective Date and ending three months thereafter, (iv) will have the right to Transfer up to 75% of its Lock-Up Shares in the period beginning 18 months after the Effective Date and ending three months thereafter, and (v) from the date that is 24 months after the Effective Date, such transfer restrictions in respect of Relay Ventures’ Lock-Up Shares shall cease to apply.

The Lock-Up Agreements do not prohibit the respective holders from (i) accepting a public tender offer (voluntary or mandatory) or from executing and delivering an irrevocable undertaking to accept such public offer, (ii) the grant of voting or other governance rights pursuant to a power of attorney, (iii) making custody services arrangements in the ordinary course, or transferring any portion of the Lock-Up Shares in limited prescribed instances, including to affiliates, for customary estate planning purposes, and to controlled investment funds (in the case of Relay Ventures).

Court Approval

The Arrangement requires approval by the Court under Section 182 of the OBCA. Prior to the mailing of this Circular, Playmaker obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and other procedural matters. A copy of the Interim Order is attached hereto as Appendix “C”. A copy of the notice of application in respect of the hearing of Playmaker’s application for the Final Order is attached hereto as Appendix “D”.

Subject to the approval of the Arrangement Resolution by Company Shareholders at the Meeting, the hearing of Playmaker’s application for the Final Order is expected to take place on January 24, 2024 at 10:00 a.m. (Toronto time), or as soon thereafter as counsel may be heard, via teleconference, or at any other date and time and by any other method as the Court may direct. Any Company Shareholder who wishes to participate, appear, to be represented, and to present evidence or arguments at the hearing must file and serve a notice of appearance (a “**Notice of Appearance**”) and satisfy the other requirements of the Court, as directed in the Interim Order appended hereto as Appendix “C” and as the Court may direct in the future. In the event that the hearing is postponed, adjourned or rescheduled then, subject to further direction of the Court, only those persons having previously served a Notice of Appearance in compliance with the Interim Order will be given notice of the new date. Participation in the hearing of Playmaker’s application for the Final Order, including who may participate and present evidence or argument and the procedure for doing so, is subject to the terms of the Interim Order and any subsequent direction of the Court.

At the hearing, the Court will consider, among other things, the fairness and reasonableness of the Arrangement and the rights of every person affected. The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. If the Court approves the Arrangement with amendments, depending on the nature of the amendments, either Playmaker or Better Collective may determine not to complete the transaction contemplated by the Arrangement Agreement.

The Court has been advised that the Final Order granted by the Court will constitute the basis for the exemption from the registration requirements of the U.S. Securities Act provided by section 3(a)(10) thereof with respect to the issuance of the Better Collective Shares to Company Shareholders pursuant to the Arrangement. See “Regulatory Matters – U.S. Securities Law Matters”.

Letter of Transmittal and Election Form

A Letter of Transmittal and Election Form has been mailed to each person who was a Registered Company Shareholder on the Record Date. Each Registered Company Shareholder must forward a properly completed and signed Letter of Transmittal and Election Form, with accompanying DRS advice statement(s), share certificate(s) or other evidence representing Company Shares, if any, and all other required documents, in order to receive the Consideration to which such Company Shareholder is entitled under the Arrangement. It is recommended that Company Shareholders complete, sign and return the Letter of Transmittal and Election Form with accompanying DRS advice statement(s), share certificate(s) or other evidence representing Company Shares, if any, to the Depository as soon as possible. Registered Company Shareholders that hold their Company Shares in book-entry or other uncertificated form may deliver their Company Shares to the Depository by noting their respective holder account number(s) in the Letter of Transmittal and Election Form in accordance with the instructions in the Letter of Transmittal and Election Form. To make a valid election as to the form of the Consideration that you wish to receive under the Arrangement, you must sign and return the Letter of Transmittal and Election Form and make a proper election thereunder and return it with accompanying DRS advice statement(s), share certificate(s) or other evidence representing Company Shares, if any, to the Depository prior to the Election Deadline, being no later than 5:00 p.m. (Toronto time) on January 18, 2024 or, if the Meeting is adjourned or postponed, no later than 5:00 p.m. (Toronto time) two Business Days before the adjourned Meeting is reconvened or the postponed Meeting is convened. See “The Arrangement – Election Procedure”.

Any use of the mail to transmit a certificate for Company Shares and a related Letter of Transmittal and Election Form is at the risk of the Company Shareholder. If these documents are mailed, it is recommended that registered mail, with return receipt requested, properly insured, be used.

Whether or not Company Shareholders deposit a Letter of Transmittal and Election Form and forward the DRS advice statement(s), share certificate(s) or other evidence representing Company Shares, if any, upon completion of the

Arrangement on the Effective Date, Company Shareholders will cease to be Company Shareholders as of the Effective Time and will only be entitled to receive the Consideration to which they are entitled under the Arrangement or, in the case of Company Shareholders who properly exercise Dissent Rights, the right to receive fair value for their Company Shares in accordance with the dissent procedures. See “Rights of Dissenting Company Shareholders”.

The payments of the cash portion of Consideration (and any cash in lieu of fractional Better Collective Shares, as applicable) paid at closing of the Arrangement to Company Shareholders under the Arrangement will be denominated in Canadian dollars.

The instructions for making elections, exchanging DRS advice statements, share certificates or other evidence representing Company Shares and depositing such documents with the Depositary, as applicable, are set out in the Letter of Transmittal and Election Form and should be reviewed carefully. The Letter of Transmittal and Election Form also provides instructions with regard to lost share certificates. See “The Arrangement – Election Procedure”.

Any Letter of Transmittal and Election Form, once deposited with the Depositary, will be irrevocable and may not be withdrawn by a Company Shareholder except that all Letters of Transmittal and Election Forms will be automatically revoked if the Depositary is notified in writing by Playmaker and Better Collective that the Arrangement Agreement has been terminated. If a Letter of Transmittal and Election Form is automatically revoked, the DRS advice statement(s), share certificate(s) and other evidence representing the Company Shares received with the Letter of Transmittal and Election Form, if any, will be promptly returned to the Company Shareholder submitting the same to the address specified in the Letter of Transmittal and Election Form.

Election Procedure

Consideration Election and Procedure

Each Registered Company Shareholder will have the right to elect in the Letter of Transmittal and Election Form to receive the form of Consideration set out below. Company Shareholders whose Company Shares are registered in the name of an Intermediary should contact that Intermediary for instructions and assistance in delivery of the share certificate(s) representing those Company Shares, if any, and making, if applicable, an election with respect to the form of the Consideration they wish to receive.

Under the terms of the Arrangement Agreement, each Company Shareholder (other than Dissenting Shareholders and the Rollover Shareholders) will receive, at such Company Shareholder’s election on the closing of the Arrangement, for each Company Share held: (a) \$0.70 in cash (the “**All Cash Consideration**”), (b) 0.0206 of a Better Collective Share (the “**All Share Consideration**”), or (c) a combination of \$0.245 in cash and 0.0134 of a Better Collective Share (the “**Combination Consideration**” and, together with the All Cash Consideration and the All Share Consideration, the “**Consideration**”), in each case subject to proration to ensure that the aggregate of the cash consideration payable under the Arrangement to Company Shareholders does not exceed 35% of the total Consideration payable to such Company Shareholders and the aggregate of the share consideration issuable under the Arrangement to Company Shareholders does not exceed 65% of the total Consideration payable to such Company Shareholders (“**Proration**”). Company Shareholders (other than Dissenting Shareholders and the Rollover Shareholders) who do not make an election prior to the Election Deadline will receive, on the closing of the Arrangement, the Combination Consideration for each Company Share held by such Company Shareholder.

If you are a Registered Company Shareholder, to make a valid election as to the form of the Consideration that you wish to receive under the Arrangement, you must sign and return the Letter of Transmittal and Election Form and make a proper election thereunder and return it with accompanying certificate(s) representing those Company Shares, if any, to the Depositary prior to the Election Deadline, being 5:00 p.m. (Toronto time) on January 18, 2024 or, if the Meeting is adjourned or postponed, no later than 5:00 p.m. (Toronto time) two Business Days before the adjourned Meeting is reconvened or the postponed Meeting is convened.

An election will have been properly made by Registered Company Shareholders only if the Depositary has received, by the Election Deadline, a Letter of Transmittal and Election Form properly completed and signed and accompanied

by the certificate(s) representing those Company Shares, if any, to which the Letter of Transmittal and Election Form relates, properly endorsed or otherwise in proper form for transfer, together with all other required documents.

The determination of Playmaker and Better Collective as to whether elections have been properly made and when elections were received by the Depositary will be binding. **COMPANY SHAREHOLDERS WHO DO NOT MAKE AN ELECTION PRIOR TO THE ELECTION DEADLINE, OR FOR WHOM PLAYMAKER AND BETTER COLLECTIVE DETERMINE THAT THEIR ELECTION WAS NOT PROPERLY MADE WITH RESPECT TO ANY COMPANY SHARES, WILL BE DEEMED TO HAVE ELECTED TO RECEIVE, FOR EACH COMPANY SHARE HELD, THE COMBINATION CONSIDERATION (BEING \$0.245 IN CASH AND 0.0134 OF A BETTER COLLECTIVE SHARE).** The Depositary may, with the agreement of Playmaker and Better Collective, make such rules as are consistent with the Arrangement for the implementation of the elections contemplated by the Arrangement and as are necessary or desirable to fully effect such elections.

All questions as to the validity, form, eligibility (including timely receipt) and acceptance of Company Shares deposited pursuant to the Arrangement will be determined by Playmaker and Better Collective in their sole discretion. Company Shareholders agree that such determination will be final and binding. The Company and Better Collective reserve the right, if they so determine, to waive any defect or irregularity contained in any Letter of Transmittal and Election Form received by the Depositary. There will be no duty or obligation of Playmaker or Better Collective to give notice of any defects or irregularities of any deposit and no liability will be incurred by either of them for failure to give any such notice.

Exchange Procedure

On the Effective Date, Better Collective will deliver or cause to be delivered to the Depositary (or its nominee) sufficient funds and certificates or other evidence representing the number of Better Collective Shares required to satisfy the aggregate Consideration payable to the Company Shareholders in accordance with Section 4.1(a) of the Plan of Arrangement, plus sufficient funds to satisfy any aggregate cash payment in lieu of fractional Better Collective Shares, which cash and Better Collective Shares will be held by the Depositary (or its nominee) as agent for such former Company Shareholders for distribution to such former Company Shareholders in accordance with the provisions of Article 4 of the Plan of Arrangement.

Upon surrender to the Depositary for cancellation of any DRS advice statement, share certificate or other evidence which immediately prior to the Effective Time represented outstanding Company Shares (other than Company Shares held by Dissenting Shareholders and the Rollover Shareholders), together with a duly completed and executed Letter of Transmittal and Election Form, and such additional documents as reasonably requested by Better Collective or the Depositary (or, if such Company Shares are held in book-entry or other uncertificated form, upon the entry through a book-entry transfer agent of the surrender of such Company Shares on a book-entry account statement, it being understood that any reference herein to “DRS advice statements, share certificates or other evidence” shall be deemed to include references to book-entry account statements relating to the ownership of Company Shares), the registered holder of the Company Shares represented by such surrendered certificate will be entitled to receive in exchange therefor, and the Depositary will deliver, or cause to be delivered, to such Company Shareholder, the Consideration that such Company Shareholder has the right to receive under the Arrangement for such Company Shares, less any amounts withheld in accordance with the terms of the Plan of Arrangement, and any DRS advice statement, share certificates or other evidence so surrendered will forthwith be cancelled. Under no circumstances will interest accrue or be paid by Better Collective, Playmaker or the Depositary in respect of the Consideration (including, for certainty (i) any cash from the sale of Better Collective Shares in accordance with the BC Share Instruction Form or following the expiry of the Post-Closing Instruction Period, and (ii) any cash in lieu of fractional Better Collective Shares, as applicable), regardless of any delay in making such payment.

Any exchange or transfer of Company Shares pursuant to the Plan of Arrangement will be free and clear of any Liens or other claims of third parties of any kind.

No Fractional Shares and Rounding of Cash Consideration

In no event will any Company Shareholder be entitled to a fractional Better Collective Share. Where the aggregate number of Better Collective Shares to be issued to a Company Shareholder as Consideration under the Arrangement

would result in a fraction of a Better Collective Share being issuable, the number of Better Collective Shares to be received by such Company Shareholder will be rounded down to the nearest whole Better Collective Share. In lieu of any such fractional Better Collective Share such Company Shareholder will be entitled to receive a cash payment equal to such fractional interest multiplied by the Better Collective Share Market Price, rounded down to the nearest \$0.01. The exchange rate used to derive the cash payment herein as between SEK and CAD shall be determined based on the Bank of Canada daily exchange rate on the Business Day prior to the Effective Date.

In any case where the aggregate cash consideration payable to a particular Company Shareholder under the Arrangement would otherwise include a fraction of a cent, the Consideration payable will be rounded down to the nearest whole \$0.01.

No Interest

Under no circumstances will interest accrue or be paid by Better Collective, Playmaker or the Depositary in respect of the Consideration (including, for certainty, (i) any cash from the sale of Better Collective Shares in accordance with the BC Share Instruction Form or following the expiry of the Post-Closing Instruction Period and (ii) any cash in lieu of fractional Better Collective Shares, as applicable), regardless of any delay in making such payment.

Company Shareholders Receiving Better Collective Shares

On closing of the Arrangement, all of the Better Collective Shares issued as Consideration under the Arrangement will initially be held in the name of the Depositary and credited to the Depositary's nominee account through its broker, Stifel. The Depositary will hold the Better Collective Shares as agent for the Company Shareholders that are entitled to receive such Better Collective Shares under the Arrangement. Within five Business Days following the Effective Date, the Depositary will deliver by first class mail to all Registered Company Shareholders and Intermediaries an account statement specifying their entitlement to the Better Collective Shares under the Arrangement (which will reflect their Consideration election and applicable Proration), along with the BC Share Instruction Form to be completed and returned to the Depositary, which will provide each Registered Company Shareholder and Intermediary with an option to either (i) transfer their Better Collective Shares to a brokerage or custody account in their name that is permitted to hold the Better Collective Shares, or (ii) sell such Better Collective Shares in the local market via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), at the market price when such trade is executed, and remit to such Registered Company Shareholder or Intermediary the cash proceeds from the sale, subject to applicable withholding taxes. See "The Arrangement – Post-Closing Instruction Procedure".

No Dividends or Distributions with respect to Unsurrendered Shares

No dividends or other distributions declared or made after the Effective Time with respect to Company Shares with a record date after the Effective Time shall be delivered to the former holder of such Company Shares which immediately prior to the Effective Time represented outstanding Company Shares that were transferred to Better Collective pursuant to Section 2.3 of the Plan of Arrangement. All dividends and distributions made after the Effective Time with respect to any Better Collective Shares allotted and issued pursuant to this Arrangement but for which a certificate has not been issued shall be paid or delivered to the Depositary to be held by the Depositary in trust for the holder of such Better Collective Shares. All monies received by the Depositary shall be invested by it in interest bearing trust accounts upon such terms as the Depositary may reasonably deem appropriate. Subject to the foregoing, the Depositary shall pay and deliver to any such holder, as soon as reasonably practicable after application therefor is made by such holder to the Depositary in such form as the Depositary may reasonably require, such dividends and distributions and any interest thereon to which such holder is entitled pursuant to the Arrangement, net of any applicable withholding and other taxes.

Post-Closing Instruction Procedure

Closing Issuance to the Depositary

On closing of the Arrangement, all of the Better Collective Shares issued as Consideration under the Arrangement will initially be held in the name of Odyssey Transfer and Trust Company and credited to the Depositary's nominee account through its broker, Stifel. The Depositary will hold the Better Collective Shares as agent for the Company Shareholders that are entitled to receive such Better Collective Shares under the Arrangement.

Account Statement and BC Share Instruction Form

Within five Business Days following the Effective Date, the Depositary will deliver by first class mail to all Registered Company Shareholders and Intermediaries an account statement specifying their entitlement to the Better Collective Shares under the Arrangement (which will reflect their Consideration election and applicable Proration), along with the BC Share Instruction Form to be completed and returned to the Depositary, which will provide each Registered Company Shareholder and Intermediary with an option to either (i) transfer their Better Collective Shares to a brokerage or custody account in their name that is permitted to hold the Better Collective Shares, or (ii) sell such Better Collective Shares in the local market via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), at the market price when such trade is executed, and remit to such Registered Company Shareholder or Intermediary the cash proceeds from the sale, subject to applicable withholding taxes.

As the Depositary receives valid and properly completed BC Share Instruction Forms from Registered Company Shareholders and Intermediaries, it will deliver those forms to Stifel within two Business Days of receipt.

Transfer of Better Collective Shares to Brokerage or Custody Accounts

Within one Business Day of receiving a validly completed BC Share Instruction Form from the Depositary instructing Stifel to transfer the Better Collective Shares to a brokerage or custody account in respect of a Registered Company Shareholder or Intermediary, Stifel will initiate the transfer of the Better Collective Shares out of the Depositary's nominee account and credit to such Registered Company Shareholder or Intermediary's brokerage or custody account the applicable number of Better Collective Shares using the instructions provided by the Depositary. The Depositary will mail a confirmation to the applicable Registered Company Shareholders or Intermediary once the transfer is complete. Neither Company Shareholders nor any Intermediary may direct the date or time at which Better Collective Shares are transferred from the Depositary's nominee account to a brokerage or custody account.

Sale of Better Collective Shares and Payment of Cash

Upon receipt of a validly completed BC Share Instruction Form from the Depositary instructing Stifel to sell the Better Collective Shares on behalf of a Registered Company Shareholder or Intermediary, Stifel will promptly, and generally within one Business Day (subject to market conditions and system availability) submit a trade order in the local market via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), for the number of Better Collective Shares instructed to be sold. Upon settlement of the trade, Stifel will receive the cash proceeds from in the local currency and will convert the cash proceeds to U.S. dollars based on the exchange rate available to Stifel at such time. Within one Business Day of settlement, Stifel will wire the cash proceeds of the trade in U.S. dollars to the Depositary's bank account. Within three Business Days of the funds being received by the Depositary, the Depositary will mail a cheque to the applicable Registered Company Shareholder or Intermediary who provided instructions to have their Better Collective Shares sold. Neither Company Shareholders nor any Intermediary may direct the date, time, or price at which Better Collective Shares are sold or the exchange rate at which the proceeds are converted to U.S. dollars.

Procedure for Non-Responding Registered Company Shareholders and Intermediaries

Approximately 30 days after distributing the BC Share Instruction Forms to all Registered Company Shareholders and Intermediaries, the Depository will send a follow-up communication to all Non-Responding Shareholders. The Depository will continue to send follow-up communications to such Non-Responding Shareholders every 12 to 18 weeks over the one-year period following the Post-Closing Instruction Period.

Within 30 days of the expiry of the Post-Closing Instruction Period, the Depository will submit instructions to Stifel to sell in the local market all Better Collective Shares held for the benefit of Non-Responding Shareholders. As soon as practicable after receipt of such instructions, Stifel will submit a trade order via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), for the total number of Better Collective Shares held for the benefit of the Non-Responding Shareholders. Upon settlement of the trade, Stifel will receive the cash proceeds from the trade in the local currency and will convert the cash proceeds to U.S. dollars based on the exchange rate available to Stifel at such time. Within one Business Day of settlement, Stifel will wire the cash proceeds in U.S. dollars to the Depository's bank account. After receipt of the cash proceeds from Stifel, the Depository will retain such cash proceeds (together with all other undistributed cash Consideration due and payable to Non-Responding Shareholders) until it receives a validly completed Letter of Transmittal and Election Form, BC Share Instruction Form and/or any other required documents or instructions as reasonably requested by the Depository from any applicable Non-Responding Shareholders instructing where to deliver the cash proceeds to which they are entitled. On an annual basis thereafter, the Depository will send a follow up communication to such Non-Responding Shareholders seeking instructions on where to deliver the cash proceeds to which they are entitled. If the Depository does not receive a validly completed Letter of Transmittal and Election Form, BC Share Instruction Form and/or any other required documents or instructions as reasonably requested by the Depository from any applicable Non-Responding Shareholders prior to the sixth anniversary of the Effective Date, any remaining cash proceeds (together with all other undistributed cash Consideration due and payable to Non-Responding Shareholders) held by the Depository shall be deemed to have been surrendered to Better Collective and be paid or returned over by the Depository to Better Collective or as directed by Better Collective.

Withholding Rights

Better Collective, Playmaker the Depository and any other Person that has any withholding obligation with respect to any amount or consideration paid or deemed paid under the Plan of Arrangement, as applicable, shall be entitled to deduct and withhold or direct Better Collective, Playmaker the Depository or any other Person to deduct and withhold on their behalf, from any amount or consideration otherwise payable or deliverable to any Person under the Plan of Arrangement (including, without limitation, any amounts or consideration payable pursuant to Section 3.1 of the Plan of Arrangement and including, by way of deduction from the amounts or consideration payable for the Company Options or Company RSUs), such amounts as Better Collective, Playmaker, the Depository or such Person, as applicable, are required to deduct and withhold, or reasonably believe to be required to deduct and withhold, from such amount otherwise payable or deliverable under any provision of any Laws in respect of taxes. Any such amounts will be deducted, withheld and remitted from the amount or consideration otherwise payable or deliverable pursuant to the Plan of Arrangement and shall be treated for all purposes under the Plan of Arrangement as having been paid to the Person in respect of which such deduction, withholding and remittance was made; provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity. Better Collective will (i) promptly notify the Company if it becomes aware of any such deduction or withholding, and (ii) remit any withheld or deducted amounts to the appropriate Governmental Entity within the time required by applicable Law. For greater certainty, Better Collective may withhold from the consideration payable to a former holder of Company Options or Company RSUs any amounts which are required to satisfy a withholding obligation of the Company arising on the settlement or exercise of Company Options or Company RSUs pursuant to the Plan of Arrangement, and any amounts so withheld may be remitted by Better Collective to the applicable Governmental Entity or may be paid by Better Collective to Playmaker for Playmaker to remit to the applicable Governmental Entity.

Treatment of Outstanding Company Equity-Based Compensation

The outstanding Company Equity Awards will be treated in accordance with the Plan of Arrangement and the Arrangement Agreement. See "The Arrangement – Interests of Certain Parties in the Arrangement".

Stock Exchange Listing

Better Collective will apply to list the Better Collective Shares issuable under the Arrangement on Nasdaq Stockholm and/or Nasdaq Copenhagen. Irrespective of whether the Better Collective Shares issued upon closing of the Arrangement are initially listed on Nasdaq Stockholm or Nasdaq Copenhagen, once such Better Collective Shares have been transferred to a brokerage account pursuant to the procedures set out in “The Arrangement – Post-Closing Instruction Procedure” Company Shareholders holding such Better Collective Shares will be entitled to request that their custodian bank transfer such Better Collective Shares to the Danish infrastructure so that they are tradeable on Nasdaq Copenhagen (if initially listed on Nasdaq Stockholm) or to the Swedish infrastructure so that they are tradeable on Nasdaq Stockholm (if initially listed on Nasdaq Copenhagen), as applicable.

If the Arrangement is completed, Better Collective intends to have the Company Shares delisted from the TSXV and the OTCQX. In addition, it is expected that Playmaker will apply to cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer and thus will terminate its reporting obligations in Canada following completion of the Arrangement.

Interests of Certain Parties in the Arrangement

In considering the recommendation of the Company Board with respect to the Arrangement, Company Shareholders should be aware that Jordan Gnat and Federico Grinberg have interests in connection with the transactions contemplated by the Arrangement that may create actual or perceived conflicts of interest in connection with such transactions as described below. The Company Board is aware of these interests and considered them along with the other matters described above in “The Arrangement – Interests of Informed Persons in Material Transactions”.

Ownership of Company Shares, Company Options and Company RSUs

The directors and executive officers of Playmaker hold the following Company Shares, Company Options and Company RSUs which will be affected by the Arrangement as described under “The Arrangement – Description of the Plan of Arrangement”.

Name and Province or State and Country of Residence	Position(s)/Title	Securities of Playmaker Beneficially Owned, Directly or Indirectly over which Control or Direction is Exercised ⁽¹⁾		
		Company Shares	Company Options	Company RSUs
Jordan Gnat ⁽²⁾ Ontario, Canada	Director and Chief Executive Officer	27,895,357	3,050,000	1,286,835
John Albright ⁽³⁾ Ontario, Canada	Director	33,455,480	400,000	Nil
Mark Trachuk Ontario, Canada	Director	411,000	600,000	Nil
Maryann Turcke Ontario, Canada	Director	525,000	600,000	Nil
Sebastian Siseles Buenos Aires, Argentina	Director	250,000	525,000	Nil
Mark Harrison Ontario, Canada	Director	Nil	400,000	Nil
Sara Slane Ontario, Canada	Director	Nil	400,000	Nil

Name and Province or State and Country of Residence	Position(s)/Title	Securities of Playmaker Beneficially Owned, Directly or Indirectly over which Control or Direction is Exercised ⁽¹⁾		
		Company Shares	Company Options	Company RSUs
Jake Cassaday Ontario, Canada	Chief Operating Officer	673,209	900,000	518,742
Mike Cooke Ontario, Canada	Chief Financial Officer	191,818	600,000	387,323
Federico Grinberg Miami, Florida ⁽⁴⁾	EVP and CEO, Futbol Sites	9,163,687	Nil	466,491

Notes:

- (1) Information as to securities of Playmaker beneficially owned, or over which control or direction is exercised, not being within the knowledge of Playmaker, has been furnished by the respective directors and officers.
- (2) 26,569,781 Company Shares and 50,000 Company Options are held by JPG Investments Inc.; 1,078,076 Company Shares and 1,286,835 Company RSUs are held by Jordan Gnat directly; 125,000 Company Shares are held by Jordan Gnat and his affiliates; 50,000 Company Shares are held by Lisa Gnat, Jordan Gnat's wife; 7,000 Company Shares are held by Emily Gnat, Jordan Gnat's daughter; and 65,500 Company Shares are held in a spousal account for the benefit of each of Jordan Gnat and Lisa Gnat. JPG Investments Inc. is a corporation controlled by Jordan Gnat.
- (3) 461,000 Company Shares and 400,000 Company Options are held by John Albright directly, and 32,994,480 Company Shares are held by funds controlled by Relay Ventures. John Albright co-directs Relay Ventures.
- (4) 7,163,687 Company Shares are held by Federico Grinberg directly, and 2,000,000 Company Shares are held by The 2022 FG Irrevocable Trust. Federico Grinberg is the trustee of The 2022 FG Irrevocable Trustee.

On November 6, 2023, concurrently with the execution of the Arrangement Agreement: (i) the Gnat Supporting Shareholders entered into the Gnat Voting and Support Agreement with Better Collective, (ii) Relay Ventures, which is co-directed by John Albright, entered into the Relay Voting and Support Agreement with Better Collective, and (iii) the D&O Supporting Shareholders entered into D&O Voting and Support Agreements with Better Collective. See "The Arrangement – Voting and Support Agreements".

Company Options

As of the Record Date, the directors and executive officers of the Company held, in the aggregate, 7,475,000 Company Options, 4,629,789 of which were vested and exercisable as of that date and 2,845,211 of which were unvested and not exercisable as of that date. The outstanding Company Options held by such directors and executive officers of the Company had exercise prices ranging from \$0.03 to \$0.58.

If the Arrangement is consummated, in accordance with the terms of the Plan of Arrangement, each Company Option outstanding immediately prior to the Effective Time will be deemed to be unconditionally vested and exercisable and shall be deemed to be assigned and transferred to the Company in exchange for a cash payment equal to the amount, if any, by which \$0.70 exceeds the exercise price payable under such Company Option, less applicable withholding taxes, and such Company Option shall immediately be cancelled.

Company RSUs

As of the Record Date, the directors and executive officers of the Company held 2,659,391 unvested Company RSUs.

If the Arrangement is consummated, in accordance with the terms of the Plan of Arrangement, each Company RSU outstanding immediately prior to the Effective Time (whether vested or unvested) will be deemed to be unconditionally vested and exercisable and shall be deemed to be assigned and transferred to the Company in exchange for a cash payment equal to \$0.70, and such Company RSU shall immediately be cancelled.

Company PSUs

As of the Record Date, no Company PSUs were outstanding.

Company DSUs

As of the Record Date, no Company DSUs were outstanding.

Termination and Change of Control Benefits

The chief executive officer, chief operating officer, chief financial officer, and executive vice president of Playmaker (collectively, the “**Named Executive Officers**”) each have contractual arrangements with Playmaker or one of its Subsidiaries that provide for certain rights of payment upon termination of employment and/or a change of control, which are subject in each case to mandatory employment or labour standards legislation and regulations as may be applicable to a Named Executive Officer’s employment with the Company or the applicable Subsidiary of the Company.

Employment Agreement Term	Summary
Termination without “cause” (as defined in the respective agreement)	<p>Jordan Gnat, Jake Cassaday and Mike Cooke will be entitled to a severance payment in an amount equal to (i) 18 months (Mr. Gnat) or 12 months (Mr. Cassaday and Mr. Cooke) of their annual base salary, plus (ii) a prorated portion of their on-target annual incentive bonus for the year in which the termination occurred, plus (iii) accelerated vesting of any unvested Company Options or Company RSUs. In addition, Mr. Gnat, Mr. Cassaday and Mr. Cooke would continue to receive their employee benefits for a period of 18 months.</p> <p>Federico Grinberg will be entitled to a severance payment in an amount equal to (i) six months of his annual base salary, plus (ii) a prorated portion of his annual incentive bonus (based on actual achievement) for the year in which the termination occurred, plus an accelerated payment of his pro rata share of certain deferred cash consideration and earn-out consideration that is payable to him in connection with an Acquisition Agreement between Mr. Grinberg and the Company dated March 3, 2021. In addition, Mr. Grinberg would continue to receive his employee benefits for a period of six months.</p>
Termination without “cause” or resignation for “good reason” following a “change of control” of the Company (as defined in the respective agreement)	<p>If Jordan Gnat, Jake Cassaday or Michael Cooke are terminated without cause or resign for good reason within 360 days from the effective date of a change of control, they will be entitled to a severance payment in an amount equal to (i) 36 months (Mr. Gnat) or 24 months (Mr. Cassaday and Mr. Cooke) of their annual base salary, plus (ii) a prorated portion of their on-target annual incentive bonus for the year in which the termination occurred, plus (iii) accelerated vesting of any unvested Company Options or Company RSUs. In addition, Mr. Gnat, Mr. Cassaday and Mr. Cooke would continue to receive their employee benefits for a period of 36 months (Mr. Gnat) or 24 months (Mr. Cassaday and Mr. Cooke).</p>

The following table indicates the amounts payable to each Named Executive Officer under the terms of their respective employment agreement.

Name and Principal Position	Event	Severance⁽¹⁾
Jordan Gnat <i>Chief Executive Officer</i>	Termination without cause	C\$562,500

Name and Principal Position	Event	Severance ⁽¹⁾
	Termination without cause or resignation for good reason following a change of control	C\$1,125,000
Mike Cooke <i>Chief Financial Officer</i>	Termination without cause	C\$270,000
	Termination without cause or resignation for good reason following a change of control	C\$540,000
Jake Cassaday <i>Chief Operating Officer</i>	Termination without cause	C\$285,000
	Termination without cause or resignation for good reason following a change of control	C\$570,000
Federico Grinberg <i>Executive Vice President and CEO, Futbol Sites</i>	Termination without cause	US\$115,000

Notes:

- (1) The severance amounts in this table are calculated using the Named Executive Officer's base salary only. The Named Executive Officers are also entitled to a prorated annual incentive bonus for the year in which the termination or resignation, as applicable, occurs. The severance amounts in this table do not include accrued amounts for earned but unpaid base salary, vacation, perquisites, allowances and benefits, continuation of the Named Executive's Officer's benefits for a period following termination, or amounts concerning the acceleration of unvested Company Options or Company RSUs, which will be automatically accelerated and settled in cash at the Effective Time pursuant to the Plan of Arrangement.

New Employment Agreements

In connection with the Arrangement, Better Collective or one of its affiliates (including Playmaker following the Effective Date) may enter into new employment arrangements with one or more senior officers of Playmaker, which could include increased responsibilities and/or enhanced employment benefits. Better Collective has advised Playmaker that, as of the date hereof, other than the Gnat Option Grant (as such term is defined herein), no agreements, arrangements or understandings with respect to any such new employment arrangements have been reached with any senior officer of Playmaker.

Insurance and Indemnification of Directors and Officers

Pursuant to the Arrangement Agreement, Playmaker has agreed to purchase, prior to the Effective Time, a tail policy to the current policy of directors' and officers' liability insurance maintained on the date of the Arrangement Agreement (the "**Current Policy**"), which tail policy will be effective for a period from the Effective Time through and including the date six years after the Effective Date with respect to claims arising from facts or events that existed or occurred prior to or at the Effective Time, and which tail policy will contain substantially the same coverage and amount as, and contain terms and conditions no less favourable, in the aggregate, than the coverage currently provided by the Current Policy; provided, that the Company will not be required to pay any amounts in respect of such coverage prior to the Effective Time and provided, further that the cost of such tail policy will not exceed 300% of the Company's current annual premium for its Current Policy (the "**Current Premium**"). If the cost of such tail policy would exceed 300% of the Current Premium then the Company will purchase a tail policy that contains the highest level of coverage that can be obtained for such amount.

Pursuant to the Arrangement Agreement, from and after the Effective Time, the Purchaser shall cause the Company to honour all contractual and statutory rights to indemnification or exculpation now existing in favour of present and former employees, officers and directors of the Company and its Subsidiaries, to the extent that they are (i) included in the constating documents of the Company or any of its Subsidiaries or provided by Law or (ii) disclosed by the

Company to the Purchaser pursuant to the Arrangement Agreement, and the Purchaser acknowledges that such rights shall survive the completion of the Plan of Arrangement and shall continue in full force and effect in accordance with their terms for a period of not less than six years from the Effective Date.

Depositary

The Company and Better Collective have retained the services of the Depositary for the receipt of the Letters of Transmittal and Election Forms and the certificates representing Company Shares and for the delivery and payment of the Consideration payable for the Company Shares under the Arrangement. The Depositary will receive reasonable and customary compensation for its services in connection with the Arrangement, will be reimbursed for certain reasonable out-of-pocket expenses and will be indemnified against certain liabilities, including liabilities under securities laws and expenses in connection therewith.

INFORMATION RELATING TO PLAYMAKER

Overview

Playmaker is a digital sports media company that lives at the intersection of sports, betting, media, and technology. Playmaker is building a premier collection of sports media brands, curated to deliver highly engaged audiences of sports fans to sports betting companies, leagues, teams and advertisers. Playmaker is focused on the immediately profitable portion of the iGaming ecosystem and is rolling up digital sports media assets and technology to create an ecosystem of highly engaged sports fans that we will monetize with sports betting companies, leagues, teams, and advertisers.

Additional information regarding Playmaker is included in documents incorporated by reference into this Circular. See “Information Relating to Playmaker – Company Documents Incorporated by Reference”.

Trading Price and Volume of Company Shares

The Company Shares are listed on the TSXV under the symbol “PMKR”, and are also traded over-the-counter on the OTCQX under the symbol “PMKRF”.

The following table sets out the high and low trading prices and trading volumes for Company Shares on a monthly basis on the TSXV for the period from November 1, 2022 to November 6, 2023:

Month	High	Low	Volume
November 2022	0.46	0.36	1,959,583
December 2022	0.50	0.38	742,897
January 2023	0.54	0.45	1,171,416
February 2023	0.63	0.52	1,631,115
March 2023	0.59	0.43	2,670,688
April 2023	0.54	0.46	2,563,184
May 2023	0.53	0.465	1,781,926
June 2023	0.52	0.47	998,869
July 2023	0.54	0.455	807,332
August 2023	0.54	0.44	970,719
September 2023	0.56	0.445	315,779
October 2023	0.51	0.455	662,579

Month	High	Low	Volume
November 1-6, 2023	0.495	0.47	125,402

Source: Bloomberg

Prior Sales

The tables below summarize the issuances of Company Shares and Company RSUs by Playmaker during the 12 month period immediately preceding the date of this Circular. No Company Options were issued by Playmaker during the 12 month period immediately preceding the date of this Circular.

Issuance of Company Shares

Date of Issue	Nature of Issue	Number of Company Shares	Issue Price
March 1, 2023	Employee Compensation	23,871	\$0.5701
March 29, 2023	Vesting of Company RSUs	26,410	\$0.47
April 10, 2023	Vesting of Company RSUs	118,010	\$0.52
April 10, 2023	Earnout Consideration in connection with acquisition of Futmarketing	690,044	\$0.70
April 11, 2023	Vesting of Company RSUs	45,356	\$0.52
April 11, 2023	Vesting of Company RSUs	93,287	\$0.52
April 12, 2023	Vesting of Company RSUs	247,076	\$0.47
June 8, 2023	Vesting of Company RSUs	31,839	\$0.49
June 9, 2023	Vesting of Company RSUs	38,048	\$0.50
June 9, 2023	Vesting of Company RSUs	23,279	\$0.50
June 9, 2023	Vesting of Company RSUs	20,094	\$0.50
June 29, 2023	Employee Compensation	24,098	\$0.55
August 8, 2023	Consideration for acquisition of La Poche Bleue Inc.	1,666,667	\$0.75
August 16, 2023	Vesting of Company RSUs	8,818	\$0.46
August 16, 2023	Vesting of Company RSUs	1,022	\$0.46
August 16, 2023	Vesting of Company RSUs	8,492	\$0.46
October 25, 2023	Vesting of Company RSUs	126,666	\$0.50
October 30, 2023	Employee Compensation	25,194	\$0.55
November 1, 2023	Vesting of Company RSUs	13,192	\$0.46
November 1, 2023	Vesting of Company RSUs	10,140	\$0.46

Awards of Company RSUs

Date of Award	Number of Company Shares Issuable upon Vesting of Company RSUs
December 22, 2022	15,000
March 24, 2023	2,258,034
May 1, 2023	268,211

Available Information

The Company files reports and other information with applicable securities regulatory authorities in each of the provinces of Canada (other than Québec). These reports and information are available to the public free of charge on SEDAR+ at www.sedarplus.ca.

Risk Factors

Whether or not the Arrangement is completed, Playmaker will continue to face many of the risks that it currently faces with respect to its business and affairs. Certain of these risk factors have been disclosed in management's discussion and analysis of financial condition and results of operations of Playmaker for the years ended December 31, 2022 and 2021, management's discussion and analysis of financial condition and results of operations of Playmaker for the three and nine months ended September 30, 2023 and in the annual information form of Playmaker dated March 31, 2023 for the year ended December 31, 2022, each of which are incorporated by reference into this Circular and have been filed on SEDAR+ at www.sedarplus.ca. Upon request, a Company Shareholder will be provided with a copy of such documents free of charge.

Company Documents Incorporated by Reference

The following documents, filed by Playmaker with the applicable securities regulatory authorities in each of the provinces of Canada (other than Québec), are specifically incorporated by reference into, and form an integral part of, this Circular:

- (1) the annual information form of Playmaker dated March 31, 2023 for the year ended December 31, 2022;
- (2) the audited consolidated financial statements of Playmaker as at and for the years ended December 31, 2022 and 2021, together with the notes thereto and the auditors' report thereon;
- (3) the management's discussion and analysis of financial condition and results of operations of Playmaker for the years ended December 31, 2022 and 2021;
- (4) the unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2023 and 2022, together with the notes thereto;
- (5) the management's discussion and analysis of financial condition and results of operations of Playmaker for three and nine months ended September 30, 2023 and 2022;
- (6) the notice of annual and special meeting of shareholders and management information circular of Playmaker dated May 9, 2023; and
- (7) the material change report of Playmaker dated November 9, 2023 regarding the execution by Playmaker of the Arrangement Agreement.

Any document of the type required by National Instrument 44-101 - Short Form Prospectus Distributions to be incorporated by reference into a short form prospectus, including any of Playmaker's annual information forms, material change reports (except confidential material change reports), business acquisition reports, interim financial statements, annual financial statements and the independent auditor's report thereon, management's discussion and analysis and information circulars, filed by Playmaker with securities commissions or similar authorities in Canada after the date of this Circular and before the Meeting, will be deemed to be incorporated by reference in this Circular.

Any statement contained in this Circular or in any other document incorporated or deemed to be incorporated by reference in this Circular will be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which also is deemed to be incorporated by reference in this Circular modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not constitute a part of this Circular except as so modified or superseded.

The documents incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to Playmaker and readers should review all information contained in this Circular and the documents incorporated or deemed to be incorporated by reference herein.

Copies of the documents incorporated by reference in this Circular may be obtained on request without charge from Playmaker at 2 St. Clair Ave. West, Suite 601, Toronto, Ontario M4V 1L5 Attention: Mike Cooke, Chief Financial Officer, email: mike@playmaker.fans, and are also available electronically on SEDAR+ at www.sedarplus.ca.

INFORMATION RELATING TO BETTER COLLECTIVE

Better Collective is a public limited liability company founded and incorporated under Danish law. Better Collective is governed by the Danish Companies Act. The registered office and headquarters is situated at Sankt Annæ Plads 28, DK-1250 Copenhagen K, Denmark. The Better Collective Shares are listed on Nasdaq Stockholm, as of June 8, 2018, and Nasdaq Copenhagen, as of November 17, 2023.

Better Collective owns a portfolio of national and global sports media brands and operates numerous digital sports media and communities. At its core, Better Collective produces a range of sports coverage that spans from popular leagues such as the Premier League and NFL to niche competitions. Better Collective's brands are an integral part of the sports entertainment industry with an audience of more than 180 million monthly visits from fans exploring the world of sports through a wide range of content such as video formats, podcasts, editorial sports news as well as expert and data insights and betting tips regarding the latest and upcoming sports events. Through its sports media brands like Action Network, HLTV, RotoGrinders, VegasInsider and FUTBIN, Better Collective caters to dedicated as well as casual sports fans who seek engaging sports content. Better Collective has a strong set of digital capabilities, including search engine optimization and audience targeting and a track record in attracting sports fans to its media brands and platforms. In combination with the content offerings, Better Collective can build and grow a loyal audience across its media brands and communities. As such, Better Collective is an attractive partner for businesses, including online gambling and betting, aiming to gain the attention of Better Collective's vast audience with their commercial messages.

See Appendix "F" attached to this Circular, including the documents incorporated by reference therein, and the schedules thereto, for detailed information concerning Better Collective.

INFORMATION RELATING TO BETTER COLLECTIVE FOLLOWING COMPLETION OF THE ARRANGEMENT

On completion of the Arrangement, Better Collective will continue to be a corporation governed by the laws of Denmark, and Playmaker will continue to be governed by the OBCA. After the Effective Date, Better Collective will own all of the outstanding Company Shares and Playmaker's operations will be managed and operated as a Subsidiary of Better Collective. Following the issuance of the new Better Collective Shares pursuant to the Arrangement, up to 56,981,387 Better Collective Shares will be issued and outstanding, on a fully diluted basis (of which 3,145,120, or approximately 5.5% on a fully diluted basis, will be held by Company Shareholders).

For further information concerning Better Collective following completion of the Arrangement, see Appendix "F" to this Circular. See Appendix "H" attached to this Circular for pro forma financial statements of Better Collective giving effect to the Arrangement.

THE ARRANGEMENT AGREEMENT

The Arrangement Agreement

The following is a summary of the principal terms of the Arrangement Agreement. This summary does not purport to be complete and is qualified in its entirety by, in the case of the Arrangement Agreement, the complete text of the Arrangement Agreement, a copy of which is available on SEDAR+ at www.sedarplus.ca and in the case of the Plan of Arrangement, the complete text of the Plan of Arrangement, a copy of which is attached at Appendix "A" to this Circular.

On November 6, 2023, Playmaker entered into an arrangement agreement (the "**Arrangement Agreement**") with Better Collective, pursuant to which Better Collective and Playmaker agreed that, subject to the terms and conditions set forth in the Arrangement Agreement, Better Collective will acquire 100% of the Company Shares by way of a statutory plan of arrangement under section 182 of the OBCA. On December 8, 2023, Better Collective and Playmaker executed an amendment to the Arrangement Agreement to update the Plan of Arrangement to set out the process by which Registered Company Shareholders and Intermediaries will receive their Better Collective Shares following closing of the Arrangement.

The Arrangement Agreement provides that, pursuant to the Arrangement, Company Shareholders, other than in respect of Company Shares held directly or indirectly by JPG Investments Inc., Jordan Gnat and their respective affiliates (collectively, the "**Rollover Shareholders**"), will be able to elect to receive, as consideration for each Company Share held, either: (i) \$0.70 in cash; (ii) 0.0206 of a Better Collective Share; or (iii) a mix of \$0.245 in cash and 0.0134 of a Better Collective Share. The foregoing elections are subject to Proration.

The Arrangement Agreement also provides, pursuant to a rollover agreement, that the Rollover Shareholders will be entitled to receive (i) \$0.175 in cash and (ii) 0.0155 of a Better Collective Share for each Company Share held by the Rollover Shareholders, representing a split of 25% of the consideration in cash and 75% of the consideration in Better Collective Shares.

The terms of the Arrangement Agreement are the result of arm's length negotiations between Playmaker and Better Collective and their respective advisors.

Representations and Warranties

Except for its status as the contractual document that establishes and governs the legal relations between Playmaker and Better Collective with respect to the Arrangement, Playmaker does not intend for the Arrangement Agreement to be a source of factual, business or operational information about Playmaker or Better Collective. The Arrangement Agreement contains representations and warranties made by Playmaker to Better Collective, and representations and warranties made by Better Collective to Playmaker. Those representations and warranties were made as of specific dates solely for the purposes of the Arrangement Agreement and are subject to important qualifications and limitations agreed to by the parties in connection with negotiating the terms of the Arrangement Agreement. Moreover, some of

the representations and warranties contained in the Arrangement Agreement are subject to a contractual standard of materiality (including, in the case of Playmaker, a “**Company Material Adverse Effect**” and in the case of Better Collective, a “**Purchaser Material Adverse Effect**”) that may be different from that considered material to Company Shareholders, or that may have been used for the purpose of allocating risk between the parties to the Arrangement Agreement rather than for the purpose of establishing facts. Information concerning the subject matter of the representations and warranties may have changed since the date of the Arrangement Agreement. For the foregoing reasons, you should not rely on the representations and warranties contained in the Arrangement Agreement as statements of factual information at the time they were made or otherwise.

The Arrangement Agreement contains certain representations and warranties of Playmaker relating to the following, among other things: (a) organization and qualification; (b) corporate power and authority; (c) execution and delivery of the Arrangement Agreement by Playmaker; (d) governmental authorization; (e) non-contravention of Playmaker’s constating documents or other corporate agreements; (f) capitalization and the listing on the TSXV of the Company Shares; (g) other than the Board Nomination Agreement, the absence of any shareholder, voting trust or other similar agreements; (h) Playmaker’s ownership of its Subsidiaries; (i) compliance with Laws; (j) reporting issuer status and compliance with the requirements of the TSXV; (k) timely and accurate filing of public documents and Tax Returns; (l) financial statements and financial reporting controls; (m) the absence of undisclosed liabilities; (n) the absence of certain changes or events and the absence of a Company Material Adverse Effect; (o) undisclosed related party transactions; (p) possession of authorizations and licenses; (q) performance under material contracts; (r) title to and sufficiency of assets; (s) real property matters; (t) rights to intellectual property; (u) restrictions on business activities; (v) litigation; (w) environmental matters; (x) employment matters and collective agreements; (y) Playmaker’s employee benefit plans; (z) Playmaker’s insurance policies; (aa) tax related matters; (bb) information technology matters; (cc) Playmaker’s compliance with privacy and data protection requirements; (dd) Playmaker’s receipt of the Fairness Opinion; (ee) brokers and other expenses; (ff) collateral benefits; (gg) Company Board approval; (hh) the availability of Playmaker funds to pay the Termination Fee; (ii) Playmaker’s compliance with anti-corruption legislation and gaming legislation; (jj) international trade; (jj) compliance with competition legislation; (kk) material customer relationships; (ll) trade practices; (mm) residency of Company Shareholders; and (nn) foreign investment requirements.

The Arrangement Agreement contains certain representations and warranties provided of Better Collective relating to the following, among other things: (a) organization and qualification; (b) corporate authorization; (c) execution and delivery of the Arrangement Agreement by Better Collective; (d) governmental authorizations; (e) non-contravention of Better Collective’s constating documents or other corporate agreements (f) capitalization; (g) compliance with Laws; (h) authorizations and licenses; (i) compliance with Nasdaq Stockholm and Danish Securities Laws; (j) Better Collective’s status as a “WTO Investor” within the meaning of the *Investment Canada Act*; (k) financial statements and financial reporting controls; (l) litigation matters; (m) solvency matters; (n) share ownership of Company Shares; and (o) the sufficiency of Better Collective’s funds satisfy the cash portion of Consideration payable in accordance with the terms of the Arrangement and Plan of Arrangement.

Conditions Precedent to the Arrangement

Mutual Conditions

The obligations of Playmaker and Better Collective to consummate the Arrangement are subject to the satisfaction of the following conditions (which may be waived, in whole or in part, with the written consent of each of Playmaker and Better Collective):

- (1) two-thirds of the votes cast on the Arrangement Resolution by Company Shareholders present in person or by proxy at the Meeting;
- (2) a simple majority of the votes cast on the Arrangement Resolution by Company Shareholders present in person or represented by proxy at the Meeting, excluding, for this purpose, votes cast in respect of Company Shares that are held or controlled by persons described in items (a) through (d) of subsection 8.1(2) of MI 61-101;

- (3) the Interim Order and the Final Order each having been obtained in form and on terms consistent with the Arrangement Agreement, and have not been set aside or modified in a manner unacceptable to either Playmaker or Better Collective, each acting reasonably, on appeal or otherwise;
- (4) obtaining the Key Regulatory Approvals, each of which is in force and has not been modified;
- (5) that the Better Collective Shares to be issued pursuant to the Arrangement are exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof and similar exemptions under applicable securities laws in any state of the United States;
- (6) the Articles of Arrangement to be sent to the Director under the OBCA shall be in a form and content satisfactory to Playmaker and Better Collective, each acting reasonably; and
- (7) no Law is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins Playmaker or Better Collective from consummating the Arrangement.

Additional Conditions Precedent to the Obligations of Better Collective

The obligations of Playmaker to consummate the Arrangement are subject to the satisfaction or valid waiver of the following further conditions (which may be waived, in whole or in part, with the written consent by Better Collective):

- (1) the representations and warranties of Playmaker set forth in Paragraphs (1) [*Organization and Qualification*], (2) [*Corporate Authorization*], (3) [*Execution and Binding Obligation*], (6) [*Capitalization*], (8) [*Subsidiaries*] and (34) [*Brokers*] of Schedule C to the Arrangement Agreement being true and correct in all respects as of the date of the Arrangement Agreement and at and as of the Effective Time as if made at and as of such time (except for representations and warranties made on a specified date, the accuracy of which shall be determined as of such specified date) in all respects (other than de minimis inaccuracies) and all other representations and warranties of Playmaker set forth in the Arrangement Agreement were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time as if made as at and as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except to the extent that the failure of such representations and warranties to be so true and correct would not be reasonably expected to have a Company Material Adverse Effect (and, for this purpose, any reference to “material”, “Company Material Adverse Effect” or other concepts of materiality in such representations and warranties shall be ignored) and Playmaker has delivered a certificate confirming same, executed by two senior officers of Playmaker (in each case without personal liability) addressed to Better Collective and dated the Effective Date;
- (2) Playmaker having complied in all material respects with its covenants and performed in all material respects its obligations in the Arrangement Agreement and Playmaker having provided to Better Collective a certificate of a two senior officers of Playmaker (in each case without personal liability) certifying compliance with such covenants and performance of such obligations;
- (3) there is no Proceeding pending or threatened by any Person that is reasonably likely to (i) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on, Better Collective’s ability to acquire, hold, or exercise full rights of ownership over, any Company Shares, including the right to vote the Company Shares, (ii) prohibit or restrict the Arrangement, or the ownership or operation by Better Collective of a material portion of the business or assets of Better Collective, Playmaker or any of Playmaker’s Subsidiaries, or compel Better Collective to dispose of or hold separate any material portion of the business or assets of Better Collective, Playmaker or any of Playmaker’s Subsidiaries as a result of the Arrangement, (iii) seek to obtain from Playmaker or Better Collective or any of their respective affiliates any material damages directly or indirectly in connection with the Arrangement or the transactions contemplated by the Arrangement Agreement

- or (iv) prevent or materially delay the consummation of the Arrangement, or if the Arrangement is consummated, have or be reasonably expected to have a Company Material Adverse Effect;
- (4) since the date of the Arrangement Agreement, there will not have occurred a Company Material Adverse Effect that has not been cured;
 - (5) Dissent Rights having not been exercised in respect of more than 5.0% of the issued and outstanding Company Shares; and
 - (6) each of the Key Consents has been given or obtained on terms acceptable to the Purchaser, acting reasonably.

Additional Conditions Precedent to the Obligations of Playmaker

The obligation of Better Collective to consummate the Arrangement is subject to the satisfaction or valid waiver of the following further conditions (which may be waived, in whole or in part, with the written consent of Playmaker):

- (1) (i) the representations and warranties of Better Collective set forth in set forth in Paragraphs (1) [*Organization and Qualification*], (2) [*Corporate Authorization*] and (3) [*Execution and Binding Obligation*] of Schedule D to the Arrangement Agreement were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time (other than de minimis inaccuracies), (ii) capitalization were true and correct as of the date of the Arrangement Agreement (other than de minimis inaccuracies) and (iii) all other representations and warranties of Better Collective set forth in the Arrangement Agreement were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time as if made as at and as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except to the extent that the failure of such representations and warranties to be so true and correct would not be reasonably expected to have a Purchaser Material Adverse Effect (and, for this purpose, any reference to “material”, “Purchaser Material Adverse Effect” or other concepts of materiality in such representations and warranties shall be ignored) and Better Collective has delivered a certificate confirming same, executed by two senior officers of Better Collective (in each case without personal liability) addressed to Playmaker and dated the Effective Date;
- (2) Better Collective having complied in all material respects with each of its covenants contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time and Better Collective having provided to Playmaker a certificate confirming same, signed by two senior officers of Better Collective (in each case without personal liability) addressed to Playmaker and dated the Effective Date;
- (3) since the date of the Arrangement Agreement, there shall not have occurred a Purchaser Material Adverse Effect that has not been cured; and
- (4) Better Collective shall have complied with its obligations under Section 2.9 of the Arrangement Agreement and the Depositary will have confirmed to Playmaker receipt from or on behalf of Better Collective of the consideration contemplated by Section 2.9 of the Arrangement Agreement.

Covenants

General

In the Arrangement Agreement, Playmaker and Better Collective have agreed to certain covenants, including customary covenants relating to the operation of their respective businesses in the Ordinary Course, and to use certain efforts to satisfy the conditions precedent to their respective obligations under the Arrangement Agreement and the Plan of Arrangement.

Conduct of Business of Playmaker

During the period from November 6, 2023 through the earlier of the Effective Date or the termination of the Arrangement Agreement in accordance with its terms, Playmaker shall conduct its business in the Ordinary Course, except (i) with the prior written consent of Better Collective, (ii) as required or permitted by the Arrangement Agreement, (iii) as required by Law, or as expressly contemplated by the Company Disclosure Letter.

Without limiting the generality of the foregoing, Playmaker has agreed that, except (i) with the prior written consent of Better Collective, such consent not to be unreasonably withheld, delayed or conditioned, (ii) as required or permitted by the Arrangement Agreement, (iii) as required by Law, or (iv) as expressly contemplated by the Company Disclosure Letter, the Company shall not, and shall not permit any of its Subsidiaries to, directly or indirectly:

- (1) amend its constating documents or, in the case of any Subsidiary which is not a corporation, its similar organizational documents;
- (2) split, combine or reclassify any shares of its capital stock or declare, set aside or pay any dividend or other distribution thereon (whether in cash, shares or property or any combination thereof), or amend or modify any term of any outstanding debt security;
- (3) redeem, repurchase, or otherwise acquire or offer to redeem, repurchase or otherwise acquire any shares in its capital or any of its outstanding securities;
- (4) issue, grant, deliver, sell, pledge or otherwise encumber (other than as permitted by the Arrangement Agreement), or authorize the issuance, grant, delivery, sale, pledge or other encumbrance (other than as permitted by the Arrangement Agreement) of, any securities of the Company or any of its Subsidiaries, or any options, warrants or similar rights exercisable or exchangeable for or convertible into such securities of the Company or any of its Subsidiaries, or any stock appreciation rights, phantom share awards or other rights that are linked to the price or the value of the Company Shares, except for (i) the issuance of Company Shares issuable upon the exercise of the Company Equity Awards outstanding as of the date of the Arrangement Agreement as specified in Section 4.1(d) of the Company Disclosure Letter or (ii) the issuance of Company Shares in the Ordinary Course as required under the Company Incentive Plans disclosed in the Company Disclosure Letter;
- (5) reduce its stated capital or reorganize, arrange, restructure, amalgamate or merge with any Person, except transactions between two or more Persons each of whom is a wholly-owned Subsidiary of the Company, or between the Company and one or more Persons each of whom is a wholly-owned Subsidiary of the Company;
- (6) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of the Company or any of its Subsidiaries;
- (7) acquire (by merger, consolidation, acquisition of shares or assets or otherwise), directly or indirectly, in one transaction or in a series of related transactions, (i) assets, securities, properties, interests or businesses having a cost, on a per transaction or series of related transactions basis, in excess of \$500,000 and subject to a maximum of \$1,000,000 for all such transactions;
- (8) sell, pledge, lease, dispose of, lose the right to use, mortgage, license, encumber (other than as permitted by the Arrangement Agreement) or otherwise transfer any assets of the Company or of any of its Subsidiaries or any interest in any assets of the Company and its Subsidiaries having a value greater than \$150,000 in the aggregate;
- (9) grant any lien (other than as permitted by the Arrangement Agreement) on any material assets of Playmaker;

- (10) make any capital expenditure or commitment to do so which, individually or in the aggregate exceeds \$150,000;
- (11) abandon or fail to diligently pursue any application for any material Authorizations, leases, permits or registrations or take any action, or fail to take any action, that could lead to the termination of any material Authorizations, leases or registrations;
- (12) amend or modify in any material respect, or terminate or waive any material right under, any material agreement or enter into any material contract or agreement;
- (13) enter into any new real property lease or amend the terms of any existing real property lease, in each case, that would require payments over the remaining term of such lease in excess of \$150,000;
- (14) in respect of any material assets of Playmaker (including intellectual property, except where commercially reasonable or otherwise desirable to do so in the Ordinary Course), waive, release, surrender, abandon, let lapse, grant or transfer any material right or amend, modify or change, or agree to amend, modify or change, any existing material Authorization, right to use, lease or contract;
- (15) except as contemplated in Section 4.11 of the Arrangement Agreement, amend, modify or terminate any material insurance (or re-insurance) policy of the Company or any Subsidiary in effect on the date of the Arrangement Agreement, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated, cancelled or lapsed policies for substantially similar premiums are in full force and effect;
- (16) prepay any long-term indebtedness before its scheduled maturity, or increase, create, incur, assume or otherwise become liable for any indebtedness for borrowed money or guarantees thereof other than in connection with (i) advances under the Company's or any Subsidiary's existing credit facilities in the Ordinary Course up to a maximum of \$500,000 in the aggregate or (ii) payments of any earnout or other contingent consideration obligations of the Company existing as of the date of the Arrangement Agreement in accordance with its terms;
- (17) make any loan or advance to, or any capital contribution or investment in, or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of, any Person, other than transactions between two or more Persons each of whom is a wholly-owned Subsidiary of the Company, or between the Company and one or more Persons each of whom is a wholly-owned Subsidiary of the Company;
- (18) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or similar financial instruments;
- (19) make or rescind any material tax election or designation, settle or compromise any material tax claim, assessment, reassessment or liability, file any amended tax return, enter into any material agreement with a Governmental Entity with respect to taxes, surrender any right to claim a material tax abatement, reduction, deduction, exemption, credit or refund, consent to the extension or waiver of the limitation period applicable to any material tax matter or materially amend or change any of its methods of reporting income, deductions or accounting for income tax purposes except as may be required by Law;
- (20) make any change in the Company's methods of accounting, except as required by concurrent changes in IFRS;
- (21) grant any material increase in the rate of wages, salaries, bonuses or other remuneration of any employees, directors or independent contractors of Playmaker, or make any bonus or profit sharing

distribution or similar payment of any kind, or adopt or otherwise implement any employee or executive bonus or retention plan or program, except as required by Law, or by the terms of any collective agreement or written contracts, in each case, as in effect as of the date of the Arrangement Agreement;

- (22) (i) adopt, enter into, materially amend or terminate any benefit plan (other than as required by the Arrangement Agreement or to comply with applicable Law); (ii) hire or employ any new officer or executive of the Company or any of its Subsidiaries; (iii) pay any compensation or benefit to any director or officer of the Company or any of its Subsidiaries or to any employee of the Company (other than in the Ordinary Course, in the case of an employee who is not a director or officer of the Company) that is not required under the terms of any benefit plan in effect on the date of the Arrangement Agreement; or (iv) grant, accelerate, increase or otherwise amend any payment, bonus, award or other benefit payable to, or for the benefit of, any director or officer of the Company or any of its Subsidiaries or to any employee of the Company (other than in the Ordinary Course, in the case of an employee who is not a director or officer of the Company);
- (23) enter into any severance, compensation, change of control, employment, retention or other contracts with any employee or former employees of the Company or any of its Subsidiaries providing for cash or other compensation, benefits or acceleration of benefits upon the consummation of, or relating to the execution of the Arrangement Agreement or the consummation of the transactions contemplated by the Arrangement Agreement;
- (24) commence, waive, release, assign, settle, compromise any proceeding relating to the assets or the business of the Company in excess of an aggregate amount of \$300,000 or which would reasonably be expected to impede, prevent or delay the consummation of the transactions contemplated by the Arrangement Agreement;
- (25) enter into any contract with a Person (other than a wholly-owned Subsidiary of the Company) that does not deal at arm's length with the Company within the meaning of the Tax Act;
- (26) enter into any new line of business or expand into new markets that materially restricts the Company or its Subsidiaries or affiliates from engaging or competing in any line of business or in any geographic area, or which would materially restrict the Company or Purchaser following the closing;
- (27) make any political or charitable donation, contribution or similar commitment in excess of \$50,000, other than to satisfy irrevocable commitments made prior to the date of the Arrangement Agreement;
- (28) enter into or amend any contract with any broker, finder or investment banker, including any amendment of the Canaccord Genuity Engagement Agreement;
- (29) modify in any material respect any of the Company's privacy and data security policies, or any administrative, technical or physical safeguards related to privacy or data security, except (i) to remediate any security issue, (ii) to enhance data security or integrity, (iii) to comply with applicable legal requirements, or (iv) as otherwise directed or required by a Governmental Entity;
- (30) make any "investment", as that term is defined for purposes of section 212.3 of the Tax Act, in any corporation that is a "foreign affiliate" of the Company (as defined in the Tax Act) to the extent that such investment could, or could reasonably be expected to, result in the application of subsection 212.3(2) of the Tax Act; or
- (31) authorize, agree, resolve or otherwise commit, whether or not in writing, to do any of the foregoing.

Regulatory Approvals

Subject to the terms and conditions of the Arrangement Agreement, Playmaker and Better Collective shall make all notifications, filings, applications and submissions with Governmental Entities required or considered advisable by Better Collective in connection with the Regulatory Approvals and each party shall use its commercially reasonable efforts to obtain and maintain the Regulatory Approvals so as to allow the closing to occur on or prior to the Outside Date.

Notwithstanding the foregoing, with respect to the Heritage Approval, Better Collective:

- (1) is required to prepare and submit an application for review to the Heritage Minister in respect of the Arrangement, which it submitted on November 8, 2023;
- (2) is required to use its commercially reasonable efforts to obtain the Heritage Approval as expeditiously as possible including by submitting, negotiating and entering into written undertakings to secure the Heritage Approval;
- (3) is required to provide copies of all such filings and undertakings to the Company and its counsel prior to filing and, if requested, accept all reasonable, as determined by Better Collective acting in good faith, additions, deletions or changes suggested in connection therewith; and
- (4) is required to keep the Company and its counsel fully apprised of all material written (including email) and oral communications and all meetings with any Governmental Entity, and their staff, in respect of the Arrangement Agreement, including providing copies of all material written (including email) communications on a timely basis (subject to any required redactions of competitively sensitive information), and will not participate in such material communications or meetings without giving external legal counsel for the Company the opportunity to participate therein.

Playmaker and Better Collective are required to cooperate with one another in connection with obtaining or making (as applicable) the Regulatory Approvals including by providing or submitting on a timely basis all documentation and information that is required, or in the opinion of Better Collective, advisable, in connection with obtaining or making (as applicable) the Regulatory Approvals and use their commercially reasonable efforts to ensure that such information does not contain any misrepresentations.

Playmaker and Better Collective are required to cooperate with and keep one another fully informed as to the status of and the processes and proceedings relating to any Regulatory Approvals, and shall promptly notify each other of any communication from any Governmental Entity in respect of any Regulatory Approval, and shall not make any submissions or filings or participate in any meetings or any material conversations with any Governmental Entity in respect of any Regulatory Approval unless it consults with the other applicable party in advance and, to the extent not precluded by such Governmental Entity, gives the other applicable party the opportunity to review drafts of any submissions or filings, and attend and participate in any communications or meetings with any such Governmental Entity. Despite the foregoing, submissions, filings or other written communications with any Governmental Entity may be redacted as necessary before sharing with the other applicable party to address reasonable attorney-client or other privilege or confidentiality concerns.

Each party shall notify the other if it becomes aware that any (i) application, filing, document or other submission in respect of a Regulatory Approval contains a misrepresentation or (ii) any Regulatory Approval contains, reflects or was obtained following the submission of any application, filing, document or other submission containing a misrepresentation, such that an amendment or supplement may be necessary or advisable. In such case, the Company shall, in consultation with and subject to the prior approval of the Purchaser, cooperate in the preparation, filing and dissemination, as applicable, of any such amendment or supplement.

If any objections are asserted with respect to the transactions contemplated by the Arrangement Agreement under any Law, or if any proceeding is instituted or threatened by any Governmental Entity challenging or which could lead to a challenge of any of the transactions contemplated by the Arrangement Agreement as not in compliance with Law,

the parties shall, at the direction of Better Collective, use their commercially reasonable efforts consistent with the terms of the Arrangement Agreement to resolve such objection or proceeding so as to allow the Effective Time to occur on or prior to the Outside Date. Notwithstanding anything to the contrary, in no event shall Better Collective, the Company or any of their respective affiliates be required to (i) effect any divestiture or license of any assets of Better Collective, Playmaker or their respective affiliates, (ii) hold separate any such assets or (iii) other than as may be required to secure the Heritage Approval, in the manner described in Section 4.5(2)(b) of the Arrangement Agreement, agree to any restrictions on the operations, business or assets of the Purchaser, the Company or their affiliates.

Non-Solicitation

Pursuant to the Arrangement Agreement, except as expressly provided in Article 5 of the Arrangement Agreement, Playmaker shall not, directly or indirectly, through any director, officer, employees, shareholder, representative (including any financial or other adviser) or agent of the Company or of any of its Subsidiaries (collectively “**Representatives**”), or otherwise, and shall not permit any such Person to:

- (1) solicit, initiate, knowingly encourage, or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary or entering into any form of contract) any inquiry, proposal or offer that constitutes or would reasonably be expected to constitute or lead to, an Acquisition Proposal;
- (2) enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than the Purchaser) regarding any inquiry, proposal or offer that constitutes or would reasonably be expected to constitute or lead to, an Acquisition Proposal; provided that the Company may (A) clarify the terms of any proposal in order to determine if it would reasonably be expected to constitute or lead to a Superior Proposal, (B) advise any Person of the restrictions of the Arrangement Agreement, and (C) advise any Person making an Acquisition Proposal that the Company Board has determined that such Acquisition Proposal does not constitute a Superior Proposal;
- (3) withdraw, amend, modify or qualify, or publicly propose or state an intention to withdraw, amend, modify or qualify, the Company Board Recommendation;
- (4) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal for a period of no more than five (5) Business Days following the public announcement of such Acquisition Proposal will not be considered to be in violation of Section 5.1 of the Arrangement Agreement provided the Company Board has rejected such Acquisition Proposal and affirmed the Company Board Recommendation before the end of such five (5) Business Day period (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the date of the Meeting)); or
- (5) accept or enter into or publicly propose to accept or enter into any agreement, letter of intent, understanding or arrangement in respect of an Acquisition Proposal (other than a confidentiality and standstill agreement permitted by and in accordance with Section 5.3(1)(d) of the Arrangement Agreement).

Notwithstanding the foregoing, if at any time, prior to obtaining the approval by the Company Shareholders of the Arrangement Resolution, the Company receives an unsolicited written Acquisition Proposal, the Company and its representatives may engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal, and may provide copies of, access to or disclosure of information, properties, facilities, books or records of the Company or its Subsidiaries to such Person, if and only if:

- (1) the Company Board first determines in good faith, after consultation with its financial advisors and its outside legal counsel, that such Acquisition Proposal (i) is more favourable, from a financial point of view, to the Company Shareholders than the Arrangement; (ii) constitutes or would reasonably be expected to constitute or lead to a Superior Proposal (disregarding any due diligence or access condition); and (iii) after consultation with its outside legal counsel, that the failure to engage in such discussions or negotiations would be inconsistent with its fiduciary duties;
- (2) such Person was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction with the Company or its Subsidiaries;
- (3) the Company has been, and continues to be, in compliance with its obligations under Article 5 of the Arrangement Agreement;
- (4) the Company enters into a confidentiality and standstill agreement with such Person that contains terms and conditions that are no less favourable to the Company than those contained in the Confidentiality Agreement; and
- (5) the Company promptly provides the Purchaser with:
 - (i) prior written notice stating the Company's intention to participate in such discussions or negotiations and to provide such copies, access or disclosure;
 - (ii) prior to providing such copies, access or disclosure, a true, complete and final executed copy of the confidentiality and standstill agreement referred to immediately above; and
 - (iii) any non-public information concerning the Company and its Subsidiaries provided to such other Person which was not previously provided to the Purchaser.

If the Company receives an Acquisition Proposal that constitutes a Superior Proposal prior to the approval of the Arrangement Resolution by the Company Shareholders, the Company Board may, subject to compliance with Section 8.2 of the Arrangement Agreement, enter into a definitive agreement with respect to such Superior Proposal, if and only if:

- (1) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing standstill or similar restriction;
- (2) the Company has been, and continues to be, in compliance with its obligations under Article 5 of the Arrangement Agreement in all material respects;
- (3) the Company has delivered to the Purchaser a written notice of the determination of the Company Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the Company Board to enter into such definitive agreement, together with a written notice from the Company Board regarding the value in financial terms that the Company Board, in consultation with its financial advisors, has determined should be ascribed to any non-cash consideration offered under such Acquisition Proposal (the "**Superior Proposal Notice**");
- (4) the Company has provided to the Purchaser a copy of the proposed definitive agreement with respect to the Superior Proposal (including any financing commitments (subject to customary confidentiality provisions) or other documents in possession of the Company containing material terms and conditions of such Superior Proposal);
- (5) at least five Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received a copy of the proposed definitive agreement with respect to the Superior

Proposal (including any financing commitments (subject to customary confidentiality provisions) or other documents in possession of the Company or its Representatives containing material terms and conditions of such Superior Proposal) from the Company;

- (6) during any Matching Period, the Purchaser has had the opportunity (but not the obligation), in accordance with Section 5.4(2) of the Arrangement Agreement, to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;
- (7) after the Matching Period, the Company Board has determined in good faith (i) after consultation with its legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal (and, if applicable, compared to the terms of the Arrangement Agreement and the Arrangement as proposed to be amended by the Purchaser under Section 5.4(2) of the Arrangement Agreement) and (ii) after consultation with its outside legal counsel, that the failure for the Company Board to enter into a definitive agreement with respect to such Superior Proposal would be inconsistent with its fiduciary duties to the Company; and
- (8) prior to entering into such definitive agreement the Company terminates the Arrangement Agreement and pays the Termination Fee.

During the Matching Period, or such longer period as the Company may approve in writing for such purpose: (a) the Company Board shall review any offer made by the Purchaser to amend the terms of the Arrangement Agreement and the Arrangement in good faith in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and (b) the Company shall negotiate in good faith with the Purchaser to make such amendments to the terms of the Arrangement Agreement and the Arrangement as would enable the Purchaser to proceed with the transactions contemplated by the Arrangement Agreement on such amended terms. If the Company Board determines that such Acquisition Proposal would cease to be a Superior Proposal, the Company shall promptly so advise the Purchaser and the Company, the Purchaser shall amend the Arrangement Agreement to reflect such offer made by the Purchaser, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

The Company Board shall promptly reaffirm the Company Board Recommendation by press release after any Acquisition Proposal which is not determined to be a Superior Proposal is publicly announced or the Company Board determines that a proposed amendment to the terms of the Arrangement Agreement as contemplated under Section 5.4(2) would result in an Acquisition Proposal no longer being a Superior Proposal. The Company shall provide the Purchaser and its legal counsel with a reasonable opportunity to review the form and content of any such press release and shall make all reasonable amendments to such press release as requested by the Purchaser and its legal counsel.

If the Company provides a Superior Proposal Notice to the Purchaser on a date that is less than 10 Business Days before the Meeting, the Company shall either proceed with or shall postpone the Meeting, as directed by the Purchaser in its sole discretion, to a date that is not more than 10 Business Days after the scheduled date of the Meeting but before the Outside Date. Nothing contained in the Arrangement Agreement shall prevent the Company Board from complying with Section 2.17 of National Instrument 62-104 – *Takeover Bids and Issuer Bids* and similar provisions under Canadian Securities Laws relating to the provision of a directors' circular in respect of an Acquisition Proposal that is not a Superior Proposal.

Breach by Subsidiaries and Representatives

Without limiting the generality of Article 5 of the Arrangement Agreement, Playmaker is required to advise its Subsidiaries and the Representatives of the prohibitions set out in Article 5 and any violation of the restrictions set forth in Article 5 by Playmaker, its Subsidiaries or Representatives is deemed to be a breach of Article 5 by Playmaker.

Pre-Acquisition Reorganization

Playmaker has agreed that, upon the request of Better Collective, Playmaker shall (i) perform such reorganizations of its corporate structure, capital structure, business, operations and assets or such other transactions as Better Collective may request, acting reasonably (each a “**Pre-Acquisition Reorganization**”), and (ii) cooperate with Better Collective and its advisors to determine the nature of the Pre-Acquisition Reorganizations that might be undertaken and the manner in which they would most effectively be undertaken, provided that Pre-Acquisition Reorganization complies with certain requirements under the Arrangement Agreement, including (but not limited to) (a) that the Pre-Acquisition Reorganization does not require the Company or its Subsidiaries to contravene any Laws or material Authorization, (b) the Pre Acquisition Reorganization does not materially interfere with the ongoing operations of Playmaker or its Subsidiaries, (c) that the Pre-Acquisition Reorganization is not prejudicial to the Company or the Company Shareholders (it being agreed that any decrease in the amount of, or change in the form of, the Consideration shall be deemed to materially prejudice Company Shareholders) and (d) such Pre-Acquisition Reorganization does not impair the ability of the Company to consummate, and will not delay or impede the consummation of, the Arrangement.

If the Arrangement is not completed, subject to certain exceptions set out in the Arrangement Agreement, the Purchaser shall: (a) reimburse the Company for all reasonable out-of-pocket costs, fees and expenses incurred by the Company and its Subsidiaries in connection with any proposed Pre-Acquisition Reorganization; and (b) indemnify the Company and its Subsidiaries and their Representatives from and against any and all liabilities, losses, damages, claims, penalties, interests, awards, judgments and taxes suffered or incurred by any of them in connection with or as a result of considering, implementing, reversing or unwinding any Pre-Acquisition Reorganization. Better Collective agrees that any Pre-Acquisition Reorganization (including any action taken in furtherance thereof) will not be considered in determining whether a representation, warranty, covenant or agreement of the Company under the Arrangement Agreement has been breached (including where any such Pre-Acquisition Reorganization requires the consent of any third party under a contract).

Termination of the Arrangement Agreement

Termination by either Playmaker or Better Collective

The Arrangement Agreement may be terminated prior to the Effective Time (i) by the mutual written agreement of the Company and the Purchaser or (ii) by either the Company or the Purchaser if (A) the Arrangement Resolution is not approved by the Company Shareholders at the Meeting in accordance with the Interim Order; (B) after the date of the Arrangement Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Company or the Purchaser from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable, provided the party seeking to terminate the Arrangement Agreement is not then in breach of the Arrangement Agreement so as to directly or indirectly cause any condition in Section 6.2(1), Section 6.3(1), Section 6.2(2) or Section 6.3(2) of the Arrangement Agreement, as applicable, not to be satisfied; or (C) the Effective Time does not occur on or prior to the Outside Date, provided that a party may not terminate the Arrangement Agreement if the failure has been caused by, or is a result of, a breach by such party of any of its representations or warranties or the failure of such party to perform any of its covenants or agreements under the Arrangement Agreement.

Termination by Playmaker

The Arrangement Agreement may be terminated prior to the Effective Time by Playmaker if (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser under the Arrangement Agreement occurs that would cause any condition in Section 6.3(1) or Section 6.3(2) of the Arrangement Agreement not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of Section 4.10(3) of the Arrangement Agreement; provided that the Company is not then in breach of the Arrangement Agreement so as to cause certain conditions, as applicable, not to be satisfied; (ii) prior to the approval by the Company Shareholders of the Arrangement Resolution, the Company Board authorizes the Company to enter into a definitive written agreement with respect to a Superior Proposal, provided the Company is then in compliance with Article 5 of the Arrangement Agreement in all material respects and that prior to or concurrent with such termination the Company pays the Termination Fee; or (iii) any event occurs as a result of which the condition set

forth in Section 6.3(3) of the Arrangement Agreement are in effect which is not capable of being cured on or prior to the Outside Date.

Termination by Better Collective

The Arrangement Agreement may be terminated prior to the Effective Time by Better Collective if (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company under the Arrangement Agreement occurs that would cause any condition in Section 6.2(1) or Section 6.2(2) of the Arrangement Agreement not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of Section 4.10(3) of the Arrangement Agreement; provided that Better Collective is not then in breach of the Arrangement Agreement so as to cause any condition in Section 6.3 of the Arrangement Agreement not to be satisfied; (ii) (A) the Company Board or any committee of the Company Board fails to unanimously recommend or withdraws, amends, modifies or qualifies, or publicly proposes or states an intention to withdraw, amend, modify or qualify, the Company Board Recommendation, (B) the Company Board or any committee of the Company Board accepts, approves, endorses or recommends, or publicly proposes to accept, approve, endorse or recommend an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for more than five Business Days (or beyond the third Business Day prior to the date of the Meeting, if sooner), (C) Better Collective's board or any committee of the board accepts or enters into or authorizes the Company or any of its Subsidiaries to accept or enter into (other than a confidentiality and standstill agreement permitted by and in accordance with Section 5.3 of the Arrangement Agreement) or publicly proposes to accept or enter into or to authorize the Company or any of its Subsidiaries to accept or enter into, any agreement, letter of intent, understanding or arrangement relating to an Acquisition Proposal or any proposal or offer that may reasonably be expected to constitute or lead to an Acquisition Proposal, (D) the Company Board or any committee of the Company Board fails to publicly reaffirm the Company Board Recommendation (without qualification) within five Business Days after having been requested in writing by Better Collective, acting reasonably, to do so (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the date of the Meeting) or (E) the Company breaches the non-solicitation provisions of the Arrangement Agreement in any material respect; and (iii) an event occurs as a result of which the condition set forth in Section 6.2(4) are in effect which is not capable of being cured on or prior to the Outside Date.

Termination Fee

If a Termination Fee Event occurs, Playmaker shall pay the Termination Fee to Better Collective in accordance with the Arrangement Agreement. For purposes of the Arrangement Agreement, "Termination Fee Event" means the termination of the Arrangement Agreement: (i) by Better Collective, pursuant to Section 7.2(1)(d)(ii), (ii) by Playmaker pursuant to Section 7.2(1)(c)(ii), or (iii) by Playmaker or Better Collective pursuant to Section 7.2(1)(b)(i) or Section 7.2(1)(b)(iii), or by Better Collective pursuant to Section 7.2(1)(d)(i), but only if: (A) prior to such termination, an Acquisition Proposal is made or publicly announced or otherwise publicly disclosed by any Person (other than Better Collective or any of its affiliates) or any Person (other than the Purchaser or any of its affiliates) shall have publicly announced an intention to make an Acquisition Proposal; and (B) within 365 days following the date of such termination, (1) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (A) above) is consummated, or (2) the Company or one or more of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a contract in respect of an Acquisition Proposal above), and such Acquisition Proposal is later consummated (whether or not within 365 days after such termination), provided however that for purposes of the foregoing, the term "Acquisition Proposal" shall have the meaning ascribed to it in Section 1.1 of the Arrangement Agreement, except that references to "20% or more" shall be deemed to be references to "50% or more".

Governing Law

The Arrangement Agreement is to be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. In respect of the Arrangement Agreement, Playmaker and Better Collective irrevocably attorn and submit to the non-exclusive jurisdiction of the Ontario courts situated in the City of Toronto and waive objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Amendment

Subject to the Interim Order, Final Order and Laws, the Arrangement Agreement and the Plan of Arrangement, may, before or after the Meeting, but not later than the Effective Time, be amended by mutual written agreement of Playmaker and Better Collective.

DESCRIPTION OF BETTER COLLECTIVE SHARES

As at the date of this Circular, 55,367,418 Better Collective Shares were issued and outstanding. The Better Collective Shares are ordinary shares in the share capital of Better Collective with a nominal value of EUR 0.01 each. There is no legal nor constitutional limit on the number of Better Collective Shares which can be issued, subject to approval by Better Collective's shareholders at a general meeting.

Each Better Collective Share entitles the holder thereof to one vote at an annual general meeting or extraordinary general meeting of the shareholders of Better Collective. Better Collective's authorized share capital is comprised of one class of shares, which does not carry any special rights. The Better Collective Shares are freely transferable and are issued through and registered with Euronext Securities Copenhagen (VP Securities A/S).

The Better Collective Shares are dual listed on Nasdaq Stockholm and Nasdaq Copenhagen, and are traded under the ticker symbols "BETCO.ST" and "BETCO.DKK".

Further information concerning Better Collective, including with respect to the attributes of the Better Collective Shares, may be found in Appendix "F" to this Circular.

COMPARISON OF SHAREHOLDER RIGHTS

Better Collective is incorporated under the laws of Denmark. The rights of a shareholder of a Danish corporation differ from the rights of a shareholder of an OBCA corporation. See Appendix "I" to this Circular for a summary comparison of the rights of Company Shareholders and Better Collective shareholders.

REGULATORY MATTERS

Canadian Securities Law Matters

Multilateral Instrument 61-101

The Company is a reporting issuer in each of the provinces of Canada (other than Québec) and, accordingly, is subject to applicable securities laws of such provinces, including MI 61-101.

MI 61-101 is intended to regulate certain transactions to ensure fair treatment of securityholders in transactions which raise the potential for conflicts of interest, generally requiring enhanced disclosure, approval by a majority of securityholders excluding interested or related parties, and, in certain instances, formal valuations. The protections afforded by MI 61-101 apply to "business combinations" (as defined in MI 61-101) which are transactions that can result in the interests of holders of equity securities being terminated without their consent.

The Arrangement is a "business combination" for the purposes of MI 61-101 because, as described below, certain "related parties" (as defined in MI 61-101) will, directly or indirectly, receive a "collateral benefit" (as defined in MI 61-101) or consideration that is not identical in amount and form to that received by Company Shareholders ("**Different Consideration**") as a consequence of the Arrangement.

Collateral Benefits

A "collateral benefit", as defined in MI 61-101, includes any benefit that a "related party" of the issuer (which includes the directors and executive officers of the issuer) is entitled to receive, directly or indirectly, as a consequence of the transaction, including an increase in salary, a lump-sum payment, a payment for surrendering securities, or other

enhancement in benefits related to past or future services as an employee, director or consultant of the issuer. Where a related party (i) beneficially owns or exercises control or direction over less than 1% of an issuer's outstanding shares, or (ii) in the context of a business combination the issuer's board, acting in good faith, has determined that the value of any benefit, net of any offsetting costs, to be received by such related party is less than 5% of the value of the consideration they will receive pursuant to the business combination in respect of securities beneficially owned by them, exceptions apply to deem that such related parties have not received a "collateral benefit" for purposes of MI 61-101. The exception in subsection (i) set out above applies to each director and officer of Playmaker, except for Jordan Gnat and Federico Grinberg.

In accordance with the terms of the Plan of Arrangement, each outstanding and unexercised Company Option, whether vested or unvested, will be cancelled in consideration for a cash payment from the Company equal to the amount (if any) by which \$0.70 exceeds the exercise price of such Company Option, subject to applicable withholdings. In addition, each outstanding Company RSU, whether vested or unvested, that has not yet been settled as of immediately prior to the Effective Time will be cancelled in consideration for a cash payment equal to \$0.70 for each Company RSU, less applicable withholdings. See "The Arrangement – Interests of Certain Parties in the Arrangement". In addition, Better Collective has agreed to grant Mr. Gnat 100,000 options to acquire Better Collective Shares on closing, which shall vest over a three year period, 50% after the first two years post-grant and 50% after the third year post-grant, and which do not require payment of any exercise price (the "**Gnat Option Grant**"). The Gnat Option Grant represents a "collateral benefit" to Mr. Gnat.

Jordan Gnat and Federico Grinberg are each deemed to be receiving a "collateral benefit" as the foregoing exceptions do not apply, given that: (a) they each beneficially own or exercises control or direction over more than 1% of the outstanding Company Shares; and (b) the aggregate value of the collateral benefits that they will be entitled to receive in connection with the Arrangement are greater than 5% of the value of the Consideration that they will receive under the Arrangement in respect of the Company Shares that they beneficially own, respectively.

Different Consideration

Pursuant to the Rollover Agreement, the Rollover Shareholders (being Jordan Gnat, JPG Investments Inc. and their respective affiliates) have agreed to exchange each Company Share they respectively hold for (i) \$0.175 in cash (representing 25% of the Consideration payable by Better Collective per Company Share held by the Rollover Shareholders) and (ii) 0.0155 Better Collective Shares (representing 75% of the Consideration payable by Better Collective per Company Share held by the Rollover Shareholders). Accordingly, the Rollover Shareholders will receive Different Consideration pursuant to the Rollover Agreement.

Minority Shareholder Approval

As described above, the Arrangement is a "business combination" as a "related party" is receiving a "collateral benefit" or Different Consideration in connection with Arrangement.

As a result, the Arrangement Resolution will require "minority approval" in accordance with MI 61-101, which will require approval of holders of the Company Shares by a majority of the votes cast, excluding the votes attached to securities beneficially owned, or over which control or direction is exercised, by "related parties" of the Company who can be considered to be receiving a "collateral benefit" or Different Consideration in connection with the Arrangement, or are "related parties" or "joint actors" (as defined in MI 61-101) of such related parties.

This minority approval is in addition to the requirement that the Arrangement Resolution be approved by at least 66 2/3% of the votes cast by Company Shareholders present or represented by proxy at the Meeting and entitled to vote.

For purposes of the minority approval requirements of MI 61-101, all of the Company Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by (i) Jordan Gnat, JPG Investments Inc. and their respective affiliates and (ii) Federico Grinberg, and their respective related parties or joint actors, being 37,059,044 Company Shares, representing, as of the Record Date, approximately 16.1% of the issued and outstanding Company Shares, on an undiluted basis, will be excluded in determining whether minority approval for the Arrangement is obtained.

Formal Valuation

The Company is not required to obtain a formal valuation under MI 61-101 as no “interested party” (as defined in MI 61-101) is, as a consequence of the Arrangement, directly or indirectly acquiring the Company or its business or combining with the Company, whether alone or with joint actors, and there is no “connected transaction” that would qualify as a “related party transaction” (as defined in MI 61-101) for which the Company would be required to obtain a formal valuation.

Disclosure of Prior Valuations

To the knowledge of the Company and its directors and executive officers, after reasonable inquiry, there have been no prior valuations in respect of the Company (as contemplated in MI 61-101) in the 24 months prior to the date of this Circular and, except as disclosed in this Circular under the heading “The Arrangement – Background to the Arrangement”, no bona fide prior offer (as contemplated in MI 61-101) that relates to the transactions contemplated by the Arrangement has been received by the Company during the 24 months before the execution of the Arrangement Agreement.

Canadian Reporting Obligations of Playmaker

The Company is a reporting issuer (or the equivalent) in all of the provinces of Canada (other than Québec). It is expected that Playmaker will apply to cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer and thus will terminate its reporting obligations in Canada following completion of the Arrangement.

Canadian Reporting Obligations of Better Collective

Better Collective is not currently a reporting issuer in any jurisdiction in Canada. Upon completion of the Arrangement, Better Collective will become a reporting issuer in all of the provinces of Canada (other than Québec) by virtue of the completion of the Arrangement with Playmaker.

Following completion of the Arrangement, Better Collective would be considered a “designated foreign issuer” for the purposes NI 71-102 and therefore receive the broad relief available to “designated foreign issuers” under NI 71-102, but for the fact that Denmark, Better Collective’s jurisdiction of incorporation, is not a specifically enumerated “designated foreign jurisdiction” under NI 71-102. Accordingly, Playmaker and Better Collective jointly applied for the Exemptive Relief from various continuous disclosure, insider reporting and early warning requirements applicable to reporting issuers under Canadian Securities Laws, in order to allow Better Collective to benefit from the relief from continuous disclosure, insider reporting and early warning requirements otherwise available to “designated foreign issuers” under NI 71-102. On December 1, 2023, the OSC issued the Exemptive Relief Order.

Pursuant to the Exemptive Relief Order, Better Collective will be generally exempt from the foregoing requirements, provided it complies with the terms of the Exemptive Relief Order, which include (among other things) that Better Collective (i) continues to be incorporated and organized under the laws of Denmark and the total number of equity securities of Better Collective owned, directly or indirectly, by residents of Canada does not exceed 10%, on a fully-diluted basis, calculated in accordance with NI 71-102, (ii) adheres to the continuous disclosure requirements of applicable Danish and Swedish laws (including Danish Securities Laws) and the rules of Nasdaq Copenhagen and Nasdaq Stockholm, and (iii) files on SEDAR+ copies of all documents and company announcements Better Collective is required to file with the Danish Financial Supervisory Authority, Nasdaq Stockholm or Nasdaq Copenhagen, makes publicly available on its website or sends to its securityholders under applicable Danish and Swedish disclosure requirements.

Qualification - Resale of Better Collective Shares

The issuance of Better Collective Shares pursuant to the Arrangement will constitute a distribution of securities which is exempt from the prospectus requirements of the Canadian Securities Laws. Subject to certain disclosure and regulatory requirements and to customary restrictions applicable to distributions of shares that constitute “control distributions”, Better Collective Shares issued pursuant to the Arrangement may be resold in each province and

territory in Canada, subject in certain circumstances, to the usual conditions that no unusual effort, or no effort, has been made to prepare the market or create demand and no extraordinary commission or consideration is paid to a person or company in respect of the trade.

U.S. Securities Law Matters

The following discussion is a general overview of certain requirements of U.S. federal and state securities laws applicable to Company Shareholders. All holders of such securities are urged to obtain legal advice to ensure that their resale of such securities complies with applicable U.S. Securities Laws. See also “Notice to Company Shareholders in the United States”.

Company Shareholders who resell Better Collective Shares must also comply with Canadian Securities Laws, as outlined above.

Exemption Relied Upon from the Registration Requirements of the U.S. Securities Act

The issuance of the Better Collective Shares to Company Shareholders pursuant to the Arrangement has not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States. Such securities will be issued in reliance upon the exemption from registration provided by section 3(a)(10) of the U.S. Securities Act and exemptions from applicable securities laws of each state of the United States in which the holders reside. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of securities issued in exchange for one or more bona fide outstanding securities from the general registration requirements under the U.S. Securities Act where, among other things, the terms and conditions of such issuance and exchange are approved, after a hearing upon the substantive and procedural fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or Governmental Entity that is expressly authorized by Law to grant such approval. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered, and the Final Order, if granted by the Court, will constitute the basis for the exemption from registration under section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the Better Collective Shares pursuant to the Arrangement.

Resale of Better Collective Shares Within the United States

The Better Collective Shares to be issued under the Arrangement will not be subject to resale restrictions under the U.S. Securities Act, except that the U.S. Securities Act imposes restrictions on the resale of Better Collective Shares received pursuant to the Arrangement by persons who are at the time of a resale, or who were within 90 days prior to the completion of the Arrangement or the date of sale, “affiliates” (as defined in Rule 144(a)(1) of the U.S. Securities Act) of Better Collective. As defined in Rule 144 under the U.S. Securities Act, an “affiliate” of an issuer is a person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer. Persons who are officers, directors or 10% or greater shareholders of an issuer are generally considered to be its “affiliates” for purposes of Rule 144 under the U.S. Securities Act.

Any Company Shareholder who is an affiliate (or, if applicable, former affiliate) of Better Collective is urged to consult with its own legal advisor to ensure that any proposed resale of Better Collective Shares issued to them pursuant to the Arrangement complies with applicable U.S. Securities Act requirements.

State “Blue Sky” Securities Laws

The issuance of the Better Collective Shares pursuant to the Arrangement will either be registered or qualified under all applicable U.S. state securities laws, or exempt from or not subject to any such registration and qualification requirements.

Key Regulatory Approvals

Pursuant to the Arrangement Agreement, Playmaker is required to obtain the approval of certain U.S. gaming authorities in Pennsylvania and Colorado. It is a condition to closing of the Arrangement that the Key Regulatory

Approvals, including the Heritage Approval (as discussed further below), be obtained. See “The Arrangement Agreement”.

Heritage Approval

Under the *Investment Canada Act*, certain transactions involving the “acquisition of control” of a Canadian business by a non-Canadian (all as defined in the *Investment Canada Act*) are subject to review and cannot be implemented unless the responsible Minister or Ministers under the *Investment Canada Act* are satisfied or deemed to be satisfied that the transaction is likely to be of “net benefit” to Canada. Such a transaction is referred to herein as a “reviewable transaction.” Under the *Investment Canada Act* there is an initial review period of up to 45 days after certification of a complete application for review (during which the reviewable transaction cannot be completed) which may be unilaterally extended by the responsible Minister or Ministers for an additional 30 days or such longer period agreed to between the responsible Minister or Ministers and the investor.

The transactions contemplated by the Arrangement Agreement constitute a reviewable transaction under the *Investment Canada Act* because the transactions exceed certain economic thresholds set out in the *Investment Canada Act* and because the activities of Playmaker constitute a “cultural business” under the *Investment Canada Act*. An application for review was filed with the Cultural Sector Investment Review unit of the Department of Canadian Heritage on November 8, 2023 and certified as complete on November 17, 2023. As of the date of this Circular, the review of the Arrangement under the *Investment Canada Act* is ongoing. It is a condition to closing of the Arrangement that the Key Regulatory Approvals, including the Heritage Approval, be obtained. See “The Arrangement Agreement”.

Other Regulatory Approvals

Pursuant to the Arrangement Agreement, prior to closing, Playmaker will provide notice to, or obtain the approval of, as applicable, certain U.S. gaming authorities in Pennsylvania, Colorado, Arizona, Indiana, Louisiana, Maryland, Massachusetts, Michigan, New Jersey, West Virginia and Virginia in connection with the Arrangement. Other than the Key Regulatory Approvals, the Regulatory Approvals are not conditions to closing. See “The Arrangement Agreement”.

Stock Exchange Listings and Approvals

Better Collective will apply to list the Better Collective Shares issuable under the Arrangement on Nasdaq Stockholm and/or Nasdaq Copenhagen. Irrespective of whether the Better Collective Shares issued upon closing of the Arrangement are initially listed on Nasdaq Stockholm or Nasdaq Copenhagen, once such Better Collective Shares have been transferred to a brokerage account pursuant to the procedures set out in “The Arrangement – Post-Closing Instruction Procedure” Company Shareholders holding such Better Collective Shares will be entitled to request that their custodian bank transfer such Better Collective Shares to the Danish infrastructure so that they are tradeable on Nasdaq Copenhagen (if initially listed on Nasdaq Stockholm) or to the Swedish infrastructure so that they are tradeable on Nasdaq Stockholm (if initially listed on Nasdaq Copenhagen), as applicable.

The Company Shares currently trade on the TSXV and are also traded over-the-counter on the OTCQX. If the Arrangement is completed, Better Collective intend to have the Company Shares delisted from the TSXV and OTCQX.

ELIGIBILITY FOR INVESTMENT

Based on the provisions of the Tax Act as of the date hereof, the Better Collective Shares would, if issued on the date hereof, be “qualified investments” under the Tax Act for trusts governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan, a registered disability savings plan, a tax-free savings account, a first home savings account (each a “**Registered Plan**”) or a deferred profit sharing plan (each as defined in the Tax Act), provided that the Better Collective Shares are listed on a “designated stock exchange” (as defined in the Tax Act, which currently includes Nasdaq Stockholm and Nasdaq Copenhagen).

Notwithstanding that a Better Collective Share may be a qualified investment for trusts governed by a Registered Plan, a holder or subscriber of, or an annuitant under, a Registered Plan (the “**Controlling Individual**”) will be subject to a penalty tax if the Better Collective Share held in the Registered Plan is a “prohibited investment” (as defined in the Tax Act) for the particular Registered Plan. A Better Collective Share will generally not be a “prohibited investment” for a Registered Plan provided that (i) the Controlling Individual of the Registered Plan deals at arm’s length with Better Collective for purposes of the Tax Act and does not have a “significant interest” (within the meaning of the Tax Act) in Better Collective or (ii) the Better Collective Shares are “excluded property” (as defined in the Tax Act) for the Registered Plan. Controlling Individuals who intend to hold Better Collective Shares in such plan should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a beneficial owner of Company Shares (other than Rollover Shares) who, for the purposes of the Tax Act and at all relevant times: (i) holds Company Shares, and will hold Better Collective Shares, as capital property; and (ii) deals at arm’s length with, and is not affiliated with, the Company or Better Collective or any of their respective affiliates (a “**Holder**”).

Company Shares and Better Collective Shares acquired pursuant to the Arrangement will generally be considered capital property to a holder of such shares for purposes of the Tax Act unless such holder holds such Company Shares or Better Collective Shares, as applicable, in the course of carrying on a business or such holder has acquired or holds them in a transaction or transactions considered to be an adventure or concern in the nature of trade. In circumstances where Company Shares may not otherwise constitute capital property to a particular holder who is resident in Canada for purposes of the Tax Act, such holder may be entitled to elect that Company Shares be deemed to be capital property by making an irrevocable election under subsection 39(4) of the Tax Act to deem every “Canadian security” (as defined in the Tax Act) owned by such holder in the taxation year of the election and in each subsequent taxation year to be capital property. The Better Collective Shares should not qualify as a “Canadian security” for purposes of this election. Company Shareholders contemplating such an election should first consult their own tax advisors for advice as to whether the election is available or advisable in their particular circumstances.

This summary is based on the current provisions of the Tax Act in force as of the date hereof and an understanding of the current administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”) and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in Law or administrative policy or assessing practice whether by legislative, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary assumes that Better Collective has not and will not be resident or deemed to be resident in Canada for purposes of the Tax Act.

This summary does not apply to a Shareholder: (i) an interest in which is a “tax shelter” or a “tax shelter investment” (each as defined in the Tax Act); (ii) that is a “financial institution” for the purposes of the mark-to-market rules in the Tax Act; (iii) that is a “specified financial institution” (as defined in the Tax Act); (iv) that has made a functional currency reporting election under the Tax Act; (v) that is a corporation resident in Canada, and is, or becomes, or does not deal at arm’s length with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that includes the Arrangement, controlled by a non-resident person (or a group of persons that do not deal at arm’s length) for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act; (vi) in respect of whom Better Collective is or will be a foreign affiliate within the meaning of the Tax Act; (vii) that has entered into or will enter into a “derivative forward agreement” or “synthetic disposition arrangement” with respect to their Company Shares or Better Collective Shares; (viii) that receives dividends on their Better Collective Shares under or as part of a “dividend rental arrangement” (as defined in the Tax Act); or (ix) who acquired their Company Shares under a Company Option, Company RSU, Company PSU or Company DSU. Such Shareholders should consult their own tax advisors.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations applicable to the purchasing, holding and disposing of the Company Shares or Better Collective Shares. Accordingly, Holders should consult their own tax advisors having regard to their own particular circumstances, including with respect to the application and effect of the income and other tax laws of any country, province, state or local tax authority.

Generally, for purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of securities (including dividends, adjusted cost base and proceeds of disposition) must be converted into Canadian dollars based on exchange rates as determined in accordance with the Tax Act. In particular, the amount of dividends to be included in the income of, and the amount of capital gains or capital losses realized by, a Holder of Better Collective Shares, and the amount of any capital gain or capital loss realized on the disposition of Company Shares pursuant to the Plan of Arrangement, may be affected by fluctuations in exchange rates.

Holders Resident in Canada

This portion of the summary generally applies to a Holder who, at all relevant times, for purposes of the Tax Act and any applicable treaty, is, or is deemed to be, resident in Canada (a “**Resident Holder**”).

Disposition of Company Shares for the Consideration

A Resident Holder whose Company Shares are exchanged for the Consideration pursuant to the Arrangement will be considered to have disposed of those Company Shares for proceeds of disposition equal to the aggregate fair market value, as at the time of the exchange, of the Consideration (including the fair market value of the Better Collective Shares if a Shareholder elects the All Share Consideration or the portion of the Better Collective Shares included in the Combination Consideration or, if applicable as a result of Proration under Section 2.5 of the Plan of Arrangement, the All Cash Consideration) so acquired by the Resident Holder. As a result, the Resident Holder will generally realize a capital gain (or capital loss) to the extent that such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Resident Holder’s Company Shares immediately before the exchange. See “Taxation of Capital Gain or Capital Loss” below for a general discussion of the treatment of capital gains and capital losses under the Tax Act.

The cost to a Resident Holder of any Better Collective Shares acquired pursuant to the Arrangement will equal the fair market value of such Better Collective Shares as at the time of the exchange. If the Resident Holder separately owns other Better Collective Shares as capital property at that time, the adjusted cost base of all Better Collective Shares owned by the Resident Holder as capital property immediately after the exchange will be determined by averaging the cost of the Better Collective Shares acquired on the exchange with the adjusted cost base of those other Better Collective Shares.

Dividends on Better Collective Shares

A Resident Holder will be required to include in computing such Resident Holder’s income for a taxation year the amount of any dividends including amounts deducted for foreign withholding tax, if any, received on the Better Collective Shares. Dividends received on Better Collective Shares by a Resident Holder who is an individual will not be subject to the gross-up and dividend tax credit rules in the Tax Act normally applicable to taxable dividends received from taxable Canadian corporations. A Resident Holder that is a corporation will be required to include dividends received on Better Collective Shares in computing its income and will not be entitled to deduct the amount of such dividends in computing its taxable income.

To the extent that foreign withholding tax is payable by a Resident Holder in respect of any dividends received on Better Collective Shares, the Resident Holder may be eligible for a foreign tax credit or deduction under the Tax Act to the extent and under the circumstances described in the Tax Act. Resident Holders should consult their own tax advisors regarding the availability of a foreign tax credit or deduction in their particular circumstances.

Resident Holders should also note the comments under “Additional Refundable Tax” below.

Disposition of Better Collective Shares

A disposition or deemed disposition of Better Collective Shares by a Resident Holder will generally result in a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Resident Holder's Better Collective Shares immediately before the disposition. See "Taxation of Capital Gain or Capital Loss" below.

Taxation of Capital Gain or Capital Loss

Generally, a Resident Holder will be required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized by it in that year. A Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back to any of the three preceding taxation years or carried forward to any subsequent taxation year and deducted against net taxable capital gains realized in such years to the extent and under the circumstances specified in the Tax Act.

A capital loss realized on the disposition of Company Shares by a Resident Holder that is a corporation may, to the extent and under the circumstances specified by the Tax Act, be reduced by the amount of dividends received or deemed to have been received by the corporation on such shares (or on a share for which such share is substituted or exchanged). Similar rules may apply where shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Foreign tax, if any, levied on any gain realized on a disposition of the Better Collective Shares may be eligible for a foreign tax credit under the Tax Act to the extent and under the circumstances described in the Tax Act. Resident Holders should consult their own tax advisors with respect to the availability of a foreign tax credit, having regard to their own particular circumstances.

Resident Holders should also note the comments under "Alternative Minimum Tax" and "Additional Refundable Tax" below.

Alternative Minimum Tax

A capital gain realized by a Resident Holder who is an individual (including certain trusts) may give rise to liability for alternative minimum tax under the Tax Act. The 2022 Federal Budget (Canada) announced an intention to revise the alternative minimum tax rules and draft legislation in this respect has been released on August 4, 2023. Such Resident Holders should consult their own tax advisors in this regard.

Additional Refundable Tax

A Resident Holder that, throughout the relevant taxation year, is a "Canadian-controlled private corporation" (as defined in the Tax Act) or a "substantive CCPC" (as proposed to be defined in the Tax Act pursuant to Proposed Amendments released on August 9, 2022) may be liable for additional tax (refundable in certain circumstances) on its "aggregate investment income", which is defined in the Tax Act to include taxable capital gains, dividends or deemed dividends that are not deductible in computing the Resident Holder's taxable income and interest.

Offshore Investment Fund Property

The Tax Act contains provisions (the "**OIF Rules**") which may, in certain circumstances, require a Resident Holder to include an amount in income in each taxation year in respect of the acquisition and holding of Better Collective Shares, if: (i) the value of such Better Collective Shares may reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments in certain assets described in paragraph 94.1(1)(b) of the Tax Act, particularly (1) shares of the capital stock of one or more corporations, (2) indebtedness or annuities, (3) interests in one or more corporations, trusts, partnerships, organizations, funds or entities, (4) commodities, (5) real estate, (6)

Canadian or foreign resource properties, (7) currency of a country other than Canada, (8) rights or options to acquire or dispose of any of the foregoing, or (9) any combination of the foregoing (collectively, “**Investment Assets**”); and (ii) it may reasonably be concluded that one of the main reasons for the Resident Holder acquiring, holding or having the Better Collective Shares was to derive a benefit from portfolio investments in Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from such Investment Assets for any particular year are significantly less than the tax that would have been applicable under Part I of the Tax Act if the income, profits and gains had been earned directly by the Resident Holder.

The OIF Rules are complex and their application and consequences depend, to a large extent, on the reasons for a Resident Holder acquiring or holding Better Collective Shares. Resident Holders are urged to consult their own tax advisors regarding the application and consequences of the OIF Rules in their own particular circumstances.

Foreign Property Information Reporting

A Resident Holder who is a “specified Canadian entity” (as defined in the Tax Act) for a taxation year or fiscal period whose total cost amount of “specified foreign property” (as defined in the Tax Act), which includes the Better Collective Shares, at any time in the year or fiscal period exceeds \$100,000, is required to file an information return for the year or period disclosing prescribed information in respect of such property. Substantial penalties may apply where a Resident Holder fails to file the required information return in respect of its specified foreign property. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Dissenting Resident Holders

A Resident Holder who exercises Dissent Rights in respect of the Arrangement (a “**Dissenting Resident Holder**”) and who disposes of Company Shares and receives from Better Collective the fair value of such Dissenting Resident Holder’s Company Shares will realize a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Dissenting Resident Holder’s Company Shares. Any capital gain or capital loss realized by the Dissenting Resident Holder, will be treated in the same manner as described above under “Taxation of Capital Gain or Capital Loss”.

A Dissenting Resident Holder will be required to include in computing its income any interest awarded by a court in connection with the Arrangement. Resident Holders should also note the comments under “Additional Refundable Tax” above.

Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder (a “**Non-Resident Holder**”) who: (i) for the purposes of the Tax Act and any applicable tax treaty, is neither resident nor deemed to be resident in Canada at any time while they hold Company Shares or Better Collective Shares; and (ii) does not and will not use or hold and is not and will not be deemed to use or hold the Company Shares or Better Collective Shares in carrying on a business in Canada for purposes of the Tax Act. Special rules that are not discussed in this summary may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or an authorized foreign bank. Such Holders should consult their own tax advisors.

Disposition of Company Shares Under the Arrangement and Disposition of Better Collective Shares

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition of a Company Share or a Better Collective Share unless the share constitutes “taxable Canadian property” to the Non-Resident Holder thereof at the time of the disposition for purposes of the Tax Act, and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

Generally, provided the Company Shares or Better Collective Shares, as applicable, are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the TSXV (Tiers 1 and 2) and Nasdaq Stockholm and Nasdaq Copenhagen), at the time of disposition, such shares will not constitute taxable Canadian property of a Non-

Resident Holder at that time, unless at any time during the 60-month period immediately preceding the disposition the following two conditions are met concurrently: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm's length for the purposes of the Tax Act, partnerships in which the Non-Resident Holder or such non-arm's length person holds a membership interest (either directly or indirectly through one or more partnerships), or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of the Company; and (ii) more than 50% of the fair market value of the Company Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, Canadian resource properties (as defined in the Tax Act), timber resource properties (as defined in the Tax Act) and an option, an interest or right in any of the foregoing property, whether or not such property exists. Notwithstanding the foregoing, a Company Share may also be deemed to be taxable Canadian property to a Non Resident Holder for purposes of the Tax Act in certain circumstances.

If the Company Shares or Better Collective Shares, as applicable, constitute or are deemed to constitute taxable Canadian property to any Non-Resident Holder, such Non-Resident Holder may be entitled to relief under the provisions of an applicable income tax treaty or convention. Non-Resident Holders whose Company Shares or Better Collective Shares may be taxable Canadian property should consult their own tax advisors.

In the event that the Company Shares or Better Collective Shares, as applicable, constitute taxable Canadian property and are not treaty-protected property to a particular Non-Resident Holder, the Non-Resident Holder will realize a capital gain (or capital loss) generally in the circumstances as described above under "Disposition of Company Shares for the Consideration" or "Disposition of Better Collective Shares", as applicable, and "Taxation of Capital Gain or Capital Loss". A Non-Resident Holder who disposes of taxable Canadian property that is not treaty-protected property may have to file a Canadian income tax return for the year in which the disposition occurs.

Dividends on Better Collective Shares

Dividends paid on Better Collective Shares to a Non-Resident Holder will generally not be subject to Canadian withholding tax or other income tax under the Tax Act.

Dissenting Non-Resident Holders

A Non-Resident Holder who exercises Dissent Rights and receives from Better Collective the fair value of such Non-Resident Holder's Company Shares will dispose of the Company Shares for proceeds of disposition equal to the amount received by such dissenting Non-Resident Holder (less the amount of any interest awarded by the court).

As discussed above under "Disposition of Company Shares Under the Arrangement and Disposition of Better Collective Shares", any resulting capital gain would only be subject to tax under the Tax Act if the Company Shares constitute taxable Canadian property to the Non-Resident Holder at the time of the disposition and are not treaty-protected property of the Non-Resident Holder at that time.

Any interest paid to a dissenting Non-Resident Holder will generally not be subject to Canadian withholding tax.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion summarizes certain U.S. federal income tax considerations generally applicable to U.S. Holders (as defined below) relating to the Arrangement and to the ownership and disposition of Better Collective Shares received pursuant to the Arrangement. This summary is based upon the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), the U.S. Treasury Regulations promulgated thereunder (the "**Treasury Regulations**"), judicial authorities, the Convention Between Canada and the United States with respect to Taxes on Income and on Capital of 1980, as amended (the "**Canada-U.S. Tax Treaty**"), published positions of the IRS, and other applicable authorities, all as in effect on the date hereof. Any of the authorities on which this summary is based could be changed in a material and adverse manner at any time, and any such change could be applied on a retroactive basis. Except as provided herein, this discussion does not discuss the potential effects, whether adverse or beneficial, of any proposed legislation that, if enacted, could be applied on a retroactive or prospective basis.

No opinion from legal counsel or ruling from the U.S. Internal Revenue Service (“**IRS**”) has been or will be sought or obtained with respect to any of the U.S. federal tax consequences discussed herein. This discussion is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, and contrary to, the positions taken in this discussion. There can be no assurance that the IRS will not challenge any of the conclusions described herein or that a U.S. court will not sustain such a challenge.

This summary addresses only certain considerations arising under U.S. federal income tax law, and it does not address any other federal tax considerations, such as the U.S. federal alternative minimum tax, U.S. federal net investment income tax, U.S. federal estate and gift tax, or any tax considerations arising under the laws of any state, locality or non-U.S. taxing jurisdiction. In addition, except as discussed below, this discussion does not address tax reporting requirements.

This summary does not address the U.S. federal income tax consequences of transactions effected prior or subsequent to, or concurrently with the Arrangement (whether or not any such transactions are undertaken in connection with the Arrangement), including, without limitation, any conversion into Company Shares or Better Collective Shares of any notes, debentures or other debt instruments; any vesting, conversion, assumption, disposition, exercise, exchange, or other transaction involving restricted share units, deferred share units, or any rights to acquire Company Shares or Better Collective Shares; and any transaction, other than the Arrangement, in which Company Shares or Better Collective Shares are acquired. This summary also does not address the U.S. federal income tax consequences of the Arrangement to holders of Company Options with respect to their Company Options, holders of Company DSUs with respect to their Company DSUs, holders of Company PSUs with respect to their Company PSUs or holders of Company RSUs with respect to their Company RSUs. Holders of Company Options, Company DSUs, Company PSUs or Company RSUs are urged to consult their own tax advisors regarding the tax consequences of the Arrangement, including the effects of applicable U.S. federal, state, local and non-U.S. tax laws, to them in light of such holder’s particular circumstances.

This summary is of a general nature only and does not address all of the U.S. federal income tax considerations that may be relevant to a U.S. Holder in light of such U.S. Holder’s circumstances. In addition, this discussion does not take into account the individual facts and circumstances of any particular Company Shareholder that may affect the U.S. federal income tax considerations applicable to such Company Shareholder, including, without limitation, specific tax consequences to a Company Shareholder under an applicable income tax treaty. Accordingly, this discussion is not intended to be, and should not be construed as, legal or U.S. federal income tax advice with respect to any Company Shareholder. In particular, this discussion only deals with U.S. Holders that hold Company Shares and Better Collective Shares, as applicable, as “capital assets” within the meaning of section 1221 of the Code (generally, property held for investment purposes), and does not address the special tax rules that may apply to special classes of taxpayers, such as U.S. Holders that: (i) are tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts, (ii) are financial institutions, underwriters, insurance companies, real estate investment trusts, or regulated investment companies, (iii) are broker-dealers, dealers or traders in securities or currencies that elect to apply a mark-to-market accounting method, (iv) have a “functional currency” other than the U.S. dollar, (v) own Company Shares (or, following the completion of the Arrangement, holders that will own Better Collective Shares) as part of a straddle, hedging transaction, conversion transaction, constructive sale, or other integrated transaction, (vi) acquired Company Shares (or, following the completion of the Arrangement, acquire Better Collective Shares) in connection with the exercise of employee stock options or otherwise as compensation for services, (vii) hold Company Shares (or, following the completion of the Arrangement, will hold Better Collective Shares) other than as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment purposes), (viii) are subject to the alternative minimum tax, (ix) are subject to special tax accounting rules with respect to the Company Shares (or, following completion of the Arrangement, with respect to Better Collective Shares), (x) are partnerships or other “pass-through” entities (and partners or other owners thereof), (xi) are S corporations (and shareholders thereof), (xii) are U.S. expatriates or former long-term residents of the United States subject to Sections 877 or 877A of the Code, (xiii) hold Company Shares (or, following completion of the Arrangement, will hold Better Collective Shares) in connection with a trade or business, permanent establishment, or fixed base outside the U.S., (xiv) own or have owned (directly, indirectly, or by attribution) five percent or more (by voting power or value) of the Company’s issued and outstanding stock (or, following the completion of the Arrangement, will own directly, indirectly, or by attribution five percent or more (by voting power or value) of Better Collective’s issued and outstanding stock), and (xv) are corporations that accumulate earnings to avoid U.S. federal income tax. Company Shareholders that are subject to special provisions under the Code, including, but not limited

to, Company Shareholders described immediately above, should consult their own tax advisors regarding the U.S. federal, U.S. federal alternative minimum, U.S. federal net investment income, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences relating to the Arrangement and the ownership and disposition of Better Collective Shares received pursuant to the Arrangement.

For purposes of this summary, a “**U.S. Holder**” means a beneficial owner of Company Shares that participates in the Arrangement (or, following completion of the Arrangement, a holder of Better Collective Shares) or that exercises Dissent Rights in respect of the Arrangement, as the case may be, who is: (i) an individual citizen or resident of the United States as determined for U.S. federal income tax purposes; (ii) a corporation, or other entity classified as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state thereof, or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust (A) that validly elects to be treated as a U.S. person for U.S. federal income tax purposes or (B) the administration over which a U.S. court can exercise primary supervision and all of the substantial decisions of which one or more U.S. persons have the authority to control.

With respect to (i) above, an individual is generally treated as a resident of the U.S. in any calendar year for U.S. federal income tax purposes if the individual either (i) is the holder of a green card, generally during any point of such year, or (ii) is present in the U.S. for at least 31 days in that calendar year and for an aggregate of at least 183 days during the three-year period ending on the last day of the current calendar year. For purposes of the 183-day calculation (often referred to as the “**substantial presence test**”), all of the days present in the U.S. during the current year, one-third of the days present in the U.S. during the immediately preceding year, and one-sixth of the days present in the second preceding year are counted. Residents are generally treated for U.S. federal income tax purposes as if they were U.S. citizens.

As used herein, a “**Non-U.S. Holder**” means a holder of Company Shares that participates in the Arrangement (or, following the completion of the Arrangement, a holder of Better Collective Shares) or that exercises Dissent Rights pursuant to the Arrangement and that is an individual, corporation, estate or trust that is not a U.S. Holder and is not, for U.S. federal income tax purposes, a partnership. This summary does not address the U.S. federal income tax consequences to Non-U.S. Holders of participating in the Arrangement, holding Better Collective Shares following the Arrangement or exercising Dissent Rights. Accordingly, a Non-U.S. Holder should consult its own tax advisor regarding the U.S. federal income, U.S. federal net investment income, U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local and non-U.S. tax consequences (including the potential application and operation of any income tax treaties) relating to the Arrangement, holding Better Collective Shares following the Arrangement or exercising Dissent Rights in light of such U.S. Holder’s personal circumstances.

If an entity or arrangement that is classified as a partnership (or other “pass-through” entity) for U.S. federal income tax purposes holds Company Shares (or, following completion of the Arrangement, Better Collective Shares), the U.S. federal income tax consequences to such entity or arrangement and the partners (or other owners or participants) of such entity or arrangement generally will depend on the activities of the entity or arrangement and the status of such partners (or owners or participants). This discussion does not address the tax consequences to any such partner (or owner or participant). Partners (or other owners or participants) of entities or arrangements that are classified as partnerships or as “pass-through” entities for U.S. federal income tax purposes should consult their own tax advisors regarding the U.S. federal income tax consequences arising from and relating to the Arrangement and the ownership and disposition of Better Collective Shares received pursuant to the Arrangement.

Holders of Company Shares are urged to consult their own tax advisors regarding the tax consequences of the Arrangement and, to the extent applicable, of the ownership and disposition of Better Collective Shares received pursuant to the Arrangement in light of their particular circumstances, as well as the tax consequences under state, local, and non-U.S. tax law and the possible effect of changes in tax law.

Tax Consequences of the Arrangement to U.S. Holders

Passive Foreign Investment Company Rules

The Company believes that it was not a passive foreign investment company (a “**PFIC**”) for tax years ending on December 31, 2021 and December 31, 2022, and based on current business plans and financial expectations, the

Company does not expect to be a PFIC for its current tax year ending December 31, 2023. The determination of whether any corporation was, or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether any corporation will be a PFIC for any tax year depends on the assets and income of such corporation over the course of each such tax year and, as a result, cannot be predicted with certainty as of the date of this document. No opinion of legal counsel or ruling from the IRS concerning the status of the Company as a PFIC has been obtained or is currently planned to be requested. Accordingly, there can be no assurance that the IRS will not challenge any determination made by the Company concerning its PFIC status. Each U.S. Holder should consult its own tax advisors regarding the PFIC status of the Company and the tax consequences to such U.S. Holder if the Company is a PFIC.

The Company has not made, and has no plans to make, a determination as to whether it was a PFIC for tax years prior to January 1, 2021. U.S. Holders should be aware that the Company may have been a PFIC for tax years prior to January 1, 2021. If the Company was a PFIC at any time during a U.S. Holder's holding period for Company Shares, then (absent certain elections) it would continue to be a PFIC as to such U.S. Holder and as to those Company Shares. The tax consequences to U.S. Holders for whom the Company may be a PFIC are beyond the scope of this discussion. Therefore, this discussion addresses only the U.S. federal income tax consequences of U.S. Holders who purchased their Company Shares after December 31, 2020.

U.S. Holders who acquired Company Shares before January 1, 2021, or after that date by gift or inheritance, should consult their own tax advisors regarding the PFIC rules.

Controlled Foreign Corporation Rules

The Company believes that it was not a controlled foreign corporation (a "CFC") for its tax year ending on December 31, 2022, and does not expect to be a CFC prior to the consummation of the Arrangement. The determination of whether any corporation was, or will be, a CFC for a tax year depends, in part, on the actual and constructive ownership of such corporation by United States persons, with constructive ownership based on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. No opinion of legal counsel or ruling from the IRS concerning the status of the Company as a CFC has been obtained or is currently planned to be requested. Accordingly, there can be no assurance that the IRS will not challenge any determination made by the Company concerning its CFC status. Each U.S. Holder should consult its own tax advisors regarding the CFC status of the Company and the tax consequences to such U.S. Holder if the Company is a CFC.

Treatment of the Arrangement

The Arrangement should generally be treated as a taxable transaction for U.S. federal income tax purposes. Provided the Arrangement constitutes a taxable transaction for U.S. federal income tax purposes, the following U.S. federal income tax consequences will result for a U.S. Holder:

- (a) a U.S. Holder will recognize gain or loss in an amount equal to the difference, if any, between (i) the amount of cash, the fair market value (expressed in U.S. dollars) of the Better Collective Shares, or the amount of cash plus the fair market value (expressed in U.S. dollars) of the Better Collective Shares, as applicable, received in exchange for the Company Shares pursuant to the Arrangement and (ii) the adjusted tax basis (expressed in U.S. dollars) of such U.S. Holder in the Company Shares surrendered in exchange therefor;
- (b) the tax basis of a U.S. Holder in the Better Collective Shares received pursuant to the Arrangement would be equal to the fair market value of such Better Collective Shares on the date of receipt; and
- (c) the holding period of a U.S. Holder for the Better Collective Shares received in exchange for the Company Shares pursuant to the Arrangement will begin on the day after the date of receipt.

Subject to the PFIC and CFC rules discussed above, for any tax year in which a U.S. Holder held the Company Shares, any gain or loss described in clause (a) immediately above generally would be capital gain or loss, which will be long-term capital gain or loss if the U.S. Holder's holding period in such Company Shares exceeds one year at the time of

the Arrangement. Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation. Deductions for capital losses are subject to complex limitations under the Code.

Exercise of Dissent Rights Pursuant to the Arrangement

A U.S. Holder of Company Shares who exercises Dissent Rights in connection with the Arrangement (a “**U.S. Dissenter**”) is entitled, if the Arrangement becomes effective, to receive from Better Collective the fair value of the Company Shares held by such U.S. Dissenter. Such a U.S. Dissenter that is paid cash in exchange for all of its Company Shares generally will recognize gain or loss in an amount equal to the difference, if any, between (i) the fair market value (expressed in U.S. dollars) of cash received by such U.S. Dissenter in exchange for the Company Shares (other than amounts, if any, that are or are deemed to be interest for U.S. federal income tax purposes, which amounts will be taxed as ordinary income) and (ii) the tax basis of such U.S. Dissenter in such Company Shares surrendered. Subject to the PFIC and CFC rules discussed above, such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. Dissenter held the Company Shares for more than one year. Preferential tax rates apply to long-term capital gains of a U.S. Dissenter that is an individual, estate, or trust. There are no preferential tax rates for long-term capital gain of a U.S. Dissenter that is a corporation. Deductions for capital losses are subject to complex limitations under the Code.

Ownership and Disposition of Better Collective Shares

Distributions on Better Collective Shares

Subject to the PFIC rules discussed below, a U.S. Holder that receives a distribution, including a constructive distribution, with respect to an Better Collective Share will be required to include the amount of such distribution in gross income as a dividend (without reduction for any Danish income tax withheld from such distribution) to the extent of the current or accumulated “earnings and profits” of Better Collective, as computed for U.S. federal income tax purposes. To the extent that a distribution exceeds the current and accumulated “earnings and profits” of Better Collective, such distribution will generally be treated first as a tax-free return of capital to the extent of a U.S. Holder’s tax basis in the Better Collective Shares (causing a reduction in the adjusted basis of the Better Collective Shares, thereby increasing the amount of gain or decreasing the amount of loss that a U.S. Holder would recognize on a subsequent disposition of Better Collective Shares) and thereafter as a capital gain from the sale or exchange of such Better Collective Shares (see “Sale or Other Taxable Disposition of Better Collective Shares” below). However, Better Collective does not intend to maintain the calculations of earnings and profits in accordance with U.S. federal income tax principles, and each U.S. Holder should therefore assume that any distribution by Better Collective with respect to the Better Collective Shares will constitute ordinary dividend income. Dividends received on Better Collective Shares will not be eligible for the “dividends received deduction”. Subject to applicable limitations, dividends paid by Better Collective to non-corporate U.S. Holders, including individuals, generally will be eligible for the preferential tax rates applicable to long-term capital gains for dividends, provided certain holding period and other conditions are satisfied, including that Better Collective not be classified as a PFIC in the tax year of distribution or in the preceding tax year. The dividend rules are complex, and each U.S. Holder is urged to consult its own tax advisor regarding the application of such rules.

Sale or Other Taxable Disposition of Better Collective Shares

Subject to the PFIC rules discussed below, a U.S. Holder that sells or otherwise disposes of Better Collective Shares in a taxable disposition will recognize gain or loss in an amount equal to the difference, if any, between the U.S. dollar value of the amount realized on such sale or other taxable disposition and the U.S. Holder’s adjusted tax basis in such shares. Any such gain or loss will be long-term capital gain or loss if the holding period for the Better Collective Shares is more than one year at the time of the sale or other disposition. Preferential tax rates for long-term capital gains are generally applicable to a U.S. Holder that is an individual, estate or trust. There are currently no preferential tax rates for long-term capital gains applicable to a U.S. Holder that is a corporation. Deductions for capital losses are subject to significant limitations.

Passive Foreign Investment Company Rules Relating to the Ownership of Better Collective Shares

If Better Collective is considered a PFIC at any time during a U.S. Holder's holding period, then certain different and potentially adverse tax consequences would apply to such U.S. Holder's acquisition, ownership and disposition of Better Collective Shares.

PFIC Status of Better Collective

Based on current business plans and financial projections, Better Collective does not expect to be classified as a PFIC for its tax year which includes the day after the Effective Date. The determination of whether Better Collective (or a subsidiary of Better Collective) was, or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether Better Collective (or a subsidiary of Better Collective) will be a PFIC for any tax year depends on the assets and income of Better Collective (and each such subsidiary) over the course of each such tax year and, as a result, cannot be predicted with certainty as of the date of this document. Accordingly, there can be no assurance that the IRS will not challenge any determination made by Better Collective (or any subsidiary) concerning its PFIC status or that Better Collective (or any subsidiary) was not, or will not be, a PFIC for any tax year. U.S. Holders are urged to consult their own tax advisors regarding the PFIC status of Better Collective and any subsidiary of Better Collective.

Under certain attribution rules, if Better Collective is a PFIC, U.S. Holders will be deemed to own their proportionate share of any subsidiary of Better Collective which is also a PFIC (a "**Subsidiary PFIC**"), and will be subject to U.S. federal income tax on (a) a distribution on the shares of a Subsidiary PFIC and (b) a disposition of shares of a Subsidiary PFIC, both as if the U.S. Holder directly held the shares of such Subsidiary PFIC.

Default PFIC Rules under Section 1291 of the Code

If Better Collective is a PFIC, the U.S. federal income tax consequences to a U.S. Holder of the acquisition, ownership and disposition of Better Collective Shares will depend on whether such U.S. Holder makes a "**QEF Election**" within the meaning of Section 1295 of the Code or a "**Mark-to-Market Election**" within the meaning of Section 1296 of the Code with respect to Better Collective Shares. A U.S. Holder that does not make either a QEF Election or a Mark-to-Market Election will be referred to in this section of the summary as a "**Non-Electing U.S. Holder.**"

If Better Collective is a PFIC, a Non-Electing U.S. Holder will be subject to the rules of Section 1291 of the Code with respect to (a) any gain recognized on the sale or other taxable disposition of Better Collective Shares and (b) any excess distribution paid on the Better Collective Shares. A distribution generally will be an "excess distribution" to the extent that such distribution (together with all other distributions received in the current tax year) exceeds 125% of the average distributions received during the three preceding tax years (or during a U.S. Holder's holding period for the Better Collective Shares, if shorter).

If Better Collective is a PFIC, under Section 1291 of the Code any gain recognized on the sale or other taxable disposition of Better Collective Shares (including an indirect disposition of shares of a Subsidiary PFIC), and any excess distribution paid on Better Collective Shares (or a distribution by a Subsidiary PFIC to its shareholder that is deemed to be received by a U.S. Holder) must be ratably allocated to each day of a Non-Electing U.S. Holder's holding period for the Better Collective Shares. The amount of any such gain or excess distribution allocated to the tax year of disposition or excess distribution and to years before Better Collective became a PFIC, if any, would be taxed as ordinary income. The amounts allocated to any other tax year would be subject to U.S. federal income tax at the highest tax rate applicable to ordinary income in each such year, and an interest charge would be imposed on the tax liability for each such year, calculated as if such tax liability had been due in each such year. A Non-Electing U.S. Holder that is not a corporation must treat any such interest paid as "personal interest", which is not deductible.

If Better Collective is a PFIC for any tax year during which a Non-Electing U.S. Holder holds Better Collective Shares, Better Collective will continue to be treated as a PFIC with respect to such Non-Electing U.S. Holder, regardless of whether Better Collective ceases to be a PFIC in one or more subsequent years. If Better Collective ceases to be a PFIC, a Non-Electing U.S. Holder may terminate this deemed PFIC status with respect to Better Collective Shares by

electing to recognize gain (which will be taxed under the rules of Section 1291 of the Code discussed above) as if such Better Collective Shares were sold on the last day of the last tax year for which Better Collective was a PFIC.

QEF Election

In the event Better Collective is a PFIC and a U.S. Holder makes a timely and effective QEF Election for the first tax year in which its holding period of its Better Collective Shares begins, such U.S. Holder generally will not be subject to the rules of Section 1291 of the Code discussed above with respect to its Better Collective Shares. However, a U.S. Holder that makes a QEF Election will be subject to U.S. federal income tax on a current basis on such U.S. Holder's pro rata share of (a) the net capital gain of Better Collective, which will be taxed as long-term capital gain to such U.S. Holder, and (b) the ordinary earnings of Better Collective, which will be taxed as ordinary income to such U.S. Holder. Generally, "net capital gain" is the excess of (a) net long-term capital gain over (b) net short-term capital gain, and "ordinary earnings" are the excess of (a) "earnings and profits" over (b) net capital gain. A U.S. Holder that makes a QEF Election will generally be subject to U.S. federal income tax on such amounts for each tax year in which Better Collective is a PFIC, regardless of whether such amounts are actually distributed to such U.S. Holder by Better Collective.

U.S. Holders should be aware that, in the event that Better Collective becomes a PFIC, there can be no assurance that Better Collective will supply U.S. Holders with the information and statement that such U.S. Holders require to make a QEF Election. Thus, U.S. Holders should assume that they will not be able to make a QEF Election with respect to their Better Collective Shares. Each U.S. Holder is urged to consult its tax advisor regarding the potential PFIC status of Better Collective and how the PFIC rules (including elections available thereunder) would affect the U.S. federal income tax consequences of the ownership and disposition of Better Collective Shares.

Mark-to-Market Election

If Better Collective is a PFIC, a U.S. Holder may also be able to avoid some of the adverse U.S. tax consequences of PFIC status by making an election to mark its Better Collective Shares to market annually. A U.S. Holder may elect to mark-to-market its Better Collective Shares only if the Better Collective Shares are "marketable stock." Better Collective's Shares will be treated as "marketable stock" if they are regularly traded on a "qualified exchange." A non-U.S. exchange will be treated as a qualified exchange if it is regulated or supervised by a governmental authority in the jurisdiction in which the exchange is located and with respect to which certain other requirements are met. The Better Collective Shares are dual-listed on Nasdaq Stockholm and Nasdaq Copenhagen, which should each be qualified exchanges for this purpose. The Better Collective Shares will be treated as regularly traded in any calendar year in which more than a de minimis quantity of such Shares are traded on at least 15 days during each calendar quarter. There can be no certainty that the Better Collective Shares will be sufficiently traded such as to be treated as regularly traded. A Mark-to-Market Election will not be available with respect to any Subsidiary PFIC.

U.S. Holders are urged to consult their tax advisors regarding the U.S. federal income tax consequences of the PFIC rules. If Better Collective is treated as a PFIC, each U.S. Holder generally will be required to file a separate annual information return with the IRS with respect to Better Collective and any Subsidiary PFIC. A failure to satisfy such reporting requirements may result in an extension of the time period during which the IRS can assess a tax. U.S. Holders are urged to consult their own tax advisors regarding the requirements of filing such information returns under these rules, including the requirement to file an IRS Form 8621.

Additional U.S. Tax Considerations

Foreign Tax Credit

Dividends paid on the Better Collective Shares will be treated as foreign-source income, and generally will be treated as "passive category income" or "general category income" for U.S. foreign tax credit purposes. The Code applies various complex limitations on the amount of foreign taxes that may be claimed as a credit by U.S. taxpayers. In addition, Treasury Regulations that apply to foreign taxes paid or accrued (the "**Foreign Tax Credit Regulations**") impose additional requirements for Canadian or Danish withholding taxes to be eligible for a foreign tax credit, and

there can be no assurance that those requirements will be satisfied. The Treasury Department has recently released guidance temporarily pausing the application of certain of the Foreign Tax Credit Regulations.

Subject to the PFIC rules and the Foreign Tax Credit Regulations, each as discussed above, a U.S. Holder that pays (whether directly or through withholding) Danish income tax with respect to dividends paid on the Better Collective Shares generally will be entitled, at the election of such U.S. Holder, to receive either a deduction or a credit for such Danish income tax paid. Generally, a credit will reduce a U.S. Holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Holder's income that is subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all foreign taxes paid (whether directly or through withholding) by a U.S. Holder during a year. The foreign tax credit rules are complex and involve the application of rules that depend on a U.S. Holder's particular circumstances. Accordingly, each U.S. Holder should consult its own U.S. tax advisor regarding the foreign tax credit rules.

Foreign Currency Considerations

The amount of any distribution paid to a U.S. Holder in foreign currency, or the amount of proceeds paid in foreign currency pursuant to the Arrangement or the exercise of Dissent Rights in connection therewith, generally will be equal to the U.S. dollar value of such foreign currency based on the exchange rate applicable on the date of receipt (regardless of whether such foreign currency is converted into U.S. dollars at that time). A U.S. Holder will have a basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any U.S. Holder who converts or otherwise disposes of the foreign currency after the date of receipt may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, and generally will be U.S. source income or loss for foreign tax credit purposes. Different rules apply to U.S. Holders who use the accrual method of tax accounting. Each U.S. Holder should consult its own tax advisors regarding the U.S. federal income tax consequences of receiving, owning, and disposing of foreign currency.

Information Reporting, Backup Withholding and Other Reporting Requirements

Under certain circumstances, a U.S. Holder may be subject to U.S. information reporting and backup withholding tax (currently, at the rate of 24%) on distributions paid on Better Collective Shares or proceeds from the disposition of Company Shares or Better Collective Shares. Information reporting and backup withholding will not apply, however, to a U.S. Holder that is a corporation or is otherwise exempt from information reporting and backup withholding, provided the U.S. Holder meets applicable certification requirements, including providing a U.S. taxpayer identification number on a properly completed IRS Form W-9, or otherwise establishes an exemption. Backup withholding also will not apply to a U.S. Holder that furnishes a correct taxpayer identification number and certifies on a Form W-9 or successor form, under penalties of perjury, that it is not subject to backup withholding and otherwise complies with the applicable requirements. A U.S. Holder that fails to provide the required information may be subject to penalties imposed by the IRS. However, certain exempt persons generally are excluded from these information reporting and backup withholding rules. Backup withholding is not an additional tax, and any amount withheld under these rules will be allowed as a credit against a U.S. Holder's U.S. federal income tax liability, and may entitle such holder to a refund, if the required information is timely furnished to the IRS. Each U.S. Holder should consult its own tax advisor regarding the information reporting and backup withholding rules.

The foregoing discussion of certain U.S. federal income tax considerations is for general information only and is not intended to constitute a complete analysis of all tax consequences arising from the receipt of cash or Better Collective Shares pursuant to the Arrangement and the ownership and disposition of such Better Collective Shares. U.S. Holders are urged to consult their own tax advisors concerning the tax consequences applicable to their particular situations.

THE PRECEDING DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY AND IS NOT LEGAL OR TAX ADVICE. EACH HOLDER IS ENCOURAGED TO CONSULT ITS OWN TAX ADVISOR AS TO PARTICULAR TAX CONSEQUENCES RELATING TO THE ARRANGEMENT, INCLUDING THE APPLICABILITY AND EFFECT OF ANY U.S. FEDERAL, STATE, LOCAL OR FOREIGN TAX LAWS.

RISK FACTORS

The following risk factors should be considered by Company Shareholders in evaluating whether to approve the Arrangement Resolution. These risk factors should be considered in conjunction with the other information contained in or incorporated by reference into this Circular. These risk factors relate to the Arrangement. For information on risks and uncertainties relating to the business of Playmaker, see “Information Relating to Playmaker – Risk Factors” and for information on risks and uncertainties relating to the business of Better Collective, see “Information Relating to Better Collective”.

Risks Related to the Arrangement

Conditions Precedent to Closing of the Arrangement

The completion of the Arrangement is subject to a number of conditions precedent, some of which are outside Playmaker’s control, including receipt of the Final Order, receipt of Company Shareholder Approval, and receipt of the Key Regulatory Approvals.

In addition, the completion of the Arrangement by Better Collective is conditional on, among other things, there being no Company Material Adverse Effect that has not been cured. The completion of the Arrangement by Playmaker is conditional on, among other things, there being no Purchaser Material Adverse Effect that has not been cured.

There can be no certainty, nor can Playmaker provide any assurance, that all conditions precedent to the Arrangement will be satisfied or waived, or, if satisfied or waived, when they will be satisfied or waived and, accordingly, the Arrangement may not be completed. If the Arrangement is not completed, the market price of Company Shares may be adversely affected.

The Key Regulatory Approvals may not be Obtained

To complete the Arrangement, each of Playmaker and Better Collective must make certain filings with and obtain certain consents and approvals from various Governmental Entities. The Company and Better Collective have not yet obtained all of the Key Regulatory Approvals, all of which are conditions precedent to the Arrangement in favour of Better Collective. The regulatory approval processes may take a long period of time to complete, which could delay completion of the Arrangement. There can be no assurance as to the outcome of the approval processes, including the undertakings and conditions that may be required for approval or whether the Regulatory Approvals will be obtained.

Market Price of the Company Shares

If, for any reason, the Arrangement is not completed or its completion is materially delayed and/or the Arrangement Agreement is terminated, the market price of Company Shares may be materially adversely affected. The Company’s business, financial condition or results of operations could also be subject to various material adverse consequences, including that Playmaker would remain liable for costs relating to the Arrangement.

Termination in Certain Circumstances

Each of Playmaker and Better Collective has the right, in certain circumstances, in addition to termination rights relating to the failure to satisfy the conditions of closing, to terminate the Arrangement. Accordingly, there can be no certainty, nor can Playmaker provide any assurance that the Arrangement will not be terminated by either of Playmaker or Better Collective prior to the completion of the Arrangement. In addition, if the Arrangement is not completed by the Outside Date, subject to extension thereof in accordance with the Arrangement Agreement, either Playmaker or Better Collective may choose to terminate the Arrangement Agreement. The Arrangement Agreement also includes a Termination Fee and subscription obligation that are enforceable if the Arrangement Agreement is terminated in certain circumstances.

The Termination Fee may discourage other parties from attempting to acquire Playmaker

Under the Arrangement Agreement, Playmaker would be required to pay the Termination Fee, being \$5,000,000, in the event the Arrangement Agreement is terminated in certain circumstances. The Termination Fee may discourage other parties from attempting to acquire Company Shares or otherwise make an Acquisition Proposal to Playmaker, even if those parties would otherwise be willing to offer greater value to Company Shareholders than that offered by Better Collective under the Arrangement.

Uncertainty Surrounding the Arrangement

As the Arrangement is dependent upon receipt, among other things, of the Key Regulatory Approvals and satisfaction of certain other conditions, completion of the Arrangement is uncertain. If the Arrangement is not completed for any reason, there are risks that the announcement of the Arrangement and the dedication of Playmaker's resources to the completion thereof could have a negative impact on Playmaker's relationships with its stakeholders and could have a material adverse effect on the current future operations, financial condition and prospects of Playmaker.

In addition, Playmaker may incur significant transaction expenses in connection with the Arrangement, regardless of whether the Arrangement is completed.

The Company is subject to customary non-solicitation provisions under the Arrangement Agreement. The Arrangement Agreement also restricts Playmaker from taking specified actions until the Arrangement is completed without the consent of Better Collective. These restrictions may prevent Playmaker from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement.

Risks Associated with Fixed Share Consideration

The share portion of the Consideration is fixed and will not increase or decrease due to fluctuations in the market price of Better Collective Shares or Company Shares. The market price of Better Collective Shares or Company Shares could each fluctuate significantly prior to the Effective Date in response to various factors and events, including, without limitation, as a result of the differences between Better Collective's and Playmaker's actual financial or operating results and those expected by investors and analysts, changes in analysts' projections or recommendations, changes in general economic or market conditions, and broad market fluctuations. As a result of such fluctuations, historical market prices are not indicative of future market prices or the market value of the Better Collective Shares that holders of Company Shares may receive on the Effective Date. There can be no assurance that the market value of the Better Collective Shares that Company Shareholders may receive on the Effective Date will equal or exceed the market value of the Company Shares held by such Company Shareholders prior to the Effective Date. Similarly, there can be no assurance that the trading price of Better Collective Shares will not decline following the completion of the Arrangement.

The Arrangement may divert the attention of management

The Arrangement could cause the attention of the Company's management to be diverted from the day-to-day operations of the Company. These disruptions could be exacerbated by any delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of the Company.

Executive officers may have interests and arrangements that may be different from, or in addition to, those of Company Shareholders generally

In considering the recommendation of the Company Board to vote in favour of the Arrangement Resolution, Company Shareholders should be aware that certain officers of the Company may have agreements or arrangements that provide them with interests in the Arrangement that differ from, or are in addition to, those of Company Shareholders, generally.

The foregoing risks or other risks arising in connection with the failure of the Arrangement may have a material adverse effect on Playmaker's business operations, financial results and share price.

Risks Related to Better Collective Following Completion of the Arrangement

The business and operations of Better Collective will be subject to the same risks described in this Circular and in the documents of Better Collective and Playmaker incorporated by reference in this Circular. See “Information Relating to Better Collective” and “Information Relating to Playmaker – Risk Factors”.

Following completion of the Arrangement, Better Collective’s business, financial condition, results of operations and cash flows could be materially adversely affected by any of these risks. The market or trading price of the Better Collective Shares could decline due to any of these risks. Additional risks not presently known to Better Collective or that Better Collective currently deems immaterial may also impair Better Collective’s business and operations. In addition to risks associated with Better Collective and Playmaker’s respective business and operations, the following additional risks are associated with Better Collective following completion of the Arrangement.

The issuance and future sale of Better Collective Shares could affect their market price

Better Collective proposes to issue up to 1,757,450 new Better Collective Shares in connection with the Arrangement, assuming there are no Dissenting Shareholders. Following the issuance of the new Better Collective Shares pursuant to the Arrangement, up to 56,981,387 Better Collective Shares will be issued and outstanding on a fully diluted basis (of which 3,145,120, or approximately 5.5% on a fully diluted basis, will be held by Company Shareholders). The issuance of these shares, and the sale of Better Collective Shares in the public market from time to time, could depress the market price for Better Collective Shares.

The Better Collective Shares to be received by Company Shareholders as a result of the Arrangement will have different rights from the Company Shares

Better Collective is a Danish corporation. The Company is a company incorporated in Ontario and existing under the OBCA. Upon completion of the Arrangement, Company Shareholders will become Better Collective Shareholders and their rights as shareholders will be governed by the Better Collective Articles of Association. Certain of the rights associated with Better Collective Shares under the Danish Companies Act are different from the rights associated with Company Shares under the OBCA. See “Comparison of Rights of Company Shareholders and Better Collective Shareholders” in Appendix “I” to this Circular for a discussion of the different rights associated with Better Collective Shares.

Enforcement of Rights Against Better Collective in Canada

Better Collective is located outside Canada and, following the Effective Time, all of its directors, officers and experts are expected to reside outside of Canada. Accordingly, it may not be possible for Better Collective Shareholders to effect service of process within Canada upon Better Collective or its directors, officers or experts, or to enforce judgments obtained in Canadian courts against Better Collective or its directors, officers or experts.

Certain contractual counterparties may seek to modify contractual relationships with Playmaker or Better Collective upon completion of the Arrangement, which could have an adverse effect on Playmaker or Better Collective’s business and operations following closing of the Arrangement

As a result of the Arrangement, Better Collective and Playmaker may experience impacts on relationships with contractual counterparties (such as business partners, customers, vendors or other third party service providers) that may harm their business and results of operations. Certain counterparties may seek to terminate or modify contractual obligations following the mergers whether or not contractual rights are triggered as a result of the mergers. There can be no guarantee that Better Collective’s or Playmaker’s contractual counterparties will remain with or continue to have a relationship with the companies or do so on the same or similar contractual terms following the Arrangement. If any contractual counterparties (such as business partners, vendors or other third party service providers) seek to terminate or modify contractual obligations or discontinue the relationship with Playmaker or Better Collective, then their business and results of operations may be harmed.

Risks Related to the Better Collective Shares

For a discussion of the risk factors relating to the Better Collective Shares, please see the section entitled “Risk Factors” in Appendix “F” to this Circular.

RIGHTS OF DISSENTING COMPANY SHAREHOLDERS

The following is a summary of the provisions of the OBCA, as modified by the Plan of Arrangement and the Interim Order, relating to a Registered Company Shareholder’s Dissent Rights in respect of the Arrangement Resolution. Such summary is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of its Company Shares and is qualified in its entirety by reference to the full text of Section 185 of the OBCA, which is attached to this Circular as Appendix “J”, as modified by the Plan of Arrangement and the Interim Order.

The statutory provisions dealing with the right of dissent are technical and complex. Any Dissenting Shareholder should seek independent legal advice, as failure to comply strictly with the provisions of Section 185 of the OBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss of any Dissent Rights.

The Interim Order expressly provides registered holders of Company Shares with the right to dissent with respect to the Arrangement Resolution. Each Dissenting Shareholder is entitled to be paid the fair value (determined as of the close of business on the day before the Arrangement Resolution was adopted at the Meeting) of all, but not less than all, of the holder’s Company Shares, provided that the holder duly dissents to the Arrangement Resolution and the Arrangement becomes effective. **It is a condition to completion of the Arrangement in favour of Better Collective, that Dissent Rights have not been exercised (or, if exercised, remain unwithdrawn) with respect to more than five percent of the issued and outstanding Company Shares. See “The Arrangement Agreement”.**

In many cases, Company Shares beneficially owned by a holder are registered either (a) in the name of an Intermediary that the Beneficial Company Shareholder deals with in respect of such shares, or (b) in the name of a depository, such as CDS, of which the Intermediary is a participant. Accordingly, a Beneficial Company Shareholder will not be entitled to exercise his, her or its rights of dissent directly (unless the Company Shares are reregistered in the Beneficial Company Shareholder’s name).

With respect to Company Shares in connection to the Arrangement, pursuant to the Interim Order, a Registered Company Shareholder may exercise rights of dissent under Section 185 of the OBCA, as modified by the Plan of Arrangement and the Interim Order; provided that the written objection to the Arrangement Resolution must be received from Company Shareholders who wish to dissent by Playmaker with a copy to Playmaker’s counsel not later than 5:00 p.m. (Toronto time) on January 18, 2024, being two Business Days immediately prior to the date of the Meeting (or if the Meeting is postponed or adjourned, two Business Days prior to the date of the postponed or adjourned Meeting). The Company’s address for such purpose is Playmaker Capital Inc. c/o Goodmans LLP, 3400 333 Bay Street, Toronto, ON M5H 2S7 Attention: Brandon Hoffman.

To exercise Dissent Rights, a Company Shareholder must dissent with respect to all Company Shares of which it is the registered and beneficial owner. A Registered Company Shareholder who wishes to dissent must deliver written notice of dissent to Playmaker as set forth above and such notice of dissent must strictly comply with the requirements of Section 185 of the OBCA. **Any failure by a Company Shareholder to fully comply with the provisions of the OBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss of that holder’s Dissent Rights.** Beneficial Company Shareholders who wish to exercise Dissent Rights must cause the Registered Company Shareholder holding their Company Shares to deliver the notice of dissent.

To exercise Dissent Rights, a Registered Company Shareholder must prepare a separate notice of dissent for him, her or itself, if dissenting on his, her or its own behalf, and for each other Beneficial Company Shareholder who beneficially owns Company Shares registered in the Company Shareholder’s name and on whose behalf the Company Shareholder is dissenting; and, if dissenting on its own behalf, must dissent with respect to all of the Company Shares registered in his, her or its name or if dissenting on behalf of a Beneficial Company Shareholder, with respect to all

of the Company Shares registered in his, her or its name and beneficially owned by the Beneficial Company Shareholder on whose behalf the Company Shareholder is dissenting. The notice of dissent must set out the number of Company Shares in respect of which the Dissent Rights are being exercised (the “**Notice Shares**”) and: (a) if such Company Shares constitute all of the Company Shares of which the Company Shareholder is the registered and beneficial owner and the Company Shareholder owns no other Company Shares beneficially, a statement to that effect; (b) if such Company Shares constitute all of the Company Shares of which the Company Shareholder is both the registered and beneficial owner, but the Company Shareholder owns additional Company Shares beneficially, a statement to that effect and the names of the Registered Company Shareholders of those other Company Shares, the number of Company Shares held by each such Registered Company Shareholder and a statement that written notices of dissent are being or have been sent with respect to such other Company Shares; or (c) if the Dissent Rights are being exercised by a Registered Company Shareholder who is not the beneficial owner of such Company Shares, a statement to that effect and the name and address of the Beneficial Company Shareholder and a statement that the Registered Company Shareholder is dissenting with respect to all Company Shares of the Beneficial Company Shareholder registered in such registered holder’s name.

A vote against the Arrangement Resolution does not constitute a notice of dissent and a Registered Company Shareholder is not entitled to exercise Dissent Rights with respect to Company Shares if such holder votes (or instructs, or is deemed, by submission of any incomplete proxy, to have instructed his, her or its proxyholder, to vote) or in the case of a Beneficial Company Shareholder caused, or is deemed to have caused, the Registered Company Shareholder to vote, in favour of the Arrangement Resolution at the Meeting.

If the Arrangement Resolution is approved, and Playmaker notifies a registered holder of Notice Shares of Playmaker’s intention to act upon the Arrangement Resolution pursuant to Section 185(8) of the OBCA, in order to exercise Dissent Rights, such Company Shareholder must, within twenty days after Playmaker gives such notice, send to Playmaker a written notice that such holder requires the purchase of all of the Notice Shares in respect of which such holder has given notice of dissent. Not later than thirty days after sending the notice described in the preceding sentence, the Dissenting Shareholder must send Playmaker the certificate or certificates representing those Notice Shares, whereupon, subject to the provisions of the OBCA relating to the termination of Dissent Rights, the Company Shareholder becomes a Dissenting Shareholder, and is bound to sell and Better Collective is bound to purchase those Company Shares. Such Dissenting Shareholder may not vote, or exercise or assert any rights of a Company Shareholder in respect of such Notice Shares, other than the rights set forth in Section 185 of the OBCA, as modified by the Plan of Arrangement and the Interim Order.

Dissenting Shareholders who are:

1. ultimately entitled to be paid fair value for their Company Shares, will be paid an amount equal to such fair value by the Purchaser, and will be deemed to have transferred such Company Shares as of the Effective Time to the Purchaser, without any further act or formality, and free and clear of all liens, claims and encumbrances and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement if such Dissenting Shareholder had not exercised its Dissent Rights in respect of such Company Shares; or
2. ultimately not entitled, for any reason, to be paid fair value for their Company Shares, will be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-Dissenting Shareholder who did not deposit with the Depositary a duly completed Letter of Transmittal and Election Form prior to the Election Deadline and will be entitled to receive the Consideration from the Purchaser in the same manner as such non-Dissenting Shareholder.

If a Dissenting Shareholder is ultimately entitled to be paid by the Purchaser for their Notice Shares, such Dissenting Shareholder may enter an agreement with the Purchaser for the fair value of such Notice Shares. If such Dissenting Shareholder does not reach an agreement with the Purchaser, such Dissenting Shareholder, or the Purchaser, may apply to the Court, and the Court may:

1. determine the payout value of the Notice Shares, or order that the payout value of the Notice Shares be established by arbitration or by reference to the registrar, or a referee, of the Court;

2. join in the application of each Dissenting Shareholder who has not agreed with Playmaker on the amount of the payout value of the Notice Shares; and
3. make consequential orders and give directions as the Court considers appropriate.

There is no obligation on the Purchaser to make application to the Court. The Dissenting Shareholder will be entitled to receive the fair value that the Notice Shares had as of the close of business on the day before the Arrangement Resolution was adopted at the Meeting, excluding any appreciation or depreciation in anticipation of the vote (unless such exclusion would be inequitable). After a determination of the fair value of the Notice Shares, the Purchaser must then promptly pay that amount to the Dissenting Shareholder.

In no circumstances will Better Collective, Playmaker or any other Person be required to recognize a Person as a Dissenting Shareholder: (i) unless such Person is the registered holder of those Company Shares in respect of which Dissent Rights are sought to be exercised immediately prior to the Effective Time; (ii) if such Person has voted or instructed a proxy holder to vote such Notice Shares in favour of the Arrangement Resolution; or (iii) unless such Person has strictly complied with the procedures for exercising Dissent Rights set out in Section 185 of the OBCA, as modified by the Plan of Arrangement and the Interim Order and does not withdraw such notice of dissent prior to the Effective Time.

In no event will Better Collective, Playmaker or any other Person be required to recognize a Dissenting Shareholder as the holder of any Company Share in respect of which Dissent Rights have been validly exercised and not withdrawn at and after the Effective Time, and at the Effective Time the names of such Dissenting Shareholders will be deleted from the central securities register of Playmaker as at the Effective Time.

For greater certainty, in addition, to any other restrictions in the Interim Order, no Person will be entitled to exercise Dissent Rights with respect to Company Shares in respect of which a Person has voted or has instructed a proxy holder to vote in favour of the Arrangement Resolution. Holders of Company Options and Company RSUs are not entitled to Dissent Rights.

Dissent Rights with respect to Notice Shares will terminate and cease to apply to the Dissenting Shareholder if, before full payment is made for the Notice Shares, the Arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed, a court permanently enjoins or sets aside the corporate action approved by the Arrangement Resolution, the Dissenting Shareholder votes in favour of the Arrangement Resolution, or the Dissenting Shareholder withdraws the notice of dissent with Playmaker's written consent. If any of these events occur, Playmaker must return the share certificates representing the Company Shares to the Dissenting Shareholder and the Dissenting Shareholder regains the ability to vote and exercise its rights as a Company Shareholder.

The discussion above is only a summary of the Dissent Rights, which are technical and complex. **A Company Shareholder who intends to exercise Dissent Rights must strictly adhere to the procedures established in Section 185 of the OBCA, as modified by the Plan of Arrangement and the Interim Order, and failure to do so may result in the loss of any Dissent Rights.** Persons who are beneficial shareholders of Company Shares registered in the name of an Intermediary, or in some other name, who wish to exercise Dissent Rights should be aware that only the registered owner of such Company Shares is entitled to dissent.

Accordingly, each Company Shareholder wishing to avail himself, herself or itself of the Dissent Rights should carefully consider and comply with the provisions of the Interim Order and Section 185 of the OBCA, which are attached to this Circular as Appendix "C" and Appendix "J", respectively, and seek his, her or its own legal advice.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Circular, no "informed person" (as defined in NI 51-102) of Playmaker, nor any proposed director of Playmaker nor any associate or affiliate of any such informed person or proposed director, had any material interest, direct or indirect, in any transaction since the commencement of Playmaker's most recently

completed financial year or in any proposed transaction which has materially affected or would materially affect Playmaker or any of its Subsidiaries. See “The Arrangement – Interests of Certain Parties in the Arrangement”.

INTERESTS OF EXPERTS, CERTAIN PERSONS AND COMPANIES

The following persons and companies have prepared certain sections of this Circular and/or Appendices attached hereto as described below, or are named as having prepared or certified a report, statement or opinion in or incorporated by reference in this Circular.

Name of Person or Company	Nature of Relationship
Canaccord Genuity ⁽¹⁾	Authors responsible for the preparation of the Fairness Opinion
MNP LLP ⁽¹⁾	Auditors of Playmaker
EY Godkendt Revisionspartnerselskab ⁽²⁾	Auditors of Better Collective

Notes:

- (1) To the knowledge of Playmaker, none of the persons or companies so named above (or any of the designated professionals thereof) held securities representing more than 1% of all issued and outstanding Company Shares as at the date of the statement, report or valuation in question, and none of the persons above is or is expected to be elected, appointed or employed as a director, officer or employee of Playmaker or of any associate or affiliate of Playmaker.
- (2) EY Godkendt Revisionspartnerselskab, located at Dirch Passers Allé 36, DK-2000 Frederiksberg, Denmark, are the auditors of Better Collective and are independent with respect to Better Collective in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and have fulfilled other ethical responsibilities in accordance with these requirements and the IESBA Code. EY Godkendt Revisionspartnerselskab were re-appointed as auditors of Better Collective on April 25, 2023.

EXPENSES OF THE ARRANGEMENT

The Company estimates that expenses in the aggregate amount of approximately \$4.5 million will be incurred by Playmaker in connection with the Arrangement, including legal, financial advisory, accounting, filing fees and costs, the cost of preparing, printing and mailing costs associated with this Circular and fees in respect of the Fairness Opinion. Except as otherwise expressly provided in the Arrangement Agreement, the parties to the Arrangement Agreement agreed that all out-of-pocket expenses of the parties incurred in connection with the Arrangement or the transactions contemplated thereby are to be paid by the party incurring such expenses.

ADDITIONAL INFORMATION

Additional information, including (without limitation) financial information, is contained in Playmaker’s consolidated financial statements as at and for the years ended December 31, 2022 and 2021, management’s discussion and analysis of financial condition and results of operations of Playmaker for the years ended December 31, 2022 and 2021, management’s discussion and analysis of financial condition and results of operations of Playmaker for the three and nine months ended September 30, 2023 and the annual information form of Playmaker dated March 31, 2023 for the year ended December 31, 2022. Additional information relating to Playmaker is available on SEDAR+ at www.sedarplus.ca. Company Shareholders can contact Playmaker at mike@playmaker.fans to request copies of Playmaker’s consolidated financial statements and as at and for the years ended December 31, 2022 and 2021 and the annual information form of Playmaker dated March 31, 2023 for the year ended December 31, 2022.

Pursuant to NI 51-102, Playmaker is required to annually send a request form to registered holders and beneficial owners of Playmaker’s securities, other than debt securities, that such registered holders and beneficial owners may use to request a copy of Playmaker’s annual financial statements and management’s discussion and analysis, interim financial statements and management’s discussion and analysis, or both. Registered holders and beneficial owners should review the request form carefully. Copies of these documents can also be found on SEDAR+ at www.sedarplus.ca.

Better Collective files annual, quarterly and current reports, proxy statements and other information with the Danish Financial Supervisory Authority. Better Collective makes such documents available on its website at www.bettercollective.com. Better Collective's company announcements, together with other regulatory information required by law, are also filed with the Danish Financial Supervisory Authority and such filings are available on the Danish Financial Supervisory Authority's database for company announcements <https://oam.finanstilsynet.dk/#/>. After completion of the arrangement, Better Collective will file on SEDAR+ copies of all documents and company announcements Better Collective is required to file with the Danish Financial Supervisory Authority, Nasdaq Stockholm or Nasdaq Copenhagen, make publicly available on its website or send to its securityholders under applicable Danish and Swedish disclosure requirements. In addition, for purposes of this Circular, the annual reports of Better Collective for the years ended December 31, 2022, December 31, 2021 and December 31, 2020, and the interim report of Better Collective for the nine month period ended September 30, 2023, have been filed by Playmaker on its SEDAR+ profile at www.sedarplus.ca under "Other Documents".

APPROVAL OF THIS MANAGEMENT INFORMATION CIRCULAR

The contents and the provision of this Circular have been approved by the board of directors of Playmaker Capital Inc.

DATED this 15th day of December, 2023.

(signed) "Jordan Gnat"

Jordan Gnat, Director and Chief Executive Officer,
on behalf of the board of directors of Playmaker Capital Inc.

CONSENT OF CANACCORD GENUITY

To: The Board of the Directors of Playmaker Capital Inc.

We refer to the management information circular dated December 15, 2023 (the “**Circular**”) with respect to the arrangement pursuant to the *Business Corporations Act* (Ontario) involving, among other things, the acquisition by Better Collective A/S of all of the outstanding shares of Playmaker Capital Inc. (the “**Company**”). We consent to the inclusion in the Circular of our fairness opinion dated November 6, 2023 (the “**Fairness Opinion**”) to the Company and to the references to our firm name and our Fairness Opinion in the Circular.

Yours truly,

(signed) “Canaccord Genuity Corp.”

Canaccord Genuity Corp.
Toronto, Ontario
December 15, 2023

APPENDIX "A"
PLAN OF ARRANGEMENT

(See attached.)

PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT UNDER SECTION 182 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)

ARTICLE 1 INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

“Affected Securities” means, collectively, the Company Common Shares, Company Options, Company RSUs, Company PSUs and Company DSUs.

“Affected Securityholders” means, collectively, the Company Shareholders, the Company Optionholders, the holders of Company RSUs, the holders of Company PSUs and the holders of Company DSUs.

“All Cash Consideration” means \$0.70 in cash for each Company Common Share (other than a Rollover Share), subject to adjustment in the manner and in the circumstances contemplated in Section 2.11 of the Arrangement Agreement.

“All Share Consideration” means 0.0206 of a Purchaser Share for each Company Common Share (other than a Rollover Share), subject to adjustment in the manner and in the circumstances contemplated in Section 2.11 of the Arrangement Agreement.

“Arrangement” means an arrangement under Section 182 of the OBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and Section 5.1 or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

“Arrangement Agreement” means the arrangement agreement made as of November 6, 2023 between the Company and the Purchaser (including the Schedules thereto) as it may be amended, modified or supplemented from time to time in accordance with its terms, together with the Company Disclosure Letter.

“Arrangement Resolution” means the special resolution approving the Arrangement to be considered at the Company Meeting by the Company Shareholders, substantially in the form set out in Schedule B to the Arrangement Agreement.

“Articles of Arrangement” means the articles of arrangement of the Company in respect of the Arrangement required by the OBCA to be sent to the Director after the Final Order is made, which shall include this Plan of Arrangement and otherwise be in a form and substance satisfactory to the Company and the Purchaser, each acting reasonably.

“BC Share Instruction Form” has the meaning specified in Section 4.1(c).

“Board Nomination Agreement” means the board nomination agreement dated May 31, 2021 between the Company and Relay Ventures Fund III L.P., Relay Ventures Parallel Fund III L.P., Jordan Gnat and JPG Investments Inc.

“Business Day” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario or Copenhagen, Denmark.

“Canadian Securities Laws” means the *Securities Act* (Ontario) and any other applicable provincial securities Laws.

“Cash Consideration” means \$0.245 for each Company Common Share (other than a Rollover Share), subject to adjustment in the manner and in the circumstances contemplated in Section 2.11 of the Arrangement Agreement.

“Cash Electing Shareholder” means a Company Shareholder that has validly elected to receive the All Cash Consideration in accordance with Section 2.4.

“Cash Election” has the meaning specified in Section 2.4(a).

“Cash Election Share” means each Company Common Share (other than a Rollover Share) in respect of which a Company Shareholder has made a valid Cash Election in accordance with Section 2.4.

“Cash Pro-Ration Factor” means the fraction, rounded to six decimal places, the numerator of which is the Maximum Cash Consideration and the denominator of which is the Total Elected Cash Consideration.

“Certificate of Arrangement” means the certificate of arrangement to be issued by the Director pursuant to subsection 183(2) of the OBCA in respect of the Articles of Arrangement.

“Combination Consideration” means consideration per Company Common Share (other than a Rollover Share) consisting of the Cash Consideration and the Share Consideration.

“Combination Electing Share” means each Company Common Share (other than a Rollover Share) in respect of which a Company Shareholder has made a valid Combination Election or is deemed to have made a Combination Election in accordance with Section 2.4.

“Combination Electing Shareholder” means a Company Shareholder that has validly elected or is deemed to have elected to receive the Combination Consideration in accordance with Section 2.4.

“Combination Election” has the meaning specified in Section 2.4(c).

“Company” means Playmaker Capital Inc., a corporation incorporated under the provincial laws of Ontario.

“Company Circular” means the notice of the Company Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to Company

Shareholders in connection with the Company Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement.

“Company Common Shares” means the common shares in the capital of the Company.

“Company DSU” means each deferred share unit granted under and pursuant to the Company Incentive Plan which is issued and outstanding immediately prior to the Effective Time.

“Company Incentive Plans” means, collectively, (i) the Company’s Omnibus Equity Incentive Plan dated February 8, 2022, as may be amended from time to time, (ii) the Company’s Stock Option Plan dated May 26, 2021, and (iii) the Company’s Stock Option Plan dated January 1, 2020, and **“Company Incentive Plan”** means any one of them, as the context requires.

“Company Meeting” means the special meeting of Company Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the Company Circular and agreed to in writing by the Purchaser.

“Company Option” means each option to purchase a Company Common Share granted under and pursuant to the Company Incentive Plans which is issued and outstanding immediately prior to Effective Time.

“Company Optionholder” means each holder of a Company Option.

“Company PSU” means each performance share unit granted under and pursuant to the Company Incentive Plan which is issued and outstanding immediately prior to Effective Time.

“Company RSU” means each restricted share unit granted under and pursuant to the Company Incentive Plan which is issued and outstanding immediately prior to Effective Time.

“Company Shareholders” means the registered or beneficial holders of the Company Common Shares, as the context requires.

“Consideration Shares” means the Purchaser Shares to be issued as part of the consideration pursuant to the Arrangement.

“Court” means the Ontario Superior Court of Justice (Commercial List), or other court as applicable.

“Danish Securities Laws” means, collectively, (i) the Danish Capital Markets Act, Consolidated Act No. 41 of January 13, 2023, as amended, (ii) the Market Abuse Regulation, consolidated Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, and (iii) the Nasdaq Nordic Main Market Rulebook for Issuer of Shares effective February 1, 2021, as supplemented by Supplement A effective October 1, 2021 and Supplement D effective January 12, 2023, each supplement to the extent applicable to the Purchaser, as each may be amended from time to time.

“Depository” means Odyssey Trust Company or such other Person as the Purchaser may appoint to act as depository in relation to the Arrangement, with the approval of the Company, acting reasonably.

“Director” means the Director appointed pursuant to section 278 of the OBCA.

“Dissent Rights” has the meaning specified in Section 3.1.

“Dissenting Holder” means a registered Company Shareholder as of the record date for the Company Meeting who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and who is ultimately determined to be entitled to be paid the fair value of its Company Common Shares, but only in respect of the Company Common Shares in respect of which Dissent Rights are validly exercised by such registered Company Shareholder.

“Effective Date” means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

“Effective Time” means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

“Election Deadline” means 5:00 p.m. (Toronto time) two Business Days prior to the Company Meeting.

“Final Order” means the final order of the Court made pursuant to section 182 of the OBCA, after being informed of the intention to rely upon the Section 3(a)(10) Exemption and similar exemptions from applicable securities laws of any state of the United States with respect to the issuance of the Consideration Shares to be issued pursuant to the Arrangement, in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal.

“Governmental Entity” means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange or any law enforcement authority or agency.

“Interim Order” means the interim order of the Court made pursuant to section 182 of the OBCA in a form acceptable to the Company and the Purchaser, each acting reasonably, after being informed of the intention to rely upon the Section 3(a)(10) Exemption and similar exemptions from applicable securities laws of any state of the United States with respect to the issuance of the Consideration Shares to be issued pursuant to the Arrangement, providing for, among other things, the calling and holding of the Company Meeting, as such order may be amended by the Court with the consent of the Company and the Purchaser, each acting reasonably.

“Intermediary” has the meaning specified in Section 4.1(c)

“Law” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, notice, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended, and, for greater certainty, includes Canadian Securities Laws, U.S. Securities Laws and Danish Securities Laws.

“Lien” means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, right of way, easement, option, right of first refusal or first offer, occupancy right, lease, servitude, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute, and excludes non-exclusive licenses of Intellectual Property granted in the Ordinary Course to and by the Company.

“Letter of Transmittal and Election Form” means the letter of transmittal and election form sent to registered holders of Company Common Shares for use in connection with the Arrangement.

“Maximum Cash Consideration” has the meaning specified in Section 2.5(a).

“Maximum Share Consideration” has the meaning specified in Section 2.6(a).

“Non-Responding Shareholders” has the meaning specified in Section 4.1(c).

“OBCA” means the *Business Corporations Act* (Ontario).

“Parties” means, collectively, the Company and the Purchaser and **“Party”** means any one of them.

“Person” includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

“Plan of Arrangement” means this plan of arrangement proposed under Section 182 of the OBCA, and any amendments or variations hereto made in accordance with the Arrangement Agreement and Section 5.1 or made at the direction of the Court in accordance with the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

“Post-Closing Instruction Period” has the meaning specified in Section 4.1(c).

“Purchaser” means Better Collective A/S, a corporation existing under the laws of the Kingdom of Denmark.

“Purchaser Shares” means shares in the capital of the Purchaser, each with a nominal value of EUR 0.01.

“Purchaser Share Market Price” means the volume weighted average trading price of the Purchaser Shares on the Nasdaq Stockholm as displayed under the VWAP function on the

“BETCO SS EQUITY” Bloomberg page (or its equivalent successor if such page is not available) on each of the five consecutive trading days immediately before the Effective Date (as adjusted as appropriate to reflect any stock splits, stock dividends, combinations, reorganizations, reclassifications or similar events).

“**Rollover Agreement**” means the agreement entered into between the Purchaser and the Rollover Shareholders for the transfer of Rollover Shares to the Purchaser in connection with and pursuant to the Arrangement.

“**Rollover Consideration**” means the consideration described in the Rollover Agreement and payable to a Rollover Shareholder for the transfer of such Rollover Shareholder’s Rollover Shares.

“**Rollover Shareholders**” means, collectively, JPG Investments Inc. and Jordan Gnat.

“**Rollover Shares**” means the Company Common Shares held by a Rollover Shareholder that are to be transferred to the Purchaser for the Rollover Consideration as contemplated by the Rollover Agreement.

“**Section 3(a)(10) Exemption**” means the exemption from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof.

“**Share Consideration**” means 0.0134 of a Purchaser Share for each Company Common Share (other than a Rollover Share), subject to adjustment in the manner and in the circumstances contemplated in Section 2.11 of the Arrangement Agreement.

“**Share Election**” has the meaning specified in Section 2.4(b).

“**Share Election Share**” means each Company Common Share in respect of which a Company Shareholder has made a valid Share Election in accordance with Section 2.4.

“**Share Electing Shareholder**” means a Company Shareholder that has validly elected to receive the All Share Consideration in accordance with Section 2.4.

“**Share Pro-Ration Factor**” means the fraction, rounded to six decimal places, the numerator of which is the Maximum Share Consideration and the denominator of which is the Total Elected Share Consideration.

“**Stifel**” has the meaning specified in Section 4.1(c).

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Total Elected Cash Consideration**” has the meaning specified in Section 2.5(b).

“**Total Elected Share Consideration**” has the meaning specified in Section 2.6(b).

“**TSXV**” means the TSX Venture Exchange.

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“U.S. Securities Laws” means the U.S. Securities Act and all other applicable U.S. federal securities laws.

“United States” means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

1.2 Certain Rules of Interpretation

In this Plan of Arrangement, unless otherwise specified:

- (1) **Headings, etc.** The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement.
- (2) **Currency.** All references to dollars or to \$ are references to Canadian dollars, unless specified otherwise.
- (3) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (4) **Certain Phrases, etc.** The words (i) “including”, “includes” and “include” mean “including (or includes or include) without limitation,” (ii) “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of,” and (iii) unless stated otherwise, “Article”, “Section”, and “Schedule” followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Plan of Arrangement.
- (5) **Statutes.** Any reference to a statute refers to such statute and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.
- (6) **Computation of Time.** If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.
- (7) **Time References.** References to time herein or in any Letter of Transmittal and Election Form are to local time, Toronto, Ontario.

ARTICLE 2 THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, is subject to the provisions of, and forms a part of the Arrangement Agreement.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective, and be binding on the Purchaser, the Company, all holders and beneficial owners of securities of the

Company, including the Company Common Shares, Company Options, Company RSUs, Company PSUs and Company DSUs and including Dissenting Holders, the register and transfer agent of the Company, the Depository and all other Persons, at and after, the Effective Time without any further act or formality required on the part of any Person.

2.3 Arrangement

At the Effective Time each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time:

- (a) the Board Nomination Agreement will be terminated;
- (b) each Company Option (whether vested or unvested), notwithstanding the terms of the Company Incentive Plans or any award agreement governing the Company Options, shall be deemed to be unconditionally fully vested and exercisable;
- (c) all unexercised Company Options shall, without any further action by or on behalf of a Company Optionholder, be deemed to be assigned and transferred by such holder to the Company (free and clear of all Liens) in exchange for a cash payment equal to the amount (if any) by which \$0.70 exceeds the exercise price of such Company Option, subject to applicable withholdings, and each such Company Option shall immediately be cancelled and, for greater certainty, where such amount is zero or negative, such Company Option shall be cancelled without any consideration;
- (d) each Company RSU (whether vested or unvested), notwithstanding the terms of the Company Incentive Plans or any award agreement governing the Company RSUs, shall be deemed to be unconditionally fully vested, and thereafter such Company RSU shall, without any further action by or on behalf of a holder the Company RSU, be deemed to be assigned and transferred by such holder to the Company (free and clear of all Liens) in exchange for a cash payment equal to \$0.70 for each Company RSU and such Company RSU shall immediately be cancelled;
- (e) each Company PSU (whether vested or unvested), notwithstanding the terms of the Company Incentive Plan or any award agreement governing the Company PSUs, shall immediately be cancelled for no consideration and the holder shall no longer have any rights thereto;
- (f) each Company DSU (whether vested or unvested), notwithstanding the terms of the Company Incentive Plan or any award agreement governing the Company DSUs, shall immediately be cancelled for no consideration and the holder shall no longer have any rights thereto;
- (g) concurrently with the steps set out in Sections 2.3(b), 2.3(c), 2.3(d), 2.3(e) and 2.3(f), (i) each holder of Company Options, Company RSUs, Company PSUs and Company DSUs shall cease to be a holder of such Company Options, Company RSUs, Company PSUs and Company DSUs, (ii) such holder's name shall be removed from each applicable register, (iii) the Company Incentive Plans and all award agreements relating to the Company Options, Company RSUs, Company

PSUs and Company DSUs shall be terminated and shall be of no further force and effect, and (iv) such holder shall thereafter have only the right to receive the consideration to which they are entitled pursuant to Section 2.3(c) and Section 2.3(d) at the time and in the manner specified in Section 2.3(c) and Section 2.3(d);

- (h) each of the Company Common Shares held by Dissenting Holders shall be deemed to have been transferred without any further act or formality to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined under Article 3, and:
 - (i) such Dissenting Holders shall cease to be the holders of such Company Common Shares and to have any rights as holders of such Company Common Shares other than the right to be paid fair value by the Purchaser for such Company Common Shares as set out in Section 3.1;
 - (ii) such Dissenting Holders' names shall be removed as the holders of such Company Common Shares from the registers of Company Common Shares maintained by or on behalf of the Company; and
 - (iii) the Purchaser shall be deemed to be the legal and beneficial owner of such Company Common Shares so transferred, free and clear of all Liens, and shall be entered in the register of Company Common Shares maintained by or on behalf of the Company;
- (i) concurrently with the steps described in Section 2.3(j) to Section 2.3(l), subject to proration in accordance with Section 2.5, each Cash Election Share outstanding immediately prior to the Effective Time (other than Rollover Shares and Company Common Shares held by a Dissenting Holder) shall, without any further action by or on behalf of a holder of such Company Common Shares, be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the All Cash Consideration, and:
 - (i) the holders of such Company Common Shares shall cease to be the holders of such Company Common Shares and to have any rights as holders of such Company Common Shares other than the right to be paid the consideration by the Purchaser in accordance with this Plan of Arrangement;
 - (ii) such holders' names shall be removed from the register of the Company Common Shares maintained by or on behalf of the Company; and
 - (iii) the Purchaser shall be deemed to be the legal and beneficial owner of such Company Common Shares so transferred, free and clear of all Liens, and shall be entered in the register of the Company Common Shares maintained by or on behalf of the Company;
- (j) concurrently with the steps described in Section 2.3(i), Section 2.3(k) and Section 2.3(l), subject to proration in accordance with Section 2.6, each Share Election Share outstanding immediately prior to the Effective Time (other than Rollover Shares and Company Common Shares held by a Dissenting Holder) shall, without any further action by or on behalf of a holder of such Company Common Shares,

be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the All Share Consideration, and:

- (i) the holders of such Company Common Shares shall cease to be the holders of such Company Common Shares and to have any rights as holders of such Company Common Shares other than the right to be paid the consideration by the Purchaser in accordance with this Plan of Arrangement;
 - (ii) such holders' names shall be removed from the register of the Company Common Shares maintained by or on behalf of the Company; and
 - (iii) the Purchaser shall be deemed to be the legal and beneficial owner of such Company Common Shares so transferred, free and clear of all Liens, and shall be entered in the register of the Company Common Shares maintained by or on behalf of the Company;
- (k) concurrently with the steps described in Section 2.3(i), Section 2.3(j) and Section 2.3(l), each Company Common Share outstanding immediately prior to the Effective Time (other than Cash Election Shares, Share Election Shares, Rollover Shares and Company Common Shares held by a Dissenting Holder) shall, without any further action by or on behalf of a holder of such Company Common Shares, be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the Combination Consideration, and:
- (i) the holders of such Company Common Shares shall cease to be the holders of such Company Common Shares and to have any rights as holders of such Company Common Shares other than the right to be paid the consideration by the Purchaser in accordance with this Plan of Arrangement;
 - (ii) such holders' names shall be removed from the register of the Company Common Shares maintained by or on behalf of the Company; and
 - (iii) the Purchaser shall be deemed to be the legal and beneficial owner of such Company Common Shares so transferred, free and clear of all Liens, and shall be entered in the register of the Company Common Shares maintained by or on behalf of the Company;
- (l) concurrently with the steps described in Section 2.3(i) to Section 2.3(k), each Rollover Share outstanding immediately prior to the Effective Time shall, subject to the terms and conditions of the Rollover Agreement, be deemed to be assigned and transferred by the applicable Rollover Shareholder to the Purchaser in exchange for the Rollover Consideration, and:
- (i) the Rollover Shareholders shall cease to be the holders of such Rollover Shares and to have any rights as holders of such Rollover Shares other than the right to be paid the Rollover Consideration by the Purchaser in accordance with the Rollover Agreement and this Plan of Arrangement;

- (ii) the Rollover Shareholders' name shall be removed from the register of the Company Common Shares maintained by or on behalf of the Company; and
- (iii) the Purchaser shall be deemed to be the legal and beneficial owner of such Rollover Shares so transferred, free and clear of all Liens, and shall be entered in the register of the Company Common Shares maintained by or on behalf of the Company, such that following the transactions contemplated in Section 2.3(d) to and including this Section 2.3(l), the Purchaser shall be the legal and beneficial owner of 100% of the Company Common Shares.

2.4 Election Mechanics

With respect to the exchange of Company Common Shares effected pursuant to Section 2.3:

- (a) each Company Shareholder (other than the Rollover Shareholders) who has not exercised Dissent Rights may elect to receive the All Cash Consideration in respect of each Company Common Share held by such Company Shareholder (such election being a **"Cash Election"**), the aggregate amount of which All Cash Consideration to be paid in respect of such Company Common Shares being subject to proration in accordance with Section 2.5;
- (b) each Company Shareholder (other than the Rollover Shareholders) who has not exercised Dissent Rights may elect to receive the All Share Consideration in respect of each Company Common Share held by such Company Shareholder (such election being a **"Share Election"**), the aggregate amount of which All Share Consideration to be paid in respect of such Company Common Shares being subject to proration in accordance with Section 2.6;
- (c) each Company Shareholder (other than the Rollover Shareholders) who has not exercised Dissent Rights may elect to receive the Combination Consideration in respect of each Company Common Share held by such Company Shareholder (such election being a **"Combination Election"**);
- (d) in order to make the election provided for in Section 2.4(a), Section 2.4(b) and Section 2.4(c), each electing Company Shareholder must deposit with the Depositary, prior to the Election Deadline, a duly completed and executed Letter of Transmittal and Election Form indicating such Company Shareholder's election, which election shall be irrevocable and may not be withdrawn, together with any certificates representing the Company Common Shares held by such Company Shareholder and such additional documents and instruments as the Depositary or the Purchaser may reasonably require; and
- (e) for the avoidance of doubt, any Company Shareholder who (i) does not make a valid Cash Election, Share Election or Combination Election prior to the Election Deadline in accordance with this Section 2.4, or (ii) exercises Dissent Rights but, for any reason, is not ultimately determined to be entitled to be paid the fair value of his, her or its Company Common Shares in accordance with Article 3 shall, in each case, be deemed to have elected to receive the Combination Consideration

in exchange for the transfer of each of his, her or its Company Common Shares to the Purchaser pursuant to Section 2.3(k).

2.5 Cash Proration

Notwithstanding Section 2.4 or any other provision herein to the contrary:

- (a) the maximum aggregate amount of cash consideration to be paid to the Company Shareholders pursuant to Section 2.3(i), Section 2.3(j) and Section 2.3(k) (the “**Maximum Cash Consideration**”) shall be the amount that is obtained by multiplying the Cash Consideration by the number of Company Common Shares (other than Combination Election Shares, Rollover Shares and Company Common Shares held by a Dissenting Holder) that are issued and outstanding immediately prior to the Effective Time; and
- (b) in the event that the aggregate amount of consideration that would otherwise be payable in cash to the Cash Electing Shareholders pursuant to Section 2.3(i) but for the application of this Section 2.5 (the “**Total Elected Cash Consideration**”) exceeds the Maximum Cash Consideration, then the aggregate amount of cash to be paid to Cash Electing Shareholders pursuant to Section 2.3(i) shall be determined by multiplying the aggregate amount of cash that would, but for the application of this Section 2.5, be paid to such Cash Electing Shareholder by the Cash Pro-Ration Factor; and such Cash Electing Shareholder shall be deemed to have elected to receive (i) the All Cash Consideration for such number of his, her or its Company Common Shares, rounded down to the nearest whole number, as is equal to the aggregate amount of cash received by such Cash Electing Shareholder, as adjusted in accordance with this Section 2.5(b), divided by the All Cash Consideration, and (ii) the All Share Consideration for the remainder of his, her or its Company Common Shares for which, but for this Section 2.5(b), such Cash Electing Shareholder would otherwise have received the All Cash Consideration.

2.6 Share Proration

Notwithstanding Section 2.4 or any other provision herein to the contrary:

- (a) the maximum aggregate amount of Purchaser Shares to be paid to Share Electing the Company Shareholders pursuant to Section 2.3(i), Section 2.3(j) and Section 2.3(k) (the “**Maximum Share Consideration**”) shall be the number of Purchaser Shares that is obtained by multiplying the Share Consideration by the number of Company Common Shares (other than Combination Election Shares, Rollover Shares and Company Common Shares held by a Dissenting Holder) that are issued and outstanding immediately prior to the Effective Time; and
- (b) in the event that the aggregate amount of consideration that would otherwise be payable in Purchaser Shares to the Share Electing Shareholders but for the application of this Section 2.6 (the “**Total Elected Share Consideration**”) exceeds the Maximum Share Consideration, then the aggregate number of Purchaser Shares to be paid to Share Electing Shareholders pursuant to Section 2.3(j) shall be determined by multiplying the aggregate number of Purchaser Shares that would, but for this Section 2.6, be paid to such Share Electing Shareholder by the

Share Pro-Ration Factor; and such Share Electing Shareholder shall be deemed to have elected to receive (i) the All Share Consideration for such number of his, her or its Company Common Shares, rounded down to the nearest whole number, as is equal to the aggregate number of Purchaser Shares received by such Share Electing Shareholder, as adjusted in accordance with this Section 2.6(b), divided by the All Share Consideration, and (ii) the All Cash Consideration for the remainder of his, her or its Company Common Shares for which, but for this Section 2.6(b), such Share Electing Shareholder would otherwise have received the All Share Consideration.

2.7 U.S. Securities Act Exemption

Notwithstanding any provision herein to the contrary, the Purchaser and the Company agree that this Plan of Arrangement will be carried out with the intention that all Consideration Shares issued to former holders of Company Common Shares on completion of this Plan of Arrangement will be issued by the Purchaser in reliance on the Section 3(a)(10) Exemption and similar exemptions under applicable securities laws in any state of the United States, and the Consideration Shares to be distributed pursuant to the Arrangement shall not be subject to resale restrictions in the United States under the U.S. Securities Act other than as may be prescribed by Rule 144 under the U.S. Securities Act.

ARTICLE 3 RIGHTS OF DISSSENT

3.1 Rights of Dissent

Registered Shareholders as of the record date for the Company Meeting may exercise dissent rights with respect to the Company Common Shares held by such holders ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Section 185 of the OBCA, as modified by the Interim Order and this Section 3.1; provided that, notwithstanding subsection 185(6) of the OBCA, the written objection to the Arrangement Resolution referred to in subsection 185(6) of the OBCA must be received by the Company not later than 5:00 p.m. (Toronto time) two (2) Business Days immediately preceding the date of the Company Meeting (as it may be adjourned or postponed from time to time). Dissenting Holders who duly exercise their Dissent Rights shall be deemed to have transferred the Company Common Shares held by them and in respect of which Dissent Rights have been validly exercised to the Purchaser free and clear of all Liens, as provided in Section 2.3(h) and if they:

- (a) ultimately are entitled to be paid fair value for such Company Common Shares: (i) shall be deemed not to have participated in the transactions in Article 2 (other than Section 2.3(h)); (ii) shall be deemed to have transferred and assigned such Company Common Shares held by Dissenting Holders (free and clear of any Liens) to the Purchaser in accordance with Section 2.3(h); (iii) will be entitled to be paid, subject to Section 4.4, the fair value of such Company Common Shares, which fair value, notwithstanding anything to the contrary contained in Part XIV of the OBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted; and (iv) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Company Common Shares; or

- (b) ultimately are not entitled, for any reason, to be paid fair value for such Company Common Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Company Common Shares who did not deposit with the Depositary a duly completed Letter of Transmittal and Election Form (and shall be entitled to receive the consideration in the same manner as such non-dissenting holder of Company Common Shares).

3.2 Recognition of Dissenting Holders

- (a) In no circumstances shall the Purchaser or the Company or any other Person be required to recognize a Person exercising Dissent Rights (i) unless as of the deadline for exercising Dissent Rights (as set forth in Section 3.1), such Person is the registered holder of those Company Common Shares in respect of which such Dissent Rights are sought to be exercised; (ii) if such Person has voted or instructed a proxy holder to vote such Company Common Shares in favour of the Arrangement Resolution; or (iii) unless such Person has strictly complied with the procedures for exercising Dissent Rights and does not withdraw such dissent prior to the completion of the transfer under Section 2.3(h).
- (b) For greater certainty, in no case shall the Purchaser or the Company or any other Person be required to recognize Dissenting Holders as holders of Company Common Shares in respect of which Dissent Rights have been validly exercised after the completion of the transfer under Section 2.3(h), and the names of such Dissenting Holders shall be removed from the registers of holders of the Company Common Shares in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 2.3(h) occurs. In addition to any other restrictions under Section 185 of the OBCA, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Company Options, holders of Company RSUs, holders of Company PSUs and holders of Company DSUs; (ii) Company Shareholders who vote or have instructed a proxyholder to vote such Company Common Shares in favour of the Arrangement Resolution (but only in respect of such Company Common Shares); (iii) Persons who, as of the deadline for exercising Dissent Rights, are not registered holders of Company Common Shares in respect of which Dissent Rights are sought to be exercised; or (iv) Persons who have not strictly complied with the procedures for exercising Dissent Rights or Persons who have withdrawn their exercise of Dissent Rights prior to the Effective Time.

ARTICLE 4 CERTIFICATES AND PAYMENTS

4.1 Payment and Delivery of Consideration

- (a) Prior to the filing by the Company of the Articles of Arrangement with the Director in accordance with Section 2.8 of the Arrangement Agreement, the Purchaser shall deposit, or arrange to be deposited, with the Depositary and for the benefit of Affected Securityholders, (i) sufficient cash and sufficient Purchaser Shares to satisfy the aggregate consideration payable to the Company Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares) in accordance with Section 2.3; (ii) the aggregate amount of cash and sufficient Purchaser Shares to satisfy the aggregate Rollover Consideration payable to the Rollover

Shareholders in accordance with Section 2.3; and (iii) the aggregate amount of cash to satisfy the payment to Company Shareholders in lieu of fractional Purchaser Shares in accordance with Section 4.5. Any Purchaser Shares issued in accordance with Section 2.3 shall be admitted to trading and official listing as soon as practicable after the Effective Date.

- (b) Upon surrender to the Depository for cancellation of a certificate or instrument which immediately prior to the Effective Time represented outstanding Company Common Shares, together with a duly completed and executed Letter of Transmittal and Election Form and such additional documents and instruments as the Depository or the Purchaser may reasonably require (or, if such Company Common Shares are held in book-entry or other uncertificated form, upon the entry through a book-entry transfer agent of the surrender of such Company Common Shares on a book-entry account statement, it being understood that any reference herein to “certificates” shall be deemed to include references to book-entry account statements relating to the ownership of Company Common Shares),
- (i) the holders holding Company Common Shares (other than the Rollover Shareholders in respect of their Rollover Shares) formerly represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depository shall deliver to such holder, the consideration which such holder has the right to receive under this Plan of Arrangement for such Company Common Shares (other than Rollover Shares), including the cash payment in lieu of fractional Purchaser Shares in accordance with Section 4.5, less any amounts withheld pursuant to Section 4.4, and
 - (ii) the Rollover Shareholders in respect of their Rollover Shares shall be entitled to receive in exchange therefor, and the Depository shall deliver to the Rollover Shareholders the Rollover Consideration to which the Rollover Shareholders have the right to receive under this Plan of Arrangement and the Rollover Agreement for such Rollover Shares, including the cash payment in lieu of fractional Purchaser Shares in accordance with Section 4.5, less any amounts withheld pursuant to Section 4.4,

and, in each case, any certificate or instrument so surrendered shall forthwith be cancelled.

- (c) All Purchaser Shares issued as Consideration under this Plan of Arrangement will initially be held in the name of “Odyssey Transfer and Trust Company” (the “**Depository**”) and credited to Odyssey’s nominee account through its broker, Stifel Nicolaus & Co. (“**Stifel**”). The Depository will hold the Consideration Shares as agent for the Company Shareholders that are entitled to receive such Consideration Shares under the Plan of Arrangement. Within five Business Days following the Effective Date, the Depository will deliver by first class mail to all registered Company Shareholders and brokers, investment dealers or other intermediaries holding Company Shares on behalf of beneficial Company Shareholders (each, an “**Intermediary**”) an account statement specifying their entitlement to the Consideration Shares under the Plan of Arrangement (which will reflect their Consideration election pursuant to Section 2.4 hereof and applicable proration), along with an instruction form (the “**BC Share Instruction Form**”) to be completed and returned to the Depository, which will provide each registered

Company Shareholder and Intermediary with an option to either (i) transfer their Consideration Shares to a brokerage or custody account in their name that is permitted to hold the Consideration Shares, or (ii) sell such Consideration Shares in the local market via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable) at the market price when such trade is executed, and remit to such registered Company Shareholder or Intermediary the cash proceeds from the sale, subject to applicable withholding taxes. As the Depositary receives valid and properly completed BC Share Instruction Forms from registered Company Shareholders and Intermediaries, it will deliver those forms to Stifel for processing within two Business Days of receipt.

- (d) Within one Business Day of receiving a validly completed BC Share Instruction Form from the Depositary in accordance with Section 4.1(c) instructing Stifel to transfer the Consideration Shares to a brokerage or custody account in respect of a registered Company Shareholder or Intermediary, Stifel will initiate the transfer of the Consideration Shares out of Odyssey's nominee account for credit to such Company Shareholder's brokerage or custody account the applicable number of Consideration Shares using the instructions provided by the Depositary. The Depositary will mail a confirmation to the applicable registered Company Shareholders or Intermediary once the transfer is complete. Neither Company Shareholders nor any Intermediary may direct the date or time at which Consideration Shares are transferred from Odyssey's nominee account to a brokerage or custody account.
- (e) Upon receipt of a validly completed BC Share Instruction Form from the Depositary instructing Stifel to sell the Better Collective Shares on behalf of a registered Company Shareholder or Intermediary, Stifel will promptly, and in any event, generally within one Business Day (subject to market conditions and system availability) submit a trade order via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), for the number of Consideration shares instructed to be sold. Upon settlement of the trade, Stifel will receive the cash proceeds from the trade in the local currency and will convert the cash proceeds to U.S. dollars based on the exchange rate available to Stifel at such time. Within one Business Day of settlement, Stifel will wire the cash proceeds in U.S. dollars to the Depositary's bank account. Within three Business Days of the funds being received by the Depositary, the Depositary will mail a cheque to the applicable registered Company Shareholder or Intermediary who provided the instructions to have their Consideration Shares sold. Neither the Company Shareholders nor any Intermediary may direct the date, time, or price at which Better Collective Shares are sold or the exchange rate at which the proceeds are converted to U.S. dollars.
- (f) Approximately 30 days after distributing the BC Share Instruction Forms to all registered Company Shareholders and Intermediaries, the Depositary will send a follow-up communication to all registered Company Shareholders and Intermediaries who have not yet completed and returned a BC Share Instruction Form ("**Non-Responding Shareholders**"). The Depositary will continue to send follow-up communications to such Non-Responding Shareholders every 12 to 18 weeks over the one year period following the Effective Date (the "**Post-Closing Instruction Period**").

- (g) Within 30 days of the expiry of the Post-Closing Instruction Period, the Depositary will submit instructions to Stifel to sell in the local market all Consideration Shares held for the benefit of Non-Responding Shareholders. As soon as practicable after receipt of such instructions, Stifel will submit a trade order via the facilities of Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), or via an electronic exchange that will settle and be recorded on the Nasdaq Stockholm and/or Nasdaq Copenhagen (as applicable), for the total number of Consideration Shares held for the benefit of Non-Responding Shareholders. Upon settlement of the trade, Stifel will receive the cash proceeds from the trade in the local currency and will convert the cash proceeds to U.S. dollars based on the exchange rate available to Stifel at such time. Within one Business Day of settlement, Stifel will wire the cash proceeds in U.S. dollars to the Depositary's bank account. After receipt of the cash proceeds from Stifel, the Depositary will retain such cash proceeds (together with all other undistributed cash Consideration due and payable to Non-Responding Shareholders) until it receives a validly completed Letter of Transmittal and Election Form, BC Share Instruction Form and/or any other required documents or instructions as reasonably requested by the Depositary from any applicable Non-Responding Shareholders instructing where to deliver the cash proceeds to which they are entitled. On an annual basis thereafter, the Depositary will send a follow up communication to such Non-Responding Shareholders seeking instructions on where to deliver the cash proceeds to which they are entitled. If the Depositary does not receive a validly completed Letter of Transmittal and Election Form, BC Share Instruction Form and/or any other required documents or instructions as reasonably requested by the Depositary from any applicable Non-Responding Shareholders on or prior to the sixth anniversary of the Effective Date, any remaining cash proceeds (together with all other undistributed cash Consideration due and payable to Non-Responding Shareholders) held by Odyssey shall be deemed to have been surrendered to the Purchaser and be paid or returned over by the Depositary to the Purchaser or as directed by the Purchaser in accordance with Section 4.1(h).
- (h) Until surrendered as contemplated by this Section 4.1, each certificate that immediately prior to the Effective Time represented Company Common Shares, shall be deemed after the Effective Time to represent only the right to receive upon such surrender the consideration in lieu of such certificate as contemplated in this Section 4.1, less any amounts withheld pursuant to Section 4.4. Any such certificate formerly representing Company Common Shares that were transferred pursuant to Section 2.3, and not duly surrendered with all other instruments required by this Section 4.1, on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Company Common Shares of any kind or nature in the consideration or against or in the Company or the Purchaser or any of their respective Affiliates. On such date, all consideration to which such former holder was entitled shall be deemed to have been surrendered to the Purchaser or the Company, as applicable, and the cash amount forming part of such consideration shall be paid or returned over by the Depositary to the Purchaser or as directed by the Purchaser and the Purchaser Shares forming part of such consideration shall be returned over by the Depositary to the Purchaser, cancelled by the Purchaser or acquired by the Purchaser for no consideration (in the sole discretion of the Purchaser).

- (i) In the event of the surrender of a certificate of Company Common Shares that is not registered in the transfer records of the Company under the name of the Person surrendering such certificate, the consideration to which the registered holder is entitled pursuant to Section 2.3 shall be paid to such a transferee if such certificate is presented to the Depository and such certificate is duly endorsed or is accompanied by all documents required to evidence and effect such transfer.
- (j) Any payment made by way of cheque by the Depository pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depository or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Affected Securities pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, for no consideration.
- (k) No holder of Affected Securities shall be entitled to receive any consideration with respect to such Affected Securities other than any consideration to which such holder is entitled to receive in accordance with Section 2.3 and this Section 4.1 less any amount withheld pursuant to Section 4.3 and, for greater certainty, subject to Section 4.6, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

4.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Company Common Shares that were transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depository will issue in exchange for such lost, stolen or destroyed certificate, the consideration (and cash in lieu of fractional Purchaser Shares, if any) deliverable in accordance with such holder's duly completed and executed Letter of Transmittal and Election Form. When authorizing such payment or delivery in exchange for any lost, stolen or destroyed certificate, the Person to whom such consideration (and cash in lieu of fractional Purchaser Shares, if any) is to be delivered shall as a condition precedent to the delivery of such consideration (and cash in lieu of fractional Purchaser Shares, if any), give a bond satisfactory to the Purchaser and the Depository (each acting reasonably) in such sum as the Purchaser may direct (acting reasonably), or otherwise indemnify the Purchaser and the Company and their respective Affiliates in a manner satisfactory to the Purchaser and the Company, each acting reasonably, against any claim that may be made against the Purchaser and the Company or their respective Affiliates with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Rounding of Cash

In any case where the aggregate cash amount payable to a particular holder of Affected Securities under the Arrangement would, but for this provision, include a fraction of a cent, the amount payable shall be rounded down to the nearest whole cent.

4.4 Withholding Rights

The Purchaser, the Company, the Depositary and any other Person that has any withholding obligation with respect to any amount or consideration paid or deemed paid hereunder, as applicable, shall be entitled to deduct and withhold or direct the Purchaser, the Company or the Depositary to deduct and withhold on their behalf, from any amount or consideration otherwise payable or deliverable to any Person under this Plan of Arrangement (including, without limitation, any amounts or consideration payable pursuant to Section 3.1 hereof and including, by way of deduction from the amounts or consideration payable for the Company Options or Company RSUs), such amounts as the Purchaser, the Company, the Depositary or such Person, as applicable, are required to deduct and withhold, or reasonably believe to be required to deduct and withhold, from such amount otherwise payable or deliverable under any provision of any Laws in respect of Taxes. Any such amounts will be deducted, withheld and remitted from the amount or consideration otherwise payable or deliverable pursuant to this Plan of Arrangement and shall be treated for all purposes under this Plan of Arrangement as having been paid to the Person in respect of which such deduction, withholding and remittance was made; provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity. The Purchaser will (i) promptly notify the Company if it becomes aware of any such deduction or withholding, and (ii) remit any withheld or deducted amounts to the appropriate Governmental Entity within the time required by applicable Law. For greater certainty, the Purchaser may withhold from the consideration payable to a former holder of Company Options or Company RSUs any amounts which are required to satisfy a withholding obligation of the Company arising on the settlement or exercise of Company Options or Company RSUs pursuant to the Plan of Arrangement, and any amounts so withheld may be remitted by the Purchaser to the applicable Governmental Entity or may be paid by the Purchaser to the Company for the Company to remit to the applicable Governmental Entity.

4.5 No Fractional Purchaser Shares

In no event shall any holder of Company Common Shares be entitled to a fractional Purchaser Share. Where the aggregate number of Purchaser Shares to be issued to a Company Shareholder as consideration, as applicable, under this Plan of Arrangement would result in a fraction of a Purchaser Share being issuable, then the number of Purchaser Shares to be issued to such Company Shareholder as Consideration Shares shall be rounded down to the nearest whole number. In lieu of such fractional Purchaser Share, each holder of Company Common Shares otherwise entitled to a fractional interest in a Purchaser Share will be entitled to receive a cash payment equal to such fractional interest multiplied by the Purchaser Share Market Price, rounding down to the nearest whole cent. The exchange rate used to derive the cash payment herein as between SEK and CAD shall be determined based on Bank of Canada daily exchange rate on the business day prior to the Effective Date.

4.6 Post-Effective Time Dividends and Distributions

(a) No dividends or other distributions declared or made after the Effective Time with respect to Company Common Shares with a record date after the Effective Time shall be delivered to the former holder of Company Common Shares which immediately prior to the Effective Time represented outstanding Company Common Shares that were transferred pursuant to Section 2.3.

(b) All dividends and distributions made after the Effective Time with respect to any Purchaser Shares allotted and issued pursuant to this Arrangement but for which a certificate has

not been issued shall be paid or delivered to the Depositary to be held by the Depositary in trust for the holder of such Purchaser Shares. All monies received by the Depositary shall be held in non-interest bearing trust accounts. Subject to this Section 4.6, the Depositary shall pay and deliver to any such holder, as soon as reasonably practicable after application therefor is made by such holder to the Depositary in such form as the Depositary may reasonably require, such dividends and distributions to which such holder is entitled pursuant to the Arrangement, net of any applicable withholding and other taxes.

4.7 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

4.8 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all securities of the Company issued and outstanding prior to the Effective Time, including Affected Securities, (b) the rights and obligations of the holders (registered or beneficial) of such securities, the Company, the Purchaser and their respective Affiliates, the Depositary and any registrar, transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any securities of the Company shall be deemed to have been settled, compromised, released and determined without liability whatsoever except as set forth in this Plan of Arrangement.

ARTICLE 5 AMENDMENTS

5.1 Amendments to Plan of Arrangement

- (a) The Company and the Purchaser may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must (i) be set out in writing, (ii) be approved by the Company and the Purchaser, each acting reasonably, (iii) filed with the Court and, if made following the Company Meeting, approved by the Court, and (iv) communicated to the Affected Securityholders if and as required by the Court.
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company or the Purchaser at any time prior to or at the Company Meeting (provided that the Company or the Purchaser, as applicable, shall have consented thereto in writing) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Company Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Company Meeting shall be effective only if (i) it is consented to in writing by each of the Company and the Purchaser (in each case, acting reasonably), and (ii) if required by the Court, it is

consented to by some or all of the Company Shareholders voting in the manner directed by the Court. Any amendment, modification or supplement to this Plan of Arrangement may be made following the granting of the Final Order without filing such amendment, modification or supplement with the Court or seeking Court approval, provided that it (i) concerns a matter which, in the reasonable opinion of the Parties, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the interest of any holders of Affected Securities or (ii) is an amendment contemplated in Section 5.1(d).

- (d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former holder of Affected Securities.

ARTICLE 6 FURTHER ASSURANCES

6.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, following the Effective Time, each of the Parties shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be advisable or required by either of them in order to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

**APPENDIX “B”
ARRANGEMENT RESOLUTION**

BE IT RESOLVED THAT:

1. The arrangement (the “**Arrangement**”) under Section 182 of the *Business Corporations Act* (Ontario) (the “**OBCA**”) involving Playmaker Capital Inc. (the “**Company**”) as more particularly described and set forth in the management information circular of the Company accompanying the notice of this meeting (as the Arrangement may be modified or amended) (the “**Circular**”), and all transactions contemplated thereby, is hereby authorized, approved and adopted.
2. The plan of arrangement involving the Company, as it may be or has been amended, modified or supplemented in accordance with the terms of the Arrangement Agreement (the “**Plan of Arrangement**”), the full text of which is attached to the Circular, is hereby authorized, approved and adopted.
3. The Arrangement Agreement by and among Better Collective A/S and the Company dated November 6, 2023, as amended on December 8, 2023 (the “**Arrangement Agreement**”), as it has been or may be modified, supplemented or amended in accordance with its terms, the actions of the officers and directors of the Company in approving the Arrangement, in executing and delivering the Arrangement Agreement and any modifications, supplements or amendments thereto and causing the performance by the Company of its obligations thereunder are hereby ratified and approved.
4. The Company is hereby authorized to apply for a final order from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) to approve the Arrangement in accordance with and subject to the terms and conditions set forth in the Arrangement Agreement and the Plan of Arrangement.
5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the Company Shareholders (as defined in the Arrangement Agreement) or that the Arrangement has been approved by the Court, the directors of the Company are hereby authorized and empowered without further approval of the Company Shareholders (i) to amend or terminate the Arrangement Agreement, or the Plan of Arrangement to the extent permitted by the Arrangement Agreement, and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement, at any time prior to the Effective Time, as such term is defined in the Arrangement Agreement.
6. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person’s opinion may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

APPENDIX "C"
INTERIM ORDER

(See attached.)



Court File No. CV-23-00710698-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) THURSDAY, THE 14TH
JUSTICE CAVANAGH) DAY OF DECEMBER, 2023

**IN THE MATTER OF AN APPLICATION UNDER SECTION 182 OF
THE *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B.16, AS
AMENDED, AND RULES 14.05(2) AND 14.05(3) OF THE *RULES OF
CIVIL PROCEDURE***

**AND IN THE MATTER OF A PROPOSED ARRANGEMENT
INVOLVING PLAYMAKER CAPITAL INC., ITS SHAREHOLDERS,
OPTIONHOLDERS, RESTRICTED SHARE UNITHOLDERS,
PERFORMANCE SHARE UNITHOLDERS, DEFERRED SHARE
UNITHOLDERS, AND BETTER COLLECTIVE A/S.**

PLAYMAKER CAPITAL INC.

Applicant

INTERIM ORDER
(December 14, 2023)

THIS MOTION made by the Applicant, Playmaker Capital Inc. (“**Playmaker**”), for an interim order for advice and directions pursuant to section 182 of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the “**OBCA**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Notice of Application issued on December 1, 2023 and the affidavit of Jordan Gnat, the Chief Executive Officer of Playmaker, sworn December 11, 2023 (the “**Gnat Affidavit**”), including the Plan of Arrangement, which is attached as Appendix “A” to the draft management information circular of Playmaker (the

“**Circular**”), which is itself attached as Exhibit “A” to the Gnat Affidavit, and the Arrangement Agreement between Playmaker and Better Collective A/S (the “**Purchaser**”) made as of November 6, 2023 (the “**Arrangement Agreement**”), which is attached as Exhibit “B” to the Gnat Affidavit, as amended on December 8, 2023, which is attached as Exhibit “C” to the Gnat Affidavit, and on hearing the submissions of counsel for Playmaker and counsel for the Purchaser.

Definitions

1. **THIS COURT ORDERS** that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Circular or otherwise as specifically defined herein.

The Meeting

2. **THIS COURT ORDERS** that Playmaker is permitted to call, hold and conduct a special meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares in the capital of Playmaker (the “**Common Shares**”), to be held virtually via live audio webcast on Monday, January 22, 2024 at 10:00 a.m. (Toronto time) in order for the Shareholders to, among other things, consider and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation, the Arrangement and the Plan of Arrangement (the “**Arrangement Resolution**”).
3. **THIS COURT ORDERS** that the Meeting shall be called, held and conducted in accordance with the OBCA, the notice of special meeting of Shareholders, which accompanies the Circular (the “**Notice of Meeting**”), and the articles and by-laws of Playmaker, subject to what may be provided hereafter and subject to further order of this Honourable Court.

4. **THIS COURT ORDERS** that the record date (the “**Record Date**”) for determination of the Shareholders entitled to notice of, and to vote at, the Meeting shall be December 11, 2023.

5. **THIS COURT ORDERS** that the only persons entitled to attend or speak at the Meeting shall be:
 - a) the Shareholders of record as of the Record Date or their respective proxyholders;
 - b) the officers, directors, auditors and advisors of Playmaker;
 - c) representatives and advisors of the Purchaser;
 - d) other persons who may receive the permission of the Chair of the Meeting.

6. **THIS COURT ORDERS** that Playmaker may transact such other business at the Meeting as is contemplated in the Circular, or as may otherwise be properly before the Meeting.

Quorum

7. **THIS COURT ORDERS** that the Chair of the Meeting shall be determined by Playmaker and that the quorum at the Meeting shall be the holders of not less than 10% of the Common Shares entitled to vote at the Meeting, present in person or represented by proxy.

Amendments to the Arrangement and Plan of Arrangement

8. **THIS COURT ORDERS** that Playmaker is authorized to make, subject to the terms of the Arrangement Agreement, and paragraph, 9 below, such amendments, modifications or supplements to the Arrangement and the Plan of Arrangement as it may determine without any additional notice to the Shareholders, or others entitled to receive notice under paragraphs 12 and 13 hereof and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Honourable Court at the hearing for the final approval of the Arrangement.

9. **THIS COURT ORDERS** that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement as referred to in paragraph 8, above, would, if disclosed, reasonably be expected to affect a Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Honourable Court, by press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as Playmaker may determine.

Amendments to the Circular

10. **THIS COURT ORDERS** that Playmaker is authorized to make such amendments, revisions and/or supplements to the draft Circular as it may determine and the Circular,

as so amended, revised and/or supplemented, shall be the Circular to be distributed in accordance with paragraphs 12 and 13 hereof.

Adjournments and Postponements

11. **THIS COURT ORDERS** that Playmaker, if it deems advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method as Playmaker may determine is appropriate in the circumstances. The Record Date will not change as a result of any adjournments or postponements of the Meeting. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

Notice of Meeting

12. **THIS COURT ORDERS** that, in order to effect notice of the Meeting, Playmaker shall send the Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, the form of proxy and the letter of transmittal and election form, along with such amendments or additional documents as Playmaker may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the “**Meeting Materials**”), to the following:
- a) the registered Shareholders as at 5:00 p.m. (Toronto time) on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:

- i) by pre-paid ordinary or first class mail at the addresses of the registered Shareholders as they appear on the books and records of Playmaker, or its registrar and transfer agent, as at 5:00 p.m. (Toronto time) on the Record Date and if no address is shown therein, then the last address of the person known to the Secretary of Playmaker;
 - ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or
 - iii) by facsimile or electronic transmission to any registered Shareholder, who is identified to the satisfaction of Playmaker and consents to such transmission in writing;
- b) non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 — *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators; and
- c) the directors and auditors of Playmaker by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. **THIS COURT ORDERS** that, in the event that Playmaker elects to distribute the Meeting Materials, Playmaker is hereby directed to distribute the Circular (including the Notice of Application and this Interim Order), and any other communications or documents determined by Playmaker to be necessary or desirable (collectively, the “**Court Materials**”) to:

- i) the holders of outstanding options (the “**Options**”) to purchase Common Shares granted under and pursuant to, collectively, Playmaker’s (i) Omnibus Equity Incentive Plan dated February 8, 2022, as may be amended from time to time, (ii) stock option plan dated May 26, 2021 and (iii) stock option plan dated January 1, 2020 (collectively, the “**Company Incentive Plans**”); and
- ii) the holders of outstanding restricted share units of Playmaker granted under and pursuant to the Company Incentive Plans (“**RSUs**”);
- iii) the holders of any outstanding performance share units of Playmaker granted under and pursuant to the Company Incentive Plan (“**PSUs**”);
and
- iv) the holders of any outstanding deferred share units of Playmaker granted under and pursuant to the Company Incentive Plan (“**DSUs**”);

by any method permitted for notice to Shareholders as set forth in paragraphs 12(a) or 12(b), above, or by email, concurrently with the distribution described in paragraph 12 of this Interim Order. Distribution to such persons receiving the Court Materials shall

be to their addresses as they appear on the books and records of Playmaker or its registrar and transfer agent as at 5:00 p.m. (Toronto time) on the Record Date.

14. **THIS COURT ORDERS** that accidental failure or omission by Playmaker to give notice of the Meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Playmaker, or the non-receipt of such notice shall, subject to further order of this Honourable Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of Playmaker, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.
15. **THIS COURT ORDERS** that Playmaker is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials (including, for greater certainty, the Circular) as Playmaker may determine in accordance with the terms of the Arrangement Agreement (“**Additional Information**”), and that notice of such Additional Information may, subject to paragraph 9, above, be distributed by press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as Playmaker may determine.
16. **THIS COURT ORDERS** that distribution of the Meeting Materials and Court Materials pursuant to paragraphs 12 and 13 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraphs 12 and 13 and that those persons are bound by any

orders made on the within Application. Further, no other form of service of the Meeting Materials or the Court Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9, above.

Solicitation and Revocation of Proxies

17. **THIS COURT ORDERS** that Playmaker is authorized to use the letter of transmittal and election form and the form of proxy substantially in the form of the drafts accompanying the Circular, with such amendments and additional information as Playmaker may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. Playmaker is authorized to solicit proxies, directly or through its officers, directors or employees, and through such agents or representatives as it may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine. Playmaker may waive generally, in its discretion, the time limits set out in the Circular for the deposit or revocation of proxies by Shareholders, if Playmaker deems it advisable to do so.

18. **THIS COURT ORDERS** that Shareholders shall be entitled to revoke their proxies in accordance with section 110(4) of the OBCA (except as the procedures of that section are varied by this paragraph) provided that any instruments in writing delivered pursuant to section 110(4)(a) of the OBCA: (a) may be deposited at the registered office of Playmaker or with the transfer agent of Playmaker or with the Chair of the Meeting as set out in the Circular; and (b) any such instruments must be received (i) by Playmaker's transfer agent not later than 10:00 a.m. (Toronto time) on the Business Day that is two (2) Business Days immediately preceding the Meeting (or any adjournment

or postponement thereof) or (ii) by Playmaker not later than 5:00 p.m. (Toronto time) on the Business Day that is one (1) Business Days immediately preceding the Meeting (or any adjournment or postponement thereof) or (iii) by the Chair of the Meeting at the Meeting prior to the commencement of voting. Shareholders may also revoke any previously submitted proxies by attending and validly voting at the Meeting.

Voting

19. **THIS COURT ORDERS** that the only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Shareholders of record at 5:00 p.m. (Toronto time) on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

20. **THIS COURT ORDERS** that votes shall be taken at the Meeting on the basis of one vote per Common Share and that in order for the Plan of Arrangement to be implemented, subject to further Order of this Honourable Court, the Arrangement Resolution must be passed, with or without variation, at the Meeting by:
 - a) an affirmative vote of at least two-thirds of the votes cast in respect of the Arrangement Resolution at the Meeting by Shareholders present in person or represented by proxy and entitled to vote at the Meeting; and
 - b) a simple majority of the votes cast in respect of the Arrangement Resolution at the Meeting by Shareholders, other than by Common Shares held by Jordan Gnat and Federico Grinberg and entities controlled by them, in accordance with

Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions.*

Such votes shall be sufficient to authorize Playmaker to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what is provided for in the Circular without the necessity of any further approval by the Shareholders, subject only to final approval of the Arrangement by this Honourable Court.

21. **THIS COURT ORDERS** that in respect of matters properly brought before the Meeting pertaining to items of business affecting Playmaker (other than in respect of the Arrangement Resolution), each Shareholder is entitled to one vote for each Common Share held.

Dissent Rights

22. **THIS COURT ORDERS** that each registered Shareholder as of the Record Date shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 185 of the OBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 185(6) of the OBCA, any Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to Playmaker in the form required by section 185 of the OBCA and the Arrangement Agreement, which written objection must be received by Playmaker not later than 5:00 p.m. (Toronto time) on the Business Day that is two (2) Business Days immediately preceding the Meeting (or any adjournment or

postponement thereof), and must otherwise strictly comply with the requirements of the OBCA. For purposes of these proceedings, the “court” referred to in section 185 of the OBCA means this Honourable Court.

23. **THIS COURT ORDERS** that, notwithstanding section 185(4) of the OBCA, the Purchaser, not Playmaker, shall be required to offer to pay fair value, as of the close of business on the day prior to approval of the Arrangement Resolution at the Meeting, for Common Shares held by registered Shareholders who duly exercise Dissent Rights, and to pay the amount to which such Shareholders may be entitled pursuant to the terms of the Plan of Arrangement. In accordance with the Plan of Arrangement and the Circular, all references to the “corporation” in subsections 185(4) and 185(14) to 185(30), inclusive, of the OBCA (except for the second reference to the “corporation” in subsection 185(15)) shall be deemed to refer to “Better Collective A/S” in place of the “corporation”, and the Purchaser shall have all of the rights, duties and obligations of the “corporation” under subsections 185(14) to 185(30), inclusive, of the OBCA.
24. **THIS COURT ORDERS** that any registered Shareholder who duly exercises such Dissent Rights set out in paragraph 22 above and who:
- i) is ultimately determined by this Honourable Court to be entitled to be paid fair value for his, her or its Common Shares, shall be deemed to have transferred those Common Shares as of the Effective Time, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to the Purchaser for cancellation in consideration for a payment of cash from the Purchaser equal to such fair value; or

ii) is for any reason ultimately determined by this Honourable Court not to be entitled to be paid fair value for his, her or its Common Shares pursuant to the exercise of the Dissent Right, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall Playmaker, the Purchaser or any other person be required to recognize such Shareholders as holders of Common Shares at or after the date upon which the Arrangement becomes effective and the names of such Shareholders shall be deleted from Playmaker's register of holders of Common Shares at that time.

Hearing of Application for Approval of the Arrangement

25. **THIS COURT ORDERS** that upon approval by the Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, Playmaker may apply to this Honourable Court for final approval of the Arrangement.
26. **THIS COURT ORDERS** that distribution of the Notice of Application and the Interim Order, when sent in accordance with paragraphs 12 and 13 hereof, shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served unless a Notice of Appearance is served in accordance with paragraph 27 hereof.
27. **THIS COURT ORDERS** that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for Playmaker and the Purchaser as soon as reasonably practicable, and, in any event, no less than four (4) days before the hearing of this Application at the following addresses:

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Peter Kolla /Jerred Kiss
Tel: (416) 597-6279
Fax: (416) 979-1234
Email: pkolla@goodmans.ca / jkiss@goodmans.ca
Lawyers for the Applicant

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West, 199 Bay Street
Toronto, Ontario M5L 1B0

Zev Smith
Tel: (416) 869-5260
Fax: (416) 947-0866
Email: zsmith@stikeman.ca
Lawyers for the Purchaser

28. **THIS COURT ORDERS** that, subject to further order of this Honourable Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

- i) Playmaker;
- ii) the Purchaser; and
- iii) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

29. **THIS COURT ORDERS** that any materials to be filed by Playmaker in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Honourable Court.

30. **THIS COURT ORDERS** that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 27 hereof shall be entitled to be given notice of the adjourned date.

Precedence

31. **THIS COURT ORDERS** that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Common Shares, Options, RSUs, PSUs or DSUs or the articles or by-laws of Playmaker, this Interim Order shall govern.

Extra-Territorial Assistance

32. **THIS COURT** seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Honourable Court in carrying out the terms of this Interim Order.

Variance

33. **THIS COURT ORDERS** that Playmaker shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Honourable Court may direct.

 Digitally signed
by Mr. Justice
Cavanagh

**IN THE MATTER OF AN APPLICATION UNDER SECTION 182, *BUSINESS
CORPORATIONS ACT*, R.S.O. 1990, c. B.16, AS AMENDED**

Court File No.: CV-23-00710698-00CL

PLAYMAKER CAPITAL INC.
Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

INTERIM ORDER
(December 14, 2023)

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Peter Kolla LSO#: 54608K
pkolla@goodmans.ca
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jkiss@goodmans.ca
Tel: (416) 849-6893

Lawyers for the Applicant,
Playmaker Capital Inc.

APPENDIX "D"
NOTICE OF APPLICATION

(See attached.)



Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF AN APPLICATION UNDER SECTION 182 OF
THE *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B.16, AS
AMENDED, AND RULES 14.05(2) AND 14.05(3) OF THE *RULES OF
CIVIL PROCEDURE***

**AND IN THE MATTER OF A PROPOSED ARRANGEMENT
INVOLVING PLAYMAKER CAPITAL INC., ITS SHAREHOLDERS,
OPTIONHOLDERS, RESTRICTED SHARE UNITHOLDERS,
PERFORMANCE SHARE UNITHOLDERS, DEFERRED SHARE
UNITHOLDERS, AND BETTER COLLECTIVE A/S.**

PLAYMAKER CAPITAL INC.

Applicant

NOTICE OF APPLICATION

TO THE RESPONDENTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing before a judge presiding over the Commercial List on Wednesday, January 24, 2024 at 10 a.m., or as soon after that time as the application may be heard, at 330 University Avenue, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH

**TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES,
LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL
AID OFFICE.**

Date December 1, 2023

Issued by _____

Local registrar

Address of court office 330 University Avenue, 9th floor
Toronto, Ontario M5G 1R7

**TO: ALL HOLDERS OF COMMON SHARES OF PLAYMAKER CAPITAL
INC., AS AT DECEMBER 11, 2023**

**AND TO: ALL HOLDERS OF OPTIONS TO PURCHASE COMMON SHARES OF
PLAYMAKER CAPITAL INC., AS AT DECEMBER 11, 2023**

**AND TO: ALL HOLDERS OF RESTRICTED SHARE UNITS OF PLAYMAKER
CAPITAL INC., AS AT DECEMBER 11, 2023**

**AND TO: ALL HOLDERS OF PERFORMANCE SHARE UNITS OF PLAYMAKER
CAPITAL INC., AS AT DECEMBER 11, 2023**

**AND TO: ALL HOLDERS OF DEFERRED SHARE UNITS OF PLAYMAKER
CAPITAL INC., AS AT DECEMBER 11, 2023**

AND TO: MNP LLP

2000, 112 – 4th Avenue SW
Calgary, Alberta T2P 0H3
Attn: Leanne Bjalek

Auditors for Playmaker Capital Inc.

AND TO: STIKEMAN ELLIOTT LLP

5300 Commerce Court West, 199 Bay Street
Toronto, Ontario M5L 1B0
Attn: Zev Smith LSO#: 70756R

Lawyers for Better Collective A/S

APPLICATION

1. THE APPLICANT MAKES APPLICATION FOR:

- a) an interim Order for advice and directions pursuant to section 182(5) of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the “**OBCA**”) with respect to a proposed arrangement (the “**Arrangement**”) involving Playmaker Capital Inc. (“**Playmaker**”), its shareholders, optionholders, restricted share unitholders, performance share unitholders, deferred share unitholders, and Better Collective A/S (the “**Purchaser**”);
- b) a final Order approving the Arrangement pursuant to section 182(3) of the OBCA; and
- c) such further and other relief as this Honourable Court may deem just.

2. THE GROUNDS FOR THE APPLICATION ARE:

- a) Playmaker is a corporation incorporated under the laws of the Province of Ontario. Its principal and head office is located in Toronto, Ontario. The common shares in the capital of Playmaker (the “**Common Shares**”) are listed on the TSX Venture Exchange (“**TSXV**”) under the symbol “PMKR”.
- b) Playmaker is a digital sports media company that acquires and integrates premier fan-centric media brands, curated to deliver highly engaged audiences of sports fans to tier one advertisers, online sports betting operators, and sports federations and leagues. Leveraging its in-house technology stack, Bench, and with a 360-degree view of sports fans, Playmaker delivers authentic digital content experiences for sports fans.
- c) The Purchaser is a digital sports media group operating a strong portfolio of national and global sports media brands. Headquartered in Copenhagen, Denmark, and listed on Nasdaq Stockholm under the symbol “BETCO” and Nasdaq Copenhagen under the symbol “BETCO DKK”, the Purchaser’s portfolio includes HLTV.org, Action Network, VegasInsider.com, Playmaker HQ, and FUTBIN.com.

- d) Pursuant to the Arrangement, among other things:
- i) the Purchaser will acquire all of the issued and outstanding Common Shares;
 - ii) holders of Common Shares (other than registered holders of Common Shares who have properly dissented in respect of the Arrangement Resolution (“**Dissenting Shareholders**”), and JPG Investments Inc., Jordan Gnat and their affiliates (together, “**Rollover Shareholders**”)) will be able to elect to receive, as consideration for each Common Share held, either:
 - (i) \$0.70 in cash,
 - (ii) 0.0206 of an ordinary share of the Purchaser (the “**Purchaser Shares**”), or
 - (iii) a mix of \$0.245 in cash and 0.0134 of an ordinary share of the Purchaser,subject to proration such that the aggregate cash payable under the Arrangement does not exceed 35% of the total consideration and that the total value of Purchaser Shares to be issued under the Arrangement does not exceed 65% of the total consideration;
 - iii) holders of Common Shares (other than Dissenting Shareholders and Rollover Shareholders) who do not make an election will receive \$0.245 in cash and 0.0134 of a Purchaser Share for each Common Share held;
 - iv) each option to purchase Common Shares (“**Option**”) granted under and pursuant to, collectively, Playmaker’s (i) Omnibus Equity Incentive Plan dated February 8, 2022, as may be amended from time to time, (ii) stock option plan dated May 26, 2021 and (iii) stock option plan dated January 1, 2020 (collectively, the “**Company Incentive Plans**”), (whether vested or unvested), notwithstanding the terms of the Company Incentive Plans

or any award agreement governing the Option, shall be deemed to be unconditionally fully vested and exercisable, and all unexercised Options shall be deemed to be assigned and transferred by such holder to Playmaker in exchange for a cash payment equal to the amount (if any) by which \$0.70 exceeds the exercise price of such Option, subject to applicable withholdings;

- v) each restricted share unit of Playmaker (“**RSU**”) (whether vested or unvested), notwithstanding the terms of the Company Incentive Plans or any award agreement governing the RSUs, shall be deemed to be unconditionally fully vested, and thereafter such RSU shall, without any further action by or on behalf of a holder of the RSU, be deemed to be assigned and transferred by such holder to Playmaker in exchange for a cash payment equal to \$0.70 for each RSU;
- vi) each performance share unit of Playmaker (“**PSU**”) (whether vested or unvested), notwithstanding the terms of the Company Incentive Plans or any award agreement governing the PSUs, shall immediately be cancelled for no consideration and the holder shall no longer have any rights thereto;
- vii) each deferred share unit of Playmaker (“**DSU**”) (whether vested or unvested), notwithstanding the terms of the Company Incentive Plans or any award agreement governing the DSUs, shall immediately be cancelled for no consideration and the holder shall no longer have any rights thereto; and
- viii) each Common Share held by Rollover Shareholders shall, subject to the terms of and conditions of a rollover agreement entered into between Rollover Shareholders and the Purchaser, be deemed to be assigned and transferred to the Purchaser in exchange for \$0.175 in cash and 0.0155 of a Purchaser Share for each Common Share held.

- e) Upon completion of the Arrangement, Playmaker will become a wholly owned subsidiary of the Purchaser and it is expected that the Common Shares will no longer publicly trade and will be de-listed from the TSXV.
- f) The Arrangement is an “arrangement” within the meaning of subsection 182(1) of the OBCA.
- g) All statutory requirements under the OBCA and any interim Order have been or will be satisfied by the return date of this Application.
- h) The directions set out and the approvals required pursuant to any interim Order this Honourable Court may grant have been followed and obtained, or will be followed and obtained by the return date of this Application.
- i) The Arrangement is in the best interests of Playmaker and is fair to the holders of Common Shares and is put forward in good faith.
- j) The Arrangement is procedurally and substantively fair and reasonable.
- k) Section 182 of the OBCA.
- l) If made, the order approving the Arrangement will constitute the basis for an exemption from the registration requirements of Section 3(a)(10) of the *Securities Act of 1933*, as amended, of the United States of America, and similar exemptions under applicable securities laws in any state of the United States, with respect to the securities to be issued in the United States of America pursuant to the Arrangement;
- m) National Instrument 54-101 – *Communication with Beneficial Owners of the Securities of a Reporting Issuer* of the Canadian Securities Administrators.
- n) Certain holders of Common Shares, Options, RSUs, PSUs and/or DSUs are resident outside of Ontario and will be served at their addresses as they appear on the books and records of Playmaker as at December 11, 2023, being the record date set by Playmaker, pursuant to rule 17.02(n) of the *Rules of Civil Procedure*

and the terms of any interim Order for advice and directions granted by this Honourable Court.

- o) Rules 1.04, 1.05, 14.05(2), 14.05(3), 38 and 39 of the *Rules of Civil Procedure*.
- p) Such further and other grounds as counsel may advise and this Honourable Court may permit.

3. THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE APPLICATION:

- a) such interim Order as may be granted by this Honourable Court;
- b) an Affidavit to be sworn on behalf of Playmaker, describing the Arrangement and outlining the basis for an interim Order for advice and directions, with exhibits thereto;
- c) a further Affidavit(s) to be sworn on behalf of Playmaker, reporting as to compliance with any interim Order and the results of any meeting conducted pursuant to such interim Order, with exhibits thereto; and
- d) such further and other material as counsel may advise and this Honourable Court may permit.

December 1, 2023

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Barristers & Solicitors
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Lawyers for the Applicant,
Playmaker Capital Inc.

**IN THE MATTER OF AN APPLICATION UNDER SECTION 182, *BUSINESS
CORPORATIONS ACT*, R.S.O. 1990, c. B.16, AS AMENDED**

Court File No.:

**Playmaker Capital Inc.
Applicant**

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**NOTICE OF APPLICATION
(returnable January 24, 2024)**

GOODMANS LLP

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Lawyers for the Applicant,
Playmaker Capital Inc.

**APPENDIX “E”
FAIRNESS OPINION**

(See attached.)

November 6, 2023

The Board of Directors
Playmaker Capital Inc.
2 St. Clair Ave. West, Suite 601
Toronto, Ontario, M4V 1L5
Canada

To the Board of Directors:

Canaccord Genuity Corp. (“**Canaccord Genuity**” or “**we**”) understands that Playmaker Capital Inc. (“**Playmaker**” or the “**Company**”) intends to enter into a definitive arrangement agreement to be dated November 6, 2023 (the “**Agreement**”) with Better Collective A/S (“**Better Collective**” or the “**Purchaser**”), providing for, among other things, the acquisition by Better Collective of all of the issued and outstanding common shares of Company (the “**Company Shares**”) from the holders of such Company Shares (collectively, the “**Company Shareholders**”) by way of a plan of arrangement (the “**Arrangement**”) carried out under the provisions of section 182 of the *Business Corporations Act* (Ontario).

Pursuant to the Arrangement, Company Shareholders will be entitled to receive, for each Company Share, at their election, the following consideration (the “**Consideration**”):

1. \$0.70 in cash; or
2. 0.0206 of a share of Better Collective (each a “**Purchaser Share**”); or
3. \$0.245 in cash and 0.0134 of a Purchaser Share;

provided that, we also understand that the aggregate Consideration payable by the Purchaser to Company Shareholders is subject to proration such that 65% of the aggregate Consideration shall be payable in Purchaser Shares and 35% of the aggregate Consideration shall be payable in cash.

We also understand that, pursuant to the Arrangement: (i) each option (“**Option**”) to purchase Company Shares issued and outstanding immediately prior to closing of the Arrangement that has not been duly exercised shall be deemed to be vested and exercisable and to be assigned and transferred to the Company in consideration for a cash payment equal to the amount (if any) by which \$0.70 exceeds the exercise price of such Option, subject to applicable withholdings, and each such Option shall be cancelled; (ii) each issued and outstanding restricted share unit (“**RSU**”) of the Company shall be deemed to be fully vested and to be assigned and transferred to the Company in exchange for a cash payment equal to \$0.70 and each such RSU shall be cancelled; and (iii) each issued and outstanding performance share unit and deferred share unit of the Company (whether vested or unvested and notwithstanding the terms of such units), shall immediately be cancelled for no consideration.

Canaccord Genuity also understands that all of the directors and certain senior officers of the Company and certain related entities controlled by them, as well as certain shareholders of the Company (together, the “**Company Supporting Shareholders**”), each intend to enter into a voting support agreement (the “**Voting Agreements**”) with Better Collective whereby the Company Supporting Shareholders will agree, among other things, to vote their Company Shares (the “**Company Supporting Shareholders Shares**”) in favour of the Arrangement (subject to the terms and conditions of the Voting Agreements). Canaccord Genuity understands that the Company Supporting Shareholders Shares represent approximately 50% of the issued and outstanding Company Shares. We further understand that: (i) JPG Investments Inc., Jordan Gnat and their affiliates (collectively, the “**Rollover Shareholders**”)

intend to enter into an agreement (the “**Rollover Shareholders Lock-Up Agreement**”) with the Purchaser that, among other things, restricts the Rollover Shareholders from transferring the Purchaser Shares received as consideration pursuant to the Arrangement for the time period, and subject to the terms and conditions, set forth in the Rollover Shareholders Lock-Up Agreement; and (ii) Relay Ventures Fund III Capital Inc. intends to enter into an agreement (the “**Relay Lock-Up Agreement**” and, together with the Rollover Shareholders Lock-Up Agreement, the “**Lock-Up Agreements**”) with the Purchaser that restricts it from transferring the Purchaser Shares received as consideration pursuant to the Arrangement for the time period, and subject to the terms and conditions, set forth in the Relay Lock-Up Agreement.

We further understand that the Company expects to hold a meeting of the Company securityholders for the purpose of obtaining the requisite securityholder approval for the Arrangement, consisting of: (i) 66 2/3% of the votes cast on the Arrangement resolution by Company Shareholders present at the Company meeting; and (ii) a simple majority of the votes cast on the Arrangement resolution by Company Shareholders present at the Company meeting, excluding the votes cast in respect of Company Shares that are required to be excluded pursuant to Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions* (“**MI 61-101**”).

Playmaker’s board of directors (the “**Board of Directors**”) has retained Canaccord Genuity to provide advice and assistance to the Company and to prepare and deliver to the Board of Directors an opinion (the “**Opinion**”) as to the fairness, from a financial point of view, of the Consideration to be received under the Arrangement by the Company Shareholders (other than the Rollover Shareholders). Canaccord Genuity understands that the Opinion will be for the use of the Board of Directors and will be one factor, among others, that the Board of Directors will consider in determining whether to approve or recommend the Arrangement. This Opinion has been prepared in accordance with the disclosure standards for formal valuations and fairness opinions of the Investment Industry Regulatory Organization of Canada (“**IIROC**”) but IIROC has not been involved in the preparation or review of this fairness opinion.

All dollar amounts herein are expressed in Canadian dollars, unless otherwise indicated.

Engagement

Canaccord Genuity was formally engaged by the Board of Directors through an agreement between the Company on behalf of the Board of Directors and Canaccord Genuity (the “**Engagement Agreement**”) dated as at August 17, 2023. The Engagement Agreement provides the terms upon which Canaccord Genuity has agreed to act as a financial advisor to the Board of Directors in connection with the Arrangement during the term of the Engagement Agreement and to provide the Opinion. The terms of the Engagement Agreement provide that Canaccord Genuity is to be paid certain fees for the delivery of the Opinion, no part of which is contingent upon the Opinion being favourable or upon success of the Arrangement. In addition, the Company has agreed to reimburse Canaccord Genuity for its reasonable out-of-pocket expenses and to indemnify Canaccord Genuity in respect of certain liabilities that might arise in connection with its engagement.

On November 6, 2023, at the request of the Board of Directors, Canaccord Genuity orally delivered the Opinion to the Board of Directors based upon and subject to the review, assumptions and limitations and other matters described herein and contemplated by the Engagement Agreement. This Opinion provides the same opinion, in writing, as that given orally by Canaccord Genuity on November 6, 2023.

Relationship with Interested Parties

Canaccord Genuity is not an insider, associate, or affiliate (as such terms are defined in the *Securities Act* (Ontario)) of the Company or Better Collective. Canaccord Genuity has not been engaged to provide any financial advisory services, has not acted as lead or co-lead manager on any offering of securities of the Company, Better Collective or their respective affiliates during the 24 months preceding the date on which Canaccord Genuity was first contacted by the Company in respect of the Arrangement, other than services provided under the Engagement Agreement or described herein. Canaccord Genuity acted as financial advisor in connection with Playmaker’s US\$20 million convertible loan facility, which closed on July 12, 2022.



In addition, Canaccord Genuity and its affiliates act as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have long or short positions in the securities of the Company, Better Collective or any of their respective associates or affiliates and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it receives or may receive commission(s). As an investment dealer, Canaccord Genuity and its affiliates conduct research on securities and may, in the ordinary course of their business, provide research reports and investment advice to their clients on investment matters, including with respect to the Company, Better Collective and the Arrangement. In addition, Canaccord Genuity and its affiliates may, in the ordinary course of their business, provide other financial services to the Company, Better Collective or any of their respective associates or affiliates, including financial advisory, investment banking and capital market activities such as raising debt or equity capital. In addition, Canaccord Genuity and/or certain employees of Canaccord Genuity currently own or may have owned securities of the Company and/or Better Collective.

Credentials of Canaccord Genuity

Canaccord Genuity is an independent investment bank which provides a full range of corporate finance, merger and acquisition, financial restructuring, sales and trading, and equity research services. Canaccord Genuity operates in North America, the United Kingdom, Europe, Asia and Australia.

The Opinion expressed herein represents the views and opinions of Canaccord Genuity, and the form and content of the Opinion have been approved for release by a committee of Canaccord Genuity's managing directors, each of whom is experienced in merger, acquisition, divestiture, fairness opinion, and capital markets matters.

Scope of Review

In arriving at its Opinion, Canaccord Genuity has reviewed, analysed, considered and relied upon (without attempting to independently verify the completeness or accuracy thereof) or carried out, among other things, the following:

1. draft copy of the Agreement (including the accompanying schedules and exhibits) dated November 5, 2023;
2. draft copies of the Voting Agreements and the Lock-Up Agreements, each dated November 5, 2023;
3. Playmaker's audited annual consolidated financial statements and associated management's discussion and analysis as at and for the periods ended December 31, 2022, December 31, 2021 and December 31, 2020;
4. Playmaker's unaudited consolidated interim financial statements and associated management's discussion and analysis as at and for the periods ended March 31, 2023 and June 30, 2023;
5. Playmaker's public investor presentation dated August 15, 2023;
6. financial projections provided by Playmaker's management, for Playmaker for the calendar years 2023 through 2028, respectively, and discussions surrounding longer-term business and growth prospects
7. recent press releases, material change reports and other public documents filed by Playmaker on the System for Electronic Document Analysis and Retrieval + at www.sedarplus.com;
8. Better Collective's public investor and capital markets day presentations dated August 22, 2023 and March 23, 2023, respectively available on Better Collective's website, www.bettercollective.com (the "**Better Collective Website**");
9. Better Collective's audited consolidated financial statements and associated management's discussions and analysis as at and for the periods ended December 31, 2022, December 31, 2021 and December 31, 2020;
10. Better Collective's financial guidance provided by Better Collective's management to the public on August 22, 2023 for the calendar years 2023 through 2027, respectively, and discussions with Playmaker's management surrounding Better Collective's longer-term business and growth prospects;



11. recent press releases, reports and other public documents of Better Collective available on the Better Collective Website;
12. discussions with Playmaker's senior management concerning Playmaker's financial condition, the industry and its future business prospects;
13. discussions with Playmaker's legal counsel relating to legal matters including with respect to the Agreement;
14. certain other corporate, industry and financial market information prepared or provided by Playmaker and Better Collective's senior management;
15. selected public market trading statistics and relevant financial information in respect of both Playmaker and Better Collective, as well as other comparable public entities considered by Canaccord Genuity to be relevant;
16. representations contained in certificates, addressed to Canaccord Genuity and dated the date hereof, from a senior officer of Playmaker; and
17. such other corporate, industry and financial market information, investigations and analyses as Canaccord Genuity considered necessary or appropriate at the time and in the circumstances.

Canaccord Genuity has not, to the best of its knowledge, been denied access by the Company to any information requested by Canaccord Genuity. Canaccord Genuity did not meet with the auditors of the Company or Better Collective and has assumed the accuracy and fair presentation of, and has relied upon, without independent verification, the consolidated financial statements of the Company and Better Collective and the reports of the auditors thereon.

Prior Valuations

The Company has represented to Canaccord Genuity that, to the best of its knowledge, information and belief, there have not been any prior valuations (as defined in MI 61-101) of the Company or any of its affiliates or any of its material assets, securities or liabilities in the past two years.

Assumptions and Limitations

The Opinion is subject to the assumptions, explanations and limitations set forth herein.

Canaccord Genuity has not prepared a formal valuation or appraisal of the Company or any of its securities or assets and the Opinion should not be construed as such. Canaccord Genuity has, however, conducted such analyses as it considered necessary and appropriate at the time and in the circumstances. In addition, the Opinion is not, and should not be construed as, advice as to the price at which any securities of the Company may trade at any future date. We are not legal, tax or accounting experts, have not been engaged to review any legal, tax or accounting aspects of the Arrangement and express no opinion concerning any legal, tax or accounting matters concerning the Arrangement. Without limiting the generality of the foregoing, Canaccord Genuity has not reviewed and is not opining upon the tax treatment under the Arrangement.

As provided for in the Engagement Agreement, Canaccord Genuity has relied upon the completeness, accuracy and fair presentation of all of the financial and other information, data, documents, advice, opinions or representations, whether in written, electronic, graphic, oral or any other form or medium, including relating to the Company and Better Collective, obtained by it from public sources, or provided to it by the Company and/or Better Collective and their respective associates, affiliates, agents, consultants and advisors (collectively, the "**Information**"), and we have assumed that this Information did not omit to state any material fact or any fact necessary to be stated to make such Information not misleading. The Opinion is conditional upon the completeness, accuracy and fair presentation of such Information. Subject to the exercise of our professional judgment, we have not attempted to verify independently the completeness, accuracy and fair presentation of any of the Information. With respect to the financial projections provided to Canaccord Genuity used in the analysis supporting the Opinion, we have assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and judgements of management of the



Company, as to the matters covered thereby and which, in the opinion of the Company, are (and were at the time of preparation and continue to be) reasonable in the circumstances. By rendering the Opinion, we express no view as to the reasonableness of such forecasts, projections, estimates or the assumptions on which they are based.

In preparing the Opinion, Canaccord Genuity has made several assumptions, including that all of the conditions required to implement the Arrangement will be met, that the final versions of the Agreement, the Voting Agreements and the Lock-Up Agreements (collectively, the “**Transaction Agreements**”) will be identical to the most recent draft thereof reviewed by us, that all of the representations and warranties contained in the Transaction Agreements are true and correct as of the date hereof, that the Arrangement will be completed substantially in accordance with the terms set forth in the most recent draft of the Agreement reviewed by us and all applicable laws, and that the accompanying circular sent to Company securityholders in connection with the Arrangement will disclose all material facts relating to the Arrangement and will satisfy all applicable legal requirements.

Senior management of the Company have represented to Canaccord Genuity in certificates delivered as of the date hereof, among other things, that (i) to the best of their knowledge, information and belief, the Information, other than Projections (as defined below), provided to Canaccord Genuity by the Company or its affiliates or its or their representatives for the purpose of preparing the Opinion (the “**Company Information**”), did not and does not omit to state a material fact in relation to the Company or its affiliates or the Arrangement necessary to make the Company Information not misleading in light of the circumstances under which the Company Information was provided; (ii) the Company Information was, at the date the information was provided to Canaccord Genuity, and, is at the date hereof, complete, true and correct in all material respects and did not and does not contain any untrue statement of a material fact in respect of the Company or the Arrangement; (iii) since the dates on which the Company Information was provided to Canaccord Genuity, there has been no material change or change in material facts, financial or otherwise, in or relating to the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries and, no material change or change in material facts has occurred in the Company Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Opinion; (iv) any portions of the Company Information which constitute budgets, strategic plans, forecasts, projections, models or estimates (“**Projections**”) in respect of the Company and its affiliates have been prepared using assumptions which are (and were at the time of preparation) and continue to be, among other things, reasonably prepared, having regard to the Company’s industry, business, financial condition, plans and prospects, and do not contain any untrue statement of a material fact or omit to state any material fact necessary to make such Projections (as of the date of the preparation thereof) not misleading in light of the assumptions used at the time, any developments since the time of their preparation, or the circumstances in which such Projections was provided to Canaccord Genuity; and (v) since the dates on which the Company Information was provided to Canaccord Genuity, except for the Arrangement, no material transaction has been entered into by the Company or any of its affiliates which has not been publicly disclosed.

The Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as of the date hereof and the conditions and prospects, financial and otherwise, of the Company, Better Collective and their respective subsidiaries and affiliates, as they were reflected in the Information and the Company Information and as they have been represented to Canaccord Genuity in discussions with management of the Company and Better Collective. In its analyses and in preparing the Opinion, Canaccord Genuity made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, which Canaccord Genuity believes to be reasonable and appropriate in the exercise of its professional judgement, many of which are beyond the control of Canaccord Genuity or any party involved in the Arrangement.

The Opinion has been provided to the Board of Directors (solely in their capacity as such) for their sole use and benefit and only addresses the fairness, from a financial point of view, of the Consideration to be received under the Arrangement by the Company Shareholders (other than the Rollover Shareholders). The Opinion may not be relied upon by any other person or entity (including, without limitation, securityholders, creditors or other constituencies of the Company) or used for any other purpose or published without the prior written consent of Canaccord Genuity, provided that Canaccord Genuity consents to the inclusion of the Opinion in its entirety and a summary thereof (provided such summary is in a form acceptable to Canaccord Genuity) in any proxy statement of the Company to be mailed to Company securityholders in connection with seeking their approval of the Arrangement and to the filing thereof, as necessary, by the Company on SEDAR, in accordance with applicable securities laws in Canada.



Canaccord Genuity has not been asked to, nor does Canaccord Genuity offer an opinion as to the terms of the Arrangement (other than in respect of the fairness, from a financial point of view, of the Consideration to be received under the Arrangement by the Company Shareholders (other than the Rollover Shareholders) or the forms of agreements or documents related to the Arrangement. The Opinion does not constitute a recommendation as to how the Board of Directors (or any director), management or any securityholder should vote or otherwise act with respect to any matters relating to the Arrangement, or whether to proceed with the Arrangement or any related transaction. The Opinion does not address the relative merits of the Arrangement as compared to other transactions or business strategies that might be available to the Company. In considering fairness from a financial point of view, Canaccord Genuity considered the Arrangement from the perspective of holders of Company Shares generally and did not consider the specific circumstances of any particular holder of Company Shares, including with regard to income tax considerations. The Opinion is given as of the date hereof, and Canaccord Genuity disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come, or be brought, to the attention of Canaccord Genuity after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Opinion after the date hereof, including, without limitation, the terms and conditions of the Arrangement, or if Canaccord Genuity learns that the Information relied upon in rendering the Opinion was inaccurate, incomplete or misleading in any material respect, Canaccord Genuity reserves the right to change, modify or withdraw the Opinion after the date hereof.

Canaccord Genuity believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of an Opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

Conclusion

Based upon and subject to the foregoing, and such other matters as Canaccord Genuity considered relevant, Canaccord Genuity is of the opinion that, as of the date hereof, the Consideration to be received under the Arrangement by the Company Shareholders is fair, from a financial point of view, to the Company Shareholders (other than the Rollover Shareholders).

Yours truly,

Canaccord Genuity Corp.

CANACCORD GENUITY CORP.



APPENDIX "F"
INFORMATION CONCERNING BETTER COLLECTIVE

(See attached.)

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INFORMATION CONCERNING BETTER COLLECTIVE

The following information about Better Collective A/S (“**Better Collective**”, together with its subsidiaries, the “**Better Collective Group**”) should be read in conjunction with the 2022 Annual Report of Better Collective for the year ended December 31, 2022 dated March 23, 2023 (the “**2022 Annual Report of Better Collective**”), the 2021 Annual Report of Better Collective for the year ended December 31, 2021 dated March 23, 2022 (the “**2021 Annual Report of Better Collective**”), the 2020 Annual Report of Better Collective for the year ended December 31, 2020 dated March 25, 2021 (the “**2020 Annual Report of Better Collective**”, and together with the 2022 Annual Report of Better Collective and the 2021 Annual Report of Better Collective, the “**Annual Reports of Better Collective**”), and the Interim Report Q3 2023 of Better Collective for the nine month period ended September 30, 2023 dated November 15, 2023 (the “**Q3 Interim Report of Better Collective**”), each incorporated herein by reference and attached hereto as Schedule E to this Appendix F, and the information concerning Better Collective appearing elsewhere in the management information circular (the “**Circular**”) of Playmaker Capital Inc. (“**Playmaker**”) to which this Appendix F is attached. Capitalized terms used but not otherwise defined in this Appendix F shall have the meanings ascribed to them in the Circular. Except as otherwise indicated, the information presented in this Appendix F is as at the date of the Circular.

Changes in Presentation of Certain Financial Information

The following provides a summary of certain segment reporting and reclassification changes in the note disclosures as reflected in the Q3 2023 Interim Financial Statements (as defined below), which are incorporated herein by reference and attached hereto as Schedule E to this Appendix F. As of January 1, 2023, the scope of Better Collective’s geographical operating segments were modified following certain changes in management responsibilities. Better Collective’s “US” operating segment has been renamed as “North America” (or “NA”) and now covers both Better Collective’s operations in both the US and Canada, whereas previously Better Collective’s operations in Canada were captured in the “Europe & RoW” operating segment. Financial information with respect to comparative periods in fiscal year 2022 including comparative figures for the year ended December 31, 2022 and nine month period ended September 30, 2022, have been restated. Also as of January 1, 2023, Better Collective has reclassified revenue generated from upfront payments in respect of hybrid revenue. In particular, revenue recognised under the hybrid revenue model consists of an upfront revenue share component (i.e., a one-time upfront fee for each newly referred player) and an ongoing revenue share component for the amount that the aggregate revenue share exceeds the upfront revenue share component. The upfront revenue share component is recognized at a point in time being the month in which the player referral is made. The ongoing revenue share component is recognised once the aggregate revenue share exceeds the upfront revenue share component and is recognised at a point in time being the month that such excess is earned by the respective gaming operator.

CORPORATE STRUCTURE

Better Collective A/S

Better Collective is a public limited liability company founded and incorporated under Danish law. Better Collective is governed by the Danish Companies Act (“**DCA**”). The registered office and headquarters is situated at Sankt Annæ Plads 28, DK-1250 Copenhagen K, Denmark. The ordinary shares of Better Collective (the “**Better Collective Shares**”) are listed on the Nasdaq Stockholm, as of June 8, 2018, and the Nasdaq Copenhagen, as of November 17, 2023.

Better Collective was incorporated in 2004 by Jesper Søgaard and Christian Kirk Rasmussen, both of whom remain part of the executive team. Better Collective primarily operated in German-speaking markets following its incorporation. In 2006 Better Collective initiated a partnership with Bet365 and by 2008, it had added products in four languages.

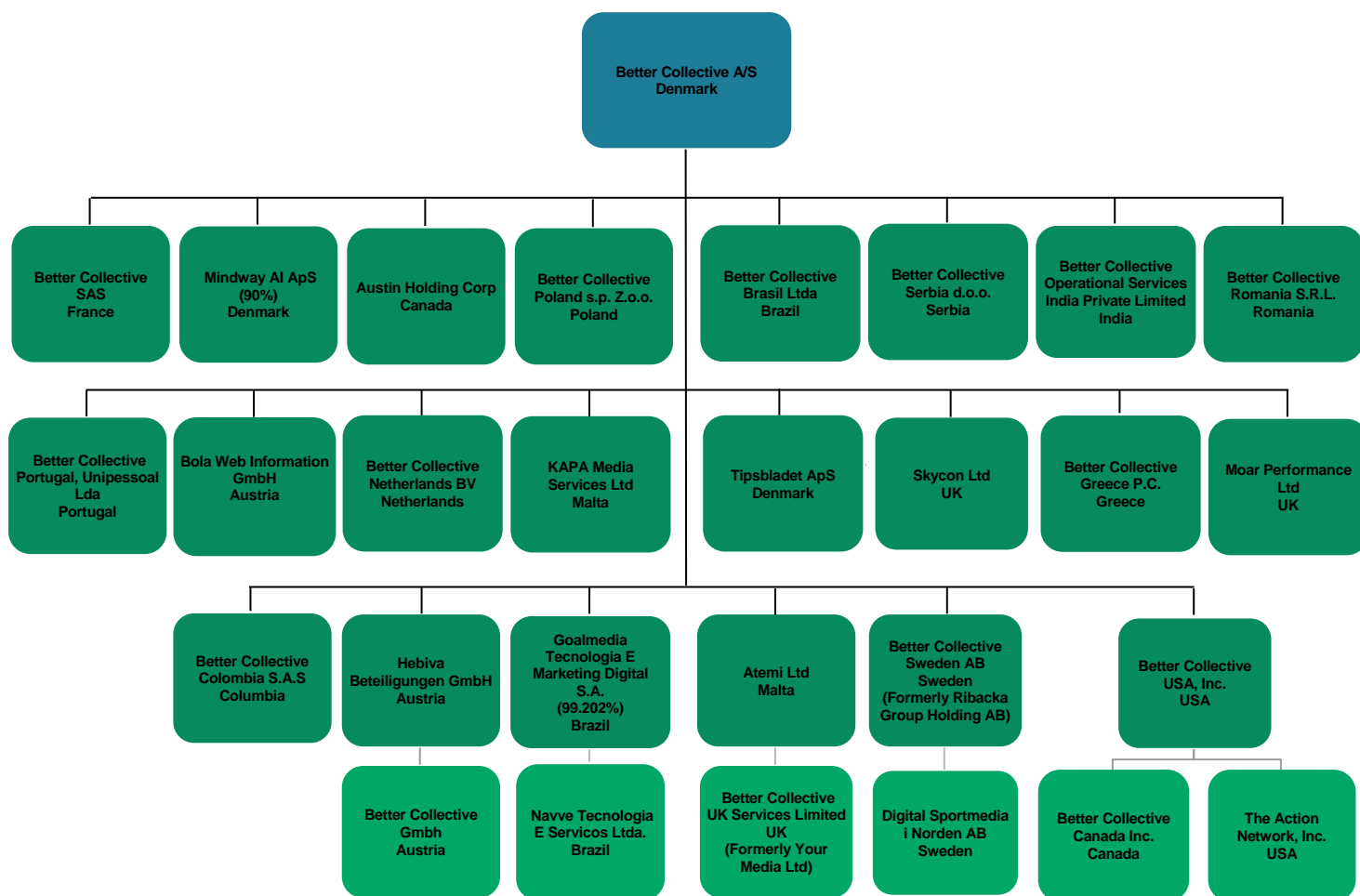
Through 2011 to 2014, the Better Collective Group focused on strengthening its position in existing markets and product portfolio expansion. Significant resources were deployed to the development of its technology platform, and by 2014 Better Collective had expanded its portfolio by five additional languages. During 2015 to 2017, the Better Collective Group went through an ambitious growth period, expanding its geographic footprint to include products in 28 new languages. Between May 2017 and April 2018, the Better Collective Group had made 10 acquisitions.

Better Collective completed an Initial Public Offering (the “**Better Collective IPO**”) in June, 2018. The offering was made to the general public in Sweden, and to institutional investors in Sweden and abroad. As a result of the Better Collective IPO, the Better Collective Shares were listed for trading on Nasdaq Stockholm. Since 2018, the Better Collective Group has been involved in more than 30 acquisitions of businesses in different parts of the world.

Over the last couple of years, the Better Collective Group has been on a transformational path developing itself from a performance-based marketing business into a digital sports media group. The transition of Better Collective’s business and capabilities have already started to bear fruits with the build up of new capabilities and successful sports media acquisitions. Expanding into the global digital sport media market expands the addressable market for Better Collective significantly.

Intercorporate Relationships

The following chart shows Better Collective and its material subsidiaries as at the date of the Circular:



Note: Except as otherwise indicated, each subsidiary shown above is directly or indirectly wholly owned by Better Collective.

BUSINESS OF THE BETTER COLLECTIVE GROUP

Business Overview

The Better Collective Group owns a portfolio of national and global sports media brands and operates numerous digital sports media and communities. At its core, the Better Collective Group produces a range of sports coverage that spans from popular leagues such as the Premier League and NFL to niche competitions. The Better Collective Group's brands are an integral part of the sports entertainment industry with an audience of more than 180 million monthly visits from fans exploring the world of sports through a wide range of content such as video formats, podcasts, editorial sports news as well as expert and data insights and betting tips regarding the latest and upcoming sports events.

Through its sports media brands like Action Network, HLTV, Playmaker HQ, VegasInsider and FUTBIN, the Better Collective Group caters to dedicated as well as casual sports fans who seek engaging sports content.

The Better Collective Group has a strong set of digital capabilities, including search engine optimization (“SEO”) and audience targeting and a track record in attracting sports fans to its media brands and platforms. In combination with the content offerings, the Better Collective Group can build and grow a loyal audience across its media brands and communities. As such, the Better Collective Group is an attractive partner for businesses, including online gambling and betting (“iGaming”) sportsbooks, aiming to gain the attention of the Better Collective Group's vast audience with their commercial messages.

Better Collective reports on the geographical market segments “North America” and “Europe & Rest of World” (or “Europe and ROW”), and also reports on the operating segments “Publishing” and “Paid Media”.

Geographical Segments

Europe & Rest of the World

The Europe and ROW business comprises all markets outside of North America. The European markets consist of more mature markets, which are the legacy markets of Better Collective. South America is a strong growth market for Better Collective, and makes up an increasingly bigger portion of its business. Examples of sports brands include Soccernews in the Netherlands, Betarades in Greece, Wettbasis in Germany, Goal.pl in Poland, Les Transferts in France, as well as many other brands. The Europe and ROW segment also includes the Esport communities HLTV and FUTBIN. The primary strategy for the Europe and ROW segment is to obtain ownership of the strongest local sports media in the relevant markets. The geographical segment Europe and ROW accounted for approximately 70% of the Better Collective Group's aggregate revenues as at the nine month period ended September 30, 2023, and represented an approximately 27% growth in revenue compared to the same period in 2022.

North America

Both the United States and the Canadian iGaming markets are somewhat recently regulated, with regulation in the United States beginning in 2018. As both markets are young, revenues have historically been generated from one-time payments through a “cost per acquisition” model (as further discussed below under “– Operating Segments – Generation of Revenue through Publishing and Paid Media”). Last year, Better Collective began to transition towards recurring revenues in the United States. North American sports media brands include amongst others, Action Network, PlaymakerHQ VegasInsider, Scores&Odds, RotoGrinders, SportsHandle, and Canada Sports Betting. Better Collective continues its transition towards recurring revenue share and is seeing positive trends in respect of its operations in North America. The geographical segment North America accounted for approximately 30% of the Better

Collective Group's aggregate revenues as at the nine month period ended September 30, 2023, and represented an approximately 24% growth in revenue compared to the same period in 2022.

Operating Segments

Publishing

The Publishing business includes revenue from Better Collective's proprietary owned and operated sports media as well as through its media partnerships. The traffic to these brands flows mostly through direct engagement or through organic search results. As at the nine month period ended September 30, 2023, the Publishing business accounted for approximately 64% of the Better Collective Group's aggregate revenues.

Paid Media

The Paid Media business includes revenues from paid advertising on search platforms such as Google and Bing, as well as advertising which is conducted on third-party sports media. As at the nine month period ended September 30, 2023, the Paid Media business accounted for approximately 36% of the Better Collective Group's aggregate revenues.

Generation of Revenue through Publishing and Paid Media

Within the Publishing and Paid Media business models, the Better Collective Group generates its revenue from the following categories:

- Performance-based marketing related to customer affiliation;
- Subscriptions; and
- Other (primarily sponsorship and display advertising).

In performance-based marketing, the Better Collective Group operates two separate concepts with different earnings profiles: revenue share and cost per acquisition ("CPA"). Through the revenue share model, the Better Collective Group receives a share of the net revenues that a partnering sportsbook generates from a player referred to that sportsbook by the Better Collective Group. Through the CPA model, partnering sportsbooks pay a one-off amount for the referred players. In 2022, the Better Collective Group referred a total of approximately 1.7 million new depositing customers ("NDCs") to its partnering sportsbook.

The performance-based marketing services offered by the Better Collective Group present an attractive opportunity to sportsbooks as revenue share agreements allow the sportsbooks to acquire NDCs at a low risk.

In addition, sports enthusiasts pay for subscription services provided by the Better Collective Group, such as access to media content as well as access to high quality content, data insights, tailored betting tips, and much more from some of the leading sports media brands across the world provided by the Better Collective Group. Subscriptions are a growing source of revenue in the Better Collective Group as audiences appreciate and value high quality content and are prepared to pay for an elevated entertainment experience.

For the financial year ended December 31, 2022 and the nine month period ended September 30, 2023, the aggregate revenues of the Better Collective Group was distributed amongst its revenue generation categories as follows:

Revenue per type	FY December 31, 2022		YTD September 30, 2023	
	Revenue in EUR (thousands)	Revenue in %	Revenue in EUR (thousands)	Revenue in %
Revenue share	102,358	38	121,504	50
Cost per acquisition	118,415	44	77,848	32
Subscription	18,003	7	12,669	5
Other	30,521	11	29,469	12
Total	269,297	100	241,491	100

Growth Strategy

Better Collective's growth strategy centers on transitioning its business into a digital sports media group which includes expanding its addressable market by adapting its core strengths of utilizing performance-based marketing to refer new players to partnering sportsbooks by using search engine optimization and conversion rate optimization expertise in maximizing the conversion of its players. In parallel, Better Collective has been focused on building on top of its expertise by combining organic growth and acquisitive synergies. As a result of its M&A strategy, Better Collective's business has continued to scale with its roll-up of established assets and platforms. As a result, Better Collective's growth objectives have transformed with a focus on mature and developed businesses having strong national and global sports media presence and a loyal readership.

Specialized Skill and Knowledge

The development, design, marketing and distribution of the Better Collective Group's current product offerings require specialized skills and knowledge, particularly in affiliate marketing, technology, development, conceptualization and graphic design. Better Collective believes it has personnel with the required specialized skills and knowledge to carry out its operations. While the current labour market in the industries and locations in which Better Collective operates is highly competitive, Better Collective has successfully attracted and maintained appropriately qualified employees and expects to continue doing so going forward, but there can be no assurance that it will. If Better Collective fails to attract and maintain appropriately qualified employees, its business, financial condition and operating results could be materially adversely affected.

Competition

The European digital sports media market is fragmented and categorized into small to medium sportsbooks, and large sportsbooks.

Large sportsbooks are defined as having annual revenue of more than EUR 10 million. In 2018, the category consisted of approximately 20 companies accounting for approximately 20 per cent of the European iGaming affiliate market during 2017. Large sportsbooks are primarily focused on the online casino market, or have a presence in a multitude of markets which include the online casino market and online sports betting market.

Better Collective competes against a variety of sports media groups, including European and North American media groups, global media platforms, global sports websites, independent local media groups, and non-English media groups. As such, it is imperative that Better Collective continues to provide new, engaging, and high quality content to their players to keep them coming back and remaining loyal to its brands. Certain of Better Collective's subsidiaries also compete against a variety of local players in the jurisdictions in which the Better Collective Group operates, who focus on a specific language and target audience. Better Collective's large base of web, social, video and podcast properties, global diversity, and multi-language content provides unique value to viewers, which allows it to continue to grow and gain market share.

Intangible Properties

Better Collective relies on a combination of intellectual property rights and considers its brands, trademarks, domain names, customer data, copyrights, trade secrets, and similar proprietary technology to be a key aspect of the Better Collective Group's operations. For protection of such rights, the Better Collective Group relies on trademark registrations, domain registrations, copyright and trade secret protection, as well as non-disclosure and confidentiality agreements with employees and other third parties. From time to time, legal action by Better Collective may be necessary to enforce or protect its intellectual property rights, including to determine the ownership, validity and scope of such rights or the intellectual property rights of others or to defend against claims of infringement, misappropriation or other violation.

Seasonality

Better Collective has experienced, and expects to continue to experience, some degree of seasonal fluctuations in its revenue, which can vary by region. The broad geographical mix of Better Collective's customer base also impacts the effect of seasonality as customers in the various geographical jurisdictions will place differing importance on distinct sporting competitions, which often have diverse calendars. As such, Better Collective's revenue has historically been strongest during the first quarter when most playoffs and championship games occur and has historically seen decreased or stalled growth rates during off-seasons. Better Collective's revenue may also be affected by the scheduling of major sporting events that do not occur annually, or the cancellation or postponement of such events.

Employees

Better Collective is focused on creating a culture based on global collaboration, innovation and sportsmanship, and believes that its employees are fundamental to the Better Collective Group's continued success. Better Collective aims to foster a collaborative and outcome-focused environment, and is an equal opportunity employer, offering equal opportunities for employees, regardless of gender, ethnicity, race, religion or sexual orientation. For financial year 2022, the average number of full-time employees of Better Collective was 878.

Regulatory Environment

Better Collective's business is subject to a wide range of national, federal, state and local laws and regulations in various jurisdictions in which Better Collective operates. Such laws and regulations include those regulating gaming, sports betting, iGaming, competition, consumer privacy, data protection, cybersecurity and information security. These descriptions are not exhaustive, and these laws, regulations and rules frequently change and are increasing in number. Better Collective's failure, or certain of our customers' or service providers' failure, to comply with any of these laws, regulations, or rules or their interpretation could result in regulatory action, the imposition of civil and criminal penalties, including fines and restrictions on our ability to offer services or products, the suspension, revocation or non-renewal of, or placing of a restriction on, a license, registration, or other authorization required to provide our services or products, the limitation, suspension, or termination of services or products, changes to our business model, loss of consumer confidence, litigation, including private class action litigation, the seizure or forfeiture of our assets and/or reputational damage. Therefore, the Better Collective Group monitors these areas continuously to design compliant solutions for its customers and continues to adapt its business practices and strategies to help comply with current and changing laws and regulations, legal standards and industry practices.

Governmental Regulation of User Data

The interpretation of privacy and data protection laws and their application is unclear and subject to rapid change in numerous jurisdictions. There is a risk that these laws may be interpreted and applied in a manner that is not consistent with Better Collective's data protection practices and results in additional compliance or changes in its business practices, or both, and liability or sanction under these laws. In addition, because Better Collective's website and products are accessible in many jurisdictions, certain foreign jurisdictions may claim that Better Collective is required to comply with local laws, even where it has no local operating entity, employees, infrastructure or other physical presence in those jurisdictions. Furthermore, Better Collective may face conflicting obligations arising from the potential concurrent application of laws of multiple jurisdictions. In the event that Better Collective is not able to reconcile such obligations, it may be required to change business practices or face liability or sanction. There is a risk that governmental authorities may implement changes to existing statutes that may result in additional compliance or changes in Better Collective's business practices, or create additional risk of liability or sanction, or all of the foregoing.

Governmental Regulation of the Sports Betting Industry

Neither Better Collective nor its subsidiaries offer sports betting services in any jurisdiction. Better Collective is a digital sports media group. However, Better Collective hosts digital advertisements for, among a number of other customers, sports betting companies.

In Europe, the legislation and regulation on the provision of facilities for taking part in betting activities differ widely across its many jurisdictions, the protection of the betting customers generally is the focus of corresponding legislative objectives. As a result of this overarching policy, European gambling and betting laws primarily address the supply of betting (and other gambling) products to end consumers and do not cover the provision of supply services to the betting industry. As a service provider to partnering sportsbooks, Better Collective is not normally subject to laws and regulations regarding gambling and betting. However, some jurisdictions restrict the marketing of gambling and betting services targeted to residents, thus affecting sportsbooks as well as service providers to such sportsbooks.

In the United States, sports betting is subject to regulation under state laws, rules, and regulations. Typically, the focus on these regulations is on the entities directly offering wagering to customers, but many states have introduced specific licensing regimes for media affiliates, such as Better Collective, requiring all media affiliates to obtain authorizations such as registrations or licenses from the governmental authority. The type of authorization varies from state to state and are generally less stringent than those required for the entities directly offering wagering to customers such as online gambling companies, but many are referred to as registrations. The foregoing licensing regulations are triggered as the result of providing certain services to a customer holding a state-issued sports betting license, including advertising services.

Three Year History

Recent Developments

On November 16, 2023, Better Collective announced the completion of the previously announced dual listing of the Better Collective Shares on Nasdaq Copenhagen.

On November 6, 2023, Better Collective and Playmaker Capital entered into the Arrangement Agreement setting forth the terms of the Arrangement.

In August of 2023, Better Collective completed a share buyback programme of up to EUR 10,000,000 previously announced on July 6, 2023, pursuant to which 187,991 Better Collective Shares were purchased, at an average price of SEK 237.2.

On July 3, 2023, Better Collective acquired Playmaker HQ. The acquisition consisted of USD \$15,000,000 in cash upfront, USD \$1,000,000 in deferred payments and up to USD \$38,000,000 in performance-based earnout payments over a three-year period.

Throughout 2023, Better Collective's financial performance has remained robust, which was partially fuelled by the State of Ohio launching sports betting. In addition, Better Collective announced media partnerships with the digital soccer media brand, Goal, the leading Polish sports site, Wirtualna Polska, and Punch, a Nigerian news media company. In addition to the foregoing, Better Collective completed a USD 4.3 million acquisition of the assets of a sports media operating in an emerging market, and further acquired Skycon (UK), certain assets from Everysport Group (Sweden), Torcedores.com (Brazil) and Tipsbladet (Denmark). In the same period, Better Collective also announced a share acquisition of 8.5% of Catena Media (Malta).

In April of 2023, Better Collective completed a share buyback program of up to EUR 10,000,000 previously announced on February 21, 2023, pursuant to which an aggregate of 416,959 Better Collective Shares were purchased at an average price of SEK 196.6.

In January of 2023, Better Collective completed a share buyback program of up to EUR 5,000,000 previously announced on November 22, 2022, pursuant to which an aggregate of 394,645 Better Collective Shares were purchased at an average price of SEK 141.3.

In Q1 of 2023, Better Collective completed an asset deal for a sports media in an emerging market for USD \$4,300,000.

2022

Better Collective signed new US based media partnerships during the third quarter of 2022, including with the Chicago Tribune. These partnerships are co-branded with Better Collective's American media, Action Network and Vegas Insider, to provide premium sports content, proprietary tools, and in-depth analytics to its customers and users.

In October of 2022, Better Collective completed a share buyback program of up to EUR 5,000,000 previously announced on August 29, 2022, pursuant to which an aggregate of 386,145 Better Collective Shares were purchased, at an average price of SEK 139.2.

In April of 2022, Better Collective acquired the well-established esports brand FUTBIN for EUR 105 million, which included an EUR 30 million contingent payment, and which at the time represented its second largest acquisition. Acquiring FUTBIN allowed for further diversification of the Better Collective Group's income stream as revenues from FUTBIN consisted primarily of ads and subscription sales.

In March of 2022, Better Collective completed a share buyback program of up to EUR 5,000,000 previously announced on March 1, 2022, pursuant to which an aggregate of 348,282 Better Collective Shares were purchased at an average price of SEK 150.3.

During the first quarter of 2022, Better Collective entered the New York market, including a media partnership with the New York Post, and entered into a media partnership with Sport1, a German platform. Better Collective also acquired Canada Sports Betting for EUR 21.4 million, making a strong entrance into the Canadian market.

In January of 2022, Better Collective completed a share buyback program of up to EUR 10,000,000 previously announced on December 8, 2021, pursuant to which an aggregate of 532,482 Better Collective shares were purchased, at an average price of SEK 187.5.

2021

During the third quarter of 2021, Better Collective acquired Soccernews.nl, one of the most visited Dutch online sports media sites, and Voetbalwedden.net, a well-established Dutch online sports betting community, in separate transactions for total upfront payments of EUR 5.9 million, with maximum deferred and earnout payments of EUR 3.75 million.

In the second quarter of 2021, Better Collective acquired the US sports betting media platform, the Action Network, for EUR 196 million from which the Better Collective Group gained a leading position within sports betting media and affiliation in the United States.

In May 2021, Better Collective completed a private placement share issuance pursuant to which Better Collective raised proceeds of SEK 1,500,000,000 (approximately EUR 129 million as at the time thereof).

In early 2021, Better Collective exercised its option to acquire a further 70% of the shares in Mindway AI for a total price of EUR 2.3 million. Mindway AI specializes in software solutions based on artificial intelligence and neuroscience for identifying, preventing and intervening in at-risk and problem gambling. The acquisition followed a preliminary investment made in 2019, and Better Collective now holds 90% of the shares in Mindway AI.

2020

During 2020, Better Collective completed acquisitions for an aggregate purchase price of approximately EUR 80 million, including that of HLTV.org (Denmark), a leading esports platform and community, and Ateni Group (UK), a lead generation for iGaming company, zagranie.com (Poland), a sports betting media brand, and irishracing.com (Ireland), a horseracing platform.

Following the acquisition of the Ateni Group, Better Collective transitioned into operating two different business models regarding customer acquisition strategies, each with different earning profiles. As noted above, Better Collective's operating business segments, Publishing and Paid Media, are measured and disclosed separately for purposes of financial reporting.

On June 30, 2020, Better Collective completed a share buyback program of EUR 5,000,000 previously announced on March 19, 2020, pursuant to which an aggregate of 625,964 Better Collective Shares were purchased at an average price of SEK 83.9.

HISTORICAL CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of Better Collective for the financial year ended December 31, 2022 and the auditor's reports thereon and the related notes thereto (the "**2022 Annual Financial Statements**") are incorporated herein by reference and attached hereto as Schedule E to this Appendix F.

The consolidated financial statements of Better Collective for the financial year ended December 31, 2021 and the auditor's report thereon and the related notes thereto are incorporated herein by reference and attached hereto as Schedule E to this Appendix F.

The consolidated financial statements of Better Collective for the financial year ended December 31, 2020 and the auditor's report thereon and the related notes thereto are incorporated herein by reference and attached hereto as Schedule E to this Appendix F.

The unaudited consolidated interim financial statements of Better Collective for the nine month period ended September 30, 2023 and the auditor's review engagement report and the related notes thereto

(the “**Q3 2023 Interim Financial Statements**”) are incorporated herein by reference and attached hereto as Schedule E to this Appendix F.

For selected annual financial information of Better Collective for the financial years ended December 2022, 2021, and 2020, see “*Selected Annual Financial Information*” in Schedule A to this Appendix F (“*Annual Report Supplement*”).

DIVIDENDS OR DISTRIBUTIONS

Better Collective has continued to execute an acquisition growth strategy since 2017, completing more than 30 acquisitions since the start of 2018. As Better Collective’s growth strategy continues to focus on potential acquisitions of value accretive targets and assets, Better Collective does not expect to pay dividends in the near future. There have been no dividends paid or distributions made in the last three financial years. Any decision to pay dividends will be based on Better Collective’s financial position, investment needs, liquidity position as well as general economic and business conditions.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

As at the date of the Circular, the total number of Better Collective Shares issued and outstanding was 55,367,418. The Better Collective Shares are ordinary shares in the share capital of Better Collective with a nominal value of EUR 0.01 each. There is no legal nor constitutional limit on the number of Better Collective Shares which can be issued, subject to approval by Better Collective’s shareholders at a general meeting.

Each Better Collective Share entitles the holder thereof to one vote at an annual general meeting or extraordinary general meeting of the shareholders of Better Collective. Better Collective’s authorized share capital is comprised of one class of shares, which does not carry any special rights. The Better Collective Shares are freely transferable and are issued through and registered with Euronext Securities Copenhagen (VP Securities A/S).

The central securities depository Euroclear Sweden AB has a custody account with Euronext Securities Copenhagen. The majority of the Better Collective Shares are deposited and in custody on the custody account of Euroclear Sweden AB. Euroclear Sweden AB have issued book-entry securities for the Better Collective Shares held in custody, and these book-entry securities are shares listed and traded on Nasdaq Stockholm and settled in Euroclear Sweden AB. Following the dual listing of Better Collective Shares on Nasdaq Copenhagen, investors are able to have their shares be deposited in their own Euronext Securities Copenhagen accounts for the purpose of settling trades in the shares on Nasdaq Copenhagen instead of in the omnibus account held by Euroclear Sweden.

The Better Collective Shares are dual listed on Nasdaq Stockholm and Nasdaq Copenhagen, and are traded under the ticker symbols “BETCO.ST” and “BETCO.DKK”.

Better Collective proposes to issue up to 1,757,540 new Better Collective Shares in connection with the Arrangement, assuming there are no Dissenting Shareholders, involving the acquisition of all of the issued and outstanding Common Shares of Playmaker by Better Collective pursuant to the Plan of Arrangement. Following the issuance of the new Better Collective Shares pursuant to the Arrangement, up to 57,124,958 Better Collective Shares will be issued and outstanding (excluding the ordinary course exercise and settlement of any outstanding Warrants, Options and PSUs (each as defined below) prior to the completion of the Arrangement), and, assuming the exercise and settlement of the outstanding Warrants, Options and PSUs (on a non-adjusted basis) through the issuance of newly created Better Collective Shares, up to 59,607,587 Better Collective Shares may become issued and outstanding on a fully-diluted basis.

Save for the lock-up agreements that have been entered into between Better Collective and certain shareholders of Playmaker with respect to the Better Collective Shares to be issued as consideration to such shareholders of Playmaker, as described elsewhere in the Circular, there are no agreements to which Better Collective Shareholders are a party that are known to Better Collective, and which may result in restrictions on the transferability of Better Collective Shares.

CONSOLIDATED CAPITALIZATION

The following table sets forth the Better Collective Group's consolidated capitalization as at September 30, 2023 and adjusted to give effect to the Arrangement and the debt financing. The table should be read in conjunction with the Q3 Interim Report of Better Collective incorporated by reference herein and the pro forma financial statements of Better Collective attached as Appendix H to the Circular.

	Better Collective Group As at September 30, 2023 (Actual)	Better Collective As at September 30, 2023 after giving effect to the Arrangement and Debt Financing
Cash ⁽²⁾ ⁽³⁾	40,676	43,481
Debt:		
Debt to credit institutions (non-current)	248,359	319,589
Debt to credit institutions (current)	23	23
Total long-term debt, including current portion	248,382	319,892
Total equity ⁽⁴⁾	437,743	502,199
Total capitalization ⁽⁵⁾	686,125	822,081

Notes:

(1) Figures are given in thousands of EUR.

(2) Cash a comprise of amounts presented by Better Collective as "Cash" as at September 30, 2023 represented EUR 40.7 million and EUR 43.5 million for Better Collective (actual) and Better Collective after giving effect to the Arrangement, respectively.

(3) Cash for Better Collective as at September 30, 2023 after giving effect to the Arrangement reflects EUR 61 million of "Cash and cash equivalents" acquired from Playmaker, net cash from a loan of EUR 71.5 million for purposes of the Arrangement less EUR 39.4 million of cash used to partially settle the Arrangement, and less EUR 24.9 million of net cash to settle Playmaker's debt arrangements, and less EUR 10.9 million for Arrangement related costs. The actual amount of cash available as a source of funds and the remaining cash on the statement of financial position will depend on, among other things, the cash as of the closing date of the Arrangement and actual fees and expenses.

(4) The increase in total equity mainly comprises: (a) an increase due to the share settlement of EUR 73.1 million of Better Collective Shares to acquire Playmaker, (b) a reduction in total equity of EUR 10.9 million for Arrangement related costs expected to be incurred by Better Collective after giving effect to the Arrangement.

(5) Total capitalization excludes amounts relating to the IFRS 16 lease liability of EUR 15.3 million and EUR 15.7 million for Better Collective (actual) and Better Collective after giving effect to the Arrangement, respectively. Total capitalization is the sum of "Total long term debt", including current portion and "Total equity".

OPTIONS TO PURCHASE SECURITIES

Better Collective maintains the following incentive programs pursuant to which options to purchase Better Collective Shares or equity-based securities in respect of Better Collective Shares are outstanding:

- the new Better Collective Long Term Incentive Plan for Executive Management (the "**CXO Program**") consisting of share options to purchase Better Collective Shares (such share options or stock options, as the case may be, "**Options**").
- the 2022 and 2023 Better Collective Long Term Incentive Plan (collectively, the "**LTI Programs**") consisting of performance stock units (such performance stock units or performance share units, as the case may be, "**PSUs**") and Options;

- the management incentive program related to Better Collective’s acquisition of Action Network Inc. and subsequent tranche established in connection therewith (together, the “**Action Network MIP**”), pursuant to which PSUs and Options were made available for issuance subject to cash settlement at the discretion of the Better Collective Board (as defined below); and
- the 2017, 2019, 2020, and 2021 warrant programs, pursuant to which warrants to purchase Better Collective Shares (“**Warrants**”) were granted to certain key employees (collectively the “**Warrant Programs**”).

For further information regarding the equity-based payment plans maintained by Better Collective, refer to Note 4 of the Q3 2023 Interim Financial Statements and Note 6 of the 2022 Annual Financial Statements.

The following table shows the aggregate number of Better Collective Shares subject to PSUs, Options or Warrants as at December 10, 2023 outstanding under these various incentive programs:

Group (Number of Holders in Group)	Number of Better Collective Shares subject to PSUs, Options, or Warrants	Exercise Price	Expiry Date
Executive Officers and Past Executive Officers of Better Collective (3)	900,000	DKK 12.96 to DKK 142.08	September 13, 2024 to April 24, 2028
Directors and Past Directors of Better Collective (9)	25,000	DKK 61.49	April 22, 2025
Executive Officers and Past Executive Officers of Subsidiaries of Better Collective (3)	900,000	DKK 12.96 to DKK 142.08	September 13, 2024 to April 24, 2028
All Other Employees and Past Employees of Better Collective (96)	659,004	Nil to DKK 150.41	September 13, 2024 to February 15, 2028
All Other Employees and Past Employees of Subsidiaries of Better Collective (61)	1,042,196	Nil to DKK 150.41	September 13, 2024 to February 15, 2028
Total	2,626,200⁽²⁾	Nil to DKK 150.41	September 13, 2024 to April 24, 2028

Notes:

(1) Each Option or Warrant entitles the applicable holder thereof to one Better Collective Share upon the exercise and settlement of such Option or Warrant. Each PSU entitles the applicable holder thereof to one Better Collective Share as adjusted upwards or downwards by a percentage based on the achievement of or failure to achieve certain performance criteria. For purposes of the table above, each PSU is assumed to provide the holder thereof to one Better Collective Share upon vesting and settlement of such PSU.

(2) As there is overlap in the identity of persons comprising Executive Officers and Past Executive Officers of Better Collective and Executive Officers and Past Executive Officers of Subsidiaries of Better Collective, the number of Better Collective Shares disclosed above do not add to the aggregate number of Better Collective Shares subject to PSUs, Options or Warrants.

The following table provides a summary, as at December 31, 2022, of the number of Better Collective Shares issuable upon the exercise of PSUs, Options and Warrants outstanding under Better Collective’s employee share schemes, the weighted-average exercise price of such PSUs, Options and Warrants, and the number of Better Collective Shares available for Better Collective’s issuance under future grants of such securities under Better Collective’s employee share schemes, being the CXO Programs, the LTI Programs, the Action Network MIP and the Warrant Programs:

	Number of Securities to Be Issued Upon Exercise of Outstanding PSUs, Options or Warrants as at December 31, 2022	Weighted-Average Exercise Price of Outstanding PSUs, Options or Warrants as at December 31, 2022	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in The First Column) as at December 31, 2022
Total	2,360,103 ⁽¹⁾	EUR 12.99	Nil ⁽²⁾

Notes:

(1) Figure represents the aggregate of all security-based awards, including outstanding Options, Warrants and PSUs as at December 31, 2022.

(2) There are limitations under Danish law on the maximum number of securities that may be approved for issuance under an equity compensation plan. The maximum number of PSUs, Options or Warrants which can be issued under Better Collective's existing compensation plans including for greater certainty, the CXO Program, the LTI Programs, the Action Network MIP and Warrant Programs, is equal to the number currently outstanding. Future grants of equity incentives may be made under new equity incentive plans following approval by the shareholders of Better Collective at a general meeting.

PRIOR SALES

The following table summarizes issuances of Better Collective Shares, PSUs, Options and Warrants, and any exercise of PSUs, Options, or Warrants, within the 12 months preceding the date of the Circular:

Date	Security	Price Per Security	Number of Securities
December 11-12, 2023	Better Collective Shares ⁽⁴⁾	EUR 0.01	143,571
September 18, 2023	Better Collective Shares ⁽⁴⁾	EUR 0.01	47,011
June 12, 2023	Better Collective Shares ⁽⁴⁾	EUR 0.01	22,167
April 25, 2023	Options ⁽¹⁾	DKK 142.08	300,000
March 21, 2023	Better Collective Shares ⁽⁴⁾	EUR 0.01	5,000
January 2, 2023	Options ⁽²⁾	DKK 87.06	239,336
January 2, 2023	PSUs ⁽³⁾	Nil	131,311
December 13, 2022	Better Collective Shares ⁽⁴⁾	EUR 0.01	2,160

Notes:

(1) Issued pursuant to the CXO Program.

(2) Issued pursuant to the LTI Programs.

(3) Issued pursuant to the LTI Programs.

(4) Issued pursuant to the exercise of vested share-settled incentive awards.

Trading Price and Volume

The following table sets out the intraday high and low prices and total trading volume of the Better Collective Shares on Nasdaq Stockholm, as reported by S&P Capital IQ for each month from November 2022 through to December 13, 2023.

Month	High	Low	Total Volume Shares
December 1 – 13, 2023	247.5	226.0	0.77mm
November 2023	299.00	208.50	2.84mm
October 2023	286.00	238.00	2.11mm

September 2023	277.00	236.50	0.79mm
August 2023	266.00	217.50	1.02mm
July 2023	243.00	213.00	0.50mm
June 2023	239.50	207.00	0.46mm
May 2023	228.00	199.60	0.77mm
April 2023	224.00	198.00	0.73mm
March 2023	202.80	172.60	1.01mm
February 2023	192.80	156.40	0.82mm
January 2023	159.10	127.10	0.84mm
December 2022	145.20	126.10	0.95mm
November 2022	147.10	126.40	0.71mm

PRINCIPAL SECURITYHOLDERS

So far as is known to Better Collective, the names of the persons or companies who beneficially own, or control or direct, directly or indirectly, Better Collective Shares carrying 10% or more of the voting rights attached to the Better Collective Shares as at the date of the Circular are Jesper Søgaard (Chief Executive Officer) and Christian Kirk Rasmussen (Chief Operating Officer), each holding 10,671,179 Better Collective Shares and each representing approximately 19.27% of the aggregate number of outstanding Better Collective Shares, through their respective holding companies, J. Søgaard Holding ApS and Chr. Dam Holding ApS. Following the completion of the Arrangement, each of Jesper Søgaard and Christian Kirk Rasmussen will hold approximately 18.68% of the aggregate number of outstanding Better Collective Shares on a non-diluted basis (and, assuming the exercise and settlement of the outstanding Warrants, Options and PSUs (on a non-adjusted basis) through the issuance of newly created Better Collective Shares, approximately 18.31% on a fully-diluted basis).

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holding

The name and country of residence of each member of the board of directors of Better Collective (the “**Better Collective Board**”) and executive officer of Better Collective (the “**Executive Management**”), and the principal occupations in which each has been engaged during the immediately preceding five years, are as follows:

Name and Country of Residence	Position/Title(s)	Principal Occupation for the Past Five Years	Director or Executive Officer Since
Jens Bager ⁽³⁾ ⁽⁶⁾ Denmark	Chair of the Board	Corporate Director and former Chief Executive Officer of ALK-Abello A/S	2016
Therese Hillman ⁽²⁾ Sweden	Vice Chair of the Board	Corporate Director and Chief Executive Officer of Network of Design	2021

Name and Country of Residence	Position/Title(s)	Principal Occupation for the Past Five Years	Director or Executive Officer Since
Todd Dunlap ⁽⁴⁾ United States	Board member	Current Chief Executive Officer of OfferUp and former Chief Executive Officer of North America for Booking.com	2020
René Rechtman Denmark	Board member	Co-founder and CEO of Moonbug Entertainment	2023
Leif Nørgaard ⁽¹⁾ Denmark	Board member	Corporate Director and former Chief Financial Officer of Chr. Hansen Group	2014
Petra von Rohr ⁽²⁾ Sweden	Board member	Corporate Director and Chief Executive Officer of Biocool AB	2018
Britt Bøskov Denmark	Board member	Chief Experience Officer in Kindred Group (previously Unibet)	2022
Jesper Søgaard Denmark	Chief Executive Officer and Co-Founder	Chief Executive Officer and Co-Founder	2004
Christian Kirk Rasmussen Denmark	Chief Operating Officer and Co-Founder	Chief Operating Officer and Co-Founder	2004
Flemming Pedersen Denmark	Chief Financial Officer	Chief Financial Officer	2018

Notes:

(1) Chair of the Audit Committee

(2) Member of the Audit Committee

(3) Chair of the Remuneration Committee

(4) Member of the Remuneration Committee

(5) Better Collective's Nomination Committee is comprised of four members, with three members being nominated for appointment by the three largest shareholders of Better Collective as at the end of August of each calendar year, and the fourth member being the Chair of the Board. As at August 31, 2023, the three largest shareholders of Better Collective held an aggregate of approximately 49.5% of the then issued and outstanding number of Better Collective Shares. The three largest shareholders and their respective nominees are: (i) Chr. Dam Holding and J. Søgaard Holding, represented by their appointee Søren Jørgensen; (ii) Andra AP-Fonden, represented by its appointee Martin Jonasson; and (iii) Knutsson Holdings AB, represented by its appointee Michale Knutsson.

(6) Member of the Nomination Committee

As at December 10, 2023, the Better Collective Board, as a group, owned, directly and indirectly, an aggregate of 1,483,416 Better Collective Shares, or approximately 2.68% of the issued and outstanding Better Collective Shares and the Executive Management, as a group, own, directly and indirectly, an aggregate of 21,654,324 Better Collective Shares, or approximately 39.11% of the issued and outstanding Better Collective Shares. Collectively, the members of Better Collective Board and Executive Management hold an aggregate of approximately 41.79% of the issued and outstanding Better Collective Shares on a non-diluted basis and, assuming the exercise and settlement of the outstanding Warrants, Options and PSUs (on a non-adjusted basis) through the issuance of newly created Better Collective Shares, approximately 40.37% on a fully-diluted basis.

Biographies

The following biographies provide information on members of the Better Collective Board:

Jens Bager

Jens Bager was elected to the Better Collective Board in 2016, and became Chair of the Better Collective Board in 2017. Prior to joining the Better Collective Board, Jens Bager was the CEO of ALK-Abelló A/S for 16 years, and prior to that he was an EVP of Chr. Hansen A/S. Jens Bager is an Industrial Partner at

Impilo AB, the chairman of Scantox Holding ApS and Marleybones Ltd, and has served on various boards in Denmark, Sweden, and France. He has extensive experience within general management of international and listed companies. Jens Bager holds a M.Sc in Economics and Business Administration from Copenhagen Business School.

Therese Hillman

Therese Hillman was elected to the Better Collective Board in 2021 and has served as its Vice Chair since 2022. Therese Hillman is the CEO of Network of Design (NOD), a group of Scandinavian design companies. Prior to her current role as CEO of NOD, she served as CEO of NetEnt. In this role, she steered the company during a turnaround phase, in a time of changing regulation and market conditions, US market expansion, and a large acquisition of the fast-growing competitor Red Tiger. Prior to joining NetEnt in 2017, Therese Hillman worked at Gymgrossisten.com for ten years, where she held roles as the CEO, COO and CFO. Therese Hillman holds a M.Sc. in Accounting and Finance from the Stockholm School of Economics with exchange terms at the University of Virginia and the University of North Georgia.

Todd Dunlap

Todd Dunlap was elected to the Better Collective Board in 2020. Todd Dunlap is the current CEO of the startup OfferUp, one of the Seattle region's only tech startups valued at more than US \$1 billion. Prior to this role he was the CEO of North America for Booking.com where he was responsible for the overall growth of the company's business in the United States and Canada. Prior to joining Booking.com in 2012, Todd worked for 14 years at Microsoft, most recently in the role of Vice President & COO of Microsoft's Consumer & Online Division. Todd Dunlap holds two Bachelor of Science degrees, one in aerospace engineering and the other in business administration. He has completed graduate programs in Business and International Management from Stanford University and The Thunderbird School of Global Management.

René Rechtman

René Rechtman was elected to the Better Collective Board in 2023. René Rechtman is the co-founder and CEO of Moonbug Entertainment, an award-winning global entertainment company behind some of the most popular kids' titles in the world. Prior to Moonbug, René was head of non-linear media networks at The Walt Disney Company, where he was responsible for building a digital studio to create products for global distribution. He joined Disney through its acquisition of Maker Studios in 2014, where he served as president of international and focused on product growth and rapidly expanded international business across EMEA, Asia, and Latin America. René Rechtman holds a master's degree in political science and international relations from the University of Copenhagen.

Britt Boeskov

Britt Boeskov was elected to the Better Collective Board in 2023. Up until September 2022 Britt Boeskov was SVP of Group Strategy and Execution in Better Collective and has since continued in a consultancy role. Prior to that she was Chief Experience Officer in Kindred Group (previously Unibet), one of the largest gambling companies in the world. Being with Kindred from 2005 to 2022, she held various positions, including Chief Program Officer and Chief Operating Officer, during which time she led and transformed the business through fundamental industry changes, in terms of regulation, consumer expectations and technology advances. Britt Boeskov is also a professional board director, and serves on the boards of MAG Interactive AB, Mindway AI (part of Better Collective group), Gaming1 Group and Racecourse Media Group. Britt Boeskov holds an M.Sc. in Intercultural Communication and Management from Copenhagen Business School.

Leif Nørgaard

Leif Nørgaard was elected to the Better Collective Board in 2014. He has previously held senior positions in global companies such as CFO for Chr. Hansen Group, CFO for Dako Group, CFO for Teleca Group, and has served on the board of directors for companies located globally in several different countries. Leif Nørgaard is a professional investor and part-time CFO in start-up companies. He has extensive experience in finance, start-ups and growth companies. Leif Nørgaard holds a M.Sc in Economics and Business Administration from Aarhus Business School and is a state authorised public accountant.

Petra von Rohr

Petra von Rohr was elected to the Better Collective Board in 2018. Petra von Rohr is currently the CEO of Biocool AB, and has experience in executive management positions both from the finance industry and the communications industry. Prior to her current role, she was Head of Group Communications at Sweden's largest cable operator Com Hem AB. Petra also has experience from working as an equity analyst in London and Stockholm, as well as being the CEO of a Stockholm based investment bank. She has extensive experience from working with corporate communications and investor relations. Petra von Rohr holds a M.Sc. in Economics and Finance from Stockholm School of Economics and an undergraduate degree from McGill University in Montreal, Canada.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Corporate Cease Trade Orders and Bankruptcies

None of the directors or executive officers of Better Collective, is or has been within the 10 years before the date of the Circular a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity: (a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an "Order"); or (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event which occurred while such person was acting as a director, chief executive officer or chief financial officer.

No director or executive officer of Better Collective, nor any shareholder holding a sufficient number of securities of Better Collective to affect materially the control of Better Collective is, or has been within the 10 years before the date of the Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

Except as noted below, none of the directors or executive officers of Better Collective, nor any shareholder holding a sufficient number of securities of Better Collective to affect materially the control of Better Collective, has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in making an investment decision.

Flemming Pedersen was CEO of NeuroSearch A/S up until May 2010. By judgment of November 14, 2016, the Danish Supreme Court ordered NeuroSearch A/S to pay a fine of DKK 5 million for having violated the rules on market manipulation. Flemming Pedersen was charged in the same case, but was acquitted by the Eastern High Court at an earlier stage of the proceedings. The dispute that was decided upon by the Danish Supreme Court on November 14, 2016 concerns the period February 3, 2010 to April 28, 2010 during which NeuroSearch A/S issued two company announcements relating to one of its

pharmaceutical products. In the first announcement, it was stated that the primary endpoint of the study had been reached. This statement was withdrawn in the second announcement. The announcements made Nasdaq Copenhagen report the incident to the Danish Financial Supervisory Authority, which requested that charges were brought against NeuroSearch A/S for market manipulation and insufficient disclosure of inside information. The Danish Financial Supervisory Authority also requested that some of the company's executives, including Flemming Pedersen, be charged with insider trading. By indictment of July 16, 2013, the prosecution filed a lawsuit, claiming that NeuroSearch A/S and Flemming Pedersen should be convicted of market manipulation. On August 8, 2014, Copenhagen City Court found NeuroSearch A/S and Flemming Pedersen guilty. By judgement of October 14, 2015, the Eastern High Court overruled the City Court's decision and acquitted Flemming Pedersen. The reason for the acquittal was that the court found that Flemming Pedersen's actions were not intended to enrich himself and furthermore the court also held that Flemming Pedersen had acted only in the company's interests. As a result of the acquittal, the Danish State was ordered to pay the legal costs relating to Flemming Pedersen. No other sanctions or restrictions have been imposed on Flemming Pedersen in connection with the case. Thus, the case has not prevented Flemming Pedersen from acting as a member of an issuer's administrative, management or supervisory body or from holding any senior or overarching position in an issuer.

Jesper Søgaard was, during the period of April 28, 2014 to August 9, 2016 a board member of Shjrs Danmark ApS, and during the period of October 30, 2015 to August 9, 2016 also chairman of its board of directors. On August 9, 2016, the Danish Business Authority requested that the probate court of Kolding should dissolve Shjrs Danmark ApS due to the company not having filed its annual report of 2015. The company was compulsory dissolved (In Danish: *Tvangsopløst*) on September 28, 2016.

Personal Bankruptcies

No director or officer of Better Collective, nor any shareholder holding a sufficient number of securities of Better Collective to affect materially the control of Better Collective has, within the 10 years before the date of the Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Conflicts of Interest

To the best of Better Collective's knowledge, there are no existing potential conflicts of interest among Better Collective or its subsidiaries and the directors or officers of Better Collective or its subsidiaries as a result of their outside business interests as at the date of the Circular. Certain directors and officers of Better Collective are or may serve as directors or officers, or may become associated with, other public or private companies. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of Better Collective.

The officers and directors of Better Collective are required by law to act with a view to the best interests of Better Collective and to disclose any interest which they may have in any project or opportunity of Better Collective. The directors and officers of Better Collective are aware of their obligations to act at all times in the interest of Better Collective and to disclose any conflicts to Better Collective if and when they arise. The Better Collective Board has formal procedures in place for managing conflicts of interest, which include an annual confirmation by all Directors. Directors are required not to participate in the consideration of and resolutions on items if there is an actual or potential conflict of interest. In the case of a conflict, the relevant director of Better Collective would be excluded from participation in a meeting during the period of the meeting where the relevant item is discussed. The relevant director would be excluded from the quorum and would not be entitled to vote in respect of any matters in which they have an interest.

COMPENSATION DISCUSSION AND ANALYSIS

For a discussion of Better Collective's remuneration policies applicable to Better Collective's directors and executive officers, including the elements of compensation comprising such policies and the practices adopted by the Better Collective Board and its Remuneration Committee in determining Better Collective's remuneration policies and establishing performance measures for variable compensation components of such remuneration policies, refer to (i) the Remuneration Report of Better Collective for the year ended December 31, 2022, attached as Schedule C to this Appendix F (the "**2022 Remuneration Report**"), and (ii) the general policy for remuneration offered to members of the Better Collective Board and Executive Management, as last adopted by the annual general meeting of Better Collective on April 25, 2023, attached as Schedule C to this Appendix F (the "**Remuneration Policy**"). The 2022 Remuneration Report has been prepared in accordance with section 139b of the DCA and was approved by way of an advisory vote at the annual general meeting of Better Collective on April 25, 2023.

The following additional disclosure is provided to supplement the remuneration information contained in the 2022 Remuneration Report and should be read in conjunction with the 2022 Remuneration Report and the Remuneration Policy, each of which is incorporated herein by reference.

Remuneration Policy

Pursuant to section 139 and 139a of the Danish Companies Act, the board of directors of a Danish company admitted to trading on an EU regulated market must adopt a remuneration policy for the board of directors and executive management. Such policy shall be approved by the Danish company's shareholders at a general shareholders' meeting. The overall objective of Better Collective's Remuneration Policy is to attract, motivate and retain qualified members of the Better Collective Board and Executive Management as well as to align the interests of the Board and the Executive Management with the interests of Better Collective's shareholders and other stakeholders. The remuneration of the Better Collective Board and Executive Management has been designed to support the strategic goals of Better Collective and to promote value creation for the benefit of its shareholders.

The Better Collective Board has established a remuneration committee to ensure that the company maintains and observes a Remuneration Policy for the members of the Board and the Executive Management. The Remuneration Policy and any changes thereto shall be approved by the Board as well as at a general meeting of the shareholders of Better Collective. Furthermore, the Nomination Committee, as appointed pursuant to the terms of Better Collective's Articles of Association and the Swedish Corporate Governance Code, shall prepare and propose the fees to the Board and any fees for committee work. The remuneration committee shall evaluate and make recommendations for the remuneration of the members of the Better Collective Board and the Executive Management. The remuneration committee shall retain its own advisers separate from the external advisers engaged by Better Collective and/or the members of the Executive Management. To avoid conflicts of interest, the Remuneration Policy and the remuneration of the Better Collective Board is subject to approval by a general meeting of the shareholders of Better Collective, and the remuneration of the Executive Management is then subject to approval by the Better collective Board. With respect to share components offered to proposed director candidates, such proposal is subject to approval at a general meeting of the shareholders of Better Collective and further the proposal itself is subject to endorsement by the Nomination Committee.

For more details, please refer to the Remuneration Policy appended as Schedule C to this Appendix F.

Summary Compensation Table (Named Executive Officers)

The following table discloses, for the financial years indicated, all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by Better Collective or a subsidiary of Better Collective to each of Better Collective's "named executive officers" (as such term is defined under applicable Canadian securities laws) in respect of the financial year ended December 31, 2022, namely: Jesper Søgaard; (Chief Executive Officer); Flemming Pedersen (Chief Financial Officer); and Christian Kirk Rasmussen (Chief Operating Officer) (collectively, the "Named Executive Officers"). Other than the Named Executive Officers, it is Better Collective's view that there are no other individuals that would be considered an executive officer of Better Collective or its subsidiaries or to act in a similar capacity. Pursuant to applicable Danish legal requirements, Better Collective is restricted from disclosing the compensation of its employees without their express consent. Please refer to the notes below the table for full details of how the figures are calculated.

Name and principal position	Year	Salary	Share-based awards	Option-based awards ⁽²⁾	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
					Annual incentive plans	Long-term incentive plans			
Jesper Søgaard, Chief Executive Officer	2022	311	-	19	186	-	35	-	551
	2021	285	-	51	85	-	32	-	453
	2020	197	-	121	19	-	22	-	360
Flemming Pedersen, Chief Financial Officer	2022	398	-	59	119	-	64	-	641
	2021	356	-	104	53	-	57	-	570
	2020	320	-	213	12	-	44	-	589
Christian Kirk Rasmussen, Chief Operating Officer	2022	311	-	19	186	-	35	-	551
	2021	285	-	51	85	-	32	-	453
	2020	197	-	121	19	-	22	-	360

Notes:

(1) Figures are given in thousands of EUR.

(2) The cost of warrants (as per Black-Scholes) of Warrants granted in 2018 and 2019.

Incentive Plan Awards (Named Executive Officers)

The following table sets forth for each Named Executive Officer all awards outstanding as at December 31, 2022:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price ⁽¹⁾	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽¹⁾	Market or payout value of vested share-based awards not paid out or distributed ⁽¹⁾
Jesper Søgaard, Chief Executive Officer	150,000	DKK 64.78	September 13, 2024	DKK 3,039,888	-	-	-

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price ⁽¹⁾	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽¹⁾	Market or payout value of vested share-based awards not paid out or distributed ⁽¹⁾
Flemming Pedersen, Chief Financial Officer	300,000	DKK 64.78	September 13, 2024	DKK 6,079,776	-	-	-
Christian Kirk Rasmussen, Chief Operating Officer	150,000	DKK 64.78	September 13, 2024	DKK 3,039,888	-	-	-

Notes:

(1) Figures are given in Danish Kroner. As at December 30, 2022, the Denmark National Bank reported an exchange rate of SEK 1 to DKK 0.6686.

Incentive Plan Awards (Named Executive Officers) – Value vested or earned during the year

The following table sets forth for each Named Executive Officer the value of the option-based awards which vested during the financial year ended December 31, 2022:

Name	Option-based awards – Value vested during the year	Share-based awards – Value vested during the year	Non-equity incentive plan compensation – Value earned during the year
Jesper Søgaard, Chief Executive Officer	DKK 1,828,988	-	186
Flemming Pedersen, Chief Financial Officer	DKK 2,743,482	-	119
Christian Kirk Rasmussen, Chief Operating Officer	DKK 1,828,988	-	186

Notes:

(1) Figures are given in Danish Kroner. . As at December 30, 2022, the Denmark National Bank reported an exchange rate of SEK 1 to DKK 0.6686.

Pension Plan Benefits

Members of the Executive Management may participate in the company's funded external pension scheme, which may amount to up to 16% of such member's fixed remuneration.

Termination and Severance Benefits

The Executive Management will typically be employed without a time limit, but with the right to reciprocal termination. Better Collective may terminate with a notice of termination of 12 months, while the Executive Management may give notice to the company of 6 to 9 months. The total value of remuneration to each member of the Executive Management regarding the notice period, including severance pay, cannot exceed two years' remuneration including all remuneration components. In the event of the death of a member of the Executive Management, Better Collective may pay what amounts to up to 6 to 12 months' remuneration to the Executive Management member's survivor. In the 2022 financial year, no termination or severance payments were paid.

Director Compensation

The following table sets forth information concerning the compensation paid to the non-executive directors of Better Collective for the financial year ended December 31, 2022:

Name	Fees earned	Share-based awards	Option-based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total compensation
Jens Bager, Chair ⁽⁴⁾	104	-	-	-	-	-	104
Therese Hillman, Vice Chair ⁽³⁾	59	-	-	-	-	-	59
Todd Dunlap ^{(5) (6)}	37	-	-	-	-	-	37
Klaus Holse ⁽⁵⁾	37	-	-	-	-	-	37
Leif Nørgaard ⁽²⁾	44	-	-	-	-	-	44
Petra von Rohr ⁽³⁾	37	-	-	-	-	-	37

Note:

(1) Figures are given in thousands of EUR.

(2) Chair of the Audit Committee

(3) Member of the Audit Committee

(4) Chair of the Remuneration Committee

(5) Member of the Remuneration Committee. Klaus Holse subsequently resigned from the Better Collective Board and his position as a member of the Audit Committee effective as of August 8, 2023.

(6) Extraordinary items consist of the value of Warrants (as per Black-Scholes) granted in 2020.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors or executive officers or any of their respective associates or affiliates are or have been indebted to Better Collective or any of its subsidiaries, either in connection with the purchase of securities or otherwise, nor any of the aforementioned individuals are or have been indebted to another entity which indebtedness has been the subject of a guarantee, support agreement, letter of credit or other similar merger or understanding provided by Better Collective or any of its subsidiaries.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee Disclosure

Audit Committee's Charter

The complete text of the charter of Better Collective's audit committee (the "**Audit Committee**") is attached as Schedule D this Appendix F. For further information regarding the Audit Committee, refer to the Audit Committee Report in the 2022 Annual Report of Better Collective incorporated herein by reference and attached hereto as Schedule E to this Appendix F.

External Auditor Service Fees (By Category)

The table below provides disclosure of the services provided by Better Collective's external auditors in fiscal 2022 and fiscal 2021, dividing the services into the categories of work performed.

EUR (thousands)	2022	2021
Fee related to statutory audit	318	291
Fees for tax advisory services	0	0
Assurance engagements	25	20
Other assistance	0	0
Total audit fees	343	311

Board Mandate

The Better Collective Board has overall responsibility for the leadership, strategy, control and oversight of Better Collective. The Better Collective Board, after the general meeting, is the highest decision-making body of the company. The duties of the Better Collective Board are set forth in the DCA, Better

Collective's Articles, the Swedish Code of Corporate Governance (which applies on a *comply-or-explain* basis), and the written rules of procedure adopted by the board, which are revised annually (the "**Board Rules of Procedure**"). The Board Rules of Procedure regulate, *inter alia*, the conduct and practices of the Better Collective Board, decision-making within Better Collective, the agenda for the meetings of the Better Collective Board, the chair's duties, and the allocation of and distribution of responsibilities between the Better Collective Board and the Executive Management. The Better Collective Board meets according to a predetermined annual schedule, with at least five ordinary meetings being held in the period between each annual general meeting. In 2022, the Better Collective Board held eight meetings. As per Better Collective's Articles, there shall be no less than three and no more than seven members of the Better Collective Board.

Corporate Governance Disclosure

For a discussion of Better Collective's corporate governance practices, including a discussion of the Better Collective Boards' composition, evaluation metrics, internal controls and risk assessment procedures and other corporate governance matters, please refer to the "Corporate Governance Report" in the 2022 Annual Report of Better Collective incorporated by reference herein.

Diversity

The Nomination Committee, which is responsible for recommending director nominees to the Better Collective Board, will consider candidates based on merit with consideration given to objective criteria including the benefits of diversity, in its widest sense, of gender, age, experience, social and ethnic backgrounds, cognitive and personal strengths, professional background, skills and international experience on the Better Collective Board. In 2022, Better Collective had an equal gender distribution and met the company's policy on additional diversity criteria based on age, nationality and educational background.

Additional information regarding the Better Collective Board's progress against these objectives can be found in the 2022 Annual Report of Better Collective incorporated by reference herein.

Nomination Committee

According to the Swedish Code of Corporate Governance, Better Collective shall have a nomination committee (the "**Nomination Committee**"), the duties of which shall include the preparation and drafting of proposals regarding the election of members of the Better Collective Board, the chair of the Better Collective Board, the chair of the general meeting and auditors. In addition, the Nomination Committee shall propose fees for board members and the auditor.

Better Collective's Articles contain instructions and rules of the procedure for the Nomination Committee according to which the Nomination Committee shall have at least three members representing the three largest shareholders of Better Collective as per the end of August of the respective year, together with the chair of the Better Collective Board. The names of the members of the Nomination Committee must be published by Better Collective no later than six months prior to the annual general meeting.

Pursuant to the Swedish Code of Corporate Governance, the majority of the Nomination Committee membership must be independent in relation to Better Collective and its management, and at least one of the members must also be independent of Better Collective's largest shareholder (measured in terms of voting power). All members of the 2024 Nomination Committee are independent in relation to Better Collective and its management, and three of the four members are independent in relation to the major shareholders.

RISK FACTORS

A discussion of risk factors that affect operating results, financial conditions and prospects of Better Collective is set forth below. In addition to the risks factors that affect Better Collective, for a discussion of the risk factors affecting the Better Collective Group following completion of the acquisition of Playmaker and completion of the Arrangement (the “**Combined Group**”), refer to the section entitled “Risk Factors” in Appendix G to the Circular.

The risks and uncertainties discussed below are those that Better Collective’s management currently views as material, but these risks and uncertainties are not the only ones that the Better Collective Group faces. Additional risks and uncertainties, including risks that are not known to Better Collective at present or that its management currently deems immaterial, may also arise or become material in the future, which could lead to a decline in the value of the Better Collective Shares and a loss of part or all of an investor’s investment.

Regulation of iGaming

The Better Collective Group mainly generates its income by directing players that visit the Better Collective Group’s various websites to its partnering sportsbooks. Accordingly, the regulation of iGaming has a significant impact on the Better Collective Group’s business, results of operations and financial position. Regulation that may have an adverse effect on the Better Collective Group includes the general legality of iGaming, the taxation of iGaming, regulation restricting or prohibiting the marketing of iGaming as well as regulation restricting data sharing, handling and storage of personal data and general online privacy regulations. Such impact may directly affect the Better Collective Group’s business, e.g., if the marketing activities of the Better Collective Group fall within the scope of applicable marketing restrictions, or indirectly by otherwise affecting the business of the Better Collective Group’s potential and current customers.

Competition

The Better Collective Group operates in a highly competitive industry characterised by innovation and rapid technological development. To be profitable, the Better Collective Group must develop its technology and services, including websites and content, in order to attract new users to its websites and to be able to refer players to sportsbooks. The Better Collective Group’s competitors may develop their technology faster than the Better Collective Group or competitors may develop technologies deemed “better” than those of the Better Collective Group, resulting in a less competitive edge of the Better Collective Group. The Better Collective Group may be unable to utilise the opportunities in e.g., artificial intelligence in an appropriate manner. The general competitive environment in the Better Collective Group’s industry may cause online sportsbooks to negotiate lower payments or for them more favourable revenue sharing arrangements. Any of the foregoing could have a material adverse effect on the Better Collective Group’s business, results of operations and financial position.

Dependence on SEO

The Better Collective Group is dependent on its ability to maintain efficient SEO and online marketing in order to attract audiences to its websites. Changes by popular search engines in their respective algorithms used in ranking search results may damage the search result ranking of the Better Collective Group’s platforms. Such changes include the potential use by search engines of artificial intelligence in their display and ranking of search results which may impact how the Better Collective Group’s platforms are shown across different search engines. The Better Collective Group’s measures to adjust its SEO activities to restore the search result ranking may be inadequate or delayed. Any delay in the Better Collective Group making a full recovery of its search result rankings could have a negative impact on the

Better Collective Group's short-term and/or long-term audience and could by extension have a material adverse effect on the Better Collective Group's revenue.

Other Regulations Affecting the Better Collective Group's Business

In certain jurisdictions, the Better Collective Group's marketing activities are regulated by law or practice, and/or the Better Collective Group's ability to carry out its business is contingent on the Better Collective Group acquiring a license. Compliance with such regulations is costly and time-consuming and also requires in-depth insight in the legal regimes in many different jurisdictions. As the Better Collective Group owns and operates approximately 1,000 websites and also a number of other digital media platforms and provide marketing on third-party providers' platforms, there is a risk that the Better Collective Group is unable to maintain all platforms fully compliant with applicable marketing, data handling and sharing (e.g., GDPR), privacy and other relevant laws and regulations. Accordingly, there is a risk that the Better Collective Group does not comply, or is perceived as not complying, with applicable laws and regulations, which may result in the Better Collective Group being subject to reputational damage, penalties, injunction orders or other sanctions from relevant authorities which could lead to increased costs or otherwise have a negative impact on the Better Collective Group's operations.

Acquisitions

The Better Collective Group has historically acquired other businesses, including legal entities in different jurisdictions. Since 2018, the Better Collective Group has been involved in more than 30 acquisitions in different parts of the world, and Better Collective expects that the Better Collective Group will continue to be engaged in acquisitions in the foreseeable future. Acquisition activities are, however, associated with significant risks that may have a material adverse effect on the Better Collective Group's business, results of operations and financial position. Such risks include without limitation inability to identify suitable acquisition targets, conduct appropriate due diligence, negotiate transactions on favourable terms, including in particular pricing, as well as synergy and integration risks post-completion. Moreover, the Better Collective Group is exposed to the financial and capital markets as the Better Collective Group may need to finance its acquisitions by debt or equity financing (or a combination thereof), and the Better Collective Group and its shareholders may be negatively affected if new capital cannot be obtained on attractive terms or at all.

Reliance on New Depositing Customers

The Better Collective Group's revenue is dependent on the ability of its partners', primarily sportsbooks', ability to attract and maintain players on their platforms, as well as the general popularity of iGaming. The Better Collective Group operates with different business models which are to a significant extent linked to the number of NDCs that the Better Collective Group is able to direct to sportsbooks. The Better Collective Group's revenue is derived both from the number of referred NDCs but also the ability of partnering sportsbooks to keep the referred NDCs active on their platforms. Accordingly, the Better Collective Group's revenue may be negatively affected if it for any reason is unable to generate and direct NDCs to its partners but also in case that referred NDCs are less active on partnering sportsbooks' platforms than expected. Moreover, a significant part of the Better Collective Group's revenue is generally dependent on the willingness of sportsbooks to use and spend money on performance-based marketing.

Business disruptions

The Better Collective Group is dependent on the continued organization and broadcast of professional sports across the world. In the recent years, the COVID-19 pandemic has caused global and regional disruptions to organized sports which by extension had a significant negative impact on the iGaming industry. Should any globally or regionally disruptive events of a similar nature occur in the future such

events may have a material adverse effect on the Better Collective Group's business and results of operations.

IT Security

The Better Collective Group is dependent on itself and its customers maintaining a secure and well-functioning IT environment for all aspects of its operations. The Better Collective Group's or contracting partners' IT environment may be negatively affected by software or hardware issues, data and privacy leaks, malware, computer viruses as well as human errors, negligent behaviour or a variety of incidents and/or other unforeseeable events. Moreover, the Better Collective Group may be subjected to cybercrime activity by third parties, including ransomware. The occurrence of any of the foregoing incidents could cause the Better Collective Group to incur penalties, reputational damage, additional compliance costs as well as a loss of revenue which could have a material adverse effect on the Better Collective Group's business, results of operations and financial position. Such loss could, for example, arise from a direct attack on the Better Collective Group but also from a sportsbook's loss of personal data.

Operations Across Multiple Geographies

The business and organization of the Better Collective Group is complex with activities and legal entities established across multiple jurisdictions. The Better Collective Group's global presence is also reflected in its ownership and operation of numerous online digital platforms in different countries. Managing its organisation, platforms and content in all relevant jurisdictions requires effective management at regional and local level, contributing to the operational complexity of the Better Collective Group's business. One particular challenge posed by the Better Collective Group's complexity and scope is the ongoing publication of third-party content (real-time betting data, sign-up bonus information, advertisements) on its many platforms. Such information may be published and updated automatically without any manual control. Even though the Better Collective Group generally does not assume liability for this third-party content, the Better Collective Group may be unable to acquit itself of its responsibility for the content and may be found liable for damages caused thereby, potentially having a material adverse effect on the Better Collective Group's brand and reputation. Any failure in properly managing the business and organization of the Better Collective Group and the risks that this inherently entail may have a material adverse effect on the Better Collective Group's business, results of operations and financial position.

Currency fluctuations

Due to its global presence, the Better Collective Group is generally exposed to the risk of fluctuations in currency exchange rates (primarily DKK, EUR, USD and GBP and more limited revenues in SEK and PLN) which may have a negative impact on the Better Collective Group's revenue and results of operations as stated in its reporting currency. From an accounting perspective, a particular risk is associated with intangible assets which constitute a significant part of the Better Collective Group's total assets. Such intangible assets are primarily made up of domains and websites, as well as goodwill. Events could occur which would cause the Better Collective Group to conclude that its intangible assets have been impaired and if so, the Better Collective Group would be required to record a non-cash impairment on its income statement and to write down the value of the affected intangible assets or part thereof. This could have a material adverse effect on the Better Collective Group's financial position and results of operation.

Dependence on revenue share

A significant share of the Better Collective Group's revenue is derived from a revenue share model whereby the Better Collective Group is entitled to a certain percentage of a partner's net revenue generated by a referred NDC. The Better Collective Group is not able to track a referred NDC's activity

on the sportsbook's platform that it has been directed to. As such, the Better Collective Group relies solely on the net revenue information provided by the sportsbook itself. Consequently, there is a risk of miscalculation which may occur due to error or fraudulent or negligent behaviour. Should the net revenue of referred NDCs be miscalculated, the Better Collective Group may receive a lower fee than otherwise entitled to under the relevant customer agreement, resulting in a loss of revenue and which may have a material adverse effect on the Better Collective Group's business, results of operations and financial position.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Better Collective is from time to time involved in legal proceedings of a nature considered normal to its business. Better Collective believes that none of the litigation in which it is currently involved, or has been involved since the beginning of the most recently completed financial year, individually or in the aggregate, is material to its consolidated financial condition or results of operations.

There have not been any: (i) penalties or sanctions imposed against Better Collective by a court relating to securities legislation or by a securities regulatory authority during the financial year ended December 31, 2022; (ii) penalties or sanctions imposed by a court or regulatory body against Better Collective that would likely be considered important to a reasonable investor in making an investment decision; or (iii) settlement agreements entered into by Better Collective before a court relating to securities legislation or with a securities regulatory authority during the financial year ended December 31, 2022.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described elsewhere in the Circular, there is no material interest, direct or indirect, of: (i) any director or executive officer of Better Collective; (ii) any person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Better Collective Shares; or (iii) any affiliate of the persons or companies referred to above in (i) or (ii), in any transaction within the three years before the date of the Circular that has materially affected or is reasonably expected to materially affect Better Collective.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Auditors

EY Godkendt Revisionspartnerselskab, located at Dirch Passers Allé 36, DK-2000 Frederiksberg, Denmark, are the auditors of the Better Collective Group, and are independent with respect to the Better Collective Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and have fulfilled other ethical responsibilities in accordance with these requirements and the IESBA Code. EY Godkendt Revisionspartnerselskab were re-appointed as auditors on April 25, 2023.

Transfer Agents, Registrars, Trustees or Other Agents

The issuing agent and operator of the share register for the Better Collective Shares will continue to be Euronext Securities Copenhagen (VP Securities A/S), CVR no. 21599336 with registered address at Nicolai Eigtveds Gade 8, DK-1402 Copenhagen K, Denmark.

MATERIAL CONTRACTS

Set out below is a summary of each material contract, other than contracts entered into in the ordinary course of business, to which Better Collective or any member of Better Collective Group is a party, for

the two years immediately preceding the date of the Circular as well as a summary of any other contract (not being a contract entered into in the ordinary course of business) entered into by any member of the Better Collective Group which contains any provision under which any member of the Better Collective Group has any obligation or entitlement which is material to Better Collective as at the date of the Circular.

The Better Collective Group is highly dependent on its customer agreements which can be terminated with notice and its largest customer accounts for a significant part of the Better Collective Group's revenue. The Better Collective Group has customer agreements with a large number of sportsbooks, most of which are based upon a revenue share model, where the Better Collective Group receives a part of the sportsbook's revenue as long as the players transferred are active and generates revenue to such sportsbook. In addition to the revenue share agreements, some of the Better Collective Group's agreements are based on CPA and fixed fees and some are a mix of revenue share and CPA. In general, the sportsbooks can terminate the customer agreements with notice or at will. NDCs that have already been transferred on revenue share agreements cannot be terminated, as the term typically covers the users' lifetime or at least several years. There is a risk that some sportsbooks might seek early termination in this regard and argue that the revenue share shall not stay in effect past the point of termination of the agreement, which may lead to extensive legal proceedings. Should the Better Collective Group be unable to enforce contractual engagements with its customers or should customers choose to terminate such agreements, this could have an immediate and material adverse effect on the Better Collective Group's business, results of operations and financial position. The Better Collective Group has one single customer that accounts for a significant part of the Better Collective Group's revenue. As the Better Collective Group's business is primarily focused on online sports betting, a market segment that is characterised by the presence of several large and well-established operators that account for a significant share of the market and attract many users, the Better Collective Group is naturally exposed to having a limited number of partnering sportsbooks as its customers. For the financial years ended on December 31, 2022, 2021 and 2020, the Group's largest customer accounted for approximately 24 percent, 21 percent and 20 percent, respectively, of the Group's generated revenue. Consequently, the Better Collective Group is highly dependent on the relationship with its largest customer and if the agreement was to be terminated or if the customer would otherwise resolve to decrease its cooperation with the Better Collective Group or if the customer would suffer from financial difficulties, the Better Collective Group would be required to redirect traffic to other customers. If the Better Collective Group is unable to successfully redirect traffic, its revenues could be negatively affected. Any development such as the above-mentioned could have a material adverse effect on the Better Collective Group's business, results of operations and financial position.

Confidentiality Agreement

In connection with the Arrangement, Better Collective and Playmaker entered into a mutual confidentiality agreement dated November 22, 2023, as amended June 14, 2023, pursuant to which each of Better Collective and Playmaker has undertaken to keep certain information relating to the Arrangement and the other party confidential and not to disclose it to third parties (other than to permitted disclosees) unless required by law or regulation.

Arrangement Agreement

Better Collective and Playmaker entered into the Arrangement Agreement on November 6, 2023 in connection with the Arrangement. See "*Summary of Arrangement Agreement*" in the Circular.

Voting Support Agreements

On November 6, 2023, concurrently with the execution of the Arrangement Agreement, Better Collective entered into (i) voting and support agreements with certain shareholders of Playmaker, including Andy

Clerkson, Ben Maggin, Daniel Kersh, David Copeland, Javier Troncoso, Jay Downton, Jeff Kloster, Mark Johns, Ryan Barnett and Sebastian Nahuel Pan; (ii) a voting and support agreement with Jordan Gnat and JPG Investments Inc.; (iii) a voting and support agreement with Relay Ventures Fund III Capital Inc.; and (iv) voting and support agreements with all of the directors and executive officers of Playmaker. Collectively, the supporting shareholders and the supporting directors and officers of Playmaker beneficially own, directly or indirectly, or exercise control or direction over, in the aggregate, Company Shares representing approximately 50% of the outstanding Company Shares as of the date of the Circular, and have agreed, subject to the terms of their respective voting and support agreements, to, *inter alia*, support the Arrangement and the transactions contemplated thereby, including to vote all of their respective Company Shares in favour of the Arrangement and any other matters necessary for the consummation of the Arrangement.

Lock-up Agreements

Jordan Gnat and Relay Ventures Fund III Capital Inc. have entered into a rollover and lock-up agreement with respect to the Better Collective Shares to be issued to them as consideration under the Arrangement. Refer to the section in the Circular entitled “*Rollover and Lock-Up Agreements*” for additional information.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Schedule A to this Appendix F (“*Annual Report Supplement*”) supplements the information contained in the Annual Reports of Better Collective. Together, Schedule A and the Annual Reports of Better Collective provide management’s discussion and analysis in respect of the fiscal years ended December 31, 2022, December 31, 2021, and December 31, 2020 of Better Collective.

Schedule B to this Appendix F (“*Interim Report Supplement*”) supplements the information contained in the Q3 Interim Report of Better Collective. Together, Schedule B and the Q3 Interim Report of Better Collective provide management’s discussion and analysis in respect of the nine month period ended September 30, 2023 of Better Collective.

EXPERTS

The consolidated financial statements of Better Collective accompanying the Annual Reports of Better Collective, which are incorporated herein by reference and attached hereto as Schedule E to this Appendix F, have been audited by EY Godkendt Revisionspartnerselskab. EY Godkendt Revisionspartnerselskab are independent with respect to the Better Collective Group in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and have fulfilled other ethical responsibilities in accordance with these requirements and the IESBA Code.

DOCUMENTS INCORPORATED BY REFERENCE

The Annual Reports of Better Collective and Q3 Interim Report of Better Collective are specifically incorporated by reference into, and form an integral part of, the Circular. The Annual Reports of Better Collective and Q3 Interim Report of Better Collective have been filed with the Danish Business Authority by Better Collective and are posted on its website at www.bettercollective.com. For purposes of the Circular, the Annual Reports of Better Collective and Q3 Interim Report of Better Collective have been filed by Playmaker on its SEDAR+ profile at www.sedarplus.ca under “Other Documents”.

Any statement contained in the Circular or in a document incorporated by reference in the Circular shall be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which also is deemed to be incorporated by reference in the Circular

modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of the Circular except as so modified or superseded.

SCHEDULE A ANNUAL REPORT SUPPLEMENT

Unless otherwise specified, the following information is prepared as of the date of the Circular, and is intended to assist readers in understanding the operational performance and financial condition of Better Collective for the fiscal years ended December 31, 2022, December 31, 2021 and December 31, 2020. The following information supplements the information in the Annual Reports of Better Collective incorporated by reference herein and attached as Schedule E to Appendix F of the Circular, and should be read in conjunction with the consolidated financial statements of Better Collective for each such financial year and the auditor's report thereon and accompanying notes thereto (the "**Annual Financial Statements**") contained in the Annual Reports of Better Collective. Together, this Schedule A to Appendix F of the Circular (this "**Schedule A**") and the Annual Reports of Better Collective provide management's discussion and analysis of Better Collective in respect of the fiscal years ended December 31, 2022, December 31, 2021, and December 31, 2020.

All references in this Schedule A to "2022", "2021" and "2020" refer to the fiscal years ended December 31, 2022, December 31, 2021 and December 31, 2020, respectively.

Forward-Looking Information

This Schedule A and the Annual Reports of Better Collective contain statements that may constitute "forward-looking information" or "forward-looking statements" (collectively, "**forward-looking statements**") under applicable securities laws. All statements other than statements of historical facts included in such documents may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "should", "continue", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include all matters that are not historical facts and statements relating to our overview and outlook as future operating results and expected earnings, impact of expected competition from market participants and regulatory developments, and future sources of liquidity and capital resources, cash flows and their uses.

Any and all forward looking information contained in this Schedule A and the Annual Reports of Better Collective is expressly qualified by this cautionary statement. Readers should refer to the section of the Circular entitled "Risk Factors" for a discussion of certain factors that may affect the business, financial conditions or results of operations of Better Collective and, following completion of the Arrangement, the Combined Group.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of Better Collective, and, following completion of the Arrangement, the Combined Group's operations and the development of the markets and the industry, in which the Combined Group operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this Schedule A or the Annual Reports of Better Collective. In addition, even if Better Collective's and, following completion of the Arrangement, the Combined Group's results of operations, financial position and growth, and the development of the markets and the industry, in which Better Collective and, following completion of the Arrangement, the Combined Group operates, are consistent with the forward-looking statements contained in this Schedule A and the Annual Reports of Better Collective, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments of Better Collective to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, changes in law or regulation, changes in taxation regimes, currency fluctuations, changes in its business strategy, political and economic uncertainty and other factors discussed in the section of the Circular entitled "Risk

Factors”. The forward-looking statements therein speak only as at the date of this Schedule A or the respective dates of the Annual Reports of Better Collective (as applicable) and investors are cautioned not to place undue reliance on such forward-looking statements. Save as required by its legal and regulatory obligations, Better Collective undertakes no obligation to update these forward-looking statements and will not publicly release any revisions it may make to these forward-looking statements that may occur due to any change in Better Collective’s expectations or to reflect events or circumstances after the date of this Schedule A.

Non-IFRS Measures

This Schedule A and the Annual Reports of Better Collective contain non-IFRS measures and other key metrics. Better Collective believes these non-IFRS financial measures will provide useful supplemental information about the financial and operational performance of Better Collective, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by relevant management in operating its business.

Although Better Collective believes these financial measures are important in evaluating Better Collective, they are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with IFRS. They are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS. These measures may be different from non-IFRS financial measures used by other companies, limiting their usefulness for comparison purposes. Investors should therefore exercise caution in comparing the non-IFRS measures reported by the Better Collective Group to similar measures of other companies.

Moreover, presentation of these measures may be provided for year-over-year comparison purposes, and investors should be cautioned that the effect of the adjustments thereto provided herein have an actual effect on the operating results of Better Collective. For further information regarding non-IFRS measures, please refer to the section of the Annual Reports of Better Collective entitled “*Alternative Performance Measures*”.

Selected Annual Financial Information

The following sets forth certain prescribed financial information of Better Collective for the fiscal years ended December 31, 2022, 2021, and 2020 from the Annual Financial Statements, which are incorporated herein by reference and attached as Schedule E to Appendix F of the Circular. The following information should be read in conjunction with those Annual Financial Statements. The operating results for any past period are not necessarily indicative of results for any future period.

	Fiscal Years Ended December 31,		
	2022	2021	2020
Total revenue	269,297	177,051	91,186
Net (loss) earnings	48,075	17,292	21,927
Basic net (loss) earnings per Better Collective Share	0.88	0.34	0.47
Diluted net (loss) earnings per Better Collective Share	0.85	0.33	0.45
Total assets (as at)	785,229	597,379	315,065
Total non-current liabilities (as at)	307,244	197,079	126,211
Cash dividends declared per Better Collective Share	0	0	0

Notes:

(1) Figures for the table above (except per share amounts) are given in thousands of EUR.

Total revenue increased year-over-year in both 2022 and 2021 as compared to the applicable prior year periods (2021 and 2020, respectively) primarily due to accretive acquisitions and positive organic growth as a result of increasing NDCs to Better Collective's partnering sportsbooks and from Better Collective's Paid Media business segment through Better Collective's efforts in transferring its monetization from upfront payments (i.e. CPA) into compounding recurring revenues. For additional information and discussion of Better Collective's overall performance including a summary analysis of the company's operational highlights and comparative financial performance, please refer to the applicable Annual Reports of Better Collective incorporated by reference herein.

In respect of Better Collective's financial performance for the fiscal year ended December 31, 2022, Better Collective saw growth in total revenue of 52% compared to the prior fiscal year (EUR 269.3 million in 2022 compared to EUR 177.1 million 2021), reflecting organic growth of 34%. Recurring revenue (consisting of revenue share, subscription revenue and CPM-revenue) accounted for 46% of total revenue and grew 54% compared to the prior fiscal year. Costs in 2022 increased to EUR 198 million, up from EUR 132 million in 2021, primarily as a result of the acquisition of Action Network in 2021 but also the company's continued investment in building its US business of approximately EUR 39 million. Better Collective's net profit after tax in 2022 was EUR 48.1 million, as compared to EUR 17.3 million in 2021.

In respect of Better Collective's financial performance for the fiscal year ended December 31, 2021, Better Collective saw a growth in total revenue of 94% compared to the prior fiscal year (EUR 177.1 million in 2021 compared to EUR 91.2 million in 2020), reflecting organic growth of 29%. Costs in 2021 increased to EUR 121 million, up from EUR 58 million in 2020, primarily as a result of Better Collective's acquisitions of HLTV and AteMi in 2020, as well as the addition of Mindway and Action Network in 2021. Better Collective's net profit after tax in 2021 was EUR 17.3 million, as compared to EUR 21.9 million in 2020.

Better Collective's total assets amounted to EUR 785.2 million as at fiscal year ended 2022, up from EUR 597.4 million in 2021 and EUR 315.1 million in 2020, which year-over-year increase was driven by an increase in intangible assets, primarily through Better Collective's acquisitions, in 2022, of Canada Sports Betting, FUTBIN and related domains, and in 2021, of Action Network, an increased ownership in Mindway and online sports betting media platforms Rekatochklart.com. Better Collective's total non-current liabilities totaled EUR 307.2 million as at fiscal year ended 2022, as compared to EUR 197.1 million in 2021 and EUR 126.2 million in 2020. Variances in Better Collective's year-over-year non-current liabilities in 2022 was primarily driven by increased debt to credit institutions and, in 2021, as a result of increase both in debt to credit institutions and deferred tax liabilities. For additional details in respect of Better Collective's non-current financial liabilities, see "*Liquidity and Capital Resources*".

Summary of Quarterly Results

	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Total revenue	86,140	59,720	56,043	67,394	52,794	45,413	40,009	38,836
Net (loss) earnings	20,279	6,949	7,105	13,742	10,800	-3,508	1,693	8,307
Basic net (loss) earnings per Better Collective Share	0.37	0.13	0.13	0.25	0.20	-0.06	0.03	0.18
Diluted net (loss) earnings per Better Collective Share	0.35	0.12	0.12	0.24	0.19	-0.06	0.03	0.17

Notes:

(1) Figures for the table above (except per share amounts) are given in thousands of EUR.

Better Collective's consolidated and segmental results of operations can fluctuate over the quarterly period due to a variety of factors, including recent acquisitions and seasonal trends. Specifically, Better

Collective's sports-betting operations and, correspondingly, its financial performance, are subject to the seasonal variations dictated by various sports calendars as a significant portion of Better Collective's revenue is driven by a combination of the timing of sporting and other events and the results derived from those events. For example, revenue from Better Collective's US operations is and will continue to be generated from bets placed on American football and September to January are key trading months in the US, as they correspond to the National Football League season. Better Collective's revenue may also be affected by the scheduling of major sporting events that do not occur annually, such as the FIFA World Cup. Also, the cancellation of sporting events and races could negatively impact stakes and revenue, and, as a result, revenue generated through Better Collective's partnering sportsbooks.

Liquidity and Capital Resources

Sources of Liquidity

Better Collective's policy for liquidity management is to ensure that there is sufficient liquidity in place to meet its liabilities as they fall due, both under normal or potential adverse conditions, and without resulting in undue loss or damage to Better Collective.

Better Collective performs regular cash projections and monitors cash inflows and outflows to ensure that there is sufficient cash on hand to meet its expected obligations as they fall due. The nature of Better Collective's business and the potential volatility in sporting results can result in significant differences between expected and actual short term cash flows. Consequently, a conservative approach is applied to cash forecasting and flexibility is built into the forecast to cover potentially adverse sporting results. Cash deposit placement time periods are decided upon by reference to cash inflows forecast and expected requirements in respect of Better Collective's financial obligations.

As at December 31, 2022, Better Collective had non-current committed bank credit facilities in the aggregate amount of EUR 247 million, of which EUR 203 million was drawn and outstanding. In 2022, Better Collective signed a new club-financing agreement with Nordea, Nykredit Bank and Citibank, which provided additional credit on top of Better Collective's existing facility with Nordea that has been in place since 2018. As a result, Better Collective has total available financing of up to EUR 319 million comprised of a revolving credit facility in the amount of EUR 247 million being committed for two years, subject to a one-year extension, and a EUR 72 million accordion facility. The contractual maturities of Better Collective's financial liabilities as at December 31, 2022 can be found in Note 20 of the 2022 Annual Financial Statements.

Cash Flow and Financial Position

The following sets forth summary consolidated results of Better Collective's operations and certain other items for the fiscal years ended December 31, 2022, 2021 and 2020 from the Annual Financial Statements, which are incorporated herein by reference and attached as Schedule E to Appendix F of the Circular. The following information should be read in conjunction with those Annual Financial Statements. The operating results for any past period are not necessarily indicative of results for any future period.

	2022	2021	2020
Profit before tax	64,964	26,227	28,712
Adjustment for finance items	5,389	2,522	1,777
Adjustment for special items	54	16,746	(120)
Operating Profit for the period before special items	70,407	45,495	30,369
Depreciation and amortization	14,668	10,280	7,783

Other adjustments of non-cash operating items	1,690	(531)	955
Cash flow from operations before changes in working capital and special items	86,765	55,245	39,107
Change in working capital	(16,949)	(4,040)	(786)
Cash flow from operations before special items	69,816	51,204	38,321
Special items, cash flow	(1,393)	(5,997)	(625)
Cash flow from operations	68,423	45,207	37,696
Financial income, received	1,682	3,702	1,415
Financial expenses, paid	(5,666)	(4,693)	(2,496)
Cash flow from activities before tax	64,439	44,216	36,615
Income tax paid	(16,239)	(12,654)	(9,940)
Cash flow from operating activities	48,200	31,562	26,675
Acquisition of businesses	(14,337)	(207,900)	(65,792)
Acquisition of intangible assets	(96,452)	(11,591)	(1,802)
Acquisition of property, plant and equipment	(1,804)	(687)	(460)
Sale of property, plant and equipment	16	972	1
Change in other non-current assets	(55)	(12)	(37)
Cash flow from investing activities	(112,632)	(219,219)	(68,090)
Repayment of borrowings	(215,993)	(87,069)	(22,756)
Proceeds from borrowings	296,665	139,373	74,629
Lease liabilities	(1,274)	(1,147)	(1,025)
Other non-current liabilities	0	(844)	485
Capital increase	618	148,893	393
Treasury shares	(14,250)	(8,143)	(4,903)
Transaction cost	(28)	(2,305)	(33)
Cash flow from financing activities	65,737	188,759	46,790
Cash flows for the period	1,306	1,102	5,375
Cash and cash equivalents at beginning	30,093	28,053	22,755
Foreign currency translation of cash and cash equivalents	99	938	(77)
Cash and cash equivalents period end	31,497	30,093	28,053

(1) Figures for the table above are given in thousands of EUR.

In respect of the fiscal year ended December 31, 2022, Better Collective's cash flow from operations before special items was EUR 69.8 million, as compared to EUR 51.2 million in 2021, with a cash conversion rate of 80%. The cash conversion has been temporarily impacted by the strong fourth quarter growth in revenue. As discussed above, in 2022, negative cash flows from investing activities decreased compared to 2021. In particular, Better Collective acquired the assets of Canada Sports Betting for a purchase price of EUR 21.4 million, fully paid in cash, and FUTBIN and related domains for a purchase price of EUR 105 million, paid in cash and treasury shares with a contingent payment of EUR 30 million.

In respect of the fiscal year ended December 31, 2021, Better Collective's cash flow from operations before special items was EUR 51.2 million, as compared to EUR 38.3 million in 2020, and was impacted negatively as a result of acquisitions and other investments (EUR 219.2 million in 2021 compared to EUR 68.1 million in 2020). As discussed above, in 2021, negative cash flows from investing activities increased compared to 2020. In particular, Better Collective completed the acquisition of the Action Network at a price of EUR 196 million on a cash and debt-free basis, and, in addition to the company's other investments in business combinations and intangible assets, resulted in an aggregate investment spend of EUR 219.2 million.

Better Collective initiates share buyback programs periodically in order to cover future payments relating to completed acquisitions and to cover payment obligations pursuant to the company's incentive plans. In 2022, Better Collective completed share buybacks in the aggregate amount of EUR 12.6 million, as compared to aggregate expenditures on share buybacks in the amount of EUR 8.1 million and EUR 5.0 million respectively in 2021 and 2020.

Off-Balance Sheet Arrangements

As at December 31, 2022, Better Collective had no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on Better Collective's financial condition, changes in financial condition, revenue or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Critical Accounting Estimates

Better Collective's accounting policies in respect of the financial years to which this Schedule A pertains are described in Note 1 to each of the Annual Financial Statements.

SCHEDULE B INTERIM REPORT SUPPLEMENT

Unless otherwise specified, the following information is prepared as of the date of the Circular, and is intended to assist readers in understanding the operational performance and financial condition of Better Collective for the nine month period ended September 30, 2023. The following information supplements the information in the Q3 Interim Report of Better Collective incorporated by reference herein and attached as Schedule E to Appendix F of the Circular, and should be read in conjunction with the unaudited consolidated financial statements and the auditor's review engagement report and the accompanying notes thereto (the "**Q3 2023 Interim Financial Statements**") contained in the Q3 Interim Report of Better Collective. Together, this Schedule B to Appendix F of the Circular (this "**Schedule B**") and the Q3 Interim Report of Better Collective provide management's discussion and analysis of Better Collective in respect of the nine month period ended September 30, 2023.

All references in this Schedule B to "Q3" and "YTD" refer to the three month period ended September 30 and the nine month period ended September 30, respectively of the applicable calendar year.

Forward-Looking Information

This Schedule B and the Q3 Interim Report of Better Collective contain statements that may constitute "forward-looking information" or "forward-looking statements" (collectively, "**forward-looking statements**") under applicable securities laws. All statements other than statements of historical facts included in such documents may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "should", "continue", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include all matters that are not historical facts and statements relating to our overview and outlook as future operating results and expected earnings, impact of expected competition from market participants and regulatory developments, and future sources of liquidity and capital resources, cash flows and their uses.

Any and all forward-looking information contained in this Schedule B and the Q3 Interim Report of Better Collective is expressly qualified by this cautionary statement. Readers should refer to the section of the Circular entitled "Risk Factors" for a discussion of certain factors that may affect the business, financial conditions or results of operations of Better Collective and, following completion of the Arrangement, the Combined Group.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of Better Collective, and, following completion of the Arrangement, the Combined Group's operations and the development of the markets and the industry, in which the Combined Group operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this Schedule B or the Q3 Interim Report of Better Collective. In addition, even if Better Collective's and, following completion of the Arrangement, the Combined Group's results of operations, financial position and growth, and the development of the markets and the industry, in which Better Collective and, following completion of the Arrangement, the Combined Group operates, are consistent with the forward-looking statements contained in this Schedule B and the Q3 Interim Report of Better Collective, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments of Better Collective to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, changes in law or regulation, changes in taxation regimes, currency fluctuations, changes in its business strategy, political and economic uncertainty and other factors discussed in the section of the Circular entitled "Risk Factors". The forward-looking statements therein speak only as at the date of this Schedule B or the

date of the Q3 Interim Report of Better Collective (as applicable) and investors are cautioned not to place undue reliance on such forward-looking statements. Save as required by its legal and regulatory obligations, Better Collective undertakes no obligation to update these forward-looking statements and will not publicly release any revisions it may make to these forward-looking statements that may occur due to any change in Better Collective's expectations or to reflect events or circumstances after the date of this Schedule B.

Non-IFRS Measures

This Schedule B and the Q3 Interim Report of Better Collective contain non-IFRS measures and other key metrics. Better Collective believes these non-IFRS financial measures will provide useful supplemental information about the financial and operational performance of Better Collective, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by relevant management in operating the business.

Although Better Collective believes these financial measures are important in evaluating Better Collective, they are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with IFRS. They are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS. These measures may be different from non-IFRS financial measures used by other companies, limiting their usefulness for comparison purposes. Investors should therefore exercise caution in comparing the non-IFRS measures reported by the Better Collective Group to similar measures of other companies.

Moreover, presentation of these measures may be provided for year-over-year comparison purposes, and investors should be cautioned that the effect of the adjustments thereto provided herein have an actual effect on the operating results of Better Collective. For further information regarding non-IFRS measures, please refer to the section of the Q3 Interim Report of Better Collective entitled "*Alternative Performance Measures and Definitions*".

Selected Interim Period Financial Information

The following sets forth certain prescribed financial information of Better Collective for the nine month period ended September 30, 2023 from the Q3 2023 Interim Financial Statements, which are incorporated herein by reference and attached as Schedule E to Appendix F of the Circular. The following information should be read in conjunction with those Q3 2023 Interim Financial Statements. The operating results for any past period are not necessarily indicative of results for any future period.

	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Total revenue	75,431	59,720	241,491	183,157	269,297
Net (loss) earnings	3,107	6,949	32,344	27,796	48,075
Basic net (loss) earnings per Better Collective Share	0.06	0.13	0.59	0.51	0.88
Diluted net (loss) earnings per Better Collective Share	0.05	0.12	0.56	0.49	0.85
Total assets (as at)	-	-	930,934	799,892	785,229
Total non-current liabilities (as at)	-	-	400,524	189,683	307,244
Cash dividends declared per Better Collective Share	-	-	0	0	0

Notes:

(1) Figures for the table above (except per share amounts) are given in thousands of EUR.

Quarterly revenue for the three-month period ended September 30, 2023 grew as compared to the prior year period primarily as a result of the company's media partnerships, continued development of Better Collective's Paid Media business segment and growth in revenue share customers. In particular, Better Collective continued to advance the company's global expansion completing four acquisitions, including Playmaker HQ. For additional information and discussion of Better Collective's comparative quarterly performance including a summary analysis of the company's operational highlights and comparative financial performance, please refer to the Q3 2023 Interim Report of Better Collective incorporated by reference herein.

In respect of Better Collective's financial performance for the three-month period ended September 30, 2023 and nine-month period ended September 30, 2023, Better Collective saw growth in total revenue of 26% (EUR 75.4 million in Q3 2023 compared to EUR 59.7 million in Q3 2022) and 32% (EUR 241.5 million in YTD 2023 compared to EUR 183.2 million in YTD 2022) respectively, reflecting a Q3 2023 organic growth of 16% and a YTD 2023 organic growth of 23%. Recurring revenue (consisting of revenue share, subscription revenue and CPM-revenue) accounted for 61% of total revenue in Q3 2022 and 59% of total revenue YTD 2023 and grew 49% as compared to Q3 2022 and 73% as compared to YTD 2022. Costs for Q3 2023 (EUR 55.8 million) and YTD 2023 (EUR 159.9 million) saw increases to the same respective comparative periods in 2022 (EUR 45.2 million in Q3 2022 and EUR 133.3 million YTD 2022). The increased costs are primarily driven by Better Collective's Paid Media operating segment and direct costs related to media partnerships including paid traffic, hosting fees of websites, content generation and external development. Better Collective's net profit in Q3 2023 was EUR 3.1 million as compared to Q3 2022, which was primarily as a result of seasonality effects on the business as reflected in the company's net profit growth from EUR 27.8 million YTD 2022 to EUR 32.3 million YTD 2023.

Better Collective's total assets amounted to EUR 930.9 million as at YTD 2023, up from EUR 785.2 million as at YTD 2022, which period-over-period increase was driven by an increase in intangible assets, primarily through Better Collective's acquisition of certain sports media brands previously owned by the Everysport Group, the Brazilian sports media platform, Torcedores.com, a key platform in the Danish market, Tipsbladet.dk, and Playmaker HQ. Better Collective's total non-current liabilities totaled EUR 400.5 million as at YTD 2023 compared to EUR 189.7 million as at YTD 2022 and EUR 307.2 million as at fiscal year ended 2022, which was primarily driven by increased debt to credit institutions and deferred and variable payments related to prior acquisitions. For additional details in respect of Better Collective's non-current financial liabilities, see "*Liquidity and Capital Resources*".

Summary of Quarterly Results

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Total revenue	75,431	78,115	87,945	86,140	59,720	56,043	67,394	52,794
Net (loss) earnings	3,107	8,302	20,935	20,279	6,949	7,105	13,742	10,800
Basic net (loss) earnings per Better Collective Share	0.06	0.15	0.38	0.37	0.13	0.13	0.25	0.20
Diluted net (loss) earnings per Better Collective Share	0.05	0.14	0.36	0.35	0.12	0.12	0.24	0.19

Notes:

(1) Figures for the table above (except per share amounts) are given in thousands of EUR.

Better Collective's consolidated and segmental results of operations can fluctuate over the quarterly period due to a variety of factors, including recent acquisitions and seasonal trends. Specifically, Better Collective's sports-betting operations and, correspondingly, its financial performance, are subject to the seasonal variations dictated by various sports calendars as a significant portion of Better Collective's revenue is driven by a combination of the timing of sporting and other events and the results derived from those events. For example, revenue from Better Collective's US operations is and will continue to

be generated from bets placed on American football and September to January are key trading months in the US, as they correspond to the National Football League season. Better Collective's revenue may also be affected by the scheduling of major sporting events that do not occur annually, such as the FIFA World Cup. Also, the cancellation of sporting events and races could negatively impact stakes and revenue, and, as a result, revenue generated through Better Collective's partnering sportsbooks.

Liquidity and Capital Resources

Sources of Liquidity

Better Collective's policy for liquidity management is to ensure that there is sufficient liquidity in place to meet its liabilities as they fall due, both under normal or potential adverse conditions, and without resulting in undue loss or damage to Better Collective.

Better Collective performs regular cash projections and monitors cash inflows and outflows to ensure that there is sufficient cash on hand to meet its expected obligations as they fall due. The nature of Better Collective's business and the potential volatility in sporting results can result in significant differences between expected and actual short term cash flows. Consequently, a conservative approach is applied to cash forecasting and flexibility is built into the forecast to cover potentially adverse sporting results. Cash deposit placement time periods are decided upon by reference to cash inflows forecast and expected requirements in respect of Better Collective's financial obligations.

As at YTD 2023, Better Collective had non-current bank credit facilities in the aggregate amount of EUR 319 million, of which EUR 248.3 million was drawn and outstanding. In August, Better Collective extended its club-financing by three years to October 2026 and further executed its accordion option, thereby increasing the amount of the committed facility from the amount of EUR 247 million to EUR 319 million. The contractual maturities of Better Collective's financial liabilities as at September 30, 2023 can be found in Note 8 of the Q3 2023 Interim Financial Statements.

Cash Flow and Financial Position

The following sets forth summary consolidated results of Better Collective's operations and certain other items for Q3 2023 and the 2022 comparative period, YTD 2023 and 2022 comparative period, and for the fiscal year ended December 31, 2022 from the Q3 2023 Interim Financial Statements, which are incorporated herein by reference and attached as Schedule E to Appendix F of the Circular. The following information should be read in conjunction with those Q3 2023 Financial Statements. The operating results for any past period are not necessarily indicative of results for any future period.

	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Profit before tax	5,119	9,017	44,308	35,952	64,964
Adjustment for finance items	6,378	612	15,985	1,961	5,389
Adjustment for special items	522	621	2,347	1,664	54
Operating Profit for the period before special items	12,019	10,251	62,640	39,578	70,407
Depreciation and amortization	7,575	4,305	18,926	10,314	14,668
Other adjustments of non-cash operating items	807	731	2,417	1,177	1,690
Cash flow from operations before changes in working capital and special items	20,402	15,287	83,983	51,070	86,765
Change in working capital	(6,157)	(2,116)	(2,124)	(2,251)	(16,949)
Cash flow from operations before special items	14,245	13,171	81,859	48,819	69,816
Special items, cash flow	(333)	(621)	(2,000)	(911)	(1,393)

Cash flow from operations	13,912	12,550	79,858	47,908	68,423
Financial income, received	(475)	268	166	1,567	1,682
Financial expenses, paid	(3,027)	(1,016)	(7,078)	(4,088)	(5,666)
Cash flow from activities before tax	10,410	11,802	72,946	45,388	64,439
Income tax paid	(3,005)	(1,831)	(11,972)	(4,811)	(16,239)
Cash flow from operating activities	7,406	9,971	60,974	40,577	48,200
Acquisition of businesses	(19,636)	(639)	(49,403)	(13,819)	(14,337)
Acquisition of intangible assets	(8,094)	(2,028)	(11,718)	(94,458)	(96,452)
Acquisition of property, plant and equipment	(1,958)	(703)	(4,140)	(1,263)	(1,804)
Sale of property, plant and equipment	0	0	3	0	16
Acquisition of other financial assets	0	0	(14,930)	0	0
Change in other non-current assets	(1,253)	(50)	(1,514)	(40)	(55)
Cash flow from investing activities	(30,941)	(3,419)	(81,702)	(109,580)	(112,632)
Repayment of borrowings	0	(5,041)	(1,486)	(15,150)	(215,993)
Proceeds from borrowings	0	28	45,490	95,010	296,665
Lease liabilities	(1,475)	(297)	(1,993)	(987)	(1,274)
Other non-current liabilities	4,569	0	444	0	0
Capital increase	397	285	634	601	618
Treasury shares	(3,804)	(2,089)	(13,381)	(8,684)	(14,250)
Transaction cost	(4)	(5)	(13)	(20)	(28)
Cash flow from financing activities	(317)	(7,119)	29,694	70,770	65,737
Cash flows for the period	(23,853)	(567)	8,967	1,767	1,306
Cash and cash equivalents at beginning	64,536	32,971	31,497	30,093	30,093
Foreign currency translation of cash and cash equivalents	(7)	160	211	704	99
Cash and cash equivalents period end	40,676	32,564	40,676	32,564	31,497

(1) Figures for the table above are given in thousands of EUR.

In respect of Better Collective's cash flow and financial position for the nine-month period ended September 30, 2023, Better Collective's cash flow from operations before special items was EUR 61.0 million, as compared to EUR 40.5 million YTD 2022, with a cash conversion rate of 95%. Net cash flows are impacted primarily as a result of Better Collective's acquisitions and as compared to the Company's investing activities for the period YTD 2022, negative cash flows from investing activities decreased. In particular, for the period YTD 2022, Better Collective acquired Skycon for up to EUR 51 million on a cash and debt free basis, Playmaker HQ for EUR 51 million with an initial consideration of EUR 14.1 million on a cash and debt-free basis, certain assets from Everysport Group for EUR 3.7 million on a cash and debt-free basis and in addition to other period investments in an amount of EUR 8.1 million, resulted in an aggregate investment spend of EUR 81.7 million.

Better Collective initiates share buyback programs periodically in order to cover future payments relating to completed acquisitions and to cover payment obligations pursuant to the company's incentive plans. Better Collective completed share buyback programs during YTD 2023 in the amount of SEK 126.6 million (representing approximately EUR 11 million) and made certain purchases pursuant to a share buyback program announced on November 22, 2022 for a portion of the aggregate amount of SEK 55.8 million (representing a portion of the approximate total of EUR 4.8 million).

Off-Balance Sheet Arrangements

As at September 30, 2023, Better Collective had no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on Better Collective's financial condition, changes in

financial condition, revenue or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Critical Accounting Estimates

Better Collective's accounting policies in respect of the interim fiscal period to which this Schedule B pertains are described in Note 1 to the Q3 2023 Interim Financial Statement.

SCHEDULE C
2022 REMUNERATION REPORT AND REMUNERATION POLICY

(See attached)

Remuneration Report 2022

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Introduction

This remuneration report (the "Report") provides an overview of the total remuneration received by each member of the Board of Directors ("Board") and of the Executive Management ("Executive Management") of Better Collective A/S, CVR no. 27652913, (the "Company") during the 2022 financial year with comparative figures for 2019 - 2022.

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

The remuneration of the Board and Executive Management during 2022 has been provided in accordance with the remuneration policy of Better Collective adopted by the Annual General Meeting on April 26, 2022, and is available on the Company's website, <https://bettercollective.com/corporate-governance/> (the "Remuneration Policy").

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

of Better Collective and to promote value creation for the benefit of the shareholders of Better Collective.

The Report has been prepared in accordance with section 139b of the Danish Companies Act (the "DCA").

The information included in the present Report has been derived from the audited annual reports of the Company for the financial years 2019 - 2022, available on the Company's website, <https://bettercollective.com/investors/>

Overview financial performance

With a vision to become the Leading Digital Sports Media Group, Better Collective own and operate international, as well as local, sports communities and media that aim to make sports entertainment sustainably engaging and fun. Via its online media, the Group provides prime quality content, data insights, betting tips and educational tools for enthusiastic sports fans of the world.

2022 got off to a flying start with significant growth across business areas and in the US in particular. During the quarter, Canada Sports Betting was acquired, allowing for a strong entry into the Canadian market just before Ontario launched online sports betting.

Q2 was another productive quarter with 40% growth. Revenues from revenue share contracts as well as NDCs were an all-time high of 22 mEUR and >387.000, respectively. Our geographical diversification proved its worth as the Europe & RoW Publishing business continued its strong momentum for both revenue and earnings.

Q3 delivered strong growth for the Group, where we continued our good developments despite the turbulent macroeconomic environment. The most exciting

trends for the quarter were the move to revenue share in the US, which has been fast forwarded, and the Group revenue share income continuing to break all-time highs.

Q4 was a record-breaking quarter during which we benefited from our strong diversification, while we also cemented the synergies that can be achieved when combining efforts across the group.

In 2022, our sport communities have proved to be attractive “go-to-places” for millions of sports fans while also being strategically attractive for our business partners. The men’s soccer World Cup was a strong driver for us, during which we saw extremely high activity that exceeded our expectations. We started preparing for the World Cup many months ahead, which we benefited from across geographies.

In connection with the 2021 acquisition of Action Network, the leading US sports betting media, we estimated that we could exceed 100 mUSD in US revenue by the end of 2022. During Q4, our US business grew revenue 71% YOY to a record high 34 mEUR bringing total 2022 US revenues above the 100 mUSD mark.

Paid Media delivered strong growth of 94%, and with operations on a global scale, we have invested heavily in specific geographies during Q4, where we foresee that the return on investment will be the highest. Due

to the massive topline growth, the Q4 Paid Media margin ended at all-time-high of 23%.

Financial performance full year 2022

Revenue grew by 52% to 269.3 mEUR (FY 2021: 177.1 mEUR), with organic growth of 34%. EBITDA before special items increased 53% to 85.1 mEUR (FY 2021: 55.8 mEUR). The EBITDA-margin before special items was 32% (Publishing 38% and Paid Media 16%). Cash Flow from operations before special items was 69.8 mEUR (FY 2021: 51.2 mEUR) Cash conversion rate before special items was 80%.

Remuneration board of directors

Fixed Annual Fee

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

Board fee

EUR	BoD - Member	BoD - Chair	BoD - Vice Chair	Committee - Member	Committee - Chair
2022	30,000	90,000	60,000	6,750	13,500
2021	30,000	90,000	-	6,750	13,500
2020	30,000	90,000	-	6,750	13,500
2019	20,000	60,000	-	5,000	10,000

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

The following fees for 2022 were approved at the Annual General Meeting on April 26, 2022. Fees are unchanged since 2020. In 2022, a vice chair was elected for the first time and a vice chair fee approved by the Annual General Meeting.

Remuneration of the board

tEUR		Board fee	Committee fees	Extraordinary items	Total remuneration
Jens Bager, Chair Chair of the remuneration committee	2022	90	14	0	104
	2021	90	14	0	105
	2020	60	9	0	69
	2019	55	9	0	64
Therese Hillman, Vice Chair Member of the audit committee	2022	53	7	0	59
	2021	23	5	0	27
	2020	0	0	0	0
	2019	0	0	0	0
Todd Dunlap, member* Member of the remuneration committee	2022	30	7	0	37
	2021	30	7	27	65
	2020	22	0	34	56
	2019	0	0	0	0
Klaus Hølse, member Member of the remuneration committee	2022	30	7	0	37
	2021	30	7	0	37
	2020	20	5	0	25
	2019	18	5	0	23
Leif Nørgaard, member Chair of the audit committee	2022	30	14	0	44
	2021	30	14	0	44
	2020	20	9	0	29
	2019	18	9	0	27
Petra von Rohr, member Member of the audit committee	2022	30	7	0	37
	2021	30	7	0	37
	2020	20	5	0	25
	2019	18	5	0	23
Total 2022		263	54	0	317
Total 2021		241	57	27	324
Total 2020		162	32	34	228
Total 2019		128	32	0	160

*Extraordinary items consist of the value of warrants (as per Black-Scholes) granted in 2020

Remuneration paid out in shares

In 2021, one-third of the Board of Directors' fixed annual remuneration was paid out in shares in the Company. Following approval at the Annual General Meeting on April 26, 2022, the board fee in 2022 was paid in cash and an amendment to the remuneration policy means that payment in shares is no longer part of the policy.

Share-based instruments

To remain competitive in the international market and to be able to attract and retain qualified members of the Board of Directors, it is considered in the best interest of Better Collective and its shareholders to include the possibility to offer a share-based instrument to a new member/proposed candidate of the Board of Directors on a discretionary basis. A new member of the Board may be granted share-based instruments upon election given certain circumstances. The grant of share-based instruments to a new member of the Board of Directors is subject to approval by the Annual General Meeting. Following the Annual General Meeting on April 22, 2020, 25,000 warrants were issued to the new board member, Todd Dunlap.

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

In 2022, no warrants were issued.

Warrant program for board member

tEUR

Name and position	Warrants held at the beginning of the year	Granted during the year	Exercised during the year	Warrants held at the end of the year	Not yet vested at the end of the year	Vested	Market value* tEUR
Todd Dunlap, board member	25.000	0	0	25.000	8.333	16.667	80

*The market value of the share options is calculated using the Black-Scholes formula at the time of grant

Remuneration executive management

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

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

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

Base salary

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

based on the individual member’s responsibilities and performance. The members of the Executive Management shall be entitled to customary non-monetary benefits as approved by the Board. The members of the Executive Management can also participate in the pension scheme of the Company, which for the Executive

Management may amount to up to 16% of the fixed remuneration.

Remuneration of executive management

tEUR

Name and position		Base salary	Cash bonus	Pension contribution	Warrants*	Total remuneration
	2022	311	186	35	19	551
	2021	285	85	32	51	453
Jesper Søgaard, CEO	2020	197	19	22	121	360
	2019	244	73	27	40	384
	2022	398	119	64	59	641
	2021	356	53	57	104	570
Flemming Pedersen, CFO	2020	320	12	44	213	589
	2019	305	46	49	96	496
	2022	311	186	35	19	551
	2021	285	85	32	51	453
Christian Kirk Rasmussen, COO	2020	197	19	22	121	360
	2019	244	73	27	40	384
Total 2022		1.020	491	134	97	1.742
Total 2021		926	224	121	205	1.475
Total 2020		714	50	88	455	1.308
Total 2019		793	192	103	176	1.264

*The cost of warrants (as per Black-Scholes) of warrants granted in 2018 and 2019

Variable remuneration

In addition to the annual base salary, the members of the Executive Management may receive variable remuneration which shall be based on the individual performance and responsibility of the members of the Executive Management in relation to established financial and non-financial targets, both in the short and the longer term, as well as the Company’s overall performance. The Executive Management may, at the discretion of the Board, be entitled to participate in the following incentive schemes:

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

STI

Cash bonus schemes consist of an annual bonus, which the individual member of the Executive Management can receive if KPIs and associated financial and non-financial goals of the Company and other possible personal targets for the relevant year have been met. The

maximum cash bonus shall be equivalent to 100 percent of the Base Salary of each eligible participant of the Executive Management. Payment of bonus is only relevant when KPIs have been fully or partly met (as determined by the Board of Directors). If no targets are met, no bonus is paid out. Targets for the Executive Management shall be agreed upon in advance by the Board of Directors and the Executive Management. KPIs for the 2022 annual bonus included a revenue target (excl. M&A) in combination with an EBITDA-margin threshold and a discretionary part based on operational targets including ESG. The financial KPIs were fully met and the discretionary part was partly met, why a 95% Cash Bonus has been accrued for 2022.

Proportion of fixed and variable salaries

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

Proportion of fixed and variable components

2022	Fixed component	Variable component	warrants (variable)
Jesper Søggaard, CEO	63%	34%	3%
Flemming Pedersen, CFO	72%	19%	9%
Christian Kirk Rasmussen, COO	63%	34%	3%

on the value of share options awarded in the current year).

LTI

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

The value of the granted warrants is calculated in accordance with the Black-Scholes formula. Warrants granted under an LTI program will vest annually over a period of minimum three years from the date of grant. The targets for granting and/or vesting, if any, will be defined in advance by the Board of Directors. The targets may include financial and strategic targets of the Company as well as individual targets. If the targets have not been fully or partly met, vesting of the warrants will be reduced or lapse. It is a prerequisite for the Executive Management’s vesting rights that their executive employment with the Company is not under

notice or terminated for any reason by any party throughout the vesting period. This prerequisite may not apply in certain “good leaver” situations.

The Remuneration Policy ensures a correlation between Executive Management remuneration and long-term value creation which is in the interest of shareholders as it strengthens the sustainability of Better Collective’s business model. The LTIP’s financial improvement incentive and retention element both contribute to long-term value creation and sustainability in the company.

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

Based on 2022 financial performance, all warrants in the vesting period subject to fulfilment of the financial vesting targets for 2022 will be vesting.

Termination and Severance Payments

The Executive Management will typically be employed without a time limit, but with the right to reciprocal termination. The Company may terminate with a notice of termination of 12 months, while the Executive Management member may give notice to the company of 6 to 9 months. The total value of remuneration to each member of the Executive Management regarding the notice period, including severance pay, cannot exceed two years' remuneration including all remuneration components. In the event of the death of a member of the Executive Management, the company may pay

what amounts to up to 6 to 12 months' remuneration to the Executive Management member's survivor. In the 2022 financial year, no termination or severance payments were paid.

Claw-Back

In the situation where bonus, warrants, or other incentive remunerations have been provided to a member of the Executive Management on the basis of data or accounts which subsequently prove to have been misstated, the Company may reclaim the incentive remuneration in full or in part on the basis of such data. In the 2022 financial year, no incentive remuneration was reclaimed.

Warrant programs for executive management

tEUR

Name and position	Program	Warrants held at the beginning of the year	Exercised during the year	Granted during the year	Warrants held at the end of year	Exerciseable as per December 31st, 2022	Market value*
Jesper Søgaard, CEO	2019	150.000	0	0	150.000	150.000	327
	2019	300.000	0	0	300.000	0	654
Flemming Pedersen, CFO	2017	124.644	124.644	0	0	0	0
Christian Kirk Rasmussen, COO	2019	150.000	0	0	150.000	150.000	327

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

Comparative overview

Compliance with the remuneration policy

The remuneration of the Board and Executive Management for the 2022 financial year complies with the framework provided by the Remuneration Policy. There has been no deviation or derogation from the framework provided by the Remuneration Policy.

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

Name and position	2022	2021	2020	2019
Jesper Søgaard, CEO	22%	26%	-6%	40%
Flemming Pedersen, CFO	13%	-3%	19%	11%
Christian Kirk Rasmussen, COO	22%	26%	-6%	40%
Total, Executive management	18%	13%	3%	25%
Fixed base fee to members of the Board	0%	0%	50%	53%
Average salary increase per FTE, BC Group	23%	12%	-2%	-10%
Change in key figures, BC Group	2022	2021	2020	2019
Revenue growth (%)	52%	94%	35%	67%
Organic revenue growth (%)	34%	29%	8%	26%
Operating profit before depreciation, amortisation, and special items (EBITDA), before special items	53%	46%	36%	73%

2020 growth numbers and EBITDA before special items 2019-2021 has been corrected vs. 2021 remuneration report to show growth instead of margin.

Shares held by management

Overview of shares held by the Board of Directors and the Executive Management. In order to reduce the risk of unlawful trading, Better Collective has chosen a “closed window” approach that applies to members of the Board of Directors as well as employees of the Better Collective Group. This means that trading in Better

Collective A/S shares is not allowed during a period of 30 calendar days before the publication of a year end report or an interim financial report. The “closed window” approach replaced the previous “trading window” approach applicable until the Q3 report 2021. The table below shows the number of shares in Better Collective A/S held by members of the Board of Directors and Executive Management:

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

Name and position	Holdings at beginning of year	Bought during the year	Sold during the year	Holdings at end of the year	Market value* tEUR
Jesper Søgaard, CEO	10.671.179	0	0	10.671.179	122.164
Flemming Pedersen, CFO	187.322	124.644	0	311.966	3.571
Christian Kirk Rasmussen, COO	10.671.179	0	0	10.671.179	122.164
Executive management, total	21.529.680	124.644	0	21.654.324	247.899
Jens Bager, Chair	1.001.229	0	0	1.001.229	11.462
Therese Hillman, Vice Chair	1.375	0	0	1.375	16
Todd Dunlap, member	475	0	0	475	5
Klaus Hølse, member	171.059	0	0	171.059	1.958
Leif Nørgaard, member	440.656	0	0	440.656	5.045
Petra von Rohr, member	22.037	0	0	22.037	252
Board of directors, total	1.636.831	0	0	1.636.831	18.738
Total	23.166.511	124.644	0	23.291.155	266.637

* The end-of-year market values are based on the official share prices prevailing 2022.12.31

Management's statement

Management's statement on the Remuneration Report

The Board of Directors has today considered and adopted the Remuneration Report 2022 of Better Collective A/S.

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

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

Copenhagen, March 23, 2023

Jens Bager
Chair

Todd Dunlap

Therese Hillman

Klaus Hølse

Leif Nørgaard

Petra von Rohr



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Better Collective A/S

Remuneration policy

CVR no. 27 65 29 13



1. Introduction

- 1.1 This document constitutes the general policy (the “**Remuneration Policy**”) as approved by the general meeting of Better Collective A/S (the “**Company**”) for remuneration offered to members of the Board of Directors and the Executive Management of the Company. The Remuneration Policy replaces the General Guidelines for Incentive Remuneration to the Board of Directors and the Executive Management as adopted by the Annual General Meeting on May 2, 2018.

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

- 1.2 Pursuant to section 139 and 139a of the Danish Companies Act, the Board of Directors of a Danish company admitted to trading on a EU regulated market must adopt a Remuneration Policy for the Board of Directors and the Executive Management. Such policy shall be approved by the Company’s shareholders at a General Meeting.
- 1.3 Agreements about remuneration for members of the Board of Directors or Executive Management entered into before the adoption of these guidelines will continue on already agreed terms. Any amendment of existing agreements as well as conclusion of new agreements with the members of the Board of Directors or the Executive Management are subject to the below policy and may at the earliest be entered into on the day after the approved Policy has been published on the Company’s website.

2. Underlying principles and correlation between remuneration and long-term interests, business strategy and sustainability

- 2.1 The overall objective of the Remuneration Policy of Better Collective is to attract, motivate and retain qualified members of the Board and the Executive Management as well as to align the interests of the Board and the Executive Management with the interests of the Company’s shareholders and other stakeholders. The remuneration of the Board and the Executive Management shall be designed to support the strategic goals of Better Collective and to promote value creation for the benefit of the shareholders of Better Collective.
- 2.2 The Remuneration Policy contributes to and supports the company's business strategy as well as long-term interests through different mechanisms. The short-term incentive program (the “**STI**”), which is a cash-based bonus scheme for the Executive Management, applies performance criteria (the “**KPIs**”) and associated financial and non-financial goals for one year at a time. The KPIs are typically, but not necessarily, directly linked to the financial targets communicated to the market. The Board of Directors will review and adjust these annually to reflect any changes in strategy and the Company's situation.
- 2.3 The long-term incentive program (the “**LTI**”), which is a share-based incentive scheme, seeks to secure the Executive Management’s incentive to safeguard the Company's long-term interests. The fact, see paragraph 4.5 below, that the share-based incentive has a minimum 3-year vesting period and that the vesting of warrants may be subject to fulfillment of certain financial vesting targets ensures that the Executive Management are continuously exposed to the share price development for up to a 5-year horizon. The combination and distribution between the STI and the LTI thus seeks to ensure a balance between short-term and long-term results to the benefit of the Company, its shareholders and other stakeholders.



- 2.4 One third of the Board of Directors' fixed annual remuneration is paid out in shares in the Company which must be held in custody by the Board members for a minimum of three years with the purpose of aligning the interests of the Company's shareholders and the members of the Board of Directors in regard to the development of the share price.]
- 2.5 The Remuneration Policy ensures a correlation between Executive Management remuneration and long-term value creation which is in the interest of shareholders as it strengthens the sustainability of Better Collective's business model. The LTIP's financial improvement incentive and retention element both contribute to long-term value creation and sustainability in the company.
- 2.6 The remuneration and other relevant terms of employment of Better Collective's employees have been taken into consideration in the preparation of this Remuneration Policy. The remuneration of Better Collective's employees is based on the following principles:
- Remuneration is based on local conditions in the markets where Better Collective operates
 - Remuneration principles and structure apply to all employees irrespective of their geographic location, but the actual remuneration depends on local market conditions and may therefore vary by country
 - To ensure transparency in performance-related pay, KPIs are used, primarily growth and the profitable development of Better Collective's business
 - To ensure that key employees focus on the long-term interests of the shareholders, share-based incentive plans are related to business performance or improved share price performance

3. Remuneration of the Board

- 3.1 The members of the Board are remunerated with fixed annual fees approved by the General Meeting. All members of the Board receive an annual base fee which shall be in line with market practice of comparable listed companies taking into account the required competencies, effort and scope of work of the members of the Board. The Chairman of the Board receives 3 times the annual base fee for his/her extended duties. All members of the Board, who are also members of the committees established by the Board, receive an additional fixed fee as remuneration for their committee work. The Chairman of a committee receives 2 times the annual fixed fee for the committee. The size of the fixed committee fee depends on the competencies, effort and scope of work required by the members of each committee.
- 3.2 [One third of the total fixed annual remuneration is converted into a number of Better Collective shares by applying the average share price of the Better Collective share in the 3-day-period following the release of the Q4 full year report for the previous financial year (i.e. the Q4 full year report for the financial year previous to the financial year during which the shares have been earned). The calculated numbers of shares are transferred to the Board members' custody accounts once annually following the release of the Q4 interim report for the financial year during which the shares have been earned. Any remuneration for tasks, which are outside the normal duties of a Board member and any travel allowance (ref 3.3 and 3,5), are not included for purposes of calculating the number of Better Collective shares allocated. The shares must be held in custody by Board members for a minimum period of three years. This condition only applies to Board members continuing as members of the Board after the Annual General Meeting.]
- 3.3 Members of the Board may be entitled to reasonable travel allowance and participation in relevant training. In the event a member of the Board takes on specific ad hoc tasks outside the scope of ordinary tasks of the Board



in accordance with the Rules of Procedure of the Board, the member may be offered a fixed fee for the work carried out related to such tasks.

- 3.4 No retention or severance schemes apply for the Company's board members.
- 3.5 To remain competitive in the international market and to be able to attract and retain qualified members of the Board of Directors it is considered in the best interest of Better Collective and its shareholders to include the possibility to offer a share-based instrument to a new member/proposed candidate of the Board of Directors on a discretionary basis. A new member of the Board may be granted share-based instruments upon election given certain circumstances. The grant of share-based instruments to a new member of the Board of Directors is subject to approval by the Annual General Meeting. The share-based instruments granted to the Board of Directors may be in the form of warrants in line with the Company's established LTI program for key employees and the Executive Management. To ensure the Board's independence and supervisory function, the Nomination Committee shall in its sole discretion determine whether or not to endorse a proposal for a grant of a share-based instrument to the proposed candidate for the Board of Directors, further vesting of warrants granted to such new members of the Board of Directors shall not be subject to fulfilment of forward-looking performance criteria.

4. **Remuneration of the Executive Management**

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

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

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

4.2 **Base salary**

The annual base salary is determined with a view to provide a competitive remuneration to attract and retain members of the Executive Management with the required professional and personal competences. The annual base salary for the members of the Executive Management shall be in line with market practice and based on the individual member's responsibilities and performance. The members of the Executive Management shall be entitled to customary non-monetary benefits as approved by the Board. The members of the Executive Management can also participate in the pension scheme of the Company, which for the Executive Management may amount to up to 16% of the fixed remuneration.

4.3 **Variable remuneration**

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



(a) Cash bonus (STI)

(b) Share-based incentive (LTI)

4.4 **STI**

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

4.5 **LTI**

The general meeting decides whether or not to establish an LTI. The LTI program shall be based on the issuance of share based rights in the Company ("**Warrants**"). Each Warrant will entitle the recipient to receive one share in the Company against payment of an exercise price (determined in connection with the implementation of the LTI program) after a minimum three year vesting period, provided the targets for vesting are met. When an LTI program is established, the Executive Management may participate with an awarded value of shares and/or warrants for the grant year of up to 100 percent of the annual base salary (at the time of grant). The value of the granted warrants is calculated in accordance with the Black-Scholes formula. Warrants granted under an LTI program will vest annually over a period of minimum three years from the date of grant. The targets for granting and/or vesting, if any, will be defined in advance by the Board of Directors. The targets may include financial and strategic targets of the Company as well as individual targets. If the targets have not been fully or partly met, vesting of the warrants will be reduced or lapse. It is a prerequisite for the Executive Management's vesting rights that their executive employment with the Company is not under notice or terminated for any reason by any party throughout the vesting period. This prerequisite may not apply in certain "good leaver" situations.

4.6 **Termination and severance payment**

The Executive Management will typically be employed without a time limit, but with the right to reciprocal termination. The Company may terminate with a notice of termination of 12 months, while the Executive Management member may give notice to the company of 6 to 9 months. The total value of remuneration to each member of the Executive Management regarding the notice period, including severance pay, cannot exceed two years remuneration including all remuneration components. In the event of the death of a member of the Executive Management, the company may pay what amounts to up to 6 to 12 months' remuneration to the Executive Management member's survivor.

4.7 **Clawback**

In the situation where bonus, warrants or other incentive remuneration have been provided to a member of the Executive Management on the basis of data or accounts which subsequently prove to have been misstated, the Company may reclaim the incentive remuneration in full or in part on the basis of such data.



5. Remuneration Committee and procedures to avoid conflicts of interest

The Board has established a remuneration committee (the “**Remuneration Committee**”) to ensure that the Company maintains and observes a Remuneration Policy for the members of the Board and the Executive Management. The Remuneration Policy and any changes thereto shall be approved by the Board as well as the General Meeting. Furthermore, the Nomination Committee, as appointed according to the instructions in the Company’s Articles of Association and the Swedish Corporate Governance Code, shall prepare and propose the fees to the Board of Directors and any fees for committee work. The Remuneration Committee shall evaluate and make recommendations for the remuneration of the members of the Board and the Executive Management. The Remuneration Committee shall retain its own advisers separate from the external advisers engaged by the Company and/or the Executive Management. To avoid conflicts of interest, the Remuneration Policy and the remuneration of the Board will be approved by the General Meeting, and the remuneration of the Executive Management will be approved by the Board. With respect to share components offered to proposed board candidates, such proposal is subject approval by the Company’s general meeting and further the proposal itself is subject to endorsement by the Nomination Committee.

6. Deviations from the remuneration policy

To achieve the overall objective of this Remuneration Policy, the Board of Directors may in special circumstances deviate from this Policy if any part of the Policy no longer drives business performance, the achievement of the Company’s strategy or employee motivation and retention. Any such deviation must be discussed in the Remuneration Committee who will provide a recommendation to the Board of Directors.

Any deviation from this Policy will be described and explained in the Company’s Annual Report and/or Remuneration Report. A change to any strategic component of remuneration will be disclosed on the Company’s Annual Report and /or the Company’s Remuneration Report.

7. Approval and Publication of the Remuneration Policy

This Remuneration Policy has been reviewed and approved by the Remuneration Committee and the Board and this Remuneration Policy shall be posted on the Company’s website (www.bettercollective.com) specifying the date of adoption by the General Meeting of the Company. This Remuneration Policy is applicable to remuneration programs with respect to the financial year 2020 and subsequent financial years. The Remuneration Policy shall be described in the Company’s annual report and the Chairman shall in connection with the report from the Board at the Annual General Meeting comment on the principles of the Remuneration Policy and compliance hereof. The Company will prepare a Remuneration Report, beginning from the full financial year 2020, in accordance with applicable law containing information on, inter alia total remuneration, for each of the Executive Management members and on an individual basis, and on compliance with the Remuneration Policy.

This Policy has been approved by the Board of Directors on March 25, 2020 and by the General meeting on April 22, 2020.

8. Policy Review

The Remuneration Policy shall be reviewed by the Remuneration Committee at least on an annual basis.

**SCHEDULE D
AUDIT COMMITTEE CHARTER**

(See attached)



Better Collective

Audit Committee Rules of Procedure



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1. PURPOSE

The purpose of the Audit Committee is to assist the board of directors (the “Board”) in Better Collective A/S (the “Company”, which when relevant also includes a reference to the entire group in which the Company is the parent company) in its oversight responsibilities. The Audit Committee reports its findings to the Board. The Board has full responsibility for all audit matters.

2. SCOPE AND AUTHORITY

The Audit Committee has the authority to engage in any matter regarding:

- External and internal audit
- Risk management and internal control related to financial matters
- Reports submitted regarding financial reporting by the external auditors and communication with auditors
- Compliance with law and regulation related to financial matters.

3. MEMBERSHIP

- a) The Audit Committee shall consist of no less than two and no more than five members of the Board . Notwithstanding any vacancy in the Audit Committee, the continuing members of the Audit Committee may act as long as the number of members of the Audit Committee does not fall below two for a period exceeding three months.
- b) The Board shall appoint the members of the Audit Committee. Appointment usually takes place at the Board meeting following the Annual General Meeting, and members shall be members of the Board whose nominations for such appointment have been reviewed and approved by the Board. Members of the Audit Committee are elected for a one-year term. The Board may reappoint any member of the Committee at any time, provided that the nomination for such reappointment has been reviewed and approved by the Board. The Board can remove any member of the Audit Committee at any time.
- c) The Board shall appoint a Chair of the Audit Committee.
- d) A majority of the members of the Audit Committee shall qualify as independent as defined by Danish law and the Swedish Corporate Governance Code.
- e) Between them, the members of the Audit Committee shall have the appropriate expertise within accounting and/or auditing for a listed company.
- f) Each member of the Audit Committee shall hold office until the next Annual General Meeting following that member’s appointment or reappointment. The retiring Chair of the Audit Committee and other members of the Audit Committee shall, subject to the preceding paragraphs, be eligible for reappointment.
- g) If the number of members falls below two, the Board shall endeavour to fill the vacancy within two months and in any case, the Board shall within three months of such event appoint any member/s of the Board whose nominations have been reviewed and approved by the Board as a member or members as may be required to make up the minimum number of two members.

4. MEETINGS AND ATTENDANCE

- a) The Audit Committee shall meet as often as it deems necessary, however, not less than five times a year. Any member of the Audit Committee may call a meeting. In the event that a



material and urgent issue within the terms of reference of the Audit Committee arises outside the agreed meeting plan, the CFO must call for a meeting. Attendees should be limited to those who are familiar with, or responsible for, the topics on the agenda. The CFO attends all Audit Committee meetings, CEO attendance is optional. External auditors attend meetings when the Audit Committee deems it necessary.

- b) The Audit Committee shall have at least at one meeting per year with the external auditors, and as part of the meeting, conduct a separate meeting in which no member of Executive Management attend.
- c) Meetings shall be convened at no less than 8 day's written notice to all members of the Audit Committee, and such notice shall include an agenda for the meeting in question. Any written material relating to the individual agenda items shall, to the extent possible, be forwarded to the members together with the notice convening the meeting.
- d) Meetings may be held in person or virtually as agreed by the committee.
- e) Under special circumstances, a committee resolution may be passed over the phone or in writing. In such cases the proposed resolution shall be forwarded to the members, and the Chairman shall subsequently seek to obtain a written, oral or electronically transferred statement from all members of the Audit Committee and arrange for the recording of the resolution in the minute book.
- f) Any resolution in writing, signed or assented to by all the Audit Committee members shall be as valid as if it had been passed at a Audit Committee meeting duly called and constituted.
- g) No business shall be transacted at a meeting unless at least two members of the Committee are present.
- h) At all meetings of the Audit Committee, the Chair of the Audit Committee, if present, shall preside. If the Chair of the Audit Committee is absent, the members present at the meeting shall elect a Chair of the meeting.
- i) The CFO, or a person designated by the CFO, shall be the secretary to the Audit Committee (hereinafter called the "Secretary"). The Secretary shall attend Committee meetings, and a record of the proceedings shall be kept. The Secretary of the Audit Committee shall have responsibility for circulating minutes of each meeting to all members.
- j) The Chair shall be allowed to invite other relevant participants to be present during a meeting or at the discussion of a specific item on the agenda. Each individual member of the Committee shall be allowed to require such non-members to leave the meeting after presentation of the matters for which they have been invited.

5. FUNCTION

The Audit Committee assists the Board in fulfilling its oversight responsibilities. Its primary functions are to review and evaluate:

- a) The internal control and risk management systems related to financial matters.
- b) The audit process, the scope, results, effectiveness and objectivity of the audit process and maintain an appropriate relationship with the external auditors.
- c) On behalf of the Board, the adequacy of the internal control system, including accounting controls, taking input from the external auditors, and risk management functions
- d) With the external auditors, all audit plans and audit reports; this will normally include:
 - Management representation letter



- Auditors' long-form report
 - Reports on internal controls
 - Schedule of audit differences
 - Engagement letter
- e) Estimated cost for the basic audit charges based on the audit plan prepared by the external auditors for the coming year.
- f) Any non-audit services to be provided to Better Collective in excess of 100% of the agreed annual audit fee. Such services must be pre-approved by the Audit Committee
- g) The Auditors' reporting regarding the balance sheet and income statement of the Group
- h) The consolidated balance sheet and income statement, submitted to it by the Group.
- i) The Committee shall have full access to, and cooperation by, the management, including external audit, and have full discretion to invite any Director and employees to attend its meetings.

6. TERMS OF REFERENCE

6.1 Audit Process

In respect of the overall audit process, it will be the responsibility of the Audit Committee to:

- Provide an open channel of communication between the CFO, the external auditors, and the Board.
- Review the strategy, plan, scope and approach of the external auditors' annual audit.
- Review the scope and results of the external auditors, risk management and compliance related to the financial matters and their effectiveness, and to report periodically to the Board on significant findings, and
- Meet, as required, at least once a year, with the external auditors and management in separate sessions to discuss any matters that the Audit Committee or these groups believe should be discussed privately with the Audit Committee.

6.2 External Audit

The Audit Committee shall provide a recommendation regarding external auditor(s) to the Nomination Committee in connection with the Nomination Committee's preparation of proposals to the shareholders' meeting in relation to election and remuneration of the auditor(s) and when required, the recommendation to the Nomination Committee shall be prepared following a selection procedure (procurement) carried out as set out in Regulation (EU) No. 537/2014. Unless it concerns the renewal of an audit engagement in accordance with what is permitted pursuant to Regulation (EU) No. 537/2014, the recommendation from the Audit Committee to the Nomination Committee shall be justified and contain at least two alternative choices.

In connection with the recommendation, the Audit Committee shall evaluate audit charges and having regard also to:

- Any questions of appointment, reappointment or termination of the Group's external auditors to the Board.
- A review of their independence and objectivity, including any potential conflicts of interest.



- A review with the CFO and the external auditors of the scope and results of the external audit and any significant findings reported to the Audit Committee in the management letter.
- A review of the relationship with external auditors; to discuss with external auditors issues such as compliance with accounting standards and any proposals which the external auditors have made vis-à-vis the Group's accounting policies.

6.3 Internal Audit

It will be the responsibility of the Committee to, once a year, evaluate the need for an internal audit function in Better Collective and make a recommendation to the Board of Directors.

6.4 Internal Control and Risk Management

In respect of internal control and risk management related to financial matters, it will be the responsibility of the Audit Committee to:

- Consider and review the Company's internal control system, including financial, compliance controls and risk management (including the effectiveness thereof), prior to endorsement by the Board.
- Review the Company's risk management processes together with internal and external auditors and executive management.

6.5 Financial Reporting

In respect of financial reporting matters, it will be the responsibility of the Audit Committee to:

- Review the external auditors' audit reporting regarding financial statements contained in the annual reports of the Company and to ensure that the external auditors are satisfied with the disclosure and contents.
- Review any changes in accounting policies, to determine the appropriateness of accounting policies and financial disclosure practices.
- Review the consistency of accounting policies on a year-to-year basis as well as across the Group.

6.6 Regulatory matters

In addition to the duties imposed by the Companies Act, the Committee shall:

- When it becomes aware of any suspected fraud or irregularity, or suspected infringement of any law, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, discuss such matters with the external auditors and, at an appropriate time, report the matter to the Board.
- Review interested person transactions as may be required by the relevant regulatory securities authorities or by the provisions of the Companies Act.

6.7 General matters

In addition to the above paragraphs, it will be within the responsibilities and power of the Audit Committee to:

- a) Investigate any matter brought to its attention, within the scope of its duties, with the power to obtain independent professional advice.



- b) Investigate any matter brought to the Audit Committees attention via the whistleblower function as financial misconduct such as misappropriation of assets including theft and misuse, unlawful behavior in connection with accounting principles, internal accounting controls or auditing matters and deliberate error in the preparation or maintenance of any financial statement or financial records including financial reports or audit reports.
- c) Supervise that procedures and processes are established so that Better Collective employees can express any concerns regarding possible irregular conditions via the established whistleblower function. It must be secured that procedures and processes for the whistleblower function are:
 - in accordance with Danish legislation, here among the Danish Data Protection Agency
 - ensuring a proper independent investigation of the matters reported via the whistleblower function, and that there is an appropriate follow-up on each reported matter
- d) Review amendments to the Company's Code of Conduct prior to the endorsement by the Board, oversee the implementation of the Code of Conduct and supervise that procedures and processes are established to ensure compliance with the Code of Conduct
- e) Call any member of staff to be questioned at a meeting of the Audit Committee as and when required
- f) Satisfy itself that management is taking appropriate action from audit and other reports
- g) Annually review and update its Rules of Procedure, recommending any changes to the Board and to evaluate its own performance on a regular basis
- h) Secure that staff of the Company can, in confidence, raise concerns about possible improprieties in matters of financial reporting and/or financial control.

7. CHAIR'S RESPONSIBILITY

- a) Upon the request of the external auditors, the Chair of the Audit Committee shall convene a meeting of the Audit Committee to consider any matters the external auditors believe should be brought to the attention of the Board.
- b) On a regular basis inform the Board about discussions in the Audit Committee. Upon request from the Board all material presented to or prepared by the Audit Committee will be available to all members of the Board.
- c) Minutes of the Audit Committee's meetings will be distributed to members of the Board.
- d) Conduct a self-evaluation for assessing the Audit Committee's performance on an annual basis.
- e) On an annual basis conduct a self-evaluation of the Audit Committee's performance in respect of the Audit Committee's agreed scope of work and obligations as described in the Rules of Procedure

8. AUDIT COMMITTEE MEMBER FEE

Each member of the Audit Committee shall receive an annual fee to be fixed by the AGM.

9. AMENDMENT

The provisions herein are subject to such revisions by way of modification, addition or otherwise as the Board may from time to time consider appropriate in so far as such revisions are consistent with the provisions of the Companies Act.



The Rules of Procedure shall be renewed and changed at least once a year if it is considered necessary.

SCHEDULE E
ANNUAL REPORTS, Q3 INTERIM REPORT, AND ACCOMPANYING FINANCIAL STATEMENTS

(See attached)

Interim report Q3 2023

Revenue 75 mEUR, growth of 26%; organic growth of 16%

Recurring revenue 46 mEUR; growth of 49%

EBITDA before special items 20 mEUR; growth of 35%
EBITDA-margin 26%

North American revenue share transition moving faster than expected

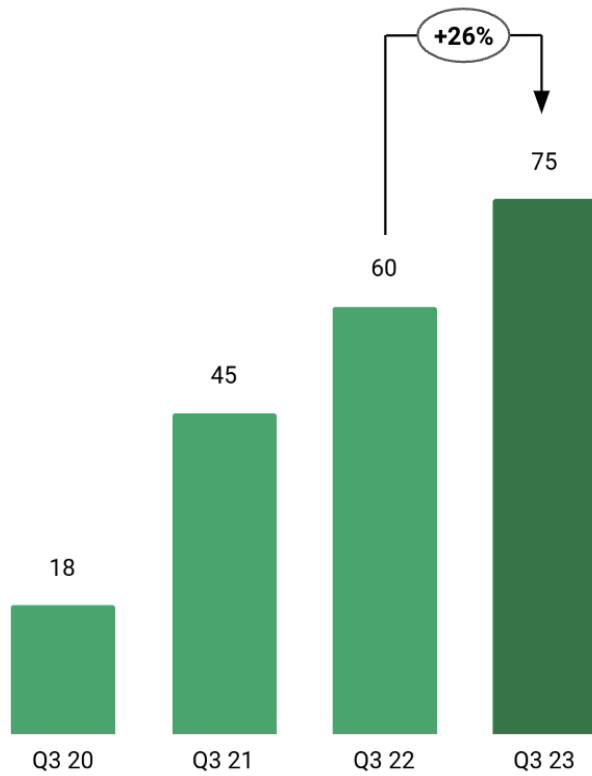
Transformational acquisition of Playmaker Capital secures market leadership in South America and strengthens leading North American position

October trading update: Revenues of 24 mEUR; impacted by a significantly lower sports win margin than expected

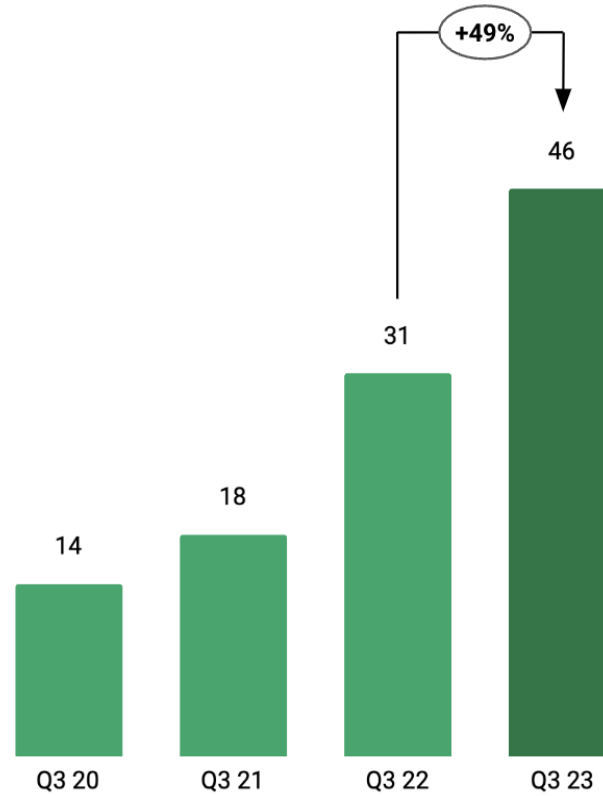
The full year financial targets are maintained



Revenue
mEUR



Recurring revenue
mEUR



EBITDA*
mEUR

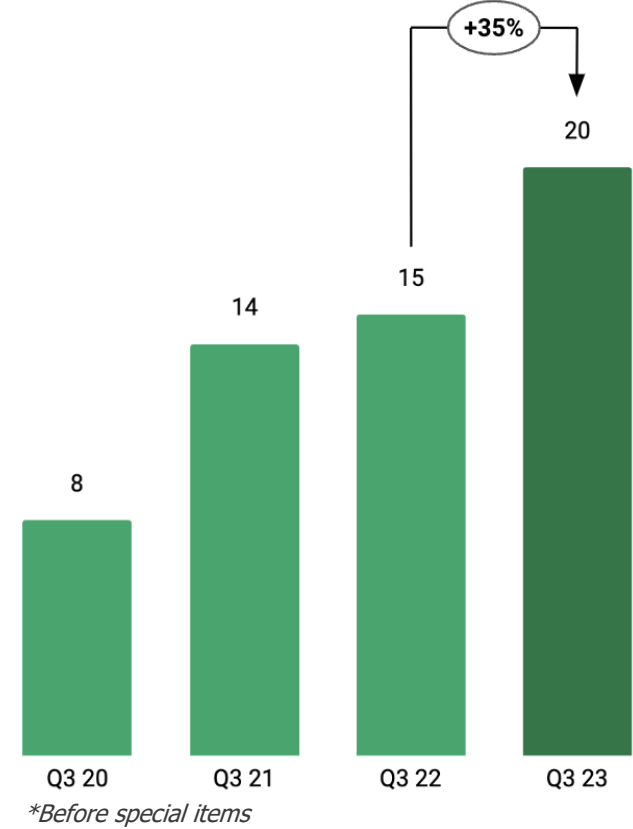


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Q3 webcast November 16, 2023

A conference call for Better Collective's stakeholders will be held on November 16, at 10:00 a.m. CET and can be joined online [here](#).

The presentation material for the webcast will be available after market close on November 15 via: www.Bettercollective.com

To participate telephonically follow [this link](#). Once signed up you will receive an e-mail with a phone number and a personal dial-in code for the call.



Highlights Q3, 2023

Group revenue grew by 26% to 75 mEUR (Q3 2022: 60 mEUR). Organic revenue growth was 16%.

Recurring revenue was 46 mEUR, implying 49% growth. Making up 61% of total group revenue.

Group EBITDA before special items was 20 mEUR, a growth of 35% (Q3 2022: 15 mEUR). The group EBITDA-margin before special items was 26%.

The full-year financial targets remain unchanged.

Cash flow from operations before special items was 14 mEUR (Q3 2022: 13 mEUR). The cash conversion was 63%. By the end of Q3, capital reserves stood at 123 mEUR of which cash of 41 mEUR, and other current financial assets of 10 mEUR and unused credit facilities of 72 mEUR.

New depositing customers (NDC) numbered more than 445,000 in the quarter implying growth of 27%. 87% of NDCs were sent on revenue share contracts.

The North American contractual transition towards revenue share has been moving faster than expected. In terms of NDCs, Better Collective grew massively during Q3 and sent approximately 65,000 NDCs, implying growth of 73%.

Out of this, 64% were on revenue share agreements implying 42,000 NDCs, which equals 159% growth.

The content and social media company [Playmaker HQ](#), was acquired in the beginning of Q3. With the acquisition, Better Collective expanded competitiveness within social media and sports content production, and the total consideration of the acquisition was 51 mEUR (54 mUSD) with an upfront payment of 14 mEUR (15 mUSD).

Acquiring leading national sports media with a strong brand is an important pillar in Better Collective's global strategy. During Q3, the group made multiple acquisitions executing on its strategy and vision to become the leading digital sports media group:

- In a transaction made with the Everysport Group, Better Collective acquired four of Sweden's strongest sports media brands for a total purchase price of 3.7 mEUR. The four brands are; [SvenskaFans.com](#), [Hockeysverige.se](#), [FotballDirect](#), and [Innebandy Magazinet](#).
- Better Collective strengthened its South American position by acquiring the Brazilian sports media platform, [Torcedores.com](#). Adding the first Brazilian sports media brand to the group, Better Collective also acquired an office in Sao Paulo, Brazil.

- [Tipsbladet.dk](#) was acquired for 6.5 mEUR, further leveraging Better Collective's position as a key partner for advertisers in the Danish market.

The club-financing from October 2022, with Nordea, Nykredit and Citibank was extended by three years until October 2026, together with the execution of the accordion option. In doing so the available facilities were increased by 72 mEUR, leaving Better Collective with a total financing of 319 mEUR where 247 mEUR has been utilized.

A share buyback program of up to 10 mEUR was initiated and completed during Q3. Better Collective acquired 187,991 shares at an average price of 237.2 SEK. Following the purchases, Better Collective held 2.51% of the outstanding share capital. The purpose of the buyback is to cover future payments relating to acquisitions and LTI programs.

Secured proof-of-concept for Better Collective's in-house adtech platform, AdVantage. The platform allows Better Collective to gain stronger knowledge of its audience enabling it to better cater to and serve targeted and contextual ads. The first AdVantage campaigns have been run on Better Collective's brands and media partnerships across eight markets.

For the nationwide day of action against gambling addiction 2023, Better Collective's subsidiary, Mindway AI, entered a strategic partnership with the German Sports

Betting Association (DSWV). The partnership will see the integration of the innovative Mindway AI solution - Gamalyze, into DSWV's [homepage](#).

Britt Boeskov and René Rechtman were elected to the Board of Directors at an EGM on 8 August. Following six years of dedicated work for Better Collective, Klaus Hulse decided to step down from the Board of Directors.

Better Collective opened the doors to its new headquarters in Copenhagen. The leasing agreement runs for five years and has a rent obligation of approximately 12 mEUR during that period.

Significant events after the period

The October trading update showed revenue of 24.3 mEUR, down 6%. Revenue and earnings were negatively impacted by an estimated +8mEUR due to a significantly lower sports win margin than expected.

Better Collective [made its second largest acquisition](#) to date, in a transaction to acquire [Playmaker Capital](#) for a total price consideration of 176 mEUR. Playmaker Capital is a leading digital sports media group that owns and operates several strong sports media brands across the Americas. The acquisition will be transformational for Better Collective and will strengthen the group's market leading position in North America, while also taking market leadership in South America. Note that despite having similar names, Playmaker HQ and Playmaker Capital are not associated. The closing of the transaction is subject to approval by the shareholders of Playmaker Capital, court approval, applicable regulatory approvals, and certain other closing conditions customary in transactions of this nature. The transaction is expected to close before the end of Q1 of 2024, whereafter Playmaker Capital will be consolidated into the Better Collective group. Better Collective's 2023 financial targets are maintained, while it plans to revisit its long-term financial targets for the period 2023-2027 following the closing of the transaction.

In addition to Better Collective's presence in Sao Paulo, established with the acquisition of Torcedores the group opened the doors to a new office in Rio de Janeiro.

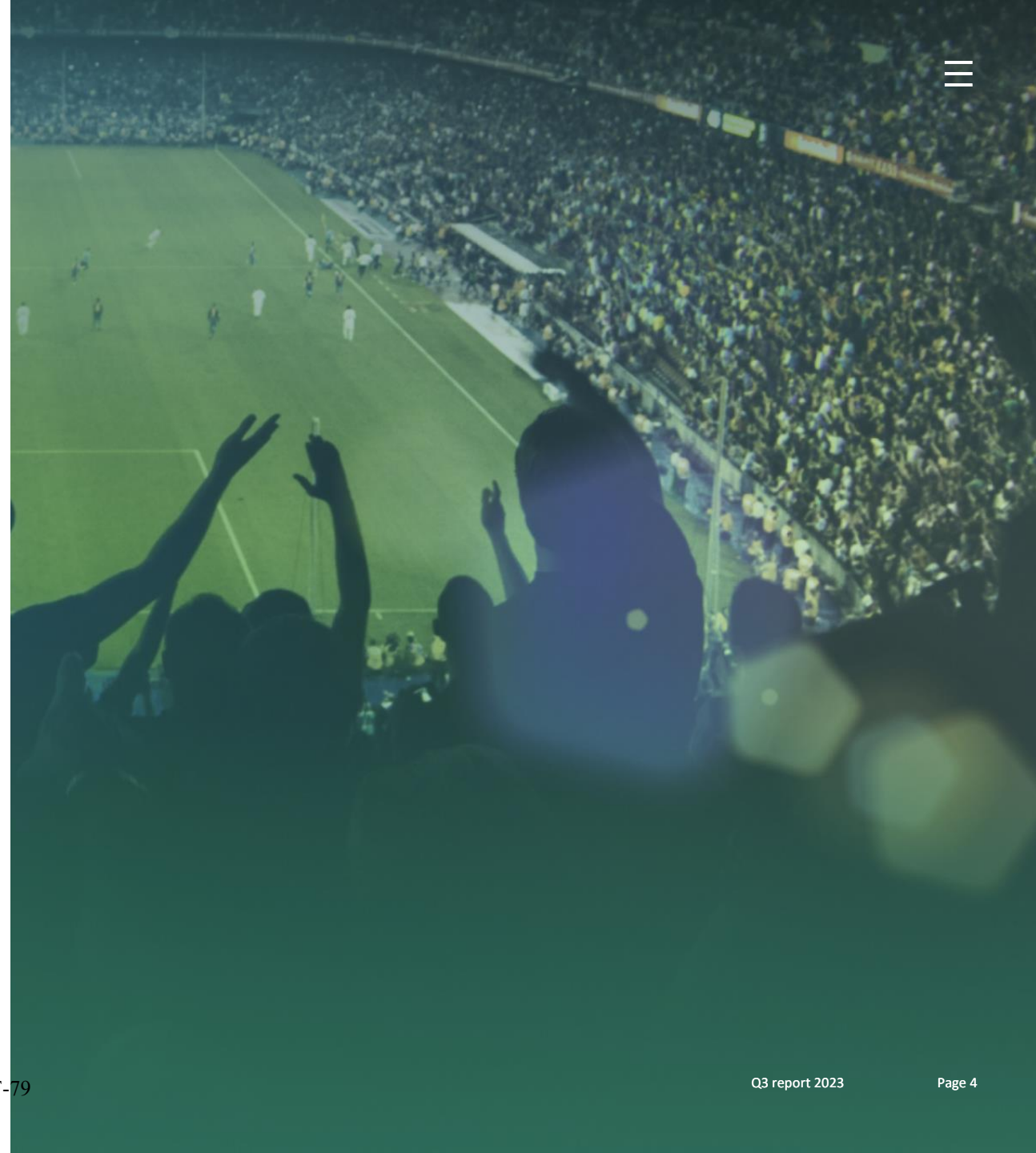
Mindway AI entered another strategic partnership this time with the United States' National Council on Problem Gambling (NCPG). The partnership will see the integration of Gamalyze, into NCPG's flagship responsible gambling website; responsiblePlay.org

Better Collective's Nomination Committee was appointed based on ownership data as per August 31, 2023.

In late September, Better Collective announced its intention to carry out a dual listing of the group's shares on Nasdaq Copenhagen, in addition to the current listing on Nasdaq Stockholm. The first day of trading on Nasdaq Copenhagen is expected to be November 17, 2023.

Upcoming events

- February 21, 2024, Q4 release
- March 20, 2024, annual report release
- May 21, 2024, Q1 release
- August 21, 2024, Q2 release



Financial highlights and key figures

tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Income statements					
Revenue	75,431	59,720	241,491	183,157	269,297
Recurring revenue	46,312	31,075	141,864	82,052	123,365
Revenue Growth (%)	26%	32%	32%	47%	52%
Organic Revenue Growth (%)	16%	23%	23%	30%	34%
Operating profit before depreciation, amortization, and special items (EBITDA before special items)	19,595	14,556	81,566	49,892	85,075
Operating profit before depreciation and amortization (EBITDA)	19,073	13,935	79,218	48,228	85,021
Depreciation	1,200	623	2,611	1,593	2,321
Operating profit before amortization and special items (EBITA before special items)	18,395	13,933	78,954	48,300	82,754
Special items, net	- 522	- 621	- 2,347	- 1,664	- 54
Operating profit before amortization (EBITA)	17,873	13,312	76,607	46,635	82,700
Amortization and impairment	6,375	3,682	16,314	8,722	12,347
Operating profit before special items (EBIT before special items)	12,019	10,251	62,640	39,578	70,407
Operating profit (EBIT)	11,498	9,630	60,293	37,913	70,353
Result of financial items	- 6,378	- 612	- 15,985	- 1,961	- 5,389
Profit before tax	5,119	9,017	44,308	35,952	64,964
Profit after tax	3,107	6,949	32,344	27,796	48,075
Earnings per share (in EUR)	0.06	0.13	0.59	0.51	0.88
Diluted earnings per share (in EUR)	0.05	0.12	0.56	0.49	0.85

For a definition of financial key figures and ratios, please refer to page 37.

tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Balance sheet					
Balance Sheet Total	930,934	799,892	930,934	799,892	785,229
Equity	437,744	420,887	437,744	420,887	412,917
Current assets	106,674	77,256	106,674	77,256	95,025
Current liabilities	92,666	189,322	92,666	189,322	65,068
Net interest bearing debt	222,991	174,504	222,991	174,504	177,879
Cashflow					
Cash flow from operations before special items	14,245	13,171	81,859	48,819	69,816
Cash flow from operations	13,912	12,550	79,858	47,908	68,423
Investments in tangible assets	- 1,958	- 703	- 4,140	- 1,263	- 1,804
Cash flow from investment activities	- 30,941	- 3,419	- 81,702	- 109,580	- 112,632
Cash flow from financing activities	- 318	- 7,119	29,695	70,770	65,737
Financial ratios					
Operating profit before depreciation, amortization (EBITDA) and special items margin (%)	26%	24%	34%	27%	32%
Operating profit before amortization margin (EBITDA) (%)	25%	23%	33%	26%	32%
Operating profit margin (%)	15%	16%	25%	21%	26%
Publishing segment					
- EBITDA before special items margin (%)	25%	30%	36%	33%	38%
Paid media segment					
- EBITDA before special items margin (%)	29%	11%	29%	13%	16%
Net interest bearing debt / EBITDA before special items	1.91	2.63	1.91	3.38	2.09
Liquidity ratio	1.15	0.41	1.15	0.41	1.46
Equity to assets ratio (%)	47%	53%	47%	53%	53%
Cash conversion rate before special items (%)	63%	86%	95%	95%	80%
Average number of full-time employees	1,053	977	1,126	842	878
NDCs (thousand)	445	354	1,447	1,102	1,683

CEO Letter

Building for the future with fast paced North American revenue share transition and value adding acquisitions

Q3 was another eventful quarter where we continued working towards sustainable future growth. Following the exceptional performance during the first half of 2023, Q3 landed in line with expectations. Group revenues grew by 26% to 75 mEUR of which 16% was organic growth. Our EBITDA grew faster than the top line to 20 mEUR equating to 35% growth and an EBITDA margin of 26%. During the quarter we recorded a normalized sports win margin following more favorable sports win margins in H1. We managed to deliver solid results despite I) it being the low season, and II) our continued investment into future growth in the North American market.

The quarterly revenue growth was broadly driven by our media partnerships, which continue to be a solid growth driver globally, and the strong development in our Paid Media business. Paid Media delivered a topline growth of 46% and a remarkable 264% surge in operational earnings with the margin growing from 11% to 29%. This growth is largely the result of our investments in moving revenues to recurring revenue share income during 2020 and 2021.

Further, we continued our strong focus on recurring revenue in North America, which grew 24% to 22 mEUR and accounted for 30% of group revenue. At Better Collective, sustainable long-term value creation is in our DNA, and I am very pleased to see how our commercial team in North America has been able to fast-forward the recurring revenue share transition, providing strong value in the long run, while being short-term dampening on revenue and earnings. Allow me to dive a bit into this mechanism.

North American revenue share transition moving faster than expected

Since the PASPA repeal in 2018, we have been pushing for revenue share agreements in North America, just like in most of our operations in the rest of the world. Last year, we succeeded in either fully or partly transitioning the first of our partners to this way of collaborating. Remind you, we favor revenue share as this model puts us in the same boat as our partnering sportsbooks, allowing us to develop more strategic and long-term partnerships. In short, we succeed when they succeed.

Having employed the revenue share model for two decades we have a very strong data foundation proving that our strategic revenue share partnerships yield higher long-term customer values versus an upfront payment (CPA).

Our continuous focus on securing recurring revenue streams has provided Better Collective with a strong competitive advantage. The current recurring revenue

provides us with a strong cash flow to invest in both the near future - which ensures agility once opportunities arise - while also enabling us to invest in the future.

The current recurring cash flow primarily stems from customers sent during 2021 and the years leading up to 2021. Hence our large growth in NDCs during 2022 and 2023 bode well for our future value creation. We will continuously push the 'snowball' of recurring revenue down hill, accumulating future growth along the way and growing the 'snowball' ever larger. With this continuous push we build out our competitive moat and set us further apart from competition.

Zooming in on North America, I am very satisfied to see our significant growth in revenue share customers. Across all the North American region we sent more than 65,000 NDCs during Q3, which implies a growth of 73%. Out of this, 64% were on revenue share agreements implying 42,000 NDCs, which equals 159% growth. In the beginning of the year, we incorporated this transition into our financial targets, and we are pleased to see that the transition is moving faster than first anticipated.

With that in mind we have still managed to grow North American revenues by 24% to 22 mEUR. As you might recall, last year was "the year of extreme CPAs" due to several big state launches. Even though the focus during 2023 has been on advancing the revenue share transition, our North American business has already delivered year-to-

date growth of 30%, leaving me even more confident in our decision, seeing we can generate short-term growth while investing in Better Collective's future.

Personally, I like to think of our revenue share transition as growth in disguise. I remain highly excited about the transition, as our data tells us that North American customer lifetime values are very high compared to anywhere else in the world, and to fully capture this potential we need to operate on revenue share agreements.

I would like to stress that this transitional phase will continue to have a short-term dampening impact on our financial performance in the coming quarters, also heading into 2024. However, given the above-mentioned factors, this is something we must see through, as it simply is not an opportunity we want to miss out on.

Value adding acquisitions

During Q3, we continued our global expansion with no less than four acquisitions. We acquired [Playmaker HQ](#), an acquisition which provides our group with social media and content production capabilities needed for long-term success in the sports media industry.

By acquiring Playmaker HQ, we also broadened our user base towards more generalist sports fans which subsequently increases the value offering to our existing partners. Additionally, Playmaker HQ also holds extensive sponsorship sales and know-how that we can deploy to

increase our abilities to monetize audiences outside our core sports betting audience.

Currently, Playmaker HQ is only active in North America, and we therefore see great potential in being able to scale content and know-how across our global presence, and particularly in South America, where content is consumed via social media.

Hence, acquiring leading national sports media with a strong brand is an important pillar in our global strategy. To further solidify our foothold in the Swedish market we acquired four of Sweden's strongest sports media brands; [SvenskaFans.com](https://svenskfans.com), [Hockeysverige.se](https://hockeysverige.se), [FotballDirect](https://fotballdirect.com), and [Innebandy Magazinet](https://innebandymagazinet.se), in a deal made with the Everysport Group. Already focusing on Scandinavia, we also acquired [Tipsbladet.dk](https://tipsbladet.dk) to leverage Better Collective's position as a key partner for Danish advertisers.

Further, in a strategic move to strengthen our presence in the Brazilian sports media landscape, we completed the acquisition of the sports media, [Torcedores.com](https://torcedores.com). An acquisition that allows us to deliver more comprehensive and captivating content to Brazilian sports fans.

Following the closure of Q3, we announced the transformational acquisition of [Playmaker Capital](https://playmakercapital.com), our second largest acquisition to date. Playmaker is a leading digital sports media group operating a strong portfolio of sports media brands across the Americas. Joining forces means that

Better Collective can establish an even more structured entry and presence in the South American market, while also strengthening our leading position in North America.

Over the years, Playmaker has built incredibly strong sports media brands and excited sports fans across the Americas with high-quality sports content, to cultivate a loyal and dedicated following. Combined, its portfolio attracts more than 200 million visits a month and commands a social media following of more than 180 million. This means that Better Collective's global monthly reach now exceeds 380 million, up from seven million in 2018.

This impressive development is truly a testament to the high-quality brand portfolio we have built over the past five years. With the acquisition of Playmaker, we also get a highly skilled management team bringing unique media competencies that undoubtedly will boost our organization even more. We plan to apply our core competencies in Playmaker's audience even further and utilize our toolbox of business models to boost revenues, while our expertise in performance marketing will also be key.

The acquisition fits perfectly with our strategy of owning and operating leading national sports media brands, and further strengthens our position as a preferred partner for businesses aiming to activate their brands in a relevant and engaging sports context. As such we have taken a significant step towards realizing our vision of becoming the leading digital sports media group.

Jesper Søgaard

Co-founder & CEO Better Collective



Business review and financial performance

Group

Q3 was another solid quarter for the Better Collective group with revenues of 75 mEUR equaling growth of 26%, of which 16% was organic.

Operational earnings (EBITDA before special items) were 20 mEUR, implying a margin of 26%. The group increased its operational earnings by 35%.

Recurring revenue came in at 46 mEUR, implying growth of 49%, and made up 61% of group revenues.

Of the recurring revenues 87% came from revenue share income, 9% from subscription, and 4% from advertisement sales.

The group delivered more than 445,000 new depositing customers to partnering sportsbooks and continued its strong growth path during its transitional phase to revenue share agreements. Q3 NDCs grew by 27%, of which 87% were revenue share contracts.

Key figures for the group

tEUR	Q3 2023	Q3 2022	Growth	YTD 2023	YTD 2022	Growth
Revenue	75,431	59,720	26%	241,491	183,157	32%
Cost	55,837	45,164	24%	159,925	133,265	20%
Operating profit before depreciation, amortization, and special items	19,595	14,556	34%	81,566	49,892	63%
EBITDA-Margin before special items	26%	24%		34%	27%	
Operating profit before depreciation and amortization	19,073	13,935	37%	79,218	48,228	64%
EBITDA-Margin	25%	23%		33%	26%	
Organic growth	16%	23%		23%	30%	



Publishing

The Publishing business includes revenue from Better Collective's proprietary owned and operated sports media as well as media partnerships. The traffic to these brands is mostly direct or through organic search results.

Revenues from this segment came in at 48 mEUR implying growth of 17% of which 14% was organic. Operational earnings came in at 12 mEUR, implying a margin of 25%. The publishing segment accounted for 64% of group revenues and 61% of operational earnings.

The topline growth came from performance from most brands in all geographies, where media partnerships are worth highlighting as they continue to deliver.

The North American contractual transition towards revenue share has been moving faster than expected. In terms of NDCs, Better Collective grew massively during Q3 and sent approximately 67,000 NDCs, implying growth of 73%. The transition postpones revenue and earnings, as it has a short-term dampening effect on revenues and earnings. All central costs and costs of new areas of expansion are recorded in the Publishing segment.

Paid Media

The Paid Media business includes revenue efforts in paid advertising on search platforms like Google and Bing, as well as advertising on third party sports media. Given the upfront payment to advertise on third party platforms the gross margin is lower than in the Publishing business.

Paid Media revenue was 27 mEUR, implying growth of 46%, of which 19% was organic. Over the past quarters, the transition in revenue share agreements has paid off as margins have improved and made it possible to further fuel growth.

Operational earnings came in at 8 mEUR, implying a margin of 29%. This implies growth of 264% versus last year.

The strong growth in the top line comes from another broadly based performance with solid growth, especially from the Americas. The high margin growth comes because of earlier transition of revenues to recurring revenue share income.

Key figures for the Publishing segment

tEUR	Q3 2023	Q3 2022	Growth	YTD 2023	YTD 2022	Growth
Revenue	48,463	41,300	17%	161,214	127,806	26%
<i>Share of Group</i>	64%	69%		67%	70%	
Cost	36,574	28,858	27%	102,761	85,118	21%
<i>Share of Group</i>	66%	64%		64%	64%	
Operating profit before depreciation, amortization, and special items	11,888	12,442	-4%	58,452	42,688	37%
<i>Share of Group</i>	61%	85%		72%	86%	
EBITDA-Margin before special items	25%	30%		36%	33%	
Operating profit before depreciation and amortization	11,366	11,821	-4%	56,105	41,024	37%
EBITDA-margin	23%	29%		35%	32%	
Organic growth	14%	20%		24%	30%	

Key figures for the Paid Media segment

tEUR	Q3 2023	Q3 2022	Growth	YTD 2023	YTD 2022	Growth
Revenue	26,969	18,420	46%	80,277	55,351	45%
<i>Share of Group</i>	36%	31%		33%	30%	
Cost	19,262	16,306	18%	57,164	48,147	19%
<i>Share of Group</i>	34%	36%		36%	36%	
Operating profit before depreciation, amortization, and special items	7,707	2,114	264%	23,113	7,204	221%
<i>Share of Group</i>	40%	15%		28%	14%	
EBITDA-Margin before special items	29%	11%		29%	13%	
Operating profit before depreciation and amortization	7,707	2,114	264%	23,113	7,204	221%
EBITDA-margin	29%	11%		29%	13%	
Organic growth	19%	31%		27%	29%	

Europe & Rest of World

The Europe & Rest of the world (ROW) business includes all markets outside of North America. The European markets consist of more mature markets and are the legacy markets of Better Collective. South America is a strong growth market for Better Collective and makes up an increasingly bigger part of the business. Examples of sports brands include Soccernews in the Netherlands, Betarades in Greece, Wettbasis in Germany, Goal.pl in Poland, Les Transferts in France, and many others. Further it includes our esports communities HLTV and Futbin. The strategy is to own the strongest local sports media in all relevant regions.

Given the strong legacy in the European markets where Better Collective has been sending revenue share customers the past decade, there is a lot of recurring revenue in this business.

Europe & ROW posted revenues of 53 mEUR, implying growth of 27%. Operational earnings came in at 17 mEUR, giving a margin of 31% and growing 32%. Europe & ROW revenue accounted for 70% and operational earnings accounted for 85%. As mentioned, these markets are heavily exposed towards recurring revenue share income, meaning fluctuations in the sports win margin has a bigger impact here. During Q3 the sports win margin was lowered to more normalized levels as compared to previous quarters with overperforming sports win margins.

North America

Both the US and the Canadian markets are somewhat recently regulated. The first states in the US started regulating in 2018. As both markets are young, revenues largely have been generated from one-time payments (CPA). Last year, Better Collective started to seek a transition towards recurring revenues in the US. North American sports brands include amongst other Action Network, Playmaker HQ VegasInsider, RotoGrinders, Sportshandler, and Canada Sports Betting.

The North American revenue came in at 22 mEUR, implying growth of 24%. Operational earnings came in at 3 mEUR equaling a margin of 13% up from 11%. The group continues its transition towards recurring revenue share

which has been moving faster than expected. In terms of NDCs, Better Collective sent approx. 65,000 NDCs, implying growth of 73%. Out of this, 64% were on revenue share agreements implying 42,000 NDCs, which equals 159% growth.

Key figures for Europe & RoW and North America segments

tEUR	Europe & ROW						North America					
	Q3 2023	Q3 2022	Growth	YTD 2023	YTD 2022	Growth	Q3 2023	Q3 2022	Growth	YTD 2023	YTD 2022	Growth
Revenue	52,941	41,595	27%	158,932	119,600	33%	22,490	18,125	24%	82,559	63,558	30%
<i>Share of Group</i>	70%	70%		66%	65%		30%	30%		34%	35%	
Cost	36,305	28,955	25%	102,434	84,022	22%	19,532	16,209	21%	57,491	49,243	17%
<i>Share of Group</i>	65%	64%		64%	63%		35%	36%		36%	37%	
Operating profit before depreciation, amortization, and special items	16,637	12,640	32%	56,498	35,578	59%	2,958	1,915	54%	25,068	14,314	75%
<i>Share of Group</i>	85%	87%		69%	71%		15%	13%		31%	29%	
EBITDA-Margin before special items	31%	30%		36%	30%		13%	11%		30%	23%	
Operating profit before depreciation and amortization	16,519	12,055	37%	55,055	34,703	59%	2,554	1,330	113%	23,405	13,440	76%
EBITDA-Margin	31%	29%		35%	29%		11%	7%		28%	21%	

Financial performance first nine months 2023

Revenue growth of 32% to 241 mEUR and organic growth of 23%

Revenue showed strong growth vs. 2022 of 32% and amounted to 241.5 mEUR (YTD 2022: 183.2 mEUR). Revenue share accounted for 50% of the revenue with 30% coming from CPA, 5% from subscription sales, and 12% from other income.

Cost of 160 mEUR - up from 133 mEUR

The increased costs are driven by Paid Media, whereas cost to return media partnerships increased as well. The cost base excluding depreciation and amortization grew 16 mEUR, up to 159.9 mEUR (YTD 2022: 133.3 mEUR).

Total direct cost relating to revenue increased by 9.5 mEUR to 74.9 mEUR (YTD 2022: 65.4 mEUR) with the growth coming from increased cost in Paid Media, and direct costs related to media partnerships. Beyond the cost of paid traffic, this includes hosting fees of websites, content generation, and external development.

Personnel cost increased 30% from September 2022 to 66 mEUR 2023 (YTD 2022: 50.7 mEUR). The average number of employees increased 25% to 1,053 (YTD 2022: 842).

Personnel costs include costs related to warrants of 2,4 mEUR (YTD 2022: 1.3 mEUR).

Other external costs increased 2 mEUR or 12% to 19 mEUR (YTD 2022: 17.1 mEUR). Depreciation and amortization amounted to 16.3 mEUR (YTD 2022: 10.7 mEUR). The increase is primarily due to amortization related to the acquisition of FUTBIN and Skycon as well as new media partnerships.

Special items

Special items amounted to a cost of 2.3 mEUR (YTD 2022: 1.7 mEUR). The net cost of 2.3 mEUR is primarily related to M&A expenses of 1.7 mEUR and restructuring of 0.5 mEUR.

Earnings

Operational earnings (EBITDA) before special items grew 63% to 81.6 mEUR (YTD 2022: 49.9 mEUR). The EBITDA-margin before special items was 34% (YTD 2022: 27%).

Including special items, the reported EBITDA was 79.2 mEUR. (YTD 2022: 48.2 mEUR).

EBIT before special items increased 73% to 62.6 mEUR (YTD 2022: 39.6 mEUR). Including special items, the reported EBIT was 60.3 mEUR (YTD 2022: 37.9 mEUR).

Net financial items

Net financial costs amounted to 16 mEUR (YTD 2022: 2 mEUR) and included net interest, fees relating to bank credit lines, unrealized losses on shares and exchange rate adjustments. Interest expenses amounted to 8.3 mEUR and included non-payable, calculated interest expenses on certain balance sheet items. Out of the net interest 7.1 mEUR are paid.

Net financial costs are impacted by an unrealized loss of 5.2 mEUR on Catena Media shares and financing fees of 0.8 mEUR whereas net exchange rate loss amounted to 1.0 mEUR.

Income tax

Better Collective has a tax presence in the places where the company is incorporated. These places count Denmark (where the parent company is incorporated), Austria, France, Greece, Malta, Netherlands, Poland, Portugal, Romania, Serbia, Sweden, UK, Canada, Brazil, and the US.

Income tax YTD 2023 amounted to 11.9 mEUR (YTD 2022: 8.2 mEUR). The Effective Tax Rate (ETR) was 27% (YTD 2022: 22.7%).

Net profit

Net profit after tax was 32.3 mEUR (YTD 2022: 27.8 mEUR). Earnings per share (EPS) increased by nearly 14% to 0.58 EUR/share vs. 0.51 EUR/share YTD 2022.

Equity

The equity increased to 437.7 mEUR as per September 30, 2023, from 412.9 mEUR on December 31, 2022. Besides the YTD profit of 32.3 mEUR, the equity has been impacted by the acquisition of treasury shares of 13.4 mEUR and share-based payments of 2.4 mEUR. The increase in USD vs. EUR has impacted the equity by 2.4 mEUR.

Balance sheet

Total assets amounted to 930.9 mEUR (2022: 785.2 mEUR), with an equity of 437.7 mEUR (2022: 412.9 mEUR). This corresponds to an equity to assets ratio of 47% (2022: 53%). The liquidity ratio was 1.15 resulting from current assets of 106.6 mEUR and current liabilities of 92.6 mEUR. The ratio of net interest-bearing debt to EBITDA before special items was 1.9 at the end of September.



Investments

On 14 April, Better Collective acquired Skycon for a purchase price of up to 51 mEUR (45 mGBP) on a cash and debt free basis. The net cash flow impact of the transaction was 30 mEUR considering deferred payments and acquired net assets.

On July 3, 2023 Better Collective US, Inc. completed the acquisition of Playmaker HQ for up to 51 mEUR (54 mUSD) with an initial consideration of 14.1 mEUR (15 mUSD) on a cash and debt-free basis.

On August 15, 2023 Better Collective announced the acquisition of four brands SvenskaFans.com, Hockeysverige.se, Fotbolldirekt.se and Innebandymagazinet.se from EverySport Group to further expand its position within the Swedish sports media ecosystem for a total consideration of 3.7 mEUR on a cash and debt-free basis.

On September 4, 2023 Better Collective announced the acquisition of Torcedores.com, by acquiring Goalmedia Technology E Marketing Digital S.A.

During the period investments in accounts and other intangible assets amounted to 8.1 mEUR.

Cash flow and financing

Cash flow from operations before special items was 61 mEUR (YTD 2022: 40.5 mEUR) with a cash conversion of 95%.

At 30 September, Better Collective has bank credit facilities of a total 319 mEUR. In August Better Collective extended the club-financing by three years to October 2026 as well as executing the accordion option and thereby increasing the available facilities with 72 mEUR, leaving the group with a total financing of 319 mEUR where 247 mEUR has been utilized. By the end of September 2023, capital reserves stood at 122.5 mEUR consisting of cash of 40.7 mEUR, other current financial assets of 9.8 mEUR in form of listed shares and unused credit facilities of 72 mEUR.

The parent company

Better Collective A/S, Denmark, is the parent company of the group. Revenue grew by 60% to 71.3 mEUR (YTD 2022: 44.6 mEUR).

Total costs including depreciation and amortization was 67.8 mEUR (YTD 2022: 43.1 mEUR). Profit after tax was 36.4 mEUR (YTD 2022: 57.5 mEUR). The change in profit after tax is primarily due to differences in dividend payments from subsidiaries, exchange rate adjustments, financial expenses, and corporate tax.

Total equity ended at 439 mEUR by September 30, 2023 (2022: 411.1 mEUR). The equity in the parent company was impacted by treasury share transactions (13.4 mEUR), cost of warrants of 2.4 mEUR and merger with HLTV (3.2 mEUR)

Disclaimer

This report contains certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events. Such statements or opinions pertaining to the future, for example include wording like; "believes", "deems", "estimates", "anticipates", "aims", and "forecasts" or similar expressions, and are intended to identify a statement as forward-looking. This applies to statements and opinions concerning the future financial returns, plans and expectations with respect to the business and management of the group, future growth and profitability and general economic and regulatory environment and other matters affecting Better Collective. Forward-looking statements are based on current estimates and assumptions made according to the best of the group's knowledge. These statements are inherently associated with both known and unknown risks, uncertainties, and other factors that could cause the results, including the group's cash flow, financial condition and operations, to differ materially from the results, or fail to meet expectations expressly or implicitly, assumed or described in those statements or to turn out to be less favorable than the results expressly or implicitly assumed or described in those statements. Better

Collective can give no assurance regarding the future accuracy of the opinions set forth herein or as to the actual occurrence of any predicted developments and/or targets. Considering the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that certain future events may not occur. Moreover, forward-looking estimates derived from third-party studies may prove to be inaccurate. Actual results, performance or events may differ materially from those in such statements due to, without limitation: changes in general economic conditions, in particular economic conditions in the markets in which the group operates, changes affecting interest rate levels, changes affecting currency exchange rates, changes in competition levels, changes in laws and regulations, and occurrence of accidents or environmental damages and systematic delivery failures. We undertake no obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except to the extent required by law.

Financial targets 2023

The board of directors has decided on targets for the financial year 2023 as announced in the 2022 full year report. Following the acquisition of Skycon Limited and the record breaking Q1, the financial targets were upgraded:

- Revenue of 315-325 mEUR (previously 305-315 mEUR)
- EBITDA before special items of 105-115 mEUR (previously 95-105 mEUR)
- Net debt to EBITDA before special items <2.0 (unchanged)

Financial targets 2023

	Updated targets 2023	Targets 2023	Actual 2022
Revenue	315-325 mEUR	290-300 mEUR	269.3 mEUR
EBITDA (before special items)	105-115 mEUR	90-100 mEUR	85.1 mEUR
Net interest bearing debt/EBITDA	<2.0	<2.0	2.67

Financial targets 2023- 2027

The new financial targets for the Better Collective group for 2023-2027 (include M&A):

- Revenue CAGR of +20%
- EBITDA margin before special items of 30-40%
- Net debt to EBITDA before special items of <3

The long-term target assumes that M&A are solely financed by own cash flow and debt.

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 September 30, 2023, the share capital amounted to 552,238.47 EUR, and the total number of issued shares was 55,223,847. The company has one (1) class of shares. Each share entitles the holder to one vote at the general meetings.

On July 7, 2023 Better Collective A/S initiated a share buy-back program for up to 10 mEUR, to be executed during

the period from July 7, 2023 to August 21, 2023. The purpose of the program is to cover future payments relating to acquisitions and LTI programs. The share buyback program was completed on August 21, 2023 and the accumulated no. of shares under the program was 187,991. Following the purchases, Better Collective A/S holds 1,387,580 treasury shares corresponding to 2.51% of the outstanding share capital of the Company.

In relation to the release of Better Collective's Q2 report, an exercise window opened on August 23, 2023 and closed on September 6, 2023. 12 employees wished to exercise 47,011 warrants under the 2019 warrant program. On September 18, 2023 the Board of Directors resolved to issue 47,011 new ordinary shares in Better Collective A/S.

Shareholder structure

As of September 30, 2023, the total number of shareholders was 4,485. A list of top ten shareholders in Better Collective A/S can be found on the group's [website](#).

Nomination Committee

Better Collective's Nomination Committee has been appointed and must consist of four members, representing the three largest shareholders as per the end of August 2023, together with the Chair of the Board of Directors. On August 31, 2023, the two largest shareholders were Chr. Dam Holding and J. Sogaard Holding which due to their interlinked ownership are grouped. In accordance with the

shareholders' decision, the appointees of the Nomination Committee are:

- Søren Jørgensen, Chair, appointed by Chr. Dam Holding and J. Søgaard Holding
- Martin Jonasson, appointed by Andra AP-Fonden, also representing Tredje AP-Fonden
- Michael Knutsson, appointed by Knutsson Holdings AB
- Jens Bager, Chair of the Board of Directors, Better Collective

Extraordinary General Meeting 2023

On August 8, 2023 Better Collective hosted an electronic extraordinary general meeting (EGM), where the shareholders approved the proposals from the Nomination Committee regarding the election of Britt Boeskov and René Rechtman as new members of the Board of Directors. Following years of dedicated work on the Better Collective Board of Directors, Board member Klaus Holse, wished to resign with effect as of the EGM. Klaus Holse and his contributions to the Better Collective group are greatly appreciated.

Dual listing

In late September, Better Collective announced its intention to carry out a dual listing of the group's shares on Nasdaq Copenhagen, in addition to the current listing on Nasdaq Stockholm. The first day of trading on Nasdaq Copenhagen is expected to be November 17, 2023.

Incentive programs

To attract and retain key competences, the company has established warrant programs for certain key employees. All warrants with the right to subscribe for one ordinary share. If all outstanding warrants are subscribed, then the maximum shareholders dilution will be approximately 4.9%. On January 3, 2023, the board of directors implemented a Long-Term Incentive Plan (LTI) for key employees in the Better Collective group.

In total the grants under the LTI in 2023 cover 134,953 performance share units and 239,350 share options to 63 key employees in total, vesting over a 3-year period. The total value of the 2023 LTI grant program is 2.9 mEUR (calculated Black-Scholes value) measured at the target level, which is to say 100% achievement of the financial goals. On April 25, 2023, a new LTI program was approved for executive management. The total grant of 300,000 share options will vest over a 3-year period given certain vesting conditions set by the Board of Directors. The total value of the 2023 LTI grant program is 2.6 mEUR

(calculated Black-Scholes value) measured at the target level, which is to say 100% achievement of the financial goals.

Risk management

Through an Enterprise Risk Management process, various gross risks in Better Collective are identified. Each risk is described, including current risk mitigation in place, or planned mitigating actions. The subsequent analysis of the identified risks includes an inherent risk evaluation based on two main parameters: probability of occurrence and impact on future earnings and cash flow. Better Collective's management continuously monitors risk development in the Better Collective group. The risk evaluation is presented to the Board of Directors annually, for discussion and any further mitigating actions required. The board evaluates risk dynamically to account for this variation in risk impact. The policies and guidelines in place stipulate how management must work with risk management.

Better Collective's compliance with these policies and guidelines is also monitored by the management on an ongoing basis. Better Collective seeks to identify and understand risks and mitigate them accordingly. Also, the group's close and longstanding relationships with customers allow Better Collective to anticipate and respond to market movements and new regulations including compliance requirements from authorities and sportsbooks.

Warrant programs

Program	Warrants outstanding September 30, 2023	Vesting Period	Exercise Period	Exercise Price DKK	Exercise Price EUR (rounded)
2019*	922,086	2020-2023	2022-2024	64.78	8.70
2020**	25,000	2021-2023	2023-2025	61.49	8.26
2020*	246,666	2021-2023	2023-2025	106.35	14.28
2021*	381,614	2022-2024	2024-2026	150.41	20.20
2021 US MIP Options	117,198	2021-2024	2024-2026	138.90	18.65
2021 US MIP PSU	132,786	2021-2024	2024-2026		
2022 US MIP Options	14,610	2022-2023	2023-2026	107.25	14.40
2022 US MIP PSU	26,177	2022-2023	2023-2026		
2022 Options	22,138	2022-2024	2025-2027	130.98	17.59
2022 PSU	67,276	2022-2024	2025-2027		
2023 CXO Options	300,000	2023-2025	2026-2028	142.08	19.08
2023 Options	239,338	2023-2025	2026-2028	77.50	10.41
2023 PSU	131,311	2023-2025	2026-2028		

With the US division, the overall risk profile of Better Collective has changed, and compliance as well as financial risk have increased.

Better Collective has mitigated the additional risks in US in several ways, compliance risk through involvement of regulatory bodies in our licensing process for newly established entities, financial risk through a performance-based valuation of the acquired entities, and organizational risk through establishment of local governance, and finance, HR, and legal organization dedicated to the US operations. During 2022 and 2023 the macroeconomic environment has impacted the global economy with rising interest rates. Better Collective has mitigated and addressed the credit and interest rate risk by entering a new long-term committed facility with three banking partners in August, securing attractive terms and a long-term 3-year commitment. Other key risk factors are described in the Annual report 2022.

Contacts

Senior Director Group Strategy, IR and Corp. Comms.
 Mikkel Munch-Jacobsgaard
investor@bettercollective.com

This information is such information as Better Collective A/S is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above on November 15, 2023, after market close (CET).

About

With a vision to become the leading digital sports media group, Better Collective owns global and national sport media. We are on a mission to excite sports fans through engaging content and foster passionate communities worldwide. Headquartered in Copenhagen, Denmark, and listed on Nasdaq Stockholm (BETCO), Better Collective's portfolio includes; [Action Network](#), [VegasInsider.com](#), [HLTV.org](#), [FUTBIN.com](#), and [Playmaker HQ](#).

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



Statement by the board of directors and the executive management

Statement by the board of directors and the executive management on the condensed consolidated interim financial statements and the parent company condensed interim financial statements for the period January 1 – September 30, 2023.

Today, the board of directors and the executive management have discussed and approved the condensed consolidated interim financial statements and the parent company condensed interim financial statements of Better Collective A/S for the period January 1 – September 30, 2023.

The condensed consolidated interim financial statements for the period January 1 – September 30, 2023, are prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU, and additional requirements of the Danish Financial Statements Act. The parent company condensed interim financial statements have been included according to the Danish Executive Order on the Preparation of Interim Financial Reports.

In our opinion, the condensed consolidated interim financial statements and the parent company condensed interim financial statements give a true and fair view of the

group's and parent company's assets, liabilities and financial position on September 30, 2023, and of the results of the group's and parent company's operations and the group's cash flows for the period January 1 – September 30, 2023.

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.

Copenhagen, November 15, 2023

Executive management

Jesper Søgaard
Co-founder & CEO

Christian Kirk Rasmussen
Co-founder & COO
Executive Vice President

Flemming Pedersen
CFO
Executive Vice President

Board of directors

Jens Bager
Chair

Therese Hillman
Vice Chair

Britt Boeskov

Todd Dunlap

Leif Nørgaard

René Rechtman

Petra von Rohr

Independent auditor's report

To the shareholders of Better Collective A/S

We have reviewed the condensed consolidated interim financial statements of Better Collective A/S for the period January 1 – September 30, 2023, which comprise a consolidated income statement, consolidated statement of other comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement and notes as presented on page 18 - 33. The condensed consolidated interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and additional requirements of the Danish Financial Statements Act.

Management's responsibilities for the condensed consolidated interim financial statements

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

Auditor's responsibilities

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

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

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

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with the International Standards on Auditing.

Accordingly, we do not express an audit opinion on the condensed consolidated interim financial statements.

Conclusion

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

Other matters

The condensed consolidated interim financial statements contain actual figures for the period July 1 – September 30, 2023 (Q3 2023), together with comparative figures for the period July 1 – September 30, 2022 (Q3 2022). The actual figures for Q3 2023 and the comparative figures for Q3 2022 have not been subject to review. Accordingly, we do not express an opinion or any other form of assurance on the actual Q3 2023 figures or on the comparative figures for Q3 2022.

Copenhagen, November 15, 2023

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jan C. Olsen
State Authorised
Public Accountant
mne33717

Peter Andersen
State Authorised
Public Accountant
mne34313

Financial statements for the period January 1 – September 30

Condensed interim consolidated income statement

Note	tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
3	Revenue	75,431	59,720	241,491	183,157	269,297
	Direct costs related to revenue	25,669	21,691	74,862	65,447	92,227
4	Staff costs	23,408	17,326	66,018	50,727	68,639
	Other external expenses	6,760	6,148	19,045	17,091	23,356
	Operating profit before depreciation and amortization (EBITDA) and special items	19,595	14,556	81,566	49,892	85,075
	Depreciation	1,200	623	2,611	1,593	2,321
	Operating profit before amortization (EBITA) and special items	18,395	13,933	78,954	48,300	82,754
7	Amortization and impairment	6,375	3,682	16,314	8,722	12,347
	Operating profit (EBIT) before special items	12,019	10,251	62,640	39,578	70,407
5	Special items, net	- 522	- 621	- 2,347	- 1,664	- 54
	Operating profit	11,498	9,630	60,293	37,913	70,353
	Financial income	799	833	4,179	4,178	4,198
	Financial expenses	7,178	1,445	20,164	6,140	9,587
	Profit before tax	5,119	9,017	44,308	35,952	64,964
6	Tax on profit for the period	2,012	2,068	11,964	8,156	16,888
	Profit for the period	3,107	6,949	32,344	27,796	48,075
	Earnings per share attributable to equity holders of the company					
	Average number of shares	55,183,479	55,002,192	55,164,474	54,584,822	54,363,312
	Average number of warrants - converted to number of shares	2,635,780	2,449,465	2,679,260	2,504,339	2,495,614
	Earnings per share (in EUR)	0.06	0.13	0.59	0.51	0.88
	Diluted earnings per share (in EUR)	0.05	0.12	0.56	0.49	0.85

Condensed interim consolidated statement of other comprehensive income

Note	tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
	Profit for the period	3,107	6,949	32,344	27,796	48,075
	Other comprehensive income					
	Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
	Currency translation to presentation currency	805	342	521	- 153	- 905
	Currency translation of non-current intercompany loans	8,055	18,703	3,048	43,343	17,030
	Income tax	- 1,772	- 4,115	- 671	- 9,535	- 3,747
	Net other comprehensive income/loss	7,087	14,930	2,898	33,655	12,379
	Total comprehensive income/(loss) for the period, net of tax	10,194	21,879	35,242	61,451	60,454
	Attributable to:					
	Shareholders of the parent	10,194	21,879	35,242	61,451	60,454

Condensed interim consolidated balance sheet

Note	tEUR	Q3 2023	Q3 2022	2022
	Assets			
	Non-current assets			
7	Intangible assets			
	Goodwill	262,980	193,142	183,942
	Domains and websites	473,436	481,366	460,513
	Accounts and other intangible assets	54,978	27,916	27,016
	Total intangible assets	791,395	702,424	671,471
	Property, plant and equipment			
	Land and buildings			
	Right of use assets	14,906	5,955	6,269
	Leasehold improvements, Fixtures and fittings, other plant and equipment	5,510	2,446	2,574
	Total property, plant and equipment	20,416	8,401	8,843
	Other non-current assets			
	Deposits	1,716	734	726
	Deferred tax asset	10,732	11,077	9,165
	Total other non-current assets	12,448	11,811	9,891
	Total non-current assets	824,259	722,636	690,204
	Current assets			
	Trade and other receivables	45,097	38,693	53,179
	Corporation tax receivable	6,854	2,025	6,423
	Prepayments	4,306	3,974	3,926
	Other current financial assets	9,742	0	0
	Cash	40,676	32,564	31,497
	Total current assets	106,674	77,256	95,025
	Total assets	930,934	799,892	785,229

Note	tEUR	Q3 2023	Q3 2022	2022
	Equity and liabilities			
	Equity			
	Share Capital	552	551	551
	Share Premium	273,184	272,535	272,550
	Currency Translation Reserve	26,074	44,453	23,177
	Treasury Shares	- 21,050	- 2,102	- 7,669
	Retained Earnings	158,983	105,450	124,307
	Total equity	437,744	420,887	412,917
	Non-current Liabilities			
8	Debt to credit institutions	248,359	85,725	201,708
8	Lease liabilities	12,577	4,705	4,962
8	Deferred tax liabilities	90,173	78,891	78,167
8	Other long-term financial liabilities	49,415	20,361	22,407
	Total non-current liabilities	400,524	189,683	307,244
	Current Liabilities			
	Prepayments received from customers and deferred revenue	4,066	6,681	8,023
	Trade and other payables	26,486	22,951	22,252
	Corporation tax payable	4,516	14,341	5,221
8	Other financial liabilities	54,866	28,711	26,865
	Debt to credit institutions	23	115,171	1,055
8	Lease liabilities	2,708	1,467	1,653
	Total current liabilities	92,666	189,322	65,068
	Total liabilities	493,189	379,005	372,312
	Total Equity and liabilities	930,934	799,892	785,229

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

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, 2022	546	267,873	10,798	- 8,074	73,705	0	344,848
Result for the period	0	0	0	0	27,796	0	27,796
Other comprehensive income							
Currency translation to presentation currency	0	0	43,190	0	0	0	43,190
Tax on other comprehensive income	0	0	- 9,535	0	0	0	- 9,535
Total other comprehensive income	0	0	33,655	0	0	0	33,655
Total comprehensive income for the year	0	0	33,655	0	27,796	0	61,451
Transactions with owners							
Capital Increase	5	4,662	0	0	0	0	4,667
Acquisition of treasury shares	0	0	0	- 8,684	0	0	- 8,684
Disposal of treasury shares	0	0	0	14,656	842	0	15,498
Share based payments	0	0	0	0	3,127	0	3,127
Transaction cost	0	0	0	0	- 20	0	- 20
Total transactions with owners	5	4,662	0	5,972	3,949	0	14,588
At September 30, 2022	551	272,535	44,453	- 2,102	105,450	0	420,887

During the period no dividend was paid.

Condensed interim consolidated statement of changes in equity – continued

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2022	546	267,873	10,798	- 8,074	73,705	0	344,848
Result for the period	0	0	0	0	48,075	0	48,075
Other comprehensive income							
Currency translation to presentation currency	0	0	16,125	0	0	0	16,125
Tax on other comprehensive income	0	0	- 3,747	0	0	0	- 3,747
Total other comprehensive income	0	0	12,379	0	0	0	12,379
Total comprehensive income for the year	0	0	12,379	0	48,075	0	60,454
Transactions with owners							
Capital Increase	5	4,677	0	0	0	0	4,683
Acquisition of treasury shares	0	0	0	- 14,250	0	0	- 14,250
Disposal of treasury shares	0	0	0	14,656	842	0	15,498
Share based payments	0	0	0	0	1,713	0	1,713
Transaction cost	0	0	0	0	- 28	0	- 28
Total transactions with owners	5	4,677	0	406	2,526	0	7,615
At December 31, 2022	551	272,550	23,177	- 7,669	124,307	0	412,917

During the period no dividend was paid.

Condensed interim consolidated statement of cash flows

Note	tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
	Profit before tax	5,119	9,017	44,308	35,952	64,964
	Adjustment for finance items	6,378	612	15,985	1,961	5,389
	Adjustment for special items	522	621	2,347	1,664	54
	Operating Profit for the period before special items	12,019	10,251	62,640	39,578	70,407
	Depreciation and amortization	7,575	4,305	18,926	10,314	14,668
	Other adjustments of non-cash operating items	807	731	2,417	1,177	1,690
	Cash flow from operations before changes in working capital and special items	20,402	15,287	83,983	51,070	86,765
	Change in working capital	- 6,157	- 2,116	- 2,124	- 2,251	- 16,949
	Cash flow from operations before special items	14,245	13,171	81,859	48,819	69,816
	Special items, cash flow	- 333	- 621	- 2,000	- 911	- 1,393
	Cash flow from operations	13,912	12,550	79,858	47,908	68,423
	Financial income, received	- 475	268	166	1,567	1,682
	Financial expenses, paid	- 3,027	- 1,016	- 7,078	- 4,088	- 5,666
	Cash flow from activities before tax	10,410	11,802	72,946	45,388	64,439
	Income tax paid	- 3,005	- 1,831	- 11,972	- 4,811	- 16,239
	Cash flow from operating activities	7,406	9,971	60,974	40,577	48,200
9	Acquisition of businesses	- 19,636	- 639	- 49,403	- 13,819	- 14,337
7	Acquisition of intangible assets	- 8,094	- 2,028	- 11,718	- 94,458	- 96,452
	Acquisition of property, plant and equipment	- 1,958	- 703	- 4,140	- 1,263	- 1,804
	Sale of property, plant and equipment	0	0	3	0	16
	Acquisition of other financial assets	0	0	- 14,930	0	0
	Change in other non-current assets	- 1,253	- 50	- 1,514	- 40	- 55
	Cash flow from investing activities	- 30,941	- 3,419	- 81,702	- 109,580	- 112,632

Note	tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
	Repayment of borrowings	0	- 5,041	- 1,486	- 15,150	- 215,993
	Proceeds from borrowings	0	28	45,490	95,010	296,665
	Lease liabilities	- 1,475	- 297	- 1,993	- 987	- 1,274
	Other non-current liabilities	4,569	0	444	0	0
	Capital increase	397	285	634	601	618
	Treasury shares	- 3,804	- 2,089	- 13,381	- 8,684	- 14,250
	Transaction cost	- 4	- 5	- 13	- 20	- 28
	Cash flow from financing activities	- 317	- 7,119	29,694	70,770	65,737
	Cash flows for the period	- 23,853	- 567	8,967	1,767	1,306
	Cash and cash equivalents at beginning	64,536	32,971	31,497	30,093	30,093
	Foreign currency translation of cash and cash equivalents	- 7	160	211	704	99
	Cash and cash equivalents period end*	40,676	32,564	40,676	32,564	31,497
	Cash and cash equivalents period end					
	Cash	40,676	32,564	40,676	32,564	31,497
	Cash and cash equivalents period end	40,676	32,564	40,676	32,564	31,497

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 - September 30, 2023, 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 analyze the Better Collective business and trends. The APMs are not meant to replace but to complement the performance measures defined under IFRS.

New financial reporting standards

All new or amended standards (IFRS) and interpretations (IFRIC) as adopted by the EU and which are effective for the financial year beginning on January 1, 2023, 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 2022 annual report which contains a full description of the accounting policies for the Group and the parent company, except for the scope of operating segments and "Other current assets".

The scope of operating segments has been modified following changes in management responsibilities as from January 1, 2023. US has been renamed to North America (NA) and will now cover both USA and Canada. Canada was previously included in the operating segment "Europe and RoW". 2022 comparative information has been restated.

Revenue recognised under the hybrid revenue model consists of upfront revenue share (one-time upfront fee for each new referred player) and revenue share for the amount that aggregate revenue share exceeds the aggregate upfront revenue share. Upfront revenue share is recognized at a point in time equal to the month in which the player referral is made. Revenue share is recognised once the aggregate revenue share exceeds the upfront revenue share and is recognised at a point in time equal to the month that it is earned by the respective gaming operator.

Listed shares included under other current financial assets are measured at fair value (market price) at the balance sheet date. (Fair Value Level 1)

Fair Value Level 1: Value based on the fair value of corresponding assets/liabilities in a well-functioning market.

The annual report for 2022 including full description of the accounting policies can be found on Better Collective's website: <https://storage.mfn.se/0e9df7fa-f018-42b8-9189-6ee99458c094/bc-2022-annual-report-final.pdf>

Significant accounting judgements, estimates and assumptions

The preparation of condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, and liabilities.

Beyond the risks mentioned above, the significant accounting judgements, estimates and assumptions applied in these consolidated interim financial statements are the same as disclosed in note 2 in the annual report for 2022 which contains a full description of significant accounting judgements, estimates and assumptions.

2. Segments

Publishing and Paid Media

Better Collective operates two different business models regarding customer acquisition with different earnings-profiles. The segments Publishing and Paid Media have been measured and disclosed separately for Revenue, Cost and Earnings. The Publishing business includes revenue from Better Collective's proprietary online sports media and media partnerships where the 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 lower earnings margin.

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

	Publishing		Paid Media		Group	
	Q3 2023	Q3 2022	Q3 2023	Q3 2022	Q3 2023	Q3 2022
tEUR						
Revenue	48,463	41,300	26,969	18,420	75,431	59,720
Cost	36,574	28,858	19,262	16,306	55,837	45,164
Operating profit before depreciation, amortization and special items	11,888	12,442	7,707	2,114	19,595	14,556
EBITDA-Margin before special items	25%	30%	29%	11%	26%	24%
Special items, net	- 522	- 621	0	0	- 522	- 621
Operating profit before depreciation and amortization	11,366	11,821	7,707	2,114	19,073	13,935
EBITDA-Margin	23%	29%	29%	11%	25%	23%
Depreciation	1,196	620	4	3	1,200	623
Operating profit before amortization	10,170	11,201	7,703	2,111	17,873	13,312
EBITA-Margin	21%	27%	29%	11%	24%	22%

	Publishing		Paid Media		Group	
	YTD 2023	YTD 2022	YTD 2023	YTD 2022	YTD 2023	YTD 2022
tEUR						
Revenue	161,214	127,806	80,277	55,351	241,491	183,157
Cost	102,761	85,118	57,164	48,147	159,925	133,265
Operating profit before depreciation, amortization and special items	58,452	42,688	23,113	7,204	81,566	49,892
EBITDA-Margin before special items	36%	33%	29%	13%	34%	27%
Special items, net	- 2,347	- 1,664	0	0	- 2,347	- 1,664
Operating profit before depreciation and amortization	56,105	41,024	23,113	7,204	79,218	48,228
EBITDA-Margin	35%	32%	29%	13%	33%	26%
Depreciation	2,601	1,581	10	12	2,611	1,593
Operating profit before amortization	53,504	39,443	23,103	7,192	76,607	46,635
EBITA-Margin	33%	31%	29%	13%	32%	25%

	Publishing	Paid Media	Group
	2022	2022	2022
tEUR			
Revenue	187,057	82,241	269,297
Cost	115,376	68,846	184,222
Operating profit before depreciation, amortization and special items	71,681	13,394	85,075
EBITDA-Margin before special items	38%	16%	32%
Special items, net	- 54	0	- 54
Operating profit before depreciation and amortization	71,627	13,394	85,021
EBITDA-Margin	38%	16%	32%
Depreciation	2,306	15	2,321
Operating profit before amortization	69,321	13,379	82,700
EBITA-Margin	37%	16%	31%

2. Segments, continued

Europe & Rest of World and North America

Better Collective's products cover more than 30 languages and attract millions of users worldwide - with international brands with a global reach as well as regional brands with a local reach. Better Collective's regional brands are tailored according to the specific regions or countries and their respective regulations, sports, betting behaviors, user needs, and languages. 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 annualized basis. Hence, Better Collective reports on the geographical segments North America and Europe & ROW (Rest of World), measuring and disclosing separately for Revenue, Cost and Earnings. Historical financial figures are reported accordingly.

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

tEUR	Europe & RoW		North America		Group	
	Q3 2023	Q3 2022	Q3 2023	Q3 2022	Q3 2023	Q3 2022
Revenue	52,941	41,595	22,490	18,125	75,431	59,720
Cost	36,305	28,955	19,532	16,209	55,837	45,164
Operating profit before depreciation, amortization and special items	16,637	12,640	2,958	1,915	19,595	14,556
EBITDA-Margin before special items	31%	30%	13%	11%	26%	24%
Special items, net	- 118	- 585	- 403	- 36	- 522	- 621
Operating profit before depreciation and amortization	16,519	12,055	2,554	1,880	19,073	13,935
EBITDA-Margin	31%	29%	11%	10%	25%	23%
Depreciation	912	462	288	161	1,200	623
Operating profit before amortization	15,607	11,593	2,266	1,719	17,873	13,312
EBITA-Margin	29%	28%	10%	9%	24%	22%

* 2022 figures have been restated because of the transfer of Canada and renaming USA to North America (NA), which now covers both USA and Canada from January 1, 2023.

tEUR	Europe & RoW		North America		Group	
	YTD 2023	YTD 2022	YTD 2023	YTD 2022	YTD 2023	YTD 2022
Revenue	158,932	119,600	82,559	63,558	241,491	183,157
Cost	102,434	84,022	57,491	49,243	159,925	133,265
Operating profit before depreciation, amortization and special items	56,498	35,578	25,068	14,314	81,566	49,892
EBITDA-Margin before special items	36%	30%	30%	23%	34%	27%
Special items, net	- 1,443	- 875	- 904	- 790	- 2,347	- 1,664
Operating profit before depreciation and amortization	55,055	34,703	24,164	13,525	79,218	48,228
EBITDA-Margin	35%	29%	29%	21%	33%	26%
Depreciation	1,853	1,235	759	358	2,611	1,593
Operating profit before amortization	53,202	33,468	23,405	13,167	76,607	46,635
EBITA-Margin	33%	28%	28%	21%	32%	25%

tEUR	Europe & Row	North America	Group
	2022	2022	2022
Revenue	173,664	95,633	269,297
Cost	115,620	68,602	184,222
Operating profit before depreciation, amortization and special items	58,044	27,031	85,075
EBITDA-Margin before special items	33%	28%	32%
Special items, net	- 1,360	1,306	- 54
Operating profit before depreciation and amortization	56,684	28,336	85,021
EBITDA-Margin	33%	30%	32%
Depreciation	1,671	650	2,321
Operating profit before amortization	55,013	27,687	82,700
EBITA-Margin	32%	29%	31%

3. Revenue specification

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

tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Revenue category					
Recurring revenue (Revenue share, Subscription, CPM)	46,312	31,075	141,864	82,052	129,274
CPA, Fixed Fees	29,055	28,290	99,539	100,113	139,696
Other	64	355	88	992	327
Total revenue	75,431	59,720	241,491	183,157	269,297
%-split					
Recurring revenue	61	52	59	45	48
CPA, Fixed Fees	39	47	41	55	52
Other	0	1	0	0	0
Total	100	100	100	100	100

tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Revenue type					
Revenue Share	39,955	24,993	121,504	66,210	102,358
CPA	20,837	23,350	77,848	87,673	118,415
Subscription	4,106	3,975	12,669	11,623	18,003
Other	10,533	7,402	29,469	17,651	30,521
Total revenue	75,431	59,720	241,491	183,157	269,297
%-split					
Revenue Share	53	42	50	36	38
CPA	28	39	32	48	44
Subscription	5	7	5	6	7
Other	14	12	12	10	11
Total	100	100	100	100	100

* 2022 figures have been restated for Revenue Share and CPA because of the reclassification of upfront payments related to hybrid revenue share contracts as well as 2023 numbers, impacting Q3, 2023 with 3.8 mEUR and YTD 12.7 mEUR, respectively (2022: 5.9 mEUR).

4. Share-based payment plans

2019 Warrant programs:

During the third quarter of 2023 the company did not grant any new warrants and 47,011 warrants were exercised under this program.

2022 Incentive Program:

During the third quarter of 2023 no performance share units or share options were granted under this program. A new Long-term Incentive (LTI) program was established for key employees in Q1 2022, and 73,894 performance share units and 24,564 share options were granted to a total of 36 employees.

2023 Incentive Program:

During the first quarter of 2023 a new Long-term Incentive (LTI) program was established for key employees. Under the program 134,953 performance share units and 239,350 share options were granted to a total of 63 employees.

2023 CXO Options Program:

During the second quarter of 2023 a new options program was established for the executive management. Under the program 300,000 share options were granted to a total of 3 employees.

The total share-based compensation expense for the above programs recognized for Q3 2023 is 1,407 tEUR (Q3 2022: 501 tEUR) and the cost YTD 2023 is 2.4 mEUR (YTD 2022: 1,314 tEUR).

5. Special items

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

tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Operating profit	11,498	9,630	60,293	37,913	70,353
Special Items related to:					
Special items related to M&A	- 760	- 621	- 1,716	- 910	- 1,263
Variable payments regarding acquisitions - cost	98	0	- 44	2,408	2,275
Variable payments regarding acquisitions - income					
Special items related to Restructuring	158	0	- 509	- 0	- 130
Special items related to Divestiture of Assets	0	0	0	0	0
Special items related to Management Incentive Program	- 18	0	- 78	- 3,162	- 936
Special items, total	- 522	- 621	- 2,347	- 1,664	- 54
Operating profit (EBIT) before special items	12,019	10,251	62,640	39,578	70,407
Amortization and impairment	6,375	3,682	16,314	8,722	12,347
Operating profit before amortization and special items (EBITA before special items)	18,395	13,933	78,954	48,300	82,754
Depreciation	1,200	623	2,611	1,593	2,321
Operating profit before depreciation, amortization, and special items (EBITDA before special items)	19,595	14,556	81,566	49,892	85,075

6. Income tax

Total tax for the period is specified as follows:

tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Tax for the period	2,012	2,068	11,964	8,156	16,888
Tax on other comprehensive income	1,772	4,115	671	9,535	3,747
Total	3,784	6,183	12,635	17,691	20,635

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

tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Deferred tax	- 283	- 130	1,608	2,017	6,785
Current tax	1,829	2,171	9,906	6,091	10,153
Adjustment from prior years	467	26	450	48	- 49
Total	2,012	2,068	11,964	8,156	16,888

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

tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Specification for the period:					
Calculated 22% tax of the result before tax	1,126	1,984	9,748	7,909	14,292
Adjustment of the tax rates in foreign subsidiaries relative to the 22%	470	- 235	1,467	231	1,563
Tax effect of:			0	0	
Special items	186	138	573	398	- 83
Special items - taxable items	- 541	- 0	- 541	- 822	- 243
Other non-taxable income	- 312	- 50	- 1,027	- 150	- 150
Other non-deductible costs	752	205	1,431	541	1,558
Tax deductible	- 136		- 136		
Adjustment of tax relating to prior periods*	467	26	450	48	-49
Total	2,012	2,068	11,964	8,156	16,888
Effective tax rate	39.3%	22.9%	27.0%	22.7%	26.0%

7. Intangible assets

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation				
As of January 1, 2023	183,942	460,513	63,705	708,159
Additions	0	3,832	16,231	20,063
Acquisitions through business combinations	78,350	7,758	29,579	115,688
Transfer		0	0	0
Disposals	0	0	- 2,324	- 2,324
Currency Translation	688	1,333	74	2,096
At September 30, 2023	262,980	473,436	107,265	843,681
Amortization and impairment				
As of January 1, 2023	0	0	36,688	36,688
Amortization for the period	0	0	16,345	16,345
Impairment for the period*	0	0	0	0
Amortization on disposed assets	0	0	0	0
Currency translation	0	0	- 747	- 747
At September 30, 2023	0	0	52,286	52,286
Net book value at September 30, 2023	262,980	473,436	54,978	791,395

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation				
As of January 1, 2022	178,182	329,276	36,827	544,285
Additions	0	118,185	26,337	144,522
Acquisitions through business combinations	0	0	0	0
Transfer	0	0	0	0
Disposals	0	0	0	0
Currency Translation	5,760	13,051	540	19,351
At December 31, 2022	183,942	460,513	63,705	708,159
Amortization and impairment				
As of January 1, 2022	0	0	24,374	24,374
Amortization for the period	0	0	12,348	12,348
Impairment for the period*	0	0	0	0
Amortization on disposed assets	0	0	0	0
Currency translation	0	0	- 33	- 33
At December 31, 2022	0	0	36,688	36,688
Net book value at December 31, 2022	183,942	460,513	27,016	671,471

7. Intangible assets, continued

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation				
As of January 1, 2022	178,182	329,276	36,827	544,285
Additions				
Acquisitions through business combinations	0	0	0	0
Transfer	0	0	0	0
Disposals	0	0	0	0
Currency Translation	14,461	33,905	1,404	49,770
At September 30, 2022	193,142	481,366	61,713	736,221
Amortization and impairment				
As of January 1, 2022	0	0	24,374	24,374
Amortization for the period	0	0	9,118	9,118
Impairment for the period*	0	0	0	0
Amortization on disposed assets	0	0	0	0
Currency translation	0	0	306	306
At September 30, 2022	0	0	33,797	33,797
Net book value at September 30, 2022	193,142	481,366	27,916	702,424

8. Non-current liabilities and other current financial liabilities

Debt to credit institutions:

As per September 30, 2023, Better Collective has drawn 248.3 mEUR (2022: 201.7) out of the total committed club facility of 319 mEUR established with Nordea, Nykredit, and Citibank. In August Better Collective extended the club-financing from October 2022 with Nordea, Nykredit and Citibank by 3 years to October 2026 as well as executing the accordion option increasing available facilities with 72 mEUR, leaving the group with a total financing of 319 mEUR where aforementioned 246.9 mEUR has been utilized.

Lease liabilities:

Non-current and current lease liabilities, of 15.3 mEUR (Q3 2022: 4.7 mEUR) and 1.3 mEUR (Q3 2022: 1.5 mEUR) respectively.

Deferred Tax liability:

Deferred tax liability as of September 30, 2023, amounted to 90.1 mEUR (Q3 2022: 78.9 mEUR). The change from January 1, 2023, originates from changes in deferred tax related to acquisitions, amortization of accounts from acquisitions, and deferred tax changes in Parent Company and Better Collective US, Inc.

Deferred Tax asset:

Deferred tax asset as of September 30, 2023, amounted to 10.7 mEUR (Q3 2022: 11.1 mEUR).

Other financial liabilities:

As per September 30, 2023, other financial liabilities amounted to 104.3 mEUR (Q3 2022: 49.1 mEUR) due to deferred and variable payments related to acquisitions. The increase from January 1, 2023, is related to the capitalization of media agreements, acquisition of Skycon, Playmaker HQ and Digital Sportmedia i Norden.

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 Skycon Limited

On April 14, 2023 Better Collective completed the acquisition of Skycon Limited (Skycon) for a total consideration up to 51 mEUR (45 mGBP) with an initial consideration of 28.3 mEUR (25 mGBP) on a cash and debt-free basis. Skycon is a global display advertising company and perfectly complements Better Collective's Paid Media division. The acquisition is a strategic move for Better Collective with significant synergistic opportunities.

tEUR	
Purchase amount	56,029
Cash and cash equivalents	3,647
Deferred payment	22,614
Cash outflow	29,767

The transferred consideration was in cash and a deferred payment payable in cash.

tEUR	
Acquired net assets at the time of acquisition	tEUR
Accounts and other intangible assets	24,227
Accrued Income	2,372
Other receivables	45
Cash	3,647
Deferred Tax Liability	-6,502
Identified net assets	23,790
Goodwill	32,239
Total consideration	56,029

A goodwill of 32,239 tEUR emerged from the acquisition of Skycon as an effect of the difference between the transferred consideration and the fair value of acquired net assets. Goodwill is connected to the future growth expectations given the strong platform and significant synergistic opportunities. The earn outs are based on certain financial performance targets in the 12 months post-closing period. The goodwill is not tax deductible.

Transaction costs related to the acquisition of Skycon amounts to 381 tEUR in 2023. Transaction costs are accounted for in the income statements under "special items". The acquisition was completed on April 14, 2023. If the transaction had been completed on January 1, 2023 the group's revenue YTD would have amounted to 171 mEUR and result after tax would have amounted to 33 mEUR. The purchase price allocation is provisional due to uncertainties regarding measurement of acquired intangible assets.

Acquisition of Playmaker HQ

On July 3, after the end of Q2, 2023 Better Collective US, Inc. completed the acquisition of Playmaker HQ for up to 51 mEUR (54 mUSD) with an initial consideration of 14.1 mEUR (15 mUSD) on a cash and debt-free basis. Playmaker HQ is a leading sports and entertainment media platform headquartered in South Florida, US. The sports media group specializes in providing original entertainment and sports content with exclusive athlete collaborations and creator talent mainly targeting the US market.

tEUR	
Purchase amount	44,174
Cash and cash equivalents	0
Deferred payment	29,818
Cash outflow	14,897

The transferred consideration was in cash and a deferred payment payable in cash.

tEUR	
Acquired net assets at the time of acquisition	tEUR
Accounts and other intangible assets	5,352
Accounts receivable	320
Trade payables	-94
Total net assets	5,578
Goodwill	39,136
Total consideration	44,174

A goodwill of 39,136 tEUR emerged from the acquisition of Playmaker HQ as an effect of the difference between the transferred consideration and the fair value of acquired net assets. Goodwill is connected to the future growth expectations given the strong platform and significant synergistic opportunities. In order to reach the full earn-out payment, Playmaker HQ will

have to generate >75 mUSD in accumulating revenues and >25 mUSD in accumulating operational earnings (EBITDA) during the first three years post acquisition. The goodwill is tax deductible.

Transaction costs related to the acquisition of Playmaker HQ amounts to 347 tEUR in 2023. Transaction costs are accounted for in the income statements under "special items". The acquisition was completed on July 3, 2023. If the transaction had been completed on January 1, 2023 the group's revenue YTD would have amounted to 244 mEUR and result after tax would have amounted to 32 mEUR. The purchase price allocation is provisional due to uncertainties regarding measurement of acquired intangible assets.

Other acquisitions in Q3

On August 15, 2023 Better Collective announced the acquisition of four brands SvenskaFans.com, Hockeysverige.se, Fotbolldirekt.se and Innebandymagazinet.se by acquiring Digital Sportmedia i Norden AB from Eversport Group to further expand its position within the Swedish sports media ecosystem for a total consideration of 3.7 mEUR on a cash and debt-free basis.

On September 4, 2023 Better Collective announced the acquisition of the platform Torcedores.com, by acquiring Goalmedia Tecnologia E Marketing Digital S.A. The acquisition strengthens Better Collectives position in the South American region through the acquisition of leading national Brazilian sports media platform Torcedores.com. Adding the first Brazilian sports media brand to the group, Better Collective will leverage its best-in-class digital expertise in one of the world's fastest growing markets.

Acquired net assets during acquisitions	
Domains	7,954
Contingent liabilities	-1,728
Deferred tax liabilities	-2,282
Net assets (other)	- 1,348
Total net assets	2,597
Goodwill	6,459
Total consideration	9,056

A goodwill of 6,459 tEUR emerged from the acquisitions as an effect of the difference between the transferred consideration and the fair value of acquired net assets. The goodwill is not tax deductible.

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

Acquisition of Tipsbladet.dk

On September 18, 2023 Better Collective announced the acquisition of Tipsbladet.dk ApS to further expand its position in Denmark for a total consideration of 6.5 mEUR on a cash and debt-free basis with closing 2 October 2023.

As per the date of publication of the interim financial statements it has not been possible to obtain sufficient financial data to fulfill reporting requirements according to IFRS3. Therefore, the opening balance, the acquired net assets at the time of the acquisition, goodwill and pro-forma impact on the revenue and profit after tax is not included in these interim financial statements.

Acquisition of Playmaker Capital

On November 6, 2023 Better Collective announced the acquisition of Playmaker Capital for a total price consideration of 176 mEUR. Playmaker Capital is a leading digital sports media group that owns and operates several strong sports media brands across the Americas.

The closing of the transaction is subject to approval by the shareholders of Playmaker Capital, court approval, applicable regulatory approvals and certain other closing conditions customary in transactions of this nature. The transaction is expected to close before the end of Q1 of 2024, whereafter Playmaker Capital will be consolidated into the Better Collective group.

10. Note to cash flow statement

tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Acquisition of business combinations:					
Net Cash outflow from business combinations at acquisition	- 19,636	0	- 49,403	0	0
Business Combinations deferred payments from current period	0	0	0	0	0
Deferred payments - business combinations from prior periods	0	- 639	0	- 13,819	- 14,337
Total cash flow from business combinations	- 19,636	- 639	- 49,403	- 13,819	- 14,337
Acquisition of intangible assets:					
Acquisitions through asset transactions	- 4,120	- 7,909	- 20,063	- 141,668	- 144,522
Deferred payments related to acquisition value	0	0	0	29,408	29,408
Deferred payments - acquisitions from prior periods	- 9,250	0	- 9,738	- 121	- 121
Intangible assets with no cash flow effect	5,276	6,975	18,287	20,430	24,325
Other investments		- 1,093	- 203	- 2,507	- 5,541
Total cash flow from intangible assets	- 8,094	- 2,028	- 11,718	- 94,458	- 96,452

Financial statements for the period January 1 – September 30

Condensed interim income statement – Parent company

tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Revenue	23,101	16,855	71,306	44,617	65,282
Other operating income	3,284	4,128	12,177	9,433	14,797
Direct costs related to revenue	6,928	3,665	18,006	9,767	14,292
Staff costs	11,418	7,219	30,034	16,396	25,061
Depreciation	510	137	822	404	540
Other external expenses	4,648	4,358	12,891	13,809	17,248
Operating profit before amortization (EBITA) and special items	2,881	5,605	21,730	13,673	22,939
Amortization	2,281	1,144	6,117	2,723	3,875
Operating profit (EBIT) before special items	600	4,461	15,613	10,950	19,064
Special items, net	- 276	- 585	- 1,443	- 875	- 1,168
Operating profit	324	3,876	14,170	10,075	17,896
Financial income	36,361	23,562	48,951	64,664	72,388
Financial expenses	7,096	1,353	24,459	4,457	35,057
Profit before tax	29,589	26,085	38,663	70,282	55,227
Tax on profit for the period	1,490	5,574	2,197	12,756	8,279
Profit for the period	28,099	20,511	36,465	57,526	46,949

Condensed interim statement of other comprehensive income

tEUR	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Profit for the period	28,099	20,511	36,465	57,526	46,949
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Currency translation to presentation currency	441	84	- 1,162	22	22
Currency translation of non-current intercompany loans					
Income tax	0	0	0	0	0
Net other comprehensive income/loss	441	84	- 1,162	22	22
Total comprehensive income/(loss) for the period, net of tax	28,540	20,595	35,303	57,548	46,970

Condensed interim balance sheet – Parent company

tEUR	Q3 2023	Q3 2022	2022
Assets			
Non-current assets			
Intangible assets			
Goodwill	17,802	0	0
Domains and websites	168,387	144,374	144,374
Accounts and other intangible assets	22,184	10,420	13,287
Total intangible assets	208,373	154,795	157,662
Property, plant and equipment			
Land and building			
Right of use assets	7,889	413	334
Fixtures and fittings, other plant and equipment	2,228	468	410
Total property, plant and equipment	10,117	881	744
Financial assets			
Investments in subsidiaries	226,799	192,481	190,448
Receivables from subsidiaries	293,908	299,250	273,515
Deposits	1,094	174	174
Total financial assets	521,801	491,905	464,137
Total non-current assets	740,291	647,581	622,542
Current assets			
Trade and other receivables	12,584	11,467	17,163
Receivables from subsidiaries	15,151	26,871	30,229
Tax receivable	6,153	0	5,913
Prepayments	2,251	2,119	2,519
Other current financial assets	9,751	0	0
Cash	17,978	14,062	8,705
Total current assets	63,867	54,519	64,529
Total assets	804,158	702,100	687,072

tEUR	Q3 2023	Q3 2022	2022
Equity and liabilities			
Equity			
Share Capital	552	551	551
Share Premium	273,184	272,535	272,550
Currency Translation Reserve	- 588	574	574
Treasury shares	- 21,050	- 2,102	- 7,669
Retained Earnings	186,997	157,047	145,047
Proposed Dividends	0	0	0
Total equity	439,095	428,605	411,054
Non-current Liabilities			
Debt to credit institutions	248,359	85,725	201,708
Lease liabilities	6,392	107	16
Deferred tax liabilities	12,400	4,959	6,141
Other non-current financial liabilities	15,362	15,628	19,543
Total non-current liabilities	282,513	106,419	227,408
Current Liabilities			
Prepayments received from customers and deferred revenue	- 382	0	1,583
Trade and other payables	7,851	4,416	5,719
Payables to subsidiaries	23,223	17,272	20,822
Tax payable	309	10,436	30
Other current financial liabilities	50,068	19,431	19,045
Contingent Consideration			
Debt to credit institutions	0	115,171	1,055
Lease liabilities	1,482	350	356
Total current liabilities	82,550	167,076	48,609
Total liabilities	365,063	273,495	276,017
Total equity and liabilities	804,158	702,100	687,072

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

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2022	546	267,873	552	- 8,074	94,223	0	355,121
Result for the period	0	0	0	0	46,949	0	46,949
Other comprehensive income							
Currency translation to presentation currency	0	0	22	0	0	0	22
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	22	0	0	0	22
Total comprehensive income for the year	0	0	22	0	46,949	0	46,970
Transactions with owners							
Capital Increase	5	4,677	0	0	0	0	4,683
Acquisition of treasury shares	0	0	0	- 14,250	0	0	- 14,250
Disposal of treasury shares	0	0	0	14,656	842	0	15,498
Share based payments	0	0	0	0	3,061	0	3,061
Transaction cost	0	0	0	0	- 28	0	- 28
Total transactions with owners	5	4,677	0	406	3,875	0	8,963
At December 31, 2022	551	272,550	574	- 7,669	145,047	0	411,054

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed dividend	Total equity
As of January 1, 2022	546	267,873	552	- 8,074	94,223	0	355,121
Result for the period	0	0	0	0	57,526	0	57,526
Other comprehensive income							
Currency translation to presentation currency	0	0	22	0	0	0	22
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	22	0	0	0	22
Total comprehensive income for the year	0	0	22	0	57,526	0	57,548
Transactions with owners							
Capital Increase	5	4,662	0	0	0	0	4,667
Acquisition of treasury shares	0	0	0	- 8,684	0	0	- 8,684
Disposal of treasury shares	0	0	0	14,656	842	0	15,498
Share based payments	0	0	0	0	4,475	0	4,475
Transaction cost	0	0	0	0	- 20	0	- 20
Total transactions with owners	5	4,662	0	5,972	5,298	0	15,936
At September 30, 2022	551	272,535	574	- 2,102	157,047	0	428,605

Alternative Performance Measures and Definitions

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

Alternative Performance Measures

Alternative Performance Measure	Description	SCOPE
Earnings per share (EPS)	Net Profit for the period / (Average number of shares - Average number of treasury shares held by the company)	The group reports this APM for users to monitor development in the net profit per share.
Diluted earnings per share	Net profit for the period / (Average number of shares + Average number of outstanding warrants - Average number of treasury shares held by the company)	The group reports this APM for users to monitor development in the net profit per share, assuming full dilution from active warrant programs.
Operating profit before amortization (EBITA)	Operating profit plus amortizations	Better Collective reports this APM to allow monitoring and evaluation of the Group's operational profitability.
Operating profit before amortizations margin (%)	Operating profit before amortizations / revenue	This APM supports the assessment and monitoring of the Group's performance and profitability

Alternative Performance Measure	Description	SCOPE
EBITDA before special items	EBITDA adjusted for special items	This APM supports the assessment and monitoring of the Group's performance as well as profitability excluding special items that do not stem from ongoing operations, providing a more comparable measure over time.
Operating profit before amortizations and special items margin (%)	Operating profit before amortizations and special items / revenue	This APM supports the assessment and monitoring of the Group's performance as well as profitability excluding special items that do not stem from ongoing operations, providing a more comparable measure over time.
Special items	Items that are considered not part of ongoing business	Items that are not part of ongoing business, e.g. cost related to M&A and restructuring, adjustments of earn-out payments.
Net Debt / EBITDA before special items*	(Interest bearing debt, minus cash and cash equivalents) / EBITDA before special items on rolling twelve months basis	This ratio is used to describe the horizon for pay back of the interest-bearing debt and measures the leverage of the funding.
Liquidity ratio	Current Assets / Current Liabilities	Measures the ability of the group to pay its current liabilities using current assets.
Equity to assets ratio	Equity / Total Assets	Reported to show how much of the assets in the company is funded by equity
Cash conversion rate before special items	(Cash flow from operations before special items + Cash from CAPEX) / EBITDA before special items	This APM is reported to illustrate the Group's ability to convert profits to cash
NDC	New depositing customers	A key figure to reflect the Group's ability to fuel long-term revenue and organic growth
Organic Growth	Revenue growth as compared to the same period previous year. Organic growth from acquired companies or assets are calculated from the date of acquisition measured against the historical baseline performance.	Reported to measure the ability to generate growth from existing business

Alternative Performance Measure	Description	SCOPE
Recurring revenue	Recurring revenue is a combined set of revenues that is defined as recurring as management considers that the sources of these revenue streams will continuously generate revenue over a variable period of time and size e.g. if players continue to bet with gaming operators with which BC has revenue share agreements, customers continue current subscriptions or if BC on a current basis receive revenues from customers having current marketing agreements in respect of banners, etc. on the group's websites. Accordingly, it includes Revenue share income, CPM /Advertising and subscription revenues.	The group reports this APM to distinguish between what management consider as recurring revenue streams and what management consider as non-recurring revenue streams, e.g. revenues reflecting one-time settlements with gaming operators.

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

Definitions

Term	Description
PPC	Pay-Per-Click
SEO	Search Engine Optimization
Sports win margin	Sports net player winnings (operators) / sports wagering
Sports wagering	The value of bets placed by the players
Recurring revenue	Recurring revenue is a combined set of revenues that is defined as recurring. It includes revenue share income, CPM/Advertising and subscription revenues
Board	The Board of Directors of the company
Executive management	Executives that are registered with the Danish Company register
Company	Better Collective A/S, a company registered under the laws of Denmark



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Annual Report 2022

Better Collective's vision is to become the Leading Digital Sports Media Group. With our mission to make sports entertainment more engaging and fun, we own and operate local as well as global sports media and communities.

Building Better Collective

Since its inception in 2004, Better Collective has experienced a rich history transforming the Group from a two-man project to an international organization with +950 employees, 18 international offices, and more than 150 million monthly visits across its brands all while maintaining its visionary and entrepreneurial spirit. The next step of the journey is to become the Leading Digital Sports Media Group.



Ever since we founded Better Collective in 2004, we have emphasized running the business in a sustainable manner. Us two founders have always agreed that true success can only be achieved when building something we are proud of. An example of this is our decision to maintain our headquarter and company registration in Copenhagen to pay back to the community we have grown up in. We pay taxes in the countries in which we operate. Early on, we decided to establish a very experienced and diverse Board of Directors, even before we

listed on the stock exchange in 2018. Since our foundation, we have emphasized to solely work with partners that are licensed in regulated markets. Running in this line, we pay a lot of attention to compliance and have won numerous industry awards for our efforts within this field. Safer Gambling is built into our core. We provide our partners with Safer Gambling software assisting in this regard as well as have these implemented on our sports media. We work hard lot to educate our employees and the local communities we operate within;

our SEO and SEM academies are great examples. We also focus on creating a safe and fair work environment through our DEI-initiatives and committing to the UN Women Empowerment Principles.

Being proud of what we do of course also has a business aspect to it. Since the beginning, it has been our ambition to grow sustainably, which is why we always have been profitable while still focusing on building for the future. Since the IPO, and the launch of our M&A

strategy, we have still managed to grow sustainably with low dilution, high margins, and a growing earnings per share. Further, we are proud to have been able to retain many founders from the acquisitions - which again is a testament that others trust in what we have built with Better Collective.

Jesper Søgaard & Christian Kirk Rasmussen

Co-Founders, CEO & COO

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Financial calendar

April 25, 2023
AGM
May 16, 2023
Interim Financial report Q1
August 22, 2023
Interim Financial report Q2
November 15, 2023
Interim Financial report Q3

Front page image: Better Collective's new headquarters in Copenhagen, Denmark

CEO and Chair letter

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Financial targets

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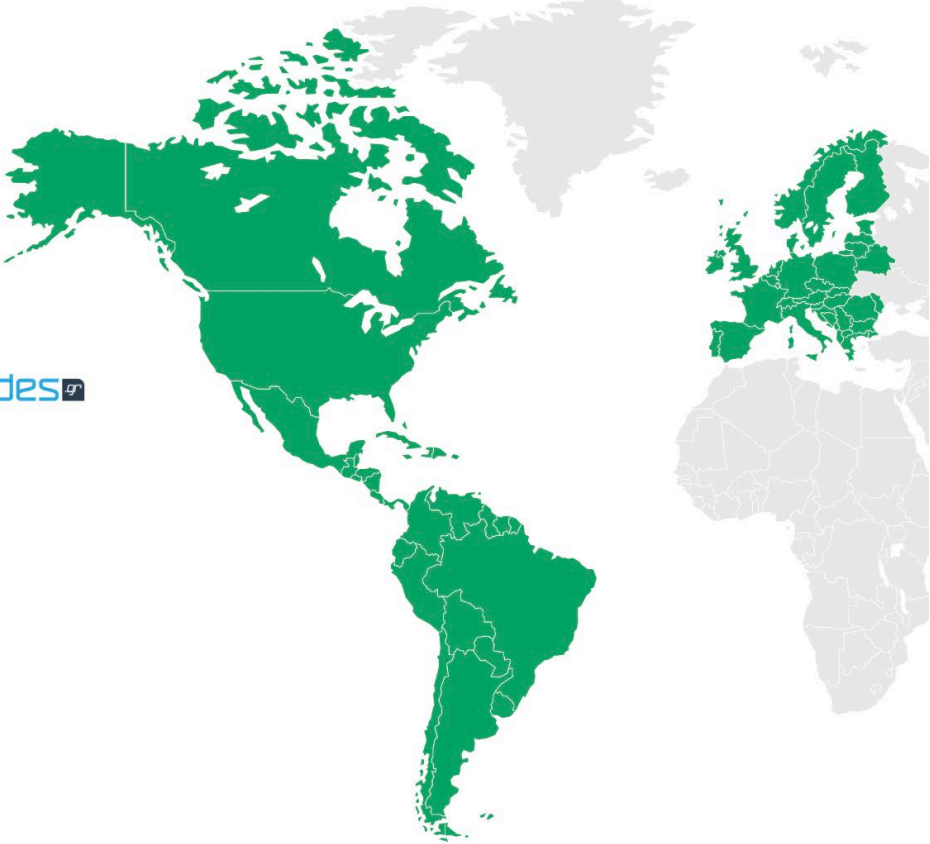
Developing Better Collective

Better Collective's newly established vision is to become the Leading Digital Sports Media Group. Through our owned and operated sports media and sports communities we provide our users with innovative products that via educational, transparent, and responsible content guides them in the world of sports.

Our mission is to build sports media as well as communities that engage, entertain, inform, and inspire action. Our sports brands cover more than 30 languages and attract more than 150 million monthly visitors of which many return again and again. Our offerings include quality sports content, communities, data insights, podcasts, video content, apps and innovative technology.

We want to become the Leading Digital Sports Media Group

Global audience +150 million sports fans 28 acquisitions since 2018 Leading esports communities



Europe & ROW
+30 million monthly visits



US
+20 million monthly visits



Global
+100 million monthly visits





Jesper Søgaard
Co-founder & CEO

Jens Bager
Chair of the board

A word to our shareholders

2022 proved to be a very strong year for Better Collective, where our combined efforts and diversified operations showed true scale.

Becoming the Leading Digital Sports Media Group

2022 was the year we kicked off the journey towards becoming the Leading Digital Sports Media Group. Our sport communities have proved to be attractive “go-to-places” for millions of sports fans while also being strategically attractive for our business partners. With the IPO in 2018, our vision was to become the leading sports betting affiliate – and it is our humble opinion that we have fulfilled this vision. At Better Collective we always dream big, so why should it be any different when we developed the new vision for the Group?

We believe we are in an attractive spot in the digital sports media market. We are experts in maximizing the value of large readerships by utilizing our unique skills and diversified business models. This skill will prove beneficial, as we continue our organic and acquisitive growth strategy within the digital sports media landscape. Expanding into the global digital sport media

market, extends our addressable market significantly, but it also requires the adaptation of new traits. You can find more about these traits in our strategy section below in this report.

In connection with our new vision, we have set out new long-term financial targets. These targets showcase how we expect this new vision to be a continued high growth journey for Better Collective and its shareholders. The targets are as follows:

- Revenue CAGR of +20% towards 2027
- EBITDA margin before special items of 30-40%
- Net debt to EBITDA before special items levels below 3

The long-term targets assume M&A solely financed by own cash flow and debt.

“ During 2022, we bolstered our already very strong foundation to better prepare the group in taking on our new vision of becoming the Leading Digital Sports Media Group”.

Jens Bager
Chair of the Board

Strong Group performance fueled by large sport events

During 2022, revenue and EBITDA grew significantly, fueled by the big single standing events meaning performance broke all records. In January, the state of New York launched sports betting. During the launch, the US sportsbooks competed aggressively for market share, and CPA-rates reached new highs. The high taxation in New York is still creating some issues and it seems sportsbooks are more focused on growing elsewhere for now. Moving forward we expect a lower taxation from the regulators which can be reached by increasing the number of sportsbooks in the state. Despite of this, we have been successful in growing in the state as well as we daily have thousands of sports fans visit our sports media brands. During the year the sportsbooks shifted their focus from “growth” to “profitable growth”. This enabled us to land our first revenue sharing contracts in the US with six sportsbooks in total.

In November and December, FIFA hosted the men’s soccer World Cup, which turned out to be our most successful tournament in the history of Better Collective. We sent more NDCs during this tournament than we did during the past four World Cups and four European Championships combined. Truly great performance and a strong testament to how we have scaled our operations in recent years.

Investing for the long run

Despite the impressive growth, 2022 was also a year where we continued to build for the future. During the year we sent a record 1.7 million new depositing customers (NDCs) to our partners, of which 76% was on revenue share contracts. This bodes well for our future recurring revenue and decreases seasonality. Out of the total NDCs, 580.000 were sent during Q4, where >300.000 were delivered during the World Cup. This development means that our strong performance absorbed the short-term dampening effect of sending that many NDCs on revenue share contracts.

US revenue goal was reached

We continued to invest in the US to gain the market leading position. When we acquired Action Network in 2021, we set out the goal of reaching 100 mUSD in revenue during 2022, and we are very satisfied that we managed to deliver on this. This was despite us absorbing 15 mEUR in transferring upfront payments (CPA) to recurring revenue share. We now hold a market leading position in the US, with some of the strongest sports media brands out there.

Paid Media has proven its worth

In 2020, we acquired the Paid Media business, Atemi Group, and established our Paid Media division. Upon acquisition, the monetization was solely based on

upfront payments (CPA). During 2021, we invested a lot in transferring this to recurring revenues, also to be considered as a ‘Delayed Gratification Model’. Paid Media has now compounded a strong snowball of recurring revenue, which has paid back the full acquisition of Atemi already. We paid 44 mEUR for Atemi and have already generated 14.3 mEUR in cash flow. We estimate that the large revenue share snowball has a net present value, which when combined with the cash flow in the bank, equals significantly more than the acquisition price. Meaning, we have not only acquired a new skillset but also paid back the acquisition in less than 27 months. We are very proud of this accomplishment.

With FUTBIN we gain critical mass in esports

During April 2022, we acquired the well-established and world leading esports brand FUTBIN. We were satisfied to see the expected user engagement and organic growth continue during the year. We have a clear strategy for how to improve the operations and expand the reach of the renowned brand. The long-term opportunity within esports lies in reaching critical mass. In this way, we can partner with large global corporations in branded deals, utilizing the massive number of users that come through our esports platforms. Currently, more than 100 million monthly web visits. Such traffic flow makes Better Collective one of the leading digital esports media, which aligns perfectly with our long-

term vision of becoming the Leading Digital Sports Media Group.

Thanking our colleagues

2022 was another year where we saw the company come together and deliver outstanding results. We would like to thank everyone in Better Collective for their “can-do” attitudes and outstanding efforts. Since 2017, Better Collective has acquired 27 companies, and 2022 was a year we got to prove that we are better as a collective. We would also like to extend a thanks to our business partners, returning sport fans, shareholders, and other partners for a distinctive yet extremely prosperous year.

Jens Bager

Chair of the board

Jesper Søgaard

Co-founder & CEO

Highlights 2022



Co-founder & CEO, Jesper Søgaard, accepting the iGB "Idol affiliate - Lifetime Achievement Award" on behalf of himself and co-founder Christian Kirk Rasmussen.

Q1

[Watch the Q1 highlights.](#)

Better Collective entered the New York market as the state opened for online sports betting on January 8, 2022. Despite its high taxation, Better Collective has been successful in providing the New York fans with sports content and statistics.

In addition to the New York launch, Better Collective also entered a media partnership with the New York Post to bring the best in commercial sports content to the publication's readership of approximately 92 million.

Better Collective acquired Canada Sports Betting for 21.4 mEUR, just prior to Canada's largest province of Ontario opening for online sports betting. In doing so, Better Collective made a strong entry into the Canadian market, and in this connection also updated its 2022 financial targets. EBITDA to reach approximately 80 mEUR (previously approx. 75 mEUR). Other financial targets relating to organic growth and debt leverage remain unchanged at 15-25% and <3.0x respectively.

Q2

[Watch the Q2 highlights.](#)

Better Collective made its second largest acquisition by acquiring FUTBIN for 105 mEUR, of which 30 mEUR is a variable payment. FUTBIN and related domains constitute world-leading esports media within esoccer (FIFA). Acquiring FUTBIN allowed for further diversification of the Group's income stream as revenues from FUTBIN mainly are ads and subscription sales. In connection with the acquisition, the 2022 financial targets were updated: EBITDA approx. 85 mEUR (previously approx. 80 mEUR). Other financial targets relating to organic growth and debt leverage remain unchanged at 15-25% and <3.0x respectively.

For the fifth consecutive year, Better Collective proudly took the first place in the EGR Power Affiliate 2022 ranking. A new media partnership was established with the Philadelphia Inquirer, which attracts up to 10m monthly readers. The partnership is co-branded with Better Collective's American media, Action Network.

Q3

[Watch the Q3 highlights.](#)

Better Collective signed two new US based media partnerships with the Chicago Tribune, which has more than 18m monthly visitors, and with Boston.com. The partnerships are co-branded with Better Collective's American media, Action Network and VegasInsider to provide premium sports content, proprietary tools, and in-depth analytics.

Another partnership was signed with the leading German sports platform SPORT1.

The Better Collective Bookmaker Awards 2022 was hosted to honor the best sports books in up to ten categories in each market.



Q4

[Watch the Q4 highlights.](#)

Better Collective delivered record performance on all major KPIs during Q4, fueled by the men's World Cup, and a busy sports calendar. During the quarter, the Group delivered 580,000 NDCs, of which 300,000 were during the World Cup.

The US delivered the best quarter to date, growing 71% YOY, and managed to hit the goal of 100 mUSD in revenue from this region during 2022. During the quarter, the great scale of having Paid Media for the Group got to shine through. This segment grew 94% YOY and showed a record margin of 24%.

Better Collective signed a new club-financing agreement with Nordea, Nykredit Bank, and CitiBank expanding and building on the bank agreement and relation with Nordea that has been in place since 2018. The deal leaves the Group with total financing of 319 mEUR of which 247 mEUR is committed for two + one year(s), with the rest being an accordion option.

Events after

The close of year 2022

During the first month of 2023, Better Collective delivered growth of >40%, despite having tough comparable from 2022, where the state of New York launched. The tremendous growth was fueled by the state of Ohio launching sports betting, coupled with a strong performance by the Group.

Better Collective announced two media partnerships with the digital soccer media, Goal, and the leading Polish sports site, Wirtualna Polska.

A smaller asset deal for a sports media in an emerging market was completed for 4.3 mUSD.

Better Collective announced a share acquisition of 8.5% of Catena Media.

In February Better Collective announced a share buy-back program of 10 mEUR.

Financial highlights and key ratios

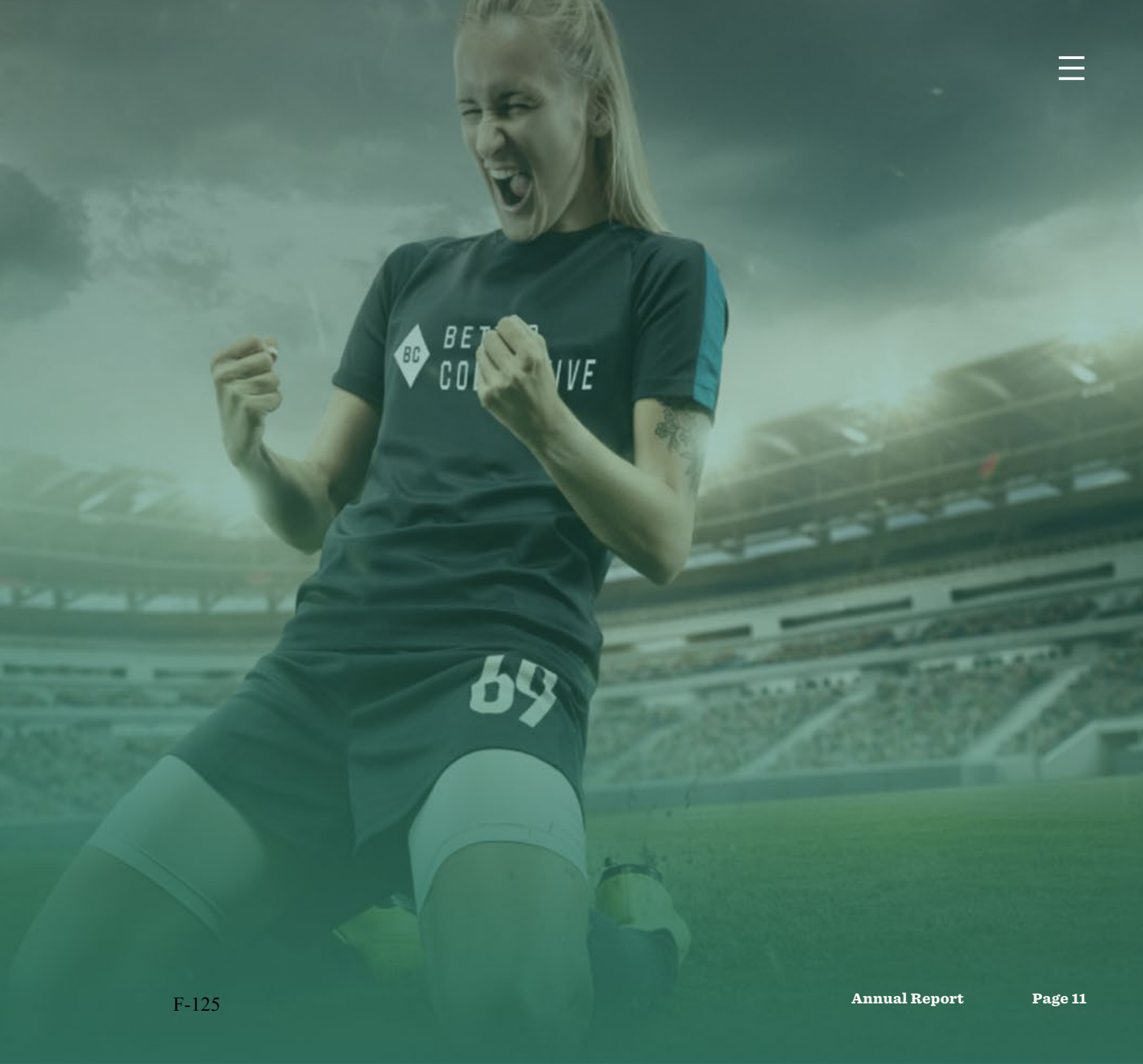
tEUR	2022	2021	2020	2019	2018
Income statements					
Revenue	269,297	177,051	91,186	67,449	40,483
Revenue Growth (%)	52%	94%	35%	67%	54%
Organic Revenue Growth (%)	34%	29%	8%	26%	9%
Operating profit before depreciation, amortization, and special items (EBITDA before special items)	85,075	55,775	38,152	28,061	16,241
Operating profit before depreciation and amortization (EBITDA)	85,021	39,030	38,272	27,446	12,160
Depreciation	2,321	1,764	1,548	831	169
Operating profit before amortization and special items (EBITA before special items)	82,754	54,011	36,604	27,231	16,072
Special items, net	- 54	- 16,746	120	- 615	- 4,080
Operating profit before amortization (EBITA)	82,700	37,265	36,724	26,616	11,992
Amortization and impairment	12,347	8,516	6,235	5,413	2,924
Operating profit before special items (EBIT before special items)	70,407	45,495	30,369	21,817	13,148
Operating profit (EBIT)	70,353	28,749	30,489	21,202	9,068
Result of financial items	- 5,389	- 2,522	- 1,778	- 2,448	- 618
Profit before tax	64,964	26,227	28,712	18,755	8,450
Profit after tax	48,075	17,292	21,927	13,944	5,446
Earnings per share (in EUR)	0.88	0.34	0.47	0.32	0.16
Diluted earnings per share (in EUR)	0.85	0.33	0.45	0.31	0.15
Balance sheet					
Balance Sheet Total	785,229	597,379	315,065	229,601	148,636
Equity	412,917	344,848	162,542	138,317	85,858
Current assets	95,025	62,898	48,555	36,035	24,942
Current liabilities	65,068	55,452	26,312	22,088	24,263
Net interest bearing debt	227,151	109,422	63,275	13,646	22,270

tEUR	2022	2021	2020	2019	2018
Cashflow					
Cash flow from operations before special items	69,816	51,204	38,321	26,585	15,158
Cash flow from operations	68,423	45,207	37,696	25,481	11,078
Investments in tangible assets	- 1,788	285	- 460	- 955	- 657
Cash flow from investment activities	- 112,632	- 219,219	- 68,090	- 49,509	- 60,629
Cash flow from financing activities	65,737	188,759	46,790	36,365	67,895
Financial ratios					
Operating profit before depreciation, amortization (EBITDA) and special items margin (%)	32%	32%	42%	42%	40%
Operating profit before amortization margin (EBITDA) (%)	32%	22%	42%	41%	30%
Operating profit margin (%)	26%	16%	33%	31%	22%
Publishing segment					
- EBITDA before special items margin (%)	38%	43%	48%	43%	40%
Paid media segment					
- EBITDA before special items margin (%)	16%	8%	16%	18%	n/a
Net interest bearing debt / EBITDA before special items	2.67	1.40	1.66	0.49	1.37
Liquidity ratio	1.46	1.13	1.85	1.63	1.03
Equity to assets ratio (%)	53%	58%	52%	60%	58%
Cash conversion rate before special items (%)	80%	92%	99%	91%	89%
Average number of full-time employees	878	635	420	364	198
NDCs (thousand)	1,683	858	635	432	260

For definitions of terminology, please refer to the section on page 128.

Strategy

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Building a Leading Digital Sports Media Group

Over the last couple of years, the Better Collective Group has been on a transformational path developing itself from a performance-based marketing business into a Digital Sports Media Group.

Better Collective started to transition its business and capabilities into having a sports media focus some years ago. This transition has already started to bear fruits as new capabilities have been built and sports media acquisitions have proven their worth. We are certain that we are on the right path, which is also why our vision is to become the Leading Digital Sports Media Group.

Expanding into the global digital sport media market, expands the addressable market for Better Collective significantly, but it also requires the adaptation of new capabilities. One of the core strengths of Better Collective is the ability to use performance-based marketing to refer new customers to partnering sportsbooks by using SEO and CRO expertise in maximizing conversion of users. When doing so, Better Collective focus on

providing trustworthy and clear content with moderate depth. Moving forward, focus will shift to-wards a combination of the previous and maximizing viewers, engagement, time on site, and monthly active users. The Group's capabilities will develop into providing the best user experiences through innovative products. Consequently, the content will become more newsworthy, deeper, and more investigative, as the objective is to become relevant and engaging for as many sports fans seeking entertainment and information, as possible.

This shift does not mean to deprioritize but rather build on top of Better Collective's legacy and expertise. It is thanks to this strong legacy that we find ourselves in an attractive spot in the media industry. Better Collective is an expert when it comes to maximizing the value of large readerships as the Group can utilize its unique skills and diversified business models. These capabilities will continue to ensure continued organic growth. This shift will move us from "a business" towards a "Group of businesses" which in turn increases our reach and diversifies our offering. The diversification has already proven its worth over the past five years. We have managed to decrease our dependency on search engine traffic from around 60% to less than 35%. Our single biggest business partner has decreased from being 50% of revenues to being less than 20%. Five years ago, 85% of revenues came from Europe, but now we have 40% stemming from the US and have continued our expansion into LATAM and Canada.

Combining the organic focus with M&A has already proven beneficial in the digital sports media industry. Since the IPO in 2018, Better Collective has acquired 28 companies, which undeniably makes M&A a core part of the Group. However, just like the overall strategy has shifted so has the M&A strategy. Up until now, Better Collective has been acquiring "traditional" performance marketing companies, ideally with a database of users on revenue share agreements. The strategy and objective were to roll-up enough assets to gain critical scale. The scale has now been reached. Going forward, M&A targets will be strong local and global sports media with a large and loyal readership, and often with most revenue stemming from a single business model in regular advertising.

The acquisition of Dutch sports media; Soccernews.nl is a perfect example of how this is applied in practice. When Better Collective acquired Soccernews.nl in late 2021 the sports media had a loyal 10 million monthly visits in a country with 17.5 million citizens. It further had a

strong local presence and only focused on ad-selling. In a bit more than a year of ownership, BC has managed to more than double the traffic to more than 20 million monthly visits. When acquired, most of the sports fans came to the media through social media. After the acquisition Better Collective has utilized its SEO-competencies to improve the organic rankings of Soccernews.nl, which led to increased traffic of sports fans coming from various search engines. Other than traffic growth, Better Collective has diversified the revenue stream by utilizing its broad range of products, diversifying the overall business model of Soccernews.nl. As a result of these efforts, revenues have climbed by 5x.

Better Collective's core competency is not to build sports media from scratch as this comes with great execution risk. We do, however, believe that we are strong owners due to our strong legacy in optimizing traffic and utilizing different monetization models as just exemplified by the above Soccernews.nl case.

Becoming the Leading Digital Sports Media Group

The Better Collective Vision

Our business areas

Contributes

84%

of the Group's EBITDA before special items

Publishing

The Publishing business includes revenue from Better Collective's proprietary online platforms, media partnerships and esports where the online traffic is coming either directly or through organic search results, delivering a high earnings margin.

Contributes

16%

of the Group's EBITDA before special items

Paid Media

The Paid Media business includes lead generation through paid media (PPC) and social media advertising. The earnings margin within paid media is typically much lower than within organic traffic, due to direct payments to the companies providing platforms for online advertising such as Google and Facebook.

The US
Contributes

31%

of the Group's EBITDA
before special items



Europe & ROW
Contributes

69%

of the Group's EBITDA
before special items

Europe & ROW

In the Europe & ROW the European market is a historically strong but also more mature market, in which we also include the esports business. New opportunities in focus include LATAM, and Canada as upcoming regulations of these markets offer new opportunities.

The US

Having built a leading position within sports betting media in the US over the past few years, Better Collective has laid the foundation for benefitting from the continuous regulation of the US betting market. Key US brands within sports betting include Action Network, VegasInsider, and Scores&Odds, whereas RotoGrinders is focused on Daily Fantasy Sport.

Business review

Better Collective continues to report on the geographical segments Europe & ROW (Rest of the World) as well as the US. Additionally, Better Collective operates two different business models regarding customer acquisition with different earnings-profiles. The segments Publishing (organic traffic) and Paid Media. Reporting includes measuring and disclosing separately for Revenue, Cost and Earnings. Historical financial figures are reported accordingly.

► Financial statements: [See this year's financial figures.](#)

Publishing

Revenue of 187 mEUR grew 56%, of which 30% was organic growth. Publishing accounted for 69 % of the Group's total revenue in 2022. Additionally, cost grew to 115 mEUR, resulting in EBITDA before special items of 72 mEUR, a growth of 40% with an EBITDA-margin of 38%. Better Collective has continued to see very strong performance from this business area that includes media partnerships with The Daily Telegraph and the newer partnership with the New York Post as well as an additional four media partnerships signed during 2022. Upon closing the year, Better Collective announced two media partnerships with the digital soccer media, Goal, and the leading Polish sports site: Wirtualna Polska.

Paid Media

Revenue was 82 mEUR with organic growth of 45%. Since acquiring the Atemi Group in 2020, we have invested heavily in developing the Paid Media business. The decision to move NDCs from pure CPA to revenue share contracts or hybrid revenue models (mix of CPA and revenue share) has resulted in a continued increase in revenue from revenue share income. Revenue share amounted to 18 mEUR in 2022 which was a growth of 58% vs. 2021. Due to the extensive topline growth and scaling opportunities the Paid Media business delivered an EBITDA before special items of 13 mEUR growing 195% with an EBITDA margin of 16%. Paid Media delivered 31% of the Group's revenue in 2022, and 16% of EBITDA.

Europe & ROW

Revenue was 174 mEUR in 2022, which is a growth of 34% compared to 2021. The growth was mainly driven by good underlying performance in most markets, while media partnerships and LATAM continued to be the main drivers for the performance. Contributing to the strong performance was the positive development of the esports community FUTBIN, which saw good traction with the launch of FIFA 2023 in September. The EBITDA margin before special items of 34% increased from 29% in 2021. Europe & ROW delivered 65% of the Group's revenue and 69% of EBITDA before special items in 2022. The Europe & ROW market is most sensitive to fluctuations in the sports win margin as this segment operates most of the revenue share accounts.

The US

Overall, the US business delivered a solid performance with revenue growth of 102% to 95 mEUR, and the revenue indication of 100 mUSD was reached. EBITDA before special items climbed 50% to 26 mEUR and the EBITDA-margin was 29%. The US delivered 35% of the Group's revenue in 2022, and 31% of EBITDA. The shift from CPA to revenue share income had a full year impact of 15 mEUR during 2022. Better Collective absorbed this transition and still grew revenue 71%. Media partnerships continue to deliver a very strong performance - also in the US.

Financial performance

Revenue: Growth of 52% to 269 mEUR – organic growth of 34%

Revenue showed strong growth vs. 2021 of 52% and amounted to 269.3 mEUR (2021: 177.1 mEUR). Recurring revenue (consisting of revenue share, subscription revenue, and CPM-revenue) accounted for 46% of total revenue and grew 54% to 123.4 mEUR.

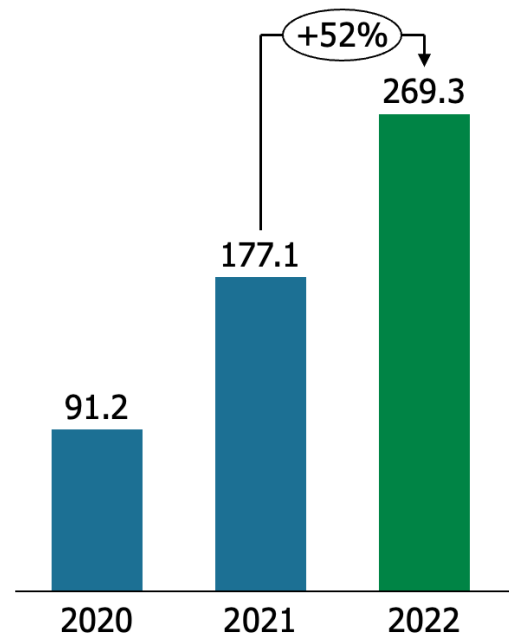
Cost: 198 mEUR – up from 132 mEUR

Overall, the cost base is impacted by the addition of Action Network as of May 2021 and the continued investment in building the US business with US cost growing 39 mEUR. This reflects both investments in building the organization and cost for paid media activities in US, and media partnerships. Cost also increased for the Dutch market which launched in October 2021.

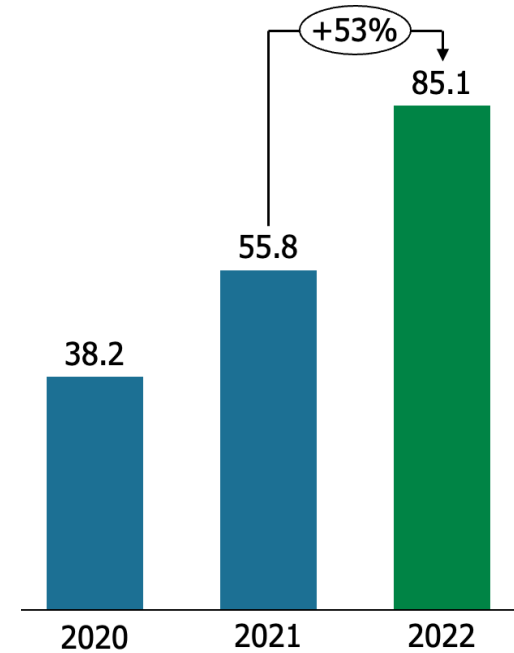
The cost base excluding depreciation and amortization grew 63.9 mEUR, up to 184.2 mEUR (2021: 121.3 mEUR).

Total direct cost relating to revenue increased by 27.4 mEUR to 92.2 mEUR (2021: 64.9 mEUR) with the growth coming from the addition of Action Network, increased cost in Paid Media, and direct costs related to media partnerships. Beyond the cost of paid traffic, this

Revenue mEUR



EBITDA* mEUR



* Before special items

includes hosting fees of websites, content generation, and external development.

Personnel cost increased 68 % from 2021 to 68.6 mEUR (2021: 40.8 mEUR). The average number of employees increased 38% to 878 (2021: 635). Personnel costs include costs related to warrants of 1.9 mEUR (2021: 1.2 mEUR). Other external costs increased 7.8 mEUR or 50% to 23.4 mEUR (2021: 15.6 mEUR). Depreciation and amortization amounted to 14.7 mEUR (2021: 10.3 mEUR). The increase is primarily due to amortization related to the acquisition of Action Network as well as amortization of capitalized guaranteed payments related to media partnerships.

Special items

Special items amounted to a cost of 0.1 mEUR (2021: 16.7 mEUR). The net cost of 0.1 mEUR is primarily related to cost of incentive program implemented with the acquisition of Action Network of 0.9 mEUR and M&A expenses of 1.3 mEUR, whereas the final calculation and payment of the contingent liability related to the 2019/2021 acquisition of RotoGrinders ended up with an income of 2.4 mEUR.

Earnings

Operational earnings (EBITDA) before special items grew 53% to 85.1 mEUR (2021: 55.8 mEUR). The EBITDA-margin before special items was 32% (2021: 32%).

Including special items, the reported EBITDA more than doubled to 85.0 mEUR. (2021: 39.0 mEUR).

EBIT before special items increased 55% to 70.4 mEUR (2021: 45.5 mEUR). Including special items, the reported EBIT was 70.4 mEUR (2021: 28.7mEUR).

Net financial items

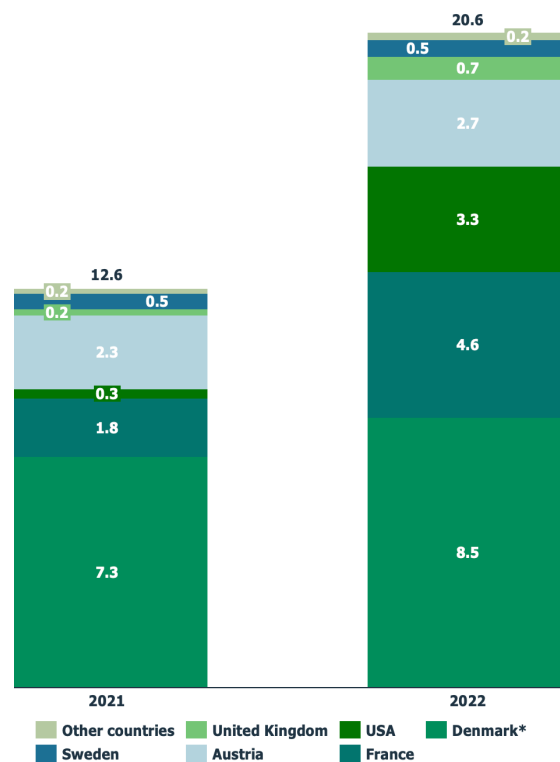
Net financial costs amounted to 5.4 mEUR (2021: 2.5 mEUR) and included net interest, fees relating to establishing and using bank credit lines, and exchange rate adjustments. Interest expenses amounted to 3.8 mEUR and included non-payable, calculated interest expenses on certain balance sheet items, whereas financial fees and net exchange rate loss amounted to 1.1 mEUR and 0.4 mEUR respectively. The financial fees include cost related to establishment of financing in connection with the acquisition of Canada Sports Betting and FUTBIN, as well as establishing of a new “club financing facility”.

Income tax

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

Income tax for FY 2022 amounted to 16.9 mEUR (2021: 8.9 mEUR). The Effective Tax Rate (ETR) was 26.0% (2021: 34.1%). Deferred tax expense for the year was 6.8

Tax per country



*Including tax on other comprehensive income in Denmark

mEUR out of the total tax expense recognized of 16.9 mEUR. Actual corporate tax, including tax on other comprehensive income increased from 12.6 mEUR to 13.9 mEUR.

Net profit

Net profit after tax was 48.1 mEUR (2021: 17.3 mEUR). Earnings per share (EPS) at 0.88 EUR/share vs. 2021 of 0.34 EUR/share.

Equity

Total equity increased to 412.9 mEUR as per December 31, 2022, from 344.8 mEUR on December 31, 2021. Besides the net profit of 48.1 mEUR, the equity has been impacted by a capital increase of 4.7 mEUR, acquisition and disposal of treasury shares of 1.2 mEUR, and share based payments of 1.7 mEUR. The increase in USD vs. EUR has increased the equity by 13 mEUR.

Balance sheet

Total assets amounted to 785.2 mEUR (2021: 597.4 mEUR), with an equity of 412.9 mEUR (2021: 344.8 mEUR). This corresponds to an equity to assets ratio of 53% (2021: 58%). The liquidity ratio was 1.46 resulting from current assets of 95.0 mEUR and current liabilities of 65.1 mEUR. The ratio of net interest-bearing debt to EBITDA before special items was 2.67 at the end of the quarter.

Investments

On March 23, 2022, Better Collective acquired the assets of Canada Sports Betting (‘CSB’), for a purchase price of 21.4 mEUR (23.5 mUSD). The purchase price has been fully paid in cash. On April 19, Better Collective acquired FUTBIN and related domains, for a purchase price of 105 mEUR. The purchase price was paid in cash and treasury shares, and a variable payment of 30 mEUR was recorded. Investments in tangible assets were 1.8 mEUR.

Cash flow and financing

Cash flow from operations before special items was 69.8 mEUR (2021: 51.2 mEUR) with a cash conversion of 80%. The cash conversion has been temporarily impacted by the strong Q4 growth in revenue.

In October, a new club-financing facility with three banks was signed, replacing the one-bank-agreement that has been in place since 2018. The new facility has attractive terms and is a 247 mEUR bullet term loan and RCF committed for two years with an option to extend for one year. On top of the commitment there is a 72 mEUR accordion option bringing the total potential facility to 319 mEUR. The covenant implies a maximum net debt/EBITDA at 3.25 adjusted for pro-forma EBITDA of acquisitions, and the board of directors’ approved target for 2023 is at a ratio <2, excluding potential new acquisitions.



As of December 31, 2022, Better Collective had committed bank credit facilities of a total 247 mEUR, with capital reserves of 76 mEUR consisting of cash of 31.5 mEUR and unused bank credit facilities of 44.0 mEUR.

The parent company

Better Collective A/S, Denmark, is the parent company of the Group. Revenue for 2022 grew by 77% to 65.3 mEUR (2021: 37.0 mEUR).

Total costs including depreciation and amortization was 61.0 mEUR (2021: 40.1 mEUR).

Profit after tax was 46.9 mEUR (2021: 47.7 mEUR). The change in profit after tax is primarily due to YOY differences in dividend payments from subsidiaries, exchange rate adjustments, and corporate tax.

Total assets increased to 687.1 mEUR (2021: 504.1 mEUR) primarily driven by new asset deals and non-current receivables from subsidiaries (USD denominated)

Total equity ended at 411.1 mEUR by December 31, 2022 (2021: 355.1 mEUR). The equity in the parent company was impacted by capital increases of 4.7 mEUR, treasury share transactions of 1.2 mEUR, and cost of warrants of 3.1 mEUR.

Significant events after the closure of the period

During the first month of 2023, Better Collective delivered growth of >40%, despite having tough comparable from 2022, where the state of New York launched. The tremendous growth was fueled by the state of Ohio launching sports betting, coupled with a strong performance by the Group.

Better Collective announced two media partnerships with the digital soccer media, Goal, and the leading Polish sports site, Wirtualna Polska.

A smaller asset deal for a sports media in an emerging market was completed for 4.3 mUSD.

Better Collective announced a share acquisition of 8.5% of Catena Media.

The Better Collective HQ in Copenhagen will move 'around the corner' to a new and bigger office space. The leasing agreement runs for five years and has a total rent obligation of approximately 12 mEUR during that period.

In February Better Collective announced a share buy-back program of 10 mEUR.

Financial targets

Financial targets and drivers for shareholder return

In Better Collective, we strive to improve our financial performance and create added value for our stakeholders through profitable growth.

2022 performance

The Group delivered strongly both in terms of revenue growth as well as operational earnings. This performance was accomplished on the back of moving several US contracts from upfront payments (CPA) to revenue share, why implicitly the Group could have delivered an EBITDA of 100 mEUR, implying 80% growth. Undeniably, the ability to drive high profitable growth remains very important for Better Collective's future ambitions. The Board of Directors decided on targets for the financial year 2022 as announced in the full year report and upgraded prior to the Q4 report following a record-breaking quarter. The upgraded financial targets were all met: Organic growth of 34% (actual 34% upgraded from 20-30% in February), EBITDA of approximately 85 mEUR (actual 85.1 mEUR) and net debt to EBITDA before special items <3 (actual 2.67). Furthermore, the indicated 2022 revenue estimate of exceeding 100 mUSD in US was also met.

Financial targets 2023

The board of directors has decided on new financial targets for the Better Collective Group for 2023 (excluding M&A):

- Revenue of 290 – 300 mEUR
- EBITDA of 90 – 100 mEUR
- Net debt to EBITDA of <2

Assumptions to 2023 targets

Better Collective invests in growing organically and will incur additional 2023 cost to investment in establishing a stronger presence in LATAM and other emerging markets where regulation is or is expected to facilitate operations. An investment in the buildup of a proprietary technology platform for display advertising (“Adtech Platform”) will be made. The initiatives imply estimated 10 mEUR in added costs in 2023 in addition to the existing cost base. The Group will continue to push for revenue share in the US, and notes that the 2023 calendar is not as condensed as 2022's with state launches and a men's soccer World Cup. The above considerations have been built into the 2023 targets, and do not include impact from M&A activities.

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.

Long-term financial targets 2023-2027

The board of directors has decided on new financial targets for the Better Collective Group for 2023-2027 (include M&A):

- Revenue CAGR of +20%
- EBITDA margin before special items of 30-40%
- Net debt to EBITDA before special items of <3

The long-term target assumes that M&A are solely financed by own cash flow and debt.

Corporate Matters

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Corporate Governance Report

Better Collective A/S is a Danish public limited liability company and is governed by the provisions of the Danish Companies act. The registered office and headquarters is situated in Copenhagen, Denmark. Better Collective has been listed on Nasdaq Stockholm since June 8, 2018, in the Mid Cap index.

Framework for corporate governance in Better Collective

The purpose of corporate governance is to ensure that a company is run sustainably, responsibly, and as efficiently as possible. In Better Collective, good corporate governance is about earning the confidence of shareholders, business partners, and legislators by creating transparency in decision-making and business processes. A well-defined and structured distribution of roles and areas of responsibilities between shareholders, the board, and the management secures efficiency at all levels. Particularly, it allows the management team to focus on business development and thereby the creation of shareholder value. The board of directors serves as a highly qualified dialogue partner for the

management team supporting the outlined growth strategy, securing a tight risk management setup, and optimal capital structure. The corporate governance is based on applicable Danish legislation and other external rules and instructions, including the Danish Companies Act, Nasdaq Stockholm's Rulebook, the Swedish Securities Council's good practices in the stock market, the Swedish Code of Corporate Governance and Better Collective's guidelines, which include the Articles of Association, various policies, and other guidelines. Better Collective has resolved that it will comply with the Swedish Code instead of the Danish recommendations on Corporate Governance, as is customary for companies listed on Nasdaq Stockholm. The main corporate laws and rules on governance relevant for shareholders in a Danish public limited liability company that is listed on Nasdaq Stockholm, and complying with the Code, are to a large extent materially similar to the corresponding Swedish rules that would apply for a Swedish public limited liability company under the same circumstances.

The share and shareholders

Better Collective A/S was listed on Nasdaq Stockholm in the Mid Cap segment on June 8, 2018. The number of shares outstanding on December 31, 2022 was 55,149,669. Each share entitles the holder to one vote. The number of shareholders on December 31, 2021 was 3,731 which is a decrease from the 4,149 shareholders at December 31, 2021. The largest shareholders on December 31, 2022 were Chr. Dam Holding and J. Søgaard

Holding (the co-founders of Better Collective) with each 10,671,179 shares and each representing 19.4% percent of the votes and share capital in the company. Further information on the Better Collective share and shareholders are available in the section Share and shareholders on page 36 as well as on the company's website.

General meeting

Pursuant to the Danish Companies Act, the general meeting is the Company's superior decision-making body. The general meeting may resolve upon every issue for the Company which does not specifically fall within the scope of the exclusive powers of another corporate body, for example the power to appoint the executive management, which falls within the scope of the board of directors in limited liability companies that are managed by a board of directors.

At the general meeting, the shareholders exercise their voting right on key issues, such as amendments of the Company's Articles of Association, approval of the annual report, appropriation of the Company's profit or loss (including distribution of any dividends), resolutions to discharge the members of the board of directors and the executive management from liability, the appointment and removal of members of the board of directors and auditors and remuneration for the board of directors and auditors. Other matters transacted at the meeting may include matters that, according to the

articles of association or the Danish Companies Act, must be submitted to the general meeting.

Better Collective complies with the Swedish code of corporate governance with the following exceptions:

As stipulated in Better Collective's Articles of Association, the board of directors appoint the meeting chair for the AGM instead of letting the nomination committee propose a meeting chair. The Articles also stipulate that the meeting chair approves the AGM minutes instead of letting an AGM participant that is not a member of the board or an employee of the company approve the minutes of the meeting.

The respective reports on corporate governance and sustainability do not include a part of the auditor's report covering the specific reports, as these subjects are not individually addressed in the auditor's report. These deviations are due to differences between Danish and Swedish laws and practices.

Time and place

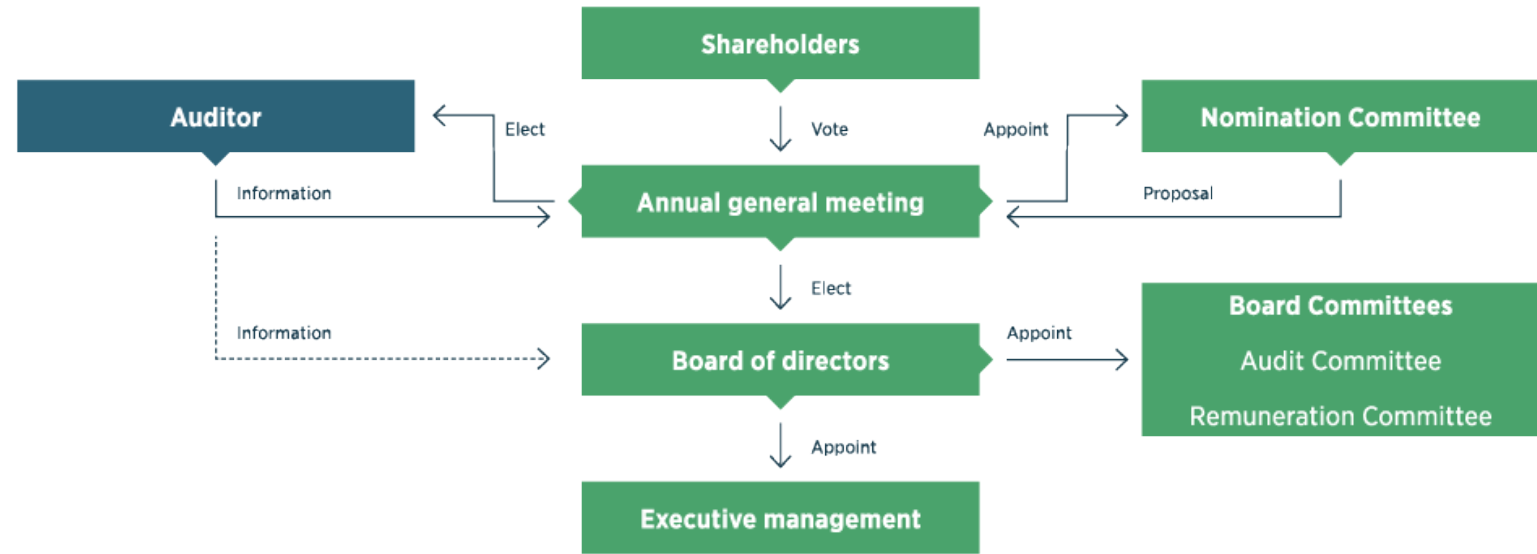
The annual general meeting must be held at a date that allows sufficient time to send the Danish Business Authority a copy of the audited and adopted annual report within four months of the end of the financial year. In addition to the annual general meeting, extraordinary general meetings may be convened and held when required. According to the Company’s articles of association, general meetings must be held in Greater Copenhagen, Gothenburg, or Stockholm.

Notice

According to the Company’s Articles of Association, general meetings must be convened by the board of directors giving written notice no earlier than five weeks and no later than three weeks prior to the general meeting. Pursuant to the Danish Companies Act, notices convening general meetings shall be made public on the Company’s website. If requested, shareholders shall receive written notice of the general meetings as the case may be.

Extraordinary general meetings must be held upon request from the board of directors, or the auditor elected by the general meeting. In addition, shareholders that individually or collectively hold ten percent or more of the share capital can make a written request to the board of directors that an extraordinary general meeting be held to resolve upon a specific matter. Such extraordinary general meetings must be convened within

Better Collective Corporate Governance Structure



two weeks of the board of directors’ receipt of a request to that effect.

The notice to convene a general meeting must be made in the form and substance for public limited liability companies admitted to trading on a regulated market as stipulated in the Danish Companies Act. The notice must also specify the time and place of the general meeting and contain the agenda of the business to be addressed at the general meeting. If an amendment of the

Company’s articles of association shall be resolved upon at a general meeting, the complete proposal must be included in the notice. For certain material amendments, the specific wording must be set out in the notice.

As regards the annual general meeting, the Company must announce the date for the meeting as well as the deadline for any shareholder proposals no later than eight weeks before the scheduled date for the annual general meeting.

Electronic general meetings

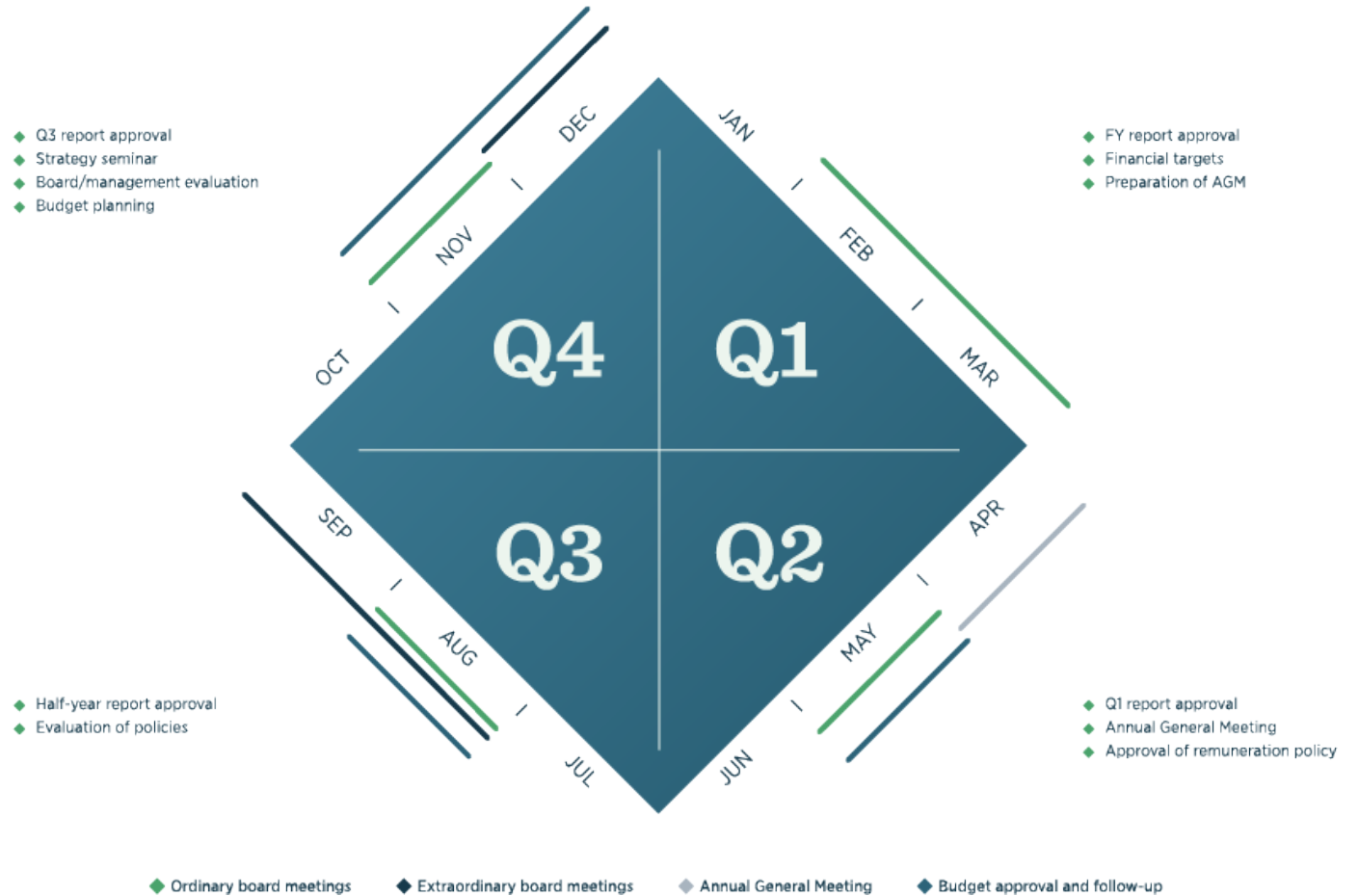
The board of directors is authorized to decide that general meetings are held as a completely electronic general meetings without physical attendance or partially electronic meetings.

Right to attend general meetings

A shareholder’s right to attend a general meeting and to vote on their shares is determined on the basis of the shares held by the shareholder at the date of registration. The date of registration is one week before the general meeting is held. The holding of each individual shareholder is based on the number of shares held by that shareholder as registered in the Company’s share register maintained by Euroclear Sweden as well as any notifications of ownership received by the Company for the purpose of registration in the share register, but not yet registered.

To attend the general meeting, a shareholder must, in addition to the above-mentioned, also notify the Company of his or her attendance no later than three days prior to the date of the general meeting, as stipulated by the Company’s articles of association. Shareholders may attend general meetings in person, through a proxy or by postal vote, and may be accompanied by an advisor. All attending shareholders are entitled to speak at general meetings.

A year with the board of directors



Voting rights and shareholders initiatives

Each share entitles the holder to one vote. All matters addressed at the general meeting must be decided by a simple majority vote, unless otherwise stipulated by

the Danish Companies Act or the Company’s articles of association. A resolution to amend the articles of association requires that no less than two thirds of the votes cast as well as the share capital represented at the general meeting vote in favor of the resolution, unless a larger majority is required by the Danish Companies Act (for example resolutions to reduce shareholder rights to receive dividends or to restrict the transferability of the shares) or the Company’s articles of association. 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.

General meetings in 2022

The annual general meeting 2022 was held on April 26, 2022, and approved the 2021 annual report, discharged the board and executive management, and re-elected six out of six board members, elected a vice chair of the board, and re-elected the current auditor. The shareholders further approved the proposals from the board

of directors to authorize the board of directors to increase the company’s share capital without pre-emption rights for the existing shareholders and to authorize the board of directors to acquire treasury shares. The shareholders adopted the remuneration report based on an advisory vote. Additionally, the Company’s Articles of Association were amended to include the election of a Vice Chair of the board of directors. No extraordinary general meetings were held in 2022.

Annual general meeting 2023

The annual general meeting 2023 will take place on April 25, 2023, at 2.00 p.m. For more information, please see the section on annual general meeting on the company’s website.

Nomination committee

According to the Code, the Company shall have a nomination committee, the duties of which shall include the preparation and drafting of proposals regarding the election of members of the board of directors, the chair of the board of directors, the chair of the general meeting and auditors. In addition, the nomination committee shall propose fees for board members and the auditor. The Company’s Articles of Association hold instructions and rules of procedure for the nomination committee according to which the nomination committee is to have at least three members representing the three largest shareholders per the end of August, together with the chair of the board of directors. The names of the

members of the nomination committee must be published by the Company no later than six months prior to the annual general meeting.

On August 31, 2022, the two largest shareholders were Chr. Dam Holding and J. Søgaard Holding which are grouped. In accordance with shareholders’ decision, the nomination committee was appointed and is composed by four members in total:

- Søren Jørgensen, Chair, appointed by Chr. Dam Holding and J. Søgaard Holding
- Martin Jonasson, appointed by Andra AP-Fonden, also representing Tredje AP-Fonden
- Jesper Ribacka, private shareholder
- Jens Bager, Chair of the board of directors, Better Collective

In all, the nomination committee represented 51% of the total number of shares in Better Collective, based on ownership data as per August 31, 2022.

Independence of the nomination committee

The Code requires the majority of the nomination committee’s members to be independent in relation to the Company and its management and that at least one of these shall also be independent in relation to the Company’s largest shareholder in terms of voting power. All members are independent in relation to the Company and the Company’s management and all members

except for Søren Jørgensen are independent in relation to major shareholders.

Nomination Committee meeting with board members

Each year, the nomination committee conducts individual interviews with the board members leading up to the AGM as a supplement to the board self-evaluation results. Similarly, any new board candidates meet with the nomination committee.

Gender diversity at the BoD in 2022



Meetings of the nomination committee

Ahead of the AGM 2023, the nomination committee has held three meetings with full attendance but for one meeting, at which one member was unable to attend. No fees have been paid for work on the committee.

Board of directors

After the general meeting, the board of directors is the most superior decision-making body of the Company. The duties of the board of directors are set forth in the Danish Companies Act, the Company's articles of association, the Code and the written rules of procedure adopted by the board of directors, which are revised annually. The rules of procedure regulate, inter alia, the practice of the board of directors, tasks, decision-making within the Company, the board of directors' meeting agenda, the chair's duties and allocation of responsibilities between the board of directors and the executive management. Rules of procedure for the executive management, including instruction for financial reporting to the board of directors, are also adopted by the board of directors.

The board of directors meets according to a predetermined annual schedule. At least five ordinary board meetings shall be held between each annual general meeting. In addition to these meetings, extraordinary meetings can be convened for processing matters which cannot be referred to any of the ordinary meetings. In 2022, 8 meetings were held.

Composition of the board

The members of the board of directors are elected annually at the annual general meeting for the period until the end of the next annual general meeting. According to the Company's articles of association, the board of directors shall consist of no less than three and no more than seven board members. Furthermore, the Code stipulates that no deputy members may be appointed. Currently, the board of directors is composed of six ordinary board members elected by the general meeting: Jens Bager (chair), Todd Dunlap, Therese Hillman, Klaus Hølse, Leif Nørgaard, and Petra von Rohr. The board attended Nasdaq's stock market training course for board and management prior to the listing in 2018. Todd Dunlap received Nasdaq training in 2020 after joining the board. For information about the board members see page 31.

Evaluation of board performance

The board of directors regularly evaluates its work through a structured process. The chair is responsible for carrying out the evaluation and presenting the results to the nomination committee. In 2022, an external management consultancy assessed the board's work, including the collaboration with the executive management. The assessment was based on a questionnaire. Every other year, the questionnaire is combined with personal interviews with each board and executive management member. The evaluation was presented to and discussed by the board and subsequently the

nomination committee. In addition, the nomination committee conducted individual interviews with the board members leading up to the AGM. The overall conclusion was that the board's performance and efficiency is found to be satisfactory and that the board has a well-balanced mix of competencies.

Diversity

The board composition must be set with appropriateness to the Company's operations, phase of development, and must collectively exhibit diversity regarding gender, age, nationality, experience, professional background, and business expertise. In 2022, the board had an equal gender distribution and met the company's policy on additional diversity criteria based on age, nationality and educational background. See full account on gender distribution in management, cf. §99b on page 47.

Attendance at board and committee meetings

Name	Board Meetings	Audit Committee	Remuneration Committee
Jens Bager (Chair)	◆◆◆◆◆◆◆◆	-	◆◆◆◆◆
Therese Hillman (Vice chair)	◆◆◆◆◆◆◆◆	◆◆◆◆◆	-
Todd Dunlap	◆◆◆◆◆◆◆◆	-	◆◆◆◆◆
Klaus Holse	◆◆◆◆◆◆◆◆	-	◆◆◆◆◆
Leif Nørgaard	◆◆◆◆◆◆◆◆	◆◆◆◆◆	-
Petra von Rohr	◆◆◆◆◆◆◇◆◆	◆◆◆◆◆	-

◆ Attendance ◇ Non-attendance

Board committees

The board of directors has established two committees: the audit committee and the remuneration committee. The board of directors has adopted rules of procedure for both committees.

Audit committee

The audit committee consists of Leif Nørgaard (chair), Therese Hillman, and Petra von Rohr. The audit committee's role is mainly to monitor the Company's financial

position, to monitor the effectiveness of the Company's internal control and risk management, to be informed about the audit of the annual report and the consolidated financial statements, to monitor the quality of the external audit, to review and monitor the auditor's impartiality and independence and to monitor the Company's compliance with law and regulations related to financial matters. The audit committee has an annual work plan and has held five meetings in 2022.

Remuneration committee

The remuneration committee consists of Jens Bager (chair), Todd Dunlap, and Klaus Holse. The remuneration committee's role is primarily to prepare matters regarding remuneration and other terms of employment for the executive management and other key employees. The remuneration committee shall also monitor and evaluate ongoing and completed programs for variable remuneration to the Company's management and monitor and evaluate the implementation of the guidelines for remuneration to the executive management which the annual general meeting has adopted. The remuneration committee has an annual work plan and has held five meetings in 2022.

Executive management

According to the Danish Companies Act and the Company's articles of association, the board of directors appoints and removes the members of the executive management. The executive management is responsible for the day-to-day management of the Company. Currently, the executive management consists of Jesper Søgaard as CEO, Flemming Pedersen as CFO and Christian Kirk Rasmussen as COO. The members of the executive management are presented in further detail on page 34.

The duties and responsibilities of the executive management are governed by the Danish Companies Act, the Company's articles of association, the rules of procedures for the executive management adopted by the

board of directors, other instructions given by the board as well as other applicable laws and regulations. The executive management's duties and responsibilities include, inter alia, ensuring that the Company maintains adequate accounting records and procedures, that the board of directors' resolutions are implemented in the daily management of the Company, that the board of directors are up to date on all matters of importance to the Company and that the day-to-day management of the Company is carried out.

Remuneration to the board of directors and the executive management

Remuneration to the board of directors

Fees and other remuneration to board members elected by the general meeting are resolved at the annual general meeting. At the annual general meeting held on April 26, 2022, it was resolved that a fee of EUR 90,000 is to be paid to the chairman and that fees of EUR 30,000 is to be paid to each of the other board members. The work in a board committee is remunerated with EUR 13,500 for a chair position and EUR 6,750 for a regular member. In 2021, one-third of the Board of Directors' fixed annual remuneration was paid out in shares in the Company. Following approval at the Annual General Meeting on April 26, 2022, the board fee in 2022 was paid in cash and an amendment to the remuneration policy means that payment in shares is no longer part of the policy.

For the financial year 2022, the board of directors received remuneration as set out in note 5 on page 77. For additional detail, see also the remuneration report for 2022 available from bettercollective.com.

Remuneration to the executive management

Remuneration to the executive management consists of basic salary, variable remuneration, pension benefits, share related incentive programs and other benefits. For the financial year 2022, the executive management received remuneration as set out in note 5 on page 77.

Remuneration policy

The current Remuneration Policy was adopted at the annual general meeting on April 26, 2022, in compliance with section 139 and 139a in the Danish Companies Act

Members of the Company's board of directors and executive management receive a fixed annual remuneration.

In addition, members of the executive management may receive incentive-based remuneration consisting of share-based rights. Finally, members of the executive management may receive incentive-based remuneration consisting of a cash bonus (including cash bonuses based on development in the share price), on both an ongoing, single-based, and event-based basis.

Cash bonus schemes for executive management may consist of an annual bonus, which the individual member of the executive management can receive if specific targets of the Company and other possible personal targets for the relevant year are met. The maximum cash bonus shall be equivalent to 100 percent of the fixed base salary of each eligible participant of the executive

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

Name and position	Holdings at beginning of year	Bought during the year	Sold during the year	Holdings at end of the year	Market value* tEUR
Jesper Søgaard, CEO	10,671,179	0	0	10,671,179	122,164
Flemming Pedersen, CFO	187,322	124,644	0	311,966	3,571
Christian Kirk Rasmussen, COO	10,671,179	0	0	10,671,179	122,164
Executive management, total	21,529,680	124,644	0	21,654,324	247,899

Name and position	Holdings at beginning of year	Bought during the year	Sold during the year	Holdings at end of the year	Market value* tEUR
Jens Bager, Chair	1,001,229	0	0	1,001,229	11,462
Therese Hillman, Vice Chair	1,375	0	0	1,375	16
Todd Dunlap, member	475	0	0	475	5
Klaus Holse, member	171,059	0	0	171,059	1,958
Leif Nørgaard, member	440,656	0	0	440,656	5,045
Petra von Rohr, member	22,037	0	0	22,037	252
Board of directors, total	1,636,831	0	0	1,636,831	18,738
Total	23,166,511	124,644	0	23,291,155	266,637

* The end-of-year market values are based on the official share prices prevailing December 31, 2022.

management. Payment of bonus is only relevant when conditions and targets have been fully or partly met (as determined by the board of directors). If no targets are met, no bonus is paid out. Targets for the executive management shall be agreed upon by the board of directors and the executive management. The general meeting will decide whether to establish a long-term incentive program (LTI program).

Internal controls

The board of directors has the overall responsibility for the internal control of the Company. The main purpose of the internal control is to ensure that the Company’s strategies and objectives can be implemented within the

► **Remuneration report 2022**
https://bettercollective.com/wp-content/uploads/2022/03/BetterCollective_Remuneration22_web.pdf

► **Remuneration policy**
https://bettercollective.com/wp-content/uploads/2023/01/Remuneration_Policy_approved_2020.04.22.pdf

business, that there are effective systems for monitoring and control of the Company’s business and the risks associated with the Company and its business, and to

ensure that the financial reporting has been prepared in accordance with applicable laws, accounting standards and other requirements imposed on listed companies. The board of director’s responsibility for the internal control and financial reporting is governed by the Danish Financial Statements Act, the Danish Companies Act and the Code. In addition, the board of directors has implemented an internal control framework based on the COSO standard, which focuses on the five areas: control environment, risk assessment, control activities, information as well as communication and monitoring.

Control environment

To create and maintain a functioning control environment, the board of directors has adopted a number of steering documents and policies, including rules of procedure for the board of directors, the board committees and the executive management with instruction for financial reporting to the board of directors. The policies include a tax policy, treasury policy, IT policy, information policy, insider policy, instruction for insider lists and a code of conduct. The Company also has a group accounting manual which contains principles, guidelines, and processes for accounting and financial reporting.

The division of roles and responsibilities within the rules of procedure for the board of directors and the executive management aim to facilitate an effective management of the Company’s risks. The board of directors has

also established an audit committee whose main task is to monitor the effectiveness of the Company’s internal control, internal audit, and risk management, to be informed about the audit of the annual report and consolidated financial statements, and to review and monitor the auditor’s impartiality and independence. The board evaluates the need for an internal audit function annually. In 2022, given the size of the company, it was decided that an internal audit function is not currently needed.

The Company applies an internal “signing & approval” framework to ensure a clear and formalized distribution and limitation of power, and to define and govern guidelines for the delegation of authority to sign on behalf of the Company. The Company has furthermore established an IT governance structure to ensure that all major IT projects support the Company’s business goals and that existing IT systems and resources are used optimally. The Company has implemented a whistleblower scheme providing employees with the ability to easily and anonymously report any observations of potentially destructive, unethical, or illegal activities related to the Company.

Risk assessment

Risk assessment includes identifying risks pertaining to the Company’s business, assets and financial reporting as well as assessing the impact and probability of those risks, to ensure that actions to reduce or eliminate risks

are analyzed and implemented. Within the board of directors, the audit committee is responsible for continuously assessing the Company’s risks.

The executive management shall annually prepare an internal risk management assessment which is reported to the audit committee and subsequently to the board of directors. The risk management assessment shall include a follow-up on previous year’s work and a review of any changes to procedures, control systems and risk-mitigating actions.

With regards to financial reporting, the CFO and the finance department annually prepares a report for the audit committee, including a review of items subject to special risks and significant accounting estimates and judgements, allowing the audit committee to monitor the financial reporting process. The audit committee also evaluates the need for an internal audit function annually and makes recommendations to the board of directors.

Control activities

Control activities are performed for the purpose of preventing, detecting, and correcting any errors and irregularities, including fraud. Control activities are implemented in the Company’s systems and procedures, including financial reporting systems and procedures. Control activities include, for example, physical and electronic preventive access controls concerning

sensitive and confidential information, preventive IT based controls limiting access to systems, joint approval procedures for electronic bank transfers and detective controls. Financial control activities are performed in accordance with the group accounting manual and are carried out monthly and are documented.

Information and communication

Internal communication to employees occurs, inter alia, through policies, instructions, and blog posts, including a Code of Conduct which serves as an overall guiding principle for employees in all communication, an information policy which governs internal and external information as well as an insider policy which ensures appropriate handling of insider information that has not yet been disclosed to the public. Additionally, the Company's CEO holds the overall responsibility for the handling of matters regarding insider information.

The Company's investor relations function is led and supervised by the CFO and the Director of Investor Relations. The principal tasks of the investor relations function are to support matters relating to the capital market as well as to assist in preparing financial reports, general meetings, capital market presentations and other regular reporting regarding investor relations activities.

Monitoring

Compliance and effectiveness of internal controls are continuously monitored. The executive management

ensures that the board of directors receives continuous reports on the development of the Company's activities, including the Company's financial results and position, and information about important events, such as key contracts. The executive management also reports on such matters at each board meeting.

The board of directors and the audit committee examines the annual report and the interim reports and conducts financial evaluations based on established business plans. The audit committee reviews any changes in accounting policies to determine the appropriateness of the accounting policies and financial disclosure practices. Furthermore, the audit committee also reviews the consistency of accounting policies across the Group on a yearly basis.

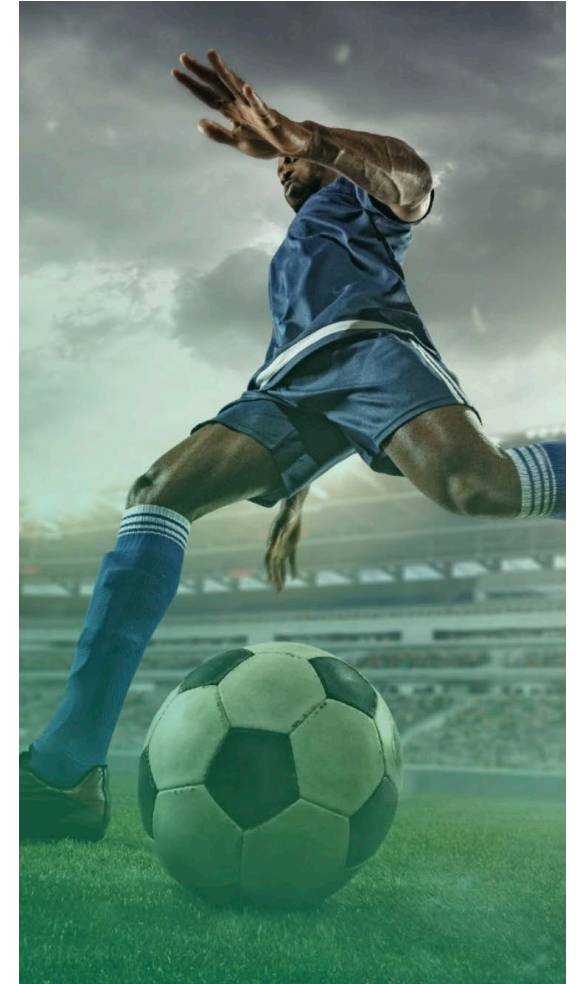
The efficiency of the key controls is evaluated at regular intervals and reported to the board of directors summarizing the performed evaluations and accounting for any deviations that must be managed. In 2022, a review of internal controls was performed with the purpose of reviewing compliance with processes and internal controls covering key areas and process flows according to the Company's group accounting manual. The review concluded that the Company's financial internal controls were deemed appropriate. Furthermore, the Group's policies are subject to at least one annual review by the board of directors.

External audit

The Company's auditor is appointed by the annual general meeting for the period until the end of the next annual general meeting. The auditor audits the financial statements prepared by the board of directors and the executive management. Following each financial year, the auditor shall submit an audit report to the annual general meeting. The Company's auditor reports its observations from the audit and its assessment of the Company's internal control to the board of directors.

At the annual general meeting held on April 26, 2022, EY Godkendt Revisionspartnerselskab was re-elected as the Company's auditor with Jan C. Olsen as the lead auditor. It was also resolved that the fees to the auditor should be paid in accordance with normal charging standards and approved invoice.

The total fee paid to the Company's auditor for the financial year 2023 amounted to 343 tEUR, all of which regarded the audit assignment.



Risk Management

Better Collective’s management continuously monitors risk development in the Better Collective Group.

Risk analysis and evaluation

Through an Enterprise Risk Management process, several 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.

Risk control

The Risk Evaluation is presented to the Board of Directors annually, for discussion of and any further mitigating actions required. Between the annual evaluation, the Audit Committee oversees the ongoing risk management process. 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.

Market regulation and legal risk

Changes to applicable laws and regulations could lead to an increased burden of compliance. Contractual risk as well as legal risk related to regulatory requirements are critical. Failure to meet or implement regulatory requirements concerning, for instance, data protection, confidentiality agreements, IPR, and fraud constitutes a risk.

Cybercrime risk

As a digital software-based company with a core business based on modern information technology, Better Collective’s failure to adequately protect itself against IT risk represents a distinct risk. Cybercrime including unauthorized access to Better Collective’s network and data could endanger applications as well as the infrastructure and the technical environment stored on Better Collective’s network.

Recruitment and retention risk

People remain the key drivers in everything that we do at Better Collective since our business is based on specialized expertise and innovation. Failure to attract, develop, and retain the most skilled employees and management talent constitutes a risk to the company and our ability to scale operations.

Risk mitigation

iGaming regulation provides transparency to the legal framework, which in turn enhances predictability. Better Collective has established a central legal function that, together with the commercial and business development operations, ensures a stage-gate approach when new contracts are made and when new regulations or compliance are being imposed.

Risk mitigation

Better Collective’s IT department continuously monitors its global technical infrastructure, aiming to identify and minimize risk to the company’s production and performance. Through well-established procedures and solutions, Better Collective can quickly restore critical business operations.

Risk mitigation

Better Collective’s values and employer branding serve as strong tools for recruitment of talent. We monitor employee performance and engagement through bi-annual development talks and annual workplace evaluations. New initiatives in the People and Culture space include a DEI board and training in diversity matters.

Acquisition risk

With our acquisition focus increasingly turned to larger companies, the overall risk profile of Better Collective has changed, and regulatory as well as financial risk has increased. Especially when entering new markets by way of M&A and in the following integration with the rest of the group.

Search engine and ranking risk

Algorithm updates pose a risk to organic search and ranking possibilities and may trigger optimization challenges. The rise of AI chatbots may impact the way media content is produced and potentially the search behavior of users.

ESG risk

To Better Collective, the key ESG/sustainability risks lie within the social and governance spaces and less within the environment space since we are a digital business. Concerns related to problematic gambling and reputational risk from not being perceived as acting responsibly or within the regulatory frameworks.

Financial risk

Financial risk management objectives and policies, including market risk, foreign currency risk, interest rate risk and credit risk are described in note 20 to the consolidated financial statements.

Risk mitigation

When relevant, we involve regulatory bodies in our licensing process for newly established entities. We aim to implement a performance based valuation of the acquired entities and to establish local governance/management for entities of a certain size. We implement local Finance, HR, and Legal organizations dedicated to the entities when relevant.

Risk mitigation

As these matters are rapidly changing, we have set up monitoring of the industry, newsletters and experts and have systems in place to share knowledge internally. Based on the monitoring, we are continually testing different tactics and solutions.

Risk mitigation

Regulatory compliance is systemized by the legal team. We are educating ourselves on safer gambling, on advertising standards and developing resources to help our users navigate the sports betting industry. Deploying Mindway AI solutions further aids the safer gambling agenda. Transitioning to becoming a media group gradually makes us less dependent on gambling-related activities.

Board of directors



Jens Bager

Chair of the board and of the remuneration committee
 Born, 1959
 Nationality, DK
 Present position since 2017 (board member since 2016)

Education: Jens Bager holds a M.Sc in Economics and Business Administration from Copenhagen Business School.

Professional background: Jens Bager was the CEO of ALK-Abelló A/S for 16 years before joining Better Collective, and prior to that he was an EVP of Chr. Hansen A/S. Jens Bager is an Industrial Partner at Impilo AB, the chairman of Scantox Holding ApS and Marleybones Ltd, and has served on various boards in Denmark, Sweden, and France. He has extensive experience within general management of international and listed companies.

Other assignments: Member of the executive board of Apto Invest ApS, Apto Advisory ApS, 56* NORTH Equity Partners ApS, Enhance Systems A/S, Tandlægen.dk and Symmetry Administration ApS.

Previous assignments: Board chair of Ambu A/S, Heatex AB and Poul Due Jensens Fond.

Independence in relation to:

- Shareholders Yes
- The company Yes



Therese Hillman

Vice Chair of the board and member of the audit committee
 Born, 1980
 Nationality, SE
 Present position since 2021

Education: Therese Hillman holds a M.Sc. in Accounting and Finance from the Stockholm School of Economics with exchange terms at the University of Virginia and the University of North Georgia.

Professional background: CEO of Network of Design (NOD), a group of Scandinavian design companies. Therese Hillman was prior to her current role as CEO of NOD the Group CEO of NetEnt. In this role, she steered the company during a turnaround phase, in a time of changing regulation and market conditions, US market expansion, and a large acquisition of the fast-growing competitor Red Tiger.

Other assignments: Board chairman of String Furniture AB, Nordic e Trade AB, AB Grythyttan Stålmöbler and Sweden Concepts AB. Board member of Byarums Bruk AB, Coeee Design AB and Norling Cavallin AB.

Previous assignments: Prior to joining NetEnt in 2017, Therese Hillman worked at Gymgrossisten.com for ten years, where she was the CEO for the last six years, and prior to that she worked in the roles as COO and CFO. Former board member of Unibet and Actic.

Independence in relation to:

- Shareholders Yes
- The company Yes



Todd Dunlap

Board member and member of the remuneration committee
 Born, 1966
 Nationality, USA
 Present position since 2020

Education: Todd Dunlap holds two Bachelor of Science degrees, one in aerospace engineering and the other in business administration. He has completed graduate programs in Business and International Management from Stanford University and The Thunderbird School of Global Management.

Professional background: Todd Dunlap is the current CEO of the startup OfferUp, one of the Seattle region's only tech startups valued at more than \$1 billion. Prior to this role he was the CEO of North America for Booking.com and as such was responsible for the overall growth of the company's business in the United States and Canada. Prior to joining Booking.com in 2012, Todd worked 14 years at Microsoft, most recently in the role of Vice President & COO of Microsoft's Consumer & Online Division.

Other assignments: Guest lecturer and mentor at the University of Washington's Foster School of Business, and strategic advisor for Booking Holdings.

Previous assignments: Todd Dunlap has served as strategic advisor for Booking Holdings, and Vice President and Managing Director of the Americas Region also at Booking.com. President and general manager at Microsoft Licensing, and former Board Advisor to Better Collective. Todd Dunlap also led the Internet Business Unit at WRQ, a global software and consulting firm.

Independence in relation to:

- Shareholders Yes
- The company Yes



Klaus Holse

Board member and member of the remuneration committee
 Born, 1961
 Nationality, DK
 Present position since, 2017

Education: Klaus Holse holds a M.Sc. in Computer Science from the University of Copenhagen, and a Graduate Diploma in Business Administration (HD) from Copenhagen Business School.

Professional background: Klaus Holse was until September 2021 CEO of SimCorp. Klaus Holse has previously been a Corporate VP at Microsoft, and Senior Vice President at OracleAt Microsoft, he was President of Western Europe, leading the largest area outside of the US. Klaus Holse has extensive experience from the IT and software industry.

Other assignments: Board chairman of Confederation of Danish Industry, Vizrt AB, Macrobond AB, EG Group A/S, SuperOffice AS, and Zenegy A/S. Board member of TERMA A/S and GN A/S

Previous assignments: Board member of Lessor A/S, EG A/S, Delegate ApS and Tink AS. Former member of the board of directors of The Scandinavian ApS and Esko.

Independence in relation to:

- Shareholders Yes
- The company Yes



Leif Nørgaard

Board member and chair of the audit committee
 Born, 1955
 Nationality, DK
 Present position since 2014

Education: Leif Nørgaard holds a M.Sc in Economics and Business Administration from Aarhus Business School and is a state authorised public accountant.

Professional background: Leif Nørgaard has held senior positions in global companies such as CFO for Chr. Hansen Group, CFO for Dako Group, CFO for Teleca Group, and has served on boards in several countries. Leif Nørgaard is a professional investor and part-time CFO in start-up companies. He has extensive experience in finance, start-ups and growth companies.

Other assignments: Leif Nørgaard is currently the board chair of Myselfie Aps, and K/S Sunset Boulevard, Esbjerg. He is a member of the executive board of AnnoAnno ApS, Oonoo A/S, Sunset Boulevard, Esbjerg Komplementar ApS and Robo Invest 2020 ApS, ONG Invest Aps and SNG Invest ApS.

Previous assignments: Board member of Teklatech A/S, 2XL2016 ApS, Actimo LATAM Holdco ApS, DTU Science Park A/S, Dialægt/Citatplakat Aps and Komplementarsel, and Landshut Aps. Chair of the board of K/S SDR. Fasanvej, Frederiksberg and MuteBox ApS, Partner of ApS Komplementarselskabet SDR. Fasanvej, Frederiksberg.

Independence in relation to:

- shareholders Yes
- the company Yes



Petra von Rohr

Board member and member of the audit committee
 Born, 1972
 Nationality, SE
 Present position since 2018

Education: Petra von Rohr holds a M.Sc. in Economics and Finance from Stockholm School of Economics and McGill University in Montreal, Canada.

Professional background: Petra von Rohr is currently the CEO of Biocool AB, and she has experience from executive management positions both from the finance industry and the communications industry. Previous to her current position, she was Head of Group Communications at Sweden's largest cable operator Com Hem AB. While she also has experience from working as an equity analyst in London and Stockholm as well as being the CEO of a Stockholm based investment bank. She has extensive experience from working with corporate communication and investor relations.

Other assignments: Board member of Webrock Ventures and Linkfire.

Previous assignments: Member of the Executive Management team of Com Hem AB, Partner of Kreab AB. Board member of The Global Vector Control Standard, Lauritz.com Group A/S, Novare Human Capital and Takkei Trainingsystems AB.

Independence in relation to:

- shareholders Yes
- the company Yes

Executive management



Jesper Søgaard

CEO & Co-Founder
 Born, 1983
 Nationality, DK
 Present position since 2004

Education: Jesper Søgaard holds a M.Sc. in Political Science from the University of Copenhagen.

Professional background: Jesper Søgaard founded Better Collective together with Christian Kirk Rasmussen in 2004 and has been working with and developing the Group's operations since its beginning.

Other assignments: Member of the board of directors of Rådhusolmen A/S, MM PROPERTIES, Over Bølgen A/S, Bet-terNow WORLDWIDE ApS, and Centerholmen A/S. CEO of J. Søgaard Holding ApS, and founding member of Dreamcraft Ventures Management ApS. Member of the executive board of Better Holding 2012 A/S and J. Søgaard holding A/S.

Previous assignments (past five years): Member of the board of directors of Bumble Ventures General Partners ApS, Bumble Ventures Management ApS, Bumble Ventures Invest ApS, Ejendomsselskabet Algade 30-32 A/S, Symmetry Invest A/S, Shiprs Danmark ApS, Scatter Web ApS, Ploomo ApS, Gedoe A/S, and VIGGA.us A/S. Member of the executive board Bumble Ventures SPV ApS.



Christian Kirk Rasmussen

COO & Co-Founder
 Born, 1983
 Nationality, DK
 Present position since 2004

Education: Christian Kirk Rasmussen holds a Bachelor of Commerce from Copenhagen Business School.

Professional background: Christian Kirk Rasmussen founded Better Collective together with Jesper Søgaard in 2004 and has been working with and developing the Group's operations since its beginning.

Other assignments: Member of the board of directors Omnigame ApS and MM Properties ApS. Member of the executive board Chr. Dam Holding ApS, and Better Holding 2012 A/S. Founding member of Dreamcraft Ventures Management ApS.

Previous assignments (past five years): Board member of Bumble Ventures General Partners ApS, Bumble Ventures Management ApS, Bumble Ventures Invest ApS, Scatter Web ApS and Ejendomsselskabet Algade 30-32 A/S. Member of the executive board Yellowsunmedia ApS. Member of the executive board Bumble Ventures SPV ApS.



Flemming Pedersen

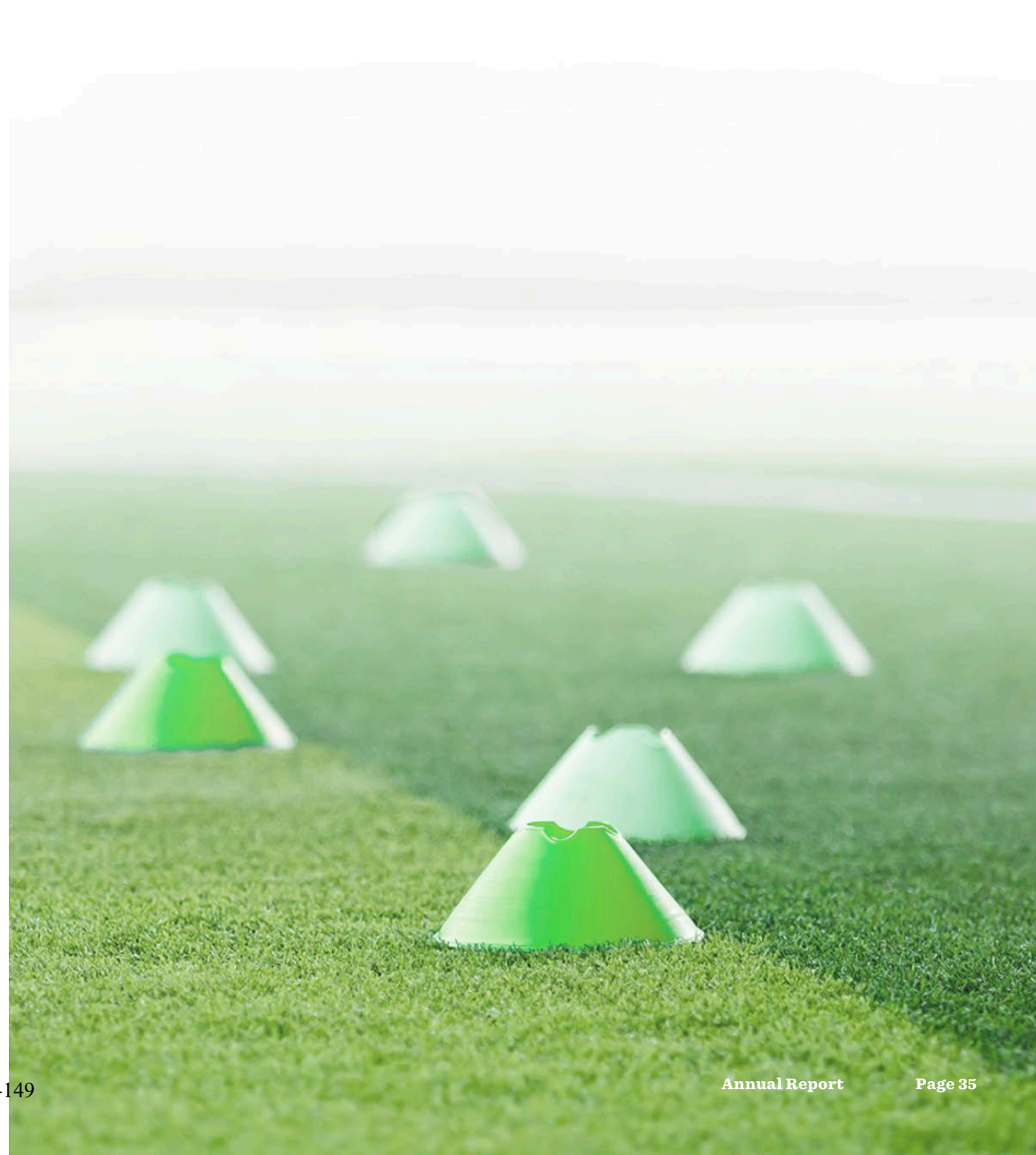
CFO
Born, 1965
Nationality, DK
Present position since 2018

Education: Flemming Pedersen holds a M.Sc. (cand. merc. aud.) and HD (Bachelor of Business Administration) from Copenhagen Business School.

Professional background: Flemming Pedersen has more than 25 years of management experience, whereof more than 20 years in executive positions in public companies. He has served as CFO of ALK-Abelló A/S, and was CEO and president of Neurosearch A/S. He has experience in general management, finance, accounting, tax matters, risk management and capital markets. In addition, he has experience from board positions in both public and private companies in Denmark as well as internationally.

Other assignments: Chair of the Board Mindway AI ApS. Member of the executive board of Naapster ApS.

Previous assignments (past five years): Chair of the board of directors of ALK-Abelló Nordic A/S and Good-stream ApS. Member of the board of directors of MB IT Consulting A/S and MBIT A/S. Member of the executive management of ALK-Abelló A/S.



The BETCO share and shareholders

Better Collective A/S has been listed since June 8, 2018 and is traded on the Nasdaq Stockholm Mid Cap index. The company's ticker is BETCO.

Share price and trading

The closing price for the BETCO share on December 31, 2022 was 127.20 SEK, corresponding to a market cap of approximately 7,015 mSEK. During the period from January 1, 2022 to December 31, 2022, a total of 13,968,255 BETCO shares were traded on the Nasdaq Stockholm exchange at a total value of 2,106 mSEK, corresponding to 25% percent of the total number of BETCO shares on the Nasdaq Stockholm exchange at the end of the period. The average number of shares traded per trading day was approximately 54,143, corresponding to a value of 8.3 mSEK. An average of 504 trades were completed per trading day. The highest price paid during the period

January 1, 2022 to December 31, 2022 was 205.00 SEK on January 3, 2022 and the lowest price paid was 126.00 SEK on October 21, 2022. During the period from January 1, 2022 to December 31, 2022, Better Collective's share price declined 35.4%, while the OMX Mid Cap list decreased by 28.2%.

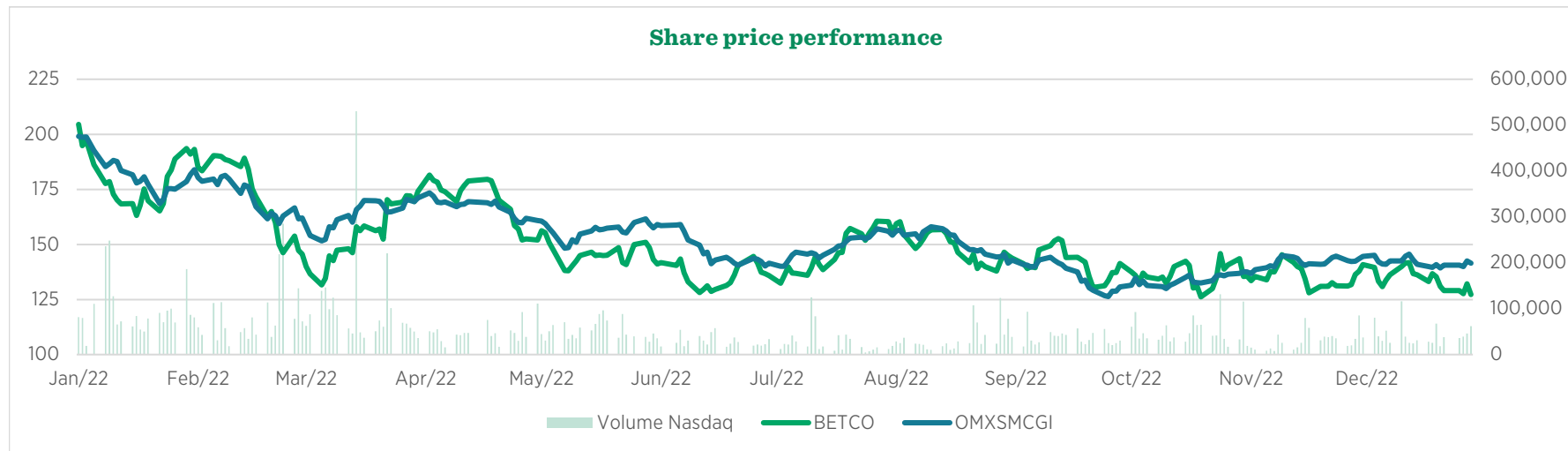
Shareholders

On December 31, 2022, most of the share capital was owned by the company's founders and institutions predominantly in Sweden, Denmark, and the rest of Europe. On December 31, 2022, Better Collective had 3.667 known shareholders, corresponding to a 11.6% decrease

from January 1, 2022. The ten largest shareholders accounted for 63.8% of the votes and share capital. The members of Better Collective's board of directors held a total of 1,636,831 BETCO shares. The executive management held a total of 21,654,324 BETCO shares. The individual holdings can be found on page 26.

Share capital and capital structure

On 31 December 2022, the share capital amounted to 551,496.69 EUR. The total number of shares amounted to 55,149,669. All shares in the market hold equal voting rights and equal rights to the company's earnings and capital.



Analysts

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Share price and trading:

Closing price 2022:	127,2 SEK
Corresponding MCAP (SEK):	7.015.037.897
Total number of shares traded on Nasdaq Stockholm exchange:	13.968.255
Traded total value on Nasdaq Stockholm exchange:	2 106 360 608
Avg. shares traded on Nasdaq Stockholm exchange per day:	54.143
Avg. Traded total value per day on Nasdaq Stockholm exchange (SEK):	8.325.536
Total number of trades on Nasdaq Stockholm exchange:	127.414
Avg. Trades per day on Nasdaq Stockholm exchange	504
Highest price paid between 2022-01-01 to 2022-12-31: (2022-01-03) (SEK)	205
Lowest price paid between 2022-01-01 to 2022-12-31: (2022-10-21) (SEK)	126
Share price change from closing 2021-12-30 to 2022-12-31:	-35,4%
OMX Mid Cap list (OMXSMCGI) change from closing 2021-12-30 to 2022-12-31:	-28,2%

Shareholders:

Known shareholders December 2022:	3.667
Change in number of known shareholders between 2022-01-01 to 2022-12-31: (4149-->3667)	-11,6%
Top ten largest shareholders %:	63,8%

Source: Modular Finance AB. Data compiled from Euroclear, Morningstar, Finansinspektionen, Nasdaq.

Dividend policy

Better Collective has successfully executed an acquisition strategy since 2017, completing 28 acquisitions so far. The M&A-pipeline is strong with the opportunity to acquire large companies. Therefore, the company does not expect to pay dividends until further. The board of directors will revisit the capital structure of the Group annually and evaluate whether to pay dividends. The decision to pay dividends will be based on the company's financial position, investment needs, liquidity position as well as general economic and business conditions. If the board of directors finds it appropriate, dividend pay-out may be partially or wholly substituted by a share buy-back. Thus, the board has proposed that no dividend is paid out for the financial year of 2022.

Individuals with an insider position

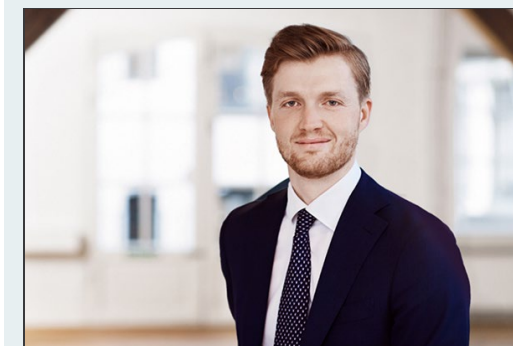
Listed companies are required to record a logbook of individuals who are employed or contracted by the company and have access to insider information relating to the company. These can include insiders, but also other individuals who have obtained inside information. Better Collective records a logbook for each financial report or regulatory release containing information that could affect the share price.

Annual General Meeting 2023

The Annual General Meeting 2023 will take place on April 25, 2023, at 2.00 p.m. For more information, see the section on General Meetings on the company's website.

Investor relations

Better Collective shall provide correct, relevant, and clear information to all its shareholders, the capital market, the society, and the media, at the same time. Information that is deemed to be inside information shall be published so that it reaches the public in a quick, non-discriminatory manner. All important events, that could influence the value of Better Collective, shall be communicated as soon as possible, that is in direct connection with the decision being taken, the election taking place



Investor contact

Mikkel Munch-Jacobsgaard,
 Director of Investor Relations & Corporate Communications
 E-mail: investor@bettercollective.com

or the event becoming known to Better Collective. The Better Collective website, www.bettercollective.com, contains relevant material for shareholders, including the current share price, press regulatory releases, and general information about the company. Better Collective maintains a quiet period of 30 days prior to the publication of interim financial reports. During this period, representatives of the Group do not meet with financial media, analysts or investors.

Financial calendar

April 25, 2023

AGM

May 16, 2023

Interim Financial report Q1

August 22, 2023

Interim Financial report Q2

November 15, 2023

Interim Financial report Q3

Top 10 largest shareholders as at December 31, 2022

Owner	Num. of shares
Jesper Søgaard	10.671.179
Christian Kirk Rasmussen	10.671.179
Chr. Augustinus Fabrikker A/S	2.523.000
Tredje AP-fonden	2.465.982
Andra AP-fonden	2.170.724
Danica Pension	1.838.870
Deka Investments	1.305.100
Teacher Retirement System of Texas	1.275.000
Jesper Ribacka	1.188.000
Knutsson Holdings AB	1.047.871
Top 10 largest shareholders	35.156.905
Other shareholders	19.992.764
Total number of shares	55.149.669

Source: Modular Finance AB. Data compiled from Euroclear, Morningstar, Finansinspektionen, Nasdaq

Sustainability

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Statement of corporate responsibility

cf. the Danish Financial Statements Act sections 99a, 99b, 99d and 107d as well as the EU Taxonomy regulation.



Founder statement

We are pleased to present Better Collective’s sustainability report for the year 2022, which showcases our ongoing commitment to environmental, social and governance (ESG) practices.

Since we founded Better Collective, we have strived to offer entertaining and engaging sports media content for our users. This objective has shaped our vision to become the leading digital sports media group along with our mission to make sports entertainment more engaging and fair. As a leader in the intersection of media and entertainment, with an element of igaming, we reach millions of sports fans. With this position comes an obligation to ensure a responsible and sustainable offering including editorial guidelines, proper segmentation, and safer gambling resources.

Offering transparency in the industry

As we are continually growing our business and adding new entities, we dedicate our attention to initiatives that allow us to grow sustainably. Most importantly, we want

to help sports fans navigate the world of sports betting by having them visit a Better Collective brand before registering an account or placing a bet with a sportsbook. This is important as we only work with licensed sportsbooks in regulated markets. Our US leading sports betting media; Action Network, has an app which is used by millions of sports fans. In this app, we have developed BetSync, which offers users the unique opportunity to track their bets and outcomes across several sportsbooks. This adds transparency and supports a sustainable betting behavior. We are excited about the positive feedback we receive from BetSync users and the transparency we can offer down the line as we onboard more sportsbooks to the solution and explore more geographies for the app.

Playing a key role in channelization

As we operate in regulated markets with licensed sportsbooks, we play an important role in channeling users to the right sportsbooks. In the online marketplace, users will be met with a multitude of offers, some of which are outside the regulated markets which means that user protection measures may not be in place and marketing practices non-compliant. Our objective is to work with partners who proactively address safer gambling and given our position in the value chain, we aim to educate our users while pointing them towards legal sportsbooks.



Our commitment to sustainability

Being a business with operations structured around responsible practices, we find it crucial to support the overall sustainable development of our world and industry. This is why Better Collective committed to incorporate the UN Global Compact and its 10 principles into our strategy, culture, and day-to-day operations in 2019. With this report, which is also our Communication on Progress, we renew our ongoing commitment to the initiative and our continued support for the Sustainable Development Goals (SDGs). As a result of our commitment we always strive to operate in ways that meet fundamental responsibilities in the areas of human rights, labor, environment and anti-corruption. We see our efforts and commitment as constant work which each year gets better, and we strive to supply the data to support transparency of our efforts.

A talented and diverse workforce is key

In 2022, we established a Diversity, Equity & Inclusion topics in the Better Collective Group. A special focus this last year has been actively pursuing a diverse workforce and ensuring equal opportunity to everyone. If we take a quick look at our organization, it is evident that when it comes to females in leadership positions we are – like most other companies in our industry – lagging behind. To speed up our efforts and create awareness, we have

“

We approach diversity and inclusion as drivers in our long-term strategy; building a sustainable business that is here to perform not only today and tomorrow but also far into the future.”

Jesper Søgaard
Co-founder and CEO

recently signed two pledges: The Confederation of Danish Industry’s (DI) Gender Diversity Pledge along with the UN’s Women Empowerment Principles. We genuinely believe that by having a better representation of society in our company and creating a working environment that is inclusive and fair, we will foster an innovative environment and, in the end, become a more sustainable and successful business.

Environmental responsibility

‘To strengthen our sustainability approach, we have been tracking our carbon emissions for the fourth consecutive year. Being an online business, our footprint is limited, and our largest impact comes from our travel activities. With offices across the world, we value the

opportunity to meet in person to create closer ties between teams and similarly for business contacts, not least after being cut off from meetings during the pandemic. That said, we have also fully embraced the virtual meeting facilities and we are carefully considering when to fly. Throughout 2022, we have updated and developed our policies, systems, and processes to manage and mitigate social, governance and environmental risks.

Linking executive pay to ESG targets

We acknowledge that our sustainability reporting and responsibilities require constant attention and resources. Therefore, we have laid a solid foundation upon which a clear vision for our sustainability work continuously can be built. In 2022, we started including ESG goals in the executive management team’s bonus and for 2023 the ESG goals will make up 10% and be based on social KPIs: gender diversity and employee training.

Uncertainty brought on by the Russian invasion of Ukraine

The Russian invasion of Ukraine caused us to suspend business activities related to the Russian market. The impact on our business has been limited and we have no employees or representation in Ukraine, yet we have Ukrainian employees and others with close ties to Ukraine who are deeply affected by the current

situation. We have made donations to humanitarian action and set up a program to aid our Polish colleagues to volunteer in local initiatives.

Looking ahead

Overall, we are proud of the progress we have made this year in our sustainability efforts. We remain committed to building a better, more sustainable future for our company and our stakeholders, and we look forward to continuing to lead by example in the years to come.

Christian Kirk Rasmussen
Co-founder & COO

Jesper Søgaard
Co-founder & CEO

Reporting framework

The present report covers the financial year January 1, 2022, to December 31, 2022, and constitutes our statutory reporting cf. the Danish Financial Statements Act, Sections 99a, 99b, 99d and 107d as well as the EU Taxonomy regulation.

To give our stakeholders an overview of our performances, the report puts forth our current sustainability efforts and presents our focus areas, ambitions, achievements, and goals. The report addresses any relevant social, governance and environmental issues relating to Better Collective’s activities.

Framework and commitments

To operationalise our sustainability strategy we have built on our framework which we introduced in the 2020 sustainability report. In this report, we have further aligned our framework to the Environmental, Social and Governance factors (ESG) and related them to our business operations and key stakeholders. We have made sure that each area contributes to the positive development of the chosen Sustainable Development Goals (SDGs) and/or respects the UNGC ten guiding principles. The report also serves as our Communication on

Progress as we renew our ongoing commitment to the initiative and our continued support for the SDGs. Our overall ambition is to use our leading position to influence and support safer gambling and a sustainable development of society – for the benefit of our employees, shareholders, users, partners, the industry and our business.

Our commitment is founded on respect for the core principles of human rights (including labor rights), the environment (including climate), and anti-corruption as reflected in the UN Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises. This commitment is embedded in our strategy and business operations.

The ESG key figures presented in our reporting take their departure in the ESG key figure overview as published by The Danish Finance Society / CFA Society Denmark, FSR – Danish Auditors, and Nasdaq Copenhagen. The reported data is uploaded to Nasdaq Nordic’s ESG Data Portal certifying Better Collective as a Nasdaq ESG Transparency partner.

Continuity

While we have further aligned our focus areas to the ESG framework, we have ensured continuity in reporting. Our ESG metrics have all been continued from the previous sustainability report and for 2022 we have implemented new data points for increased transparency

and in preparation for the upcoming Corporate Sustainability Reporting Directive to come into force from the financial year 203.

We have discontinued *local communities* as a separate focus area and instead included our ongoing initiatives in *social* and *environmental* respectively.

In the 2020 and 2021 reports we have addressed the Covid-19 pandemic and its impact on the company’s operations and the health and safety of our employees. As the impact was limited and declining in 2021, management has assessed the matter to be non-material for the 2022 report.

Balance

Throughout the report we describe our efforts and achievements whether they are positive or negative. We ensure this by continuing to report on the same metrics year after year and only adding to rather than discontinuing reporting on those metrics.



WE SUPPORT





Materiality assessment

The report primarily focuses on the topics that are considered the most important to our business operations. These topics have been selected and prioritized based on a double materiality assessment performed by Better Collective’s management and the sustainability board. The assessment is carried out as a mix of desk research, internal workshops, questionnaires and dialogue over

time with our primary stakeholders for sustainability, and the board. We consider our stakeholders for sustainability to be our shareholders, our partners and sports fans, our employees, regulatory authorities, and society as a whole. The assessment includes how our activities may affect society negatively and how society may affect the company negatively.

The sustainability data collection in the present report relates to Better Collective’s operations for 2022, and further addresses our ambitions and KPIs for the future both short- and long-term. The outcome of our materiality assessment is listed in the tables below.



Major

- Safer gambling
- Talent attraction and retention
- Employee development
- Diversity, equity and inclusion

Significant

- Business ethics
- Cybersecurity
- Responsible marketing
- Anti-corruption

Moderate

- Data/privacy protection
- Tax transparency
- Climate risk



ESG strategy

Responsibility and sustainability are ingrained elements of Better Collective's business model and have been the cornerstone of our organization since its inception in 2004.



Governance

At all times comply with applicable legislation in the countries in which we are active, and work against corruption in all its forms.



Social

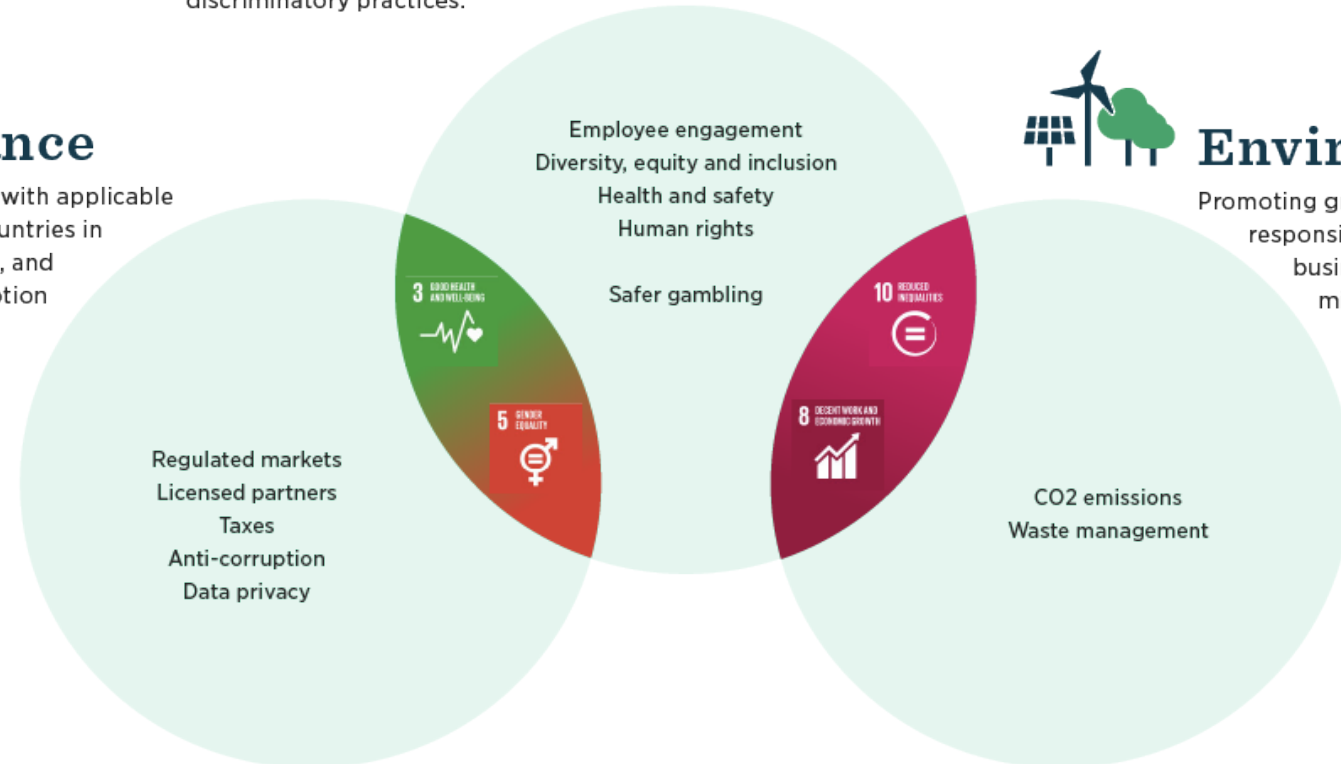
Our people: Foster and uphold an inclusive and diverse workplace by implementing socially responsible conducts and eliminating all discriminatory practices.

Our users: To promote safer gambling through education of users



Environment

Promoting greater environmental responsibility through sustainable business practices and minimising our carbon emissions.





Sustainability governance

Good governance is essential in helping us to run our business responsibly and to meet the ambitious goals in our strategy.

The governance of Better Collective’s sustainability efforts defines the role of the Board and its Committees as well as specifying the powers the Board delegates to our Group Management.

We rely on clear terms of reference for the sustainability board to support and advise us as we put our strategy into action. To further the sustainability agenda, we have put in place a DEI board and a safer gambling board to address these matters across our organization, gathering expertise from relevant teams. The insights from these groups feed into the Group Management and Board’s decision-making.

The Board of Better Collective

Our Board is a diverse one in terms of gender and nationality. Members have expertise that includes wide-ranging board and leadership experience as well as specific skills such as understanding of sustainability, finance, the igaming industry, technology and digital.

The Board has ultimate responsibility for reviewing, monitoring and guiding the strategy of Better Collective, as well as its conduct. Our Board members provide constructive challenges, strategic guidance and specialist advice, bringing their diverse experience to our discussions and decision-making.

The Board has overall accountability for the management and guidance of risks and opportunities, including those associated with aspects of sustainability, such as operating a compliant business, promoting safer gambling, implementing socially responsible conducts, environmental responsibility, and ethical behavior.

See risk management on p. 29 for sustainability risks.

Social

Our people

It is our long-term commitment to foster and uphold an inclusive and diverse workplace by implementing socially responsible conducts and eliminating all discriminatory practices.

Our business is based on specialized expertise and innovation, this is why we see people as a core element in everything that we do. We believe it is crucial to consistently cultivate an inclusive and diverse employment environment that promotes the rights of the individual. These efforts support the SDG 8 in promoting inclusive, sustainable, and productive employment for everyone at Better Collective.

Onboarding and learning

New employees, including those welcomed from acquired companies, are introduced to Better Collective and our policies through an extensive onboarding program. We conduct biannual development dialogues between manager and employee to discuss performance and further development for each individual employee. Our leadership development initiative ensures the continuous professional development of our managers to

match the ever-changing nature of our business. The 2021-2022 program, consisting of 6 seminars, was attended by approximately 100 managers across offices. By supporting the professional and personal development of our managers, we enable them to identify and deal with challenges in their respective teams. Ultimately, such initiatives ensure the well-being of all employees and make Better Collective an attractive and respected workplace.

Measuring our work culture

We conduct an annual workplace survey, and the 2022 results indicated a healthy and effective work environment with engaged and highly motivated employees. Our engagement score of 83% (2021: 87%) is high though fluctuating year to year which may also reflect our continuous growth by new hires and entire teams through acquisitions. The survey returned an unsatisfactory number of harassment cases (11 in 2022 against 9 in 2021). As the survey is anonymous, we can only investigate the cases that are also reported to HR of which we have had none that were considered severe. During the year we implemented anti-harassment training to educate all employees and encourage them to come forward if they experience harassment of any kind for the matter to be dealt with. We will strive to increase openness while working to bring down the number of cases. We recognize the risk for the well-being of the employees exposed to harassment of any kind as well as for our work environment.



Health and safety

We give priority to health and safety at work in compliance with the regulations and standards in the countries in which we operate. We run local health and safety initiatives to assess health and safety risks and to generate preventive solutions. The health and safety committee issues guidelines, performs workplace evaluations, and maintains the fire instructions and evacuation plan. We have implemented a more flexible working schedule as working from home (WFH) has proven efficient for most of our employees, both in terms of productivity and improving the work-life balance. We follow and adhere to the guidelines set out by the authorities where applicable. Depending on local customs, our offices provided employees with internet allowance, IT equipment and office furniture. In this way, we make sure they have the best physical conditions at their home office. We had no reported cases of workplace injuries in 2022 (2021: 0).

► **Sustainability policy**

https://bettercollective.com/wp-content/uploads/2023/03/Sustainability-Policy-Better-Collective_approved-2023.02.21.pdf

► **Code of Conduct**

https://bettercollective.com/wp-content/uploads/2023/03/Better_Collective_Code-of-Conduct_approved-2023-02-21-3.pdf

Diversity and inclusion, cf. §107d

In our business practices and in relation to the composition of our management we aim to level the playing field through gender awareness in recruitment and retention, equal pay, and equal access to training while upholding a zero-tolerance policy against harassment at the workplace. As stated in our diversity manifesto, we are committed to building a diverse team and inclusive culture. Diversity spans across many dimensions, including ethnicity, seniority, nationality, age, gender, education, and religion. Better Collective aims to offer equal opportunities to everyone across our organization and sound policies and benefits are in place for the promotion of diversity and equality. Our Diversity, Equity, and Inclusion (DEI) board involves our employees through employee resource groups in these efforts. It is management's view that the policies are met, as the criteria on diversity and inclusion has taken basis for selection of the board of directors and the other managerial positions in 2022.

Gender distribution

Better Collective is part of a male dominated industry, both in terms of tech and sports betting. To acknowledge this challenge and to further the positive development of SDG 5, diversity and inclusion initiatives have been on our agenda for 2022. To secure that policies are met, 2022 initiatives included awareness of possible bias in our recruitment processes, including training for hiring managers, job ad terminology, and screening. By the end of the year Better Collective group counted 29% of the underrepresented gender (women)

against 30% in 2021 which means we have not made progress towards our goal of reaching 35% by 2030.

Gender distribution in management, cf. §99b

Better Collective has set a target for the board of directors of 35% of the underrepresented gender. The board is made up of two women (33%) and four men (67%) whereby the split is the number that comes closest to 40% without exceeding 40% in a board consisting of six members. This is considered an equal gender distribution by the Danish Business Authority. The board has adjusted the target from 35% to 40% from the year 2023. It is management's view that the board composition meets our policy on additional diversity criteria based on age, nationality, and educational background.

For the other management levels in the company, the gender split in 2022 was 12% women and 88% men. This is a decline from 2021 (17% women and 83% men), though it is partly due to a change in reporting: In preparation for new rules in the Danish Companies Act coming into force in 2023, other management levels include the executive management and their direct reports, which brings the group from six in 2021 to 17 in the 2022 reporting. The technical reasons aside, Better Collective recognizes that gender distribution at the other management level is unsatisfactory. Recruitment and promotion of managers in 2022 did not improve the gender distribution although this was the aim. We will continue the work to increase the share of the underrepresented

gender at all management levels through new initiatives to ensure that both genders are represented in recruitment at the interview stage and similarly that gender is considered in succession planning. The board has set a target for the other management levels of 25% to consist of the underrepresented gender by 2027.

Collaboration and commitment to further gender equality

We recently joined the All-In Diversity Project which is an industry-driven initiative to benchmark diversity, equality, and inclusion for the global igaming sector. We are proud to join as the first non-sportsbook founding member alongside the likes of Entain, Caesars, Betsson, Flutter and Kindred, to provide guidance and support sharing best practices and resources.

We have further shown our commitment to gender equality in signing both the Confederation of Danish Industry's (DI) Gender Diversity Pledge along with the UN's Women Empowerment Principles. The job market is to this day still quite gender-imbalanced and that curbs developments in businesses as well as society. The business community plays a large role in the battle to create a more inclusive society and by joining these initiatives we take part in identifying and taking measures that can make businesses more diverse.



In support of

WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office



Human rights

Better Collective persistently strives to be a responsible corporate citizen, which entails respecting human rights and supporting the protection as well as advancement of human rights. To solidify our commitment, we implemented a human rights policy in early 2022. We have taken the first steps to establish an ongoing human rights due diligence process to move us from commitment to action. So far, we consider our salient human rights issues to relate to our own workforce as currently addressed and mitigated by measures mentioned in the previous pages.

Recently, we have joined hundreds of companies across the globe in UN Global Compact's Business & Human Rights Accelerator to further our learning and implementing best practices in Better Collective. We recognize that failure to comply with human rights and

principles constitutes a risk to those potentially impacted as well as a reputational risk to the company.

Our Academies on tech and marketing

Since 2021, we have been running BC academies in Niš, Serbia, which targets the local youth by encouraging them to enroll in one of the education programs tailored by Better Collective.

Having our own, specially designed training delivered in the form of the SEO (search engine optimization), SEM (search engine marketing), WordPress, fullstack, and quality assurance academies is a key long-term play in ensuring Better Collective can continue to hire best-in-class talents, who already come equipped with the skill sets required and can hit the ground running.

Not only is the academy beneficial to Better Collective, but it also provides an alternative education and subsequently career opportunity for the youth in Niš. By educating the local youth in tech and marketing we also contribute to lowering the general unemployment rate in Serbia. It is a true win-win situation being able to give back to the community while furthering our own competitive edge. In 2022, we enrolled a total of 33 participants across the five subjects.



“

The academy gives young people a chance to discover areas of business that otherwise would be inaccessible. Considering that many jobs today do not require traditional education, it can be difficult to enter these fields or gain enough experience. This is exactly the opportunity Better Collective's academies provided me with.”

Milena Jeremic

PPC Campaign Assistance and Academy graduate

► **Human Rights policy**
https://bettercollective.com/wp-content/uploads/2022/03/Human-Rights-Statement_approved_BoD_2022.02.23.pdf

► **Modern Slavery Act**
https://bettercollective.com/wp-content/uploads/2022/09/Modern-Slavery-Policy_approved_2022.08.22.pdf

Social

Our users

For our users, our long-term commitment is to promote safer gambling through education. Ultimately, the focus on safer gambling and being a responsible business is what grants us our social license to operate.

As a digital sports media group, we derive a significant part of our revenues from our user's engagement in sports betting with our sports book partners Better Collective views sports betting purely as a form of entertainment and wants to make sure that sports fans and employees' betting experiences remain as a form of fun and entertainment. In 2022, we have increased our efforts internally by updating our safer gambling policy and implementing training programs to support a safer approach to betting.

Safer gambling resources

We want to ensure that our users are better suited to navigate the iGaming world by visiting a Better Collective website before registering an account with a sportsbook. We focus on the teaching of strategies and the presentation of insightful information and data to make

our users more confident in their betting. However, we do not, and cannot, guarantee winning – and we will never claim to do so. As Better Collective is not a sportsbook, we rely on our partner operators to scan for user behavior and take action when a sports fan shows signs of at-risk or problem gambling behavior.

We can educate sports fans, e.g., by making sure that they know the legal gambling age, of possible adverse effects of gambling, and prevention. By taking responsibility in protecting end-users from potential negative health-impacts - in this case gambling addiction - and by promoting mental health and well-being through various initiatives, it is our goal to aid the positive advancement of SDG 3.

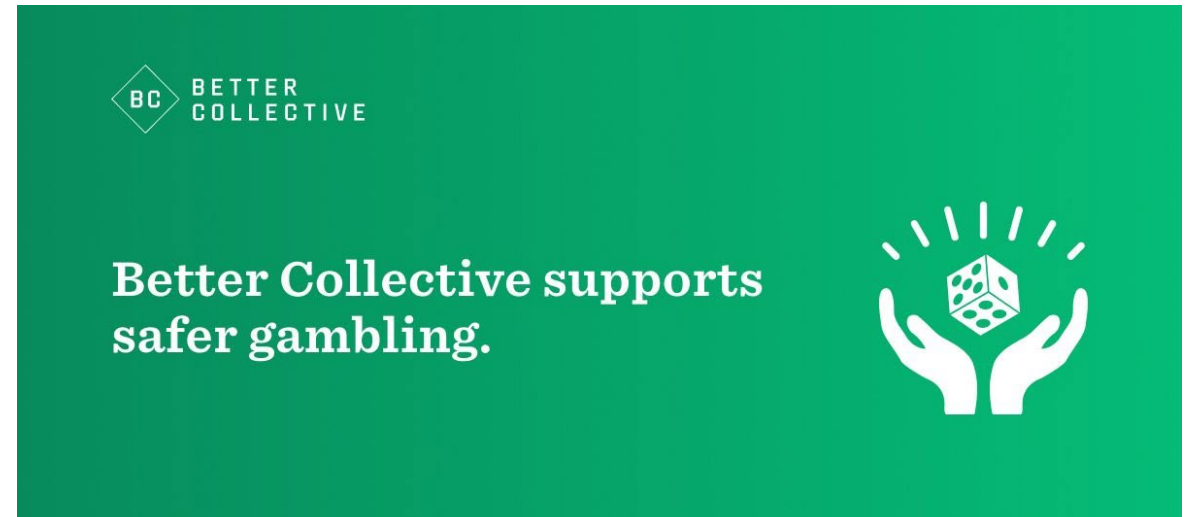
We offer safer gambling resources on our websites, as well as a Betting Academy to educate users. For our employees, we rolled out an updated safer gambling policy in 2022 and launched safer gambling training which will continue in 2023. We have implemented the Gamalyze software on our internal employee platform and we encourage all employees to take the test at least annually.

Collectively we are better

We strongly believe that the long-term sustainability and growth of the sports betting industry is dependent on responsible operations. Evidently, this is not achieved by a single business, but rather by a collective effort across the industry. This is why Better Collective

in 2019 entered into a partnership with our peers Racing Post and Oddschecker to co-found the UK based trade association, Responsible Affiliates in Gambling (RAiG). Through RAiG we promote socially responsible marketing of gambling products and a safer gambling environment for users. As a condition of membership in RAiG, each member is subject to an annual social responsibility audit which is conducted by an independent third party. Again, this year we participated in the Safer Gambling Week, a cross-industry initiative to promote safer gambling in Europe.

Similarly, we are active members of various national associations, one of which is the Danish Online Gambling Association (DOGA). Through DOGA we work to initiate dialogue between all stakeholders in the gambling industry to secure a responsible and safe gambling market in Denmark and other countries. We are also members of the German Association for Telecommunication and Media (DVTM) and the US National Council on Problem Gambling (NCPG).



Creating safer customer journeys with Mindway AI

Mindway AI (part of the Better Collective Group) specializes in supporting the igaming industry with various safer gambling tools and solutions.

Mindway AI is an award-winning company that develops state of the art software solutions for fully automatic monitoring and profiling of gamblers and for identifying, preventing, and intervening in at-risk and problem gambling.

Mindway AI plays an increasingly important role in the iGaming ecosystem supporting operators on a global scale to create safer iGaming experiences. This supports our ambition to make betting safer: while we can't control what operators do, we support them by holding

them to high standards during the customer acquisition process and by providing them with a chance to set the bar higher and take initiative in developing sustainable gaming through Mindway AI tools and software. That way, we are extending our influence in the value chain rather than focusing only on our own area.

of their risk profile and their decision making when they engage in gambling. Drawing in insights from neuroimaging, Gamalyze analyzes each user's decision while they play and generates a report with feedback on the player's strategy and their sensitivity to rewards and losses. It also includes advice tailored to the individual user.

Early detection of at-risk and problem gambling

Mindway AI partners with operators and leading industry organizations with a clear mission to improve player protection in the gambling industry. By combining neuroscience, AI and human expert assessment, the safer gambling software helps operators meet and exceed player protection requirements. The award-winning AI solution GameScanner ensures a fully automated, early detection of at-risk and problem gambling, allowing operators to reach out to players before unhealthy gambling habits escalate.

Making good use of Mindway AI expertise and tools

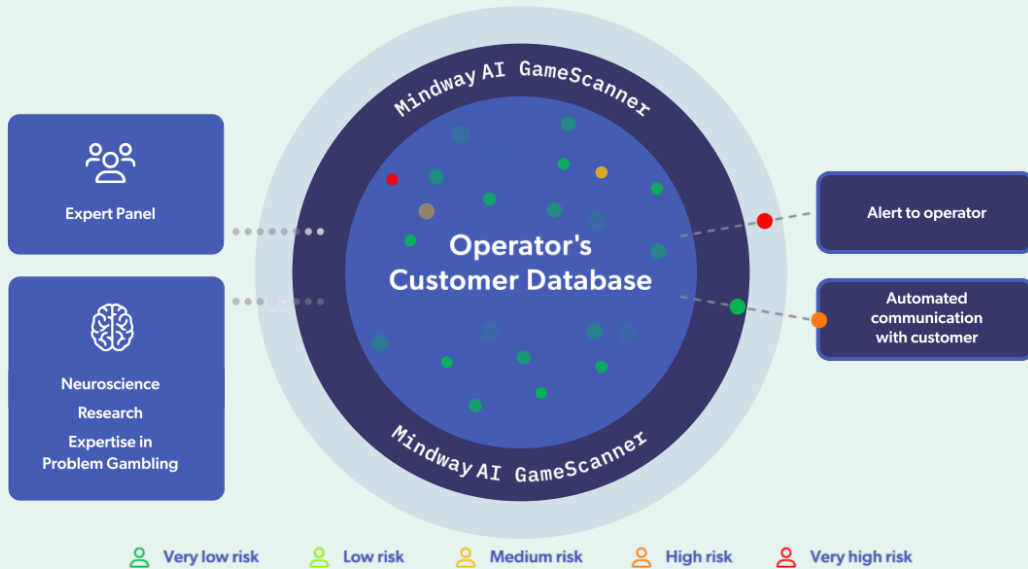
Mindway AI and Better Collective share common goals for safer gambling, and while Mindway AI is run as an independent business, we make good use of the expertise and tools available when offering safer gambling resources on Better Collective platforms. Gamalyze is available to our users on key websites together with insightful articles on safer gambling authored by Mindway AI experts.

This way, we make a real difference for millions of players around the world. GameScanner is already running in nearly 40 jurisdictions in 20 countries boosting operators' player protection, scanning a total of 6.5M active players per month.

We recognize that working in an environment where gambling is normalized makes our employees more exposed to gambling and therefore at a higher risk when it comes to problem gambling. Gamalyze is available to all employees, and we remind everyone at least annually to test their gambling behavior along with training and awareness activities. Furthermore, meeting colleagues across the Group, Mindway AI helps create awareness on safer gambling at internal events and on our Safer Gambling Board.

Gamified reinvention of the self-test

Gamalyze is an award-winning, gamified reinvention of the self-test, making self-testing more user-friendly, engaging, and actionable than typical player questionnaires. Gamalyze helps players develop self-awareness



Governance

It is our long-term commitment to comply with applicable legislation in the countries in which we are active, and work against corruption in all its forms.

At Better Collective, we believe that corporate sustainability starts with our value system and a principles-based approach to doing business. This is reflected in our business ethics where we conduct business in compliance with applicable laws, regulations, and standards. We are subject to a variety of national compliance regulations in the countries where we operate, and to aid in developing a sustainable iGaming environment we solely operate in regulated markets or markets where sports betting is accepted by the authorities.

We seek to develop editorial guidelines, which ensure balanced and compliant marketing messages and include proper segmentation for our activities across different channels using marketing technology to avoid targeting the wrong audience.

Regulation of markets

As sports betting becomes more widespread, more countries are amending or implementing new gambling laws and regulations to protect users and to limit black

market activities. We have processes for being continuously updated on regulation and applying for licenses where relevant. Our in-house legal team is also dedicated to this area, with compliance processes for our websites.

Commitment to compliance

For the fourth consecutive year, Better Collective was awarded for its efforts within compliance at the Vixio Global Regulatory Awards. We seek to educate regulators, politicians, and users on what performance marketing is, what it entails, and to ensure that relevant standards are set for our industry.

We do not engage in cryptocurrency payments. When partnering with operators and reviewing acquisition targets, it is an integrated part of our due diligence process to pay careful attention to any signs of money laundering or fraud - in case of which we choose not to engage.

The Russian invasion of Ukraine caused us to suspend business activities related to the Russian market which was predominantly advertising activities. The impact on our business is limited at an estimated full-year effect on revenue and earnings of approximately 1-2 mEUR in 2022. Better Collective fully supports the sanctions and the signal from corporations in suspending activities.

Anti-bribery and corruption

Better Collective condemns the acts of corruption and bribery. Not only are they illegal; they also pose a threat to our trustworthiness and a risk to our partners, users, and authorities. Our policy on anti-bribery and corruption is included in our Code of Conduct and was updated in 2022 and implemented across the Better Collective group. We aim for 0 reported cases of bribery and corruption, including any behaviors that abuse entrusted power for private gain in Better Collective.

Our whistleblower scheme facilitates anonymous reporting, and we encourage all employees to speak up if they find something to be in breach of our policies. During 2022, we have not received any reports about bribery, facilitation payment, or other forms of corruption nor have we received any other whistleblower reports.

Code of Conduct

Throughout our organization we promote our Code of Conduct as a guide for all employees on the standards and values of a compliant and responsible business. The Code of Conduct also outlines that all employees are to report on gifts, meals, and entertainment (received and offered) to track and prevent conflicts of interest. Our efforts within governance advance overall sustained, inclusive, and sustainable economic growth while they also secure full and productive employment and decent work for our employees - all of which support SDG 8.

- ▶ **Data ethics policy**
https://bettercollective.com/wp-content/uploads/2022/09/Data-Ethics-Policy_approved_2022.08.22.pdf
- ▶ **Code of Conduct**
https://bettercollective.com/wp-content/uploads/2023/03/Better_Collective_Code-of-Conduct_approved-2023-02-21-3.pdf

Data ethics report

We have developed a policy for data ethics in light of Section 99d of the Danish Financial Statements Act and this section serves as our report on data ethics for the financial year 2022. The data ethics policy outlines a set of data ethics principles that support ethical decision making when using data across Better Collectives activities. We employ data to provide our users with a unique and educational experience whenever they visit our websites and/or engage in our communities. To give our users the best and most relevant experience possible, we process various categories of data including user-related data and personal data. In 2022, we adjusted the data ethics policy. Planned activities for 2023 include establishing a process and governance setup to handle and evaluate data ethics reporting.

Environment

Better Collective has always been committed to making responsible decisions across all operations – this is also the case when it comes to our impact on the environment.

It is our long-term commitment to implement a precautionary approach to environmental challenges and minimize our carbon emissions. As we are an online business, our environmental impact is relatively small. Climate changes generally pose little risk to our current and future operations as we have no physical supply chain, and as such, we can operate almost anywhere. Still, we aim to minimize our carbon footprint and we are working towards setting a reduction target. Our environmental policy is included in our sustainability policy.

Key emissions factors

Business travel is one of BCs principal sources of carbon emissions and has a significant impact on our ambition to lower our carbon footprint. When making travel decisions, the environmental and economic impacts must be taken into account and weighed against the expected benefits of meeting in person. The booking principles, including low-carbon options, are included in the Better Collective Travel Policy.

Besides travel, server hosting, IT and office equipment, and food supplies make up most of our carbon intense procurement. When choosing suppliers, considerations of environmental factors must be considered. In 2022, we started including server hosting in our scope 3. Our range of websites are hosted at data centers with a conscious approach to the environment and a significant purchase of renewable energy (92% of estimated emissions in 2021-2022). Our next steps in scope 3 mapping include our procurement of IT and office equipment as well as food supplies.

Garbage with a significant negative environmental effect (such as batteries, IT equipment, etc.) should be reused when possible or disposed of according to governmental recommendations. Old IT equipment, to an increasing degree, is disposed of by a third party based on environmentally responsible practices (where available) or re-used for private purposes by employees. Food waste should be kept to a minimum. We do so by working with our caterers and regulating our consumption daily.

The Sustainable Beekeeping Initiative

Better Collective Serbia had the opportunity to participate in an exciting urban beekeeping project. We placed one of our beehives in a business apiary in Belgrade. The project was collaborative, with Nordic Business Alliance companies playing a significant role in its implementation.

While the project produced some delicious honey, our involvement extended far beyond that. We saw this as an opportunity to learn from the bees and incorporate their work into our business practices. We shared this knowledge with our employees and partners to help promote sustainable and environmentally friendly practices throughout our industry.

The project lasted throughout the year and concluded this spring. We are proud to have been a part of such an initiative, and our involvement helped to impact both our industry and the environment positively. We're also planning to continue exploring ways to incorporate what we've learned into our business practices in the future.



Social metrics

The data in the following accounts is based on information registered in and retrieved from HR's software system. Our continued growth through M&As means that newer offices are not accounted for with the same accuracy as our long-standing operations.

Average number of full-time work force (FTE)

The average number of full-time employees as stated in the annual accounts 2022.

Total headcount (HC)

The total headcount by the end of 2022.

Gender diversity

The percentage of the underrepresented gender (women) in the workforce at the end of 2022.

Gender diversity top management

The percentages of the underrepresented gender (women) at the other management levels (in addition to the board of directors) at the end of 2022. Note the change in principle from 2021 to 2022: In preparation for new rules in the Danish Companies Act coming into

force in 2023, other management levels include the executive management and their direct report, which brings the group from six in 2021 (executive management and SVP/VP) to 17 in the 2022 reporting.

Gender pay ratio

The gender pay ratio is calculated as the median male salary divided by the median female salary (the underrepresented gender), per country and collated as a weighted average for the group. Salaries include pension and excludes bonus, incentive programs and other benefits. The 2019 and 2020 figures have been recalculated.

Employee turnover

Employee turnover is defined as voluntary and involuntary leaves (headcount) divided by the number of employees and converted to a percentage rate. Resignations and dismissals have been specified and added in the 2022 reporting.

Sickness absence

The number of sick days for all HCs for the period divided by total HC. Action Network was left out of the calculations as it was not possible to gather information on sick days.

Employee engagement and response rate

Based on the average responses to five specified questions in our better workplace evaluation 2022.

Reported cases of harassment

Based on anonymous reports in our better workplace evaluation. The nature of harassment is unknown.

Reported workplace injuries

Number of reported workplace injuries as reported to HR.

Nationalities

Number of nationalities.

Corporate income tax

Total income tax for 2022.

► Tax policy

https://bettercollective.com/wp-content/uploads/2023/01/Better_Collective_Tax_Policy_approved_2022.08.22.pdf

Social	Unit	Target	2022	2021	2020	2019
Average number of FTE	FTE		878	635	420	364
Total headcount	HC		949	781	476	428
Gender diversity	%	35	29	30	30	31
Gender diversity top management	%	35	12	17	17	17
Gender pay ratio	Times	1	1.10	1.19	1.20	1.19
Employee turnover ratio	%		18.25	16.86	21.15	13.79
- Resignations	%		12.33	14.96	10.46	9.38
- Dismissals	%		5.93	1.90	10.68	4.41
Sickness absence	Days per HC		2.37	1.12	1.13	2.04
Employee engagement	%	80	83	87	85	-
Employee engagement response rate	%	80	75	91	-	-
Reported cases of harassment	Number	0	11	9	12	-
Reported workplace injuries	Number	0	0	0	0	-
Nationalities	Number		43	35	30	30
Corporate income tax	mEUR		16.89	12.60	6.00	5.00

Governance metrics

Gender diversity, board

Percentage of the underrepresented gender (women) on the board of directors elected at the Annual General Meeting. The board has a 67% (men) and 33% (women) split, which is the number that comes closest to 40% without exceeding 40% in a board consisting of six members and thereby considered an equal gender distribution by the Danish Business Authority. The target figure of 35% was reached in 2021. To signal a continued commitment to gender diversity, the board has increased the target from 35% to 40% from the year 2023.

Board meeting attendance rate

Percentage of board meetings attended per board member including board committee meetings (Audit committee and Remuneration committee respectively).

Breaches of customer privacy

Number of complaints for the breach of consumers' privacy including complaints from official data protection authorities. Any complaints under investigation will be included once investigation is finalized.

Reported cases of bribery or corruption

Number of cases reported to HR, in the whistleblower scheme or otherwise.

Whistleblower reports

Number of whistleblower reports received in 2022.

CEO pay ratio

CEO pay ratio is calculated as the CEO salary including bonus, pension and warrants divided by the median employee salary. Note that in 2020, the CEO waived his base salary in the second quarter in light of the COVID-19 pandemic impact.

Governance	Unit	Target	2022	2021	2020	2019
Gender diversity, board	%	35	33	33	17	20
Board meeting attendance rate	%	>95	99	96	97	100
Breaches of customer privacy	Number	0	0	0	-	-
Reported cases of bribery or corruption	Number	0	0	0	-	-
Whistleblower reports	Number		0	0	0	0
CEO pay ratio	Times		12.61	10.27	8.27	9.12

Our Carbon emissions



Direct Emissions
from Operations

site gas, company car travel

Scope 1

10.00 tCO₂e



Indirect Emissions from
purchased electricity

electricity generation,
district heating generation

Scope 2

50.32 tCO₂e



All other emissions in the
company value-chain

flights, commuting, server hosting

Scope 3

1,362.50 tCO₂e

Environmental metrics

Environmental data covers our 21 sites across 11 countries.

The GHG report has been prepared in accordance with Part 1 of ISO 14064: 2018. The GHG inventory, report, or statement has not been verified. The GHG calculation and report has also been prepared in accordance with The Greenhouse Gas Protocol Corporate Standard. The GHG inventory, report, or assertion has not been separately verified. The carbon footprint appraisal is derived from a combination of our own data collection and data computation by Carbon Footprint’s analysts.

Carbon Footprint’s analysts have calculated Better Collective’s footprint using the 2022 conversion factors developed by the UK Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). These factors are multiplied with the company’s GHG activity data. Carbon Footprint has selected this preferred method of calculation as a government recognized approach and uses data which is realistically available from the client,

particularly when direct monitoring is either unavailable or prohibitively expensive.

CO₂ emissions scope 1

Scope 1 comprises CO₂ emissions from heating using oil and gas and from the usage of company cars.

CO₂ emissions scope 2

Scope 2 comprises CO₂ emissions from heating and electricity supplied by external suppliers.

CO₂ emissions scope 3

Scope 3 comprises CO₂ emissions from business travel by public transportation including flights, working from home and employee commutes, as well as district heating distribution and electricity transmission and distribution. Due to the COVID-19 pandemic, we travelled significantly less in 2020 and 2021.

CO₂ emissions per average

FTE CO₂ emissions per employee (tons/average FTW) is calculated on the basis of the total amount of CO₂ emissions (tons) and the average number of full time employees (FTE).

CO₂ emissions per mEUR revenue

CO₂ emissions per mEUR revenue (tons/mEUR revenue) are calculated based on the total amount of CO₂ emissions (tons) and the revenue in mEUR as stated in the annual accounts 2022.

Environmental	Unit	Target	2022	2021	2020	2019
CO ₂ e, scope 1	Metric tons		10.00	73.88	73.53	13.95
CO ₂ e, scope 2	Metric tons		50.32	70.08	49.99	215.14
CO ₂ e, scope 3	Metric tons		1,362.50	346.42	176.88	730.14
Total tons of CO ₂ e	Metric tons		1,422.82	490.38	300.41	959.24
Tons of CO ₂ e per employee	Times		1.62	0.77	0.72	2.92
Tons of CO ₂ e per mEUR turnover	Times		5.28	2.77	3.30	15.76

Assessment by scope and source activity

Flights

Report from travel provider with manual additions of direct bookings

Home-workers

Employee survey, 48% response rate. Apportioned to account for the employees which did not respond.

Commuting

Employee survey, 48% response rate. Apportioned to account for the employees which did not respond.

Hotel stays

Report from travel provider with manual additions of direct bookings

Rail, taxi, bus travels and hire cars

Based on cost and distance

Electricity transmissions & distribution

Primarily utility bills. For the sites where electricity consumption information was not available, but other sites are located within the same country with a complete dataset, this was apportioned based on employee numbers

at the site with the complete dataset and used the number of staff working at the site

Server hosting

Report from server hosting provider, 12 month period from October 1, 2021 to September 31, 2022.

Water (and waste water)

Utility bills for all but one office (calculated based on per person consumption in nearby office)

		2022			
Assessment by scope and source activity (tCO2e)		2021	2020	2019	
Scope 1	Site gas	9.43	67.50	65.68	1.84
	Company car travel	0.57	6.38	7.86	12.12
Scope 1 total		10.00	73.88	73.54	13.96
Scope 2	Electricity generation	50.32	66.77	49.99	215.14
	District heating generation	-	3.32	-	-
Scope 2 total		50.32	70.09	49.99	215.14
Scope 3	Flights	915.48	164.38	126.67	711.84
	Home-workers	144.68	103.69	42.39	-
	Commuting	198.47	62.52	-	-
	Rail travel	3.74	8.81	2.34	3.24
	Electricity transmission & distribution	4.76	5.34	2.52	12.37
	Taxi travel	5.36	1.43	1.81	1.68
	District heating distribution	-	0.17	-	-
	Bus travel	3.64	0.08	0.01	1.01
	Server hosting	1.60	-	-	-
Company electric vehicles (charged off-site)	0.61	-	-	-	
Scope 3 total		1,278.34	346.42	176.88	730.14
Total		1338.66	490.39	300.41	959.24

EU Taxonomy

KPI for Revenue

Better Collective's main activities within sports media and entertainment is excluded from the taxonomy under 13.1 Creative, arts and entertainment activities. To ascertain whether Better Collective has any other economic activities which could be eligible for the taxonomy, the group has made an analysis of the business which has not returned any other economic activities that are eligible under the taxonomy. Better Collective thus reports no eligible revenue for any eligible activities.

KPI for CAPEX

CAPEX is calculated as the 'Addition of tangible and intangible assets', which is generated from note 12 and 14 of the consolidated financial statements. Included in the figures is the value from leasing of office buildings (Capitalized under IFRS16). Of the eligible activities, none was assessed as Taxonomy-aligned.

KPI for OPEX

Better Collective has made an analysis of OPEX which has not returned any economic activities that are eligible under the taxonomy.

Revenue	Absolute Revenue tEUR	Proportion of Revenue	Substantial contributions %		Minimum safe-guards	Taxonomy aligned Revenue	Category	
			Climate change mitigation	Climate change adaptation				
Taxonomy aligned activities - none	0	0%	n/a	n/a	-	n/a	0%	n/a
Taxonomy eligible but not aligned activities - none	0	0%						
Taxonomy non-eligible activities	269,297	100%						
Total	269,297	100%	n/a	n/a	n/a	n/a	n/a	n/a

CAPEX	Absolute CAPEX tEUR	Proportion of CAPEX	Substantial contributions %		Minimum safe-guards	Taxonomy aligned Revenue	Category	
			Climate change mitigation	Climate change adaptation				
Taxonomy aligned activities - none	0	0%	n/a	n/a	-	n/a	0%	n/a
Taxonomy eligible but not aligned activities	7,045	5%						
Taxonomy non-eligible activities	144,522	95%						
Total	151,568	100%	n/a	n/a	n/a	n/a	n/a	n/a

OPEX	Absolute OPEX tEUR	Proportion of OPEX	Substantial contributions %		Minimum safe-guards	Taxonomy aligned Revenue	Category	
			Climate change mitigation	Climate change adaptation				
Taxonomy aligned activities - none	0	0%	n/a	n/a	-	n/a	0%	n/a
Taxonomy eligible but not aligned activities - none	0	0%						
Taxonomy non-eligible activities	184,222	100%						
Total	184,222	100%	n/a	n/a	n/a	n/a	n/a	n/a

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Statement by management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Better Collective A/S for 2022.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at December 31, 2022 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year January 1 – December 31, 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, results of operations, cash flows and financial position as well as a description of material risks and uncertainties that the Group and the Parent Company face.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, March 23, 2023

Executive Management

Jesper Søgaard
CEO & Co-founder

Christian Kirk Rasmussen
COO & Co-founder
Executive Vice President

Flemming Pedersen
CFO
Executive Vice President

Board of Directors

Jens Bager
Chair

Todd Dunlap

Therese Hillman
Vice Chair

Klaus Holse

Leif Nørgaard

Petra von Rohr

Independent Auditors' Report

To the shareholders of Better Collective A/S

Opinion

We have audited the consolidated financial statements and the Parent Company financial statements of Better Collective A/S for the financial year January 1 – December 31, 2022, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies, for the Group and the Parent Company. The consolidated financial statements and the Parent Company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the Parent Company financial statements give a true and fair view of the financial position of the Group and the Parent Company at December 31, 2022 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year January 1 – December 31, 2022 in accordance with International Financial Reporting Standards as adopted by the EU and

additional requirements of the Danish Financial Statements Act.

Our opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors..

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the Parent Company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

To the best of our knowledge, we have not provided any prohibited non-audit services as described in article 5(1) of Regulation (EU) no. 537/2014.

Appointment of auditor

On June 8, 2018, Better Collective A/S completed its Initial Public Offering and was admitted to trading and official listing on Nasdaq Stockholm. Subsequent to Better Collective A/S being listed on Nasdaq Stockholm, we were initially appointed as auditor of Better Collective A/S on April 25, 2019 for the financial year 2019. We have been reappointed annually by resolution of the general meeting for a total consecutive period of 4 years up until and including the financial year 2022.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year 2022. These matters were addressed during our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section, including in relation to the key audit matters below. Accordingly, our audit included the

design and performance of procedures to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Valuation of goodwill, domains and websites

Goodwill as well as domains and websites with indefinite life are not subject to amortisation, but are reviewed annually for impairment, or more frequently if any indicators of impairment are identified. Valuation of goodwill, domains and websites is significant to our audit due to the carrying values as well as the management judgement involved in the assessment of the carrying values, assessment of indefinite life and judgements involved in impairment testing of the goodwill, domains and websites.

Management prepares and reviews impairment tests for each cash-generating unit.. Impairment testing is based on the estimated recoverable amounts of the assets, which for this purpose are determined based on the value in use. The value in use is based on a discounted cash flow (DCF) model and is calculated for each cash-generating unit and for each individual significant acquisition.

Refer to note 13 in the consolidated financial statements and to note 13 in the financial statements for the parent company.

How our audit addressed the above key audit matter

Our audit procedures included:

- Assessment of the indefinite life assumption including examination of data provided by management and other sources as well as inquiries to management and comparison with industry practice and comparable companies.
- Assessment of internal procedures related to estimating future cash flows, preparation of budgets and forecasts.
- Evaluation of the value-in-use model prepared by Management, including consideration of the cash-generation units defined by Management and the valuation methodology and the reasonableness of key assumptions and input based on our knowledge of the business and industry together with available supporting evidence such as available budgets and externally observable market data related to interest rates, etc.
- Evaluation of the disclosures provided by Management in note 13 to the consolidated financial statements and in note 13 to the Parent Company financial statements to applicable accounting standards.

Revenue recognition

The Group's revenue consists of four different revenue streams, that either are recognized at a point in time or over time. Further, the Group has agreements with operators that include variable consideration, which is recognized based on expected performance for the contract period.

Revenue recognition and measurement of the related variable consideration for the Group was a matter of most significance in our audit due to the inherent risk in the estimates and judgements which Management makes in the normal course of business as to timing of revenue and measurement of variable consideration.

For details on the revenue, reference is made to note 4 in the consolidated financial statements.

How our audit addressed the above key audit matter

Our audit procedures included:

- Test of recognized revenue and related variable considerations to agreements with operators, and test to supporting data from the operators.
- Data analytical procedures to test completeness, accuracy, and timing of the recognition of revenue and related variable consideration.
- Test of revenue accruals, revenue deferrals and sales transactions, recognized before and after the balance sheet date to contracts and other

supporting documentation to assess proper revenue cut-off.

- Assessment whether the applied revenue recognition criteria follow the Group's accounting policies as disclosed in note 4 to the consolidated financial statements.
- Evaluation of the disclosures provided by Management in note 4 to the consolidated financial statements to applicable accounting standards.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and Parent Company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional

omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated

financial statements and the Parent Company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on compliance with the ESEF Regulation

As part of our audit of the Consolidated Financial Statements and Parent Company Financial Statements of Better Collective A/S, we performed procedures to express an opinion on whether the annual report of Better Collective A/S for the financial year January 1 – December 31, 2022 with the file name bettercollective-2022-12-31-en.zip is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the Consolidated Financial Statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the

taxonomy, for all financial information required to be tagged using judgement where necessary;

- Ensuring consistency between iXBRL tagged data and the Consolidated Financial Statements presented in human readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the Consolidated Financial Statements including notes;

- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited Consolidated Financial Statements.

In our opinion, the annual report for the financial year January 1 – December 31, 2022 with the file name bettercollective-2022-12-31-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Copenhagen, March 23, 2023

EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

Jan C. Olsen
State Authorised
Public Accountant
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Consolidated statement of profit and loss

Note	tEUR	2022	2021
4	Revenue	269,297	177,051
	Direct costs related to revenue	92,227	64,863
5, 6	Staff costs	68,639	40,813
7	Other external expenses	23,356	15,600
	Operating profit before depreciation and amortization (EBITDA) and special items	85,075	55,775
14	Depreciation	2,321	1,764
	Operating profit before amortization (EBITA) and special items	82,754	54,011
12	Amortization and impairment	12,347	8,516
	Operating profit (EBIT) before special items	70,407	45,495
8	Special items, net	- 54	- 16,746
	Operating profit	70,353	28,749
9	Financial income	4,198	3,383
10	Financial expenses	9,587	5,905
	Profit before tax	64,964	26,227
11	Tax on profit for the period	16,888	8,936
	Profit for the period	48,075	17,292
	Earnings per share attributable to equity holders of the company		
	Average number of shares	54,363,312	50,541,901
	Average number of warrants - converted to number of shares	2,495,614	2,334,756
	Earnings per share (in EUR)	0.88	0.34
	Diluted earnings per share (in EUR)	0.85	0.33

Consolidated statement of comprehensive income

Note	tEUR	2022	2021
	Profit for the period	48,075	17,292
	Other comprehensive income		
	<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
	Currency translation to presentation currency	- 905	- 300
	Currency translation of non-current intercompany loans	17,030	16,498
11	Income tax	- 3,747	- 3,629
	Net other comprehensive income/loss	12,379	12,568
	Total other comprehensive income/(loss) for the period, net of tax	60,454	29,860
	Attributable to:		
	Shareholders of the parent	60,454	29,860

Consolidated balance sheet

Note	tEUR	2022	2021
	Assets		
	Non-current assets		
12, 13	Intangible assets		
	Goodwill	183,942	178,182
	Domains and websites	460,513	329,276
	Accounts and other intangible assets	27,016	12,453
	Total intangible assets	671,471	519,911
14	Property, plant and equipment		
	Right of use assets	6,269	2,708
	Leasehold improvements, Fixtures and fittings, other plant and equipment	2,574	1,657
	Total property, plant and equipment	8,843	4,365
	Other non-current assets		
	Deposits	726	660
11	Deferred tax asset	9,165	9,545
	Total other non-current assets	9,891	10,204
	Total non-current assets	690,204	534,481
	Current assets		
15	Trade and other receivables	53,179	30,083
11	Corporation tax receivable	6,423	500
	Prepayments	3,926	2,223
20	Restricted Cash	0	1,489
20	Cash	31,497	28,603
	Total current assets	95,025	62,898
	Total assets	785,229	597,379

Note	tEUR	2022	2021
	Equity and liabilities		
16	Equity		
	Share Capital	551	546
	Share Premium	272,550	267,873
	Currency Translation Reserve	23,177	10,798
	Treasury Shares	- 7,669	- 8,074
	Retained Earnings	124,307	73,705
17	Proposed Dividends	0	0
	Total equity	412,917	344,848
	Non-current Liabilities		
20	Debt to credit institutions	201,708	121,025
19	Lease liabilities	4,962	1,521
11	Deferred tax liabilities	78,167	69,595
20	Other long-term financial liabilities	22,407	4,939
	Total non-current liabilities	307,244	197,079
	Current Liabilities		
	Prepayments received from customers and deferred revenue	8,023	3,400
18	Trade and other payables	22,252	18,393
11	Corporation tax payable	5,221	1,735
20	Other financial liabilities	26,865	10,683
20	Contingent Consideration	0	19,893
20	Debt to credit institutions	1,055	0
19	Lease liabilities	1,653	1,347
	Total current liabilities	65,068	55,452
	Total liabilities	372,312	252,531
	Total Equity and liabilities	785,229	597,379

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, 2022	546	267,873	10,798	- 8,074	73,705	0	344,848
Result for the period	0	0	0	0	48,075	0	48,075
Other comprehensive income							
Currency translation	0	0	16,125	0	0	0	16,125
Tax on other comprehensive income	0	0	- 3,747	0	0	0	- 3,747
Total other comprehensive income	0	0	12,379	0	0	0	12,379
Total comprehensive income for the year	0	0	12,379	0	48,075	0	60,454
Transactions with owners							
Capital Increase	5	4,677	0	0	0	0	4,683
Acquisition of treasury shares	0	0	0	- 14,250	0	0	- 14,250
Disposal of treasury shares	0	0	0	14,656	842	0	15,498
Share based payments	0	0	0	0	1,713	0	1,713
Transaction cost	0	0	0	0	- 28	0	- 28
Total transactions with owners	5	4,677	0	406	2,526	0	7,615
At December 31, 2022	551	272,550	23,177	- 7,669	124,307	0	412,917

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, 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.

Consolidated statement of cash flow

Note	tEUR	2022	2021
	Profit before tax	64,964	26,227
	Adjustment for finance items	5,389	2,522
	Adjustment for special items	54	16,746
	Operating Profit for the period before special items	70,407	45,495
	Depreciation and amortization	14,668	10,280
	Other adjustments of non-cash operating items	1,690	- 531
	Cash flow from operations before changes in working capital and special items	86,765	55,245
21	Change in working capital	- 16,949	- 4,040
	Cash flow from operations before special items	69,816	51,204
	Special items, cash flow	- 1,393	- 5,997
	Cash flow from operations	68,423	45,207
	Financial income, received	1,682	3,702
	Financial expenses, paid	- 5,666	- 4,693
	Cash flow from activities before tax	64,439	44,216
	Income tax paid	- 16,239	- 12,654
	Cash flow from operating activities	48,200	31,562
22	Acquisition of businesses	- 14,337	- 207,900
12	Acquisition of intangible assets	- 96,452	- 11,591
14	Acquisition of property, plant and equipment	- 1,804	- 687
14	Sale of property, plant and equipment	16	972
	Change in other non-current assets	- 55	- 12
	Cash flow from investing activities	- 112,632	- 219,219

Note	tEUR	2022	2021
20	Repayment of borrowings	- 215,993	- 87,069
20	Proceeds from borrowings	296,665	139,373
	Lease liabilities	- 1,274	- 1,147
	Other non-current liabilities	0	- 844
	Capital increase	618	148,893
	Treasury shares	- 14,250	- 8,143
	Transaction cost	- 28	- 2,305
	Cash flow from financing activities	65,737	188,759
	Cash flows for the period	1,306	1,102
	Cash and cash equivalents at beginning	30,093	28,053
	Foreign currency translation of cash and cash equivalents	99	938
	Cash and cash equivalents period end*	31,497	30,093
	Cash and cash equivalents period end		
	Restricted cash	0	1,489
	Cash	31,497	28,603
	Cash and cash equivalents period end	31,497	30,093

Cashflow statement – specifications

Note	tEUR	2022	2021
	Acquisition of business combinations:		
22	Net Cash outflow from business combinations at acquisition	0	- 179,732
	Business Combinations deferred payments from current period	0	- 2,159
	Deferred payments - business combinations from prior periods	- 14,337	- 26,010
	Total cash flow from business combinations	- 14,337	- 207,900
	Acquisition of intangible assets:		
12	Acquisitions through asset transactions	- 144,522	- 14,297
	Deferred payments related to acquisition value	29,408	3,535
	Deferred payments - acquisitions from prior periods	- 121	- 70
	Intangible assets with no cash flow effect	24,325	0
	Other investments	- 5,541	- 759
	Total cash flow from intangible assets	- 96,452	- 11,591

	2022	2021
Cashflow from Equity movements:		
Equity movements with cashflow impact - from cash flow statement:		
Capital increase	618	148,893
Treasury shares	- 14,250	- 8,143
Transaction cost	- 28	- 2,305
Total equity movements with cash flow impact	- 13,661	138,446
Non-cash flow movements on equity:		
New shares for M&A payments	4,065	10,232
Treasury Shares used for payments	15,498	82
Share based payments - warrant expenses with no cash flow effect	1,713	3,688
Total equity movements with no cash flow impact	21,275	14,002
Total Transactions with owners - Consolidated statement of changes in equity	7,615	152,447

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Notes

1. Accounting policies

General

The financial statements section of the annual report for the period January 1 – December 31, 2022 comprises both the consolidated financial statements of Better Collective A/S and its subsidiaries (the Group or the Better Collective Group) and the separate parent company financial statements (the Parent). The comparative figures cover the period January 1 – December 31, 2021.

The consolidated financial statements of Better Collective A/S have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies. Better Collective A/S is incorporated and domiciled in Denmark.

The Board of Directors and the Executive Board have discussed and approved the annual report for Better Collective A/S on March 23, 2023. The annual report will be presented to the shareholders of Better Collective A/S for adoption at the annual general meeting on April 25, 2023.

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 2022 have been adopted. The implementation of these new or amended standards and interpretations had no material impact on the financial statements.

The accounting policies have been applied consistently during the financial year and for the comparative figures. For standards implemented prospectively the comparative figures are not restated.

New financial reporting standards not yet adopted.

The IASB has issued several new or amended standards and interpretations with effective date after December 31, 2022. None of the standards are expected to have a significant effect for Better Collective A/S.

Basis for preparation

The annual report for the Group and the parent company has been prepared in accordance with IFRS as adopted by the EU and additional Danish disclosure requirements for listed companies.

Presentation currency

The Group's consolidated financial statements and parent financial statements are presented in Euro (EUR), and the parent company's functional currency is Danish Kroner (DKK). In general, rounding will occur and cause variances in sums and percentages in the consolidated and parent company financial statements.

Foreign currencies

For each of the reporting entities in the Group, including subsidiaries and foreign associates, a functional currency is determined. The functional currency is the currency used in the primary financial environment in which the reporting entity operates. Transactions denominated in currencies other than the functional currency are foreign currency transactions.

On initial recognition, foreign currency transactions are translated to the functional currency at the exchange rate on the transaction date. Foreign exchange differences arising between the rate on the transaction date and the rate on the date of settlement are recognized in profit or loss as financial income or financial expenses.

At the end of a reporting period, receivables and payables and other monetary items denominated in foreign currencies are translated to the functional currency at the exchange rate on the balance sheet date.

The difference between the exchange rates on the balance sheet date and on the date the receivable or payable was recognized in the latest reporting period is recognized in profit or loss as financial income or financial expenses.

In the consolidated financial statements, the statements of comprehensive income of Group entities with a functional currency other than EUR are translated at the exchange rate on the transaction date, and the balance sheet items are translated at closing rates. An average exchange rate for each month is used as the exchange rate at the transaction date in so far as this does not significantly distort the presentation of the underlying transactions. Foreign exchange differences arising on translation to the EUR presentation currency are recognized in other comprehensive income (OCI) in a separate translation reserve under equity. On disposal of a reporting entity, the component of other comprehensive income relating to that particular reporting entity is reclassified to profit or loss.

Notes

1. Accounting policies (continued)

The Parent company has provided non-current intercompany loans in USD in 2021 to fund acquisitions of assets and business combinations in US. Unrealized exchange rate gains/losses and related tax impact related to these loans are recognized in Other Comprehensive Income for the group.

Basis for consolidation

The consolidated financial statements include the parent company Better Collective A/S and its subsidiaries.

Subsidiaries are entities over which the Better Collective Group has control. The Group has control over an entity when the Group is exposed to or has rights to variable returns from its involvement in the entity and has the ability to affect those returns through its power over the entity. Only potential voting rights considered to be substantive at the balance sheet date are included in the control assessment. The Group re-assesses if it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

The consolidated financial statements are prepared by combining uniform items. On consolidation, intercompany income and expenses, shareholdings, intercompany accounts and dividend as well as realized and unrealized profit and loss on transactions between the consolidated companies are eliminated.

Accounting policies

Fair value measurement

The Group uses the fair value concept in connection with certain disclosure requirements and for recognition of financial instruments. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (“exit price”).

The fair value is a market-based and not an entity-specific measurement. The entity uses the assumptions that the market participants would use for the pricing of the asset or liability based on the current market conditions, including risk assumptions. The entity’s purpose of holding the asset or settling the liability is thus not taken into account when the fair value is determined.

Accounting policies (Continued)

Fair value measurement (Continued)

The fair value measurement is based on the principal market. If a principal market does not exist, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and transport costs.

All assets and liabilities measured at fair value, or in respect of which the fair value is disclosed, are categorised into levels within the fair value hierarchy based on the lowest level input that is significant to the entire fair value measurement, see below:

- Level 1: Quoted priced in an active market for identical assets or liabilities
- Level 2: Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly
- Level 3: Inputs that are not based on observable market data (valuation techniques that use inputs that are not based on observable market data)

Cash flow statement

The Cash Flow Statement shows the cash flows of the Group for the year, distributed on operating activities, investing activities, and financing activities for the year, changes in cash and cash equivalents, and the cash and cash equivalents at the beginning and the end of the year, respectively.

The cash flow effect of acquisitions of businesses is shown separately in cash flows from investing activities. Cash flows from acquired businesses are recognised in the cash flow statement from the date of acquisition.

Cash flow from operating activities

Cash flows from operating activities are determined as profit for the year adjusted for noncash operating items, the change in working capital and income tax paid.

Cash flow from investing activities

Cash flows from investing activities comprise payments in connection with the acquisition and sale of businesses, intangible assets, property, plant and machinery and financial assets.

Cash flow from financing activities

Cash flows from financing activities comprise change in the size or composition of the Group’s share capital and related costs as well as borrowing, repayment of interest-bearing debt, re-payment of lease liabilities, and payment of dividends to shareholders.

Notes

2. Significant accounting judgements, estimates and assumptions.

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key accounting judgements, estimates, and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Management based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to uncertainty about the situation in Ukraine, market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

iXBRL reporting

Better Collective A/S has filed the Annual Report for 2022 in the European Single Electronic Format (ESEF), XHTML format, that can be displayed in a standard browser. The primary statements and notes in the consolidated financial statements are tagged using extensible Business Reporting Language (iXBRL), which complies with the ESEF taxonomy included in the ESEF Regulation.

Business combinations

The Group is required to allocate the acquisition cost of entities and activities through business combinations on the basis of the fair value of the acquired assets and assumed liabilities. The Group uses external and internal valuations to determine the fair value. The valuations include management estimates and assumptions as to future cash flow projections from the acquired business and selection of models to compute the fair value of the acquired components and their depreciation period. Estimates made by Management influence the amounts of the acquired assets and assumed liabilities and the depreciation and amortization of acquired assets in profit or loss. Reference is made to note 22 of the consolidated financial statements.

Goodwill, intangible assets with indefinite useful life and impairment

Goodwill and domain names and websites are expected to have an indefinite useful life and are therefore not subject to amortization. Management believes that as long as content is being updated continuously and based on existing

technology there is no foreseeable limit to the period on which the assets can generate revenues and cash flow from the underlying business activities of the operators. Consequently, Management has assessed indefinite life of domain names and websites similar to its peers in the industry. Management reviews this assessment annually to determine whether the indefinite life continues to be supportable.

Management reviews goodwill and domain names and websites for impairment at least once a year. This requires Management to make an estimate of the projected future cash flows from the continuing use of the cash-generating unit to which the assets are allocated and also to choose a suitable discount rate for those cash flows. Management has assessed that the cash generating units identified in 2021 (Atemi (Paid Media Europe & ROW), HLTV, US, Europe & ROW) continue, and that the asset acquisitions of Canada Sports Betting and Futbin are included in Europe & ROW for impairment. Performance and cash flows from domain names and websites owned by the individual cash generating units are allocated and forms the basis for impairment. Reference is made to note 13 of the consolidated financial statements.

If the events and circumstances do not continue to support a useful life assessment and the projected future cash flows from the intangible assets is less than the assets' carrying value, an impairment loss will be recognized. In addition, Management will change the indefinite useful life assessment from indefinite to finite and this change will be accounted for prospectively as a change in accounting estimate.

Revenue from agreements with variable components

The Group has agreements with customers that include variable revenue, e.g. agreements where the CPA value depends on the achievement of NDC targets. CPA revenue under these contracts is recognized with the number of NDCs delivered and the estimated CPA value based on expected performance for the contract period.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumption about them. The 2019, 2020, and 2021 warrant programs (including the Action Network MIP), as well as the 2022 LTI program include performance targets that adjust the number of instruments (Performance Stock Units, warrants, and options) that vest. The employee retention factor and performance factors are included in the expense calculation for the share-based payment programs. Reference is made to note six of the consolidated financial statements.

Notes

2. Significant accounting judgements, estimates and assumptions (continued)

Special items

Significant expenses and income, which Better Collective considers not part of ordinary business operations, are presented in the Income statement in a separate line item labelled 'Special items' in order to distinguish these items from other income statement items, and provide a more transparent and comparable view of Better Collective's ongoing performance. Types of expenses and income included in special items include cost related to M&A, adjustments to Earn-out payments, cost related to restructuring, income from divestiture of non-strategic assets, and cost related to the Action Network Management Incentive Program. Reference is made to note eight of the consolidated financial statements and note six of the parent company financial statements.

Contingent consideration

Contingent consideration resulting from business combinations is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting the performance target (see Note 22 (Group) for details). The contingent liability related to the acquisition of Better Collective Tennessee was finally adjusted and settled in 2022.

Notes

3. Segment information

Better Collective reports on the geographical segments US and Europe & Rest of World (ROW), measuring and disclosing separately for Revenue, Cost and Earnings. The group also reports on the segments Publishing and Paid Media.

Publishing and Paid Media

The Publishing business 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, 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.

The performance for the Publishing and Paid Media Segments is presented in the below table:

tEUR	Publishing		Paid Media		Total	
	2022	2021	2022	2021	2022	2021
Revenue	187,057	120,188	82,241	56,863	269,297	177,051
Cost	115,376	68,947	68,846	52,329	184,222	121,276
Operating profit before depreciation, amortization and special items	71,681	51,241	13,394	4,534	85,075	55,775
EBITDA-Margin before special items	38%	43%	16%	8%	32%	32%
Special items, net	- 54	- 16,746	0	0	- 54	- 16,746
Operating profit before depreciation and amortization	71,627	34,496	13,394	4,534	85,021	39,030
EBITDA-Margin	38%	29%	16%	8%	32%	22%
Depreciation	2,306	1,726	15	38	2,321	1,764
Operating profit before amortization	69,321	32,769	13,379	4,496	82,700	37,265
EBITA-Margin	37%	27%	16%	8%	31%	21%

US / Europe & ROW

Since 2021, following the May 28, 2021 acquisition of Action Network, Better Collective has reported on the geographical segments US and Europe & RoW (Rest of World), measuring and disclosing separately for Revenue, Cost and Earnings.

The performance of the segments is monitored at the level of operating profit before amortization and special items, hence assets and liabilities for individual segments are not presented.

The performance for US and Europe & ROW segments is presented in the below table:

tEUR	Europe & ROW		US		Total	
	2022	2021	2022	2021	2022	2021
Revenue	174,344	130,021	94,954	47,030	269,297	177,051
Cost	115,620	91,789	68,602	29,487	184,222	121,276
Operating profit before depreciation, amortization and special items	58,724	38,232	26,351	17,544	85,075	55,775
EBITDA-Margin before special items	34%	29%	28%	37%	32%	32%
Special items, net	- 1,360	2,745	1,306	- 19,491	- 54	- 16,746
Operating profit before depreciation and amortization	57,364	40,976	27,657	- 1,947	85,021	39,030
EBITDA-Margin	33%	32%	29%	-4%	32%	22%
Depreciation	1,671	1,474	650	290	2,321	1,764
Operating profit before amortization	55,693	39,502	27,007	- 2,236	82,700	37,265
EBITA-Margin	32%	30%	28%	-5%	31%	21%

Notes

4. Revenue specification – affiliate model

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

tEUR	2022	2021
Revenue category		
Recurring revenue (Revenue share, Subscription, CPM)	123,365	79,879
CPA, Fixed Fees	145,605	96,653
Other	327	519
Total revenue	269,297	177,051

%-split	2022	2021
Recurring revenue	46	45
CPA, Fixed Fees	54	55
Other	0	0
Total	100	100

tEUR	2022	2021
Revenue type		
Revenue Share	96,449	67,858
CPA	124,324	80,423
Subscription	18,003	11,770
Other	30,521	17,001
Total revenue	269,297	177,051

%-split	2022	2021
Revenue Share	36	38
CPA	46	45
Subscription	7	7
Other	11	10
Total	100	100

The Group has earned 65.5 mEUR in revenues from one major customer, which represents 24% of the Group's revenue (2021: 21%).

Accounting policies

Revenue

The Group's revenue consists of four different revenue streams, that either are recognised at a point in time or over time. Further, the Group has agreements with operators that include variable consideration, which is recognized based on expected performance for the contract period.

Revenue share: In a revenue share model the Group receives a share of the revenues that a gaming operator has generated from a player betting or gambling on their IGaming website, the player initially having been referred from one of the Group's websites. Revenue is recognized at a point in time equal to the month that it is earned by the respective gaming operator.

Cost per acquisition (CPA): For CPA deals, the gaming operator pays a one-time fee for each referred player who deposits money on their IGaming website. Cost per acquisition consists of a pre-agreed rate with the gaming operator. Revenue is recognized at a point in time equal to the month in which the deposits are made.

Subscription Revenue: Subscription revenue is subscription fees received by players who subscribe to services provided by the Group's websites, primarily in the US market. Subscription revenue is recognized over time as the services under the subscription is delivered.

Affiliate Other Revenue: Other revenue primarily includes revenue from sales of banners and other marketing fees from customers related to the Group's websites and is recognized when the service is delivered. Banner revenue can both be CPM (Cost per million impressions) or based on direct fixed fee agreements with customers.

Notes

5. Staff and other costs

tEUR	2022	2021
Wages and salaries	55,656	32,681
Pensions, defined contribution	3,168	3,009
Other social security costs	3,333	2,465
Share-based payments	1,935	1,203
Other staff costs	4,548	1,455
Total staff costs	68,639	40,813
Average number of full-time employees	878	635
Remuneration to Executive Directors		
Wages and salaries	1,511	1,150
Pensions, defined contribution	133	119
Other social security costs	1	2
Share-based payments	97	205
Total	1,742	1,475
Remuneration to Board of Directors		
Wages and salaries	317	297
Share-based payments	0	27
Total	317	324

Notes

5. Staff and other costs (continued)

Board Fees

tEUR	Jens Bager	Klaus Holse	Leif Nørgaard	Petra von Rohr	Therese Hillman	Todd Dunlap	Søren Jørgensen	Total
2022	104	37	44	37	59	37	0	317
2021	105	37	44	37	27	65	9	324

Remuneration to Executive Directors

	Jesper Søgaard	Christian Kirk Rasmussen	Flemming Pedersen	Total
2022				
Wages and salaries	497	497	518	1,511
Pensions, defined contribution	34	34	64	133
Other social security costs	0	0	0	1
Share-based payments	19	19	59	97
Total	551	551	641	1,742
2021				
Wages and salaries	370	370	409	1,150
Pensions, defined contribution	31	31	57	119
Other social security costs	1	1	1	2
Share-based payments	51	51	104	205
Total	453	453	570	1,475

Accounting policies

Direct cost related to revenue

Direct cost related to revenue contains cost of running the websites and includes, content production, domain name registration, domain hosting, and external development cost.

Staff cost

Staff cost include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities. Costs related to long term employee benefits, e.g. share-based payments, are recognized in the period to which they relate.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to sale, advertising, administration, premises, bad debts, etc.

Notes

6. Share-based payment plans

2017 program:

During the year 2022 the company did not grant any warrants under this program.

During the year 2022, employees have exercised warrants corresponding to 306,114 shares issued, of which 124,644 warrants were exercised by the CFO. The program is fully exercised as of December 31, 2022.

2019 program:

During the year 2022 the company did not grant any warrants under this program.

During the year 2022, employees have exercised warrants corresponding to 9,667 shares issued.

	Board of Directors	Executive directors	Other key Management personnel	Total warrants / options, numbers	Exercise price, weighted average EUR	Total Performance Stock Units	Grant price, weighted average EUR	Total Units
Share options outstanding at January 1, 2021	25,000	874,644	1,138,744	2,038,388	6.92	0	6.92	2,038,388
Granted	0	0	675,126	675,126	19.39	422,175	19.39	1,097,301
Forfeited/expired	0	0	116,031	116,031	8.52	0	8.52	116,031
Exercised	0	150,000	238,534	388,534	1.74	0	1.74	388,534
Transferred	0	0	0	0	0	0	0	0
Share options outstanding at December 31, 2021	25,000	724,644	1,459,305	2,208,949	11.35	422,175	18.68	2,631,124
Of this exercisable at the end of the period	0	124,644	182,550	307,194	1.74	0	n/a	0
Share options outstanding at January 1, 2022	25,000	724,644	1,459,305	2,208,949	11.35	422,175	18.68	2,631,124
Granted	0	0	69,022	69,022	15.46	168,423	15.74	237,445
Forfeited/expired	0	0	43,241	43,241	14.20	46,651	18.16	89,892
Exercised	0	124,644	191,137	315,781	1.96	102,793	18.68	418,574
Transferred	0	0	0	0	0	0	0	0
Share options outstanding at December 31, 2022	25,000	600,000	1,293,949	1,918,949	12.99	441,154	17.61	2,360,103
Of this exercisable at the end of the period	0	300,000	120,333	420,333	8.71	0	n/a	420,333

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

Notes

6. Share-based payment plans (continued)

2020 Warrant programs:

No grants nor exercises has taken place during 2022.

Expenses have been recognized based on the realized retention (75%) and performance factors (100%).

2021 Warrant programs:

On September 10th, 2021 422,500 new warrants were granted to certain key employees, all with the right to subscribe for one ordinary share and are classified as equity-settled share-based payment transactions*. The vesting periods range from 2022-2024 and the exercise periods range from 2024 to 2026.

Expenses for the first vesting period have been recognized based on the realized retention (75%) and performance factors (100%) and for the final two remaining vesting period expenses are recognized based on expected retention (75%) and performance factors (83%)

On October 1st, 2021, 473,563 PSUs and 201,238 share options were issued for a management incentive program related to Action Network, with the right to subscribe for one ordinary share and are classified as equity-settled share based payment transactions*. The vesting periods range from 2022-2024 and the exercise periods range from 2022 to 2026.

Expenses for the first vesting period have been recognized based on the realized retention (75%) and performance factors (100%) and for the final two remaining vesting period expenses are recognized based on expected retention (75%) and performance factors (0%)

During the year 2022, employees have exercised Performance Stock Units corresponding to 102,793 shares issued.

2022 LTI program:

On January 27th, 2022 a new LTI program consisting of Performance Stock Units and stock options was announced. Under the program 24,564 options and 73,894 PSUs were granted to certain key employees. Whereas the options have the right to subscribe for one ordinary share, the PSUs have a performance based element that can increase to

two shares for one PSU – both are classified as equity-settled share-based payment transactions*. The vesting period runs from 2022-2025 and the exercise period runs from 2025 to 2027.

On March 1, 2022 a new tranche was established for the Management Incentive Program for Action Network. Under the program 94,529 PSUs and 44,458 options were granted with the right to subscribe for one ordinary share and, are classified as equity-settled share-based payment transactions*.

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

Warrant programs impact in accounts:

The total share based compensation expense recognized for the full year 2022 is 2,871 tEUR (2021: 3,688 tEUR), The cost of the MIP Action program is included as special items and amounts to 936 tEUR in 2022 (2021: 2,485 tEUR).

The weighted average remaining contractual life of warrants to key employees outstanding as of December 31, 2022 and 2021 was 2.63 and 2.95 years respectively. The weighted exercise prices for outstanding instruments as of December 31, 2022 and 2021 was 13.85 EUR and 12.45 EUR.

Board of Directors, Executive Directors, and Key Employees

	2022	2021	2020	2019
Dividend yield (%)	0%	0%	0%	0%
Expected volatility (%)	50%	50%	45-50%	35%
Risk free interest rate (%)	0%	0%	0%	0%
Expected life of warrants (years)	4-5	4.4-5	5	5
Share price (EUR)	14.42 - 17.60	18.34	12.21	7.89
Exercise price (EUR)	14.42 - 17.60	19.44	13.76	8.68
Fair Value at grant date (EUR)	5.50-7.50	7.19	4.73	2.17

Notes

6. Share-based payment plans (continued)

Accounting policies

Share-based payments

Employees (including senior executives) and directors of the Group receive remuneration in the form of share-based payments, whereby they render services as consideration for equity instruments (equity-settled transactions).

The cost is recognized in staff costs, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date, reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding warrants is reflected as additional share dilution in the computation of diluted earnings per share.

When warrants are exercised, the Company issues new shares. The proceeds received are credited to share capital for the par value of the shares and share premium for the remainder.

7. Fees paid to auditors appointed at the annual general meeting

tEUR	2022	2021
Fee related to statutory audit	318	291
Fees for tax advisory services	0	0
Assurance engagements	25	20
Other assistance	0	0
Total audit fees	343	311

Notes

8. Special items

Significant income and expenses, which Better Collective considers not part of ordinary business operations are presented in the Income statement in a separate line item labelled 'Special items'. The impact of special items is specified as follows:

tEUR	2022	2021
Operating profit	70,353	28,749
<i>Special Items related to:</i>		
Special items related to M&A	- 1,263	- 5,991
Variable payments regarding acquisitions - cost	- 192	- 11,487
Variable payments regarding acquisitions - income	2,467	2,952
Special items related to Restructuring	- 130	- 6
Special items related to Divestiture of Assets	0	272
Special items related to Management Incentive Program	- 936	- 2,485
Special items, total	- 54	- 16,746
Operating profit (EBIT) before special items	70,407	45,495
Amortization and impairment	12,347	8,516
Operating profit before amortization and special items (EBITA before special items)	82,754	54,011
Depreciation	2,321	1,764
Operating profit before depreciation, amortization, and special items (EBITDA before special items)	85,075	55,775

Accounting policies

Special items

Significant expenses and income, which Better Collective considers not part of ordinary business operations, are presented in the Income statement in a separate line item labelled 'Special items' in order to distinguish these items from other income statement items, and provide a more transparent and comparable view of Better Collective's ongoing performance. Types of expenses and income included in special items include cost related to M&A, adjustments to Earn-out payments, cost related to restructuring, income from divestiture of non-strategic assets, and cost related to the Action Network Management Incentive Program. Reference is made to note eight of the consolidated financial statements and note six of the parent company financial statements.

Notes

9. Finance income

tEUR	2022	2021
Exchange gains	4,170	3,349
Interest Income	5	11
Other financial income	23	23
Total finance income	4,198	3,383

10. Finance costs

tEUR	2022	2021
Exchange losses	4,543	1,957
Interest expenses	3,839	2,084
Interest - right of use assets (Leasing)	150	120
Other financial costs	1,055	1,743
Total finance costs	9,587	5,905

Accounting policies

Financial income and expenses

Financial income and expenses are recognized in the income statements at the amount that concerns the financial year. Net financials include interest income and expenses, interest expenses calculated according to IFRS16, foreign exchange adjustments, fees related to credit facilities, gains and losses on the disposal of securities, as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Notes

11. Income tax

Total tax for the year is specified as follows:

tEUR	2022	2021
Tax for the period	16,888	8,936
Tax on other comprehensive income	3,747	3,629
Total	20,635	12,565

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

tEUR	2022	2021
Deferred tax	6,785	- 38
Current tax	10,153	8,890
Adjustment from prior years	- 49	84
Total	16,888	8,936

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

tEUR	2022	2021
Specification for the period:		
Calculated 22% tax of the result before tax	14,292	5,770
Adjustment of the tax rates in foreign subsidiaries relative to the 22%	1,563	297
<i>Tax effect of:</i>		
Special items	- 83	4,433
Special items - taxable items	- 243	- 2,323
Other non-taxable income	- 150	0
Other non-deductible costs	1,558	676
Adjustment of tax relating to prior periods*	- 49	84
Total	16,888	8,936
Effective tax rate	26.0%	34.1%

tEUR	2022	2021
Deferred tax liabilities		
Deferred tax January 1	60,050	24,586
Additions from business acquisitions	0	33,197
Adjustments of deferred tax in profit and loss	6,785	- 38
Exchange rate difference	2,167	2,305
Deferred tax December 31	69,003	60,050
Deferred tax is recognized in the balance sheet as:		
Deferred tax asset	9,165	9,545
Deferred tax liability	78,167	69,595
Deferred tax December 31	69,003	60,050
Deferred tax is related to:		
Intangible assets	78,235	69,649
Losses carried forward	- 9,165	- 9,545
Property, plant and equipment	- 68	- 55
Deferred tax December 31	69,003	60,050

Notes

11. Income tax (continued)

tEUR	2022	2021
Income tax payable, net		
Income tax payable January 1	1,235	1,196
Exchange differences	- 49	87
Tax on other comprehensive income	3,747	3,629
Current tax	10,153	8,890
Tax from prior year	- 49	84
Additions from business acquisitions	2	2
Income tax paid during the year	- 16,239	- 12,654
Tax payable reduction from warrant settlement	0	0
Income tax payable December 31	- 1,202	1,235
Income tax is recognized in the balance sheet as:		
Corporation tax receivable	6,423	500
Corporation tax payable	5,221	1,735
Income tax payable December 31	- 1,202	1,235

Accounting policies

The tax expense for the year, which comprises current tax and changes in deferred tax, is recognized in the income statement as regards the portion that relates to the profit/loss for the year, and directly in equity as regards the portion that relates to entries directly in equity. Tax expense relating to amounts recognized in other comprehensive income is recognized in other comprehensive income. Tax is provided on the basis of the tax rules and tax rates applicable in the individual countries where Better Collective has a tax presence.

Current and deferred tax

Current tax liabilities and current tax receivables are recognized in the balance sheet as tax computed on the year's taxable income adjusted for tax on the previous year's taxable income and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Deferred tax liabilities as well as deferred tax assets are recognized. However, deferred tax is not recognized on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognized under other non-current assets at the expected value of their utilization; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallize as current tax.

Joint taxation of the parent Company and Danish subsidiaries

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company acts as administration company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Joint taxation contributions payable and receivable are recognized in the balance sheet as corporation tax receivable or corporation tax payable.

Notes

12. Intangible assets

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation				
As of January 1, 2022	178,182	329,276	36,827	544,285
Additions	0	118,185	26,337	144,522
Currency Translation	5,760	13,051	540	19,351
At December 31, 2022	183,942	460,513	63,705	708,159
Amortization and impairment				
As of January 1, 2022	0	0	24,374	24,374
Amortization for the period	0	0	12,348	12,348
Currency translation	0	0	- 33	- 33
At December 31, 2022	0	0	36,688	36,688
Net book value at December 31, 2022	183,942	460,513	27,016	671,471

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	544,285
Amortization and impairment				
As of January 1, 2021	0	0	15,797	15,797
Amortization 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

Notes

12. Intangible assets (continued)

Accounting policies

Goodwill and intangible assets

Goodwill

Goodwill is initially recognized at cost. Subsequently, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortized and impairment losses on goodwill are not reversed.

The carrying amount of goodwill is allocated to the Group's cash-generating units at the date of acquisition. Impairment is performed once a year as of December 31 or more frequently if events or changes in circumstances indicate that there is an impairment. An impairment loss is recognized if the recoverable amount of the cash-generating unit to which goodwill has been allocated is less than the carrying amount of the cash-generating unit. Identification of cash-generating units is based on the management structure and internal financial controls.

Intangible assets

Separately acquired intangible assets are measured on initial recognition at cost including directly attributable costs. Intangible assets acquired in a business combination are measured at fair value at the acquisition date. Expenditures relating to internally generated intangible assets are recognized in profit or loss when incurred.

Intangible assets with a finite useful life are amortized over their useful life and reviewed for impairment whenever there is an indication that the asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at each year end.

Agreements related to media partnerships are measured at fair value of the fixed payments related to the agreement at the starting date. The value is amortized over the lifetime of the agreement

Intangible assets with indefinite useful lives (domains and websites) are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Costs related to maintenance of intangible assets, are not capitalized on the balance sheet but recognized in Profit and Loss in the financial year they are incurred.

Amortization

The item comprises amortization of intangible asset, as well as any impairment losses recognized for these assets during the period.

The basis of amortization, which is calculated as cost less any residual value, is amortized on a straight-line basis over the expected useful life. The expected useful lives of long-lived assets are as follows:

Goodwill	Indefinite
Domains and websites	Indefinite
Other intangible assets	3-5 years

Notes

13. Goodwill and intangible assets with indefinite life

The group added intangible assets in 2022 from asset transactions of Futbin and Canada Sports Betting. For 2021, they arose from the acquisitions of business combinations Action Network Inc. and Mindway ApS as described in note 22. Domains and websites acquired in the parent company as asset transactions are also included.

Goodwill and domain names and websites arising on business combinations are not subject to amortization, but are reviewed annually for impairment, or more frequently if there are any indicators of impairment that are noted during the year.

Cash-generating units

Goodwill from a business combination is allocated to cash-generating units in which synergies are expected to be generated from the acquisition. A cash-generating unit represents the smallest identifiable group of assets that together have cash inflows that are largely independent of the cash inflows from other assets. In 2022 Better Collective continues to have four cash generating units with the asset acquisitions of Canada Sports Betting and Futbin included in Europe & ROW CGU, respectively. Performance and cash flows from domain names and websites owned by the individual cash generating units are allocated and forms the basis for impairment.

Carrying amount of goodwill and Domains and Websites for the CGUs:

2022					
tEUR	US	HLTV	Atemi	Rest of BC	Total
Goodwill	97,708	17,777	41,178	27,278	183,942
Domains and Websites	221,461	20,551	0	218,500	460,513
2021					
tEUR	US	HLTV	Atemi	Rest of BC	Total
Goodwill	91,949	17,777	41,178	27,278	178,182
Domains and Websites	208,407	20,551	0	100,318	329,276

As at December 31, 2021 and December 31, 2022 the directors have evaluated goodwill, domains and websites for impairment. The directors are of the view that the carrying amount of domains and goodwill is recoverable on the basis that the cashflows generated from these assets are in line, or exceed, the estimated projections made prior to the acquisitions. The directors are satisfied that the judgements made are appropriate to the circumstances.

Recoverable amount

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

Impairment test:

For all CGUs US, HLTV, Atemi and the rest of Better Collective, the Group has performed an impairment test on goodwill and domain names and websites as of December 31, 2022, on a value-in-use basis. Management has based the value in use by estimating the present value of future cash flows from a three-year forecast approved by the Board of Directors and corresponding to the Group's long-term forecast for 2023-2025. Key parameters in the forecast are trends in revenue, cost development and growth expectations. Beyond the approved forecast, EBITDA growth, cash conversion and tax-rates have been forecasted with a time horizon of 10 years until 2032, increased from 5 years used in the 2021 impairment testing. Based on expected 2032 EBITDA and cash flow, management has applied a terminal value rate of 2%. The cash flows assume a discount factor of 15% (pre-tax discount rate 18%) based on the Group's weighted average cost of capital (WACC) in all years 2023-2032, with individual tax rates per country (19-26.5%). The Board of Directors have approved the inputs to the impairment testing and are satisfied that the judgements made are appropriate.

Other domains and websites:

Further to the CGUs, acquired domains and websites with indefinite life have been individually evaluated for indicators of impairment. The evaluation is based on actual traffic on the websites, as well as actual and expected revenue and NDCs generated by the accounts with operators that are linked to the websites. In 2022 there has been no indicators for impairment

In 2021, the evaluation of acquired revenue share accounts in the Netherlands, following the regulatory development and operator decisions to discontinue old player databases, resulted in an impairment of 1.7 mEUR. The liability related to the asset, recorded as a variable payment, was reduced and the adjustment of 2.9 mEUR was included in Special items.

Notes

13. Goodwill and intangible assets with indefinite life (continued)

The results of the impairment tests for goodwill and domains and websites showed that the recoverable amount exceeded the carrying value and that there was no impairment loss to be recognized. Based on the impairment test there is significant headroom and management deems that a sensitivity analysis is not required.

Accounting policies

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The acquisition date is the date when Better Collective A/S effectively obtains control over the acquired business. Any costs directly attributable to the acquisition are expensed as Incurred.

If a put and call option exists for an acquired business combination, the put and call option is taken into consideration when assessing the ownership of the business combination.

The acquired businesses' identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognized if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognized.

The consideration paid for a business consists of the fair value of the agreed consideration in the form of the assets transferred, equity instruments issued, and liabilities assumed at the date of acquisition. If part of the consideration is contingent on future events, such consideration is recognized at fair value. Subsequent changes in the fair value of contingent consideration are recognized in the income statement as special items. A positive excess (goodwill) of the consideration transferred (including any previously held equity interests and any non-controlling interests in the acquired business) over the fair value of the identifiable net assets acquired is recorded as goodwill.

If uncertainties regarding identification or measurement of acquired assets, liabilities or contingent liabilities or determination of the consideration transferred exist at the acquisition date, initial recognition will be based on provisional values. Any adjustments in the provisional values, including goodwill, are adjusted retrospectively, until 12 months after the acquisition date, and comparative figures are restated.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, from the acquisition date, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquired business combination are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed in these circumstances is measured based on the relative fair values of the disposed operation and the portion of the cash generating unit retained.

Impairment

The carrying amounts of goodwill, intangible assets, property, plant and equipment and investments in subsidiaries is assessed for impairment on an annual basis. Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. Furthermore, goodwill and intangible assets with indefinite useful lives are tested on an annual basis as at December 31. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. Reference is made to the section "Impairment test" for actual assumptions.

The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Impairment losses are recognized in the income statement under depreciation and amortization. Previously recognized impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Notes

14. Property, plant and equipment

tEUR	Right of use assets	Fixtures and fittings, other plant and equipment	Total
Cost or valuation			
At December 31, 2021	5,328	3,216	8,544
Additions	5,240	1,805	7,045
Disposals	- 811	- 50	- 862
Currency Translation	20	25	45
At December 31, 2022	9,777	4,995	14,772
Depreciation and impairment			
At December 31, 2021	2,620	1,558	4,179
Depreciation for the period	1,443	878	2,321
Depreciation on disposed assets	- 605	- 64	- 669
Currency translation	49	49	99
At December 31, 2022	3,508	2,421	5,929
Net book value at December 31, 2022	6,269	2,574	8,843

tEUR	Right of use assets	Fixtures and fittings, other plant and equipment	Total
Cost or valuation			
At December 31, 2020	4,849	3,196	8,045
Additions	1,072	690	1,763
Acquisitions through business combinations	0	98	98
Disposals	- 624	- 792	- 1,416
Currency Translation	31	23	54
At December 31, 2021	5,328	3,216	8,544
Depreciation and impairment			
At December 31, 2020	1,623	1,027	2,650
Depreciation for the period	1,147	621	1,768
Depreciation on disposed assets	- 219	- 110	- 330
Currency translation	70	20	90
At December 31, 2021	2,620	1,558	4,179
Net book value at December 31, 2021	2,708	1,657	4,365

Notes

14. Property, plant and equipment (continued)

Accounting policies

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains and losses from the disposal of property, plant and equipment are recognized in the income statement as depreciation. Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Depreciation

The item comprises depreciation of property, plant and equipment, and right of use assets, as well as any impairment losses recognized for these assets during the period.

The basis of depreciation, which is calculated as cost less any residual value, is amortized on a straight-line basis over the expected useful life. The expected useful lives of long-lived assets are as follows:

Land	Not depreciated
Buildings	10-50 years
Right of use assets and leasehold improvements	Up to 7 years
Fixtures and fittings, other plant and equipment	3-5 years

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately. The basis of depreciation is calculated considering the residual value at the end of the expected useful life and less any impairment. The depreciation period and residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognized.

Notes

15. Trade and other receivables

tEUR	2022	2021
Trade receivables	35,825	16,718
Accrued revenue	12,197	9,384
Other receivables	5,158	3,981
Total receivables	53,179	30,083

Accounting policies

Receivables

Receivables are measured at amortized cost, which usually corresponds to nominal value.

Write-downs on trade receivables are based on the simplified expected credit loss model. Credit loss allowances on individual receivables are provided for when objective indications of credit losses occur such as customer bankruptcy and uncertainty about the customers' ability and/or willingness to pay, etc. In addition to this, allowances for expected credit losses are made on the remaining trade receivables based on a simplified approach. Reference is made to note 20 of the consolidated financial statements regarding credit risk.

Prepayments

Prepayments recognized under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash and restricted cash

Restricted cash comprise funds in escrow account and cash consist of cash and cash equivalents in financial institutions.

Notes

16. Issued capital and reserves

tEUR	2022	2021	2020	2019	2018
Share capital:					
Opening balance	546.3	469.0	464.3	404.9	68.5
Capital increase	5.2	77.2	4.8	59.4	336.4
Total	551.5	546.3	469.0	464.3	404.9

The share capital consists of 55,149,669 shares of nominal EUR 0.01 each.

Share buy-back-2022

Throughout 2022 the company purchased 949,870 Better Collective A/S shares at an average price of 13.3 EUR.

879,824 treasury shares were used as final payment of contingent liabilities related to the 2019 acquisition of Rotogrinders, settlement of tranche 1 of the Action Network Management Incentive Program, and final settlement of the variable payment related to the acquisition of HLTV.

Share buy-back-2021

In March 2021 the company purchased 3,532 shares at an average price of 16.5 EUR to cover board fees payable in shares.

241 treasury shares were used in April 2021 as part of variable payment together with newly issued shares.

In December 2021 a share buy-back program of up to 10 mEUR was announced. As of December 31, 2021, 445,575 shares had been purchased and was held at an average price of 18.1 EUR. The purpose of the buyback program was to cover future payments relating to completed acquisitions and to cover established Incentive Plans.

Accounting policies

Equity

Treasury shares

Treasury shares are own equity instruments that are re-acquired. They are recognized at cost as a deduction from equity in the reserve for treasury shares. The difference between par value and the acquisition price and consideration (net of directly attributable transaction costs) and dividends on treasury shares are recognized directly in equity in retained earnings.

Share premium

Share premium can be used for dividend.

Currency translation reserve

Foreign exchange differences arising on translation of Group entities and parent company to the EUR presentation currency are recognised in other comprehensive income (OCI) in a separate currency translation reserve under equity. On disposal of a reporting entity, the component of other comprehensive income relating to that particular reporting entity is reclassified to profit or loss.

Notes

17. Distributions made and proposed

tEUR	2022	2021
Declared and paid during the year on ordinary shares	0	0
Proposed dividend on ordinary shares	0	0

Accounting policies

Proposed dividends

Dividends proposed for the year are recognized as a liability when the distribution is authorized by the shareholders at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate line item under “Equity”.

Proposed dividends on ordinary shares are subject to approval at the Annual General Meeting.

18. Trade and other payables

tEUR	2022	2021
Trade Payables	10,484	9,866
Other payables	11,768	8,527
Total payables	22,252	18,393

Accounting policies

Prepayments consist of payments received from customers relating to income in subsequent periods. Prepayments are mainly classified as current, as the related revenue is recognized within one year.

Trade payables are obligations to pay for goods or services acquired in the normal course of business. Trade payables are initially reported at fair value and, subsequently, at amortized cost using the effective interest method.

Other payables comprise amounts owed to staff, including wages, salaries and holiday pay; amounts owed to the public authorities, including taxes payable, VAT, excise duties, interest expenses etc.

Other financial liabilities comprise amounts payable to sellers as a result of business combinations and asset acquisitions.

Notes

19. Leasing

Right-of-use assets

tEUR	Buildings	Cars	Total
Balance at January 1, 2022	2,707	- 0	2,707
Additions	5,190	50	5,240
Disposals	- 811	0	- 811
Modifications	0	0	0
Exchange rate adjustment	- 19	0	- 19
Depreciation	- 1,436	- 17	- 1,453
Depreciation on disposed assets	605	0	605
Balance at December 31, 2022	6,236	33	6,269
Balance at January 1, 2021	3,225	- 0	3,225
Additions	480	0	480
Disposals	0	0	0
Modifications	127	0	127
Exchange rate adjustment	22	0	22
Depreciation	- 1,147	0	- 1,147
Depreciation on disposed assets	0	0	0
Balance at December 31, 2021	2,707	- 0	2,707

Lease liabilities

tEUR	2022	2021
Maturity analysis - contractual undiscounted cash flows		
Less than one year	1,685	1,283
One to five years	3,467	1,735
More than five years	2,169	0
Total undiscounted cash flows	7,321	3,017
Total lease liabilities	6,614	2,868
Current	1,653	1,347
Non-current	4,962	1,521

The total cash outflow for leases during 2022 was 1,424 tEUR (2021: 1,266 tEUR).

Amounts recognized in the consolidated income statement

tEUR	2022	2021
Interest on lease liabilities	150	120
Expenses relating to short- term lease	295	543
Expenses relating to lease of low value assets	0	2

Notes

19. Leasing (continued)

Accounting policies

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets represent the right to use the underlying assets.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities (due to indexation of lease payments or extension of leases). The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate of 4%, at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to extend the term of lease.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes

20. Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency exchange risk and interest rate risk), credit risk, and liquidity risk. The Group has established principles for overall risk management, which seek to minimize potential adverse effects on the Group's performance.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. For the Group, market risk comprises foreign currency risk and interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's international operating activities. The Group's revenues are mainly denominated in DKK, EUR, USD, and GBP, with limited revenues in SEK and PLN. The revenue in individual currencies is determined by the underlying betting currency at the operator level as well as the exchange rates used by operator when calculating the revenue share. The currency fluctuations impact these processes and is the inherent risk. Across the Group, expenses have a general pattern which is in line with the revenue in the individual currencies. The expenses mainly origin in DKK, EUR, GBP, and USD, with limited spending in SEK, RON and PLN. The DKK exchange rate is fixed to the EUR. For GBP and USD, the expenses are linked to and follow the revenue in the entities operating in UK and US, respectively.

The major currency exposure in Better Collective arises from the conversion of the USD and GBP denominated entities to the reporting currency, as well as the long-term loan provided from the parent company to Better Collective US Inc to finance the US acquisitions. The 2022 impact of the fluctuating USD was -2 mEUR on an EBITDA level, vs. 2021 exchange rate, whereas the impact on the USD loan in the parent company was 17 mEUR. The exchange rate adjustments and corresponding tax impact on these loans are included in Other Comprehensive Income for the groups.

The Board of Directors has decided not to hedge currency exchange risk given the underlying inherent risk and the capital structure.

Excluding the 2022 impact from the fluctuating USD, the historic exposure to currency fluctuations has not had a material impact on the Group's financial condition or results of operations. Management deems that a sensitivity analysis showing how profit or pre-tax equity would have been impacted by changes in these foreign exchange rates is not deemed necessary.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from the club facility signed in November 2022 and deposits held by the Group. These are short-term and not material amounts. With ~200 mEUR drawn on the facility as of December 2022, an increase in the interest of 1 %-point will drive additional 2 mEUR in finance costs. However, management expects to re-pay the credit facility in the short to medium term, as the Group is generating positive cash flows, and therefore exposure to interest rate risk is considered minimal.

The Group regularly monitors its interest rate risk and considers it to be insignificant, therefore an interest rate sensitivity analysis is not deemed necessary.

Credit risk

As per January 1, 2018 the Group implemented IFRS 9 using the simplified expected credit loss model. The model implies that the expected loss over the lifetime of the asset is recognized in the profit and loss immediately and is monitored on an ongoing basis until realization. The Group has limited overdue trade receivables and historically there has been very limited losses on trade receivables. The inputs to the expected credit loss model reflects this.

As per December 31, 2022 the Group's impairment for expected loss is included in the trade receivables (ref note 15).

Notes

20. Financial risk management objectives and policies (continued)

Expected credit loss on receivables from trade receivables as of December 31, 2022:

tEUR	Expected Loss Rate	Gross Receivable	Expected loss	Net receivable
2022				
Not Due	0.4%	32,452	136	32,316
Less than 30 days	0.7%	9,563	71	9,493
Between 31 and 60 days	0.5%	4,537	24	4,513
Between 61 and 90 days	2.3%	369	8	361
More than 91 days	26.4%	1,821	481	1,340
Total	1.5%	48,742	721	48,021

No significant losses were recognized during 2022, and the overall weighted expected loss rate has been reduced compared to loss percentage recorded in 2021.

Expected credit loss on receivables from trade receivables as of December 31, 2021:

tEUR	Expected Loss Rate	Gross Receivable	Expected loss	Net receivable
2021				
Not Due	0.0%	9,638	0	9,638
Less than 30 days	0.0%	4,485	2	4,483
Between 31 and 60 days	0.6%	3,771	24	3,747
Between 61 and 90 days	1.8%	1,833	33	1,800
More than 91 days	6.7%	6,893	459	6,434
Total	1.9%	26,620	518	26,102

Liquidity risk

The Group is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which mainly include trade payables, other payables, earn-outs and deferred M&A payments, and the credit facility. The group ensures adequate liquidity through the management of cash flow forecasts and close monitoring of cash inflows and outflows.

Notes

20. Financial risk management objectives and policies (cont'd)

The following table summarizes the maturities of the Group's financial obligations. The Group had no derivative financial instruments.

tEUR	Carrying amount	Fair Value	Total	< 1 year	2 – 5 years	> 5 years
2022						
Non-derivative financial instruments:						
<i>Financial liabilities measured at fair value</i>						
Earn-Out consideration	30,058	30,058	30,425	15,425	15,000	0
Contingent liabilities	0	0	0	0	0	0
Other financial liabilities measured at fair value	17,269	17,269	17,622	9,610	8,012	0
<i>Financial liabilities measured at amortized costs</i>						
Trade and other payables	22,252	22,252	22,252	22,252	0	0
Deferred payment on acquisitions	1,944	1,944	1,949	1,858	90	0
Debt to credit institutions	201,708	201,708	215,021	6,656	208,364	0
Total non-derivative financial instruments	273,232	273,232	287,269	55,802	231,466	0
Assets:						
Trade and other receivables	53,179	53,179	53,179	53,179	0	0
Cash	31,497	31,497	31,497	31,497	0	0
Total financial assets	84,677	84,677	84,677	84,677	0	0
Net	188,555	188,555	202,592	- 28,875	231,466	0

tEUR	Carrying amount	Fair Value	Total	< 1 year	2 – 5 years	> 5 years
2021						
Non-derivative financial instruments:						
<i>Financial liabilities measured at fair value</i>						
Earn-Out consideration	5,793	5,793	5,864	5,379	485	0
Contingent liabilities	19,893	19,893	19,893	19,893	0	0
Other financial liabilities measured at fair value	3,486	3,486	3,547	1,191	2,355	0
<i>Financial liabilities measured at amortized costs</i>						
Trade and other payables	18,393	18,393	18,393	18,393	0	0
Deferred payment on acquisitions	6,342	6,342	6,343	5,320	1,023	0
Debt to credit institutions	121,025	121,025	125,568	21,694	103,873	0
Total non-derivative financial instruments	174,933	174,933	179,607	71,871	107,736	0
Assets:						
Trade and other receivables	30,083	30,083	30,083	30,083	0	0
Restricted Cash	1,489	1,489	1,489	1,489	0	0
Cash	28,603	28,603	28,603	28,603	0	0
Total financial assets	60,175	60,175	60,175	60,175	0	0
Net	114,758	114,758	119,432	11,696	107,736	0

Notes

20. Financial risk management objectives and policies (cont'd)

Fair value of Earn-out consideration, contingent consideration, and other financial liabilities

Fair Value is measured based on level 3 - Valuation techniques, for which the lowest level input that is significant to the fair value measurement is unobservable. The Fair Value of Earn-Out consideration, and Other financial liabilities is measured based on weighted probabilities of assessed possible payments discounted to present value. For further information on the contingent liability consideration, please refer to note 22

Fair value

In all material aspects the financial liabilities are current/short termed. Non-current loans and overdraft facility are subject to a variable interest rate. Thus, the fair value of the financial assets and liabilities is considered equal to the booked value.

Capital Management

For the purpose of the Group's capital management, capital includes issued capital, share premium, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximize shareholder value and to maintain an optimal capital structure. The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, issue new shares or return capital to shareholders.

Credit facilities

Better Collective has non-current committed bank credit facilities of total 247 mEUR, of which 203 mEUR was drawn up end of December 2022. As of December 31, 2022 cash and unused credit facilities, amounted to approximately 76 mEUR.

Net debt includes current and non-current debt to financial institutions and other financial liabilities, less cash and cash equivalents.

Change in liabilities arising from financing activity

tEUR	2020	Cash flows Net	Non cash flow changes	2021	Cash flows Net	Non cash flow changes	2022
Non-current financing liabilities	69,277	52,324	- 575	121,025	80,672	11	201,708
Leasing and other non-current liabilities (vacation fund)	2,968	- 844	- 604	1,521	0	3,441	4,962
Current financing liabilities	20	- 20	0	0	- 0		0
Leasing current liabilities	1,262	- 1,147	1,232	1,347	- 1,274	1,579	1,653
Total liabilities from financing activities	73,528	50,313	53	123,893	79,398	5,031	208,322

Accounting policies

Cash

Cash comprise cash at bank and on hand.

Liabilities

The Group's liabilities include prepayments from customers, trade payables and overdraft facility. Liabilities are classified as current if they fall due for payment within one year or earlier. If this condition is not met, they are classified as non-current liabilities.

Earn-out amounts are measured at fair value.

Debt to credit institutions are at initial recognition measured at fair value less transaction cost and subsequently measured at amortized cost.

Other financial liabilities comprise amounts payable to sellers as a result of business combinations and asset acquisitions.

Notes

21. Change in working capital

tEUR	2022	2021
Change in receivables	- 23,020	- 8,418
Prepaid expenses	- 1,690	- 472
Prepayment from customers	4,530	460
Change in trades payable, other debt	3,231	4,390
Change in working capital, total	- 16,949	- 4,040

22. Business combinations

During 2022 there were no acquisitions of 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.

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
Accounts Receivable	2,141
Other	147
Cash and cash equivalents	8,131
Deferred tax liabilities	- 42,782
External Creditors	- 1,245
Prepayment from customers	- 2,297
Other (incl VAT, payroll related, etc.)	- 1,566
Identified net assets	134,065
Goodwill	69,157
Total consideration	203,221

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 with regulation for online sports betting being implemented across States. The goodwill is not tax deductible.

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.

Notes

22. Business combinations (continued)

tEUR	
Purchase amount	203,221
<i>Regards to:</i>	
Cash and cash equivalents	8,131
Exchange rate diff on Cashflow	
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 for 2021 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	
Accounts & other intangible assets	0
Equipment	3
Deposits	5
Trade and other receivables	76
Prepayments	0
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

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.

Notes

22. Business combinations (continued)

tEUR	
Purchase amount	2,823
<i>Regards to:</i>	
Cash and cash equivalents	89
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.

23. Related party disclosures

The Group has registered the following shareholders with 5% or more equity interest:

- J Søgaard Holding ApS, 19.54 %, Toldbodgade 12, 1253 Copenhagen, Denmark
- Chr. Dam Holding ApS, 19.54 %, Toldbodgade 12, 1253 Copenhagen, Denmark

Christian Kirk Rasmussen and Jesper Søgaard each hold 19.54% of the shares in Better Collective A/S, through respective holding companies. The remaining shares are held by other shareholders.

Leading employees

The Group's related parties with significant influence include the Group's Board of Directors, Executive Directors and Key Management in the parent company and close family members of these persons. Related parties also include companies in which this circle of persons has significant interests.

Management remuneration and warrant programs are disclosed in note 5 and 6.

Transactions with related parties have been as follows:

tEUR	2022	2021
Warrants Board member (included in board remuneration)	0	27

Notes

24. Group information –subsidiary information

The consolidated financial statements of the Group as of December 31, 2022 include the following subsidiaries:

Name	Ownership	Country	City	Currency	Capital local currency
Better Collective GmbH*	100%	Austria	Vienna	tEUR	36
Hebiva Beteiligungen GmbH	100%	Austria	Vienna	tEUR	40
Better Collective SAS	100%	France	Paris	tEUR	100
Better Collective D.o.o.	100%	Serbia	Niš	tRSD	620
Bola Webinformation GmbH	100%	Austria	Vienna	tEUR	35
Better Collective Greece P.C.	100%	Greece	Thessaloniki	tEUR	10
Kapa Media Services Ltd.	100%	Malta	Naxxar	EUR	1,200
Better Collective Sweden AB	100%	Sweden	Stockholm	tSEK	50
Better Collective UK Ltd	100%	United Kingdom	Stoke on Trent	GBP	1
Better Collective Poland SP Z o o	100%	Poland	Krakow	tPLN	5
Moar Performance Ltd	100%	United Kingdom	London	GBP	1
Better Collective Romania SRL	100%	Romania	Bucharest	tRON	50
Better Collective USA Inc	100%	USA	New York	USD	1
Better Collective Tennessee LLC**	100%	USA	Tennessee	tUSD	2,239
Atemi Ltd	100%	Malta	St Julians	tGBP	1
Hot Media Corp****	100%	British Virgin Islands	Tortola	tGBP	0
Force Media Inc****	100%	British Virgin Islands	Tortola	tGBP	0
Pedia Publications Ltd****	100%	Guernsey	St. Peter Port	tGBP	67
5 Star Traffic Ltd****	100%	British Virgin Islands	Tortola	tGBP	0
FTD LABS Ltd****	100%	Guernsey	St. Peter Port	tGBP	0
Better Collect UK Services Ltd (Former: Your Media Ltd)****	100%	United Kingdom	Tunbridge Wells	tGBP	0
HLTV ApS	100%	Denmark	Aarhus	tDKK	50
Mindway ApS	100%	Denmark	Aarhus	tDKK	65
Action Network Inc.***	100%	USA	New York	tUSD	0
Better Collective Netherlands B.V.	100%	Netherlands	Amsterdam	tEUR	1
Better Collective Portugal, Unipessoal Lda	100%	Portugal	Lisbon	tEUR	0
Better Collective Brasil LTDA	100%	Brasil	Rio de Janeiro	tBRL	10

* Better Collective GmbH is 100% owned by Hebiva Beteiligungen GmbH.

** Better Collective Tennessee LLC was merged in to Better Collective US Inc. On July 1st, 2022

***Action Network Inc. are 100% owned by Better Collective USA Inc.

**** Subsidiaries are 100% owned by Atemi Ltd.

Notes

24. Group information –subsidiary information (continued)

The consolidated financial statements of the Group as of December 31, 2021 include the following subsidiaries:

Name	Ownership	Country	City	Currency	Local currency
Better Collective GmbH*	100%	Austria	Vienna	tEUR	36
Hebiva Beteiligungen GmbH	100%	Austria	Vienna	tEUR	40
Better Collective SAS	100%	France	Paris	tEUR	100
Better Collective D.o.o.	100%	Serbia	Niš	tRSD	620
Bola Webinformation GmbH	100%	Austria	Vienna	tEUR	35
Better Collective Greece P.C.	100%	Greece	Thessaloniki	tEUR	10
Kapa Media Services Ltd.	100%	Malta	Naxxar	EUR	1,200
Better Collective Sweden AB	100%	Sweden	Stockholm	tSEK	50
Better Collective UK Ltd	100%	United Kingdom	Stoke on Trent	GBP	1
Better Collective Poland SP Z o o	100%	Poland	Krakow	tPLN	5
MOAR Performance Ltd	100%	United Kingdom	London	GBP	1
Better Collective Romania SRL	100%	Romania	Bucharest	tRON	50
Better Collective USA Inc	100%	USA	New York	USD	1
Better Collective Florida LLC**	100%	USA	Nashville	USD	1
Better Collective Tennessee LLC***	100%	USA	Tennessee	tUSD	2,239
Atemi Ltd	100%	Malta	St Julians	tGBP	1
Hot Media Corp****	100%	British Virgin Islands	Tortola	tGBP	0
Force Media Inc****	100%	British Virgin Islands	Tortola	tGBP	0
Pedia Publications Ltd****	100%	Guernsey	St. Peter Port	tGBP	67
5 Star Traffic Ltd****	100%	British Virgin Islands	Tortola	tGBP	0
FTD LABS Ltd****	100%	Guernsey	St. Peter Port	tGBP	0
Better Collect UK Services Ltd (Former: Your Media Ltd)****	100%	United Kingdom	Tunbridge Wells	tGBP	0
HLTV ApS	100%	Denmark	Aarhus	tDKK	50
Mindway ApS	100%	Denmark	Aarhus	tDKK	65
Action Network Inc.***	100%	USA	New York	tUSD	
Better Collective Netherlands B.V.	100%	Netherlands	Amsterdam	EUR	1

* Better Collective GmbH is 100% owned by Hebiva Beteiligungen GmbH.

** Better Collective Florida LLC was merged in to Better Collective US Inc. On May 1st, 2021

***BC Tennessee LLC and Action Network Inc. are 100% owned by Better Collective USA Inc.

**** Subsidiaries are 100% owned by Atemi Ltd.

Notes

25. Other contingent liabilities

Other contingent liabilities

There are no other contingent liabilities in 2022.

The mortgage loan from Realkredit Danmark was paid out in connection with the sales of the property on HC. Andersens Boulevard in March 2021. There are no other contingent liabilities.

26. Events after the reporting date

During the first month of 2023, Better Collective delivered growth of >40%, despite having tough comparable from 2022, where the state of New York launched. The tremendous growth was fueled by the state of Ohio launching sports betting, coupled with a strong performance by the Group.

Better Collective announced two media partnerships with the digital soccer media, Goal, and the leading Polish sports site: Wirtualna Polska.

A smaller asset deal for a sports media in an emerging market was completed for 4.3 mUSD.

Better Collective announced a share acquisition of 8.5% of Catena Media.

A new lease agreement was signed for a new HQ in Copenhagen where Better Collective will move 'around the corner' to a new and bigger office space. The leasing agreement runs for five years and has total rent obligation of approximately 12 mEUR during that period.

In February Better Collective announced a share buy-back program of 10 mEUR.

Parent Company Financial Statements

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Statement of profit and loss

Note	tEUR	2022	2021
2	Revenue	65,282	36,961
	Other operating income	14,797	12,748
	Direct costs related to revenue	14,292	7,407
3.4	Staff costs	25,061	13,767
14	Depreciation	540	490
5	Other external expenses	17,248	15,080
	Operating profit before amortization (EBITA) and special items	22,939	12,963
12	Amortization	3,875	3,397
	Operating profit (EBIT) before special items	19,064	9,566
6	Special items, net	- 1,168	2,776
	Operating profit	17,896	12,342
9	Financial income	72,388	47,400
10	Financial expenses	35,057	5,102
	Profit before tax	55,227	54,640
11	Tax on profit for the period	8,279	6,947
	Profit for the period	46,949	47,692

Statement of comprehensive income

Note	tEUR	2022	2021
	Profit for the period	46,949	47,692
	Other comprehensive income		
	Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
	Currency translation to presentation currency	22	50
11	Income tax	0	0
	Net other comprehensive income/loss	22	50
	Total other comprehensive income/(loss) for the period, net of tax	46,970	47,742

Balance sheet

Note	tEUR	2022	2021
	Assets		
	Non-current assets		
12.13	Intangible assets		
	Domains and websites	144,374	26,189
	Accounts and other intangible assets	13,287	3,257
	Total intangible assets	157,662	29,446
14	Property, plant and equipment		
	Right of use assets	334	601
	Fixtures and fittings, other plant and equipment	410	310
	Total property, plant and equipment	744	911
	Financial assets		
7	Investments in subsidiaries	190,448	189,318
8	Receivables from subsidiaries	273,515	245,349
	Deposits	174	170
	Total financial assets	464,137	434,837
	Total non-current assets	622,542	465,194
	Current assets		
16	Trade and other receivables	17,163	7,683
19	Receivables from subsidiaries	30,229	22,428
	Tax receivable	5,913	0
	Prepayments	2,519	1,331
19	Restricted Cash	0	1,489
19	Cash	8,705	5,962
	Total current assets	64,529	38,894
	Total assets	687,071	504,088

Note	tEUR	2022	2021
	Equity and liabilities		
	Equity		
	Share Capital	551	546
	Share Premium	272,550	267,873
	Currency Translation Reserve	574	552
	Treasury shares	- 7,669	- 8,074
	Retained Earnings	145,047	94,223
	Proposed Dividends	0	0
	Total equity	411,054	355,121
	Non-current Liabilities		
19	Debt to credit institutions	201,708	121,025
18	Lease liabilities	16	330
11	Deferred tax liabilities	6,141	1,996
19	Other non-current financial liabilities	19,543	4,939
	Total non-current liabilities	227,408	128,290
	Current Liabilities		
	Prepayments received from customers and deferred revenue	1,583	0
17	Trade and other payables	5,719	4,046
19	Payables to subsidiaries	20,822	9,273
11	Corporation tax payable	30	993
19	Other current financial liabilities	19,045	6,039
	Debt to credit institutions	1,055	0
18	Lease liabilities	356	328
	Total current liabilities	48,609	20,678
	Total liabilities	276,017	148,967
	Total equity and liabilities	687,071	504,088

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, 2022	546	267,873	552	- 8,074	94,223	0	355,121
Result for the period	0	0	0	0	46,949	0	46,949
Other comprehensive income							
Currency translation to presentation currency	0	0	22	0	0	0	22
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	22	0	0	0	22
Total comprehensive income for the year	0	0	22	0	46,949	0	46,970
Transactions with owners							
Capital Increase	5	4,677	0	0	0	0	4,683
Acquisition of treasury shares	0	0	0	- 14,250	0	0	- 14,250
Disposal of treasury shares	0	0	0	14,656	842	0	15,498
Share based payments	0	0	0	0	3,061	0	3,061
Transaction cost	0	0	0	0	- 28	0	- 28
Total transactions with owners	5	4,677	0	406	3,875	0	8,963
At December 31, 2022	551	272,550	574	- 7,669	145,047	0	411,054

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, 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	8	0	0	0	159,133
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	8	- 8,072	1,395	0	152,455
At December 31, 2021	546	267,873	552	- 8,074	94,223	0	355,121

During the period no dividend was paid.

Statement of cash flows parent

Note	tEUR	2022	2021
	Profit before tax	55,227	54,640
	Adjustment for finance items	- 37,331	- 42,298
	Adjustment for special items	1,168	- 2,776
	Operating Profit for the period before special items	19,064	9,566
	Depreciation and amortization	4,415	3,887
	Other adjustments of non-cash operating items	2,139	1,278
	Cash flow from operations before changes in working capital and special items	25,619	14,731
20	Change in working capital	2,253	- 24,152
	Cash flow from operations before special items	27,871	- 9,421
	Special items, cash flow	- 1,227	- 447
	Cash flow from operations	26,644	- 9,868
	Dividend received	20,088	24,407
	Other Financial income, received	2,566	5,419
	Financial expenses, paid	- 5,296	- 4,235
	Cash flow from ordinary activities before tax	44,002	15,723
	Income tax paid	- 11,011	- 4,538
	Cash flow from operating activities	32,992	11,184
7	Acquisition of businesses	- 5,252	- 9,489
12	Acquisition of intangible asset	- 92,636	- 11,591
14	Acquisition of property, plant and equipment	- 322	- 184
14	Sale of property, plant and equipment	0	971
	Non-current loans to subsidiaries	- 200	- 195,389
	Change in other non-current assets	- 4	- 10
	Cash flow from investing activities	- 98,415	- 215,691

Note	tEUR	2022	2021
19	Repayment of borrowings	- 215,993	- 87,069
19	Proceeds from borrowings	296,665	139,373
	Group Financial borrowings	0	3,520
	Lease liabilities	- 336	- 299
	Other non-current liabilities	0	- 844
	Capital increase	618	158,236
	Treasury Shares	- 14,250	- 8,143
	Transaction cost	- 28	- 2,305
	Cash flow from financing activities	66,675	202,469
	Cash flows for the period	1,252	- 2,038
	Cash and cash equivalents at beginning	7,452	9,486
	Foreign currency translation of cash and cash equivalents	1	3
	Cash and cash equivalents period end	8,705	7,452
	Cash and cash equivalents period end		
	Restricted cash	0	1,489
	Cash	8,705	5,962
	Cash and cash equivalents period end	8,705	7,452

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1. Accounting policies

Reference is made to notes to the consolidated financial statements. For the treatment of subsidiaries reference is made to note 7.

2. 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	2022	2021
Revenue category		
Recurring revenue (Revenue share, Subscription, CPM)	57,264	30,540
CPA, Fixed Fees	8,018	6,421
Other	0	0
Total Revenue	65,282	36,961
%-split		
Recurring revenue (Revenue share, Subscription, CPM)	88	83
CPA, Fixed Fees	12	17
Other	0	0
Total Revenue	100	100

tEUR	2022	2021
Revenue		
Revenue share	48,152	30,540
CPA	2,490	3,352
Subscription revenue	572	0
Other	14,068	3,069
Total Revenue	65,282	36,961
%-split		
Revenue	2,022	2,021
Revenue share	74	83
CPA	4	9
Subscription revenue	1	0
Other	22	8
Total Revenue	100	100

The parent company has earned 37.3 mEUR in revenues from one major customer, which represents 57% of the parent company's revenue (2021: 60%).

Accounting policies

Reference is made to note 4 of the consolidation financial statement.

Other operating income: Other operating income in the Parent Company consists of management fees for subsidiaries and is recognized at the time of delivery of the management services.

3. Staff costs

tEUR	2022	2021
Wages and salaries	13,924	11,244
Pensions, defined contribution	1,116	939
Other social security costs	163	222
Share-based payments	1,935	1,203
Other staff costs	235	159
Intercompany personnel costs*	7,688	0
Total staff costs	25,061	13,767
* Intercompany staff cost were presented as external cost in 2021. Amount has not been restated.		
Average number of full-time employees	134	124

For remuneration of Key Management personnel, Executive Directors and the Board of Directors, reference is made to the disclosures in note 5 of the consolidated financial statements.

4. Share-based payments

Reference is made to the disclosures in note 6 of the consolidated financial statements.

5. Fees paid to auditors appointed at the annual general meeting

tEUR	2022	2021
Fee related to statutory audit	265	237
Fees for tax advisory services	0	0
Assurance engagements	25	20
Other assistance	0	0
Total audit fees	290	257

6. Special items

Significant income and expenses, which Better Collective consider not part of ordinary business are presented in the Income statement in a separate line item labelled 'Special items'. The impact of special items is specified as follows:

tEUR	2022	2021
Operating profit	17,896	12,342
<i>Special Items related to:</i>		
Special items related to M&A	- 1,227	- 441
Special items related to Earn-out	59	2,952
Special items related to Restructuring	- 0	- 6
Special items related to Divestiture of Assets	0	272
Special Items, total	- 1,168	2,776
Operating profit (EBIT) before special items	19,064	9,566
Amortization	3,875	3,397
Operating profit before amortization and special items (EBITA before special items)	22,939	12,963
Depreciation	540	490
Operating profit before depreciation, amortization, and special items (EBITDA before special items)	23,479	13,454

Notes

7. Investments in subsidiaries

Name	Domicile	Interest %	2022		2021	
			Equity tEUR	Profit/loss tEUR	Equity tEUR	Profit/loss tEUR
Subsidiaries						
Better Collective D.o.o.	Serbia	100%	1,017	92	903	240
Better Collective SAS	France	100%	14,116	12,868	6,248	5,038
Hebiva Beteiligungen GmbH	Austria	100%	1,530	1,458	2,334	2,251
Better Collective GmbH*	Austria	100%	35	1,466	32	2,242
Bola Webinformation GmbH	Austria	100%	6,742	6,707	4,751	4,716
Better Collective Greece P.C.	Greece	100%	1,344	292	1,052	310
Kapa Media Services Ltd.	Malta	100%	387	57	330	63
Better Collective Sweden AB	Sweden	100%	3,198	2,069	3,210	1,944
Better Collective UK Ltd	United Kingdom	100%	0	205	- 27	- 106
Better Collective Poland SP Z o o	Poland	100%	413	158	259	119
Moar Performance Ltd	United Kingdom	100%	2,261	2,151	183	83
Better Collective Romania SRL	Romania	100%	78	- 11	89	64
Better Collective USA Inc	USA	100%	- 18,642	- 5,888	- 13,583	- 12,659
Better Collective Florida LLC**	USA	100%			0	79
Action Network Inc.	USA	100%	17,842	7,884	9,705	955
Better Collective Tennessee LLC**	USA	100%		5,235	3,625	6,063
Atemi Ltd	Malta	100%	73	2,513	- 162	- 31
Hot Media Corp***	British Virgin Islands	100%	668	- 519	1,233	41
Force Media Inc***	British Virgin Islands	100%	1	520	- 528	- 125
Pedia Publications Ltd***	Guernsey	100%	5	385	- 386	311
5 Star Traffic Ltd***	British Virgin Islands	100%	1,872	3	3,822	584
FTD LABS Ltd***	Guernsey	100%	0	12	783	349
Better Collective UK Services Ltd (Former: Your Media Ltd)***	United Kingdom	100%	196	354	- 152	4
HLTV ApS	Denmark	100%	1,431	2,107	3,223	4,071
Mindway ApS	Denmark	100%	- 1,021	- 90	- 931	- 350
Better Collective Netherlands B.V.	Netherlands	100%	- 97	- 136	39	39
Better Collective Portugal, Unipessoal Lda	Portugal	100%	36	36		
Better Collective Canada Inc	Canada	100%	57	53		
Better Collective Brasil Ltda	Brasil	100%	- 4	- 4		

*Better Collective GmbH is 100% owned by Hebiva Beteiligungen GmbH.

** Better Collective Florida LLC was merged in to Better Collective US Inc. On May 1st, 2021

*** BC Tennessee LLC was merged in to Better Collective US Inc. On July 1st, 2022

****Subsidiaries are 100% owned by Atemi Ltd.

Notes

7. Investments in subsidiaries (continued)

tEUR	2022	2021	2020	2019
Subsidiaries				
Cost at January 1	189,318	183,856	103,024	100,088
Additions*	1,130	4,770	80,372	3,017
Exchange rate to reporting currency	0	691	460	- 81
Cost at December 31	190,448	189,318	183,856	103,024
Value adjustment at January 1				
Impairment	0	0	0	0
Reversal of impairment	0	0	0	0
Value adjustment at December 31	0	0	0	0
Carrying amount at December 31	190,448	189,318	183,856	103,024

*Cash flow impact in 2022: 5,252 tEUR (2021: 9.489 tEUR)

Reference is made to note 22 of the consolidated financial statements for acquisition of businesses.

Investments in subsidiaries have been assessed for impairment in 2022 and 2021 and did not lead to any impairment in neither 2022 nor 2021.

Accounting policies

Investments in subsidiaries

Investments in subsidiaries and other investments are measured at cost. If the cost exceeds the recoverable amount, the carrying amount is reduced to such lower value. Reference is made to note 13 of the consolidated financial statement.

Notes

8. Non-current financial assets

tEUR	Receivables from Subsidiaries	Other non-current financial assets	Total
Cost at January 1, 2022	245,349	0	245,349
Additions	200	0	200
Exchange rate adjustment	27,966	0	27,966
Cost at December 31, 2022	273,515	0	273,515
Value adjustment at 1 January, 2022			
Impairment	0	0	0
Value adjustment at 31 December, 2022	0	0	0
Carrying amount at 31 December, 2022	273,515	0	273,515
Cost at January 1, 2021			
Additions	36,969	1,146	38,115
Disposals	195,389	0	195,389
Disposals	0	- 1,146	- 1,146
Exchange rate adjustment	12,991	0	12,991
Cost at December 31, 2021	245,349	0	245,349
Value adjustment at 1 January, 2021			
Impairment	0	0	0
Value adjustment at 31 December, 2021	0	0	0
Carrying amount at 31 December, 2021	245,349	0	245,349

Notes

9. Finance income

tEUR	2022	2021
Exchange gains	46,394	19,701
Interest income	0	11
Interest expenses, group entities	5,905	3,281
Dividend income	20,088	24,407
Other financial income	0	0
Total finance income	72,388	47,400

10. Finance costs

tEUR	2022	2021
Exchange losses	30,131	1,681
Interest expenses	3,712	1,664
Interest - right of use assets (Leasing)	21	32
Interest expenses, group entities	254	108
Other financial costs	939	1,617
Total finance costs	35,057	5,102

Notes

11. Income tax

Total tax for the year is specified as follows:

tEUR	2022	2021
Tax for the year	8,279	6,947
Tax on other comprehensive income	0	0
Total	8,279	6,947

Income tax of profit from the year is specified as follows:

tEUR	2022	2021
Deferred tax	4,154	833
Current tax	4,181	6,015
Adjustment from prior years	- 56	100
Total	8,279	6,947

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

tEUR	2022	2021
Specification for the period:		
Calculated 22% tax of the result before tax	12,150	12,021
Tax effect of:		
Non-taxable income	- 4,419	- 5,370
Non-deductible costs	604	197
Adjustment from prior years	- 56	100
	8,279	6,947
Effective tax rate	15.0%	12.7%

tEUR	2022	2021
Deferred tax liabilities		
Deferred tax liabilities January 1	1,996	1,163
Adjustments of deferred tax in profit and loss	4,154	833
Exchange rate adjustment	- 9	0
Deferred tax liabilities December 31	6,141	1,996
Deferred tax is recognized in the balance sheet as:		
Deferred tax asset	0	0
Deferred tax liability	6,141	1,996
Deferred tax liabilities December 31	6,141	1,996
Deferred tax is related to:		
Intangible assets	6,209	2,051
Property, plant and equipment	- 68	- 55
Deferred tax liabilities December 31	6,141	1,996
Income tax payable		
Income tax payable January 1	993	- 583
Current tax	4,181	6,015
Income tax paid during the year	- 11,011	- 4,538
Adjustment - Prior year	- 56	100
Tax payable reduction from warrant settlement	0	0
Exchange rate difference	11	- 1
Income tax payable December 31	- 5,883	993

Notes

12. Intangible assets

tEUR	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation			
At January 1, 2022	26,189	11,179	37,368
Acquisitions*	118,185	13,907	132,092
Currency Translation	- 1	0	- 1
At December 31, 2022	144,374	25,086	169,460
Amortization and impairment			
At January 1, 2022	0	7,922	7,922
Amortization for the period	0	3,875	3,875
Currency translation	0	2	2
At December 31, 2022	0	11,798	11,798
Net book value at December 31, 2022	144,374	13,287	157,662

*Cash flow impact in 2022: 92,636 tEUR

tEUR	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation			
At January 1, 2021	15,185	7,878	23,063
Acquisitions*	10,998	3,298	14,297
Currency Translation	5	3	8
At December 31, 2021	26,189	11,179	37,368
Amortization and impairment			
At January 1, 2021	0	4,523	4,523
Amortization for the period	0	3,397	3,397
Currency translation	0	2	2
At December 31, 2021	0	7,922	7,922
Net book value at December 31, 2021	26,189	3,257	29,446

*Cash flow impact in 2021: 11,591 tEUR

Notes

13. Intangible assets with indefinite life

The parent company’s domain names and websites arise from asset acquisitions.

Domain names and websites are not subject to amortization, but are reviewed annually for impairment, or more frequently if there are any indicators of impairment that are noted during the year.

Cash-generating units

A cash-generating unit represents the smallest identifiable group of assets that together have cash inflows that are largely independent of the cash inflows from other assets. Management has concluded that the Group has only one cash-generating unit for impairment testing purposes, since cash flows to the Group are generated by the business as a whole and independent cash flows from other assets cannot be separately distinguished. Therefore, impairment testing has been done at the level of one cash-generating unit.

Carrying amount of Domains and Websites for the CGU:

tEUR	2022	2021
Domains and Websites	144,374	26,189

As at December 31, 2022 and December 31, 2021, the directors have evaluated domains and websites for impairment. The directors are of the view that the carrying amount of domains and sites is recoverable on the basis that the cash-flows generated from these assets are in line, or exceed, the estimated projections made prior to the acquisitions. The directors are satisfied that the judgements made are appropriate to the circumstances.

Recoverable amount

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

The parent company has performed an impairment test on domains and websites as of December 31, 2022 and December 31, 2021, on a value-in-use basis. Management has based the value in use by estimating the present value of future cash flows from a three-year forecast approved by the Board of Directors and corresponding to the Group’s long-term forecast for 2023-2025. Key parameters in the forecast are trends in revenue, cost development and growth expectations. Beyond the approved forecast, EBITDA growth, cash conversion and tax-rates have been forecasted with a time horizon of 10 years, increased from 5 years used in the 2021 impairment testing. Based on 2032 EBITDA and cash flow, management has applied a terminal value rate of 2%. The cash flows assume a discount factor of 15% based on the Group’s weighted average cost of capital (WACC) in all years 2023-2032 with an effective tax rate of 22% (pre-tax discount rate 18%). The Board of Directors have approved the inputs to the impairment testing and are satisfied that the judgements made are appropriate.

Further, acquired domains and websites with indefinite life have been individually evaluated for indicators of impairment. The evaluation is based on actual traffic on the websites, as well as actual and expected revenue and NDCs generated by the accounts with operators that are linked to the websites.

In 2022 the results of the impairment tests for goodwill and domains and websites showed that the recoverable amount exceeded the carrying value and that there was no impairment loss to be recognized.

In 2021 the evaluation of acquired revenue share accounts in the Netherlands, following the regulatory development and operator decisions to discontinue old player databases, resulted in an impairment of 1.7 mEUR. The liability related to the asset, recorded as an earn-out payable, was reduced in the assessment and the impact on P/L of the earn-out adjustment of 2.9 mEUR was included in Special items.

Notes

14. Property, plant and equipment

tEUR	Right of use assets	Fixtures and fittings, other plant and equipment	Total
Cost or valuation			
At December 31, 2021	1,502	970	2,472
Additions	50	322	373
Currency Translation	0	0	0
At December 31, 2022	1,553	1,292	2,845
Depreciation and impairment			
At December 31, 2021	901	660	1,561
Depreciation for the period	318	222	540
Currency translation	0	0	0
At December 31, 2022	1,219	882	2,101
Net book value at December 31, 2022	334	410	744

tEUR	Right of use assets	Fixtures and fittings, other plant and equipment	Total
Cost or valuation			
At December 31, 2020	1,502	1,576	3,077
Additions	0	184	184
Disposals	0	- 790	- 790
Currency Translation	1	0	1
At December 31, 2021	1,502	970	2,472
Depreciation and impairment			
At December 31, 2020	605	555	1,160
Depreciation for the period	296	195	490
Depreciation on disposed assets	0	- 91	- 91
Currency translation	0	0	1
At December 31, 2021	901	660	1,561
Net book value at December 31, 2021	601	310	911

Notes

15. Issued capital and reserves

Reference is made to the disclosures in note 16 of the consolidated financial statements.

16. Trade and other receivables

tEUR	2022	2021
Trade receivables	10,266	1,361
Accrued revenue	6,827	6,155
Other receivables	71	167
Total receivables	17,163	7,683

17. Trade and other payables

tEUR	2022	2021
Trade Payables	593	998
Other payables	5,125	3,048
Total payables	5,719	4,046

18. Leasing

Right-of-use assets

tEUR	Buildings	Cars	Total
Balance at January 1, 2022	601	0	601
Additions	0	50	50
Exchange rate adjustment	0	0	0
Depreciation	- 300	- 17	- 318
Balance at December 31, 2022	301	33	334
Balance at January 1, 2021	896	0	896
Exchange rate adjustment	0	0	0
Depreciation	- 295	0	- 295
Balance at December 31, 2021	601	0	601

Lease liabilities

tEUR	2022	2021
Maturity analysis - contractual undiscounted cash flows		
Less than one year	363	338
One to five years	16	345
More than five years	0	0
Total undiscounted cash flows	379	683
Total lease liabilities	372	657
Current	356	328
Non-current	16	330

The total cash outflow for leases in 2022 was 357 tEUR (2021: 331 tEUR).

Notes

18. Leasing (continued)

Amounts recognized in the consolidated income statement

tEUR	2022	2021
Interest on lease liabilities	21	32
Expenses relating to short-term lease	0	0
Expenses relating to lease of low value assets	0	0

19. Financial risk management objectives and policies

The parent company's activities expose it to a variety of financial risks:

market risk (including foreign currency exchange risk and interest rate risk), credit risk, and liquidity risk. The parent company has established principles for overall risk management, which seek to minimize potential adverse effects on the parent company's performance.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. For the parent company, market risk comprises foreign currency risk and interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The parent company's exposure to the risk of changes in foreign exchange rates relates primarily to the parent company's international operating activities. The parent company's revenues are mainly denominated in DKK and EUR, with limited revenues in GBP, USD, and PLN. The majority of the parent company's expenses are employee costs, which are denominated in the Group entities' functional currency, DKK together with expenses. Expenses have a pattern there is in line with the revenue. The expenses are mainly in DKK, EUR and limited GBP, USD, and PLN. The DKK rate is fixed to the EUR. Since revenues in other foreign currencies than DKK and EUR

(GBP, USD, and PLN) are limited and expenses in GBP, USD, and PLN reduces the exposure, the parent company is not overly exposed to foreign currency risk for the ongoing operations.

The parent company has provided long-term intercompany loans in USD to Better Collective US, Inc. to fund the acquisitions in US. The un-realized exchange rate gains/losses are recorded in the profit and loss in the parent company. A strengthening of the USD vs. EUR of 10% will have a positive impact on the parent company of 24 mEUR, whereas a weakening of the USD vs. EUR of 10% will have a negative impact of 24 mEUR on the parent company.

Beyond the impact due to loans mentioned above, the historic exposure to currency fluctuations has not had a material impact on the parent company's financial condition or results of operations. Accordingly, Management deems that a further sensitivity analysis showing how profit or pre-tax equity would have been impacted by changes in these foreign exchange rates is not necessary.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The parent company's exposure to interest rate risk arises mainly from the club facility signed in November 2022 and deposits held. These are short-term and not material amounts. With -200 mEUR drawn on the facility as of December 2022, an increase in the interest of 1 %-point will drive additional 2 mEUR in finance costs. However, management expects to re-pay the credit facility in the short to medium term, as the parent company is generating positive cash flows, and therefore exposure to interest rate risk is considered minimal.

The parent company regularly monitors its interest rate risk and considers it to be insignificant, therefore an interest rate sensitivity analysis is not deemed necessary.

Credit risk

As per January 1, 2018 the parent company implemented IFRS 9 using the simplified expected credit loss model. The model implies that the expected loss over the lifetime of the asset is recognized in the profit and loss immediately and is monitored on an ongoing basis until realization. The parent company has very limited overdue trade receivables and historically there has been minimal losses on trade receivables and the subsidiaries have a high liquidity ratio. The inputs to the expected credit loss model reflects this.

As per December 31, 2022 the parent company's impairment for expected loss is included in the trade receivables (ref note 16).

Notes

19. Financial risk management objectives and policies (cont'd)

Expected credit loss on receivables from trade and subsidiaries can be specified as follows:

tEUR	Expected Loss Rate	Gross Receivable	Expected loss	Net receivable
2022				
Not Due	0.0%	10,875	0	10,875
Less than 30 days	0.2%	4,067	10	4,057
Between 31 and 60 days	0.7%	1,593	11	1,582
Between 61 and 90 days	2.5%	105	3	103
More than 91 days	25.0%	1,036	259	777
Total	1.6%	17,676	283	17,393
Receivables from subsidiaries	0.0%	303,744	0	303,744

Limited losses were recognized during 2022. Expected loss rate on long overdues has been increased, whereas increased customer follow-up has lowered the exposure compared to 2021.

tEUR	Expected Loss Rate	Gross Receivable	Expected loss	Net receivable
2021				
Not Due	0.0%	1,645	0	1,645
Less than 30 days	0.0%	956	0	956
Between 31 and 60 days	0.3%	1,840	5	1,835
Between 61 and 90 days	0.8%	621	5	616
More than 91 days	2.7%	2,532	68	2,463
Total	1.0%	7,595	79	7,516
Receivables from subsidiaries	0.0%	267,777	0	267,777

Liquidity risk

The parent company is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which mainly include trade payables, other payables and the credit facility. The parent company ensures adequate liquidity through the management of cash flow forecasts and close monitoring of cash inflows and outflows.

Notes

19. Financial risk management objectives and policies (cont'd)

The following table summarizes the maturities of the parent company's financial obligations. The parent company had no derivative financial instruments.

Contractual cash flows:	Carrying amount	Fair Value	Total	< 1 year	2 – 5 years	> 5 years
2022						
Non-derivative financial instruments:						
<i>Financial liabilities measured at fair value</i>						
Earn-Out consideration	30,058	30,058	30,425	15,425	15,000	0
Other financial liabilities measured at fair value	8,438		8,675	3,643	5,032	0
<i>Financial liabilities measured at amortized costs</i>						
Trade and other payables	5,719	5,719	5,719	5,719	0	0
Deferred payment on acquisitions	91	91	95	5	90	0
Payables to subsidiaries	3,053	3,053	3,053	3,053	0	0
Loans from subsidiaries	17,769	17,769	18,124	18,124	0	0
Debt to credit institutions	201,708	201,708	215,021	6,656	208,364	0
Total non-derivative financial instruments	266,836	258,398	281,112	52,626	228,486	0
Assets:						
Non-current financial assets, subsidiaries	273,515	273,515	300,866	5,470	295,396	0
Trade and other receivables	17,163	17,163	17,163	17,163	0	0
Receivable from subsidiaries	30,229	30,229	30,229	30,229	0	0
Cash	8,705	8,705	8,705	8,705	0	0
Total financial assets	329,612	329,612	356,963	61,567	295,396	0
Net	- 62,776	- 71,214	- 75,851	- 8,941	- 66,910	0

tEUR	Carrying amount	Fair Value	Total	< 1 year	2 – 5 years	> 5 years
2021						
Non-derivative financial instruments:						
<i>Financial liabilities measured at fair value</i>						
Earn-Out consideration	5,793	5,793	5,864	5,379	485	0
Other financial liabilities measured at fair value	3,486	3,486	3,547	1,191	2,355	0
<i>Financial liabilities measured at amortized costs</i>						
Trade and other payables	4,046	4,046	4,046	4,046	0	0
Deferred payment on acquisitions	1,698	1,698	1,706	1,610	95	0
Payables to subsidiaries	2,593	2,593	2,593	2,593	0	0
Loans from subsidiaries	6,680	6,680	6,814	6,814	0	0
Debt to credit institutions	121,025	121,025	125,568	21,694	103,873	0
Total non-derivative financial instruments	145,320	145,320	150,136	43,327	106,809	0
Assets:						
Non-current financial assets, subsidiaries	245,349	245,349	269,884	4,907	264,977	0
Trade and other receivables	7,683	7,683	7,683	7,683	0	0
Receivable from subsidiaries	22,428	22,428	22,428	22,428	0	0
Restricted cash	1,489	1,489	1,489	1,489	0	0
Cash	5,962	5,962	5,962	5,962	0	0
Total financial assets	282,912	282,912	307,447	42,470	264,977	0
Net	- 137,592	- 137,592	- 157,311	857	- 158,168	0

Notes

19. Financial risk management objectives and policies (continued)

Fair value of Earn-out consideration, contingent consideration, and other financial liabilities

Fair Value is measured based on level 3 - Valuation techniques, for which the lowest level input that is significant to the fair value measurement is unobservable. Fair Value of Earn Out consideration and Other financial liabilities is measured based on weighted probabilities of assessed possible payments discounted to present value.

Fair value

In all material aspects the financial liabilities are current/short termed. Non-current loans, overdraft facility and inter-company loans are subject to a variable interest rate. Thus, the fair value of the financial assets and liabilities is considered equal to the booked value.

Capital Management

For the purpose of the parent company's capital management, capital includes issued capital, share premium, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the parent company's capital management is to maximize shareholder value and to maintain an optimal capital structure. The parent company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the parent company may adjust the dividend payment to shareholders, issue new shares or return capital to shareholders.

Credit facilities

Better Collective has non-current committed bank credit facilities of total 247 mEUR, of which 203 mEUR was drawn up end of December 2022. As of December 31, 2022 cash and unused credit facilities, amounted to approximately 76 mEUR.

Net debt includes current and non-current debt to financial institutions and other financial liabilities, less cash and cash equivalents.

Change in liabilities arising from financing activity

tEUR	2020	Cash flows Net	Non cash flow changes	2021	Cash flows Net	Non cash flow changes	2022
Non-current financing liabilities	69,277	52,323	- 576	121,025	79,617	1,066	201,708
Leasing and other non-current liabilities	1,473	- 844	- 299	330	0	- 314	16
<i>Current financing liabilities:</i>							
Payables to subsidiaries	12,585	- 3,313	0	9,273	11,549	0	20,822
Debt to credit institutions	20	- 20		0	1,055	0	1,055
Leasing current liabilities	328	- 299	300	328	- 336	364	356
Total liabilities from financing activities	83,683	47,847	- 575	130,955	91,885	1,116	223,956

Notes

20. Change in working capital

tEUR	2022	2021
Change in receivables	- 9,901	- 3,033
Changes in Intercompany balances	10,086	- 22,522
Prepaid expenses	- 1,188	- 595
Prepayment - from Customers	1,583	0
Change in trades payable, other debt	1,673	1,998
Change in working capital, total	2,253	- 24,152

21. Other contingent liabilities

Other contingent liabilities

Joint taxation with HLTV ApS and Mindway AI ApS.

The Parent Company is jointly taxed with the Danish subsidiaries, HLTV ApS and Mindway Ai ApS. As administration company, the Company has unlimited joint and several liability, together with the subsidiaries, for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group. The jointly taxed entities' total known net receivable in respect of corporation taxes and withholding taxes payable on dividend, interest and royalties amounted to 5,909 tEUR at December 31, 2022, following a preliminary payment in November 2022 (net payable 360 tEUR at December 31, 2021). Any subsequent corrections of income subject to joint taxation and withholding taxes, etc., may entail that the entities' liability will increase.

22. Related party disclosures

In addition to the disclosures in note 23 of the consolidated financial statements, the parent company's related parties include subsidiaries, cf. note 24 to the consolidated financial statements and note 5 to the parent company's financial statements.

Transactions with related parties have been as follows:

tEUR	2022	2021
Income Statement		
Other Operating income	13,701	12,748
Intercompany revenue	- 9,175	- 5,492
Purchases	7,093	8,857
Interest expense	254	108
Interest income	5,905	3,281
Dividend income	20,088	24,407
Balance Sheet		
Long-term financial assets	273,515	245,349
Receivables from subsidiaries	30,229	22,428
Short term loans and payables to subsidiaries	20,822	9,273

Management remuneration and share option programs are disclosed in note 5 and note 6 to the consolidated financial statements.

There have not been other transactions with the Board of Directors, the Executive Directors, major shareholders or other related parties during the year.

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Definitions

Application Programming Interface (API), A set of rules and specifications that enables software programs to communicate with each other.

Board The Board of Directors of the company.

Business intelligence A collection of techniques, methods and strategies used for presenting business information and analyzing data in order to support business decisions, for example user insights and behavioral analytics which enables site managers to efficiently evaluate the relevance of content for distribution.

Company Better Collective A/S, a company registered under the laws of Denmark.

Compounded average growth rate (CAGR) The annual growth rate over a specified time period.

Content site A website containing information primarily generated by journalists, writers and other professional contributors. Content sites present in-depth information on specific iGaming areas.

Cost per acquisition (CPA) A one-off payment for every referred user that creates a new profile and makes a deposit with the iGaming operator.

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).

Earnings per share Net profit for the period / (Average number of shares - Average number of treasury shares held by the company).

Equity/assets ratio Equity at the end of period in relation to total assets at the end of period.

Esports Competitive tournaments of online video games among professional gamers/cyberathletes.

Executive management Executives that are registered with the Danish Company register.

The group / Better Collective The company and its subsidiaries.

iGaming Online sports betting and online casino.

New depositing customer (NDC) A user that creates an account and makes a deposit with the iGaming operator.

Operating profit before amortization (EBITA) Operating profit plus amortization.

Organic growth Revenue growth compared to the same period previous year. Organic growth from acquired companies or assets are calculated from the date of acquisition measured against historical baseline performance.

Organic traffic The opposite of paid traffic, which defines the visits generated by paid advertisement such as PPC (see definition below).

Paid Media Marketing efforts involving a paid placement. Paid media includes PPC advertising (see definition below), branded content, and ads display.

Pay-per-click (PPC) An internet advertising model used to direct traffic to websites whereby advertisers pay to appear in the search engine results for certain search queries.

Publishing Organic traffic generated from content sites.

Recurring revenue Recurring revenue is a combined set of revenues that is defined as recurring. It includes revenue share income, CPM/Advertising and subscription revenues.

Revenue share A revenue share model is a remuneration model based on the percentage of the net revenue generated by an NDC with the iGaming operator.

Search engine optimization (SEO) The methods and techniques used to optimize the online visibility of a website through improved rankings in a web search engine's result.

Special items Cost related to IPO and acquisitions.

Sportsbook bookmaker

Sports wagering The value of bets placed by the players.

Sports win margin The difference between the amount of money players wager minus the amount that they win.

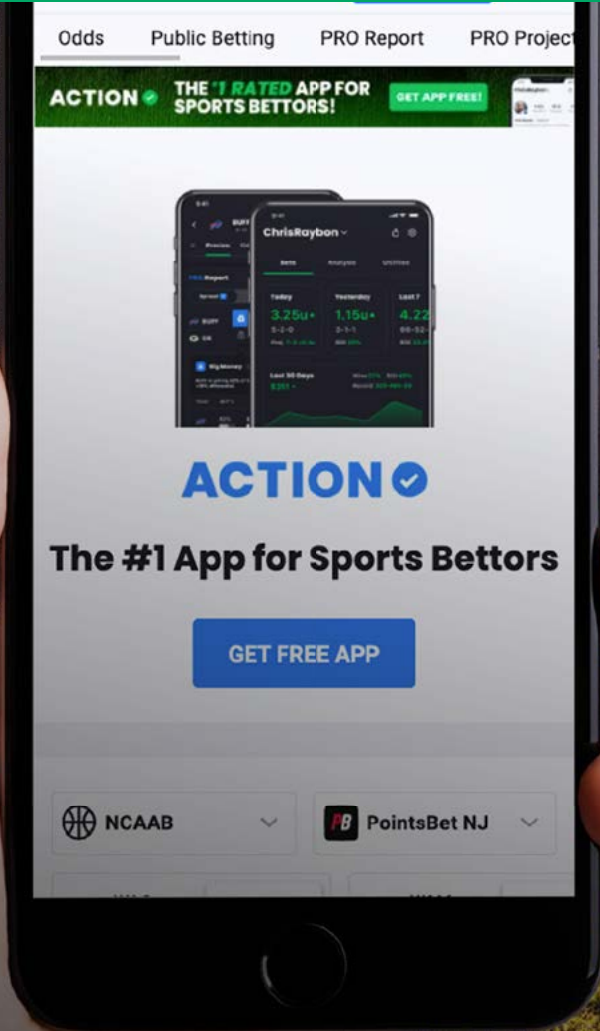
Alternative Performance Measures

Alternative Performance Measure	Description	SCOPE
Operating profit before amortization (EBITA)	Operating profit plus amortization	Better Collective reports this APM to allow monitoring and evaluation of the Group's operational profitability.
Operating profit before amortization margin (%)	Operating profit before amortization / Revenue	This APM supports the assessment and monitoring of the Group's performance and profitability.
EBITA before special items	EBITA adjusted for special items	This APM supports the assessment and monitoring of the Group's performance and profitability excluding special items that do not stem from ongoing operations, providing a more comparable measure over time.
Operating profit before amortization and special items margin (%)	Operating profit before amortization and special items / Revenue	This APM supports the assessment and monitoring of the Group's performance and profitability excluding special items that do not 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.



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Annual report 2021

Market leading digital sports media group connecting sports enthusiastic bettors with betting operators through innovative technologies and trusted digital media products

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



Building BC

Since its inception in 2004, Better Collective has experienced a rich history transforming the company from a two-man project to an international organisation with +750 employees, 16 international offices, and more than 70 million monthly visits across websites all while maintaining its visionary and entrepreneurial spirit.

In 2002, the Danish high school friends Jesper Søgaard and Christian Kirk Rasmussen took a sabbatical in Germany where a shared passion for iGaming made them establish the website CasinoVerdiener. The website, whose purpose was to support iGamers by providing knowledge and insight on bookmakers' bonus structures, distinctively fulfilled a market need and quickly became popular. While gaining success with the German endeavour, Jesper and Christian went on to establish Better Collective A/S in 2004 - an iGaming universe built upon products delivering educational tools and iGaming content.

In 2006, Better Collective made its first of many acquisitions and took ownership of Bettingexpert. With this acquisition, sports betting became the main focus of Better Collective. The site hastily became Better Collective's flagship product, and to this day, remains the biggest social network for sports betting tipsters across the world. From here onwards the company grew at an increasing pace. In 2011, Better Collective earned its first "Gazelle" award as a testament to the rapid growth and went on to the ninth consecutive Gazelle Award in 2019.

To execute a more global vision for Better Collective, 2016 became the year that Better

Collective physically moved beyond its Danish borders and established an office in Nis, Serbia. Since then, Better Collective has established 16 offices, most of which are from acquisitions, while Better Collective currently counts +750 employees, and offers products and content in more than 30 languages. Throughout the years, the iGaming industry has matured and in 2017 Better Collective became a key player in the consolidation of the industry through its M&A strategy. In 2018, this strategy also laid the cornerstone in the decision to IPO the company on the Nasdaq Stockholm - the hub for listed iGaming companies in Europe. To further cultivate a strong growth path, Better

Collective intensively started to invest in the US market through acquisitions of multiple US mega brands during 2019.

Presently, 17 years after its foundation, Jesper, as the CEO, and Christian, as the COO, continue their deep engagement in Better Collective. A few years back, the duo also decided to invest in and share their insights with start-ups through the co-founded venture fund, Dreamcraft Ventures.

Christian Kirk Rasmussen
Co-founder & COO

Jesper Søgaard
Co-founder & CEO





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Who we are

Better Collective is a leading digital sports media group within the iGaming industry. Through our products we aim to make sports entertainment, more engaging, fun, and transparent for the global network of online bettors.

2004

Founded

750+

Employees

2018

Listed on Nasdaq Stockholm
(STO:BETCO)

>42%

Shares owned by founders
and management

Better Collective's locations

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North America

Fort Lauderdale
Nashville

Europe

Amsterdam
Belgrade
Copenhagen HQ
Groningen
Krakow
Lisbon
Lodz

London
Niš
Paris
Stockholm
Stoke-on-trent
Thessaloniki
Vienna

Responsible betting & sustainable practices



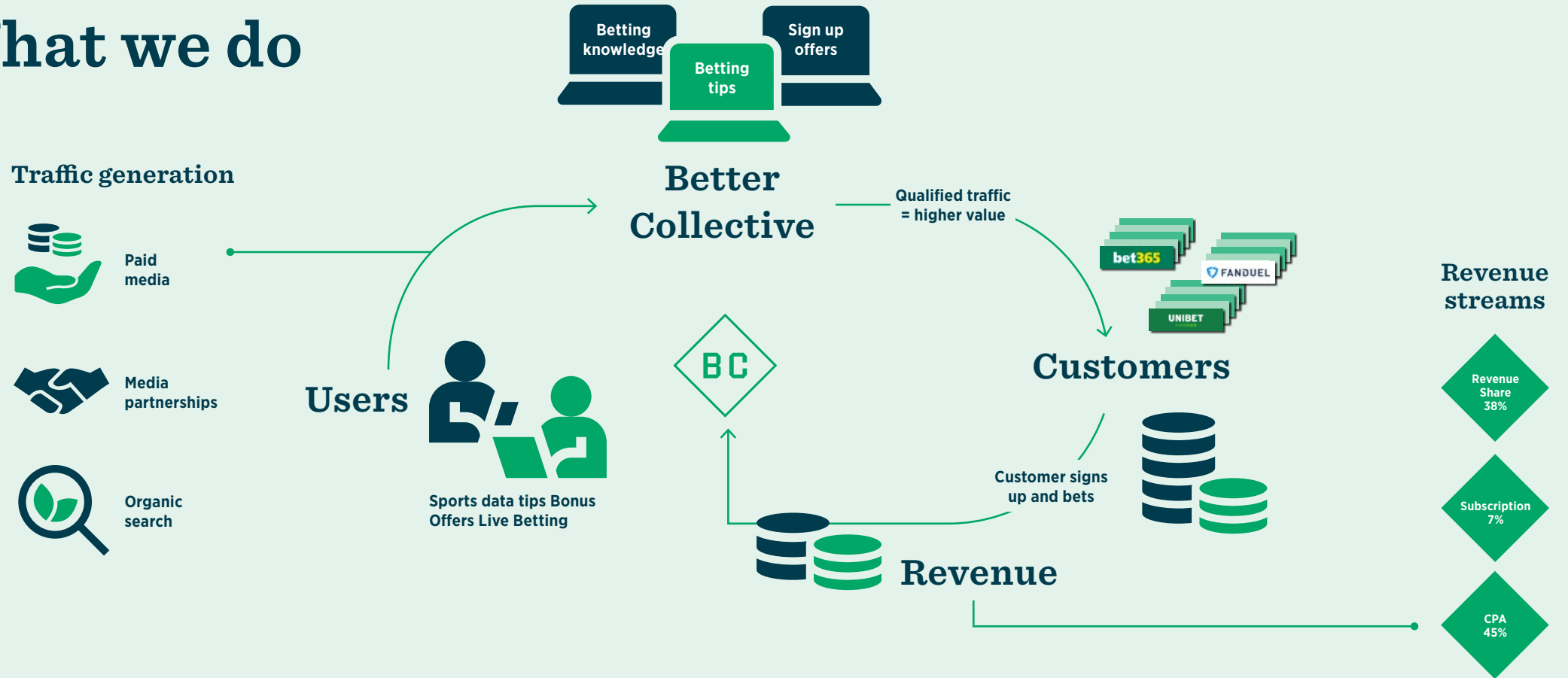
BETTER
FOR BETTORS



BETTER
COMMUNITY



What we do



Better Collective is a leading digital sports media group that connects sports enthusiastic bettors with betting operators through innovative technologies and trusted digital products centred on educational, transparent, and responsible sports betting content. We see it as our purpose to empower online bettors by creating a more fair, entertaining and safer

betting experience in a growing and more complex entertainment industry. This is why our products cover more than 30 languages and attract millions of users worldwide. At our websites users can get access to educational content around sports betting, compare odds and bookmakers, while they can also share analysis, tips and the excitement

when their favourite team or athlete competes. On the one hand we aid users to navigate safely among bookmakers that match their individual needs, and on the other hand we also provide leading online bookmakers with targeted user acquisition and engagement. These operations make Better Collective an important and integral part of the evolving iGaming universe.



Jesper Søgaard
Co-founder & CEO

Jens Bager
Chair of the board

CEO & Chair letter

A word to our shareholders

A year of solid growth, a momentous breakthrough in the US, and the acceleration of media partnership.

2021 marks a year of solid growth, as we record all time highs in revenue, earnings and customers sent to our partners. While we are still somewhat affected by the COVID-19 pandemic, we have largely managed to get the business back on track the past year - though, we continue to operate the business partly from our home offices. By the end of 2021, we experienced a serious breakthrough in the US market, particularly for the Action Network, and for our new strategic business leg; the media partnerships. All of this has accelerated into the new year, where the month of January marked the much awaited opening of online sports betting in the state of New York, which resulted in an unprecedented business performance.

For the full year 2021, we delivered an annual growth of 94% of which 29% was organic, along with a record high number of New Depositing Customers (NDCs), double the level of the year 2020. We increased our EBITDA (before special items) by 46%, reaching an EBITDA-mar-

“

I am pleased with the strong breakthroughs in the US market and in the media partnerships. Both operations have become cornerstones in our sports betting media group strategy”

Jens Bager
Chair of the board

gin of 32%. Considering the short term dampening effect on revenue and earnings from the large number of NDCs sent in the second half of 2021, combined with low sports win margins in the same period, this year's performance makes us particularly satisfied.

The COVID-19 pandemic's decreasing impact on Better Collective

Following the significant downturn in 2020 where the COVID-19 pandemic put a halt to major sports events and thereby also online sports betting, 2021 was to a large extent back on track with many big sports events that again allowed fans and spectators to meet at the stadiums to enjoy the games.



M&A builds market leadership in the US

On May 3, 2021, we signed an agreement to acquire the Action Network, a premium sports betting media platform. We consider the Action Network to be the absolute best and most complete product in the US market, and we were thrilled to welcome Action Network and its employees to Better Collective. The acquisition, which was the largest in Better Collective's history, gave us a leading position within sports betting media in the US, and created a strong foundation for benefitting from the continuous regulation of the US betting market.

M&A continues to shape our business and performance as we strive to become the leading sports betting aggregator in the world. With 25 completed acquisitions, we believe that we have the right setup for acquiring and integrating companies. We continue to have a strong M&A-pipeline as we see many opportunities to keep building our position in key markets.

Sports and business performance speeding up in the US

We remain highly dedicated to taking part in the emerging US market, where more and more states are opening up for online gambling, either just sports betting or also online casino games. 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, the Action Network has been growing its audience significantly and has persistently delivered strong results across all main KPIs. Overall, our US business delivered



Our M&A-pipeline is strong and we see the opportunity to keep building our position in key markets"

Jesper Søgaard
Co-founder & CEO

prime results following the start of the NFL season, and in Q4 our US revenue reached 20 mEUR or almost 40% of the total Group revenue. For the full year 2022, we expect revenues above 100 mUSD (91 mEUR) from our US business.

Shaping a sustainable business

For the iGaming industry to be sustainable, responsible gambling needs to be at the top of the agenda and embedded into our business operations. In the beginning of 2021, we dedicated resources to responsible gambling by significantly increasing our investment in Mindway AI, which specialises in innovative and advanced software solutions for the identification of at-risk gambling and problem gambling behaviour. We are very proud that we have played a role in bringing Mindway AI's software solutions from academic research into commercial products that are now being sold to operators around the world.

Breakthrough for our media partnerships

In 2019, we signed two media partnerships with The Telegraph, in the UK, and with nj.com in New Jersey, the first-to-regulate state in the US. In 2021, we saw a real breakthrough as the partnerships delivered high numbers of NDCs. We are very pleased to see that our strategy and efforts have paid off, and we truly believe that Better Collective has a unique set of competences in this area. We can now provide relevant content under an external media's strict editorial guidelines, and at the same time provide betting information that support the sign-up process with online sportsbooks. On this basis, we have decided to seek more partner-

ships with big online media around the world, recently resulting in a partnership with the New York Post entered in January 2022.

Uncertainty in the world

As we write this report, we follow the situation in Ukraine closely. We are deeply saddened by the events. While the current situation has no significant impact on our business, we have a number of employees who have personal ties to the region and with whom we share our deepest sympathies. With this uncertainty in the world, circumstances may change, including market changes beyond our control.

We rely on our people

We want to thank everyone at Better Collective for their dedicated effort and contributions to our success. We had a prosperous 2021, and our employees persistently delivered an outstanding performance during the year. We would also like to thank all our business partners, operators, users, shareholders and other partners that all together constitute an ever developing strong network.

Jens Bager
Chair of the board

Jesper Søgaard
Co-founder & CEO



Highlights 2021

Q1

Watch presentation
of Q1 2021

 mindway AI



Better Collective exercised its option to acquire a further 70% of the shares in Mindway AI for a total price of 2.3 mEUR. Mindway AI specialises in software solutions based on artificial intelligence and neuroscience for identifying, preventing and intervening in at-risk and problem gambling. The acquisition followed a preliminary investment made in 2019, and Better Collective now holds 90% of the shares in Mindway AI.

Better Collective also strengthened its position in the Swedish sports betting market by acquiring the online sports betting media platform, Rekatochklart.com for 3.8 mEUR.

Q2

Watch presentation
of Q2 2021

ACTION 



Better Collective acquired the US sports betting media platform, the Action Network, for 196 mEUR. With the acquisition of the Action Network, Better Collective gained a clear market leadership within sports betting media and affiliation in the US. Following Better Collective's largest acquisition to date, revenue from the US business is expected to increase to more than 100 mUSD (91 mEUR) by 2022.

In connection with the acquisition of the Action Network, Better Collective resolved on a directed share issue of 6.9 million shares, raising proceeds of 145 mEUR to maintain financial flexibility.

Media partnerships saw breakthrough performance as the partnerships delivered more than 38.000 NDCs. Better Collective also signed three new partnerships during Q2. With this strategy Better Collective has developed a unique set of competences; providing relevant content under an external media's strict editorial guidelines, while also providing betting information that support the sign-up process with online sportsbooks.

At the AGM in April, Therese Hillman, CEO of NOD and former Group CEO of NetEnt, was elected to the board of directors.



Q3

Watch presentation
of Q3 2021

 Voetbalwedden.net



Better Collective acquired Soccernews.nl and Voetbalwedden.net for total 5.9 mEUR upfront payments plus deferred and earn-out payments of up to 3.75 mEUR, to gain a leading position in the newly regulated Dutch online sports betting market.

In Germany, a long-awaited gambling regulation came into force on July 1, which Better Collective jointly had prepared for with their partners during 2021. A focus on sports betting and licensed operators proved beneficial and the German market developed as expected with September revenues on par with the monthly average in H1.

Better Collective's US business performed strongly with revenue for September reaching >10 mUSD. The US business outperformed expectations both in terms of NDCs and revenue. The Action Network was consolidated into the Group for the first full quarter, and delivered the anticipated acceleration of the business around the start of the NFL.

Q4

Watch presentation
of Q4 2021



Better Collective announced the decision to launch Gamalyze on all its main sports betting media brands. The self assessment tool from Mindway AI makes it possible for visitors to conduct a test that can help detect problem gambling.

Better Collective completed the acquisition of the remaining 40% shares in the US based RotoGrinders Network at a total price of 33 mEUR. Since the initial share acquisition Rotogrinders has shown strong performance with expected 2021 revenue more than doubling since 2019, with a CAGR of 47%.

Better Collective initiated a share buyback program to cover future payments relating to completed acquisitions and incentive programs for up to 10 mEUR.

At the SBC Award show in London Better Collective received the 'Sports Affiliate of the Year' award for the third time

For the third consecutive year Better Collective was awarded for its efforts within compliance and received the 'Commitment to Compliance by an Affiliate Company' at the Vixio Global Regulatory Award.

Events after the period

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 is for the delivery of content, data, and statistics for the betting section of the New York Post.

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.

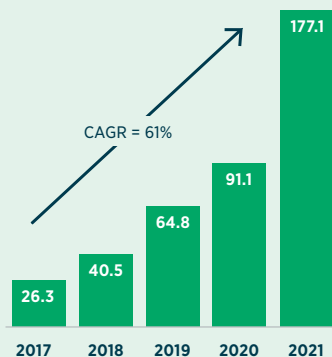
New York state opened for online sports betting on January 8, 2022. Better Collective is off to a great start across all assets, in particular with the Action Network.



Financial highlights 2021

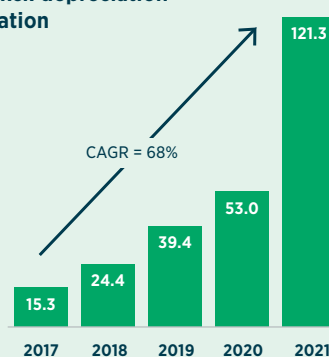
Revenue

mEUR



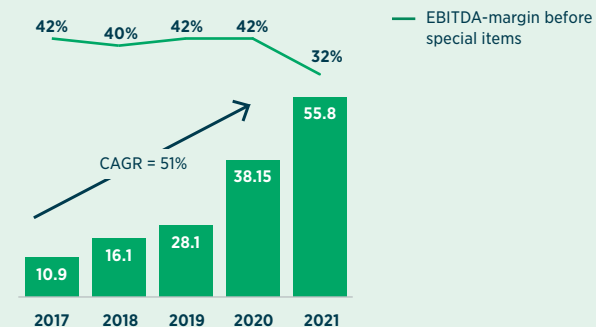
Costs – excl. depreciation /amortisation

mEUR



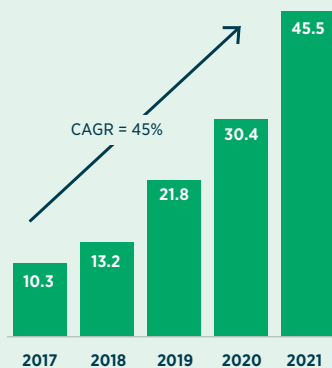
EBITDA before special items

mEUR



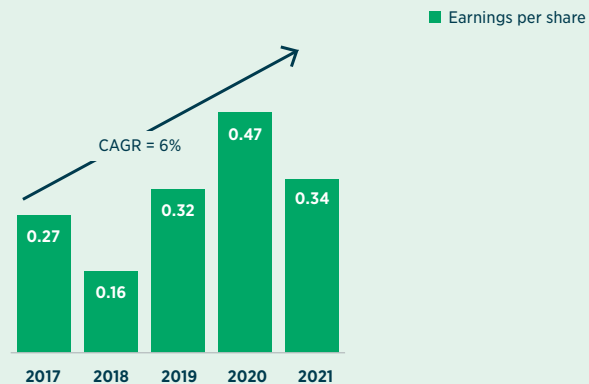
EBIT before special items

mEUR



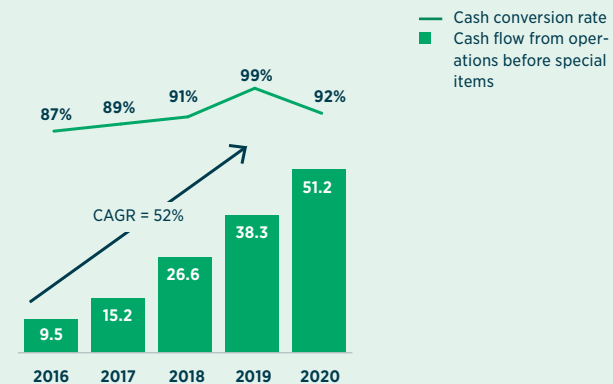
Earnings per share

EUR



Cash flow from operations before special items

mEUR





Financial highlights and key ratios

tEUR	2021	2020	2019	2018	2017
Income statement					
Revenue	177,051	91,186	67,449	40,483	26,257
Revenue Growth (%)	94%	35%	67%	54%	51%
Organic Revenue Growth (%)	29%	8%	26%	9%	28%
Operating profit before depreciation, amortisations, and special items (EBITDA before special items)	55,775	38,152	28,061	16,241	10,979
Operating profit before depreciation and amortisations (EBITDA)	39,029	38,272	27,446	12,160	10,594
Depreciation	1,764	1,548	831	169	45
Special items, net	-16,746	120	-615	-4,080	-385
Amortisation and impairment	8,516	6,235	5,413	2,924	677
Operating profit before special items (EBIT before special items)	45,495	30,369	21,817	13,148	10,257
Operating profit (EBIT)	28,749	30,489	21,202	9,068	9,873
Result of financial items	-2,522	-1,777	-2,448	-618	-87
Profit before tax	26,227	28,712	18,755	8,450	9,786
Profit after tax	17,292	21,927	13,944	5,446	7,446
Earnings per share (in EUR)	0.34	0.47	0.32	0.16	0.27
Diluted earnings per share (in EUR)	0.33	0.45	0.31	0.15	0.26
Balance sheet					
Balance Sheet Total	597,379	315,065	229,601	148,636	38,705
Equity	344,848	162,542	138,317	85,858	14,775
Current assets	62,898	48,555	36,035	24,942	6,860
Current liabilities	55,451	26,312	22,088	24,263	17,660
Net interest bearing debt	109,422	63,275	13,646	22,270	11,535

*Historic numbers updated with share-split 1:54 in 2018

tEUR	2021	2020	2019	2018	2017
Cash flow					
Cash flow from operations before special items	51,204	38,321	26,585	15,158	9,492
Cash flow from operations	45,207	37,696	25,481	11,078	9,107
Investments in tangible assets	-687	-460	-955	-657	16
Cash flow from investment activities	-219,219	-68,090	-49,509	-60,629	-18,519
Cash flow from financing activities	188,759	46,790	36,365	67,895	6,932
FINANCIAL RATIOS					
Operating profit before depreciation, amortisations (EBITDA) and special items margin (%)	32%	42%	42%	40%	42%
Operating profit before amortisations margin (EBITDA) (%)	22%	42%	41%	30%	40%
Operating profit margin (%)	16%	33%	31%	22%	38%
Net interest bearing debt / EBITDA before special items	1.96	1.66	0.49	1.37	1.05
Liquidity ratio	1.13	1.85	1.63	1.03	0.39
Equity to assets ratio (%)	58%	52%	60%	58%	38%
Cash conversion rate before special items (%)	92%	99%	91%	89%	87%
Average number of full-time employees	635	420	364	198	116
NDCs (thousand)	858	437	432	260	117

For definitions of financial ratios, see definitions section in the end of the report. Comparative numbers have not been re-stated following the implementation of IFRS9 and IFRS15 in 2018, and IFRS16 in 2019.

* Segment reporting in accordance with IFRS8 has been introduced from Q4-2020 and Q2-2021. Numbers for 2019 and 2020 have been restated accordingly.



Strategy

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Strategy

Building a digital sports media group

Over the last couple of years, Better Collective has transitioned from a classic affiliate business to becoming a digital sports media group.

Over the last couple of years, Better Collective has transitioned from a classic affiliate business to becoming a digital sports media group. We have diversified our portfolio of activities, extended our reach, and we have added new brands, media partnerships, and new revenue streams. While affiliation and performance marketing continue to be part of our core business, we are actively seeking and adding new assets and business models to solidify our position as a leading sports betting media. Transformational steps in this direction include:

◆ Media partnerships

In 2019 we signed media partnerships with The Telegraph, in the UK, and with nj.com in New Jersey, the first-to-regulate state in the US. The vision of the partnerships was to combine traditional high quality media traffic with Better Collective's competences within sports betting, and thereby utilise different online traffic channels to direct customers to our partners. Since then, we have reached proof-of-concept and entered more

media partnerships, the most recent with the New York Post.

◆ Esports community HLTV

In February 2020, Better Collective established a strong position within the esports betting market through the acquisition of HLTV.org. The main business model of the platforms is display sales. The HLTV.org site is committed to the strong user community it has built over the years. Much effort is put into maintaining the popularity and building the brand, which is also the brand behind the recognised CS:GO World Ranking as well as the CS:GO Player of the Year Award.

◆ Paid Media

In October 2020, we acquired the Atemi Group, one of the World's largest companies specialised within lead generation for iGaming through paid media (PPC) and social media advertising. The acquisition was a major strategic move with significant synergistic opportunities. The Paid Media business provides Better Collective

with additional channels of traffic, sourcing high intent customers at large scale.

◆ The Action Network

The acquisition of the Action Network was completed in May, 2021. The acquisition gave us a leading position within sports betting media in the US and a strong foundation for the continuous expansion of the US betting market. Action is uniquely positioned in the US market as the premium sports content and product destination for US sports bettors. With Action, we added a subscription model which further diversifies our product offering. A trusted source for sports fans, Action's media platforms provide an enhanced experience for its users through original sports news content, premium insights, deep menus of odds and proprietary betting tools and data.

◆ Position in the value chain

Our aim is to be first in mind for bettors and sports fans and to increasingly be present on relevant platforms such as news sites, apps and social media as well as our



Mission

Make sports entertainment more engaging and fun



Vision

The world's leading digital sports media group



Strategic goal

The world leader in digital sports betting media and related services



variety of websites. We create communities that invite and incentivise expert tipsters to prove their betting knowledge by sharing tips with all our users. We create transparency by comparing odds across bookmakers, to ensure our users get the most value from their bets. We create in-depth, educational iGaming guides so that our users can gain insights and be confident that their betting is supported by knowledge.

We operate several community-based websites. On some of these, our users actively generate informational content, such as on [bettingexpert.com](#). In addition, we operate a range of products, which provide our users with various information to improve their betting experience. This portfolio of websites and apps drive a monthly average of 70M+ visitors, not counting the vast readership of the media we have entered partnerships with for our delivery of sports betting content, and we continue to build ways to engage and monetise these visitors.

Better Collective has built long standing customer relationships with many of the iGaming industry's strongest operators. While the core strength of connecting engaged and valuable users with the right betting opportunities remain, Better Collective increasingly builds deep, relevant and engaging content and user experiences which allows a longer term relation with the user, and the opportunity to build services and data-layers. This will drive opportunities for further value-add services to customers, and support our journey towards becoming the world leading digital sports media group.



◆ **Proven acquisition model**

The M&A-strategy was the cornerstone of the decision to IPO Better Collective in 2018, and we have been a key player in the consolidation of the market. Better Collective has completed 25 acquisitions since 2017, with a majority of targets focused on online sports betting.

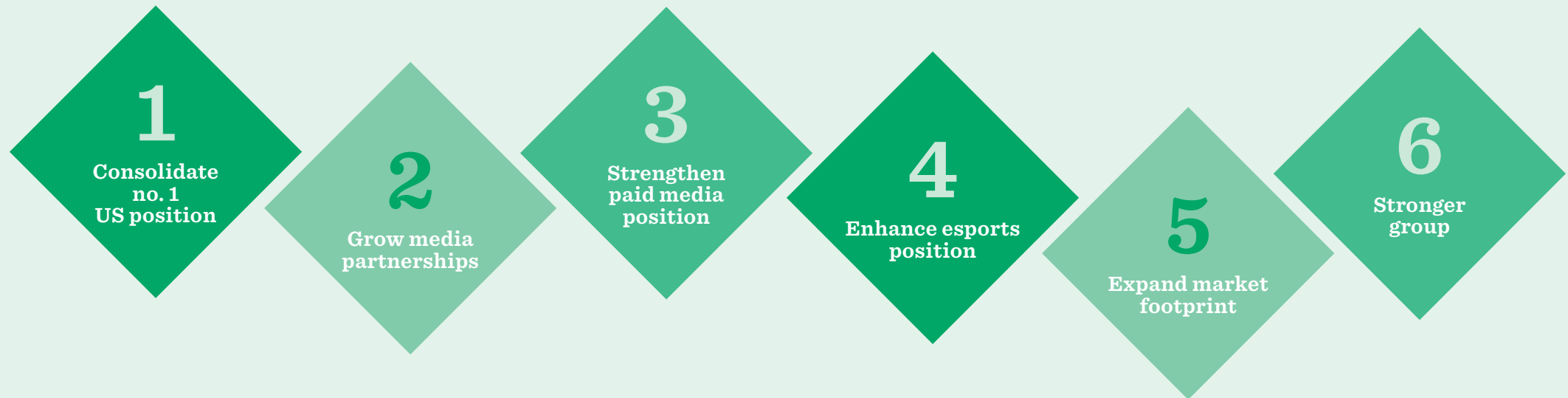
In this period, acquisitions of assets and business combinations were close to a total value of 495 mEUR.

Due to our strong technological platform and scale benefits, we believe that we can improve the offering of acquisition targets and add value through both revenue and cost synergies. Our M&A-pipeline is strong and there are several relevant companies that we can see would fit well into the Better Collective Group.



Strategic focus areas

The iGaming industry continues to show a shift towards online gaming compared to the traditional land-based operations and this creates a strong underlying market growth. In order to strengthen our position as a digital sports media group we work with the following strategic focus areas for 2022:



Consolidate no. 1 US position as an online sports betting media through already strong brands and a wide collaboration with operators as new states open for online sports betting.

Grow media partnerships from the current base to cover more markets and keep refining the business model and offering to partner media.

Strengthen paid media position by reaching the necessary scale through the development of new traffic channels and entering new markets.

Enhance esports position by building the brand and growing organically as well as potentially through acquisitions.

Expand market footprint by acquisitions and by creating strong positions in new markets as they regulate and open for online sports betting.

Stronger group and organisation to drive and support the growth ambitions by being an attractive employer for talented employees.



US growth

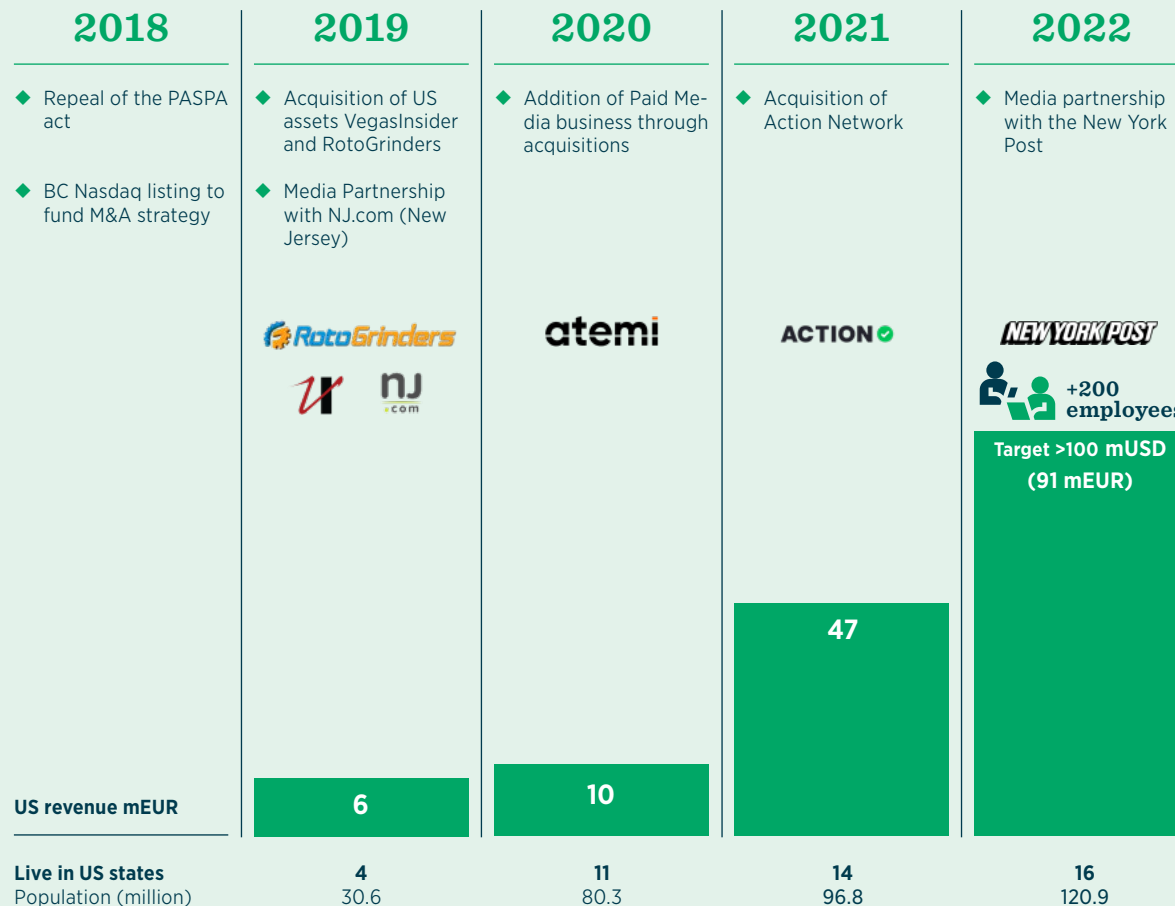
Better Collective became a licensed vendor in New Jersey in 2014, and since then the US presence has grown tremendously. At present Better Collective is live in 16 states and expects more to open in the coming years. In less than three years the US market has become the single largest market for Better Collective.

The US sports betting market opened almost at the same time as Better Collective was listed on Nasdaq Stockholm in the summer of 2018. The M&A efforts were quickly directed towards this new opportunity, and by mid-2019 Rotogrinders Network, VegasInsider and Scores&Odds were acquired. The US focus also turned into the first media partnership which was entered with the New Jersey media nj.com.

As for most other businesses, 2020 was significantly impacted by the COVID-pandemic. Still, we acquired Atemi and laid the foundation for our Paid Media business which offers opportunities also in the US market.

2021 resulted in a strong comeback with high growth and the acquisition of the Action Network for 218 mEUR in a competitive bidding process. The Action Network was acquired just as the business was turning profitable, and just in time for important new state openings including Arizona in September 2021, and then New York in January 2022 where we also signed a media partnership with The New York Post.

Better Collective has more than 200 employees in the US, with offices in New York, Miami and Nashville Tennessee.





Markets

Megatrends driving growth

The iGaming market is a highly attractive growth market. Fundamentally, it has been supported by technological advances and regulation, as well as increased online and mobile penetration.

Megatrends driving our growth

The developing technology and growing use of mobile devices have made iGaming accessible to a wider audience and have also resulted in increasing demand from users with regards to their iGaming experience. These trends have also entailed growth in market participants, both among operators as well as their affiliates partners.

As iGaming becomes increasingly more widespread, many countries are amending or implementing new iGaming laws and regulations, often referred to as re-regulation. The overall impact of regulation on the iGaming market is generally believed to be positive as the awareness of and the demand for iGaming increases. However, implementing restrictions with an aim to protect consumers is a balancing act; in some cases it has led to decreased channelisation to licensed operators which is counterproductive in that consumers turn to the unregulated market. We use our position and insight to help educate legislators through industry collaborations and Wwe welcome regulation as it creates visibility and a level playing field.

Changing dynamics globally

Globally, the highest penetration of online sports betting and casino is currently seen on the European market, which is also the stronghold of Better Collective, where more than half of the activity is online.

In line with increased digitalisation and new products becoming available for betting, the use of mobile devices means that users can bet anytime and anywhere, and this also drives the in-game betting which is currently on the rise.

Regulatory changes and new opportunities

Better Collective became a licensed vendor in New Jersey in 2014, and since then our US presence has grown tremendously. Out of being live in 16 states the most recent launches count 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.

Since 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. Following acquisitions prior to the market opening, Better Collective is well positioned to build a strong position.

Germany introduced a new regulatory framework in July 2021. As a result of preparation and adaptation of our business models in collaboration with partners, the impact for Better Collective was limited to neutral and 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.

Markets expected to regulate in 2022 include Brazil and Canada. Better Collective is preparing to roll out key US and international brands as soon as relevant licences are acquired and regulation allows.



Digitalisation



Mobile use



Regulations



Sports turnover



Industry sustainability



Our business areas

Contributes

92%

of the Group's EBITDA
before special items

Publishing

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, delivering a high earnings margin.

Contributes

8%

of the Group's EBITDA
before special items

Paid Media

The Paid Media business includes lead generation through paid media (PPC) and social media advertising. The earnings margin within paid media is typically much lower than within organic traffic, due to direct payments to the companies providing platforms for online advertising such as Google and Facebook..

Rest of the world

Contributes

69%

of the Group's EBITDA
before special items

The US

Contributes

31%

of the Group's EBITDA
before special items



The US

Having built a leading position within sports betting media in the US over the past few years, Better Collective has laid the foundation for benefitting from the continuous regulation of the US betting market. Key US brands within sports betting include Action Network, VegasInsider, and Scores&Odds, whereas RotoGrinders is focused on Daily Fantasy Sport (DFS).

ROW

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.



Business review

From Q2, 2021, and following the acquisition of the 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).

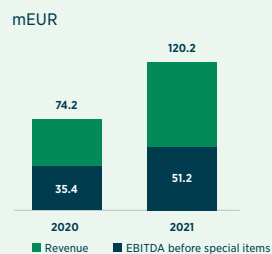
Additionally, Better Collective operates two different business models regarding customer acquisition with different earnings-profiles. The segments Publishing (organic traffic) and Paid Media. Reporting includes measuring and disclosing separately for Revenue, Cost and Earnings. Historical financial figures are reported accordingly.

► Financial statements

See this years financial figures.

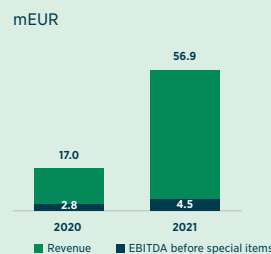
Publishing

Revenue grew 62%, of which 41% was organic growth, to 120.2 mEUR. Publishing accounted for 68 % of the Group's revenue in 2021. Cost grew to 68.9 mEUR with the majority of the growth coming from the acquisition of Action Network and further investments in US, resulting in EBITDA of 51.2 mEUR, a growth of 45% with an EBITDA-margin of 43%. 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.



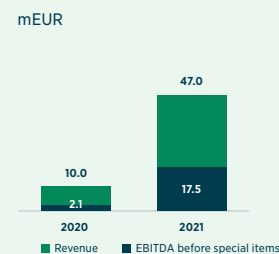
Paid Media

The revenue in the Paid Media segment was 56.9 mEUR in 2021, and the organic growth was 9%. 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 2021 of 4.5 mEUR, and an EBITDA margin of 8%. Paid Media delivered 32% of the Group's revenue in 2021, and 8% 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.



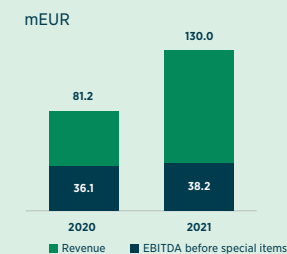
US

After having acquired the Action Network in 2021, 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 47.0 mEUR in 2021, which is about five times the revenue in 2020. The EBITDA-margin was 37%. The US delivered 27% of the Group's revenue in 2021, and 31% of EBITDA. As highlighted in the Publishing section, our media partnerships continue to deliver a very strong performance - also in the US.



RoW

Revenue in the Rest of World markets was 130.0 mEUR in 2021, which is a growth of 60% compared to 2020. Towards the end of 2021, RoW showed a flat development, mainly impacted by the significant growth in NDCs and the sports results in October, driving a low sports win margin in the quarter. The EBITDA margin of 29% decreased from 44% in 2020. Beyond the impact on revenue, the EBITDA margin was also affected by a comparably lower cost base in 2020 vs. 2021 as part of the cost-savings program implemented in 2020 to mitigate the COVID-19 impact on the business. RoW delivered 73% of the Group's revenue in 2021, and 29% of EBITDA. New opportunities include LATAM and Canada, pending regulations of these markets.





Financial review

Financial performance

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).

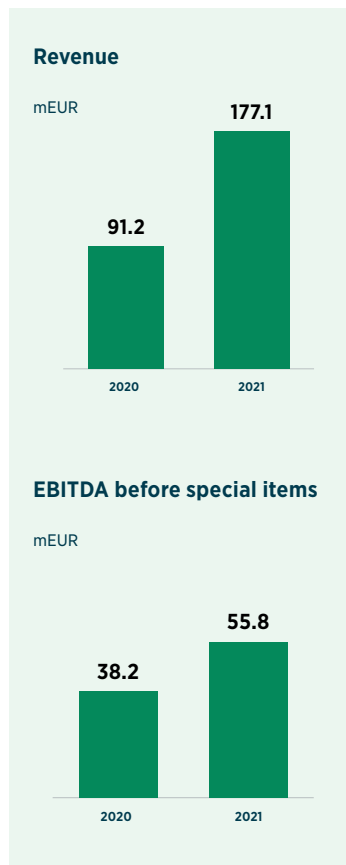
Revenue share accounted for 38% of the revenue (42% of player-related revenue) with 45% coming from CPA, 7% from subscription sales, and 10% from other income.

The October 2020 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

Increase of 58 mEUR to 121 mEUR – Full year impact and 2021 acquisitions.

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 long-term incentive programs 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. In connection with the final acquisition, the difference of 11.5 mEUR between the originally booked contingent liability and the final purchase price was charged to Special Items. 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).



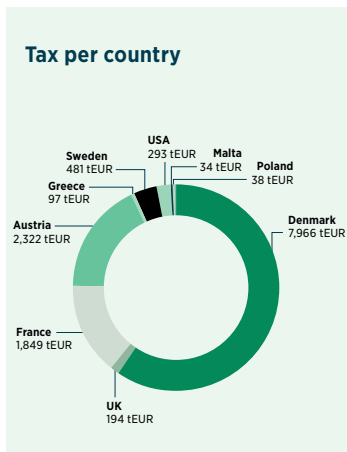
Net financial items

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, Malta, Netherlands, 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 increase in the Effective tax rate from 2020 to 2021 is due to an increase in tax non-deductible special items.



The majority of the Group's tax are paid in Denmark (incl. tax on other comprehensive income of 3.6 mEUR), followed by Austria and France.

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, slightly

increasing from 1.66 in 2020, and well below the target of 3.0.

Investments

On May 28, 2021, the acquisition of the 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 10 mEUR. As a consequence of regulatory clar-



ification of accounts containing old players in the Netherlands, the value of accounts has been impaired and the related variable payment has been adjusted by 1.7 mEUR. 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 net 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.

Significant events after the closure of the period

- ◆ January revenue reached >26 mEUR, more than double vs. January 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 review**

Financial targets

Financial targets and drivers for shareholder return

In Better Collective, we strive to improve our financial performance and create added value for our stakeholders through profitable growth.

2021 performance

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 the 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 2022

Better Collective has historically disclosed financial targets for the coming year(s). The Financial targets have focused on growth, profitability and debt lever-

age. 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.

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.

Financial targets and actuals for 2021

	Target Group	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

	Target Group	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



Corporate Matters

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Corporate Governance Report

Better Collective A/S is a Danish public limited liability company and is governed by the provisions of the Danish Companies act. The registered office and headquarters is situated in Copenhagen, Denmark. Better Collective has been listed on Nasdaq Stockholm since June 8, 2018, in the Mid Cap index.

Framework for corporate governance in Better Collective

The purpose of corporate governance is to ensure that a company is run sustainably, responsibly and as efficiently as possible. In Better Collective, good corporate governance is about earning the confidence of shareholders, business partners, and legislators by creating transparency in decision-making and business processes. A well-defined and structured distribution of roles and areas of responsibilities between shareholders, the board, and the management secures efficiency at all levels. Particularly, it allows the management team to focus on business development and thereby the creation of shareholder value. The board of directors serves as a highly qualified dialogue partner for the management team supporting the outlined growth strategy, securing a tight risk management setup, and optimal capital structure. The corporate governance is based on applicable Danish legislation and other external rules and instructions, including the Danish Companies Act, Nasdaq Stockholm's Rulebook, the Swedish Securities

Council's good practises in the stock market, the Swedish Code of Corporate Governance and Better Collective's guidelines, which include the Articles of Association, various policies, and other guidelines. Better Collective has resolved that it will comply with the Swedish Code instead of the Danish recommendations on Corporate Governance, as is customary for companies listed on Nasdaq Stockholm. The main corporate laws and rules on governance relevant for shareholders in a Danish public limited liability company that is listed on Nasdaq Stockholm, and complying with the Code, are to a large extent materially similar to the corresponding Swedish rules that would apply for a Swedish public limited liability company under the same circumstances.

The share and shareholders

Better Collective A/S was listed on Nasdaq Stockholm in the Mid Cap segment on June 8, 2018. The number of shares outstanding on December 31, 2021 was 54,625,157. Each share entitles the holder to one vote. The number

of shareholders on December 31, 2021 was 4,149 which is an increase from the 2,983 shareholders at December 31, 2020. The largest shareholders on December 31, 2021 were Chr. Dam Holding and J. Søgaard Holding (the co-founders of Better Collective) with each 10,671,179 shares and each representing 19.5% percent of the votes and share capital in the company. Further information on the Better Collective share and shareholders are available in the section Share and shareholders on page 39 as well as on the company's website.

General meeting

Pursuant to the Danish Companies Act, the general meeting is the Company's superior decision-making body. The general meeting may resolve upon every issue for the Company which does not specifically fall within the scope of the exclusive powers of another corporate body, for example the power to appoint the executive management, which falls within the scope of

Better Collective complies with the Swedish code of corporate governance with the following exceptions:

As stipulated in Better Collective's Articles of Association, the board of directors appoint the meeting chair for the AGM instead of letting the nomination committee propose a meeting chair. The Articles also stipulate that the meeting chair approves the AGM minutes instead of letting an AGM participant that is not a member of the board or an employee of the company approve the minutes of the meeting.

The respective reports on corporate governance and sustainability do not include a part of the auditor's report covering the specific reports, as these subjects are not individually addressed in the auditor's report.

These deviations are due to differences between Danish and Swedish laws and practices.



the board of directors in limited liability companies that are managed by a board of directors.

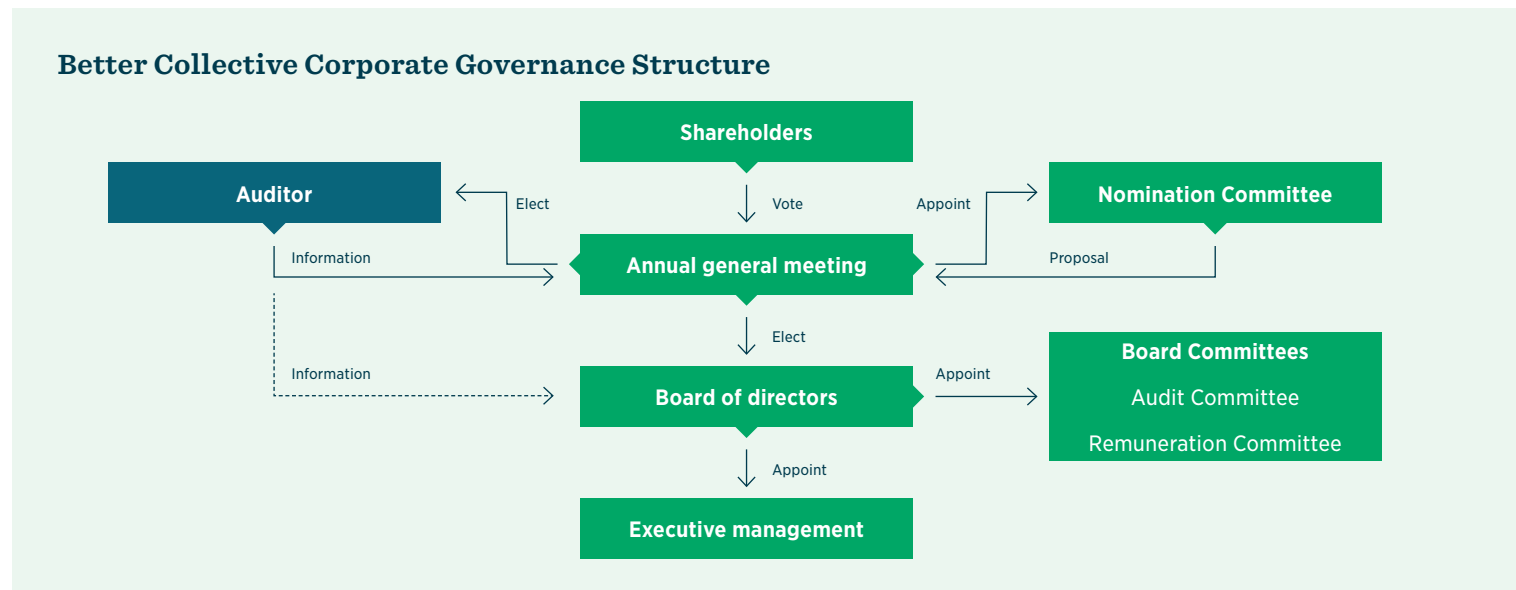
At the general meeting, the shareholders exercise their voting right on key issues, such as amendments of the Company's Articles of Association, approval of the annual report, appropriation of the Company's profit or loss (including distribution of any dividends), resolutions to discharge the members of the board of directors and the executive management from liability, the appointment and removal of members of the board of directors and auditors and remuneration for the board of directors and auditors. Other matters transacted at the meeting may include matters that, according to the articles of association or the Danish Companies Act, must be submitted to the general meeting.

Time and place

The annual general meeting must be held at a date that allows sufficient time to send the Danish Business Authority a copy of the audited and adopted annual report within four months of the end of the financial year. In addition to the annual general meeting, extraordinary general meetings may be convened and held when required. According to the Company's articles of association, general meetings must be held in Greater Copenhagen, Gothenburg or Stockholm.

Notice

According to the Company's Articles of Association, general meetings must be convened by the board of directors giving written notice no earlier than five weeks and no later than three weeks prior to the general meeting. Pursuant to the Danish Companies Act, notices convening general meetings shall be made public on



the Company's website. If requested, shareholders shall receive written notices of the general meetings as the case may be.

Extraordinary general meetings must be held upon request from the board of directors or the auditor elected by the general meeting. In addition, shareholders that individually or collectively hold ten percent or more of the share capital can make a written request to the board of directors that an extraordinary general meeting be held to resolve upon a specific matter. Such extraordinary general meetings must be convened within two weeks of the board of directors' receipt of a request to that effect.

The notice to convene a general meeting must be made in the form and substance for public limited liability companies admitted to trading on a regulated market as stipulated in the Danish Companies Act. The notice must also specify the time and place of the general meeting and contain the agenda of the business to be addressed at the general meeting. If an amendment of the Company's articles of association shall be resolved upon at a general meeting, the complete proposal must be included in the notice. For certain material amendments, the specific wording must be set out in the notice.

Electronic general meetings

The board of directors is authorised to decide that general meetings are held as a completely electronic general meetings without physical attendance or partially electronic meetings



As regards the annual general meeting, the Company must announce the date for the meeting as well as the deadline for any shareholder proposals no later than eight weeks before the scheduled date for the annual general meeting.

Right to attend general meetings

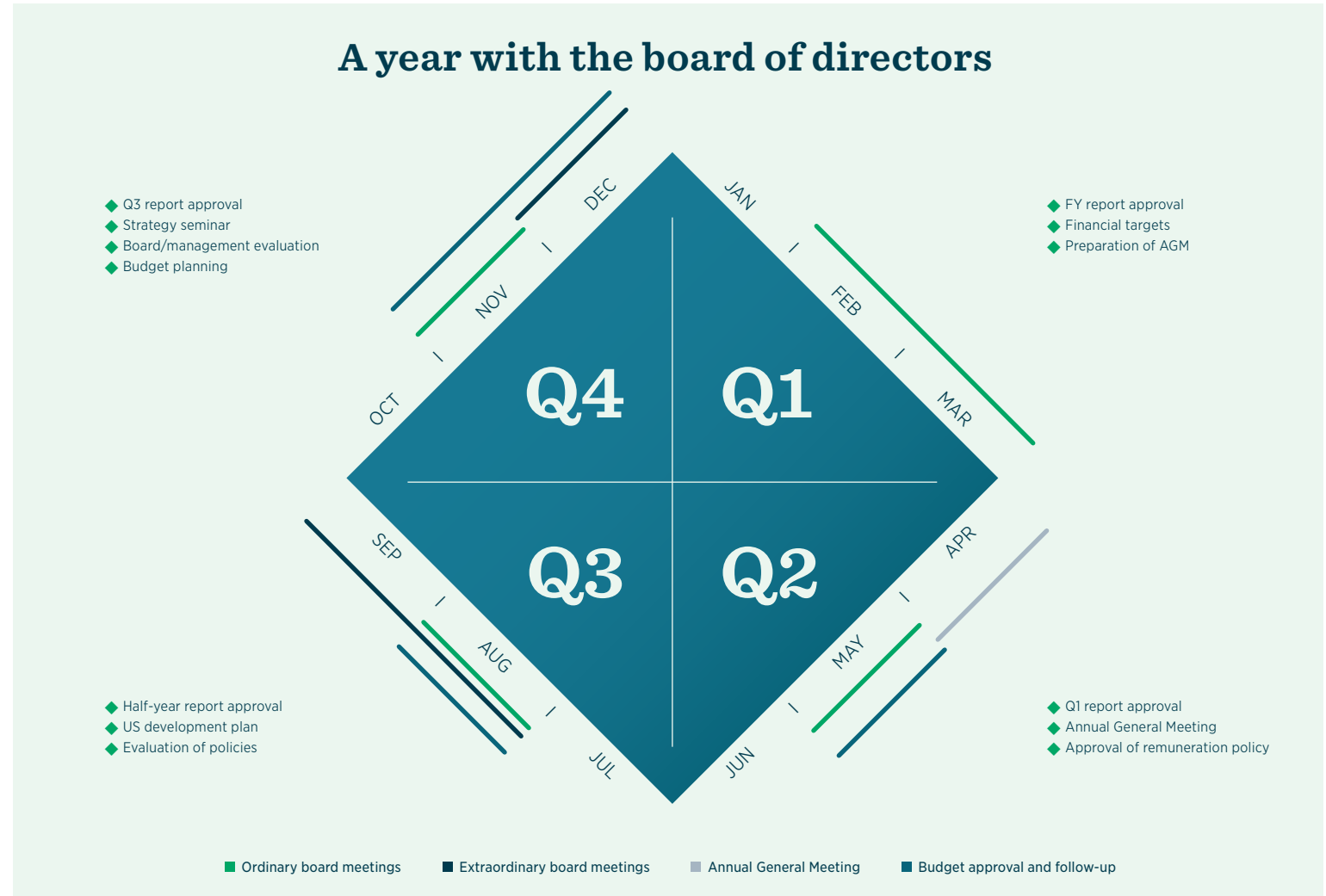
A shareholder's right to attend a general meeting and to vote on their shares is determined on the basis of the shares held by the shareholder at the date of registration. The date of registration is one week before the general meeting is held. The holdings of each individual shareholder is based on the number of shares held by that shareholder as registered in the Company's share register maintained by Euroclear Sweden as well as any notifications of ownership received by the Company for the purpose of registration in the share register, but not yet registered.

To attend the general meeting, a shareholder must, in addition to the above-mentioned, also notify the Company of his or her attendance no later than three days prior to the date of the general meeting, as stipulated by the Company's articles of association. Shareholders may attend general meetings in person, through a proxy or by postal vote, and may be accompanied by an advisor. All attending shareholders are entitled to speak at general meetings.

Voting rights and shareholders initiatives

Each share entitles the holder to one vote. All matters addressed at the general meeting must be decided by a simple majority vote, unless otherwise stipulated by

A year with the board of directors





the Danish Companies Act or the Company's articles of association. A resolution to amend the articles of association requires that no less than two thirds of the votes cast as well as the share capital represented at the general meeting vote in favour of the resolution, unless a larger majority is required by the Danish Companies Act (for example resolutions to reduce shareholder rights to receive dividends or to restrict the transferability of the shares) or the Company's articles of association. 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.

General meetings in 2021

The annual general meeting 2021 was held on April 26, 2021 and approved the 2020 annual report, discharged the board and executive management, and re-elected five out of six board members, elected one new board member, and re-elected the current auditor. The shareholders further approved the proposals from the board of directors to authorise the board of directors to increase the company's share capital without pre-emption rights for the existing shareholders and to authorise the board of directors to acquire treasury shares. The shareholders adopted the remuneration report based on an advisory vote. Additionally, the board was authorised to convene and conduct general meetings as a complete or partially electronic meeting. No extraordinary general meetings were held in 2021.

Annual general meeting 2022

The annual general meeting 2022 will take place on April 26, 2022 at 2.00 p.m. For more information, please see the section on annual general meeting on the company's website.

Nomination committee

According to the Code, the Company shall have a nomination committee, the duties of which shall include the preparation and drafting of proposals regarding the election of members of the board of directors, the chair of the board of directors, the chair of the general meeting and auditors. In addition, the nomination committee shall propose fees for board members and the auditor. The Company's Articles of Association hold instructions and rules of procedure for the nomination committee according to which the nomination committee is to have at least three members representing the three largest shareholders per the end of August, together with the chair of the board of directors. The names of the members of the nomination committee must be published by the Company no later than six months prior to the annual general meeting.

On August 31, 2021, the two largest shareholders were Chr. Dam Holding and J. Søgaard Holding which are grouped. In accordance with shareholders' decision, the nomination committee was appointed and is composed by four members in total:

- ◆ Søren Jørgensen, chair, appointed by Chr. Dam Holding and J. Søgaard Holding
- ◆ Martin Jonasson, appointed by Andra AP-Fonden, also representing Tredje AP-Fonden

- ◆ Jesper Ribacka, private shareholder
- ◆ Jens Bager, Chair of the board of directors, Better Collective

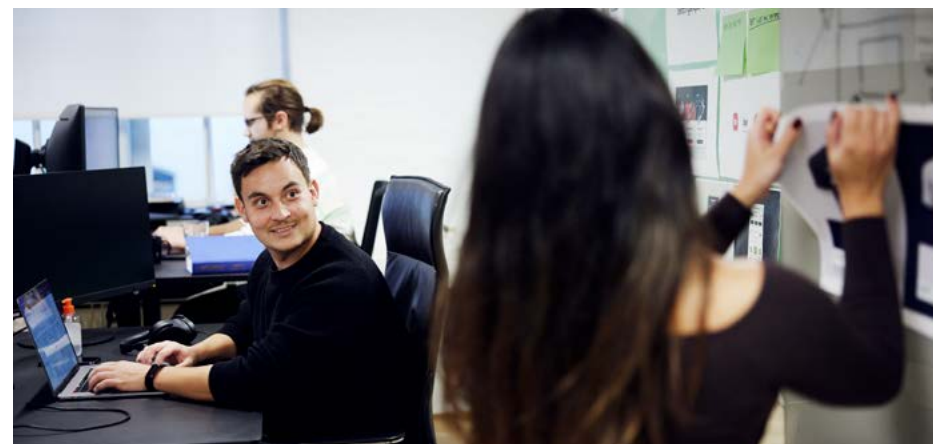
In all, the nomination committee represented 49,5% of the total number of shares in Better Collective, based on ownership data as per August 31, 2021.

Independence of the nomination committee

The Code requires the majority of the nomination committee's members to be independent in relation to the Company and its management and that at least one of these shall also be independent in relation to the Company's largest shareholder in terms of voting power. All members are independent in relation to the Company and the Company's management and all members except for Søren Jørgensen are independent in relation to major shareholders.

Nomination Committee meeting with board members

Each year, the nomination committee conducts individual interviews with the board members leading up to the AGM as a supplement to the board self evaluation results. Similarly, any new board candidates meet with the nomination committee.





Gender diversity at the BoD in 2021



Meetings of the nomination committee

Ahead of the AGM 2022, the nomination committee has held four meetings, all of which with full attendance. No fees have been paid for work on the committee.

Board of directors

After the general meeting, the board of directors is the most superior decision-making body of the Company. The duties of the board of directors are set forth in the Danish Companies Act, the Company's articles of association, the Code and the written rules of procedure adopted by the board of directors, which are revised annually. The rules of procedure regulate, inter alia, the practice of the board of directors, tasks, decision-making within the Company, the board of directors' meeting agenda, the chair's duties and allocation of responsibilities between the board of directors and the executive management. Rules of procedure for the executive management, including instruction for financial reporting to the board of directors, are also adopted by the board of directors.

The board of directors meets according to a predetermined annual schedule. At least five ordinary board meetings shall be held between each annual general meeting. In addition to these meetings, extraordinary meetings can be convened for processing matters which cannot be referred to any of the ordinary meetings. In 2021, 8 meetings were held.

Composition of the board

The members of the board of directors are elected annually at the annual general meeting for the period until the end of the next annual general meeting.

According to the Company's articles of association, the board of directors shall consist of no less than three and no more than seven board members. Furthermore, the Code stipulates that no deputy members may be appointed. Currently, the board of directors is composed of six ordinary board members elected by the general meeting: Jens Bager (chair), Todd Dunlap, Therese Hillman, Klaus Hølse, Leif Nørgaard, and Petra von Rohr. The board attended Nasdaq's stock market training course for board and management prior to the listing in 2018. Todd Dunlap received Nasdaq training in 2020 after joining the board. For information about the board members see page 36.

Evaluation of board performance

The board of directors regularly evaluates its work through a structured process. The chair is responsible for carrying out the evaluation and presenting the results to the nomination committee. In 2021, an external management consultancy conducted an assessment of the board's work, including the collaboration with the executive management. The assessment was based on individual interviews with each board member and the executive management as well as a questionnaire. The evaluation was presented to and discussed by the board and subsequently the nomination committee. In addition, the nomination committee conducted individual interviews with the board members leading up to the AGM. The overall conclusion was that the board's performance and efficiency is found to be satisfactory and that the board has a well-balanced mix of competencies.

Diversity

The board composition must be set with appropriateness to the Company's operations, phase of development, and must collectively exhibit diversity regarding gender, age, nationality, experience, professional background, and business expertise. Regarding gender diversity at the board of directors' level, the company has set a target for the board to consist of five to seven members of which at least 35% must be the underrepresented gender. In 2021, a change to the composition of the board was made as Therese Hillman joined the Better Collective's board of directors and Søren Jørgensen left. The candidate was chosen due to her specific capabilities and knowledge from the iGaming industry. Currently, the board has a 67% (men) and 33% (women) split, why the target figure was reached in 2021.

Better Collective aims to offer equal opportunities to men and women across our organisation, as well as promoting equal opportunities regardless of gender, ethnicity, race, religion, and sexual orientation. The executive management is made up of three men. For the other management levels in the company, the gender split in 2021 was 77% men and 23% women, which is an improvement from 2020 (83% men and 17% women). Recruitment and promotion of managers in 2021 was performed with an aim of increasing diversity, resulting in new managers of both genders. We will continually work to increase the share of the underrepresented gender at all management levels, on average, aiming for a Group and management target of 35% to consist of the underrepresented gender over the coming years and by 2030 at the latest.



Attendance at board and committee meetings

Name	Board Meetings	Audit Committee	Remuneration Committee
Jens Bager (Chair)	◆◆◆◆◆◆◆◆	-	◆◆◆◆
Todd Dunlap*	◆◆◆◆◆◆◆◆	-	◆◆◆◆
Therese Hillman*	◆◆◆◆◆◆◆◆	◆◆◆◆◆	
Klaus Holse	◆◆◆◆◆◆◆◆	-	◆◆◆◆
Leif Nørgaard	◆◆◆◆◆◆◆◆	◆◆◆◆◆	-
Søren Jørgensen*	◆◆◆◆◆◆◆◆	◆◆◆◆◆	-
Petra von Rohr	◆◆◆◆◆◆◆◆	◆◆◆◆◆	-

◆ Attendance ◆ Non-attendance

* Following the annual general meeting on April 26, 2021, Therese Hillman joined the board and the audit committee, Søren Jørgensen left the board and the audit committee, and Todd Dunlap joined the remuneration committee

Board committees

The board of directors has established two committees: the audit committee and the remuneration committee. The board of directors has adopted rules of procedure for both committees.

Audit committee

The audit committee consists of Leif Nørgaard (chair), Therese Hillman, and Petra von Rohr. The audit committee's role is mainly to monitor the Company's financial position, to monitor the effectiveness of the Company's internal control and risk management, to be informed about the audit of the annual report and the consolidated financial statements, to monitor the quality of the external audit, to review and monitor the auditor's impartiality and independence and to monitor the Company's compliance with law and regulations related to financial matters. The audit committee has an annual work plan and has held five meetings in 2021.

Remuneration committee

The remuneration committee consists of Jens Bager (chair), Todd Dunlap, and Klaus Holse. The remuneration committee's role is primarily to prepare matters regarding remuneration and other terms of employment for the executive management and other key employees. The remuneration committee shall also monitor and evaluate ongoing and completed programs for variable remuneration to the Company's management and monitor and evaluate the implementation of the guidelines for remuneration to the executive management which the annual general meeting has adopted. The remuneration committee has an annual work plan and has held four meetings in 2021.

Executive management

According to the Danish Companies Act and the Company's articles of association, the board of directors appoints and removes the members of the

executive management. The executive management is responsible for the day-to-day management of the Company. Currently, the executive management consists of Jesper Søgaard as CEO, Flemming Pedersen as CFO and Christian Kirk Rasmussen as COO. The members of the executive management are presented in further detail on page 38.

The duties and responsibilities of the executive management are governed by the Danish Companies Act, the Company's articles of association, the rules of procedures for the executive management adopted by the board of directors, other instructions given by the board as well as other applicable laws and regulations. The executive management's duties and responsibilities include, inter alia, ensuring that the Company maintains adequate accounting records and procedures, that the board of directors' resolutions are implemented in the daily management of the Company, that the board of directors are up to date on all matters of importance to the Company and that the day-to-day management of the Company is carried out.

Remuneration to the board of directors and the executive management

Remuneration to the board of directors

Fees and other remuneration to board members elected by the general meeting are resolved at the annual general meeting. At the annual general meeting held on April 26, 2021, it was resolved that a fee of EUR 90,000 is to be paid to the chairman and that fees of EUR 30,000 is to be paid to each of the other board members. The work in a board committee is remunerated with EUR

► Find Better Collective's statutory reporting cf. §99a, §99b, and §107d, in the Sustainability report 2021:

http://bettercollective.com/wp-content/uploads/2022/03/BetterCollective_SR21_web.pdf



13,500 for a chair position and EUR 6,750 for a regular member. In addition, the AGM resolved that 1/3 of the total remuneration payable to the chair of the board of directors, the members of the board of directors and to members and chairs of the remuneration and audit committee is paid in shares in the Company.

For the financial year 2021, the board of directors received remuneration as set out in note 5 on page 63. For additional detail, see also the remuneration report for 2021 available from bettercollective.com.

Remuneration to the executive management

Remuneration to the executive management consists of basic salary, variable remuneration, pension benefits, share related incentive programs and other benefits. For the financial year 2021, the executive management received remuneration as set out in note 5 on page 63.

Remuneration policy

The current Remuneration Policy was adopted at the annual general meeting on April 22, 2020 in compliance with section 139 and 139a in the Danish Companies Act.

Members of the Company's board of directors and executive management receive a fixed annual remuneration. In addition, members of the executive management may receive incentive-based remuneration consisting of share-based rights. Finally, members of the executive management may receive incentive-based remuneration consisting of a cash bonus (including cash bonuses based on development in the share price), on both an ongoing, single-based and event-based basis.

► Remuneration report 2021

http://bettercollective.com/wp-content/uploads/2022/03/BetterCollective_Remuneration21_web.pdf

► Remuneration policy

https://bettercollective.com/wp-content/uploads/2020/07/Remuneration_Policy_approved_2020.04.22.pdf

Cash bonus schemes for executive management may consist of an annual bonus, which the individual member of the executive management can receive if specific targets of the Company and other possible personal targets for the relevant year are met. The maximum cash bonus shall be equivalent to 100 percent of the fixed base salary of each eligible participant of the executive management. Payment of bonus is only relevant when conditions and targets have been fully or partly met (as determined by the board of directors). If no targets are met, no bonus is paid out. Targets for

the executive management shall be agreed upon by the board of directors and the executive management. The general meeting will decide whether to establish a long-term incentive program (LTI program).

Internal controls

The board of directors has the overall responsibility for the internal control of the Company. The main purpose of the internal control is to ensure that the Company's strategies and objectives can be implemented within the

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

Name and position	Holdings at beginning of year	Bought during the year	Sold during the year	Holdings at end of the year	Market value ¹ tEUR
Jesper Søgaard, CEO	10,671,179	-	-	10,671,179	160,527
Flemming Pedersen, CFO	37,322	150,000	-	187,322	2,818
Christian Kirk Rasmussen, COO	10,671,179	-	-	10,671,179	160,527
Executive management, total	21,379,680	150,000	-	21,379,680	323,873
Jens Bager, Chair	1,000,000	1,229	-	1,001,229	15,062
Todd Dunlap, member	-	475	-	475	7
Therese Hillman, member ²	-	1,375	-	1,375	21
Klaus Holse, member	170,622	437	-	171,059	2,573
Søren Jørgensen, member ³	218,594	437	-	219,031	5,165
Leif Nørgaard, member	440,139	517	-	440,656	6,629
Petra von Rohr, member	21,600	437	-	22,037	332
Board of directors, total	1,850,955	4,907	-	1,855,862	29,788
Total	23,230,635	154,907	-	23,235,542	353,661

¹ The end-of-year market values are based on the official share prices prevailing 2021.12.31

² Therese Hillman joined the board at the AGM in 2021

³ Søren Jørgensen left the BoD in connection with the AGM in 2021, holdings ultimo is recorded as of April 26, 2021

business, that there are effective systems for monitoring and control of the Company's business and the risks associated with the Company and its business, and to ensure that the financial reporting has been prepared in accordance with applicable laws, accounting standards and other requirements imposed on listed companies. The board of director's responsibility for the internal control and financial reporting is governed by the Danish Financial Statements Act, the Danish Companies Act and the Code. In addition, the board of directors has implemented an internal control framework based on the COSO standard, which focuses on the five areas: control environment, risk assessment, control activities, information as well as communication and monitoring.

Control environment

In order to create and maintain a functioning control environment, the board of directors has adopted a number of steering documents and policies, including rules of procedure for the board of directors, the board committees and the executive management with instruction for financial reporting to the board of directors. The policies include a tax policy, treasury policy, IT policy, information policy, insider policy, instruction for insider lists and a code of conduct. The Company also has a group accounting manual which contains principles, guidelines and processes for accounting and financial reporting.

The division of roles and responsibilities within the rules of procedure for the board of directors and the executive management aim to facilitate an effective management of the Company's risks. The board of directors has also established an audit committee whose main task is to monitor the effectiveness of

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.

the Company's internal control, internal audit and risk management, to be informed about the audit of the annual report and consolidated financial statements, and to review and monitor the auditor's impartiality and independence. The board evaluates the need for an internal audit function annually. In 2021, given the size of the company, it was decided that an internal audit function is not currently needed.

The Company applies an internal "signing & approval" framework to ensure a clear and formalised distribution and limitation of power, and to define and govern guidelines for the delegation of authority to sign on behalf of the Company. The Company has furthermore established an IT governance structure to ensure that all major IT projects support the Company's business goals and that existing IT systems and resources are used optimally. The Company has implemented a whistleblower scheme providing employees with the ability to easily and anonymously report any observations of potentially destructive, unethical or illegal activities related to the Company.

Risk assessment

Risk assessment includes identifying risks pertaining to the Company's business, assets and financial reporting as well as assessing the impact and probability of those risks, to ensure that actions to reduce or eliminate risks are analysed and implemented. Within the board of directors, the audit committee is responsible for continuously assessing the Company's risks

The executive management shall annually prepare an internal risk management assessment which is reported

to the audit committee and subsequently to the board of directors. The risk management assessment shall include a follow-up on previous year's work and a review of any changes to procedures, control systems and risk-mitigating actions.

With regards to financial reporting, the CFO and the finance department annually prepares a report for the audit committee, including a review of items subject to special risks and significant accounting estimates and judgements, allowing the audit committee to monitor the financial reporting process. The audit committee also evaluates the need for an internal audit function annually and makes recommendations to the board of directors.

Control activities

Control activities are performed for the purpose of preventing, detecting and correcting any errors and irregularities, including fraud. Control activities are implemented in the Company's systems and procedures, including financial reporting systems and procedures. Control activities include, for example, physical and electronic preventive access controls concerning sensitive and confidential information, preventive IT based controls limiting access to systems, joint approval procedures for electronic bank transfers and detective controls. Financial control activities are performed in accordance with the group accounting manual and are carried out on a monthly basis and are documented.

Information and communication

Internal communication to employees occurs, inter alia, through policies, instructions and blog posts, including



a Code of Conduct which serves as an overall guiding principle for employees in all communication, an information policy which governs internal and external information as well as an insider policy which ensures appropriate handling of insider information that has not yet been disclosed to the public. Additionally, the Company's CEO holds the overall responsibility for the handling of matters regarding insider information.

The Company's investor relations function is led and supervised by the CFO and the Head of Investor Relations. The principal tasks of the investor relations function are to support matters relating to the capital market as well as to assist in preparing financial reports, general meetings, capital market presentations and other regular reporting regarding investor relations activities.

Monitoring

Compliance and effectiveness of internal controls are continuously monitored. The executive management ensures that the board of directors receives continuous reports on the development of the Company's activities, including the Company's financial results and position, and information about important events, such as key contracts. The executive management also reports on such matters at each board meeting.

The board of directors and the audit committee examines the annual report and the interim reports and conducts financial evaluations based on established business plans. The audit committee reviews any changes in accounting policies to determine the appropriateness of the accounting policies and financial

disclosure practises. Furthermore, the audit committee also reviews the consistency of accounting policies across the Group on a yearly basis.

The efficiency of the key controls is evaluated at regular intervals and reported to the board of directors summarising the performed evaluations and accounting for any deviations that must be managed. In 2021, a review of internal controls was performed with the purpose of reviewing compliance with processes and internal controls covering key areas and process flows according to the Company's group accounting manual. The review concluded that the Company's financial internal controls were deemed appropriate. Furthermore, the Group's policies are subject to at least one annual review by the board of directors.

External audit

The Company's auditor is appointed by the annual general meeting for the period until the end of the next annual general meeting. The auditor audits the financial statements prepared by the board of directors and the executive management. Following each financial year, the auditor shall submit an audit report to the annual general meeting. The Company's auditor reports its observations from the audit and its assessment of the Company's internal control to the board of directors.

At the annual general meeting held on April 26, 2021, EY Godkendt Revisionspartnerselskab was re-elected as the Company's auditor with Jan C. Olsen as the lead auditor. It was also resolved that the fees to the auditor should be paid in accordance with normal charging standards and approved invoice.



The total fee paid to the Company's auditor for the financial year 2021 amounted to 312 tEUR, all of which regarded the audit assignment.



Key risk factors

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.





Risk management framework

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.

Risk profile following US acquisitions

With the acquisitions in the US, the overall risk profile of Better Collective has changed, and regulatory 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)
- ◆ Organisational risk through establishment of local governance/management, and finance, HR, and Legal organisation dedicated to the US operations.

	 Market regulation	 Legal	 Cybercrime	 Recruitment and retention
Description	<p>Changes to applicable laws and regulations could lead to an increased burden of compliance, which could be costly and time-consuming to maintain efficiently. Socially responsible marketing of gambling products and a safer gambling environment for consumers either through regulation or voluntary measures will add to the long-term sustainability and growth of the iGaming industry</p>	<p>Better Collective believes contractual risk as well as legal risk related to regulatory requirements are critical. Failure to meet or implement regulatory requirements, in a timely fashion concerning, for instance, data protection, confidentiality agreements, IPR, and fraud constitutes a risk.</p>	<p>As a digital software-based company with a core business based on modern information technology, Better Collective’s failure to adequately protect itself against IT risk represents a distinct risk. Cybercrime including unauthorised access to Better Collective’s network and data could endanger applications as well as the infrastructure and the technical environment stored on Better Collective’s network.</p>	<p>People remain the key drivers in everything that we do at Better Collective since our business is based on specialised expertise and innovation. Failure to attract, develop, and retain the most skilled employees and management talent constitutes a risk to the company.</p>
Risk Management	<p>Changes in regulation may involve imposing licence requirements, marketing restrictions and local taxation, although it can also imply a liberalisation of the market. iGaming regulation provides transparency to the legal framework, which in turn enhances predictability. Through our sustainability efforts, our focus on responsible gambling, and our collaborations we promote a socially responsible approach across the industry.</p>	<p>Better Collective has established a central legal function that, together with the commercial and business development operations, ensures a stage-gate approach when new contracts are made and when new regulations or compliance are being imposed.</p>	<p>Better Collective’s IT department continuously monitors its global technical infrastructure, aiming to identify and minimise risk to the company’s production and performance. Through well-established procedures and solutions, Better Collective can quickly restore critical business operations.</p>	<p>Better Collective’s values and the notion of a work-life balance serve as strong tools for recruitment of talent. Naturally, we have found that talented people are happy to stay with a company that treats them with respect and gives them freedom.</p>

Board of directors



Jens Bager

Chair of the board and of the remuneration committee
 Born, 1959
 Nationality, DK
 Present position since 2017

Education: Jens Bager holds a M.Sc in Economics and Business Administration from Copenhagen Business School.

Professional background: Jens Bager was the CEO of ALK-Abelló A/S for 16 years before joining Better Collective, and prior to that he was an EVP of Chr. Hansen A/S. Jens Bager is an Industrial Partner at Impilo AB, the chairman of Scantox Holding ApS and Marleybones Ltd, and has served on various boards in Denmark, Sweden, and France. He has extensive experience within general management of international and listed companies.

Other assignments: Member of the executive board of Apto Invest ApS, Apto Advisory ApS, 56* NORTH Equity Partners ApS, Enhance Systems A/S, and Tandlægen.dk.

Previous assignments: Board chairman of Ambu A/S, Heatex AB and Poul Due Jensens Fond. CEO of ALK-Abelló A/S.

Independence in relation to:

- shareholders Yes
- the company Yes



Todd Dunlap

Board member and member of the remuneration committee
 Born, 1966
 Nationality, USA
 Present position since 2020

Education: Todd Dunlap holds two Bachelor of Science degrees, one in aerospace engineering and the other in business administration. He has completed graduate programs in Business and International Management from Stanford University and The Thunderbird School of Global Management.

Professional background: Todd Dunlap is the current CEO of the startup OfferUp, one of the Seattle region's only tech startups valued at more than \$1 billion. Prior to this role he was the CEO of North America for Booking.com and as such was responsible for the overall growth of the company's business in the United States and Canada. Prior to joining Booking.com in 2012, Todd worked 14 years at Microsoft, most recently in the role of Vice President & COO of Microsoft's Consumer & Online Division.

Other assignments: Guest lecturer and mentor at the University of Washington's Foster School of Business, and strategic advisor for Booking Holdings.

Previous assignments: Todd Dunlap has served as the Vice President and Managing Director of the Americas Region also at Booking.com. President and general manager at Microsoft Licensing, and former Board Advisor to Better Collective. Todd Dunlap also led the Internet Business Unit at WRQ, a global software and consulting firm.

Independence in relation to:

- shareholders Yes
- the company Yes



Therese Hillmann

Board member and member of the audit committee
 Born, 1980
 Nationality, SE
 Present position since 2021

Education: Therese Hillman holds a M.Sc. in Accounting and Finance from the Stockholm School of Economics with exchange terms at the University of Virginia and the University of North Georgia.

Professional background: CEO of Network of Design (NOD), a group of Scandinavian design companies. Therese Hillman was prior to her current role as CEO of NOD the Group CEO of NetEnt. In this role, she steered the company during a turnaround phase, in a time of changing regulation and market conditions, US market expansion, and a large acquisition of the fast-growing competitor Red Tiger.

Other assignments: Board member of Actic since 2018.

Previous assignments: Prior to joining NetEnt in 2017, Therese Hillman worked at Gymgrossisten.com for 10 years, where she was the CEO for the last six years, and prior to that she worked in the roles as COO and CFO. Former board member of Unibet.

Independence in relation to:

- shareholders Yes
- the company Yes



Board of directors



Klaus Holse

Board member and member of the remuneration committee
Born, 1961
Nationality, DK
Present position since, 2017

Education: Klaus Holse holds a M.Sc. in Computer Science from the University of Copenhagen, and a Graduate Diploma in Business Administration (HD) from Copenhagen Business School.

Professional background: Klaus Holse is currently a Senior Executive Advisor for SimCorp, where he until September 2021, was the CEO. Klaus Holse has previously been a Corporate VP at Microsoft, and Senior President at Oracle. At Microsoft, he was President of Western Europe, leading the largest area outside of the US. Klaus Holse has extensive experience from the IT and software industry.

Other assignments Board chairman of EG Group A/S, Macrobond AB, Super-Office AS, Vizrt AB and Zenegy A/S. Vice chairman of the Supervisory Board of the Confederation of Danish Industry.

Previous assignments: Board chairman of AX IV EG Holding III ApS, Danske Lønsystemer A/S, Lessor A/S, EG A/S, Ipayroll Holding ApS, Lessor Group ApS, Lessor Holding ApS and Delegate BE Holding ApS. Former member of the board of directors of The Scandinavian ApS.

Independence in relation to:

- shareholders Yes
- the company Yes



Leif Nørgaard

Board member and chair of the audit committee
Born, 1955
Nationality, DK
Present position since 2014

Education: Leif Nørgaard holds a M.Sc in Economics and Business Administration from Aarhus Business School and is a state authorised public accountant.

Professional background: Leif Nørgaard has held senior positions in global companies such as CFO for Chr. Hansen Group, CFO for Dako Group, CFO for Teleca Group, and has served on boards in several countries. Leif Nørgaard is a professional investor and part-time CFO in start-up companies. He has extensive experience in finance, start-ups and growth companies.

Other assignments: Leif Nørgaard is currently the board chairman of MuteBox ApS, Myselfie Aps, and K/S Sunset Boulevard, Esbjerg. He is a member of the executive board of Dialægt/Citatplakat ApS, AnnoAnno ApS, Oonoo A/S, Nøller Invest ApS, 2XL2016 ApS, Komplementarsel. Landshut ApS, Sunset Boulevard, Esbjerg Komplementar ApS and Robo Invest 2020 ApS.

Previous assignments: Board member of Komplementarsel. Landshut ApS and Teklatech A/S, Actimo LATAM Holdco ApS and DTU Science Park A/S. Chairman of the board of K/S SDR. Fasanvej, Frederiksberg. Partner of ApS Komplementarselskabet SDR. Fasanvej, Frederiksberg.

Independence in relation to:

- shareholders Yes
- the company Yes



Petra von Rohr

Board member and member of the audit committee
Born, 1972
Nationality, SE
Present position since 2018

Education: Petra von Rohr holds a M.Sc. in Economics from Stockholm School of Economics and McGill University in Montreal, Canada.

Professional background: Petra von Rohr is currently the CEO of Biocool AB and she has experience from executive management positions both from the finance industry and the communications industry. Most recently, she was Head of Group Communications at Com Hem AB. Previous experience includes working as an equity analyst in London and Stockholm. She has extensive experience from working with corporate communication and investor relations

Other assignments: Board member of The Global Vector Control Standard and Webrock Ventures.

Previous assignments: Member of the Executive Management team of Com Hem AB, Partner of Kreab AB, Board member of Lauritz.com A/S, Lauritz.com Group A/S, Novare Human Capital Aktiebolag and Takkei Trainingsystems AB.

Independence in relation to:

- shareholders Yes
- the company Yes



Executive management



Jesper Søgaard

CEO & Co-Founder
Born, 1983
Nationality, DK
Present position since 2004

Education: Jesper Søgaard holds a M.Sc. in Political Science from the University of Copenhagen.

Professional background: Jesper Søgaard founded Better Collective together with Christian Kirk Rasmussen in 2004 and has been working with and developing the Group's operations since its beginning.

Other assignments: Member of the board of directors of Rådhusolmen A/S, MM PROPERTIES, Over Bølgen A/S, BetterNow WORLDWIDE ApS, and Centerholmen A/S. CEO of J. Søgaard Holding ApS, and founding member of Dreamcraft Ventures Management ApS. Member of the executive board of Better Holding 2012 A/S and J. Søgaard holding A/S.

Previous assignments (past five years): Member of the board of directors of Bumble Ventures General Partners ApS, Bumble Ventures Management ApS, Bumble Ventures Invest ApS, Ejendomsselskabet Algade 30-32 A/S, Symmetry Invest A/S, Shippers Danmark ApS, Scatter Web ApS, Ploomo ApS and VIGGA.us A/S. Member of the executive board Bumble Ventures SPV ApS.



Christian Kirk Rasmussen

COO & Co-Founder
Born, 1983
Nationality, DK
Present position since 2004

Education: Christian Kirk Rasmussen holds a bachelor of Commerce from Copenhagen Business School.

Professional background: Christian Kirk Rasmussen founded Better Collective together with Jesper Søgaard in 2004 and has been working with and developing the Group's operations since its beginning.

Other assignments: Member of the board of directors Omnigame ApS and MM Properties ApS. Member of the executive board Chr. Dam Holding ApS, and Better Holding 2012 A/S. Founding member of Dreamcraft Ventures Management ApS.

Previous assignments (past five years): Board member of Bumble Ventures General Partners ApS, Bumble Ventures Management ApS, Bumble Ventures Invest ApS, Scatter Web ApS and Ejendomsselskabet Algade 30-32 A/S. Member of the executive board YellowSunmedia ApS. Member of the executive board Bumble Ventures SPV ApS.



Flemming Pedersen

CFO
Born, 1965
Nationality, DK
Present position since 2018

Education: Flemming Pedersen holds a M.Sc. (cand. merc. aud.) and HD (Bachelor of Business Administration) from Copenhagen Business School.

Professional background: Flemming Pedersen has more than 25 years of management experience, whereof more than 20 years in executive positions in public companies. He has served as CFO of ALK-Abelló A/S, and was CEO and president of Neurosearch A/S. He has experience in general management, finance, accounting, tax matters, risk management and capital markets. In addition, he has experience from board positions in both public and private companies in Denmark as well as internationally.

Other assignments: Chairman of the Board Mindway AI ApS. Member of the executive board of Naapster ApS.

Previous assignments (past five years): Chairman of the board of directors of ALK-Abelló Nordic A/S and Good-stream ApS. Member of the board of directors of MB IT Consulting A/S and MBIT A/S. Member of the executive management of ALK-Abelló A/S.



Shareholder information

The BETCO share and shareholders

Better Collective A/S has been listed since June 8, 2018 and is traded on the Nasdaq Stockholm Mid Cap index. The company's ticker is BETCO.

Share price and trading

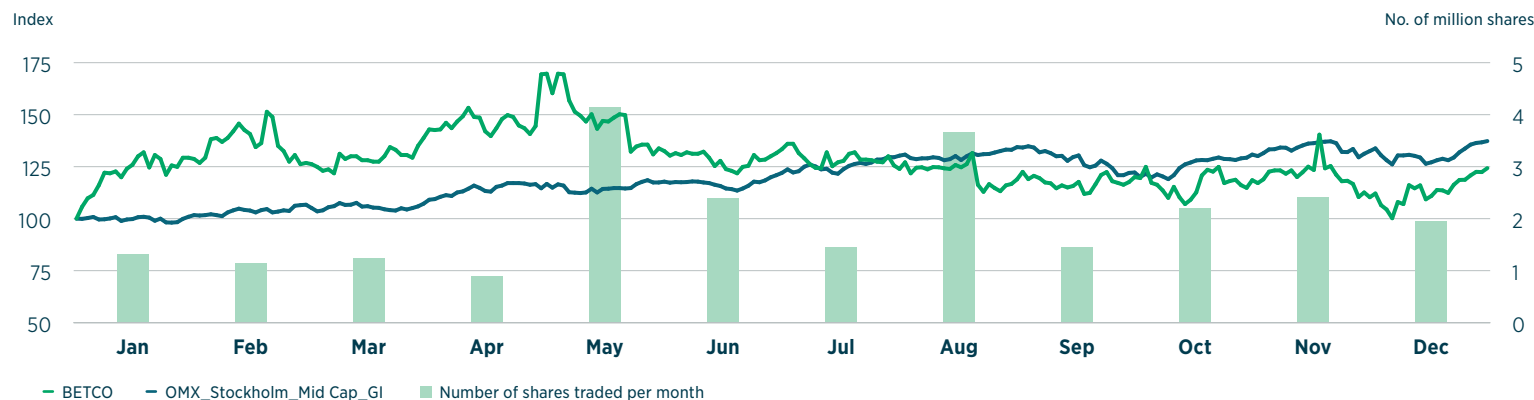
The closing price for the BETCO share on December 31, 2021 was 197,00 SEK, corresponding to a market cap of approximately 9,240 mSEK. During the period from January 1, 2021 to December 31, 2021, a total of 24,275,023 BETCO shares were traded on the Nasdaq Stockholm exchange at a total value of 4,882 mSEK, corresponding to 44% percent of the total number of BETCO shares on the Nasdaq Stockholm exchange at the end of the period. The average number of shares traded per trading day was

approximately 95,900, corresponding to a value of 19.3 mSEK. An average of 839 trades were completed per trading day. The highest price paid during the period January 1, 2021 to December 31, 2021 was 269.00 SEK on May 9, 2021 and the lowest price paid was 158.50 SEK on January 4, 2021. During the period from January 1, 2021 to December 31, 2021, Better Collective's share price increased 30.0%, while the OMX Mid Cap list increased by 38.5%.

Shareholders

On December 31, 2021, most of the share capital was owned by the company's founders and institutions predominantly in Sweden, Denmark, and the rest of Europe. On December 31, 2021, Better Collective had 4,149 shareholders, corresponding to a 39% increase from January 1, 2021. The ten largest shareholders accounted for 63.6% of the votes and share capital. The members of Better Collective's board of directors held a total of 1,855,862

Share price performance



Share data

Marketplace	Nasdaq Stockholm
Date of listing	June 8, 2018
Segment	Mid Cap
Sector	Media
Ticker symbol	BETCO
ISIN code	DK0060952240
Currency	SEK
Standard trading unit	1 share
No. of shares outstanding	54,625,157 shares
Highest closing price paid in 2021	269.00 SEK (May 9)
Lowest closing price paid in 2021	158.50 (Jan 4)
Last price paid 2021	151.50 SEK
Share price development in 2021	+30%

Analysts

ABG Sundal Collier

Oscar Rönnkvist
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Nordea Markets

Marlon Värnik
marlon.varnik@nordea.com

Redeye

Hjalmer Ahlberg
hjalmar.ahlberg@redeye.se



BETCO shares. The executive management held a total of 21,379,680 BETCO shares. The holdings of the individual board members and members of the executive management can be found on page 32.

Share capital and capital structure

On 31 December 2021, the share capital amounted to 546,251.57 EUR. The total number of shares amounted to 54,625,157. All shares in the market hold equal voting rights and equal rights to the company's earnings and capital.

Dividend policy

Better Collective has successfully executed an acquisition strategy since 2017, completing 25 acquisitions so far. The M&A-pipeline is strong with the opportunity to acquire large companies. Therefore, the company does not expect to pay dividends until further. The board of directors will revisit the capital structure of the Group annually and evaluate whether to pay dividends. The decision to pay dividends will be based on the company's financial position, investment needs, liquidity position as well as general economic and business conditions. If the board of directors finds it appropriate, dividend pay-out may be partially or wholly substituted by a share buy-back. Thus, the board has proposed that no dividend is paid out for the financial year of 2021.

Individuals with an insider position

Listed companies are required to record a logbook of individuals who are employed or contracted by the company and have access to insider information relating to the company. These can include insiders, but also other individuals who have obtained inside information. Better Collective records a logbook for each financial report or regulatory release containing information that could affect the share price.

Annual General Meeting 2022

The Annual General Meeting 2022 will take place on April 26, 2022 at 2.00 p.m. For more information, see the section on General Meetings on the company's website.

Investor relations

Better Collective shall provide correct, relevant and clear information to all its shareholders, the capital market, the society, and the media, at the same time. Information that is deemed to be inside information shall be published so that it reaches the public in a quick, non-discriminatory manner. All important events, that could influence the value of Better Collective, shall be communicated as soon as possible, that is in direct connection with the decision being taken, the election taking place or the event becoming known to Better Collective. The Better Collective website, www.bettercollective.com, contains relevant material for shareholders, including the current share price, press regulatory releases, and general information about the company. Better Collective maintains a quiet period of 30 days prior to the publication of interim financial reports. During this period, representatives of the Group do not meet with financial media, analysts or investors.

Financial calendar

April 26, 2022
AGM

May 18, 2022
Interim Financial report Q1

August 23, 2022
Interim Financial report Q2

November 17, 2022
Interim Financial report Q3

Top 10 largest shareholders as at December 31, 2020

Owner	Number of shares	Capital and votes
Jesper Søgaard	10,671,179	19.54%
Christian Kirk Rasmussen	10,671,179	19.54%
Chr. Augustinus Fabrikker A/S	2,523,000	4.62%
Third Swedish National Pension Fund	2,465,982	4.52%
Second Swedish National Pension Fund	1,937,139	3.55%
Danica Pension	1,838,839	3.37%
Avanza Pension	1,352,665	2.48%
Jesper Ribacka	1,200,000	2.20%
Knutsson Holdings AB	1,095,871	2.01%
Top 10 largest shareholders	33,755,854	61.83%
Other shareholders	20,869,303	38.17%
Total number of shares	54,625,157	100.00%



IR contact

Christina Bastius Thomsen,
Head of Investor Relations
& CSR
Phone: +45 2363 8844
e-mail: investor@bettercollective.com

Our approach

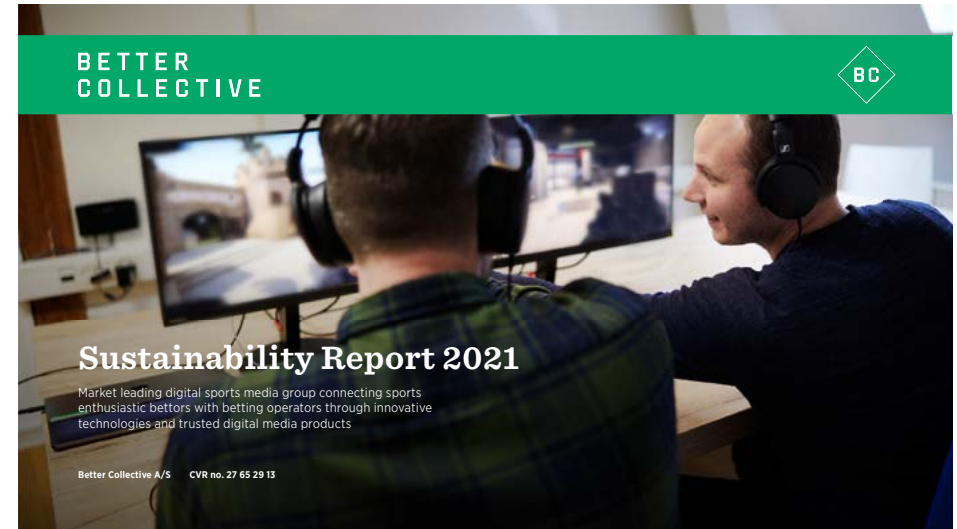
Our framework and sustainability strategy

Responsibility and sustainability are ingrained elements of Better Collective’s business model and have been cornerstones of our organisation since its inception in 2004.

The United Nations Global Compact (UNGC) is a non-binding pact encouraging all businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementations and operational impacts. By incorporating the Ten Principles into our strategies, policies, and procedures, we are establishing a culture of integrity where we uphold our basic responsibilities to society and the planet, while we also set the stage for our long-term success. We adhere to the UNGC and understand it as a normative and morally guiding codex to be followed in all of Better Collective’s endeavours. In doing so, we stay committed to improving our business practises in four areas that ultimately can aid globalisation to be more inclusive for all: human rights, labour rights, environmental rights and, anti-cor-

ruption laws. Though the UNGC constitutes the overall framework for our sustainability strategy and reporting, we also implement into our strategy the UN Sustainable Development Goals (SDGs) that we find the most pertinent to our operations.

In 2021, the CSR team enrolled in a six months long SDG Ambition programme hosted by the UNGP. So far, the program has challenged us to accelerate our integration of the SDGs, while it has taught us how to align corporate goals and KPIs with the SDG ambition benchmarks. By strategically expanding our SDG focus and efforts we can unlock even more business value, improve resilience, and enable long term sustainable growth. In summation, our expanded effort now revolves around

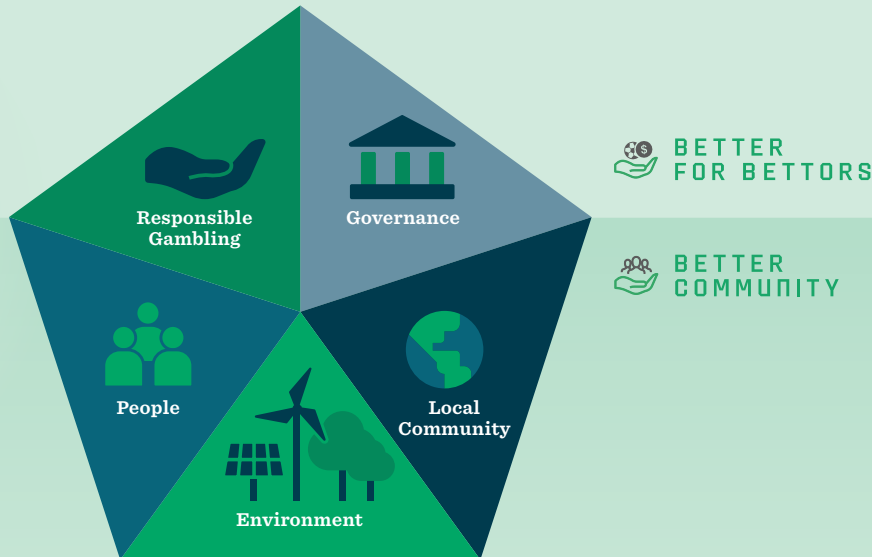


► **Sustainability and ESG report 2021**
http://bettercollective.com/wp-content/uploads/2022/03/BetterCollective_SR21_web.pdf



Our approach

Our five focus areas



contributing to the positive development of SDG 3 on good health and well-being, SDG 5 on gender equality, SDG 8 on decent work and economic growth, and SDG 10 on reduced inequalities. As part of this exercise, we also initiated a process of redefining our KPIs so they better align with the SDGs, and we expect to continue this work in 2022. Most importantly, we ensured that the SDGs could also be embedded into our corporate strategy and aspiration to be the #1 sports betting aggregator in the world.

Roughly 17 years ago Better Collective was founded in Denmark, and our headquarters remain in Copenhagen. However, we proudly engage in the local communities where we are active, by paying our taxes and initiating local projects, partnering with local stakeholders. We persistently strive to be a socially responsible sports betting media group while we aspire to strengthen the standards of the iGaming industry to empower users. We believe that as a business we have an increasingly important role to play in securing a sustainable future. We also strongly believe that operating in a responsible way, across all business verticals while adding value to the surrounding communities, positively affects our business and competitiveness. Our sustainability strategy and reporting are built around five strategic priorities core to Better Collective's business: Responsible gambling (RG), Governance, People, Local community, and Environment. Our sustainability strategy is a natural part of our overall business strategy, and operationally, the strategy is rolled out through our sustainability programmes "Better for Bettors" and "Better Community". Most importantly, our sustainability strategy and approach are deeply rooted in our core values, which have remained the same since the birth of Better Collective.

Sustainable Development Goals



Ensure healthy lives and promote well-being for all at all ages

▶ [Read more](#)



Achieve gender equality and empower all women and girls

▶ [Read more](#)



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

▶ [Read more](#)



Reduce inequality within and among countries

▶ [Read more](#)

 BETTER FOR BETTORS

Creating a safer and more responsible iGaming universe

Better Collective's long-term commitment is prevention of problem gambling through the education of our users. Ultimately, the focus on safer gambling and being a responsible business is what grants us our social licence to operate.



Better Collective views sports betting and gambling purely as a form of entertainment, and wants to make sure that users' and employees' iGaming experiences remain as a form of fun and entertainment. This includes awareness of the fact that gambling should not be seen as a source of income, but only be practised as a fun activity. When gambling, the sole purpose should not be to increase one's initial stake but to set aside a stake that one is willing to lose for the sake of entertainment. This view of betting is the reason why we strongly endorse responsible gaming. When creating content or new websites, we always have responsible gambling in mind.

We want to ensure that our users are better suited to navigate the iGaming world by visiting a Better Collective website before registering an account with a sports betting or gambling operator. We focus on the teaching of gambling strategies and the presentation of insightful information and data to make our users more confident in their betting. However, we do not, and cannot, guarantee winning – and we will never claim to do so. As Better Collective is not a sports betting or gambling operator, we rely on our partner operators to scan for user behaviour and take action when a user shows signs of at-risk or problem gam-

bling behaviour. We can educate users, e.g. by making sure that they know the legal gambling age, of possible adverse effects of gambling, and prevention.

Taking action on problem gambling prevention

At Better Collective, we are fully aware that there are users for whom gambling surpasses entertainment and becomes a form of addiction. As a result, we have increased our resources by expanding our responsible gambling team during 2021. On November 1, we announced the decision to launch Gamalyze on key websites, a process which we have already finalised. Gamalyze is a self-test developed by Mindway AI. Throughout 2021, we have continued to offer RG resources on our websites, as well as a Betting Academy to educate users. For our employees, we recently updated our responsible gambling policy, which is expected to be fully rolled out during 2022. To take action on problem gambling prevention, we implemented the Gamalyze software on our internal employee platform during 2021. For 2022, we plan to implement RG training for all employees across the Better Collective Group.

We want to continue our implementation of RG resources on all of our websites, and it remains our wish to have an even stronger collaboration across the iGaming industry to promote and advance responsible gambling. By taking responsibility in protecting end-users from potential negative health-impacts - in this case gambling addiction - and by promoting mental health and well-being through various initiatives, it is our goal to aid the positive advancement of SDG 3.



ESG key metrics



Environment data	Unit	2021	2020	2019
CO ₂ e, scope 1	Metric tonnes	73.88	73.53	13.95
CO ₂ e, scope 2	Metric tonnes	70.08	49.99	215.14
CO ₂ e, scope 3	Metric tonnes	346.42	176.88	730.14
Total tonnes of CO ₂ e	Metric tonnes	490.38	300.41	1,063.69
Tonnes of CO ₂ e per employee	Times	0.77	0.72	2.92
Tonnes of CO ₂ e per mEUR turnover	Times	2.77	3.30	15.76

Social data	Unit	Target	2021	2020	2019
Average number of FTE	FTE	-	635	420	364
Total headcount	HC	-	781	476	428
Gender diversity	%	35	30	30	31
Gender diversity top management	%	35	17	17	17
Gender pay ratio	Times	-	1.19	1.20	1.19
Employee turnover ratio	%	-	16.86	21.15	13.79
Sickness absence	Days per HC	-	1.12	1.13	2.04
Corporate income tax	mEUR	-	12.6	6.0	5.0

Governance data	Unit	Target	2021	2020	2019
Gender diversity, board	%	35	33.3	17	20
Board meeting attendance rate	%	-	96	97	100
CEO pay ratio	Times	-	10.27	8.27	9.12

► Sustainability and ESG report 2021

http://bettercollective.com/wp-content/uploads/2022/03/BetterCollective_SR21_web.pdf



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Statement by management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Better Collective A/S for 2021.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at December 31, 2021 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 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 activities and financial matters, results of operations, cash flows and financial position as well as a description of material risks and uncertainties that the Group and the Parent Company face.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, March 23, 2022

Executive Management

Jesper Søgaard

CEO & Co-founder

Christian Kirk Rasmussen

COO & Co-founder
Executive Vice President

Flemming Pedersen

CFO
Executive Vice President

Board of Directors

Jens Bager

Chairman

Todd Dunlap

Leif Nørgaard

Therese Hillman

Petra von Rohr

Klaus Hølse



Independent Auditors' Report

To the shareholders of
Better Collective A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Better Collective A/S for the financial year January 1 – December 31, 2021, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies, for the Group and the Parent Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at December 31, 2021 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year January 1 – December 31, 2021 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Our opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. To the best of our knowledge, we have not provided any prohibited non-audit services as de-

scribed in article 5(1) of Regulation (EU) no. 537/2014.

Appointment of auditor

On June 8, 2018, Better Collective A/S completed its Initial Public Offering and was admitted to trading and official listing on Nasdaq Stockholm. Subsequent to Better Collective A/S being listed on Nasdaq Stockholm, we were initially appointed as auditor of Better Collective A/S on April 25, 2019 for the financial year 2019. We have been re-appointed annually by resolution of the general meeting for a total consecutive period of 3 years up until and including the financial year 2021.

Key audit matters

Key audit matters are those matters that, in our Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year 2021. These matters were addressed during our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's responsibilities for the audit of the

financial statements" section, including in relation to the key audit matters below. Accordingly, our audit included the design and performance of procedures to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements

Valuation of goodwill, domains and websites

Goodwill as well as domains and websites with indefinite life are not subject to amortisation, but are reviewed annually for impairment, or more frequently if any indicators of impairment are identified. Valuation of goodwill, domains and websites is significant to our audit due to the carrying values as well as the management judgement involved in the assessment of the carrying values, assessment of indefinite life and judgements involved in impairment testing of the goodwill, domains and websites.

Management prepares and reviews impairment tests for each cash-generating unit and for the domains and websites related to each individual significant acquisition. Impairment testing is based on the estimated recoverable amounts of the assets, which for this purpose are deter-



mined based on the value in use. The value in use is based on a discounted cash flow (DCF) model and is calculated for each cash-generating unit and for each individual significant acquisition.

Refer to note 13 in the consolidated financial statements and to note 13 in the financial statements for the parent company.

How our audit addressed the above key audit matter

Our audit procedures included:

- ◆ Assessment of the indefinite life assumption including examination of data provided by management and other sources as well as inquiries to management and comparison with industry practice and comparable companies.
- ◆ Evaluation of internal procedures relating to estimating future cash flows, preparation of budgets and forecasts.
- ◆ Examination of the value-in-use model prepared by Management, including consideration of the cash-generation units defined by Management and the valuation methodology and the reasonableness of key assumptions and input based on our knowledge of the business and industry together with available supporting evidence such as available budgets and externally observable market data related to interest rates, etc.
- ◆ Assessment of the adequacy of disclosures about key assumptions in note 13 to the

consolidated financial statements and in note 13 to the financial statements for the parent company..

Accounting for acquisitions

The Group has in 2021 completed two business combinations. Management has determined the fair value of the identifiable assets and liabilities acquired. The total consideration for the two business combinations amounts to EUR 206 million.

Due to the significant level of management judgement involved in estimation of the contingent consideration and estimating the fair value of especially the intangible assets acquired, we considered the accounting for acquisitions of most significance in our audit.

For details on the acquisitions, reference is made to note 22 in the consolidated financial statements.

How our audit addressed the above key audit matter

Our audit procedures included:

- ◆ Assessment of the assumptions and methodology applied by management to calculate the fair value of intangible assets acquired compared to generally applied valuation methodologies. We have considered the approach taken by Management, assessed key assumptions and obtained evidence for the explanations provided by comparing

key assumptions to market data, where available, underlying accounting records, past performance of the acquired businesses, our past experience of similar transactions and Management's forecasts supporting the acquisition.

- ◆ Assessment of the fair value of the contingent consideration including key assumptions applied by management to calculate the fair value.
- ◆ Assessment of the adequacy of the disclosures in note 22 related to the acquisitions, including the fair value of acquired intangible assets, compared to applicable accounting standards

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to



cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis

for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ◆ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on

the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- ◆ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relation-

ships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on compliance with the ESEF Regulation

As part of our audit of the financial statements of Better Collective A/S we performed procedures to express an opinion on whether the annual report for the financial year January 1 – December 31, 2021 with the file name bettercollective-2021-12-31-en.zip is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format



and iXBRL tagging of the Consolidated Financial Statements.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- ◆ The preparing of the annual report in XHTML format;
- ◆ The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for financial information required to be tagged using judgement where necessary;
- ◆ Ensuring consistency between iXBRL tagged data and the Consolidated Financial Statements presented in human readable format; and
- ◆ For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judge-

ment, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- ◆ Testing whether the annual report is prepared in XHTML format;
- ◆ Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- ◆ Evaluating the completeness of the iXBRL tagging of the Consolidated Financial Statements;
- ◆ Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- ◆ Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- ◆ Reconciling the iXBRL tagged data with the audited Consolidated Financial Statements.

In our opinion, the annual report for the financial year January 1 – December 31, 2021 with the file name bettercollective-2021-12-31-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Copenhagen, March 23, 2022

EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

Jan C. Olsen
State Authorised
Public Accountant
MNE no. mne33717

Peter Andersen
State Authorised
Public Accountant
MNE no. mne34313



BETTER
COLLECTIVE

Financial Statements

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Consolidated statement of profit and loss

Note	tEUR	2021	2020
4	Revenue	177,051	91,186
	Direct costs related to revenue	64,863	20,471
5, 6	Staff costs	40,813	24,156
14	Depreciation	1,764	1,548
7	Other external expenses	15,600	8,407
	Operating profit before amortisations (EBITA) and special items	54,011	36,604
12	Amortisation and impairment	8,516	6,235
	Operating profit (EBIT) before special items	45,495	30,369
8	Special items, net	-16,746	120
	Operating profit	28,749	30,489
9	Financial income	3,383	1,965
10	Financial expenses	5,905	3,742
	Profit before tax	26,227	28,712
11	Tax on profit for the period	8,935	6,785
	Profit for the period	17,292	21,927
	Earnings per share attributable to equity holders of the company		
	Average number of shares	50,541,901	46,664,615
	Average number of warrants - converted to number of shares	2,334,756	2,043,366
	Earnings per share (in EUR)	0.34	0.47
	Diluted earnings per share (in EUR)	0.33	0.45

Consolidated statement of comprehensive income

Note	tEUR	2021	2020
	Profit for the period	17,292	21,927
	Other comprehensive income		
	<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
	Currency translation to presentation currency	-300	68
	Currency translation of non-current intercompany loans	16,497	-3,414
11	Income tax	-3,629	751
	Net other comprehensive income/loss	12,568	-2,595
	Total other comprehensive income/(loss) for the period, net of tax	29,860	19,332
	Attributable to:		
	Shareholders of the parent	29,860	19,332



Consolidated balance sheet

Note	tEUR	2021	2020
Assets			
Non-current assets			
12, 13	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
14	Property, plant and equipment		
	Land and buildings	47	721
	Right of use assets	2,708	3,225
	Fixtures and fittings, other plant and equipment	1,610	1,449
		4,365	5,395
Other non-current assets			
20	Other non-current financial assets	0	1,093
	Deposits	660	434
11	Deferred tax asset	9,545	621
		10,205	2,148
	Total non-current assets	534,481	266,510
Current assets			
15	Trade and other receivables	30,083	18,248
11	Corporation tax receivable	500	788
	Prepayments	2,223	1,466
20	Restricted Cash	1,489	6,926
20	Cash	28,603	21,127
	Total current assets	62,898	48,555
	Total assets	597,379	315,065

Note	tEUR	2021	2020
Equity and liabilities			
16	Equity		
	Share Capital	546	469
	Share Premium	267,873	108,826
	Currency Translation Reserve	10,798	-1,770
	Treasury Shares	-8,074	-2
	Retained Earnings	73,705	55,019
17	Proposed Dividends	0	0
	Total equity	344,848	162,542
Non-current Liabilities			
20	Debt to mortgage credit institutions	0	507
20	Debt to credit institutions	121,025	68,770
19	Lease liabilities	1,521	2,124
11	Deferred tax liabilities	69,595	25,207
20	Other long-term financial liabilities	4,939	8,796
20	Contingent Consideration	0	20,807
	Total non-current liabilities	197,080	126,211
Current Liabilities			
	Prepayments received from customers and deferred revenue	3,400	450
18	Trade and other payables	18,393	10,247
11	Corporation tax payable	1,735	1,985
20	Other financial liabilities	10,683	9,850
20	Contingent Consideration	19,893	2,498
20	Debt to mortgage credit institutions	0	20
19	Lease liabilities	1,347	1,262
	Total current liabilities	55,451	26,312
	Total liabilities	252,531	152,523
	Total equity and liabilities	597,379	315,065

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	108,826	-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 to presentation currency	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	159,047	0	0	0	0	159,124
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	159,047	0	-8,072	1,394	0	152,446
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	106,296	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 to presentation currency	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	1,438	0	6,339
Share based payments	0	0	0	0	955	0	955
Transaction cost	0	0	0	0	-33	0	-33
Total transactions with owners	5	2,530	0	-2	2,360	0	4,893
At December 31, 2020	469	108,826	-1,770	-2	55,019	0	162,542

During the period no dividend was paid.



Consolidated statement of cash flow

Note	tEUR	2021	2020
	Profit before tax	26,227	28,712
	Adjustment for finance items	2,522	1,777
	Adjustment for special items	16,746	-120
	Operating Profit for the period before special items	45,495	30,369
	Depreciation and amortisation	10,280	7,783
	Other adjustments of non cash operating items	-531	955
	Cash flow from operations before changes in working capital and special items	55,244	39,107
21	Change in working capital	-4,040	-786
	Cash flow from operations before special items	51,204	38,321
	Special items, cash flow	-5,997	-625
	Cash flow from operations	45,207	37,696
	Financial income, received	3,702	1,415
	Financial expenses, paid	-4,693	-2,496
	Cash flow from activities before tax	44,216	36,615
11	Income tax paid	-12,654	-9,940
	Cash flow from operating activities	31,562	26,675
22	Acquisition of businesses	-207,900	-65,792
12	Acquisition of intangible assets	-11,591	-1,802
14	Acquisition of property, plant and equipment	-687	-460
14	Sale of property, plant and equipment	972	1
	Change in non-current assets	-13	-37
	Cash flow from investing activities	-219,219	-68,090

Note	tEUR	2021	2020
20	Repayment of borrowings	-87,069	-22,756
20	Proceeds from borrowings	139,373	74,629
	Lease liabilities	-1,147	-1,025
	Other non-current liabilities	-843	485
	Capital increase	148,893	393
	Treasury shares	-8,143	-4,903
	Transaction cost	-2,305	-33
	Cash flow from financing activities	188,759	46,790
	Cash flows for the period	1,102	5,375
	Cash and cash equivalents at beginning	28,053	22,755
	Foreign currency translation of cash and cash equivalents	937	-77
	Cash and cash equivalents period end*	30,092	28,053
	*Cash and cash equivalents period end		
	Restricted cash	1,489	6,926
	Cash	28,603	21,127
	Cash and cash equivalents period end	30,092	28,053



Cashflow statement – specifications

Note	tEUR	2021	2020
Acquisition of business combinations:			
22	Net Cash outflow from business combinations at acquisition	-179,732	-53,429
	Business Combinations deferred payments from current period	-2,158	-1,384
	Deferred payments – business combinations from prior periods	-26,010	-10,979
Total cashflow from business combinations		-207,900	-65,792
Acquisition of intangible assets:			
12	Acquisitions through asset transactions	-14,297	-1,070
	Deferred payments related to acquisition value	3,535	0
	Deferred payments - acquisitions from prior periods	-70	0
	Other investments	-759	-732
Total cash flow from intangible assets		-11,591	-1,802
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
Total equity movements with cashflow impact		138,445	-4,543
Non-cash flow movements on equity:			
	New shares for M&A payments	10,231	2,142
	Treasury shares used for M&A payments	82	6,339
	Share based payments – warrant expenses with no cash flow effect	3,688	955
Total non-cash flow movements on equity		14,001	9,436
Total Transactions with owners			
- Consolidated statement of changes in equity		152,446	4,893



Notes to the consolidated financial statements

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Notes

1 Accounting policies

General

The financial statements section of the annual report for the period January 1 – December 31, 2021 comprises both the consolidated financial statements of Better Collective A/S and its subsidiaries (the Group or the Better Collective Group) and the separate parent company financial statements (the Parent). The comparative figures cover the period January 1 – December 31, 2020.

The consolidated financial statements of Better Collective A/S have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies. Better Collective A/S is incorporated and domiciled in Denmark.

The Board of Directors and the Executive Board have discussed and approved the annual report for Better Collective A/S on March 24, 2022. The annual report will be presented to the shareholders of Better Collective A/S for adoption at the annual general meeting on April 26, 2022.

New segment reporting

Following the acquisition of Action Network in May 2021 Better Collective has reported on the geographical segments US and RoW (Rest of World), measuring and disclosing separately for Revenue, Cost and Earnings. The additional segment reporting is in addition to the segment reporting on Publishing and Paid Media introduced in 2020.

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 financial statements.

The accounting policies have been applied consistently during the financial year and for the comparative figures. For standards implemented prospectively the comparative figures are not restated.

New financial reporting standards not yet adopted

The IASB has issued a number of new or amended standards and interpretations with effective date after December 31, 2021. None of the standards are expected to have a significant effect for Better Collective A/S.

Basis for preparation

The annual report for the Group and the parent company has been prepared in accordance with IFRS as adopted by the EU and additional Danish disclosure requirements for listed companies.

Presentation currency

The Group's consolidated financial statements and parent financial statements are presented in Euro (EUR), and the parent company's functional currency is Danish Kroner (DKK). In general, rounding will occur and cause variances in sums and percentages in the consolidated and parent company financial statements.

Foreign currencies

For each of the reporting entities in the Group, including subsidiaries and foreign associates, a functional currency is determined. The functional currency is the currency used in the primary financial environment in which the reporting entity operates. Transactions denominated in currencies other than the functional currency are foreign currency transactions.

On initial recognition, foreign currency transactions are translated to the functional currency at the exchange rate on the transaction date. Foreign exchange differences arising between the rate on the transaction date and the rate on the date of settlement are recognised in profit or loss as financial income or financial expenses.

At the end of a reporting period, receivables and payables and other monetary items denominated in foreign currencies are translated to the functional currency at the exchange rate on the balance sheet date.

The difference between the exchange rates on the balance sheet date and on the date the receivable or payable was recognised in the latest reporting period is recognised in profit or loss as financial income or financial expenses.

In the consolidated financial statements, the statements of comprehensive income of Group entities with a functional currency other than EUR are translated at the exchange rate on the transaction date, and the balance sheet items are translated at closing rates. An average exchange rate for each month is used as the exchange rate at the transaction date in so far as this does not significantly distort the presentation of the underlying transactions. Foreign exchange differences arising on translation to the EUR presentation currency are recognised in other comprehensive income (OCI) in a separate translation reserve under equity. On disposal of a reporting entity, the component of other comprehensive income relating to that particular reporting entity is reclassified to profit or loss.

The Parent company has provided non-current intercompany loans in USD to fund acquisitions of assets and business combinations in US. Unrealised exchange rate gains/losses and related tax impact related to these loans are recognised in Other Comprehensive Income for the group.

Basis for consolidation

The consolidated financial statements include the parent company Better Collective A/S and its subsidiaries.

Subsidiaries are entities over which the Better Collective Group has control. The Group has control over an entity when the Group is exposed to or has rights to variable returns from its involvement in the entity and has the ability to affect those returns through its power over the entity. Only potential voting rights considered to be substantive at the balance sheet date are included in the control assessment. The Group re-assesses if it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

The consolidated financial statements are prepared by combining uniform items. On consolidation, intercompany income and expenses, shareholdings, intercompany accounts and dividend as well as realised and unrealised profit and loss on transactions between the consolidated companies are eliminated.



Notes

1 Accounting policies (continued)

◆ Accounting principles:

Fair value measurement

The Group uses the fair value concept in connection with certain disclosure requirements and for recognition of financial instruments. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (“exit price”).

The fair value is a market-based and not an entity-specific measurement. The entity uses the assumptions that the market participants would use for the pricing of the asset or liability based on the current market conditions, including risk assumptions. The entity’s purpose of holding the asset or settling the liability is thus not taken into account when the fair value is determined.

The fair value measurement is based on the principal market. If a principal market does not exist, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and transport costs.

All assets and liabilities measured at fair value, or in respect of which the fair value is disclosed, are categorised into levels within the fair value hierarchy based on the lowest level input that is significant to the entire fair value measurement, see below:

- Level 1: Quoted priced in an active market for identical assets or liabilities
- Level 2: Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly
- Level 3: Inputs that are not based on observable market data (valuation techniques that use inputs that are not based on observable market data)

Cash flow statement

The Cash Flow Statement shows the cash flows of the Group for the year, distributed on operating activities, investing activities, and financing activities for the year, changes in cash and cash equivalents, and the cash and cash equivalents at the beginning and the end of the year, respectively.

The cash flow effect of acquisitions of businesses is shown separately in cash flows from investing activities. Cash flows from acquired businesses are recognised in the cash flow statement from the date of acquisition.

Cash flow from operating activities

Cash flows from operating activities are determined as profit for the year adjusted for noncash operating items, the change in working capital and income tax paid.

Cash flow from investing activities

Cash flows from investing activities comprise payments in connection with the acquisition and sale of businesses, intangible assets, property, plant and machinery and financial assets.

Cash flow from financing activities

Cash flows from financing activities comprise change in the size or composition of the Group’s share capital and related costs as well as borrowing, repayment of interest-bearing debt, re-payment of lease liabilities, and payment of dividends to shareholders. ◆



Notes

2 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key accounting judgements, estimates, and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Management based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to uncertainty about the situation in Ukraine, market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Business combinations

The Group is required to allocate the acquisition cost of entities and activities through business combinations on the basis of the fair value of the acquired assets and assumed liabilities. The Group uses external and internal valuations to determine the fair value. The valuations include management estimates and assumptions as to future cash flow projections from the acquired business and selection of models to compute the fair value of the acquired components and their depreciation period. Estimates made by Management influence the amounts of the acquired assets and assumed liabilities and the depreciation and amortisation of acquired assets in profit or loss. Reference is made to note 22 of the consolidated financial statements.

Goodwill, intangible assets with indefinite useful life and impairment

Goodwill and domain names and websites are expected to have an indefinite useful life and are therefore not subject to amortisation. Management believes that as long as content is being updated continuously and based on existing technology there is no foreseeable limit to the period on which the assets can generate revenues and cash flow from the un-

derlying business activities of the operators. Consequently, Management has assessed indefinite life of domain names and websites similar to its peers in the industry. Management reviews this assessment annually to determine whether the indefinite life continues to be supportable.

Management reviews goodwill and domain names and websites for impairment at least once a year. This requires Management to make an estimate of the projected future cash flows from the continuing use of the cash-generating unit to which the assets are allocated and also to choose a suitable discount rate for those cash flows. Management has assessed that the cash generating units identified in 2020 continue (Atemi, HLTV, US, and the rest of Better Collective), and that the 2021 acquisitions of Action Network Inc. and Mindway are included in US and Rest, respectively for impairment. Performance and cash flows from domain names and websites owned by the individual cash generating units are allocated and forms the basis for impairment. Reference is made to note 13 of the consolidated financial statements.

If the events and circumstances do not continue to support a useful life assessment and the projected future cash flows from the intangible assets is less than the assets' carrying value, an impairment loss will be recognised. In addition, Management will change the indefinite useful life assessment from indefinite to finite and this change will be accounted for prospectively as a change in accounting estimate.

Revenue from agreements with variable components

The Group has agreements with customers that include variable revenue, e.g. agreements where the CPA value depends on the achievement of NDC targets. CPA revenue under these contracts are recognised with the number of NDCs delivered and the estimated CPA value based on expected performance for the contract period.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model

including the expected life of the share option or appreciation right, volatility and dividend yield and making assumption about them. The 2020 and 2021 warrant programs (including the Action Network MIP) include performance targets that adjust the number of warrants vested. The employee retention factor and performance factors are included in the expense calculation. Reference is made to note 6 of the consolidated financial statements.

Special items

Significant expenses and income, which Better Collective consider non-recurring, are presented in the Income statement in a separate line item labelled 'Special items' in order to distinguish these items from other income statement items and provide a more transparent and comparable view of Better Collective's ongoing performance. Types of expenses and income included in special items include cost related to M&A, adjustments to Earn-out payments, cost related to restructuring, income from divestiture of non-strategic assets, and cost related to the Action Network Management Incentive Program. The cost relating to the Action Network MIP is considered Special Items as the program was agreed in connection with the acquisition. Reference is made to note 8 of the consolidated financial statements and note 6 of the parent company financial statements.

Contingent consideration

Contingent consideration resulting from business combinations is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting the performance target (see Note 22 (Group) for details). The contingent liability related to the acquisition of Better Collective Tennessee has been re-assessed in connection with the November 4, 2021 agreement to pay the remaining 40% of the shares.



Notes

3 Segment information

Paid / Publishing

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.

The performance for the Publishing and Paid Media Segments is presented in the below table:

tEUR	Publishing		Paid Media		Total	
	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%
Special items, net	-16,746	563	0	-443	-16,746	120
Operating profit before depreciation and amortisations	34,496	35,927	4,534	2,345	39,030	38,272
Depreciation	1,726	1,532	38	16	1,764	1,548
Operating profit before amortisations	32,769	34,395	4,496	2,329	37,265	36,724
EBITA-Margin	27%	46%	8%	14%	21%	40%



Notes

3 Segment information (continued)

US / Rest of World

In 2021, Following the acquisition of Action Network (included in Group accounts from the time of closing on May 28, 2021), Better Collective has reported on the geographical segments US and RoW (Rest of World), measuring and disclosing separately for Revenue, Cost and Earnings.

Comparative figures have been re-stated according to the new segment reporting.

The performance of the segments is monitored at the level of operating profit before amortisations and special items, hence assets and liabilities for individual segments are not presented.

The performance for US and Rest of World segments is presented in the below table:

tEUR	Rest of world		US		Total	
	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%
Special items, net	2,745	-366	-19,491	486	-16,746	120
Operating profit before depreciation and amortisations	40,976	35,688	-1,947	2,584	39,030	38,272
Depreciation	1,474	1,104	290	444	1,764	1,548
Operating profit before amortisations	39,502	34,584	-2,236	2,140	37,265	36,724
EBITA-Margin	30%	43%	-5%	21%	21%	40%



Notes

4 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	2021	2020
Revenue		
Revenue Share	67,858	53,697
CPA	80,423	22,251
Revenue - Subscription	11,770	5,645
Aff. Revenue Other	17,001	9,593
Total Revenue	177,051	91,186
%-split	2021	2020
Revenue		
Revenue Share	38	59
CPA	45	24
Revenue - Subscription	7	6
Aff. Revenue Other	10	11
Total Revenue	100	100

The Group has earned 37.8 mEUR in revenues from one major customer, which represents 21 % of the Group's revenue (2020: 36%). The effect of consolidating new acquisitions on a full year basis will be a further decline of this percentage.

◆ Accounting principles:

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties. The Group's revenue is derived from affiliate marketing activities and subscription services, as follows:

Revenue share: In a revenue share model the Group receives a share of the revenues that a gaming operator has generated from a player betting or gambling on their IGaming website, the player initially having been referred from one of the Group's websites. Revenue is recognised at a point in time equal to the month that it is earned by the respective gaming operator.

Cost per acquisition (CPA): For CPA deals, the gaming operator pays a one-time fee for each referred player who deposits money on their IGaming website. Cost per acquisition consists of a pre-agreed rate with the gaming operator. Revenue is recognised at a point in time equal to the month in which the deposits are made.

Subscription Revenue: Subscription revenue is subscription fees received by players who subscribe to services provided by the Group's websites, primarily in the US market. Subscription revenue is recognised at the point in time equal to the month where the services under the subscription is delivered.

Aff. Other Revenue: Other revenue primarily includes revenue from sales of banners and other marketing fees from customers related to the Group's websites and is recognised when the service is delivered.

Other operating income: Other operating income in the Parent Company consists of management fees for subsidiaries and is recognised at the time of delivery of the management services.◆

5 Staff and other costs

tEUR	2021	2020
Wages and salaries	32,681	19,188
Pensions, defined contribution	3,009	1,974
Other social security costs	2,465	1,521
Share-based payments	1,203	955
Other staff costs	1,455	518
Total staff costs	40,813	24,156
Average number of full-time employees	635	420
Remuneration to Executive Directors		
Wages and salaries	1,150	765
Pensions, defined contribution	119	87
Other social security costs	2	2
Share-based payments	205	455
Total	1,475	1,308
Remuneration to Board of Directors		
Wages and salaries	297	195
Share-based payments	27	32
Total	324	226

Notes

5 Staff and other costs (continued)

Board Fees

tEUR	Jens Bager	Klaus Holse	Leif Nørgaard	Petra von Rohr	Therese Hillman	Todd Dunlap	Søren Jørgensen	Total
2021	105	37	44	37	27	65	9	324
2020	69	25	29	25	0	56	25	228

Remuneration to executive directors

tEUR	Jesper Søgaard	Christian Kirk Rasmussen	Flemming Pedersen	Total
2021				
Wages and salaries	370	370	409	1,150
Pensions, defined contribution	31	31	57	119
Other social security costs	1	1	1	2
Share-based payments	51	51	104	205
Total	453	453	570	1,475
2020				
Wages and salaries	216	216	332	765
Pensions, defined contribution	22	22	43	87
Other social security costs	1	1	1	2
Share-based payments	121	121	213	455
Total	360	360	589	1,308

◆ Accounting principles:

Direct cost related to revenue

Direct cost related to revenue contains cost of running the websites and includes, content production, domain name registration, domain hosting, and external development cost.

Staff cost

Staff cost include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities. Costs related to long term employee benefits, e.g. share-based payments, are recognised in the period to which they relate.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to sale, advertising, administration, premises, bad debts, etc. ◆



Notes

6 Share-based payment plans

2017 Warrant program:

During the year 2021 the company did not grant any warrants under this program.

During the year 2021, employees have exercised warrants corresponding to 388,534 shares issued.

Expenses for the first vesting period are recognised based on expected retention rates and performance factors.

2019 Warrant program:

No grants nor exercises has taken place during the year.

Expenses for the first vesting period are recognised based on expected retention (75%) and the performance factor, which is 83% for 2021.

2020 Warrant programs:

2020 KE warrant program

No grants nor exercises has taken place during the year.

Expenses for the first vesting period are recognised based on expected retention (75%/100%) and the performance factor, which is 83% for 2021.

2021 Warrant programs:

On September 10th, 2021 422,500 new warrants were granted to certain key employees, all with the right to subscribe for one ordinary share and are classified as equity-settled sharebased payment transactions*. The vesting periods range from 2022-2024 and the exercise periods range from 2024 to 2026.

Expenses for the first vesting period are recognised based on expected retention (75%) and the performance factor, which is 83% for 2021.

On October 1st, 2021, 473,563 PSUs and 201,238 share options were issued for a management incentive program related to Action Network, with the right to subscribe for one ordinary share and are classified as equity-settled sharebased payment transactions*. The vesting periods

	Board of Directors	Executive directors	Other key Management personnel	Total, numbers	Exercise price, weighted average EUR
Share options outstanding at January 1, 2020	0	874,644	1,173,700	2,048,344	5.40
Granted	25,000	0	260,000	285,000	13.76
Forfeited/expired	0	0	68,840	68,840	6.90
Exercised	0	0	226,116	226,116	1.74
Transferred	0	0	0	0	0
Share options outstanding at December 31, 2020	25,000	874,644	1,138,744	2,038,388	6.92
Of this exercisable at the end of the period	0	91,530	162,208	253,738	1.74
Share options outstanding at January 1, 2021	25,000	874,644	1,138,744	2,038,388	6.92
Granted	0	0	1,097,301	1,097,301	19.39
Forfeited/expired	0	0	116,031	116,031	8.52
Exercised	0	150,000	238,534	388,534	1.74
Transferred	0	0	0	0	0
Share options outstanding at December 31, 2021	25,000	724,644	1,881,480	2,631,124	8.72
Of this exercisable at the end of the period	0	124,644	182,550	307,194	1.74

* The Board of Directors maintains the right to settle the incentive programs in cash.



Notes

6 Share-based payment plans (continued)

range from 2022-2024 and the exercise periods range from 2024 to 2026.

Expenses for the first vesting period are recognised based on expected retention (75%) and the performance factor, which is 100% for 2021.

Warrant programs impact in accounts:

The total share based compensation expense recognised for the full year 2021 is 3,688 tEUR (2020: 955 tEUR), of which the 2019 program is 376 tEUR, 2020 Key Employees program is 501 tEUR, 2020 Board Member program is 27 tEUR, 2021 Key Employees program is 299 tEUR, 2021 MIP PSU program is 2,124 tEUR, and 2021 MIP Share Options program is 360 tEUR. The cost of the MIP Action program is included as special items in total (2,485 tEUR).

The weighted average remaining contractual life of warrants to key employees outstanding as of December 31, 2021 and 2020 was 2.95 and 3.27 years respectively. The weighted exercise prices for outstanding warrants as of December 31, 2021 and 2020 was EUR 8.72 and EUR 6.92.

Board of Directors, Executive Directors, and Key Employees

	2021	2020	2019	2018
Dividend yield (%)	0%	0%	0%	6%
Expected volatility (%)*	50%	45-50%	35%	30%
Risk free interest rate (%)	0%	0%	0%	1%
Expected life of warrants (years)	4.4-5	5	5	5
Share price (EUR)	18.34	12.21	7.89	2.59-5.22
Exercise price (EUR)	19.44	13.76	8.68	1.74
Fair Value at grant date (EUR)	7.19	4.73	2.17	0.41 - 2.32

* Based on analysis of historical market data for Better Collective A/S and peers

◆ Accounting principles:

Share-based payments

Employees (including senior executives) and directors of the Group receive remuneration in the form of share-based payments, whereby they render services as consideration for equity instruments (equity-settled transactions).

The cost is recognised in staff costs, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date, reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

The non-employee directors that have been granted warrants are entitled to the total number of warrants immediately. Accordingly, these awards are considered to vest immediately and therefore the related compensation expense is recognised in full on the date the warrants are granted.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding warrants is reflected as additional share dilution in the computation of diluted earnings per share.

When warrants are exercised, the Company issues new shares. The proceeds received are credited to share capital for the par value of the shares and share premium for the remainder. ◆

7 Fees paid to auditors appointed at the annual general meeting

tEUR	Group	
	2021	2020
Fee related to statutory audit	291	198
Fees for tax advisory services	0	0
Assurance engagements	20	22
Other assistance	0	48
	311	268



Notes

8 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	2021	2020
Operating profit	28,749	30,489
Special Items related to:		
Special items related to M&A	-5,991	-676
Variable payments regarding acquisitions - cost	-11,487	0
Variable payments regarding acquisitions - income	2,952	658
Special items related to Restructuring	-6	-493
Special items related to Divestiture of Assets	272	632
Special items related to Management Incentive Program	-2,485	0
Special items, total	-16,746	120
Operating profit (EBIT) before special items	45,495	30,369
Amortisations	8,516	6,235
Operating profit before amortisations and special items (EBITA before special items)	54,011	36,604
Depreciation	1,764	1,548
Operating profit before depreciation, amortisations, and special items (EBITDA before special items)	55,775	38,152

◆ Accounting principles:

Special items

Significant expenses and income, which Better Collective consider non-recurring, are presented in the Income statement in a separate line item labelled 'Special items' in order to distinguish these items from other income statement items. The income statement and key figures include the subtotals 'Operating profit before depreciation, amortisations, and special items', 'Operating profit before amortisations and special

items' and 'Operating profit before special items', as these are assessed to provide a more transparent and comparable view of Better Collective's ongoing performance. Better Collective considers items related to M&A, adjustments to Earn-out payments, cost related to restructuring, income from divestiture of non-strategic assets, and cost related to the Action Network Management Incentive Program, as special items. ◆

9 Finance income

tEUR	2021	2020
Exchange gains	3,349	1,925
Interest Income	11	40
Other financial income	23	0
Total finance income	3,383	1,965

10 Finance costs

tEUR	2021	2020
Exchange losses	1,957	1,688
Interest expenses	2,084	1,460
Interest - right of use assets (Leasing)	120	156
Other financial costs	1,743	438
Total finance costs	5,905	3,742

◆ Accounting principles:

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amount that concerns the financial year. Net financials include interest income and expenses, interest expenses calculated according to IFRS16, foreign exchange adjustments, fees related to credit facilities, gains and losses on the disposal of securities, as well as allowances and surcharges under the advance-payment-of-tax scheme, etc. ◆



Notes

11 Income tax

Total tax for the year is specified as follows:

tEUR	2021	2020
Tax for the period	8,935	6,785
Tax on other comprehensive income	3,629	-751
Total	12,564	6,034

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

tEUR	2021	2020
Deferred tax	-38	-1,036
Current tax	8,890	7,848
Adjustment from prior years	84	-27
Total	8,935	6,785

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

tEUR	2021	2020
Specification for the year:		
Calculated 22% tax of the result before tax	5,770	6,317
Adjustment of the tax rates in foreign subsidiaries relative to the 22%	297	376
<i>Tax effect of:</i>		
Special Items - non tax-deductable	2,110	0
Other Non-taxable income	0	-388
Other Non-deductible costs	676	507
Adjustment of tax relating to prior years	84	-27
Total	8,935	6,785
Effective tax rate	34.1%	23.6%

tEUR	2021	2020
Deferred tax liabilities		
Deferred tax liabilities January 1	24,586	20,360
Additions from business acquisitions	33,197	5,262
Adjustments of deferred tax in profit and loss	-38	-1,036
Exchange rate adjustments	2,305	0
Deferred tax liabilities December 31	60,050	24,586

Deferred tax is recognised in the balance sheet as:

Deferred tax asset*	9,545	621
Deferred tax liability	69,595	25,207
Deferred tax liabilities December 31	60,050	24,586

Deferred tax is related to:

Intangible assets	69,649	25,263
Losses carried forward	-9,545	-621
Property, plant and equipment	-55	-55
Deferred tax liabilities December 31	60,050	24,586

*Relates to brought forward tax losses in BC US to be used within the coming 3-5 years.

tEUR	2021	2020
Income tax payable, net		
Income tax payable January 1	1,196	3,280
Exchange differences	87	85
Tax on other comprehensive income	3,629	-751
Current tax	8,890	7,848
Tax from prior year	84	-27
Additions from business acquisitions	2	702
Income tax paid during the year	-12,654	-9,940
Income tax payable December 31	1,235	1,196
Income tax is recognised in the balance sheet as:		
Corporation tax receivable	500	788
Corporation tax payable	1,735	1,985
Income tax payable December 31	1,235	1,196



Notes

11 Income tax (continued)

◆ Accounting principles:

The tax expense for the year, which comprises current tax and changes in deferred tax, is recognised in the income statement as regards the portion that relates to the profit/loss for the year, and directly in equity as regards the portion that relates to entries directly in equity. Tax expense relating to amounts recognised in other comprehensive income is recognised in other comprehensive income. Tax is provided on the basis of the tax rules and tax rates applicable in the individual countries where Better Collective has a tax presence.

Current and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as tax computed on the year's taxable income adjusted for tax on the previous year's taxable income and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Deferred tax liabilities as well as deferred tax assets are recognised. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognised under other non-current assets at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Joint taxation of the parent Company and Danish subsidiaries

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company acts as administration company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Joint taxation contributions payable and receivable are recognised in the balance sheet as corporation tax receivable or corporation tax payable. ◆



Notes

12 Intangible assets

	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
Transfer	0	0	0	0
Disposals	0	0	0	0
Currency Translation	3,126	10,853	404	14,383
At December 31, 2021	178,182	329,276	36,827	544,285
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
Amortisation on disposed assets	0	0	0	0
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

	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
Transfer	0	0	0	0
Disposals	0	0	0	0
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
Amortisation on disposed assets	0	0	0	0
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

12 Intangible assets (continued)

◆ Accounting principles:

Goodwill and intangible assets

Goodwill

Goodwill is initially recognised at cost. Subsequently, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised and impairment losses on goodwill are not reversed.

The carrying amount of goodwill is allocated to the Group's cash-generating units at the date of acquisition. Impairment is performed once a year as of December 31 or more frequently if events or changes in circumstances indicate that there is an impairment. An impairment loss is recognised if the recoverable amount of the cash-generating unit to which goodwill has been allocated is less than the carrying amount of the cash-generating unit. Identification of cash-generating units is based on the management structure and internal financial controls.

Intangible assets

Separately acquired intangible assets are measured on initial recognition at cost including directly attributable costs. Intangible assets acquired in a business combination are measured at fair value at the acquisition date. Expenditures relating to internally generated intangible assets are recognised in profit or loss when incurred.

Intangible assets with a finite useful life are amortised over their useful life and reviewed for impairment whenever there is an indication that the asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at each year end.

Agreements related to media partnerships are measured at fair value of the fixed payments related to the agreement at the starting date. The value is amortised over the lifetime of the agreement

Intangible assets with indefinite useful lives (domains and websites) are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Costs related to maintenance of intangible assets, are not capitalised on the balance sheet but recognised in Profit and Loss in the financial year they are incurred.

Amortisation

The item comprises amortisation of intangible asset, as well as any impairment losses recognised for these assets during the period.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight-line basis over the expected useful life. The expected useful lives of long-lived assets are as follows:

Goodwill	Indefinite
Domains and websites	Indefinite
Other intangible assets	3-5 years

13 Goodwill and intangible assets with indefinite life

The Group's addition of goodwill and domain names and websites for 2021 arise from the acquisitions of business combinations Action Network Inc. and Mindway ApS as described in note 22. Domains and websites acquired in the parent company as asset transactions are also included.

Goodwill and domain names and websites arising on business combinations are not subject to amortisation, but are reviewed annually for impairment, or more frequently if there are any indicators of impairment that are noted during the year.

Cash-generating units

Goodwill from a business combination is allocated to cash-generating units in which synergies are expected to be generated from the acquisition. A cash-generating unit represents the smallest identifiable group

of assets that together have cash inflows that are largely independent of the cash inflows from other assets. Better Collective continues to have four cash generating units with the 2021 acquisitions of Action Network Inc. and Mindway ApS included in US CGU and Rest CGU, respectively. Performance and cash flows from domain names and websites owned by the individual cash generating units are allocated and forms the basis for impairment.

Carrying amount of goodwill and Domains and Websites for the CGUs:

2021

tEUR	US	HLTV	Atemi	Rest	Total
Goodwill	91,949	17,777	41,178	27,278	178,182
Domains and Websites	208,407	20,551	0	100,318	329,276

2020

tEUR	US	HLTV	Atemi	Rest	Total
Goodwill	16,485	17,777	41,178	23,875	99,315
Domains and Websites	40,407	20,551	0	89,315	150,274

As at December 31, 2020 and December 31, 2021 the directors have evaluated goodwill, domains and websites for impairment. The directors are of the view that the carrying amount of domains and goodwill is recoverable on the basis that the cashflows generated from these assets are in line, or exceed, the estimated projections made prior to the acquisitions. The directors are satisfied that the judgements made are appropriate to the circumstances.



Notes

13 Goodwill and intangible assets with indefinite life (continued)

Recoverable amount

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

Impairment test:

For all CGUs US, HLTV, Atemi and the rest of Better Collective, the Group has performed an impairment test on goodwill and domain names and websites as of December 31, 2021, on a value-in-use basis. Management has based the value in use by estimating the present value of future cash flows from a three-year forecast approved by the Board of Directors and corresponding to the Group's long-term forecast for 2022-2024. Key parameters in the forecast are trends in revenue, cost development and growth expectations. Beyond this, 2025 and 2026 has been forecasted with a declining growth margin. The time horizon in the forecast has been increased from three to five years compared to the 2020 impairment testing. Based on 2026 EBITDA and cash flow Management has applied a terminal value rate of 2%. The cash flows assume a discount factor of 15% based on the Group's weighted average cost of capital (WACC) in all years 2022-2026, with individual tax rates per country (19-26.5%). The Board of Directors have approved the inputs to the impairment testing and are satisfied that the judgements made are appropriate.

Other domains and websites:

Further to the CGUs, acquired domains and websites with indefinite life have been individually evaluated for indicators of impairment. The evaluation is based on actual traffic on the websites, as well as actual and expected revenue and NDCs generated by the accounts with operators that are linked to the websites. The evaluation of acquired revenue share accounts in the Netherlands, following the regulatory development and

operator decisions to discontinue old player databases, resulted in an impairment of 1.7 mEUR. The liability related to the asset, recorded as a variable payment, was reduced and the adjustment of 2.9 mEUR was included in Special items.

In 2020, the evaluation of one of the intangible assets resulted in an impairment of 558 tEUR. The liability related to the asset was reduced in the assessment and the net impact (profit) on P/L was included in Special items.

Besides the impairment mentioned above, the results of the impairment tests for goodwill and domains and websites showed that the recoverable amount exceeded the carrying value and that there was no impairment loss to be recognised.

◆ Accounting principles:

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The acquisition date is the date when Better Collective A/S effectively obtains control over the acquired business. Any costs directly attributable to the acquisition are expensed as Incurred.

If a put and call option exists for an acquired business combination, the put and call option is taken into consideration when assessing the ownership of the business combination.

The acquired businesses' identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

The consideration paid for a business consists of the fair value of the agreed consideration in the form of the assets transferred, equity instruments issued, and liabilities assumed at the date of acquisition. If part of the consideration is contingent on future events, such consideration is recognised at fair value. Subsequent changes in the fair value of contingent consideration are recognised in the income statement as special items. A positive excess (goodwill) of the consideration transferred (including any previously held equity interests and any non-controlling

interests in the acquired business) over the fair value of the identifiable net assets acquired is recorded as goodwill.

If uncertainties regarding identification or measurement of acquired assets, liabilities or contingent liabilities or determination of the consideration transferred exist at the acquisition date, initial recognition will be based on provisional values. Any adjustments in the provisional values, including goodwill, are adjusted retrospectively, until 12 months after the acquisition date, and comparative figures are restated.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, from the acquisition date, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquired business combination are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed in these circumstances is measured based on the relative fair values of the disposed operation and the portion of the cash generating unit retained.

Impairment

The carrying amounts of goodwill, intangible assets, property, plant and equipment and investments in subsidiaries is assessed for impairment on an annual basis. Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. Furthermore, goodwill and intangible assets with indefinite useful lives are tested on an annual basis as at December 31. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. Reference is made to the section "Impairment test" for actual assumptions.



Notes

13 Goodwill and intangible assets with indefinite life (continued)

The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Impairment losses are recognised in the income statement under depreciation and amortisation. Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed. ♦

14 Property, plant and equipment

tEUR	Land and buildings	Right of use assets	Fixtures and fittings, other plant and equipment	Total
Cost or valuation				
At December 31, 2020	813	4,849	2,383	8,045
Additions	35	1,072	655	1,762
Acquisitions through business combinations	0	0	98	98
Disposals	-790	-624	-2	-1,416
Currency Translation	1	31	23	54
At December 31, 2021	59	5,328	3,157	8,544
Depreciation and impairment				
At December 31, 2020	92	1,623	935	2,650
Depreciation for the period	8	1,147	613	1,768
Depreciation on disposed assets	-91	-219	-20	-330
Currency translation	3	70	17	90
At December 31, 2021	13	2,620	1,546	4,179
Net book value at December 31, 2021	47	2,708	1,610	4,365

Notes

14 Property, plant and equipment (continued)

tEUR	Land and buildings	Right of use assets	Fixtures and fittings, other plant and equipment	Total
Cost or valuation				
At December 31, 2019	787	3,570	1,894	6,250
Additions	24	1,269	453	1,746
Acquisitions through business combinations	0	61	61	
Disposals	0	0	-6	-6
Currency Translation	3	10	-19	-6
At December 31, 2020	813	4,849	2,383	8,045
Depreciation and impairment				
At December 31, 2019	68	565	487	1,119
Depreciation for the period	21	1,061	437	1,519
Depreciation on disposed assets	0	0	-6	-6
Currency translation	3	-2	17	18
At December 31, 2020	92	1,623	935	2,650
Net book value at December 31, 2020	721	3,225	1,449	5,395

◆ Accounting principles:

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as depreciation. Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Depreciation

The item comprises depreciation of property, plant and equipment, and right of use assets, as well as any impairment losses recognised for these assets during the period.

The basis of depreciation, which is calculated as cost less any residual value, is amortised on a straight-line basis over the expected useful life. The expected useful lives of long-lived assets are as follows:

Land	Not depreciated
Buildings	10-50 years
Right of use assets and leasehold improvements	Up to 7 years
Fixtures and fittings, other plant and equipment	3-5 years

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately. The basis of depreciation is calculated considering the residual value at the end of the expected useful life and less any impairment. The depreciation period and residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. ◆



Notes

15 Trade and other receivables

tEUR	2021	2020
Trade receivables	26,102	17,401
Other receivables	3,981	847
Total receivables	30,083	18,248

◆ Accounting principles:

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Write-downs on trade receivables are based on the simplified expected credit loss model. Credit loss allowances on individual receivables are provided for when objective indications of credit losses occur such as customer bankruptcy and uncertainty about the customers' ability and/or willingness to pay, etc. In addition to this, allowances for expected credit losses are made on the remaining trade receivables based on a simplified approach. Reference is made to note 20 of the consolidated financial statements regarding credit risk.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash and restricted cash

Restricted cash comprise funds in escrow account and cash consist of cash and cash equivalents in financial institutions. ◆

16 Issued capital and reserves

tEUR	2021	2020	2019	2018	2017	2016
Share capital:						
Opening balance	469.0	464.3	404.9	68.5	68.4	67.9
Capital increase	77.2	4.8	59.4	336.4	0.1	0.6
Total	546.2	469.0	464.3	404.9	68.5	68.4

The share capital consists of 54,625,157 shares of nominal EUR 0.01 each.

Share buy-back-2021

In March 2021 the company purchased 3,532 shares at an average price of 16.5 EUR to cover board fees payable in shares.

241 treasury shares were used in April 2021 as part of variable payment together with newly issued shares.

In December 2021 a share buy-back program of up to 10 mEUR was announced. As of December 31, 2021, 445,575 shares had been purchased and was held at an average price of 18.1 EUR. The purpose of the buyback program was to cover future payments relating to completed acquisitions and to cover established Incentive Plans.

Share buy-back-2020

During March-June 2020 the company purchased 625,964 shares at an average price of 8 EUR. The buy-back was approved by the Board of Directors with the purpose to cover existing and future deferred acquisition related payment obligations with 180,458 and 445,265 shares respectively.

241 treasury shares remained as of December 31, 2020.

◆ Accounting principles:

Equity

Treasury shares

Treasury shares are own equity instruments that are re-acquired. They are recognised at cost as a deduction from equity in the reserve for treasury shares. The difference between par value and the acquisition price and consideration (net of directly attributable transaction costs) and dividends on treasury shares are recognised directly in equity in retained earnings.

Share premium

Share premium can be used for dividend.

Currency translation reserve

Foreign exchange differences arising on translation of Group entities and parent company to the EUR presentation currency are recognised in other comprehensive income (OCI) in a separate currency translation reserve under equity. On disposal of a reporting entity, the component of other comprehensive income relating to that particular reporting entity is reclassified to profit or loss. ◆

17 Distributions made and proposed

tEUR	2021	2020
Declared and paid during the year on ordinary shares	0	0
Proposed dividend on ordinary shares	0	0

◆ Accounting principles:

Proposed dividends

Dividends proposed for the year are recognised as a liability when the distribution is authorised by the shareholders at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate line item under "Equity".

Proposed dividends on ordinary shares are subject to approval at the Annual General Meeting. ◆



Notes

18 Trade and other payables

tEUR	2021	2020
Trade Payables	9,866	7,166
Other payables	8,527	3,080
Total payables	18,393	10,247

◆ Accounting principles:

Prepayments consist of payments received from customers relating to income in subsequent periods. Prepayments are mainly classified as current, as the related revenue is recognised within one year.

Trade payables are obligations to pay for goods or services acquired in the normal course of business. Trade payables are initially reported at fair value and, subsequently, at amortised cost using the effective interest method.

Other payables comprise amounts owed to staff, including wages, salaries and holiday pay; amounts owed to the public authorities, including taxes payable, VAT, excise duties, interest expenses etc.

Other financial liabilities comprise amounts payable to sellers as a result of business combinations and asset acquisitions. ◆

19 Leasing

Right-of-use assets

tEUR	Buildings	Cars	Total
Balance at January 1, 2021	3,225	0	3,225
Additions	480	0	480
Additions from acquisitions	0	0	0
Modifications	127	0	127
Exchange rate adjustment	22	0	22
Depreciation	1,147	0	1,147
Balance at December 31, 2021	2,707	0	2,707
Balance at January 1, 2020	2,982	23	3,005
Additions	314	0	314
Additions from acquisitions	931	0	931
Modifications	51	-23	28
Exchange rate adjustment	6	0	6
Depreciation	1,059	0	1,059
Balance at December 31, 2020	3,225	0	3,225

Lease liabilities

tEUR	2021	2020
Maturity analysis - contractual undiscounted cash flows		
Less than one year	1,283	1,193
One to five years	1,735	2,386
More than five years	-	-
Total undiscounted cash flows	3,017	3,579
Total lease liabilities	2,868	3,386
Current	1,347	1,262
Non-current	1,521	2,124

The total cash outflow for leases during 2021 was 1,266 tEUR.

Amounts recognised in the consolidated income statement

tEUR	2021	2020
Interest on lease liabilities	120	156
Expenses relating to short-term lease	543	169
Expenses relating to lease of low value assets	2	1

◆ Accounting principles:

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.



Notes

19 Leasing (continued)

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities (due to indexation of lease payments or extension of leases). The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate of 4%, at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to extend the term of lease.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

20 Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency exchange risk and interest rate risk), credit risk, and liquidity risk. The Group has established principles for overall risk management, which seek to minimise potential adverse effects on the Group's performance.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. For the Group, market risk comprises foreign currency risk and interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's international operating activities. The Group's revenues are mainly denominated in DKK, EUR, USD, and GBP, with limited revenues in SEK and PLN. With the 2020 and 2021 acquisitions of Atemi Ltd. and Action Network Inc., the group's currency risk has spread as these companies operate in GBP and US with both revenue and expenses denominated in these currencies. Across the Group, expenses have a general pattern which is in line with the revenue in the individual currencies. The expenses are mainly in DKK, EUR, GBP, and USD, with limited spending in SEK, RON and PLN. The DKK exchange rate is fixed to the EUR. For GBP and USD, the expenses are linked to and follow the revenue in the entities operating in UK and US, respectively. Since revenues in other foreign currencies than DKK, EUR, GBP, and USD (SEK and PLN) are limited and expenses in SEK, PLN, and RON reduces the exposure, the Group is not overly exposed to foreign currency risk.

Within the group, the US acquisitions are funded from the parent company through a long-term loan in USD to Better Collectiv eUS, Inc. The exchange rate adjustments and corresponding tax impact on these loans are included in Other Comprehensive Income.

Historically, exposure to currency fluctuations has not had a material impact on the Group's financial condition or results of operations and accordingly Management deems that a sensitivity analysis showing how profit or pre-tax equity would have been impacted by changes in these foreign exchange rates is not deemed necessary.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from the credit facility with Nordea and deposits held by the Group. These are short-term and not material amounts. Management expects to re-pay the credit facility in the short term, as the Group is generating positive cash flows. Therefore, exposure to interest rate risk is considered minimal.

The Group regularly monitors its interest rate risk and considers it to be insignificant, therefore an interest rate sensitivity analysis is not deemed necessary.

Credit risk

As per January 1, 2018 the Group implemented IFRS 9 using the simplified expected credit loss model. The model implies that the expected loss over the lifetime of the asset is recognised in the profit and loss immediately and is monitored on an ongoing basis until realisation. The Group has limited overdue trade receivables and historically there has been minimal losses on trade receivables. The inputs to the expected credit loss model reflects this.

As per December 31, 2021 the Group's impairment for expected loss is included in the trade receivables (ref note 15).



Notes

20 Financial risk management objectives and policies (continued)

Expected credit loss on receivables from trade receivables as of December 31, 2021 can be specified as follows:

tEUR	Expected Loss Rate	Gross receivable	Expected loss	Net receivable
2021				
Not Due	0.0%	9,638	0	9,638
Less than 30 days	0.0%	4,485	2	4,483
Between 31 and 60 days	0.6%	3,771	24	3,747
Between 61 and 90 days	1.8%	1,833	33	1,800
More than 91 days	6.7%	6,893	459	6,434
Total	1.9%	26,620	518	26,102

As no significant losses were recognised during 2021, expected loss rate has been reduced compared to loss percentage recorded in 2020:

Expected credit loss on receivables from trade receivables as of December 31, 2020 were:

tEUR	Expected Loss Rate	Gross receivable	Expected loss	Net receivable
2020				
Not Due	0.0%	8,769	0	8,769
Less than 30 days	0.2%	3,883	8	3,875
Between 31 and 60 days	3.4%	765	26	739
Between 61 and 90 days	10.6%	361	38	323
More than 91 days	16.8%	4,437	744	3,694
Total		18,217	816	17,401

Liquidity risk

The Group is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which mainly include trade payables, other payables, earn-outs and deferred M&A payments, contingent consideration, and the credit facility. The group ensures adequate liquidity through the management of cash flow forecasts and close monitoring of cash inflows and outflows.



Notes

20 Financial risk management objectives and policies (continued)

The following table summarises the maturities of the Group's financial obligations. The Group had no derivative financial instruments.

Contractual cash flows:	Carrying amount	Fair Value	Total	< 1 year	2-5 years	> 5 years
2021						
Non-derivative financial instruments:						
<i>Financial liabilities measured at fair value</i>						
Earn-Out consideration	5,793	5,793	5,864	5,379	485	0
Contingent consideration	19,893	19,893	19,893	19,893	0	0
Other financial liabilities measured at fair value	3,486	3,486	3,547	1,191	2,355	0
<i>Financial liabilities measured at amortised costs</i>						
Trade and other payables	18,393	18,393	18,393	18,393	0	0
Deferred payment on acquisitions	6,342	6,342	6,343	5,320	1,023	0
Debt to credit institutions	121,025	121,025	125,568	21,694	103,873	0
Total non-derivative financial instruments	174,933	174,933	179,607	71,871	107,736	0
Assets:						
Trade and other receivables	30,083	30,083	30,083	30,083	0	0
Restricted Cash	1,489	1,489	1,489	1,489	0	0
Cash	28,603	28,603	28,603	28,603	0	0
Total financial assets	60,175	60,175	60,175	60,175	0	0
Net	114,758	114,758	119,432	11,696	107,736	0

Notes

20 Financial risk management objectives and policies (continued)

Contractual cash flows:	Carrying amount	Fair Value	Total	< 1 year	2-5 years	> 5 years
2020						
Non-derivative financial instruments:						
<i>Financial liabilities measured at fair value</i>						
Earn-Out consideration	7,882	7,882	8,173	2,688	5,484	0
Contingent consideration	23,305	23,305	24,346	11,770	12,576	0
Other financial liabilities measured at fair value	4,237	4,237	4,373	744	3,629	0
<i>Financial liabilities measured at amortised costs</i>						
Trade and other payables	3,422	3,422	3,422	3,422	0	0
Deferred payment on acquisitions	6,526	6,526	6,559	5,176	1,384	0
Debt to mortgage credit institutions	527	527	536	26	100	410
Debt to credit institutions	68,770	68,770	71,672	963	70,709	0
Total non-derivative financial instruments	114,669	114,669	119,081	24,788	93,883	410
Assets:						
<i>Financial assets measured at amortised costs</i>						
Non-current financial assets*	555	555	572	572	0	0
Trade and other receivables	18,248	18,248	18,248	18,248	0	0
Restricted Cash	6,926	6,926	6,926	6,926	0	0
Cash	21,127	21,127	21,127	21,127	0	0
Total financial assets	46,857	46,857	46,873	46,873	0	0
Net	67,812	67,812	72,209	-22,085	93,883	410

*Non-current financial assets consist of a subordinated loan to Mindway Ai.

Fair value of Earn-out consideration, contingent consideration, and other financial liabilities

Fair Value is measured based on level 3 - Valuation techniques, for which the lowest level input that is significant to the fair value measurement is unobservable. The Fair Value of Earn-Out consideration, Contingent consideration, and Other financial liabilities is measured based on weighted probabilities of assessed possible payments discounted to present value. For further information on the contingent liability consideration, please refer to note 22

Fair value

In all material aspects the financial liabilities are current/short termed. Non-current loans and overdraft facility are subject to a variable interest rate. Thus, the fair value of the financial assets and liabilities is considered equal to the booked value.

Capital Management

For the purpose of the Group's capital management, capital includes issued capital, share premium, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise shareholder value and to maintain an optimal capital structure. The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, issue new shares or return capital to shareholders.

Credit facilities

Better Collective has non-current bank credit facilities of total 124 mEUR, of which 121 mEUR was drawn up end of December 2021. As of December 31, 2021 cash and unused credit facilities, amounted to approximately 33 mEUR.

Net debt includes current and non-current debt to financial institutions and other financial liabilities, less cash and cash equivalents.



Notes

20 Financial risk management objectives and policies (continued)

Change in liabilities arising from financing activity

tEUR	2019	Cash flows Net	Non cash flow changes	2020	Cash flows Net	Non cash flow changes	2021
Non-current financing liabilities	17,259	51,893	125	69,277	52,323	-575	121,025
Leasing and other non-current liabilities (vacation fund)	2,607	484	-122	2,968	-844	-603	1,521
Current financing liabilities	20	-20	20	20	-20	0	0
Leasing and other non-current liabilities	846	-1,025	1,441	1,262	-1,147	1,231	1,347
Total liabilities from financing activities	20,731	51,332	1,464	73,527	50,303	53	123,894

◆ Accounting principles:

Cash

Cash comprise cash at bank and on hand.

Restricted Cash

Restricted cash comprise cash in escrow account.

Liabilities

The Group's liabilities include prepayments from customers, trade payables and overdraft facility. Liabilities are classified as current if they fall due for payment within one year or earlier. If this condition is not met, they are classified as non-current liabilities.

Earn-out amounts are measured at fair value.

Debt to credit institutions are at initial recognition measured at fair value less transaction cost and subsequently measured at amortised cost.

Other financial liabilities and contingent consideration comprise amounts payable to sellers as a result of business combinations and asset acquisitions.



Notes

21 Change in working capital

tEUR	2021	2020
Change in receivables	-8,418	-1,653
Prepaid expenses	-472	-26
Prepayment from customers	460	97
Change in trades payable, other debt	4,390	796
Change in working capital, total	-4,040	-786

22 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.

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

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 with regulation for online sports betting being implemented across States. The goodwill is not tax deductible.

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 for 2021 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.

Notes

22 Business combinations (continued)

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
<hr/>	
Goodwill	3,404
Total consideration	2,823

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
<i>Regards to:</i>	
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.

Business Combinations 2020

Acquisition of Ateni Ltd.

On October 1st, 2020, Better Collective completed the acquisition of Ateni Group for 44 mEUR net of cash and working capital. Ateni Group is one of the World's largest companies specialised within lead generation for iGaming through paid media (PPC) and social media advertising. The acquisition is a major strategic move for Better Collective with significant synergistic opportunities.

The transferred consideration is paid with cash and treasury shares and a deferred payment payable in cash.

Ateni Ltd.

tEUR	Fair value determined at acquisition
Acquired net assets at the time of the acquisition	
Accounts & other intangible assets	3,900
Equipment	61
Deposits	81
Trade and other receivables	4,993
Prepayments	195
Cash and cash equivalents	2,442
Deferred tax liabilities	-741
Corporate tax payables	-122
Trade and other payables	-5,869
Identified net assets	4,940
<hr/>	
Goodwill	41,178
Total consideration	46,118

Notes

22 Business combinations (continued)

A goodwill of 41,178 tEUR emerged from the acquisition of Atemi Ltd. 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 brands acquired, and leveraging Better Collective's existing operator agreements and monetisation models. The goodwill is not tax deductible.

Transaction costs related to the acquisition of Atemi Ltd. amounts to 443 tEUR in 2020. Transaction costs are accounted for in the income statements under "special items".

The fair value of the trade receivables amounts to 4,914 tEUR. The gross amount of trade receivables is 5,282 tEUR and a provision of 367 tEUR has been recorded in accordance with IFRS9.

tEUR	
Purchase amount	46,118
<i>Regards to:</i>	
Cash and cash equivalents	2,442
Deferred Payment - adjustment of Net Working Capital opening balance	59
Deferred Payment - payable in shares	5,210
Deferred Payment - payable in cash instalments	8,293
Net cash outflow	30,113

The acquisition was completed on October 1, 2020. If the acquisition would have taken place on January 1, 2020 the Group's revenue YTD would have amounted to 126,739 tEUR and result after tax YTD would have amounted to 25,878 tEUR.

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

Acquisition of HLTV ApS.

On February 28, 2020, Better Collective acquired HLTV, which owns the website HLTV.org, thereby establishing a strong position within the esports betting market. HLTV ApS is incorporated in Denmark

The transferred consideration is paid with cash, a deferred payment payable with shares, and an estimated conditional purchase amount.

HLTV ApS

tEUR	Fair value determined at acquisition
Acquired net assets at the time of the acquisition	
Domains and websites	20,551
Deposits	5
Trade and other receivables	54
Cash and cash equivalents	396
Deferred tax liabilities	-4,521
Corporate tax payables	-580
Trade and other payables	-98
Identified net assets	15,808
Goodwill	17,777
Total consideration	33,585

A goodwill of 17,777 tEUR emerged from the acquisition of HLTV as an effect of the difference between the transferred consideration and the fair value of acquired net assets. Goodwill is primarily connected to the future growth expectations given the strong brand acquired, and leveraging Better Collective's existing operator agreements and monetisation models. The goodwill is not tax deductible.

Transaction costs related to the acquisition of HLTV amounts to 77 tEUR in 2020. Transaction costs are accounted for in the income statements under "special items".

The fair value of the trade receivables amounts to 28 tEUR. The gross amount of trade receivables is 28 tEUR and no impairment has been recorded.

tEUR

Purchase amount	33,585
<i>Regards to:</i>	
Cash and cash equivalents	396
Deferred return payment - adjustment of Net Working Capital opening balance	-542
Deferred Payment - payable in shares	2,678
Estimated conditional purchase amount (at fair value)	7,737
Net cash outflow	23,316

An additional conditional consideration depends on the development of the results in the acquired company. At the date of the acquisition, the debt assigned to the conditional consideration amounted to 8 mEUR (fair value of 7,7 mEUR). The maximum amount of the conditional payment is 8 mEUR.

The acquisition was completed on February 28, 2020. If the acquisition would have taken place on January 1, 2020 the Group's revenue YTD would have amounted to 92,058 tEUR and result after tax YTD would have amounted to 22,268 tEUR.



Notes

23 Related party disclosures

The Group has registered the following shareholders with 5% or more equity interest:

- J Søgaard Holding ApS, 19.54 %,
Toldbodgade 12, 1253 Copenhagen, Denmark
- Chr. Dam Holding ApS, 19.54 %,
Toldbodgade 12, 1253 Copenhagen, Denmark

Christian Kirk Rasmussen and Jesper Søgaard each hold 19.54% of the shares in Better Collective A/S, through respective holding companies. The remaining shares are held by other shareholders.

Leading employees

The Group's related parties with significant influence include the Group's Board of Directors, Executive Directors and Key Management in the parent company and close family members of these persons. Related parties also include companies in which this circle of persons has significant interests.

Management remuneration and warrant programs are disclosed in note 5 and 6.

Transactions with related parties have been as follows:

tEUR	2021	2020
Capital increase – gross	0	0
Sale of warrants	0	0
Warrants settled, net of tax	0	0
Warrants board member (included in board remuneration)	27	32

Notes

24 Group information

Information about subsidiaries

The consolidated financial statements of the Group include the following subsidiaries:

December 31, 2021

Name	Ownership	Country	City	Capital	
				Currency	Local currency
Better Collective GmbH*	100%	Austria	Vienna	tEUR	36
Hebiva Beteiligungen GmbH	100%	Austria	Vienna	tEUR	40
Better Collective SAS	100%	France	Paris	tEUR	100
Better Collective D.o.o.	100%	Serbia	Niš	tRSD	620
Bola Webinformation GmbH	100%	Austria	Vienna	tEUR	35
Better Collective Greece P.C.	100%	Greece	Thessaloniki	tEUR	10
Kapa Media Services Ltd.	100%	Malta	Naxxar	EUR	1,200
Better Collective Sweden AB	100%	Sweden	Stockholm	tSEK	50
Better Collective UK Ltd	100%	United Kingdom	Stoke on Trent	GBP	1
Better Collective Poland SP Z o o	100%	Poland	Krakow	tPLN	5
Moar Performance Ltd	100%	United Kingdom	London	GBP	1
Better Collective Romania SRL	100%	Romania	Bucharest	tRON	50
Better Collective USA Inc	100%	USA	New York	USD	1
Better Collective Florida LLC**	100%	USA	Nashville	USD	1
Better Collective Tennessee LLC***	100%	USA	Tennessee	tUSD	2,239
Atemi Ltd	100%	Malta	St Julians	tGBP	1
Hot Media Corp****	100%	British Virgin Islands	Tortola	tGBP	0
Force Media Inc****	100%	British Virgin Islands	Tortola	tGBP	0
Pedia Publications Ltd****	100%	Guernsey	St. Peter Port	tGBP	67
5 Star Traffic Ltd****	100%	British Virgin Islands	Tortola	tGBP	0
FTD LABS Ltd****	100%	Guernsey	St. Peter Port	tGBP	0

* Better Collective GmbH is 100% owned by Hebiva Beteiligungen GmbH. ** Better Collective Florida LLC was merged in to Better Collective US Inc. On May 1st, 2021

Better Collective Tennessee LLC and Action Network Inc. are 100% owned by Better Collective USA Inc.* Subsidiaries are 100% owned by Atemi Ltd.



Notes

24 Group information

Information about subsidiaries (Continued)

The consolidated financial statements of the Group include the following subsidiaries:

December 31, 2021

Name	Ownership	Country	City	Capital	
				Currency	Local currency
Better Collect UK Services Ltd (Former: Your Media Ltd)****	100%	United Kingdom	Tunbridge Wells	tGBP	0
HLTV ApS	100%	Denmark	Aarhus	tDKK	50
Mindway ApS	100%	Denmark	Aarhus	tDKK	65
Action Network Inc.***	100%	USA	New York	tUSD	3
Better Collective Netherlands B.V.	100%	Netherlands	Amsterdam	EUR	1

* Better Collective GmbH is 100% owned by Hebiva Beteiligungen GmbH. ** Better Collective Florida LLC was merged in to Better Collective US Inc. On May 1st, 2021

Better Collective Tennessee LLC and Action Network Inc. are 100% owned by Better Collective USA Inc.* Subsidiaries are 100% owned by Atemi Ltd.

Notes

24 Group information

Information about subsidiaries

The consolidated financial statements of the Group include the following subsidiaries:

December 31, 2020

Name	Ownership	Country	City	Currency	Capital
					Local currency
Better Collective GmbH*	100%	Austria	Vienna	tEUR	36
Hebiva Beteiligungen GmbH	100%	Austria	Vienna	tEUR	40
Better Collective SAS	100%	France	Paris	tEUR	100
Better Collective D.o.o.	100%	Serbia	Niš	tRSD	620
Bola Webinformation GmbH	100%	Austria	Vienna	tEUR	35
Better Collective Greece P.C.	100%	Greece	Thessaloniki	tEUR	10
Kapa Media Services Ltd.	100%	Malta	Naxxar	EUR	1,200
Better Collective Sweden AB	100%	Sweden	Stockholm	tSEK	50
Better Collective UK Ltd	100%	United Kingdom	Stoke on Trent	GBP	1
Better Collective Poland SP Z o o	100%	Poland	Krakow	tPLN	5
Moar Performance Ltd	100%	United Kingdom	London	GBP	1
Better Collective Romania SRL	100%	Romania	Bucharest	tRON	50
Better Collective USA Inc	100%	USA	New York	USD	1
Better Collective Florida LLC**	100%	USA	Nashville	USD	1
Better Collective Tennessee LLC***	60%	USA	Tennessee	tUSD	2,239
Atemi Ltd	100%	Malta	St Julians	tGBP	1
Hot Media Corp****	100%	British Virgin Islands	Tortola	tGBP	0
Force Media Inc****	100%	British Virgin Islands	Tortola	tGBP	0
Pedia Publications Ltd****	100%	Guernsey	St. Peter Port	tGBP	67
5 Star Traffic Ltd****	100%	British Virgin Islands	Tortola	tGBP	0
FTD LABS Ltd****	100%	Guernsey	St. Peter Port	tGBP	0
Your Media Ltd****	100%	United Kingdom	Tunbridge wells	tGBP	0
HLTV ApS	100%	Denmark	Aarhus	tDKK	50

* Better Collective GmbH is 100% owned by Hebiva Beteiligungen GmbH. **Better Collective Florida LLC is 100% owned by Better Collective USA Inc.

*** Better Collective Tennessee LLC is 60% owned by Better Collective USA Inc. ****Subsidiaries are 100% owned by Atemi Ltd



Notes

25 Other contingent liabilities

Other contingent liabilities

The mortgage loan from Realkredit Danmark was paid out in connection with the sales of the property on HC. Andersens Boulevard in March 2021. There are no other contingent liabilities.

26 Events after the reporting date

- ◆ January revenue reached >26 mEUR, more than double vs. January 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.



Parent Company financial statements



Statement of profit and loss

Note	tEUR	2021	2020
2	Revenue	36,961	26,940
	Other operating income	12,748	8,878
	Direct costs related to revenue	7,407	3,546
3,4	Staff costs	13,767	10,958
14	Depreciation	490	482
5	Other external expenses	15,080	9,129
	Operating profit before amortisations (EBITA) and special items	12,963	11,702
12	Amortisation	3,397	1,974
	Operating profit (EBIT) before special items	9,566	9,728
6	Special items, net	2,776	266
	Operating profit	12,342	9,994
9	Financial income	47,400	13,860
10	Financial expenses	5,102	6,573
	Profit before tax	54,640	17,280
11	Tax on profit for the period	6,947	1,563
	Profit for the period	47,692	15,717

Statement of comprehensive income

Note	tEUR	2021	2020
	Profit for the period	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	50	601
11	Income tax	0	0
	Net other comprehensive income/loss	50	601
	Total other comprehensive income/(loss) for the period, net of tax	47,742	16,319



Balance sheet

Note	tEUR	2021	2020
ASSETS			
Non-current assets			
12,13	Intangible assets		
	Domains and websites	26,189	15,185
	Accounts and other intangible assets	3,257	3,355
		29,446	18,540
14	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			
7	Investments in subsidiaries	189,318	183,856
8	Receivables from subsidiaries	245,349	36,969
8	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			
16	Trade and other receivables	7,683	4,648
19	Receivables from subsidiaries	22,428	1,657
	Tax receivable	0	653
	Prepayments	1,332	735
19	Restricted Cash	1,489	6,926
19	Cash	5,962	2,560
	Total current assets	38,894	17,179
	Total assets	504,088	259,767

Note	tEUR	2021	2020
EQUITY AND LIABILITIES			
Equity			
	Share Capital	546	469
	Share Premium	267,873	108,826
	Currency Translation Reserve	554	494
	Treasury shares	-8,074	-2
	Retained Earnings	94,222	45,136
	Total equity	355,121	154,923
Non-current Liabilities			
19	Debt to mortgage credit institutions	0	507
19	Debt to credit institutions	121,025	68,770
18	Lease liabilities	330	629
11	Deferred tax liabilities	1,996	1,163
19	Other non-current financial liabilities	4,939	8,795
	Total non-current liabilities	128,290	79,864
Current Liabilities			
17	Trade and other payables	4,046	2,127
19	Payables to subsidiaries	9,273	12,585
11	Corporation tax payable	993	70
19	Other current financial liabilities	6,037	9,850
19	Debt to mortgage credit institutions	0	20
18	Lease liabilities	328	328
	Total current liabilities	20,677	24,980
	Total liabilities	148,967	104,844
	Total equity and liabilities	504,088	259,767

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	108,826	494	-2	45,136	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	159,047	10	0	0	0	159,134
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	159,047	10	-8,072	1,394	0	152,456
At December 31, 2021	546	267,873	554	-8,074	94,222	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	106,296	-108	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	602	0	0	0	602
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	602	0	0	0	602
Total comprehensive income for the year	0	0	602	0	15,717	0	16,319
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
Shared based payments	0	0	0	0	955	0	955
Transaction costs	0	0	0	0	-33	0	-33
Total transactions with owners	5	2,530	0	-2	2,359	0	4,892
At December 31, 2020	469	108,826	494	-2	45,136	0	154,923

During the period no dividend was paid.

Statement of cash flows parent

Note	tEUR	2021	2020
	Profit before tax	54,640	17,280
	Adjustment for finance items	-42,298	-7,286
	Adjustment for special items	-2,776	-266
	Operating Profit for the period before special items	9,566	9,728
	Depreciation and amortisation	3,887	2,456
	Other adjustments of non cash operating items	1,278	955
	Cash flow from operations before changes in working capital and special items	14,731	13,140
20	Change in working capital	-24,152	3,710
	Cash flow from operations before special items	-9,421	16,850
	Special items, cash flow	-447	-479
	Cash flow from operations	-9,868	16,371
	Dividend received	24,407	10,733
	Other Financial income, received	5,419	1,883
	Financial expenses, paid	-4,235	-1,713
	Cash flow from ordinary activities before tax	15,723	27,274
11	Income tax paid	-4,539	-2,105
	Cash flow from operating activities	11,184	25,169
7	Acquisition of businesses*	-9,489	-67,555
12	Acquisition of intangible asset	-11,591	-1,850
14	Acquisition of property, plant and equipment	-184	-75
14	Sale of property, plant and equipment	971	0
	Non-current loans to subsidiaries	-195,389	0
	Change in other non-current assets	-9	49
	Cash flow from investing activities	-215,691	-69,431

*Includes payment for Mindway Ai (2.3 mEUR), and deferred payments for Atemi and HLTV (7.2 mEUR)

Note	tEUR	2021	2020
19	Repayment of borrowings	-87,069	-22,756
19	Proceeds from borrowings	139,373	74,629
	Group Financial borrowings	3,520	-3,515
	Lease liabilities	-299	-281
	Other non-current liabilities	-844	486
	Capital increase	158,236	393
	Treasury Shares	-8,143	-4,903
	Transaction cost	-2,305	-33
	Cash flow from financing activities	202,469	44,020
	Cash flows for the period	-2,038	-242
	Cash and cash equivalents at beginning	9,486	9,704
	Foreign currency translation of cash and cash equivalents	3	24
	Cash and cash equivalents period end	7,451	9,486
	* Cash and cash equivalents period end		
	Restricted cash	1,489	6,926
	Cash	5,962	2,560
	Cash and cash equivalents period end	7,451	9,486



Notes to the parent financial statement

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Notes

1 Accounting policies

Reference is made to notes to the consolidated financial statements. For the treatment of subsidiaries reference is made to note 7.

2 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	2021	2020
Revenue		
Revenue share	30,540	23,523
CPA	3,352	1,098
Other	3,069	2,320
Total Revenue	36,961	26,940

%-split	2021	2020
Revenue		
Revenue share	83	87
CPA	9	4
Other	8	9
Total Revenue	100	100

The parent company has earned 22.3 mEUR in revenues from one major customer, which represents 60% of the parent company's revenue (2020: 65%).

3 Staff costs

tEUR	2021	2020
Wages and salaries	11,244	9,035
Pensions, defined contribution	939	722
Other social security costs	222	140
Share-based payments	1,203	955
Other staff costs	159	106
Total staff costs	13,767	10,958
Average number of full-time employees	124	122

For remuneration of Key Management personnel, Executive Directors and the Board of Directors, reference is made to the disclosures in note 5 of the consolidated financial statements.

4 Share-based payments

Reference is made to the disclosures in note 6 of the consolidated financial statements.

5 Fees paid to auditors appointed at the annual general meeting

tEUR	2021	2020
Fee related to statutory audit	237	171
Fees for tax advisory services	0	0
Assurance engagements	20	22
Other assistance	0	48
	257	241

6 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	2021	2020
Operating profit	12,342	9,994
Special items related to M&A	-441	-122
Special items related to variable payment	2,952	744
Special items related to Restructuring	-6	-356
Special items related to Divestiture of Assets	272	0
Special Items, total	2,776	266
Operating profit (EBIT) before special items	9,566	9,728
Amortisations	3,397	1,974
Operating profit before amortisations and special items (EBITA before special items)	12,963	11,702
Depreciation	490	482
Operating profit before depreciation, amortisations, and special items (EBITDA before special items)	13,454	12,184



Notes

7 Investments in subsidiaries

Subsidiaries	Name	Domicile	Interest %	2021		2020	
				Equity tEUR	Profit/loss tEUR	Equity tEUR	Profit/loss tEUR
	Better Collective D.o.o.	Serbia	100%	903	240	665	(342)
	Better Collective SAS	France	100%	6,248	5,038	10,709	4,165
	Hebiva Beteiligungen GmbH	Austria	100%	2,334	2,251	4,822	2,353
	Better Collective GmbH*	Austria	100%	32	2,242	32	2,346
	Bola Webinformation GmbH	Austria	100%	4,751	4,716	4,067	4,032
	Better Collective Greece P.C.	Greece	100%	1,052	310	1,573	660
	Kapa Media Services Ltd.	Malta	100%	330	63	267	86
	Better Collective Sweden AB	Sweden	100%	3,210	1,944	3,633	2,155
	Better Collective UK Ltd	United Kingdom	100%	(27)	(106)	74	56
	Better Collective Poland SP Z o o	Poland	100%	259	119	142	96
	Moar Performance Ltd	United Kingdom	100%	183	83	90	243
	Better Collective Romania SRL	Romania	100%	89	64	26	12
	Better Collective USA Inc	USA	100%	(13,583)	(12,659)	(459)	913
	Better Collective Florida LLC**	USA	100%		79	(2,280)	(1,776)
	Better Collective Tennessee LLC***	USA	100%	3,625	6,063	2,801	3,772
	Atemi Ltd	Malta	100%	(162)	(31)	(120)	(16)
	Hot Media Corp****	British Virgin Islands	100%	1,233	41	902	(939)
	Force Media Inc****	British Virgin Islands	100%	(528)	(125)	(374)	1,481
	Pedia Publications Ltd****	Guernsey	100%	(386)	311	(650)	147
	5 Star Traffic Ltd****	British Virgin Islands	100%	3,822	584	3,004	909
	FTD LABS Ltd****	Guernsey	100%	783	349	401	243
	Better Collective UK Services Ltd (Former: Your Media Ltd)****	United Kingdom	100%	(152)	4	(145)	(457)
	HLTV ApS	Denmark	100%	3,223	4,071	2,148	2,367
	Mindway ApS	Denmark	100%	(931)	(350)		
	Action Network Inc.	USA	100%	9,705	955		
	Better Collective Netherlands B.V.	Netherlands	100%	39	39		

* Better Collective GmbH is 100% owned by Hebiva Beteiligungen GmbH. ** Better Collective Florida LLC was merged in to Better Collective US Inc. On May 1st, 2021

*** Better Collective Tennessee LLC is 60% owned by Better Collective USA Inc. **** Subsidiaries are 100% owned by Atemi Ltd.



Notes

7 Investments in subsidiaries (continued)

tEUR	2021	2020
Subsidiaries		
Cost at January 1	183,856	103,024
Additions*	4,770	80,372
Exchange rate to reporting currency	691	460
Cost at December 31	189,318	183,856
Carrying amount at December 31	189,318	183,856

* Cash flow impact in 2021: 9,489 tEUR (2020: 67,555 tEUR)

Reference is made to note 22 of the consolidated financial statements for acquisition of businesses.

Investments in subsidiaries have been assessed for impairment in 2020 and 2021 and did not lead to any impairment in neither 2020 nor 2021.

◆ Accounting principles:

Investments in subsidiaries

Investments in subsidiaries and other investments are measured at cost. If the cost exceeds the recoverable amount, the carrying amount is reduced to such lower value. Reference is made to note 13 of the consolidated financial statement. ◆

8 Non-current financial assets

tEUR	Receivables from Subsidiaries	Other non-current financial assets	Total
Cost at January 1, 2021	36,969	1,146	38,115
Additions	195,389	0	195,389
Disposals	0	-1,146	-1,146
Exchange rate adjustment	12,991	0	12,991
Cost at December 31, 2021	245,349	0	245,349
Carrying amount at 31 December, 2021	245,349	0	245,349
Cost at January 1, 2020	36,714	1,175	37,889
Additions	0	0	0
Disposals	0	-37	-37
Exchange rate adjustment	255	9	263
Cost at December 31, 2020	36,969	1,146	38,115
Carrying amount at 31 December, 2020	36,969	1,146	38,115

9 Finance income

tEUR	2021	2020
Exchange gains	19,701	2,325
Interest income	11	40
Interest expenses, group entities	3,281	781
Dividend income	24,407	10,714
Other financial income	0	0
Total finance income	47,400	13,860

10 Finance costs

tEUR	2021	2020
Exchange losses	1,681	5,096
Interest expenses	1,664	926
Interest - right of use assets (Leasing)	32	43
Interest expenses, group entities	108	164
Other financial costs	1,617	344
Total finance costs	5,102	6,574



Notes

11 Income tax

Total tax for the year is specified as follows:

tEUR	2021	2020
Tax for the year	6,948	1,563
Tax on other comprehensive income	0	0
Total	6,948	1,563

Income tax of profit from the year is specified as follows:

tEUR	2021	2020
Deferred tax	833	275
Current tax	6,015	1,297
Adjustment from prior years	100	-8
Total	6,948	1,563

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

tEUR	2021	2020
Specification for the year:		
Calculated 22% tax of the result before tax	12,021	3,802
Tax effect of:		
Non-taxable income (dividend)	-5,370	-2,440
Non-deductible costs	197	210
Adjustment from prior years	100	-8
	6,948	1,563
Effective tax rate	12.7%	9.0%

tEUR	2021	2020
Deferred tax liabilities		
Deferred tax liabilities January 1	1,163	884
Adjustments of deferred tax in profit and loss	833	279
Deferred tax December 31	1,996	1,163

Deferred tax is recognised in the balance sheet as:

Deferred tax asset	0	0
Deferred tax liability	1,996	1,163
Deferred tax liabilities December 31	1,996	1,163

Deferred tax is related to:

Intangible assets	2,051	1,218
Property, plant and equipment	-55	-55
Deferred tax liabilities December 31	1,996	1,163

Income tax payable

Income tax payable January 1	-583	233
Current tax	6,015	1,297
Income tax paid during the year	-4,539	-2,105
Adjustment - Prior year	100	-8
Exchange rate difference	-1	2
Income tax payable December 31	993	-583

Notes

12 Intangible assets

tEUR	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation			
At January 1, 2021	15,185	7,878	23,063
Acquisitions*	10,998	3,298	14,297
Disposals	0	0	0
Currency Translation	5	3	8
At December 31, 2021	26,189	11,179	37,368
Amortisation and impairment			
At January 1, 2021	0	4,523	4,523
Amortisation for the period	0	3,397	3,397
Amortisation on disposed assets	0	0	0
Currency translation	0	2	2
At December 31, 2021	0	7,922	7,922
Net book value at December 31, 2021	26,189	3,257	29,446

tEUR	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation			
At January 1, 2020	14,319	7,542	21,861
Acquisitions*	807	305	1,113
Disposals	0	0	0
Currency Translation	58	31	88
At December 31, 2020	15,185	7,878	23,063
Amortisation and impairment			
At January 1, 2020	0	1,982	1,982
Amortisation for the period	0	2,533	2,533
Amortisation on disposed assets	0	0	0
Currency translation	0	8	8
At December 31, 2020	0	4,523	4,523
Net book value at December 31, 2020	15,185	3,355	18,540

*Cash flow impact in 2021: 11,591 tEUR (2020: 1,850 tEUR)



Notes

13 Intangible assets with indefinite life

The parent company's domain names and websites arise from asset acquisitions.

Domain names and websites are not subject to amortisation, but are reviewed annually for impairment, or more frequently if there are any indicators of impairment that are noted during the year.

Cash-generating units

A cash-generating unit represents the smallest identifiable group of assets that together have cash inflows that are largely independent of the cash inflows from other assets. Management has concluded that the Group has only one cash-generating unit for impairment testing purposes, since cash flows to the Group are generated by the business as a whole and independent cash flows from other assets cannot be separately distinguished. Therefore, impairment testing has been done at the level of one cash-generating unit.

Carrying amount of Domains and Websites for the CGU:

tEUR	2021	2020
Domains and Websites	26,189	15,185

As at December 31, 2020 and December 31, 2021, the directors have evaluated domains and websites for impairment. The directors are of the view that the carrying amount of domains and sites is recoverable on the basis that the cashflows generated from these assets are in line, or exceed, the estimated projections made prior to the acquisitions. The directors are satisfied that the judgements made are appropriate to the circumstances.

Recoverable amount

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

of assets. As Management has concluded that the individual assets do not generate cash inflows on their own, the recoverable amount of domains and websites has been determined on the level of one cash-generating unit, as explained above.

The parent company has performed an impairment test on domains and websites as of December 31, 2020 and December 31, 2021, on a value-in-use basis. Management has based the value in use by estimating the present value of future cash flows from a three-year forecast approved by the Board of Directors and corresponding to the Group's long-term forecast for 2022-2024. Key parameters in the forecast are trends in revenue, cost development and growth expectations. Beyond this, 2025 and 2026 has been forecasted with a declining growth margin. Based on 2026 EBITDA and cash flow Management has applied a terminal value rate of 2%. The cash flows assume a discount factor of 15% based on the Group's weighted average cost of capital (WACC) in all years 2022-2024 with an effective tax rate of 22% (pre-tax discount rate 18.5%). The Board of Directors have approved the inputs to the impairment testing and are satisfied that the judgements made are appropriate.

Further, acquired domains and websites with indefinite life have been individually evaluated for indicators of impairment. The evaluation is based on actual traffic on the websites, as well as actual and expected revenue and NDCs generated by the accounts with operators that are linked to the websites. The evaluation of acquired revenue share accounts in the Netherlands, following the regulatory development and operator decisions to discontinue old player databases, resulted in an impairment of 1.7 mEUR. The liability related to the asset, recorded as an earn-out payable, was reduced in the assessment and the impact on P/L of the earn-out adjustment of 2.9 mEUR was included in Special items.

Besides the impairment mentioned above, the results of the impairment tests for goodwill and domains and websites showed that the recoverable amount exceeded the carrying value and that there was no impairment loss to be recognised.

Notes

14 Property, plant and equipment

tEUR	Land and buildings	Right of use assets	Fixtures and fittings, other plant and equipment	Total
Cost or valuation				
At December 31, 2020	790	1,502	786	3,077
Additions	0	0	184	184
Disposals	-790	0	0	-790
Currency Translation	0	1	0	1
At December 31, 2021	0	1,502	970	2,472
Depreciation and impairment				
At December 31, 2020	86	605	469	1,160
Depreciation for the period	4	296	190	490
Depreciation on disposed assets	-91	0	0	-91
Currency translation	0	0	0	1
At December 31, 2021	0	901	660	1,561
Net book value at December 31, 2021	0	601	310	911

tEUR	Land and buildings	Right of use assets	Fixtures and fittings, other plant and equipment	Total
Cost or valuation				
At December 31, 2019	787	1,495	713	2,995
Additions	0	0	75	75
Disposals	0	0	-5	-5
Currency Translation	3	6	3	12
At December 31, 2020	790	1,502	786	3,077
Depreciation and impairment				
At December 31, 2019	68	299	312	680
Depreciation for the period	18	305	161	483
Currency translation	0	1	1	3
At December 31, 2020	86	605	469	1,160
Net book value at December 31, 2020	704	896	317	1,917

Notes

15 Issued capital and reserves

Reference is made to the disclosures in note 16 of the consolidated financial statements.

16 Trade and other receivables

tEUR	2021	2020
Trade receivables	7,516	4,647
Other receivables	167	1
Total receivables	7,683	4,648

17 Trade and other payables

tEUR	2021	2020
Trade Payables	998	473
Other payables	3,048	1,655
Total payables	4,046	2,127

18 Leasing

Right-of-use assets

tEUR	Buildings	Cars	Total
Balance at January 1, 2021	896	0	896
Depreciation	295	0	295
Balance at December 31, 2021	601	0	601

tEUR	Buildings	Cars	Total
Balance at January 1, 2020	1,196	0	1,196
Exchange rate adjustment	5	0	5
Depreciation	305	0	305
Balance at December 31, 2020	896	0	896

Lease liabilities

tEUR	2021	2020
Maturity analysis - contractual undiscounted cash flows		
Less than one year	338	331
One to five years	345	683
More than five years	0	0
Total undiscounted cash flows	683	1,014
Total lease liabilities	657	957
Current	328	328
Non-current	330	629

The total cash outflow for leases in 2021 was 331 tEUR (2020: 324 tEUR).

Amounts recognised in the consolidated income statement

tEUR	2021	2020
Interest on lease liabilities	32	43
Expenses relating to short-term lease	0	0
Expenses relating to lease of low value assets	0	0

19 Financial risk management objectives and policies

The parent company's activities expose it to a variety of financial risks:

market risk (including foreign currency exchange risk and interest rate risk), credit risk, and liquidity risk. The parent company has established principles for overall risk management, which seek to minimise potential adverse effects on the parent company's performance.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. For the parent company, market risk comprises foreign currency risk and interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The parent company's exposure to the risk of changes in foreign exchange rates relates primarily to the parent company's international operating activities. The parent company's revenues are mainly denominated in DKK and EUR, with limited revenues in GBP, USD, and PLN. The majority of the parent company's expenses are employee costs, which are denominated in the Group entities' functional currency, DKK together with expenses. Expenses have a pattern there is in line with the revenue. The expenses are mainly in DKK, EUR and limited GBP, USD, and PLN. The DKK rate is fixed to the EUR. Since revenues in other foreign currencies than DKK and EUR (GBP, USD, and PLN) are limited and expenses in GBP, USD, and PLN reduces the exposure, the parent company is not overly exposed to foreign currency risk for the ongoing operations.

The parent company has provided long-term intercompany loans in USD to Better Collective US, Inc., to fund the acquisitions in US. The un-realized exchange rate gains/losses are recorded in the profit and loss in the parent company. As strengthening of the USD vs. EUR of 10% will have a positive impact on the parent company of 24 mEUR, whereas a weakening of the USD vs. EUR of 10% will have a negative impact of 24 mEUR on the parent company. In connection with the agreement for media sites, the parent company has recorded a liability in GBP, covering the fixed payments to Telegraph. A strengthening of GBP vs. EUR of 10% will have

Notes

19 Financial risk management objectives and policies (continued)

a negative impact of 0.3 mEUR, whereas a weakening of GBP vs. EUR will have a positive impact of 0.3 mEUR on the parent company.

Beyond the impact due to loans and liabilities mentioned above, the historic exposure to currency fluctuations has not had a material impact on the parent company's financial condition or results of operations. Accordingly, Management deems that a further sensitivity analysis showing how profit or pre-tax equity would have been impacted by changes in these foreign exchange rates is not necessary.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The parent company's exposure to interest rate risk arises mainly from the revolving credit facility and deposits held by the parent company. These are short-term and not material amounts. Management expects to re-pay the credit facility in the short term, as the parent company is generating positive cash flows. Therefore, exposure to interest rate risk is considered minimal.

The parent company regularly monitors its interest rate risk and considers it to be insignificant, therefore an interest rate sensitivity analysis is not deemed necessary.

Credit risk

As per January 1, 2018 the parent company implemented IFRS 9 using the simplified expected credit loss model. The model implies that the expected loss over the lifetime of the asset is recognised in the profit and loss immediately and is monitored on an ongoing basis until realisation. The parent company has very limited overdue trade receivables and historically there has been minimal losses on trade receivables and the subsidiaries have a high liquidity ratio. The inputs to the expected credit loss model reflects this.

As per December 31, 2021 the parent company's impairment for expected loss is included in the trade receivables (ref note 15).

Expected credit loss on receivables from trade and subsidiaries can be specified as follows:

tEUR	Exp. loss rate	Gross receivable	Expected loss	Net receivable
2021				
Not Due	0.0%	1,645	0	1,645
Less than 30 days	0.0%	956	0	956
Between 31 and 60 days	0.3%	1,840	5	1,835
Between 61 and 90 days	0.8%	621	5	616
More than 91 days	2.7%	2,532	68	2,463
Total	1.0%	7,595	79	7,516
Receivables from subsidiaries	0.0%	267,777	0	267,777

As very limited losses were recognised during 2021, expected loss rate has been reduced compared to 2020.

tEUR	Exp. loss rate	Gross receivable	Expected loss	Net receivable
2020				
Not Due	0.0%	2,476	0	2,476
Less than 30 days	0.1%	1,008	1	1,007
Between 31 and 60 days	1.5%	-2	0	-2
Between 61 and 90 days	3.7%	94	3	91
More than 91 days	7.1%	1,151	75	1,077
Total		4,726	79	4,647
Receivables from subsidiaries	0.0%	38,626	0	38,626

Liquidity risk

The parent company is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which mainly include trade payables, other payables and the credit facility. The parent company ensures adequate liquidity through the management of cash flow forecasts and close monitoring of cash inflows and outflows. The following table summarises the maturities of the parent company's financial obligations. The parent company had no derivative financial instruments.

Notes

19 Financial risk management objectives and policies (continued)

Contractual cash flows:	Carrying amount	Fair Value	Total	< 1 year	2-5 years	> 5 years
2021						
Non-derivative financial instruments:						
<i>Financial liabilities measured at fair value</i>						
Earn-Out consideration	5,793	5,793	5,864	5,379	485	0
Other financial liabilities measured at fair value	3,486	3,486	3,547	1,191	2,355	0
<i>Financial liabilities measured at amortised costs</i>						
Trade and other payables	4,046	4,046	4,046	4,046	0	0
Deferred payment on acquisitions	1,698	1,698	1,706	1,610	95	0
Payables to subsidiaries	2,593	2,593	2,593	2,593	0	0
Loans from subsidiaries	6,680	6,680	6,814	6,814	0	0
Debt to credit institutions	121,025	121,025	125,568	21,694	103,873	0
Total non-derivative financial instruments	145,320	145,320	150,136	43,327	106,809	0
Assets:						
Non-current financial assets, subsidiaries	245,349	245,349	269,884	4,907	264,977	0
Trade and other receivables	7,683	7,683	7,683	7,683	0	0
Receivable from subsidiaries	22,428	22,428	22,428	22,428	0	0
Restricted Cash	1,489	1,489	1,489	1,489	0	0
Cash	5,962	5,962	5,962	5,962	0	0
Total financial assets	282,912	282,912	307,447	42,470	264,977	0
Net	-137,592	-137,592	-157,311	857	-158,168	0

Contractual cash flows:	Carrying amount	Fair Value	Total	< 1 year	2-5 years	> 5 years
2020						
Non-derivative financial instruments:						
<i>Financial liabilities measured at fair value</i>						
Earn-Out consideration	7,882	7,882	8,173	2,688	5,484	0
Other financial liabilities measured at fair value	4,237	4,237	4,373	744	3,629	0
<i>Financial liabilities measured at amortised costs</i>						
Trade and other payables	2,127	2,127	2,127	2,127	0	0
Deferred payment on acquisitions	6,526	6,526	6,559	5,176	1,384	0
Payables to subsidiaries	742	742	742	742	0	0
Loans from subsidiaries	11,843	11,843	12,080	12,080	0	0
Debt to mortgage credit institutions	527	527	536	26	100	410
Debt to credit institutions	68,770	68,770	71,672	963	70,709	0
Total non-derivative financial instruments	102,655	102,655	106,263	24,546	81,307	410
Assets:						
Non-current financial assets, subsidiaries	36,969	36,969	40,666	739	39,927	0
Non-current financial assets, loan*	555	555	572	572	0	0
Trade and other receivables	4,648	4,648	4,648	4,648	0	0
Receivable from subsidiaries	1,657	1,657	1,657	1,657	0	0
Restricted Cash	6,926	6,926	6,926	6,926	0	0
Receivables from subsidiaries	3,095	3,095	3,095	3,095	0	0
Cash	2,560	2,560	2,560	2,560	0	0
Total financial assets	53,316	53,316	57,029	17,102	39,927	0
Net	49,339	49,339	49,234	7,444	41,380	410

* Non-current financial assets consist of a subordinated loan to Mindway AI

Notes

19 Financial risk management objectives and policies (continued)

Fair value of Earn-out consideration, contingent consideration, and other financial liabilities

Fair Value is measured based on level 3 - Valuation techniques, for which the lowest level input that is significant to the fair value measurement is unobservable. Fair Value of EarnOut consideration and Other financial liabilities is measured based on weighted probabilities of assessed possible payments discounted to present value.

Fair value

In all material aspects the financial liabilities are current/short termed. Non-current loans, overdraft facility and intercompany loans are subject to a variable interest rate. Thus, the fair value of the financial assets and liabilities is considered equal to the booked value.

Capital Management

For the purpose of the parent company's capital management, capital includes issued capital, share premium, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the parent company's capital management is to maximise shareholder value and to maintain an optimal capital structure. The parent company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the parent company may adjust the dividend payment to shareholders, issue new shares or return capital to shareholders.

Credit facilities

Better Collective has non-current bank credit facilities of total 124 mEUR, of which 121 mEUR was drawn up end of December 2021. As of December 31, 2021 cash and unused credit facilities, amounted to approximately 33 mEUR.

Net debt includes current and non-current debt to financial institutions, and other financial liabilities, less cash and cash equivalents.

Change in liabilities arising from financing activity

tEUR	2019	Cash flows Net	Non cash flow changes	2020	Cash flows Net	Non cash flow changes	2021
Non-current financing liabilities	17,259	51,893	125	69,277	52,323	-575	121,025
Leasing and other non-current liabilities	1,259	484	-270	1,473	-844	-300	329
<i>Current financing liabilities:</i>							
Payables to subsidiaries	9,991	2,595	0	12,585	-3,313	0	9,273
Debt to credit institutions	20	-20	20	20	-20	0	0
Leasing current liabilities	323	-281	285	328	-299	300	328
Total liabilities from financing activities	28,852	54,671	160	83,683	47,847	-575	130,955

Notes

20 Change in working capital

tEUR	2021	2020
Change in receivables	-3,033	-161
Changes in Intercompany balances	-22,522	3,695
Prepaid expenses	-595	39
Prepayment - from Customers	0	0
Change in trades payable, other debt	1,998	138
Change in working capital, total	-24,152	3,710

21 Other contingent liabilities

Other contingent liabilities

Joint taxation with HLTV ApS and Mindway AI ApS

The Parent Company is jointly taxed with the Danish subsidiaries, HLTV ApS and Mindway AI ApS. As administration company, the Company has unlimited joint and several liability, together with the subsidiaries, for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group. The jointly taxed entities' total known net payable in respect of corporation taxes and withholding taxes payable on dividend, interest and royalties amounted to 360 tEUR at December 31, 2020 (net receivable 575 tEUR at December 31, 2020). Any subsequent corrections of income subject to joint taxation and withholding taxes, etc., may entail that the entities' liability will increase.

22 Related party disclosures

In addition to the disclosures in note 23 of the consolidated financial statements, the parent company's related parties include subsidiaries, cf. note 24 to the consolidated financial statements and note 5 to the parent company's financial statements.

Transactions with related parties have been as follows:

tEUR	2021	2020
Income Statement		
Other Operating income	12,748	8,878
Intercompany revenue	-5,492	-2,403
Purchases	8,857	4,670
Interest expense	108	164
Interest income	3,281	781
Dividend income	24,407	10,714
Balance Sheet		
Long-term financial assets	245,349	36,969
Receivables from subsidiaries	22,428	1,657
Short term loans and payables to subsidiaries	9,273	12,585

Management remuneration and share option programs are disclosed in note 2 and note 3 to the parent company financial statements.

There have not been other transactions with the Board of Directors, the Executive Directors, major shareholders or other related parties during the year.



Other

109 Definitions

109 Alternative performance measures

Definitions

Affiliate A company providing a performance-based marketing service for its customers, in this context the customers are operators

Application Programming Interface (API), A set of rules and specifications that enables software programs to communicate with each other

Board The Board of Directors of the company

Business intelligence A collection of techniques, methods and strategies used for presenting business information and analysing data in order to support business decisions, for example user insights and behavioural analytics which enables site managers to efficiently evaluate the relevance of content for distribution

Company Better Collective A/S, a company registered under the laws of Denmark

Compounded average growth rate (CAGR) The annual growth rate over a specified time period

Content site A website containing information primarily generated by journalists, writers and other professional contributors. Content sites present in-depth information on specific iGaming areas

Cost per acquisition (CPA) A one-off payment for every referred user that creates a new profile and makes a deposit with the iGaming operator

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)

Earnings per share Net profit for the period / (Average number of shares - Average number of treasury shares held by the company)

Equity/assets ratio Equity at the end of period in relation to total assets at the end of period

Esports Competitive tournaments of online video games among professional gamers/cyberathletes

Executive management Executives that are registered with the Danish Company register

The group / Better Collective The company and its subsidiaries

iGaming Online sports betting and online casino

iGaming affiliates Affiliates in the iGaming market

iGaming operator Online sports betting and online casino operators

Mobile (-sports betting/casino) iGaming activities on mobile devices, such as smartphones and tablets

New depositing customer (NDC) A user that creates an account and makes a deposit with the iGaming operator

Operating profit before amortisations (EBITA) Operating profit plus amortisations

Organic growth Revenue growth compared to the same period previous year. Organic growth from acquired companies or assets are calculated from the date of acquisition measured against historical baseline performance

Organic traffic The opposite of paid traffic, which defines the visits generated by paid advertisement such as PPC (see definition below)

Paid Media Marketing efforts involving a paid placement. Paid media includes PPC advertising (see definition below), branded content, and ads display

Pay-per-click (PPC) An internet advertising model used to direct traffic to websites whereby advertisers pay to appear in the search engine results for certain search queries

Publishing Organic traffic generated from content sites

Revenue share A revenue share model is a remuneration model based on the percentage of the net revenue generated by an NDC with the iGaming operator

Search engine optimisation (SEO) The methods and techniques used to optimise the online visibility of a website through improved rankings in a web search engine's result

Special items Cost related to IPO and acquisitions

Sports wagering The value of bets placed by the players

Sports win margin The difference between the amount of money players wager minus the amount that they win

Alternative performance measures

Alternative Performance Measure	Description	SCOPE
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
EBITA before special items	EBITA adjusted for special items	This APM supports the assessment and monitoring of the Group's performance and profitability excluding special items that do not 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 not 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

BETTER COLLECTIVE



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Facebook



Twitter



Instagram



LinkedIn

ANNUAL REPORT 2020

Market leading sports betting media group connecting sports enthusiastic bettors with betting operators through innovative technologies and trusted digital media products



Jesper Søgaard
Co-founder & CEO

Christian Kirk Rasmussen
Co-founder & COO

Founder story

Since its inception in 2004, Better Collective has experienced a rich history transforming the company from a two-man project to an international organisation with +450 employees, 12 international offices, and more than 65 million monthly visits across websites all while maintaining its visionary and entrepreneurial spirit.

In 2002, the Danish high school friends Jesper Søgaard and Christian Kirk Rasmussen took a sabbatical in Germany where a shared passion for iGaming made them establish the website CasinoVerdiener. The website, which purpose was to support iGamers by providing knowledge and tricks on bookmakers' bonus structures, distinctively fulfilled a market need and quickly became popular. While gaining success with the German endeavour, Jesper and Christian went on to establish Better Collective A/S in 2004 - an iGaming universe built upon products delivering educational tools and iGaming content.

In 2006, Better Collective made its first of many acquisitions and took ownership of Bettingexpert. With this acquisition, sports betting became the main focus of Better Collective. The site hastily became Better Collective's flagship product, and to this day, remains the biggest social network for sports betting tipsters across the world. From here onwards the company grew at an increasing pace. In 2011, Better Collective earned its first "Gazelle" award as a testament to the rapid growth and went on to the ninth consecutive Gazelle Award in 2019. To execute a more global vision for Better Collective, 2016 became the year that

Better Collective physically moved beyond its Danish borders and established an office in Nis, Serbia. Since then, Better Collective has established 11 offices, most of these from acquisitions, and currently employs +450 employees, and offers products and content in more than 30 languages. Throughout the years, the iGaming industry has matured and in 2017 Better Collective became a key player in the consolidation of the industry through its M&A strategy. In 2018, this strategy also laid the cornerstone in the decision to IPO the company on the Nasdaq Stockholm - the hub for listed iGaming companies in Europe.

To further cultivate a strong growth path, Better Collective intensively started to invest in the US market through acquisitions of multiple US mega brands during 2019. Presently, 16 years after its foundation, Jesper, as the CEO, and Christian, as the COO, continue their deep engagement in Better Collective and its original mission to make sports betting and gambling entertaining, transparent, and fair.

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Frontpage

Studio recording of bettingexpert.com video content for horse racing enthusiasts





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Who we are

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



2004

Founded



450+

Employees



2018

Listed on Nasdaq
Stockholm (STO:BETCO)



>49%

Shares owned by founders
and management

Offices

EUROPE

Copenhagen HQ
Krakow
Lodz
London
Niš

Paris
Stockholm
Stoke-on-trent
Thessaloniki
Vienna

NORTH AMERICA

Fort Lauderdale
Nashville

Responsible betting & sustainable practices

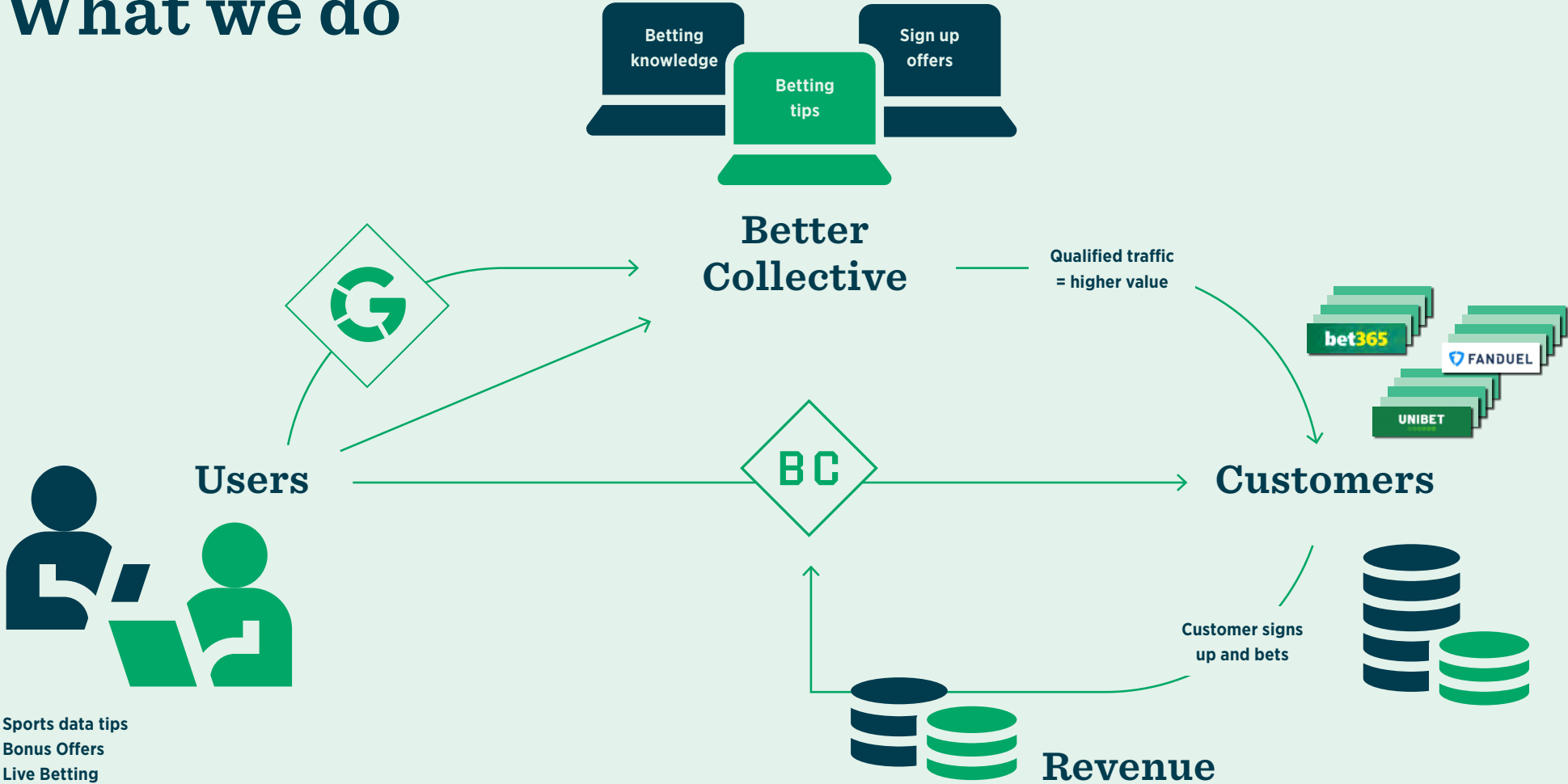


BETTER
FOR BETTORS



BETTER
COMMUNITY

What we do



- Sports data tips
- Bonus Offers
- Live Betting

The sport and sports betting universe is all about passion and entertainment. Better Collective is a leading sports betting media group that connects sports enthusiastic bettors with betting operators through innovative technologies and trusted digital products centred on educational and responsible sports betting content.

Our vision is to empower online bettors by creating a transparent and safer betting experience in a growing and more complex entertainment industry. Our products cover more than 30 languages and attract millions of users worldwide. At our sites users can get access to educational content around sports betting, compare odds and bookmakers, share analysis, tips and the excitement when their favourite team or athlete competes.

As such we aid users to navigate safely among bookmakers that match their individual needs, while we also provide leading online bookmakers with targeted user acquisition and engagement. These operations make Better Collective an important part of the evolving sports betting universe.

Our sports betting media brands



To explore more of our brands please visit our website

International brands



Global
40 mio+
Monthly visits

bettingexpert >

HLTV >

BETCOMPARE >

Regional brands



US
15 mio+
Monthly visits

Vegas INSIDER.com >

RotoGrinders >

SCORES AND ODDS >



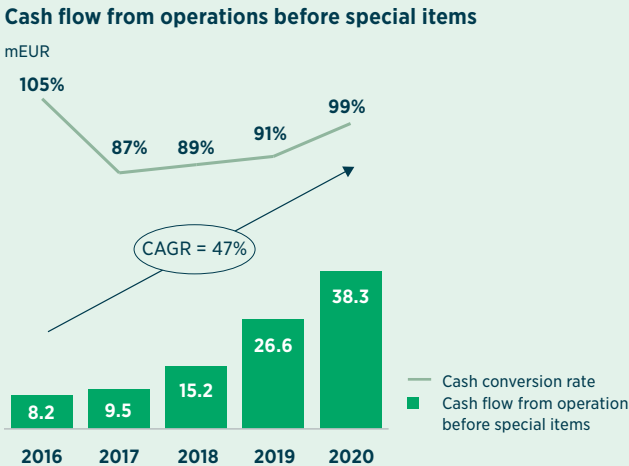
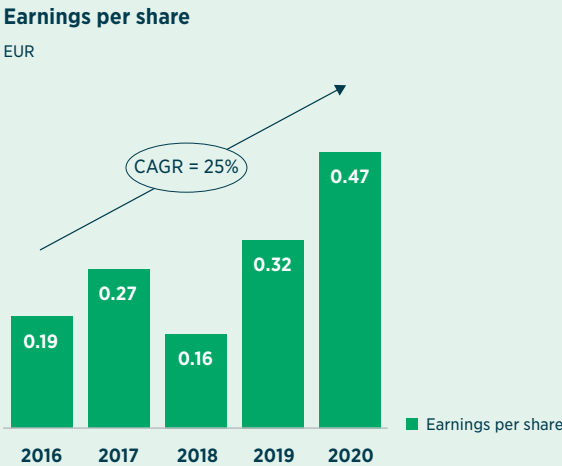
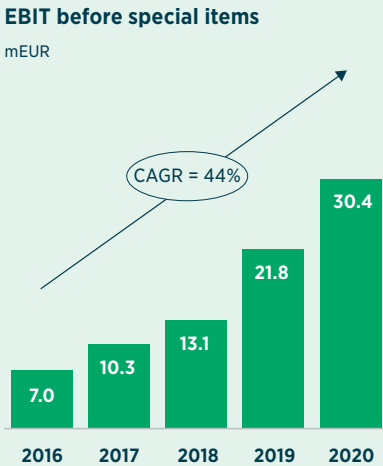
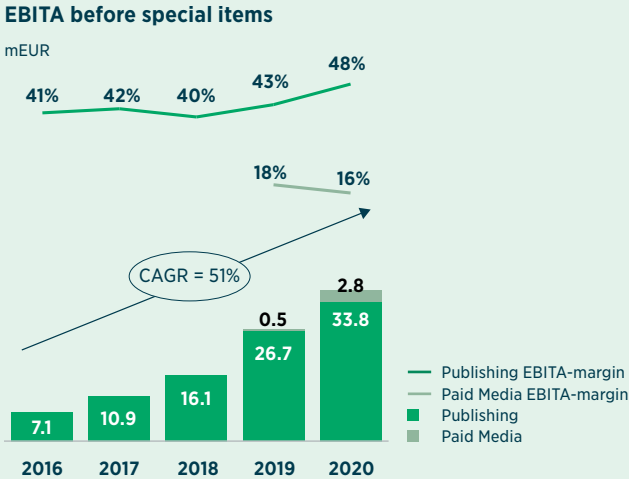
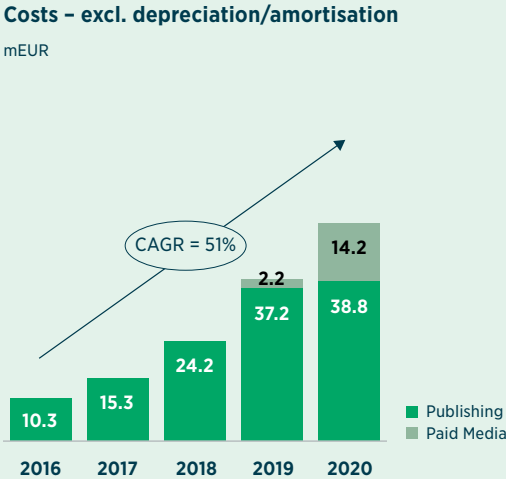
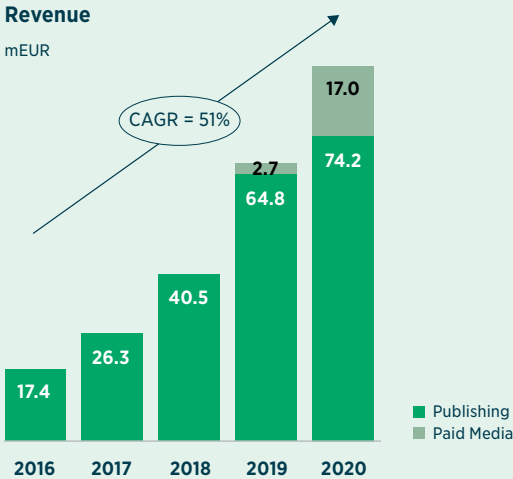
ROW
10 mio+
Monthly visits

Betarades >

wettbasis >

SpilXperten.com >

Financial highlights 2020





Jesper Søgaard
Co-founder & CEO

Jens Bager
Chairman of the board

CEO & Chairman letter

A word to our shareholders

Solid performance in a year of unexpected halt in sports

The year 2020 will stand out as unusual and difficult in almost every aspect of business and society due to the COVID-19 pandemic. We have successfully steered our business through the changing and uncertain times and we managed to maintain and deliver on the financial targets we set out prior to the pandemic.

Our business has proven resilient and is back on track with record high performance towards the end of the year. For the full year 2020, we delivered an annual growth of 35%, of which 8% organic, along with a satisfying number of New Depositing Customers (NDC) at a similar level as the year before, despite the lockdown of sports. We even managed to integrate newly acquired businesses and still meet our earnings target of >40% EBITA-margin. All this combined makes us very satisfied with this year's performance.

COVID-19 pandemic impact

COVID-19 had a significant impact in the last part of Q1 as the pandemic set a halt on major sports events and thereby also on-line sports betting. Q2 was the period which was the most affected until some of the major sports in Europe resumed in June. In Q3, sports calendars were still affected with amended and reduced tournament formats, whereas Q4 was largely back on track showing strong performance. The new year, 2021, looks to be a year with a lot of big sports events and our hope is that fans and spectators again will be able to meet at the stadiums to enjoy the games.

Business transformation through M&A boosting paid media

Earlier this year, we welcomed HLTV.org to the Better Collective group, adding esports to our portfolio just prior to the lockdown of sports. The integration and growth have been highly satisfying.

With the acquisition of the Atemi Group in Q4, we completed yet a strategic transaction. With the related changes to internal organisational structures, we have introduced segment reporting from Q4 2020. Integrating the acquired paid media business has brought Better Collective in the absolute leading position when it comes to premium customer acquisition for the online operators. From the very beginning, we started investing in changing the business model towards more revenue share and in new market openings.

M&A continues to shape our business and performance, striving to become the leading sports betting aggregator in the world. With 20 acquisitions completed so far, we believe we have the right set-up for acquiring and integrating companies. Our M&A-pipeline is stronger than ever and we also see the opportunity to acquire larger companies than before.

Sports and business performance speeding up in the US

We remain highly dedicated to taking part in the emerging US market, where more and more states are opening up for online gambling, either just sports betting or in some states also online casino games. The commercialisation of key websites including VegasInsider.com, and ScoresandOdds.com delivered promising results, contributing to a strong performance. We believe that 'VegasInsider' has long-term potential to become "The Home of US sports bettors", and in the coming years,

we will continue to invest in product development and quality content. As with most other markets, the US has been significantly impacted by the pandemic. Conversely, the pandemic seems to have led to a shift in the readiness to regulate online betting and gambling in a number of states with a view to increase tax revenues to restore the economy. The US market expectations for 2021 is a y-o-y growth in online sports betting of 80% which we are well-positioned to take part in.

Shaping a sustainable business

Looking at the last three years' revenue development, Better Collective has grown with an annual average of 51% (CAGR). We have managed to deliver high growth, maintained a similar growth in operational earnings, while also allowing room for investments in brands, products, and new markets. In 2020, we continued our focus on developing and maturing our branded products with high quality content and user experience. We want to bring value to our users and enhance the entertainment of betting, which is the driving factor for our product development and our strategy in general.

For the iGaming industry to be sustainable, responsible gambling needs to be at the top of the agenda and embedded in our business models. Just after the close of 2020, we further dedicated resources to responsible gambling by significantly increasing our investment in Mindway AI, which specialises

“Better collective has been on a continuous growth journey and we will continue our efforts in leading an industry consolidation through M&A-activities”

Jens Bager
Chairman of the board

in innovative and advanced software solutions for the identification of at-risk gambling and problem gambling behaviour. We are very proud that we have played a role in bringing Mindway AI's software solutions from academic research into commercial products that are now being sold to operators around the world.

Media partnership progress

In 2020 we concluded the first stage proof-of-concept for our media sites collaboration model based on our partnerships with the Daily Telegraph in the UK and with the leading online media nj.com in New Jersey, which we entered into in 2019. These media sites provide Better Collective with additional channels to market, operate, and manage customer contacts to the betting and casino operators. We are very proud to be the chosen partner of such prominent media brands. The ambition is to enter more of this type of agreement going forward based on the learnings from our proof of concept partnership.

We rely on our people

Looking back at 2020, we are very satisfied with the performance and we firmly believe that we have a much stronger company than we had a year ago. We would like to express our sincere thanks to all Better Collective's stakeholders - our employees and management team, our Board of Directors, and all our business partners for their continued astonishing performance and flexibility in this extraordinary environment. The past year has really demonstrated the strong team spirit in Better Collective.





Jens Bager
Chairman of the board

Jesper Søgaard
Co-founder & CEO





Key events 2020

In 2020 we continued our focus on developing and maturing our branded websites with high-quality content and user experience, bringing value to our users and enhancing the entertainment of betting. Our efforts to consolidate the industry resulted in acquisitions at a value of 80 mEUR in 2020 and brought strategically important additions to the Better Collective group.

Q1 2020

-  Better Collective was awarded Affiliate of the Year at the EGR Nordics Awards. The annual EGR Nordics Awards ceremony celebrates the most successful and innovative online gaming companies operating in the Nordic region.
-  Better Collective A/S acquired the leading esports platform HLTV.org, focusing on the game "Counter-Strike: Global Offensive (CS:GO)", for a total price of up to 34.5 mEUR (257 mDKK).
-  From mid-March, 2020, the COVID-19 pandemic negatively impacted the business, as all major sports events were cancelled or postponed. In Q1, the business performed in line with the trading update issued on March 17, 2020, where sports betting revenue was reduced, however, esports and casino saw stronger performances.
-  Better Collective A/S initiated a share buyback program for up to 5 mEUR, to be executed in the period running from March 19, 2020, to June 30, 2020. As of March 31, the amount of the buyback program executed was 0.9 mEUR. The purpose of the buyback program was to cover debt related to prior acquisitions.


Q2 2020

-  The payment of the third and last instalment relating to the acquisition of Ribacka AB in cash and shares from the buyback program combined was completed. The payment reflected the maximum earn-out of 9 mEUR and consisted of 8.4 mEUR in cash and 0,6 mEUR in shares.
-  On April 22, 2020, Todd Dunlap was elected at the AGM. Todd Dunlap, a US national, brings strong competencies and experiences, especially from the US. As the CEO of North America for Booking.com, he has been instrumental in the growth journey of one of the largest online businesses within travel for the US.
-  A cost-saving program was initiated as a consequence of the reduced activity level during the COVID-19 lockdown. The total cost base in Q2, 2020 was reduced by approx. 1-1.5 mEUR compared to Q1, 2020.
-  The share buyback program was completed on June 30, 2020. During the period March 19, 2020 to June 30, 2020, shares for an amount of 4.8 mEUR were purchased.

Q3 2020

-  Following the return of major sports, Q3 was marked by high sports betting activity. When looking at the underlying betting activity in Better Collective's major European revenue share accounts, things returned close to normal in June. For the month of July, Better Collective saw the second-highest monthly sports wagering ever measured by these accounts.
-  In 2019, a partnership with NJ.com and The Daily Telegraph was entered in order to deliver Better Collective's innovative technology and content for sports betting. In Q3, Better Collective concluded the first stage proof-of-concept for our collaboration model which has proven to be successful in terms of generating traffic to the sites and NDCs delivered. The ambition is to enter more of this type of agreement going forward based on the learnings from our proof of concept partnership.


Q4 2020

 Better Collective A/S completed the acquisition of Atemi Group for 44 mEUR on October 1, 2020. Atemi Group is one of the World's largest companies specialised within lead generation for iGaming through paid media (PPC) and social media advertising. The acquisition was a major strategic move for Better Collective with significant synergistic opportunities.

 On November 2, 2020, Better Collective A/S acquired the platforms zagranie.com, a Polish sports betting media brand, and irishracing.com, a leading horse racing platform in Ireland, in two separate transactions for a combined price just above 1 mEUR.

 Better Collective was awarded Affiliate of the Year at the EGR North America Awards 2020, and received the Award for Commitment to Compliance by an Affiliate Company at the VIXIO Gambling Compliance Global Regulatory Awards 2020, for the second consecutive year.

Events after the period

 Better Collective became the majority owner in Mindway AI by increasing its ownership to 90% of the shares. As of January 1, 2021, Better Collective exercised its option to acquire an additional 70% of the shares in Mindway AI for a total price of 2.3 mEUR. Mindway AI specialises in software solutions based on artificial intelligence and neuroscience for identifying, preventing and intervening in at-risk and problem gambling. The investment supports Better Collective's ambition to make betting more safe.



Financial highlights and key ratios

tEUR	2020	2019	2018	2017	2016
Income statement					
Revenue	91,186	67,449	40,483	26,257	17,407
Revenue Growth (%)	35%	67%	54%	51%	53%
Organic Revenue Growth (%)	8%	26%	9%	28%	53%
Operating profit before depreciation, amortisations, and special items (EBITDA before special items)	38,152	28,061	16,241	10,979	7,102
Depreciation	1,548	831	169	45	26
Operating profit before amortisations and special items (EBITA before special items)	36,604	27,231	16,072	10,934	7,076
Special items, net	120	-615	-4,080	-385	0
Operating profit before amortisations (EBITA)	36,724	26,616	11,992	10,549	7,076
Amortisations	6,235	5,413	2,924	677	3
Operating profit before special items (EBIT before special items)	30,369	21,817	13,148	10,257	7,072
Operating profit (EBIT)	30,489	21,202	9,068	9,873	7,072
Result of financial items	-1,778	-2,448	-618	-87	-271
Profit before tax	28,712	18,755	8,450	9,786	6,802
Profit after tax	21,927	13,944	5,446	7,446	5,237
Earnings per share (in EUR)*	0.47	0.32	0.16	0.27	0.19
Diluted earnings per share (in EUR)*	0.45	0.31	0.15	0.26	0.19
Balance sheet					
Balance Sheet Total	315,065	229,601	148,636	38,705	8,275
Equity	162,542	138,317	85,858	14,775	6,038
Current assets	48,555	36,035	24,942	6,860	7,084
Current liabilities	26,312	22,088	24,263	17,660	2,205
Net interest bearing debt	63,275	13,646	22,270	11,535	-5,490

*Historic numbers updated with share-split 1:54

tEUR	2020	2019	2018	2017	2016
Cash flow					
Cash flow from operations before special items	38,321	26,585	15,158	9,492	8,226
Cash flow from operations	37,696	25,481	11,078	9,107	8,226
Investments in tangible assets	-459	-955	-657	16	-794
Cash flow from investment activities	-68,090	-49,509	-60,629	-18,519	600
Cash flow from financing activities	46,790	36,365	67,895	6,932	-3,861
Financial ratios					
Operating profit before amortisations and special items margin (%)	40%	40%	40%	42%	41%
Operating profit before amortisations margin (%)	40%	39%	30%	40%	41%
Operating profit margin (%)	33%	31%	22%	38%	41%
Publishing segment - EBITA before special items margin (%)*	46%	41%			
Paid media segment - EBITA before special items margin (%)*	16%	18%			
Net interest bearing debt / EBITDA before special items	1.66	0.49	1.37	1.05	-0.77
Liquidity ratio	1.85	1.63	1.03	0.39	3.21
Equity to assets ratio (%)	52%	60%	58%	38%	73%
Cash conversion rate before special items (%)	99%	91%	89%	87%	105%
Average number of full-time employees	420	364	198	116	75

For definitions of financial ratios, see definitions section in the end of the report. Comparative numbers have not been re-stated following the implementation of IFRS9 and IFRS15 in 2018, and IFRS16 in 2019.

* Segment reporting in accordance with IFRS8 has been introduced from Q4-2020. Numbers for 2019 have been restated accordingly.



Strategy

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Strategy

Building for continued growth

“I am very proud of the way we have been and are steering the business during these difficult times. Our business has proven resilient and is back on track.”

Jesper Søgaard
Co-founder & CEO

Position in the value chain

Better Collective is a leading sports betting media group rooted in affiliate marketing. We create communities that invite and incentivise expert tipsters to prove their betting knowledge by sharing tips with all our users. We create transparency by comparing odds across bookmakers, to ensure our users get the most value from their bets. We create in-depth, educational iGaming guides so that our users can gain insights and be confident that their betting is supported by knowledge.

We operate several community-based digital platforms. On some of these, our users actively generate informational content, such as on [bettingexpert.com](#). In addition, we operate a range of products, which provide our users with various information to improve their betting experience. This portfolio of websites and apps drive a monthly average of 65M+ visitors.

Proven acquisition model

Better Collective has completed 20 acquisitions since 2017, with a majority of targets focused on online sports betting. In this period, acquisitions of assets and business combinations were close to a total value of 250 mEUR. Due to our strong technological platform and scale benefits, we believe that we can improve the offering of acquisition targets and add value through both revenue and cost synergies. Better Collective's APIs allow for seamless integration to the technological platform. Once a target has been integrated, we can utilise our broad range of relevant content and other technical features to accelerate the growth of the acquired target. In 2020, we completed two significant acquisitions:

Leading esports platform HLTV.org

In February 2020, Better Collective established a strong position within the esports betting market through the acquisition of HLTV.org ApS, which included the assets HLTV.org and dust2.dk. The purchase price was 34.5 mEUR (257 mDKK) on a cash and debt free basis for the brands that are among the most popular Counter-Strike: Global Offensive (CS:GO) platforms for esports enthusiasts. The main business model of the platforms is to promote and advertise esports betting operators. During 2020, a betting section was added to HLTV.org. The HLTV.org site is committed to the strong user community it has built over the years. Much effort is put into maintaining the popularity and building the brand, which is also the brand behind the recognised CS:GO World Ranking as well as the CS:GO Player of the Year Award. At the recent

announcement of the player of the year, a record 130,000 users visited the site for the live reveal. Traffic to the site has increased significantly in the past year, not least during the lockdown of regular sports, and the overall interest in esports betting is still growing. On top of the growth trend, CS:GO is among the most popular games.

Atemi Group, lead generation through paid media

Better Collective acquired the Atemi Group for 44 mEUR on October 1 and has completed a successful integration. Atemi Group is one of the World's largest companies specialised within lead generation for iGaming through paid media (PPC) and social media advertising. The acquisition is a major strategic move for Better Collective with significant synergistic opportunities. The earning

margin within paid media is typically much lower than within organic traffic, due to direct payments to the companies providing platforms for online advertising such as Google and Facebook. At the time of acquisition, the outlook for 2020 implied earnings margin in Ateni was around 20%. Given the plans for expansion of the paid media business to new markets including the US and a gradual change of business model towards revenue share, investments will affect the earnings margin short-term resulting in an expected earnings margin of >10% and focus will be on absolute growth and long term value creation.

The Paid Media business provides Better Collective with additional channels of traffic, sourcing high intent customers at large scale. Acquiring a state-of-the-art tracking and attribution platform for online paid media activities provides the opportunity of scaling PPC activities into additional attractive markets and to further invest in the sports betting opportunity. The main strategic objectives include: the opportunity to swiftly expand into new markets, i.e. the emerging US market where for instance Google has recently provided the opportunity for buying Adwords related to online betting and casino, and significantly lift the NDC-volume for Better Collective's partners across markets.

Our offering to our customers

We provide performance-based marketing services to a range of iGaming operators through our products. Our users are referred to operators, who then convert them into players. In turn, we are remunerated on a revenue share basis, a cost per acquisition (CPA) model, or a hybrid of the two. In the US, we also offer subscription services, selling picks, or tips from experts.

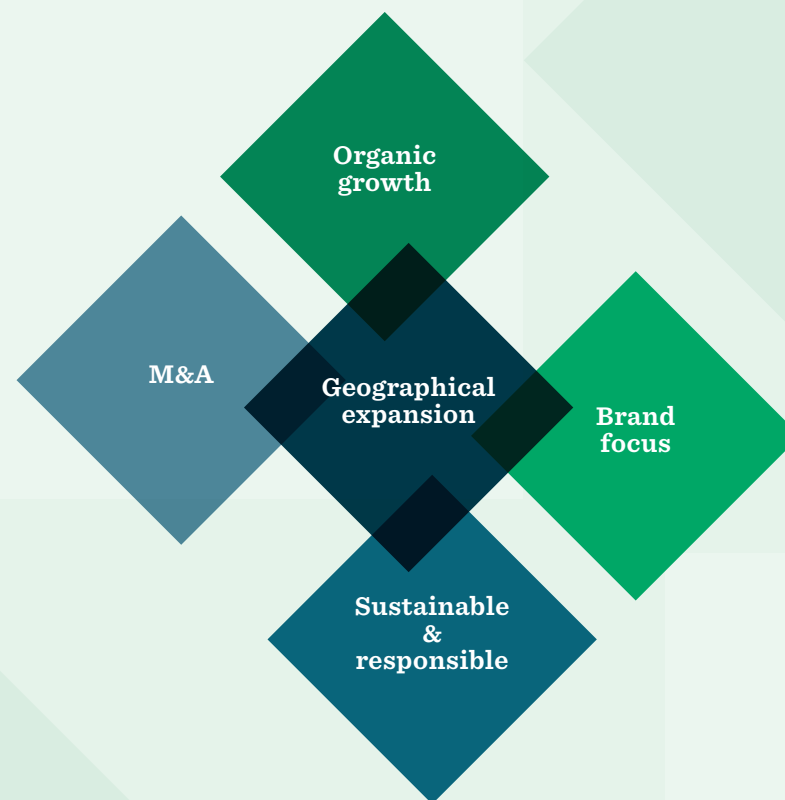
Last year, Better Collective entered into a partnership with NJ.com and The Daily Telegraph to deliver our innovative technology and content for sports betting. Having implemented and run the solutions for over a year, the concept has proven successful in terms of traffic to the sites and NDCs delivered, but also with learnings related to the structure and monetisation of such partnerships. In 2020, we concluded the first stage proof-of-concept for our collaboration model. The ambition is to enter more of this type of agreement going forward based on the learnings from our proof of concept partnership. The commercial relationships, which are co-branded with Better Collective's flagship product bettingexpert.com, provides us with the additional marketing channels to operate, market, and manage customer contacts to the betting and casino operators.

As the majority of our revenue is generated through affiliate marketing, it allows us to provide most of our products for free, and thereby to enrich the online betting and casino experience for as many users as possible.



Strategic focus areas

The iGaming industry continues to show a shift towards online gaming compared to the traditional land-based operations and this creates a strong underlying market growth. As online and search engine advertising is becoming an increasingly important marketing tool, and iGaming operators are expected to increase their spend on online marketing, we believe the iGaming affiliate market will grow at least in line with the underlying iGaming market. Better Collective's strategic focus areas for the next couple of years are:



Organic growth

For organic growth, we build on our expertise to create the best products for sports betting. We attract users and continue to deliver quality leads to our operators, ensuring our status as the preferred partner.

Acquisitions

In the last couple of years, we have proven our acquisition model. The IPO in 2018 provided the financial foundation to continue our M&A strategy. In 2019, we took in additional funds to fuel the M&A growth track. Our pipeline is strong and sure to offer attractive additions to the Better Collective group in 2021.

Geographical expansion

In short to medium terms, Better Collective is focused on expanding to the US market, as 2018 saw the repeal of the PASPA Act. This expansion means that the legal status of online sports betting has become a matter of state legislation. Furthermore, the majority of states are expected to open for betting in the coming years. Gaining a foothold in the US market by means of two significant acquisitions in 2019, we expect to find new business from the organic approach as the states regulate, while not ruling out additional collaborations and acquisitions.

Focus on brands

Most of our business is based on the affiliate marketing model. During 2020 and through M&A and partnerships we have started adding new revenue streams moving us in the direction of a broader-based media group. This transition signifies an increased focus on our branded products and ongoing changes in how we interact with our users.

Sustainable and responsible approach

We have always strived to be a socially responsible company that also aspires to strengthen the standards of the industry to ultimately empower our users. Our headquarters have remained in Denmark, where we have our roots. Additionally, we are increasingly engaging in the local communities and societies, where we are active, paying our taxes and initiating local projects in partnership with local stakeholders.

Markets

Megatrends drive growth

The iGaming market is a highly attractive growth market. Fundamentally, it has been supported by technological advances and regulation, as well as increased online and mobile penetration.



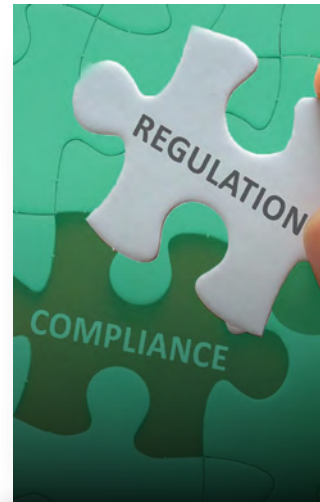
DIGITALISATION

From land-based to online



MOBILE USE

Anytime, anywhere, in game



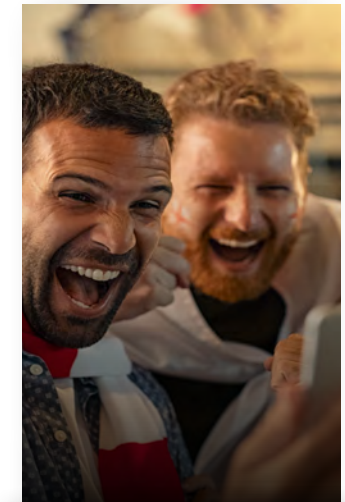
REGULATIONS

Opening new markets



SPORTS TURNOVER

Games to bet on are increasing



INDUSTRY SUSTAINABILITY

Responsible gambling to ensure sustainability

Megatrends driving our growth

The developing technology and growing use of mobile devices have made iGaming accessible to a wider audience and have also resulted in increasing demand from users with regards to their iGaming experience. These trends have also entailed growth in market participants, both among operators as well as their affiliates partners.

As iGaming becomes increasingly more widespread, many countries are amending or implementing new iGaming laws and regulations, often referred to as re-regulation. The overall impact of regulation on the iGaming market is generally believed to be positive as the awareness of and the demand for iGaming increases. We welcome regulation as it creates visibility and a level playing field. Adapting regulations to allow online betting also limits black economies, provides national tax revenue, and last but not least offers the

best possible environment for sound betting behaviour. In 2020, some European countries implemented temporary restrictions in light of the COVID-19 pandemic with a view to limit harmful gambling in a stressful time. In the US, the economic implications of the pandemic have accelerated the process to legalise online sports betting in some states as a means to increase tax revenues.

Changing dynamics globally

Globally, the highest penetration of online sports betting and casino is currently seen on the European market, which is also the stronghold of Better Collective, where more than half of the activity is online.

In line with increased digitalisation and new products becoming available for betting, the use of mobile devices means that users can bet anytime and anywhere, and this also drives the In-game betting which is currently on the rise.

The Americas online sports betting market

Better Collective has been licensed as a vendor in New Jersey since 2014, and the company's US market presence keeps growing. Better Collective is currently live in 11 states: Colorado, Illinois, Indiana, Iowa, Michigan, Nevada, New Jersey, Pennsylvania, Tennessee, Virginia, and West Virginia. As regulation, including taxation, licensing processes, and player registration differs between the states, there are several factors impacting how Better Collective prioritises its activities.

A number of states are currently subject to internal review and commercial analysis as they are expected to regulate in the years to come. LATAM and Canada hold similar great potential as regulation of online sports betting is on the table in several markets.



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Financial performance

Revenue

2020 revenue amounted to 91,186 tEUR (2019: 67,449 tEUR). The total growth was 35% with organic growth of 8%. Revenue share accounted for 59% of the revenue (66% of player-related revenue) with 24% coming from CPA, 6% from subscription sales, and 11% from other income.

The number of NDCs was more than 437,000, similar to 2019. The reduced full-year growth was mainly due to the cancellation of major sports events during the COVID lockdown. It is estimated that the cancellation and postponements of major sports events have resulted in approximately 90,000 fewer NDC's during H1 2020, compared to a "pre-COVID estimate", reducing the growth in NDCs by 21 %-points for the full year.

Cost

Full-year cost for 2020 excluding special items, and amortisations increased by 14,364 tEUR and amounted to 54,582 tEUR (2019: 40,218 tEUR). The full-year increase in costs is primarily due to the addition of the Atemi Group in Q4 and HLTV in Q1.

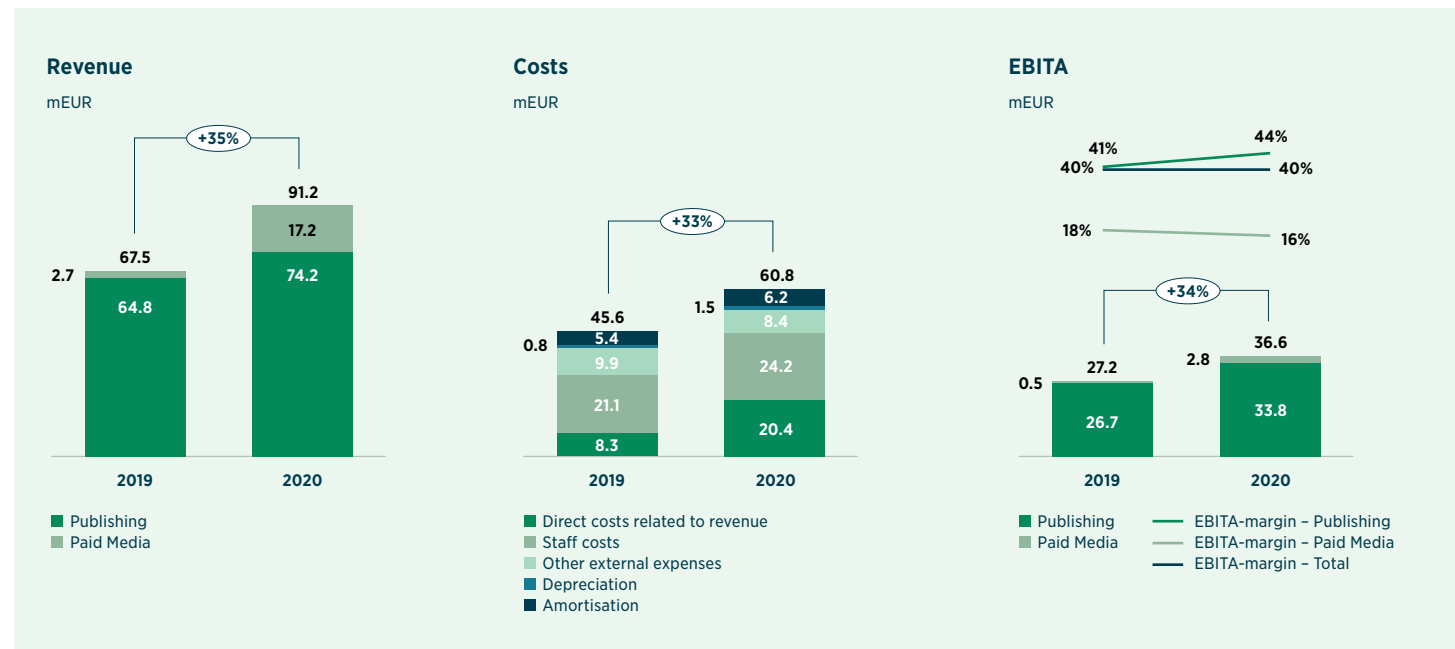
Special items of net +120 tEUR include income from the divestiture of domains and the website pocketfives.com (acquired as part of Rotogrinders Network in 2019), cost relating to M&A activities, adjustments of earn-outs, net value of intangible assets, and deferred purchase price on acquisition, as well as cost

related to the adjustment of the operation in connection with COVID-19. Furthermore, amortisations amounted to 6,235 tEUR (2019: 5,413 tEUR). Excluding amortisation and depreciation the remaining cost base increased by 13,647 tEUR or 35%, compared to 2019. Direct cost relating to revenue increased to 20,471 tEUR (2019: 8,342 tEUR), an increase of 145% which is primarily due to the addition of the Atemi Group in Q4. Direct cost includes the cost of Pay-Per-Click (PPC), hosting fees

of websites, content generation, and external development. Personnel costs increased 3,054 tEUR or 14% and amounted to 24,156 tEUR (2019: 21,105 tEUR). The average number of employees increased to 420 (2019: 364). Personnel costs include costs of warrants of 955 tEUR (2019: 384 tEUR). Other external costs decreased 1,536 tEUR or 15% to 8,407 tEUR (2019: 9,943 tEUR). Depreciation and amortisation amounted to 7,783 tEUR (2019: 6,244 tEUR), mainly attributable to acquisitions.

Earnings

Operational earnings (EBITA) before special items increased 34% to 36,604 tEUR (2019: 27,231 tEUR). The EBITA-margin before special items was 40% (2019: 40%). Including special items, the reported EBITA was 36,724 tEUR. (2019: 26,616 tEUR). EBIT before special items increased 39% to 30,369 tEUR (2019: 21,817 tEUR). Including special items, the reported EBIT was 30,489 tEUR (2019: 21,202 tEUR).



Net financial items

Net financial costs amounted to 1,778 tEUR (2019: 2,488 tEUR) and included net interest, fees relating to bank credit lines, and exchange rate adjustments. Interest expenses amounted to 1,617 tEUR and included non-payable, calculated interest expenses on certain balance sheet items, whereas financial fees and net exchange rate gain amounted to 438 tEUR and 237 tEUR respectively.

Income tax

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

Income tax for 2020 amounted to 6,785 tEUR (2019: 4,810 tEUR). The Effective Tax Rate (ETR) was 23.6% (2019: 25.6%).

Net profit

2020 Net profit after tax was 21,927 tEUR (2019: 13,944 tEUR). Earnings per share (EPS) increased 0.15 EUR or 46% to 0.47 EUR/share (2019: 0.32 EUR/share).

Equity

Equity increased to 162.5 mEUR as per December 31, 2020 from 138.3 mEUR on December 31, 2019. Besides the full year profit of 21.9 mEUR, the equity has been impacted by capital increases, share buy-back program and treasury share transactions, and warrant related transactions.

Balance sheet

Total assets amounted to 315.1 mEUR (2019: 229.6 mEUR), with total equity of 162.5 mEUR (2019: 138.3 mEUR). This corresponds to an Equity to assets ratio of 52% (2019: 60%). The liquidity ratio was 1.85 resulting from current assets of 48.6 mEUR and current liabilities of 26.3 mEUR.

Investments

On February 28, 2020 Better Collective completed the acquisition of HLTV.org ApS. The purchase price was 34.5 mEUR (257 mDKK) on a cash and debt free basis. Out of the total purchase price, 26.4 mEUR (197 mDKK) was paid upfront, of which 23.7 mEUR (177 mDKK) in cash, and shares of Better Collective A/S with a market value of 2.7 mEUR (20 mDKK).

On October 1, 2020 Better Collective completed the acquisition of the Atemi Group. The purchase price was agreed at 44 mEUR (40 mGBP) on a cash and debt free basis. Out of the total purchase price, 35.8 mEUR (32.5 mGBP) was paid upfront, of which 30.6 mEUR (27.8 mGBP) in cash, and 5.2 mEUR (4.7 mGBP) in shares from the treasury shares holding of Better Collective A/S. In December 2020 the first instalment of the deferred payment of 1.4 mEUR (1.3 mGBP) was paid.

In Q4 2020 Better Collective completed the asset acquisitions for domains and related assets of irishracing.com and zagranie.com at a total purchase price of 1 mEUR.

Investments in tangible assets were 0.5 mEUR in 2020, mainly related to new rented office facilities.

Cash flow and financing

Cash Flow from operations before special items was 38.3 mEUR (2019: 26.6 mEUR).

Acquisitions and other investments reduced cash flow with 68.1 mEUR. In addition to the payments related to HLTV and Atemi of 54.8 mEUR, payments were made related to the 2019 and 2020 dividend to other shareholders in the Rotogrinders Network / Better Collective Tennessee (60% ownership), the remaining earn-out payment from the 2018 acquisition of WBS I.K.E. Online Marketing Services Ltd., the final payment related to the 2018 acquisition of Ribacka Group AB, and the deferred payment for the 2019 acquisition of MOAR Performance Ltd.

At the end of 2020 Better Collective had bank credit facilities of a total 84 mEUR, of which 69 mEUR was drawn up. As of December 31, 2020, cash and unused credit facilities amounted to 36 mEUR.

The parent company

Better Collective A/S, Denmark, is the parent company of the Group. YTD Revenue increased by 8% to 26,940 tEUR (YTD 2019: 24,952 tEUR). Total costs including depreciation and amortisation in 2020 was 26,090 tEUR (2019: 26,659 tEUR).

Profit after tax was 15,717 tEUR (2019: 15,336 tEUR). The result is impacted by lower dividend payments from subsidiaries as well as losses on exchange rate compared to 2019.

Total Equity ended at 154,923 tEUR by December 31, 2020 (December 31, 2019: 133,712

tEUR). The equity in the parent company was impacted by a capital increase of 2,535 tEUR, the net effect of treasury shares and buyback program of 1,402 tEUR, and cost of warrants of 955 tEUR.

Significant events after the closure of the period

- ♦ January revenue reached 13 mEUR, a growth of 78% vs. 2020, of which 16% was organic growth. The organic growth was recorded despite a strong comparison towards January 2020 and was partly driven by the US business where total revenue in local currency almost doubled. The revenue growth in the US from the affiliate business relating to sports betting and casino exceeded 200%.
- ♦ 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), bringing the ownership to 90%. Mindway AI specialises in software solutions based on artificial intelligence and neuroscience for identifying, preventing, and intervening in at-risk and problem gambling.

Financial targets

Financial targets and drivers for shareholder return

In Better Collective, we strive to improve our financial performance and create added value for our stakeholders through profitable growth.

2020 performance

In connection with the IPO in 2018, the Board of Directors decided upon financial targets for the period 2018-2020. As 2020 was the last year in the range, Better Collective provided additional information for 2020 targets in isolation as shown in the table. The targets for Revenue growth, EBITA margin and capital structure were all met, whereas the organic growth target came in a bit below for 2020 isolated due to the COVID-19 lockdown impact on online sports betting. Compounded annual growth

rates (CAGR) for revenue in the period 2017-2020 was 51% of which 14% organic growth.

With the expiration of the targets above and the new segment reporting, the Board of Directors have decided on the following targets for the financial year 2021. Targets are based on sports events continuing as planned throughout 2021:

2021 financial targets

The revenue targets are based on continued high growth with an implied growth rate >80% and revenue exceeding 160 mEUR in 2021.

While M&A remains a key focus for Better Collective, potential new M&A transactions are not included in the targets and serve as an additional growth driver.

The earnings target maintains the focus on high earnings with an implied combined margin of >30% and an EBITDA exceeding 50 mEUR in 2021. It is a reflection on continued high earnings margin in the Publishing segment, as seen throughout 2018-2020, and lower margins in the Paid Media segment combined with further investments in Paid Media in the short term. Note the change from EBITA in recent financial targets to EBITDA.

The debt leverage target allows for an increased financing capacity compared to previous years in alignment with the continued M&A focus. In order to achieve continued growth, we rely on our ability to attract users and deliver quality leads to further organic growth. For acquisitive growth, we rely on our pipeline to continue to offer attractive additions to Better Collective. Finally, for our geographical expansion, in particular the US market, the pace by which the individual states and markets open for online sports betting will affect our operations and growth derived from it. See also Key risk factors on page 33.

Financial Targets for 2018-2020

	Target 2018-2020	Actual 2018-2020	Target 2020	Actual 2020	Actual 2019	Actual 2018
Revenue growth p.a. (incl. M&A and organic)	30-50%	51%	>30%	35%	67%	54%
- of which organic growth	Double-digit	14%	>10%	8%	26%	9%
Operating margin (EBITA)*	>40%	40%	>40%	40%	40%	40%
Net Interest Bearing Debt/EBITDA*	< 2.5	1.66	< 2.5	1.66	0.49	1.37

* Before special items.

Financial Targets for 2021

	Target Total	Actual 2020	Target Publishing	Target Paid Media
Revenue / revenue growth (excl. new M&A)	>160 mEUR	91 mEUR	>15%	Full year effect + organic growth
Organic growth	>15%	8%	>15%	>25%
EBITDA / EBITDA margin	>50 mEUR	38 mEUR	>40%	>10%
Net interest bearing debt/EBITDA	<3.0	1.66	-	-

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.



Corporate Matters

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Corporate Governance Report

Better Collective A/S is a Danish public limited liability company and is governed by the provisions of the Danish Companies act. The registered office and headquarters is situated in Copenhagen, Denmark. Better Collective has been listed on Nasdaq Stockholm since June 8, 2018, in the Mid Cap index.

Framework for corporate governance in Better Collective

The purpose of corporate governance is to ensure that a company is run sustainably, responsibly and as efficiently as possible. In Better Collective, good corporate governance is about earning the confidence of shareholders, business partners, and legislators by creating transparency in decision-making and processes. A well-defined and structured distribution of roles and areas of responsibilities between shareholders, the board, and the management secures efficiency at all levels. Particularly, it allows the management team to focus on business development and thereby the creation of shareholder value. The board of directors serves as a highly qualified dialogue partner for the management team supporting the outlined growth strategy, securing a tight risk management setup, and optimal capital structure. The corporate governance is based

on applicable Danish legislation and other external rules and instructions, including the Danish Companies Act, Nasdaq Stockholm's Rulebook, the Swedish Securities Council's good practices in the stock market, the Swedish Code of Corporate Governance and Better Collective's guidelines, which include the Articles of Association, various policies, and other guidelines. Better Collective has resolved that it will comply with the Swedish Code instead of the Danish recommendations on Corporate Governance, as is customary for companies listed on Nasdaq Stockholm. The main corporate laws and rules on governance relevant for shareholders in a Danish public limited liability company that is listed on Nasdaq Stockholm, and complying with the Code, are to a large extent materially similar to the corresponding Swedish rules that would apply for a Swedish public limited liability company under the same circumstances.

The share and shareholders

Better Collective A/S was listed on Nasdaq Stockholm in the Mid Cap segment on June 8, 2018. The number of shares outstanding on December 31, 2020 was 46,904,219. Each share entitles the holder to one vote. The number of shareholders on December 31, 2020 was 2,983 which is an increase from the 1,086 shareholders at December 31, 2020. The largest shareholders on December 31, 2020 were Chr. Dam Holding and J. Søgaard Holding (the co-founders of Better Collective) with each 10,671,179 shares and each representing 23% percent of the votes and share capital in the company. Further information on the Better Collective share and shareholders are available in the section Share and shareholders on page 37 as well as on the company's website.

Better Collective complies with the Swedish code of corporate governance with the following exceptions:

As stipulated in Better Collective's Articles of Association, the board of directors appoint the meeting chair for the AGM instead of letting the nomination committee propose a meeting chair. The Articles also stipulate that the meeting chair approves the AGM minutes instead of letting an AGM participant that is not member of the board or an employee of the company approve the minutes of the meeting.

The respective reports on corporate governance and sustainability do not include a part of the auditor's report covering the specific reports, as these subjects are not individually addressed in the auditor's report.

These deviations are due to differences between Danish and Swedish laws and practices.

General meeting

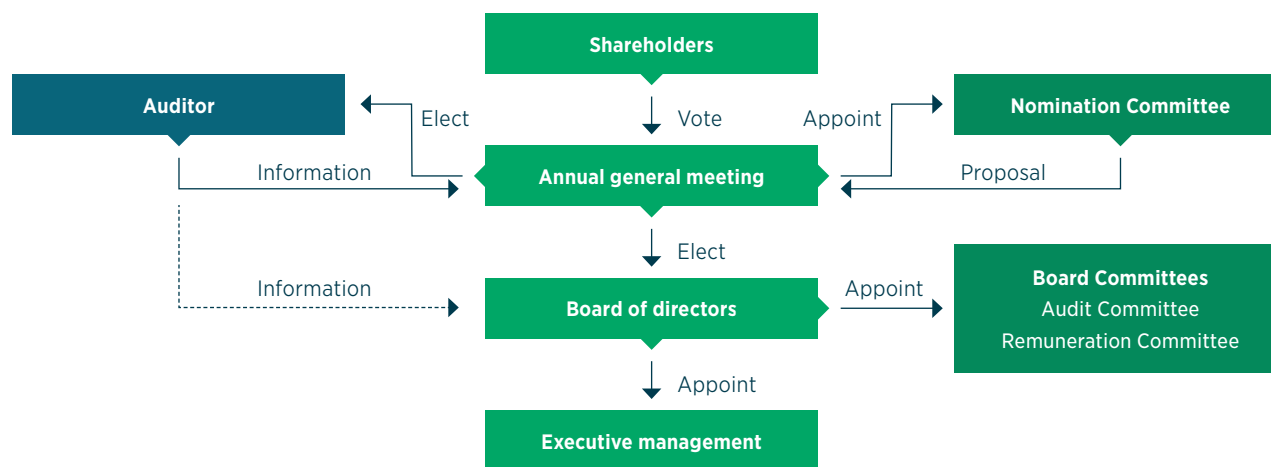
Pursuant to the Danish Companies Act, the general meeting is the Company's superior decision-making body. The general meeting may resolve upon every issue for the Company which does not specifically fall within the scope of the exclusive powers of another corporate body, for example the power to appoint the executive management, which falls within the scope of the board of directors in limited liability companies that are managed by a board of directors.

At the general meeting, the shareholders exercise their voting right on key issues, such as amendments of the Company's Articles of Association, approval of the annual report, appropriation of the Company's profit or loss (including distribution of any dividends), resolutions to discharge the members of the board of directors and the executive management from liability, the appointment and removal of members of the board of directors and auditors and remuneration for the board of directors and auditors. Other matters transacted at the meeting may include matters that, according to the articles of association or the Danish Companies Act, must be submitted to the general meeting.

Time and place

The annual general meeting must be held at a date that allows sufficient time to send the Danish Business Authority a copy of the audited and adopted annual report within four months of the end of the financial year. In addition to the annual general meeting, extraordinary general meetings may be convened and held when required. According to the Company's articles of association, general meetings must be held in Greater Copenhagen, Gothenburg or Stockholm.

Better Collective Corporate Governance Structure



Notice

According to the Company's Articles of Association, general meetings must be convened by the board of directors giving written notice no earlier than five weeks and no later than three weeks prior to the general meeting. Pursuant to the Danish Companies Act, notices convening general meetings shall be made public on the Company's website. If requested, shareholders shall receive written notices of the general meetings as the case may be.

Extraordinary general meetings must be held upon request from the board of directors or the auditor elected by the general meeting. In addition, shareholders that individually or collectively hold ten percent or more of the share capital can make a written request to the board of directors that an extraordinary general meeting be held to resolve upon a specific matter. Such extraordinary general

meetings must be convened within two weeks of the board of directors' receipt of a request to that effect.

The notice to convene a general meeting must be made in the form and substance for public limited liability companies admitted to trading on a regulated market as stipulated in the Danish Companies Act. The notice must also specify the time and place of the general meeting and contain the agenda of the business to be addressed at the general meeting. If an amendment of the Company's articles of association shall be resolved upon at a general meeting, the complete proposal must be included in the notice. For certain material amendments, the specific wording must be set out in the notice.

As regards the annual general meeting, the Company must announce the date for the

meeting as well as the deadline for any shareholder proposals no later than eight weeks before the scheduled date for the annual general meeting.

Right to attend general meetings

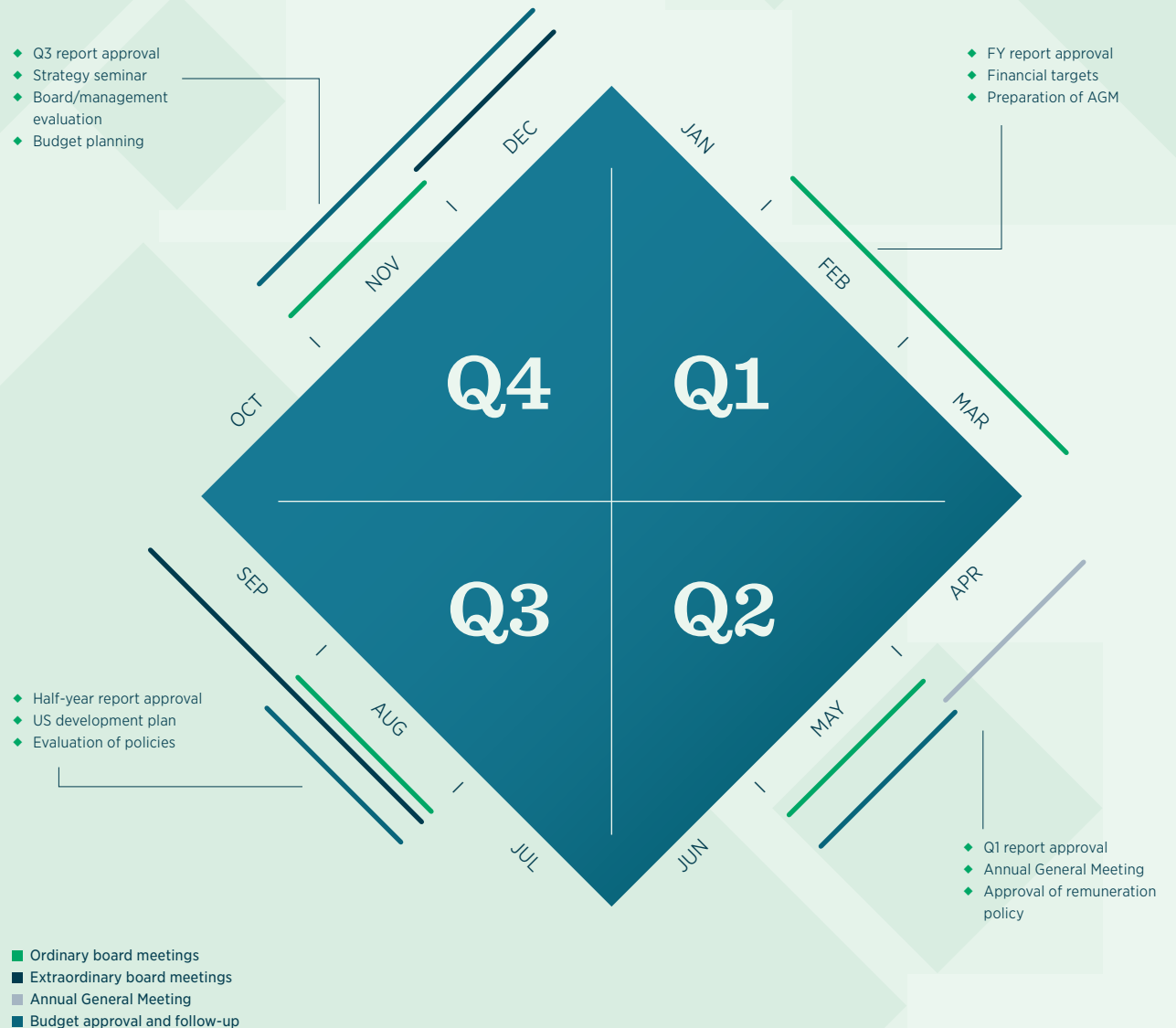
A shareholder's right to attend a general meeting and to vote on their shares is determined on the basis of the shares held by the shareholder at the date of registration. The date of registration is one week before the general meeting is held. The holdings of each individual shareholder is based on the number of shares held by that shareholder as registered in the Company's share register maintained by Euroclear Sweden as well as any notifications of ownership received by the Company for the purpose of registration in the share register, but not yet registered.

To attend the general meeting, a shareholder must, in addition to the above-mentioned, also notify the Company of his or her attendance no later than three days prior to the date of the general meeting, as stipulated by the Company's articles of association. Shareholders may attend general meetings in person, through a proxy or by postal vote, and may be accompanied by an advisor. All attending shareholders are entitled to speak at general meetings.

Voting rights and shareholders initiatives

Each share entitles the holder to one vote. All matters addressed at the general meeting must be decided by a simple majority vote, unless otherwise stipulated by the Danish Companies Act or the Company's articles of association. A resolution to amend the articles of association requires that no less than two thirds of the votes cast as well as the share capital represented at the general meeting vote in favour of the resolution, unless a larger majority is required by the Danish Companies Act (for example resolutions to reduce shareholder rights to receive dividends or to restrict the transferability of the shares) or the Company's articles of association. 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.

A year with the board of directors



General meetings in 2020

The Annual General Meeting 2020 was held on April 22, 2020 and approved the 2019 annual report, discharged the Board and Executive Management, and re-elected all the current board members, elected one new board member, and re-elected the current auditor. The shareholders further approved the proposals from the board of directors to authorise the board of directors to increase the company's share capital without pre-emption rights for the existing shareholders and to authorise the board of directors to acquire treasury shares. The shareholders adopted a new remuneration policy as well as the proposal to issue warrants to the newly elected board member. No extraordinary general meetings were held in 2020.

Annual general meeting 2021

The annual general meeting 2020 will take place on April 26, 2021 at 2.00 p.m. Due to expected restrictions in light of the COVID-19 pandemic, the AGM will be fully electronic. For more information, please see the section on Annual general meeting on the company's website.

Nomination committee

According to the Code, the Company shall have a nomination committee, the duties of which shall include the preparation and drafting of proposals regarding the election of members of the board of directors, the chairman of the board of directors, the chairman of the general meeting and auditors. In addition, the nomination committee shall propose fees for board members and the auditor. The Company's Articles of Association hold instructions and rules of procedure for the

nomination committee according to which the nomination committee is to have at least three members representing the three largest shareholders per the end of August, together with the chairman of the board of directors. The names of the members of the nomination committee must be published by the Company no later than six months prior to the annual general meeting.

On August 31, 2020, the three largest shareholders were Chr. Dam Holding and J. Søgaaard Holding which are grouped. In accordance with shareholders' decision, the nomination committee was appointed and is composed by four members in total:

- ♦ Daniel Nyvang Mariussen, representing Chr. Dam Holding and J. Søgaaard Holding, and chairman of the nomination committee
- ♦ Martin Jonasson, representing Andra AP-Fonden and Tredje AP-Fonden
- ♦ Michael Knutsson, representing Knutsson Holdings
- ♦ Jens Bager, Chairman of the board of directors, Better Collective

In all, the nomination committee represented 62% of the total number of shares in Better Collective, based on ownership data as per August 31, 2020.

Independence of the nomination committee

The Code requires the majority of the nomination committee's members to be independent in relation to the Company and its management and that at least one of these shall also be independent in relation to the Company's largest shareholder in terms of voting power.

All members are independent in relation to the Company and the Company's management and all members except for Daniel Nyvang Mariussen are independent in relation to major shareholders.

Meetings of the nomination committee

Ahead of the AGM 2021, the nomination committee has held four meetings, all of which with full attendance. No fees have been paid for work on the committee.

Board of directors

After the general meeting, the board of directors is the most superior decision-making body of the Company. The duties of the board of directors are set forth in the Danish Companies Act, the Company's articles of association, the Code and the written rules of procedure adopted by the board of directors, which are revised annually. The rules of procedure regulate, inter alia, the practice of the board of directors, tasks, decision-making within the Company, the board of directors' meeting agenda, the chairman's duties and allocation of responsibilities between the board of directors and the executive management. Rules of procedure for the executive management, including instruction for financial reporting to the board of directors, are also adopted by the board of directors.

The board of directors meets according to a predetermined annual schedule. At least five ordinary board meetings shall be held between each annual general meeting. In addition to these meetings, extraordinary meetings can be convened for processing matters which cannot be referred to any of the ordinary meetings. In 2020, 10 meetings were held.

Composition of the board

The members of the board of directors are elected annually at the annual general meeting for the period until the end of the next annual general meeting. According to the Company's articles of association, the board of directors shall consist of no less than three and no more than seven board members. Furthermore, the Code stipulates that no deputy members may be appointed. Currently, the board of directors is composed of six ordinary board members elected by the general meeting: Jens Bager (Chairman), Todd Dunlap, Klaus Holse, Søren Jørgensen, Leif Nørgaard, and Petra von Rohr. The board attended Nasdaq's stock market training course for board and management prior to the listing in 2018. Todd Dunlap received Nasdaq training in 2020 after joining the board. For information about the board members see page 34.

Evaluation of board performance

The board of directors regularly evaluates its work through a structured process. The chairman is responsible for carrying out the evaluation and presenting the results to the nomination committee. In 2020, an external management consultancy conducted an assessment of the board's work, including the collaboration with the executive management. The assessment was based on a questionnaire. Every other year, the questionnaire is combined with personal interviews with each board and executive management member. The evaluation was presented to and discussed by the board and subsequently the nomination committee. In addition, the nomination committee conducted individual interviews with the board members leading up to the AGM. The overall conclusion was that the board's performance and efficiency is found to be satisfactory and that the board has a

well-balanced mix of competencies, however, with some room for deep industry knowledge.

Diversity

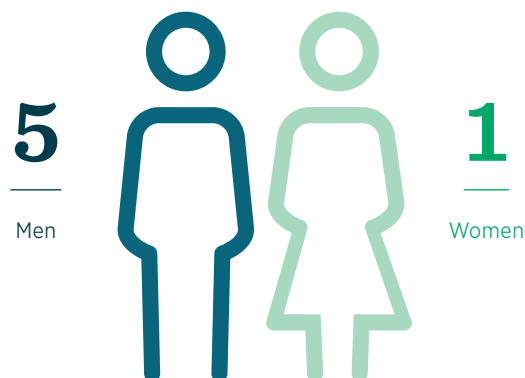
Report on the underrepresented gender, cf. Section 99 b of the Danish Financial Statements Act.

The board composition must be set with appropriateness to the Company's operations, phase of development, and must collectively exhibit diversity regarding gender, age, nationality, experience, professional background, and business expertise. Regarding gender diversity at the board of directors' level, the company has set a target for a board consisting of five to seven members to have a minimum of two members of the underrepresented gender elected by the general meeting. In 2020, a change to the composition of the board was made as Todd Dunlap, the CEO of North America for Booking.com, joined the Better Collective's board of directors. The candidate was chosen due to his specific capabilities and knowledge from building an online

lead generation business in the US. Currently, the board consists of five men and one woman, why the target figure was not reached in 2020. In the recruitment of new board members, the company and its nomination committee will seek to realise the target over the coming years and by 2023 at the latest.

Better Collective aims to offer equal opportunities to men and women across our organisation, as well as promoting equal opportunities regardless of gender, ethnicity, race, religion, and sexual orientation. The executive management is made up of three men. For the other management levels in the company, the gender split in 2019 was 83% men and 17% women, which is a step back from 2019 (80% men and 20% women). Recruitment and promotion of managers in 2020 was performed with an aim of increasing diversity, resulting in new managers of both genders. We will continually work to increase the share of the underrepresented gender at all management levels, on average, aiming for a target of 35% women over the coming years and by 2023 at the latest.

Gender split in Board level in 2020



Board committees

The board of directors has established two committees: the audit committee and the remuneration committee. The board of directors has adopted rules of procedure for both committees.

Audit committee

The audit committee consists of Leif Nørgaard (chairman), Søren Jørgensen, and Petra von Rohr. The audit committee's role is mainly to monitor the Company's financial position, to monitor the effectiveness of the Company's internal control and risk management, to be informed about the audit of the annual report and the consolidated financial statements, to review and monitor the auditor's impartiality and independence and to monitor the Company's compliance with law and regulations related to financial matters. The audit committee has an annual work plan and has held five meetings in 2020.

Remuneration committee

The remuneration committee consists of Jens Bager (chairman) and Klaus Holse. The remuneration committee's role is primarily to prepare matters regarding remuneration and other terms of employment for the executive management and other key employees. The remuneration committee shall also monitor and evaluate ongoing and completed programs for variable remuneration to the Company's management and monitor and evaluate the implementation of the guidelines for remuneration to the executive management which the annual general meeting has adopted. The remuneration committee has an annual work plan and has held three meetings in 2020.

Executive management

According to the Danish Companies Act and the Company's articles of association, the board of directors appoints and removes the members of the executive management. The executive management is responsible for the day-to-day management of the Company. Currently, the executive management consists of Jesper Søgaard as CEO, Flemming Pedersen as CFO and Christian Kirk Rasmussen as COO. The members of the executive management are presented in further detail on page 36.

The duties and responsibilities of the executive management are governed by the Danish Companies Act, the Company's articles of association, the rules of procedures for the executive management adopted by the board of directors, other instructions given by the board as well as other applicable laws and regulations. The executive management's duties and responsibilities include, inter alia, ensuring that the Company maintains adequate accounting records and procedures, that the board of directors' resolutions are implemented in the daily management of the Company, that the board of directors are up to date on all matters of importance to the Company and that the day-to-day management of the Company is carried out.

Remuneration to the board of directors and the executive management

Remuneration to the board of directors

Fees and other remuneration to board members elected by the general meeting are resolved at the annual general meeting. At the annual general meeting held on April 22, 2020,

Attendance at board and committee meetings

Name	Board Meeting	Audit Committee	Remuneration Committee
Jens Bager (chairman)	◆◆◆◆◆◆◆◆◆◆	-	◆◆◆
Todd Dunlap*	◇◆◆◆◆◆◆◆◆◆	-	-
Klaus Hølse	◆◆◆◆◆◆◆◆◆◆	-	◆◆◆
Leif Nørgaard	◆◆◆◆◆◆◆◆◆◆	◆◆◆◆◆	-
Søren Jørgensen	◆◆◆◆◆◆◆◆◆◆	◆◆◆◆◆	-
Petra von Rohr	◆◆◆◆◆◆◆◆◆◆	◆◆◆◆◆	-

◆ Attendance ◇ Non-attendance

* Todd Dunlap was elected at the annual meeting on April 22, 2020.

it was resolved that a fee of EUR 90,000 is to be paid to the chairman and that fees of EUR 30,000 is to be paid to each of the other board members. The work in a board committee is remunerated with EUR 13,500 for a chairmanship and EUR 6,750 for a regular member.

For the financial year 2020, the board of directors received remuneration as set out in note 5 on page 59. For additional detail, see also the remuneration report for 2020 available from bettercollective.com.

Remuneration to the executive management

Remuneration to the executive management consists of basic salary, variable remuneration, pension benefits, share related incentive programs and other benefits. For the financial year 2019, the executive management received remuneration as set out in note 5 on page 59.

Remuneration report 2020
https://bettercollective.com/wp-content/uploads/2021/03/Remuneration_report_2020.pdf

Remuneration policy

At the annual general meeting on April 22, 2020, it was resolved to adopt a Remuneration Policy to replace the current Guidelines for incentive remuneration to comply with the updated section 139 and 139a in the Danish Companies Act.

Members of the Company's board of directors and executive management receive a fixed annual remuneration. In addition, members of the executive management may receive incentive-based remuneration consisting of share-based rights. Finally, members of the executive management may receive incentive-based remuneration consisting of a cash bonus (including cash bonuses based on de-

velopment in the share price), on both an ongoing, single-based and event-based basis.

Cash bonus schemes for executive management may consist of an annual bonus, which the individual member of the executive management can receive if specific targets of the Company and other possible personal targets for the relevant year are met. The maximum cash bonus shall be equivalent to 100 percent of the fixed base salary of each eligible participant of the executive management. Payment of bonus is only relevant when conditions and targets have been fully or partly met (as determined by the board of directors). If no targets are met, no bonus is paid out. Targets for the executive management shall be agreed upon by the board of directors and the executive management. The general meeting will decide whether to establish a long-term incentive program (LTI program).

Remuneration policy 2020

https://bettercollective.com/wp-content/uploads/2020/07/Remuneration_Policy_approved_2020.04.22.pdf

Internal controls

The board of directors has the overall responsibility for the internal control of the Company. The main purpose of the internal control is to ensure that the Company's strategies and objectives can be implemented within the business, that there are effective systems for monitoring and control of the Company's business and the risks associated with the Company and its business, and to ensure that the financial reporting has been prepared in accordance with applicable laws, accounting standards and other requirements imposed on listed companies. The board of director's responsibility for the internal control and financial reporting is governed by the Danish Financial Statements Act, the Danish Companies Act and the Code. In addition, the board of directors has implemented an internal control framework based on the COSO standard, which focuses on the five areas: control environment, risk assessment, control activities, information as well as communication and monitoring.

Control environment

In order to create and maintain a functioning control environment, the board of directors has adopted a number of steering documents and policies, including rules of procedure for the board of directors, the board committees and the executive management with instruction for financial reporting to the board of directors. The policies include a tax policy, treasury policy, IT policy, information policy, insider policy, instruction for insider lists and a code

of conduct. The Company also has a group accounting manual which contains principles, guidelines and processes for accounting and financial reporting.

The division of roles and responsibilities within the rules of procedure for the board of directors and the executive management aim to facilitate an effective management of the Company's risks. The board of directors has also established an audit committee whose main task is to monitor the effectiveness of the Company's internal control, internal audit and risk management, to be informed about the audit of the annual report and consolidated financial statements, and to review and monitor the auditor's impartiality and independence.

The board evaluates the need for an internal audit function annually. In 2020, given the size of the company, it was decided that an internal audit function is not currently needed.

The Company applies an internal "signing & approval" framework to ensure a clear and formalised distribution and limitation of power, and to define and govern guidelines for the delegation of authority to sign on behalf of the Company. The Company has furthermore established an IT governance structure to ensure that all major IT projects support the Company's business goals and that existing IT systems and resources are used optimally. The Company has implemented a whistle-blower scheme providing employees with the ability

to easily and anonymously report any observations of potentially destructive, unethical or illegal activities related to the Company.

Risk assessment

Risk assessment includes identifying risks pertaining to the Company's business, assets and financial reporting as well as assessing the impact and probability of those risks, to ensure that actions to reduce or eliminate risks are analysed and implemented. Within the board of directors, the audit committee is responsible for continuously assessing the Company's risks

The executive management shall annually prepare an internal risk management assessment which is reported to the audit committee and subsequently to the board of directors. The risk management assessment shall include a follow-up on previous year's work and a review of any changes to procedures, control systems and risk-mitigating actions.

With regards to financial reporting, the CFO and the finance department annually prepares a report for the audit committee, including a review of items subject to special risks and significant accounting estimates and judgments, allowing the audit committee to monitor the financial reporting process. The audit committee also evaluates the need for an internal audit function annually and makes recommendations to the board of directors.

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

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

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

Control activities

Control activities are performed for the purpose of preventing, detecting and correcting any errors and irregularities, including fraud. Control activities are implemented in the Company's systems and procedures, including financial reporting systems and procedures. Control activities include, for example, physical and electronic preventive access controls concerning sensitive and confidential information, preventive IT based controls limiting access to systems, joint approval procedures for electronic bank transfers and detective controls. Financial control activities are performed in accordance with the group accounting manual and are carried out on a monthly basis and are documented.

Information and communication

Internal communication to employees occurs, inter alia, through policies, instructions and blog posts, including a code of conduct which serves as an overall guiding principle for employees in all communication, an information policy which governs internal and external information as well as an insider policy which ensures appropriate handling of insider information that has not yet been disclosed to the public. Additionally, the Company's CEO holds the overall responsibility for the handling of matters regarding insider information.

The Company's Investor Relations function is led and supervised by the CFO and the Head of Investor Relations. The principal tasks of the Investor Relations function are to support matters relating to the capital market as well as to assist in preparing financial reports, general meetings, capital market presentations and other regular reporting regarding Investor Relations activities.

Monitoring

Compliance and effectiveness of internal controls are continuously monitored. The executive management ensures that the board of directors receives continuous reports on the development of the Company's activities, including the Company's financial results and position, and information about important events, such as key contracts. The executive management also reports on such matters at each board meeting.

The board of directors and the audit committee examines the annual report and the interim reports and conducts financial evaluations based on established business plans.

The audit committee reviews any changes in accounting policies to determine the appropriateness of the accounting policies and financial disclosure practices. Furthermore, the audit committee also reviews the consistency of accounting policies across the Group on a yearly basis.

The efficiency of the key controls is evaluated at regular intervals and reported to the board of directors summarising the performed evaluations and accounting for any deviations that must be managed. In 2020, a review of internal controls was performed with the purpose of reviewing compliance with processes and internal controls covering key areas and process flows according to the Company's group accounting manual. The review concluded that the Company's financial internal controls were deemed appropriate.

Furthermore, the Group's policies are subject to at least one annual review by the board of directors.

External audit

The Company's auditor is appointed by the annual general meeting for the period until the end of the next annual general meeting. The auditor audits the financial statements prepared by the board of directors and the executive management. Following each financial year, the auditor shall submit an audit report to the annual general meeting. The Company's auditor reports its observations from the audit and its assessment of the Company's internal control to the board of directors. At the annual general meeting held on April 22, 2020, EY Godkendt Revisionspartnerselskab was re-elected as the Company's auditor with Jan C. Olsen as the lead auditor. It was also

resolved that the fees to the auditor should be paid in accordance with normal charging standards and approved invoice. The total fee paid to the Company's auditor for the financial year 2020 amounted to 268 tEUR, of which 198 tEUR regarded the audit assignment, and 70 tEUR regarded other assignments.

Better Collective complies with the Swedish code of corporate governance with the following exceptions:










As stipulated in Better Collective's Articles of Association, the board of directors appoint the meeting chair for the AGM instead of letting the nomination committee propose a meeting chair. The Articles also stipulate that the meeting chair approves the AGM minutes instead of letting an AGM participant who is not a member of the board or an employee of the Company approve the minutes of the meeting.

The respective reports on corporate governance and sustainability do not include parts of the auditor's report covering the specific reports, as these subjects are not individually addressed in the auditor's report.

These deviations are due to differences between Danish and Swedish laws and practices.

Key risk factors

Key risk factors are described below. The risk factors are not listed in any order of priority. Also see financial risks in note 20 on page 73.

	 MARKET REGULATION	 MARKETS AND CUSTOMERS	 PRODUCTS AND USERS	 M&A	 USA	 CORPORATE CULTURE	 LEGAL	 IT	 COVID-19
DESCRIPTION	Changes to applicable laws and regulations could lead to an increased burden of compliance, which could be costly and time-consuming to maintain efficiently. Socially responsible marketing of gambling products and a safer gambling environment for consumers either through regulation or voluntary measures will add to the long-term sustainability and growth of the iGaming industry..	Anticipating and responding to important trends in the market for iGaming is critical to Better Collective's ability to retain customers and win market share. Failing to spot these trends represents a risk. Better Collective's revenue is affected by its customers, the iGaming operators, and user activity. Low activity could, therefore, affect revenues negatively.	Better Collective always strives to offer the best and most innovative products with high online rankings. Failure to be ahead of development in the industry poses a risk, as the competitive landscape encourages novelty and edge in products.	Better Collective actively participates in market consolidation to increase relevance to its customers and to reduce the exposure of single products and customers. M&A activity poses risk as targets need to be qualified, deals negotiated, and businesses integrated.	With the 2019 acquisitions in the US, the overall risk profile of Better Collective has changed, and regulatory, compliance, as well as financial risk, has increased.	People remain the key drivers in everything that we do at Better Collective since our business is based on specialised expertise and innovation. Failure to attract, develop, and retain the most skilled employees and management talent constitutes a risk to the company.	Better Collective believes contractual risk as well as legal risk related to regulatory requirements are critical. Failure to meet or implement regulatory requirements, in a timely fashion concerning, for instance, data protection, confidentiality agreements, IPR, and fraud constitutes a risk.	As a digital software-based company with a core business based on modern information technology, Better Collective's failure to adequately protect itself against IT risk represents a distinct risk. Cybercrime including unauthorised access to Better Collective's network and data could endanger applications as well as the infrastructure and the technical environment stored on Better Collective's network.	The COVID-19 pandemic has had a significant impact on the global economy in 2020. Major sports events were cancelled and significantly postponed, impacting our revenue as we to a large extent rely on the operators' user activity. While sports have more or less resumed, the pandemic is still a risk factor. Additionally, the health and safety of our employees may be at risk.
RISK MANAGEMENT	Changes in regulation may involve imposing licence requirements, marketing restrictions and local taxation, although it can also imply a liberalisation of the market. iGaming regulation provides transparency to the legal framework, which in turn enhances predictability. Through our sustainability efforts, our focus on responsible gambling, and our collaborations we promote a socially responsible approach across the industry.	Extensive market research and industry analysis allow Better Collective to anticipate and respond to market movements including new requirements. Due to acquisitive growth in recent years, the customer base of iGaming operators has changed and Better Collective is less dependent on major customers, geographies and markets	Better Collective conducts a systematic prioritisation of user, customer, and market requirements. Updates include enhanced system functionality and improved technical infrastructure as well as search engine optimisation to remain competitive.	Better Collective has proven its acquisition model in recent years and continues to work diligently in the evaluation and building of its M&A pipeline. Integration of new assets and entities create valuable synergies due to Better Collective's APIs and processes.	Better Collective has mitigated the additional risks in the US in a number of ways: regulatory and compliance risk through the involvement of regulatory bodies in our licensing process for newly established entities, financial risk through a performance-based valuation of the acquired entity, and organisational risk through establishment of local governance, management, and Finance, HR, and Legal organisation dedicated to the US operations.	Better Collective's values and the notion of a work-life balance serve as strong tools for recruitment of talent. Naturally, we have found that talented people are happy to stay with a company that treats them with respect and gives them freedom.	Better Collective has established a central Legal function that, together with the commercial and business development operations, ensures a stage-gate approach when new contracts are made and when new regulations or compliance are being imposed.	Better Collective's IT department continuously monitors its global technical infrastructure, aiming to identify and minimise risk to the company's production and performance. Through well-established procedures and solutions, Better Collective can quickly restore critical business operations.	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.

Board of Directors



Jens Bager

Chairman of the Board and of the Remuneration Committee	
Born	1959
Nationality	DK
Present position since	2017

Education: Jens Bager holds a M.Sc in Economics and Business Administration from Copenhagen Business School.

Professional background: Jens Bager was the CEO of ALK-Abelló A/S for 16 years before joining Better Collective, and prior to that he was an EVP of Chr. Hansen A/S. Jens Bager is an Industrial Partner at Impilo AB, the chairman of Scantox Holding ApS and Marleybones Ltd, and has served on various boards in Denmark, Sweden, and France.. He has extensive experience within general management of international and listed companies.

Other assignments: Member of the executive board of Apto Invest ApS, Apto Advisory ApS and 56* NORTH Equity Partners ApS.

Previous assignments: Board chairman of Ambu A/S, Heatex AB and Poul Due Jensens Fond. CEO of ALK-Abelló A/S.

Independence in relation to:

- shareholders	Yes
- the company	Yes



Todd Dunlap

Board Member	
Born	1966
Nationality	USA
Present position since	2020

Education: Todd Dunlap holds two Bachelor of Science degrees, one in aerospace engineering and the other in business administration. He has completed graduate programs in Business and International Management from Stanford University and The Thunderbird School of Global Management.

Professional background: Todd Dunlap is the CEO of North America for Booking.com and is responsible for the overall growth of the company's business in the United States and Canada. Todd Dunlap has worked at Microsoft for 14 years, most recently in the role as Vice President & COO of Microsoft's Consumer & Online Division.

Other assignments: Guest lecturer and mentor at the University of Washington's Foster School of Business.

Previous assignments: Todd Dunlap has served as the Vice President and Managing Director of the Americas Region also at Booking.com. President and general manager at Microsoft Licensing, and former Board Advisor to Better Collective. Todd Dunlap also led the Internet Business Unit at WRQ, a global software and consulting firm.

Independence in relation to:

- shareholders	Yes
- the company	Yes



Klaus Holse

Board Member and Member of the Remuneration Committee	
Born	1961
Nationality	DK
Present position since	2017

Education: Klaus Holse holds a M.Sc. in Computer Science from the University of Copenhagen, and a Graduate Diploma in Business Administration (HD) from Copenhagen Business School.

Professional background: Klaus Holse is currently the CEO of SimCorp and has previously been a Corporate VP at Microsoft, and Senior President at Oracle. At Microsoft, he was President of Western Europe, leading the largest area outside of the US. He has extensive experience from the IT and software industry.

Other assignments: Board chairman of Tink AB, SuperOffice AS and Zenegy A/S. CEO of Simcorp A/S. Member of the Supervisory Board of industriens Arbejdsgivere in Denmark and Dansk Industri. .

Previous assignments: Board chairman of AX IV EG Holding III ApS, Danske Lønssystemer A/S, Lessor A/S, EG A/S, Ipayroll Holding ApS, Lessor Group ApS, Lessor Holding ApS and Delegate BE Holding ApS. Former member of the board of directors of The Scandinavian ApS.

Independence in relation to:

- shareholders	Yes
- the company	Yes

Board of Directors



Leif Nørgaard

Board Member and Chairman of the Audit Committee	
Born	1955
Nationality	DK
Present position since	2014

Education: Leif Nørgaard holds a M.Sc in Economics and Business Administration from Aarhus Business School and State Authorised Public Accountant.

Professional background: Leif Nørgaard has held senior positions in global companies, incl. CFO for Chr. Hansen Group, CFO for Dako Group, CFO for Teleca Group, and has served on boards in several countries. Leif Nørgaard is a professional investor and part-time CFO in start-up companies. He has extensive experience in finance, start-ups and growth companies..

Other assignments: Board chairman of MuteBox ApS, Myselfie Aps, K/S Sunset Boulevard, Esbjerg. Member of the executive board of Oono A/S, Nøller Invest ApS, 2XL2016 ApS, Komplementarsel. Landshut ApS, Sunset Boulevard, Esbjerg Komplementar ApS and Robo Invest 2020 ApS.

Previous assignments: Board member of Komplementarsel. Landshut ApS and Teklatech A/S, Actimo LATAM Holdco ApS and DTU Science Park A/S. Chairman of the board of K/S SDR. Fasanvej, Frederiksberg. Partner of ApS Komplementarselskabet SDR. Fasanvej, Frederiksberg.

Independence in relation to:

- shareholders	Yes
- the company	Yes



Søren Jørgensen

Board Member and Member of the Audit Committee	
Born	1970
Nationality	DK
Present position since	2014

Education: Søren Jørgensen holds a LL.M. from the University of Aarhus and the University of London.

Professional background: Søren Jørgensen has practiced law for 20 years with the last 12 years as an M&A partner. He has served as a professional board member in Danish and foreign companies within various industries for +15 years.

Other assignments: Board chairman of Linkfire ApS, Easyinspect ApS, Rostra Kommunikation og Research A/S, Rostra Holding 2010 ApS, BHS Logistics A/S, Studsgaard Holding A/S, BHS Service Center A/S, Killer Kebab ApS, NCI Advisory A/S, NCI Credit Opportunity Fund A/S, Råhandel ApS and Danban Co-investment Fond I K/S. Board member of MeetinVR ApS, Realfiction ApS, realfiction Holding AB, Moment A/S, Moment Group ApS and member of the executive board of Emmamo ApS, Eupry Invest ApS and MeetinVR Invest ApS.

Previous assignments: Board chairman of Welltec A/S, JH Holding, Allerød, ApS, Welltec Holding ApS, Welltec International ApS, Orlo ApS, ToTec Holdings ApS and Spektral Experience ApS. Board member of Totaltec Oilfield Services Ltd. and Nordic Seaweed ApS. Partner of Bruun & Hjejle I/S.

Independence in relation to:

- shareholders	Yes
- the company	Yes



Petra von Rohr

Board Member and Member of the Audit Committee	
Born	1972
Nationality	SE
Present position since	2018

Education: Petra von Rohr holds a M.Sc. in Economics from Stockholm School of Economics and McGill University in Montreal, Canada.

Professional background: Petra von Rohr is currently the CEO of BioCool and she has experience from executive management positions both from the finance industry and the communications industry. Most recently, she was Head of Group Communications at Com Hem AB. Previous experience includes working as an equity analyst in London and Stockholm. She has extensive experience from working with corporate communication and investor relations

Other assignments: Board member of The Global Vector Control Standard and Webrock Ventures.

Previous assignments: Member of the Executive Management team of Com Hem AB, Partner of Kreab AB, Board member of Lauritz.com A/S, Lauritz.com Group A/S, Novare Human Capital Aktiebolag and Takkei Trainingsystems AB.

Independence in relation to:

- shareholders	Yes
- the company	Yes

Executive Management



Jesper Søgaard

CEO & Co-Founder	
Born	1983
Nationality	DK
Present position since	2004

Education: Jesper Søgaard holds a M.Sc. in Political Science from the University of Copenhagen.

Professional background: Jesper Søgaard founded Better Collective together with Christian Kirk Rasmussen in 2002 and has been working with and developing the Group's operations since its beginning.

Other assignments: Member of the board of directors of Bumble Ventures General Partners ApS, Bumble Ventures Management ApS, Bumble Ventures Invest ApS, Ejendomsselskabet Algade 30-32 A/S, MM Properties, Over Bølgen A/S, BetterNow Worldwide ApS and Chairman of the board at Centerholmen A/S. CEO of J. Søgaard Holding ApS. Member of the executive board of Better Holding 2012 A/S and Bumble Ventures SPV ApS.

Previous assignments (past five years): Member of the board of directors of Symmetry Invest A/S, Shirs Danmark ApS, Scatter Web ApS, Ploomo ApS and VIGGA.us A/S.



Christian Kirk Rasmussen

COO & Co-Founder	
Born	1983
Nationality	DK
Present position since	2004

Education: Christian Kirk Rasmussen holds a bachelor of Commerce from Copenhagen Business School.

Professional background: Christian Kirk Rasmussen founded Better Collective together with Jesper Søgaard in 2002 and has been working with and developing the Group's operations since its beginning.

Other assignments: Member of the board of directors of Bumble Ventures General Partners ApS, Bumble Ventures Management ApS, Bumble Ventures Invest ApS, Omnigame ApS and MM Properties ApS. CEO of Yellowsunmedia ApS. Member of the executive board of Chr. Dam Holding ApS, Member of the executive board of Better Holding 2012 A/S and Bumble Ventures SPV ApS.

Previous assignments (past five years): Member of the board of directors of Scatter Web ApS and Ejendomsselskabet Algade 30-32 A/S.



Flemming Pedersen

CFO	
Born	1965
Nationality	DK
Present position since	2018

Education: Flemming Pedersen holds a M.Sc. (cand. merc. aud.) and HD (Bachelor of Business Administration) from Copenhagen Business School.

Professional background: Flemming Pedersen has more than 25 years of management experience, whereof more than 20 years in executive positions in public companies. He has served as CFO of ALK-Abelló A/S and was CEO and president of Neurosearch A/S. He has experience in General Management, Finance, Accounting, Tax matters, Risk Management and Capital Markets. In addition, he has experience from board positions in both public and private companies in Denmark as well as internationally.

Other assignments: Board member of Mindway AI ApS. Member of the executive board of Naapster ApS.

Previous assignments (past five years): Chairman of the board of directors of ALK-Abelló Nordic A/S and Good-stream ApS. Member of the board of directors of MB IT Consulting A/S and MBIT A/S. Member of the executive management of ALK-Abelló A/S.

Shareholder information

The BETCO share and shareholders

Better Collective A/S has been listed since June 8, 2018 and is traded on the Nasdaq Stockholm Mid Cap index. The company's ticker is BETCO.

Share price and trading

The closing price for the BETCO share on December 31, 2020 was 151.50 SEK, corresponding to a market cap of approximately 7,106

mSEK. During the period from January 1, 2020 to December 31, 2020, a total of 18,698,501 BETCO shares were traded on the Nasdaq Stockholm exchange at a total value of 2,188 mSEK, corresponding to approximately 40% percent of the total number of BETCO shares on the Nasdaq Stockholm exchange at the end of the period. The average number of shares traded per trading day was approximately 74,200, corresponding to a value of 8.7 mSEK. An average of 418 trades were completed per trading day. The highest price paid during the period January 1, 2020 to December 31, 2020 was 158.50 SEK on August 31 and the lowest price paid was 48.75 SEK on March 18. During

the period from January 1, 2020 to December 31, 2020, Better Collective's share price increased 88.67%, while the OMX Mid Cap list increased by 35.02%.

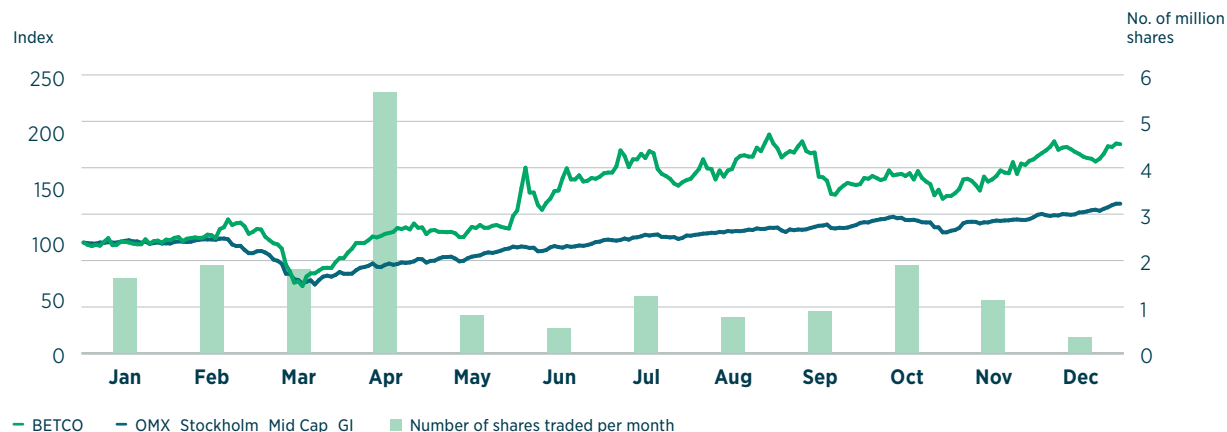
Shareholders

On December 31, 2020, most of the share capital was owned by the company's founders and institutions predominantly in Sweden, Denmark, and the rest of Europe. On December 31, 2020, Better Collective had 2,983 shareholders, corresponding to a 275% increase from 1,086 shareholders on December 31, 2019. The ten largest shareholders accounted for 66%

Share data

Marketplace	Nasdaq Stockholm
Date of listing	June 8, 2018
Segment	Mid Cap
Sector	Media
Ticker symbol	BETCO
ISIN code	DK0060952240
Currency	SEK
Standard trading unit	1 share
No. of shares outstanding	46,904,219 shares
Highest closing price paid in 2020	158.50 SEK (Aug 21)
Lowest closing price paid in 2020	48.75 (Mar 18)
Last price paid 2020	151.50 SEK
Share price development in 2020	+88.67%

Share price performance



Analysts

ABG Sundal Collier

Erik Moberg
(erik.moberg@abgsc.se)

Nordea Markets

Erik Lindholm-Röjstål
(erik.lindholm-rojestal@nordea.com)

Redeye

Jonas Amnesten
(jonas.amnesten@redeye.se)

SEB

Mathias Lundberg
(mathias.lundberg@seb.se)

of the votes and share capital. The members of Better Collective's board of directors held a total of 1,850,955 BETCO shares. The executive management held a total of 22,729,680 BETCO shares. The holdings of the individual board members and members of the executive management can be found on page 34.

Share capital and capital structure

On 31 December 2020, the share capital amounted to 469,042.19 EUR. The total number of shares amounted to 46,904,219. All shares in the market hold equal voting rights and equal rights to the company's earnings and capital.

Dividend policy

Better Collective has successfully executed an acquisition strategy since 2017, completing 20 acquisitions so far. The M&A-pipeline is stronger than ever with the opportunity to acquire larger companies than before. Therefore, the company does not expect to pay dividends until further. The board of directors will revisit the capital structure of the Group annually and evaluate whether to pay dividends. The decision to pay dividends will be based on the company's financial position, investment needs, liquidity position as well as general economic and business conditions. If the board of directors finds it appropriate, dividend pay-out may be partially or wholly substituted by a share buy-back. Thus, the board has proposed that no dividend is paid out for the financial year of 2020.

Top 10 largest shareholders as at December 31, 2020

Owner	Number of shares	Capital and votes, %
Chr. Dam Holding	10,671,179	22.75
J. Søgaard Holding	10,671,179	22.75
Chr. Augustinus Fabrikker	2,200,000	4.69
Andra AP-Fonden	1,850,000	3.94
Tredje AP-Fonden	1,750,000	3.73
KDI Danica Pension	1,247,890	2.66
Knutsson Holdings	1,100,000	2.35
Öhman Bank	1,234,184	2.63
Jens Bager	1,000,000	2.13
Nordea Livsförsäkring	878,691	1.87
Top 10 largest shareholders	30,724,432	65.5
Other shareholder	16,179,787	34.5
Total number of shares	46,904,219	100

Financial calendar

April 26, 2021	AGM
May 12, 2021	Interim Financial report Q1
August 24, 2021	Interim Financial report Q2
November 17, 2021	Interim Financial report Q3

Individuals with an insider position

Listed companies are required to record a logbook of individuals who are employed or contracted by the company and have access to insider information relating to the company. These can include insiders, but also other individuals who have obtained inside information. Better Collective records a logbook for each financial report or regulatory release containing information that could affect the share price.

Annual General Meeting 2020

The Annual General Meeting 2021 will take place on April 26, 2021 at 2.00 p.m. Due to expected restrictions in light of the COVID-19 pandemic, the AGM will be fully electronic. For more information, see the section on General Meetings on the company's website.

Investor relations

Better Collective shall provide correct, relevant and clear information to all its shareholders, the capital market, the society, and the media, at the same time. Information that is deemed to be inside information shall be published so that it reaches the public in a quick, non-discriminatory manner. All important events, that could influence the value of Better Collective, shall be communicated as

soon as possible, that is in direct connection with the decision being taken, the election taking place or the event becoming known to Better Collective. The Better Collective website, www.bettercollective.com, contains relevant material for shareholders, including the current share price, press regulatory releases, and general information about the company. Better Collective maintains a quiet period of 30 days prior to the publication of interim financial reports. During this period, representatives of the Group do not meet with financial media, analysts or investors.



IR contact

Christina Bastius Thomsen,
Head of Investor Relations & CSR
Phone: +45 2363 8844
e-mail: investor@bettercollective.com

Our approach

Sustainability strategy

Responsibility and sustainability are ingrained elements of Better Collective's business model and have been key value-drivers for the organisation since its inception in 2004.

Our headquarters remain in Denmark, where we have our roots. We proudly engage in the local communities and societies, where we are active, by paying our taxes and initiating local projects partnering with local citizens and other local stakeholders.

We persistently strive to be a socially responsible sports betting media group while we continuously aspire to strengthen the standards of the iGaming-industry to empower our users.

At Better Collective, we believe that as a business we have an increasingly important role to play in society in securing a sustainable future. We also strongly believe that operating in a responsible way, across all business verticals and adding value to society and the communities in which we operate, positively affects our business and competitiveness. We call this shared value creation. Our sustainability strategy is therefore a natural part of our overall business strategy and strategic goals.

With a vision to empower iGamers through transparency and technology, our sustainability strategy and goals are integral parts of our operations to support this vision and to realise our strategic goal to be the #1 sports betting aggregator in the world. Our strategy

and approach are deeply rooted in our core values, which have remained the same since the foundation of Better Collective more than 16 years ago.

The UN Global Compact (UNGC) constitutes the overall framework for our sustainability strategy and reporting, while we also implement into our strategy the UN Sustainable Development Goals (SDGs) that are the most relevant to our operations. For Better Collective, conducting responsible business and contributing to a sustainable world will always be core value-drivers for our organisation, which is why we work strategically with The Ten Principles set out in the UNGC. We adhere to the UNGC and understand it as a normative and morally guiding codex to be followed in all of Better Collective's endeavours. By doing so, we stay committed to improving our business practices in four areas that ultimately can aid in making globalisation more inclusive for all: human rights, labour rights, environmental rights and anti-corruption laws.



Sustainability and ESG report 2020
https://bettercollective.com/wp-content/uploads/2021/03/Sustainability_report_2020.pdf

Sustainability governance at Better Collective

Our sustainability governance model provides a foundation for developing and anchoring sustainability strategy and targets.



Sustainability overview

					
Focus area & governing framework	Responsible Gambling	Governance	Environment	People	Local Community
Principles	Prevent problem gambling through education of users	<ol style="list-style-type: none"> 1. Support and respect internationally proclaimed human rights 2. No complicity in human rights abuses 10. Work against corruption in all its forms, including extortion and bribery 	<ol style="list-style-type: none"> 7. Support a precautionary approach to environmental challenges 8. Undertake initiatives to promote greater environmental responsibility 9. Encourage the development and diffusion of environmentally friendly technologies 	<ol style="list-style-type: none"> 3. Uphold the freedom of association and the effective recognition of the right to collective bargaining 4. Eliminate all forms of forced and compulsory labour 5. Abolition of child labour 6. Eliminate discrimination in respect of employment and occupation 	<ol style="list-style-type: none"> 8. Support local communities Encourage and educate younger generations in tech
Goals	<p>Implement Responsible Gambling (RG) policy & roll-out across BC offices</p> <p>RG resources on BC's user-facing websites</p> <p>RG training for all BC employees</p>	<p>At all times comply with applicable legislation in the countries where BC is represented</p> <p>At all times respect and comply with UNGC's human rights principles</p> <p>Zero-tolerance on corruption</p>	<p>Minimise carbon emissions</p> <p>Promote environmentally sustainable business practices</p>	<p>Board of directors to include two female members by 2023</p> <p>Management 35% women by 2023</p> <p>To be one of the gaming industry's most inclusive and socially responsible workplaces</p>	<p>Support local communities</p> <p>Encourage and educate younger generations in tech</p>
Main activities 2020	<p>Defined need for update of RG policy</p> <p>Defined higher standards for RG on UK-facing sites (RAiG)</p> <p>Key website owners trained in RG</p> <p>Active part of the UK safer gambling week</p>	<p>Updated whistleblower policy and roll-out to all offices</p> <p>Update and continued training in Code of Conduct</p>	<p>Travel policy implemented</p> <p>Planned reduction in travel activity accelerated by Covid-19</p>	<p>Anti-harassment policy and training prepared for roll-out in 2021</p> <p>Awareness of possible bias in job ads terminology and candidate screening</p> <p>Work environment survey and employee satisfaction survey during Covid-19 lockdown</p>	<p>Hosted hackathon Nis, Serbia</p> <p>Aired "Better Future: A guide through professions in BC"</p> <p>Offering student employment and internships</p>

Closer ties to Mindway AI for the prevention of problem gambling

Following an initial investment in 2019, Better Collective became a major shareholder on January 1, 2021 in Mindway AI, which specialises in innovative and advanced software solutions for the identification of at-risk gambling and problem gambling behaviour.

Mindway AI is an award-winning company that develops state of the art software solutions for fully automatic monitoring and profiling of gamblers and for identifying, preventing and intervening in at-risk and problem gambling. At the core of Mindway AI's DNA is a research-based foundation, and the development of the solutions is done by combining neuroscience, artificial intelligence and a deep collaboration with a team of industry experts. Common to Mindway AI's software solutions, GameScanner, Gamalyze and GameChanger, is that they empower iGaming operators to create safer customer journeys as well as to become proactive if players show signs of having problems. Mindway AI has over the last year accelerated its transformation from being an academic-based start-up focusing on

building products and software solutions with a strong scientific foundation into commercialising the business. Today, Mindway AI plays an increasingly important role in the iGaming ecosystem supporting operators on a global scale such as Entain (formerly GVC Holdings), Flutter Group and Holland Casino to create safer iGaming experiences.

Through Better Collective's strong global industry network, we are supporting Mindway AI by opening doors to iGaming operators with a view to scaling the technologies for the benefit of the players. In addition, we are looking into ways to utilise their technologies and products within the Better Collective Group and expect to roll out initiatives in 2021.

“ *We see Mindway AI's technologies and software solutions as best-in-class and foresee the business will play an increasingly important role in the iGaming ecosystem, as responsible gambling continues to be at the very top of the industry agenda and in society as a whole”*

Jesper Søgaard,
Co-founder & CEO,
Better Collective



Jesper Søgaard,
Co-founder & CEO,
Better Collective

“ *With Better Collective, we now form closer ties to an organisation that has the industry network and muscles to further accelerate the development of our business. I look forward to continuing the strong growth journey Mindway AI has been on and to further expand our footprint globally”.*

Rasmus Kjærgaard,
CEO of Mindway



Rasmus Kjærgaard,
CEO of Mindway



BETTER
COLLECTIVE

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Statement by management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Better Collective A/S for 2020.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at December 31, 2020 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year January 1 – December 31, 2020.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, results of operations, cash flows and financial position as well as a description of material risks and uncertainties that the Group and the Parent Company face.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, March 25, 2021

Executive Management

Jesper Søgaard
CEO & Co-founder

Christian Kirk Rasmussen
COO & Co-founder
Executive Vice President

Flemming Pedersen
CFO
Executive Vice President

Board of Directors

Jens Bager
Chairman

Todd Dunlap

Klaus Hølse

Søren Jørgensen

Leif Nørgaard

Petra von Rohr

Independent Auditors' Report

To the shareholders of
Better Collective A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Better Collective A/S for the financial year 1 January – 31 December 2020, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies, for the Group and the Parent Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2020 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2020 in accordance with International Financial Reporting Standards as adopted by the EU

and additional requirements of the Danish Financial Statements Act.

Our opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

To the best of our knowledge, we have not provided any prohibited non-audit services as described in article 5(1) of Regulation (EU) no. 537/2014.

Appointment of auditor

On 8 June 2018, Better Collective A/S completed its Initial Public Offering and was admitted to trading and official listing on Nasdaq Stockholm. We were initially appointed as auditor of Better Collective A/S on 15 November 2016 for the financial year 2016. We have been reappointed annually by resolution of the general meeting for a total consecutive period of 5 years up until and including the financial year 2020.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year 2020. These matters were addressed during our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section,

including in relation to the key audit matters below. Accordingly, our audit included the design and performance of procedures to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Valuation of goodwill, domains and websites

Goodwill as well as domains and websites with indefinite life are not subject to amortisation, but are reviewed annually for impairment, or more frequently if any indicators of impairment are identified. Valuation of goodwill, domains and websites is significant to our audit due to the carrying values as well as the management judgement involved in the assessment of the carrying values, assessment of indefinite life and judgements involved in impairment testing of the goodwill, domains and websites.

Management prepares and reviews impairment tests for each cash-generating unit and for the domains and websites related to each individual significant acquisition. Impairment testing is based on the estimated recoverable amounts of the assets, which for this purpose are determined based on the value in use. The value in use is based on a discounted cash flow (DCF) model and is calculated for each

cash-generating unit and for each individual significant acquisition.

Refer to note 13 in the consolidated financial statements and to note 13 in the financial statements for the parent company.

How our audit addressed the above key audit matter

Our audit procedures included:

- ◆ Assessment of the indefinite life assumption including examination of data provided by management and other sources as well as inquiries to management and comparison with industry practice and comparable companies.
- ◆ Evaluation of internal procedures relating to estimating future cash flows, preparation of budgets and forecasts.
- ◆ Examination of the value-in-use model prepared by Management, including consideration of the cash-generation units defined by Management and the valuation methodology and the reasonableness of key assumptions and input based on our knowledge of the business and industry together with available supporting evidence such as available budgets and externally observable market data related to interest rates, etc.
- ◆ Assessment of the adequacy of disclosures about key assumptions in note 13 to the consolidated financial statements and in note 13 to the financial statements for the parent company.

Accounting for acquisitions

The Group has in 2020 completed two business combinations. Management has determined the fair value of the identifiable

assets and liabilities acquired. The total consideration for the two business combinations amounts to EUR 80 million.

Due to the significant level of management judgement involved in estimation of the contingent consideration and estimating the fair value of especially the intangible assets acquired, we considered the accounting for acquisitions of most significance in our audit.

For details on the acquisitions, reference is made to note 22 in the consolidated financial statements.

How our audit addressed the above key audit matter

Our audit procedures included:

- ◆ Assessment of the assumptions and methodology applied by management to calculate the fair value of intangible assets acquired compared to generally applied valuation methodologies. We have considered the approach taken by Management, assessed key assumptions and obtained evidence for the explanations provided by comparing key assumptions to market data, where available, underlying accounting records, past performance of the acquired businesses, our past experience of similar transactions and Management's forecasts supporting the acquisition.
- ◆ Assessment of the fair value of the contingent consideration including key assumptions applied by management to calculate the fair value.
- ◆ Assessment of the adequacy of the disclosures in note 22 related to the acquisitions, including the fair value of acquired intangible assets, compared to applicable accounting standards.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for such internal control as Manage-

ment determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ◆ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group

and the Parent Company to cease to continue as a going concern.

- ◆ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless

law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Copenhagen, 25 March 2021

EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

Jan C. Olsen
State Authorised
Public Accountant
MNE no. mne33717

Peter Andersen
State Authorised
Public Accountant
MNE no. mne34313

A person in a dark blue button-down shirt is holding a white folder. The folder has a green sticker that reads "© Better Collective +49 201910". The background is a blurred office environment with other people working at desks.

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Consolidated statement of profit and loss

Note	tEUR	2020	2019
4	Revenue	91,186	67,449
	Direct costs related to revenue*	20,471	8,342
5, 6	Staff costs	24,156	21,102
14	Depreciation	1,548	831
7	Other external expenses*	8,407	9,943
	Operating profit before amortisations (EBITA) and special items	36,604	27,231
12	Amortisation	6,235	5,413
	Operating profit (EBIT) before special items	30,369	21,817
8	Special items, net	120	-615
	Operating profit	30,489	21,202
9	Financial income	1,965	1,129
10	Financial expenses	3,743	3,577
	Profit before tax	28,712	18,755
11	Tax on profit for the period	6,785	4,810
	Profit for the period	21,927	13,944
	Earnings per share attributable to equity holders of the company		
	Average number of shares	46,664,615	43,456,145
	Average number of warrants – converted to number of shares	2,043,366	1,940,282
	Earnings per share (in EUR)	0.47	0.32
	Diluted earnings per share (in EUR)	0.45	0.31

* Historic numbers for 2019 re-stated for Paid Media, please refer to note 1.

Consolidated statement of comprehensive income

Note	tEUR	2020	2019
	Profit for the period	21,927	13,944
	Other comprehensive income		
	<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
	Currency translation to presentation currency	-3,346	884
11	Income tax	751	-142
	Net other comprehensive income/loss	-2,595	741
	Total other comprehensive income/(loss) for the period, net of tax	19,332	14,686
	Attributable to:		
	Shareholders of the parent	19,332	14,686

Consolidated balance sheet

Note	tEUR	2020	2019
Assets			
Non-current assets			
12, 13	Intangible assets		
	Goodwill	99,315	41,968
	Domains and websites	150,274	132,848
	Accounts and other intangible assets	9,378	11,955
		258,967	186,771
14	Property, plant and equipment		
	Land and buildings	721	718
	Right of use assets	3,225	3,005
	Fixtures and fittings, other plant and equipment	1,448	1,408
		5,395	5,131
Other non-current assets			
20	Other non-current financial assets	1,093	1,126
	Deposits	434	260
11	Deferred tax asset	621	278
		2,149	1,664
	Total non-current assets	266,510	193,566
Current assets			
15	Trade and other receivables	18,248	11,579
11	Corporation tax receivable	788	457
	Prepayments	1,465	1,244
20	Restricted Cash	6,926	0
20	Cash	21,127	22,755
	Total current assets	48,555	36,035
	Total assets	315,065	229,601

Note	tEUR	2020	2019
Equity and liabilities			
16	Equity		
	Share Capital	469	464
	Share Premium	108,825	106,295
	Currency Translation Reserve	-1,770	825
	Treasury Shares	-2	0
	Retained Earnings	55,019	30,732
17	Proposed Dividends	0	0
	Total equity	162,542	138,317
Non-current Liabilities			
20	Debt to mortgage credit institutions	507	524
20	Debt to credit institutions	68,770	16,734
19	Lease liabilities	2,124	2,257
11	Deferred tax liabilities	25,207	20,638
20	Other long-term financial liabilities	8,796	4,531
20	Contingent Consideration	20,807	24,512
	Total non-current liabilities	126,212	69,197
Current Liabilities			
	Prepayments received from customers	450	373
18	Trade and other payables	10,247	3,422
11	Corporation tax payable	1,985	3,736
20	Other financial liabilities	9,850	11,489
20	Contingent Consideration	2,498	2,202
20	Debt to mortgage credit institutions	20	20
19	Lease liabilities	1,262	846
	Total current liabilities	26,312	22,088
	Total liabilities	152,523	91,284
	Total equity and liabilities	315,065	229,601

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, 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 to presentation currency	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.

tEUR	Share capital	Share premium	Currency translation reserve	Treasury shares	Retained earnings	Proposed Dividend	Total equity
As of January 1, 2019	405	67,316	84	0	18,054	0	85,858
Result for the period	0	0	0	0	13,944	0	13,944
Other comprehensive income							
Currency translation to presentation currency	0	0	884	0	0	0	884
Tax on other comprehensive income	0	0	-142	0	0	0	-142
Total other comprehensive income	0	0	741	0	0	0	741
Total comprehensive income for the year	0	0	741	0	13,944	0	14,686
Transactions with owners							
Capital Increase	59	39,693	0	0	0	0	39,752
Transaction Costs	0	-713	0	0	0	0	-713
Shared based payments	0	0	0	0	384	0	384
Cash settlement of warrants	0	0	0	0	-1,685	0	-1,685
Tax on settlement of warrants	0	0	0	0	36	0	36
Total transactions with owners	59	38,979	0	0	-1,266	0	37,773
At December 31, 2019	464	106,295	825	0	30,732	0	138,317

During the period no dividend was paid.

Consolidated statement of cash flow

Note	tEUR	2020	2019
	Profit before tax	28,712	18,756
	Adjustment for finance items	1,778	2,445
	Adjustment for special items	-120	614
	Operating Profit for the period before special items	30,369	21,814
	Depreciation and amortisation	7,783	6,244
	Other adjustments of non cash operating items	955	384
	Cash flow from operations before changes in working capital and special items	39,107	28,442
21	Change in working capital	-786	-1,858
	Cash flow from operations before special items	38,321	26,585
	Special items, cash flow	-625	-1,103
	Cash flow from operations	37,696	25,481
	Financial income, received	1,415	955
	Financial expenses, paid	-2,497	-2,578
	Cash flow from activities before tax	36,614	23,858
	Income tax paid	-9,940	-3,793
	Cash flow from operating activities	26,675	20,065
22	Acquisition of businesses	-65,792	-25,613
12	Acquisition of intangible assets	-1,802	-22,575
14	Acquisition of property, plant and equipment	-460	-960
14	Sale of property, plant and equipment	1	5
	Change in non-current assets	-36	-367
	Cash flow from investing activities	-68,090	-49,509

Note	tEUR	2020	2019
20	Repayment of borrowings	-22,756	-78,677
20	Proceeds from borrowings	74,629	86,937
	Lease liabilities	-1,025	-466
	Other non-current liabilities	484	350
	Capital increase	393	30,620
	Treasury shares	-4,903	0
	Transaction cost	-33	-713
	Warrant settlement, sale of warrants	0	-1,686
	Cash flow from financing activities	46,790	36,365
	Cash flows for the period	5,375	6,921
	Cash and cash equivalents at beginning	22,755	15,978
	Foreign currency translation of cash and cash equivalents	-77	-144
	Cash and cash equivalents period end*	28,053	22,755
	*Cash and cash equivalents period end		
	Restricted cash	6,926	0
	Cash	21,127	22,755
	Cash and cash equivalents period end	28,053	22,755

Cashflow statement – specifications

Note	tEUR	2020	2019
Acquisition of business combinations:			
22	Net Cash outflow from business combinations at acquisition	-53,429	-16,532
	Business Combinations deferred payments from current period	-1,384	0
	Deferred payments – business combinations from prior periods	-10,979	-9,081
	Total cashflow from business combinations	-65,792	-25,613
Acquisition of intangible assets:			
12	Acquisitions through asset transactions	-1,070	-23,145
	Deferred payments – acquisitions from prior periods	0	-3,210
	Intangible assets with no cash flow effect	0	5,063
	Other investments	-732	-1,283
	Total cashflow from intangible assets	-1,802	-22,575
Cashflow from Equity movements:			
	Equity movements with cashflow impact – from cash flow statement:		
	Capital increase	393	30,620
	Treasury shares	-4,903	0
	Transaction cost	-33	-713
	Warrant settlement, sale of warrants	0	-1,686
	Total equity movements with cashflow impact	-4,542	28,221
Non-cash flow movements on equity:			
	New shares for M&A payments	2,142	9,131
	Treasury shares used for M&A payments	6,338	0
	Share based payments – warrant expenses with no cash flow effect	955	385
	Tax impact of settlement of warrants	0	36
	Total non-cash flow movements on equity	9,435	9,552
	Total Transactions with owners – Consolidated statement of changes in equity	4,893	37,773

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Notes

1 Accounting policies

General

The financial statements section of the annual report for the period January 1 - December 31, 2020 comprises both the consolidated financial statements of Better Collective A/S and its subsidiaries (the Group or the Better Collective Group) and the separate parent company financial statements (the Parent). The comparative figures cover the period January 1 - December 31, 2019.

The consolidated financial statements of Better Collective A/S have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish requirements for listed companies. Better Collective A/S is incorporated and domiciled in Denmark.

The Board of Directors and the Executive Board have discussed and approved the annual report for Better Collective A/S on March 25, 2021. The annual report will be presented to the shareholders of Better Collective A/S for adoption at the annual general meeting on April 26, 2021.

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 2020 have been adopted. The implementation of these new or amended standards and interpretations had no material impact on the financial statements.

The accounting policies have been applied consistently during the financial year and for the comparative figures. For standards implemented prospectively the comparative figures are not restated

New financial reporting standards not yet adopted

The IASB has issued a number of new or amended standards and interpretations with effective date after December 31, 2020. None of the standards are expected to have a significant effect for Better Collective A/S.

Basis for preparation

The annual report for the Group and the parent company has been prepared in accordance with IFRS as adopted by the EU and additional Danish requirements for listed companies.

Presentation currency

The Group's consolidated financial statements and parent financial statements are presented in Euro (EUR), and the parent company's functional currency is Danish Kroner (DKK). In general, rounding will occur and cause variances in sums and percentages in the consolidated and parent company financial statements.

Foreign currencies

For each of the reporting entities in the Group, including subsidiaries and foreign associates, a functional currency is determined. The functional currency is the currency used in the primary financial environment in which the reporting entity operates. Transactions denominated in currencies other than the functional currency are foreign currency transactions.

On initial recognition, foreign currency transactions are translated to the functional currency at the exchange rate on the transaction date. Foreign exchange differences arising between the rate on the transaction date and the rate on the date of settlement are recognised in profit or loss as financial income or financial expenses.

At the end of a reporting period, receivables and payables and other monetary items denominated in foreign currencies are translated to the functional currency at the exchange rate on the balance sheet date.

The difference between the exchange rates on the balance sheet date and on the date the receivable or payable was recognised in the latest reporting period is recognised in profit or loss as financial income or financial expenses.

In the consolidated financial statements, the statements of comprehensive income of Group entities with a functional currency other than EUR are translated at the exchange rate on the transaction date, and the balance sheet items are translated at closing rates. An average exchange rate for each month is used as the exchange rate at the transaction date in so far as this does not significantly distort the presentation of the underlying transactions. Foreign exchange differences arising on translation to the EUR presentation currency are recognised in other comprehensive income (OCI) in a separate translation reserve under equity. On disposal of a reporting entity, the component of other comprehensive income relating to that particular reporting entity is reclassified to profit or loss.

The Parent company has provided non-current intercompany loans in USD to fund acquisitions of assets and business combinations in US. Unrealised exchange rate gains/losses and related tax impact related to these loans are recognised in Other Comprehensive Income for the group.

Basis for consolidation

The consolidated financial statements include the parent company Better Collective A/S and its subsidiaries.

Subsidiaries are entities over which the Better Collective Group has control. The Group has control over an entity when the Group is exposed to or has rights to variable returns from its involvement in the entity and has the ability to affect those returns through its power over

Notes

1 Accounting policies (continued)

the entity. Only potential voting rights considered to be substantive at the balance sheet date are included in the control assessment. The Group re-assesses if it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

The consolidated financial statements are prepared by combining uniform items. On consolidation, intercompany income and expenses, shareholdings, intercompany accounts and dividend as well as realised and unrealised profit and loss on transactions between the consolidated companies are eliminated.

◆ Accounting principles:

Fair value measurement

The Group uses the fair value concept in connection with certain disclosure requirements and for recognition of financial instruments. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date ("exit price").

The fair value is a market-based and not an entity-specific measurement. The entity uses the assumptions that the market participants would use for the pricing of the asset or liability based on the current market conditions, including risk assumptions. The entity's purpose of holding the asset or settling the liability is thus not taken into account when the fair value is determined.

The fair value measurement is based on the principal market. If a principal market does not exist, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and transport costs.

All assets and liabilities measured at fair value, or in respect of which the fair value is disclosed, are categorised into levels within the fair value hierarchy based on the lowest level input that is significant to the entire fair value measurement, see below:

- Level 1: Quoted priced in an active market for identical assets or liabilities
- Level 2: Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly
- Level 3: Inputs that are not based on observable market data (valuation techniques that use inputs that are not based on observable market data)

Cash flow statement

The Cash Flow Statement shows the cash flows of the Group for the year, distributed on operating activities, investing activities, and financing activities for the year, changes in cash and cash equivalents, and the cash and cash equivalents at the beginning and the end of the year, respectively.

The cash flow effect of acquisitions of businesses is shown separately in cash flows from investing activities. Cash flows from acquired businesses are recognised in the cash flow statement from the date of acquisition.

Cash flow from operating activities

Cash flows from operating activities are determined as profit for the year adjusted for non-cash operating items, the change in working capital and income tax paid.

Cash flow from investing activities

Cash flows from investing activities comprise payments in connection with the acquisition and sale of businesses, intangible assets, property, plant and machinery and financial assets.

Cash flow from financing activities

Cash flows from financing activities comprise change in the size or composition of the Group's share capital and related costs as well as borrowing, repayment of interest-bearing debt, re-payment of lease liabilities, and payment of dividends to shareholders. ◆

Notes

2 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key accounting judgements, estimates, and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Management based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to impact of COVID-19, market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Business combinations

The Group is required to allocate the acquisition cost of entities and activities through business combinations on the basis of the fair value of the acquired assets and assumed liabilities. The Group uses external and internal valuations to determine the fair value. The valuations include management estimates and assumptions as to future cash flow projections from the acquired business and selection of models to compute the fair value of the acquired components and their depreciation period. Estimates made by Management influence the amounts of the acquired assets and assumed liabilities and the depreciation and amortisation of acquired assets in profit or loss. Reference is made to note 22 of the consolidated financial statements.

Goodwill, intangible assets with indefinite useful life and impairment

Goodwill and domain names and websites are expected to have an indefinite useful life and are therefore not subject to amortisation. Management believes that as long as content is being updated continuously and based on existing technology there is no foreseeable limit to the period on which the assets can generate revenues and cash flow from the underlying business activities of the operators. Consequently, Management has assessed indefinite life

of domain names and websites similar to its peers in the industry. Management reviews this assessment annually to determine whether the indefinite life continues to be supportable.

Management reviews goodwill and domain names and websites for impairment at least once a year. This requires Management to make an estimate of the projected future cash flows from the continuing use of the cash-generating unit to which the assets are allocated and also to choose a suitable discount rate for those cash flows. Management has assessed that following the acquisitions in 2020 Better Collective has four cash generating units, Atemi, HLTV, US, and the rest of Better Collective. Performance and cash flows from domain names and websites owned by the individual cash generating units are allocated and forms the basis for impairment. Reference is made to note 13 of the consolidated financial statements.

If the events and circumstances do not continue to support a useful life assessment and the projected future cash flows from the intangible assets is less than the assets' carrying value, an impairment loss will be recognised. In addition, Management will change the indefinite useful life assessment from indefinite to finite and this change will be accounted for prospectively as a change in accounting estimate.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumption about them. The 2019 and 2020 warrant programs include performance targets that adjust the number of warrants vested. The employee retention factor and performance factors are included in the expense calculation. Reference is made to note 6 of the consolidated financial statements.

Contingent consideration

Contingent consideration resulting from business combinations is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting the performance target (see Note 22 (Group) for details).

Notes

3 Segment information

Better Collective acquired the Atemi Group on October 1, 2020. Atemi Group is specialised within lead generation for iGaming through paid media (PPC) and social media advertising. The Paid Media business provides Better Collective with additional diversified channels of traffic, beyond the traditional organic search traffic, sourcing high intent customers at large scale. However, the earnings margin within paid media is typically much lower than within organic traffic, due to direct payments to the companies providing platforms for online advertising such as Google and Facebook.

Following the acquisition of Atemi, internal organisational and financial reporting structures have been amended and two operating segments were identified in accordance with the definitions in IFRS 8, Operating Segments. The operating segments have been defined as Publishing and Paid Media, with no intersegmental revenues. Comparative figures have been re-stated according to the new segment reporting. The performance of the segments is monitored at the level of operating profit before amortisations and special items, hence assets and liabilities for individual segments are not presented.

Information to prepare segment reporting on a geographical basis is not available and the costs to develop such information in time for inclusion in the report is deemed excessive.

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

	Publishing	Paid Media	Total			
tEUR	2020	2019	2020	2019	2020	2019
Revenue	74,184	64,758	17,002	2,691	91,186	67,449
Cost	38,820	37,185	14,214	2,202	53,034	39,387
Operating profit before depreciation, amortisations and special items	35,364	27,573	2,788	489	38,152	28,061
EBITDA-Margin before special items	48%	43%	16%	18%	42%	42%
Depreciation	1,532	831	16	0	1,548	831
Operating profit before amortisations and special items	33,832	26,742	2,772	489	36,604	27,231
EBITA-Margin before special items	46%	41%	16%	18%	40%	40%

Notes

4 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	2020	2019
Revenue		
Revenue Share	53,697	45,887
CPA	22,251	10,860
Revenue - Subscription	5,645	3,919
Aff. Revenue Other	9,593	6,783
Total Revenue	91,186	67,449

%-split	2020	2019
Revenue		
Revenue Share	59	68
CPA	24	16
Revenue - Subscription	6	6
Aff. Revenue Other	11	10
Total Revenue	100	100

The Group has earned 32 mEUR in revenues from one major customer, which represents 36 % of the Group's revenue (2019: 33%). The effect of consolidating new acquisitions on a full year basis will decline this percentage.

◆ Accounting principles:

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties. The Group's revenue is derived from affiliate marketing activities and subscription services, as follows:

Revenue share: In a revenue share model the Group receives a share of the revenues that a gaming operator has generated from a player betting or gambling on their IGaming website, when the player has initially been referred from one of the Group's websites. Revenue is recognised at a point in time equal to the month that it is earned by the respective gaming operator.

Cost per acquisition (CPA): For CPA deals, the gaming operator pays a one-time fee for each referred player who deposits money on their IGaming website. Cost per acquisition consists of a pre-agreed rate with the gaming operator. Revenue is recognised at a point in time equal to the month in which the deposits are made.

Subscription Revenue: Subscription revenue is subscription fees received by players who subscribe to services provided by the Group's websites, primarily in the US market. Subscription revenue is recognised over time, equal to the month where the services under the subscription is delivered.

Aff. Other Revenue: Other revenue primarily includes revenue from sales of banners and other marketing fees from customers related to the Group's websites and is recognised when the service is delivered.

Other operating income: Other operating income in the Parent Company consists of management fees for subsidiaries and is recognised at the time of delivery of the management services.

Notes

5 Staff and other costs

tEUR	2020	2019
Wages and salaries	19,188	17,024
Pensions, defined contribution	1,974	1,888
Other social security costs	1,521	875
Share-based payments	955	384
Other staff costs	518	931
Total staff costs	24,156	21,102
Average number of full-time employees	420	364
Remuneration to Executive Directors		
Wages and salaries	765	985
Pensions, defined contribution	87	102
Other social security costs	2	2
Share-based payments	455	176
Total	1,308	1,265
Remuneration to Board of Directors		
Wages and salaries	195	160
Share-based payments	0	0
Total	195	160

Board Fees

tEUR	Jens Bager	Klaus Holse	Leif Nørgaard	Søren Jørgensen	Petra von Rohr	Todd Dunlap	Total
2020	69	25	29	25	25	54	226
2019	64	23	28	23	23	0	160

Remuneration to Executive Directors

tEUR	Jesper Søgaard	Christian Kirk Rasmussen	Flemming Pedersen	Total
2020				
Wages and salaries	216	216	332	765
Pensions, defined contribution	22	22	43	87
Other social security costs	1	1	1	2
Share-based payments	121	121	213	455
Total	360	360	589	1,308
2019				
Wages and salaries	317	317	351	985
Pensions	27	27	49	102
Other social security costs	1	1	1	2
Share-based payments	40	40	96	176
Total	384	384	496	1,265

◆ Accounting principles:

Direct cost related to revenue

Direct cost related to revenue contains cost of running the websites and includes, content production, domain name registration, domain hosting, and external development cost.

Expenses related to paid media (Pay-Per-Click: PPC) are included in "Direct cost related to revenue" as of January 1, 2020. Prior to January 1, 2020 they were included in "Other external expenses". A re-statement of comparative numbers for 2019 has been made (1.7 mEUR). There is no effect on profit/loss, Equity, nor the balance sheet.

Staff cost

Staff cost include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities. Costs related to long term employee benefits, e.g. share-based payments, are recognised in the period to which they relate.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to sale, advertising, administration, premises, bad debts, etc. ◆

Notes

6 Share-based payment plans

2017 Warrant program:

During the year 2020 the company did not grant any warrants under this program.

During the year 2020, employees have exercised warrants corresponding to 226,116 shares issued.

Expenses for the program are recognised based on expected retention of 75%.

2019 Warrant program:

No grants nor exercises has taken place during the year.

Expenses for the first and second vesting periods are recognised based on expected retention (75%) and a performance factor of 100% for 2019 and 2020.

Expenses for the third and fourth vesting period (2021 and 2022) are recognised based on expected retention (75%) and a performance factor of 83%.

2020 Warrant programs:

Following the AGM on April 22, 2020, 25,000 warrants were issued to the new board member, with the right to subscribe for one ordinary share and are classified as equity-settled sharebased payment transactions*. The vesting periods range from 2021-2023 and the exercise periods range from 2023 to 2025.

Expenses for the first vesting period are recognised based on expected retention (100%) and a performance factor of 100% for 2020.

Expenses for the second and third vesting period (2021 and 2022) are recognised based on expected retention (100%) and a performance factor of 83%.

On November 11th, 2020 260,000 new warrants were granted to certain key employees, all with the right to subscribe for one ordinary share and are classified as equity-settled sharebased payment transactions*. The vesting periods range from 2021-2023 and the exercise periods range from 2023 to 2025.

Expenses for the first vesting period are recognised based on expected retention (75%) and a performance factor of 100% for 2020.

Expenses for the second and third vesting period are recognised based on expected retention (75%) and a performance factor of 83%.

Warrant programs impact in accounts:

The total share based compensation expense recognised for the full year 2020 is 955 tEUR (2019: 384 tEUR), of which the 2019 program is 824 tEUR, 2020 Key Employees program is 75 tEUR, and 2020 Board Member program is 32 tEUR.

	Board of Directors	Executive directors	Other key Management personnel	Total, numbers	Exercise price, weighted average EUR
Share options outstanding at January 1, 2019	719,010	274,644	838,566	1,832,220	1.74
Granted	0	600,000	499,500	1,099,500	8.67
Forfeited/expired	0		22,680	22,680	1.73
Exercised	719,010	0	141,686	860,696	1.73
Transferred	0	0	0	0	0
Share options outstanding at December 31, 2019	0	874,644	1,173,700	2,048,344	5.40
Of this exercisable at the end of the period	0	91,530	134,362	225,892	1.73
Share options outstanding at January 1, 2020	0	874,644	1,173,700	2,048,344	5.40
Granted	25,000	0	260,000	285,000	13.76
Forfeited/expired	0	0	68,840	68,840	6.90
Exercised	0	0	226,116	226,116	1.74
Transferred	0	0	0	0	0
Share options outstanding at December 31, 2020	25,000	874,644	1,138,744	2,038,388	6.92
Of this exercisable at the end of the period	0	91,530	162,208	253,738	1.74

* The Board of Directors keeps the right to change the classification of the share-based programs from equity-settled to cash-settled.

Notes

6 Share-based payment plans (continued)

The weighted average remaining contractual life of warrants to key employees outstanding as of December 31, 2020 and 2019 was 3.27 and 3.7 years respectively. The weighted exercise prices for outstanding warrants as of December 31, 2020 and 2019 was EUR 6.92 and EUR 5.40.

The tables below summarise the inputs to the Black-Scholes model used to value the warrants granted:

	Board of Directors, Executive Directors, and Key Employees			
	2020	2019	2018	2017
Dividend yield (%)	0%	0%	6%	5%
Expected volatility (%)*	45-50%	35%	30%	30%
Risk free interest rate (%)	0%	0%	1%	1%
Expected life of warrants (years)	5	5	5	5
Share price (EUR)	12.21	7.89	2.59-5.22	2.24
Exercise price (EUR)	13.76	8.68	1.74	1.74
Fair Value at grant date (EUR)	4.73	2.17	0.41 - 2.32	0.41

* Based on analysis of historical market data for Better Collective A/S and peers

◆ Accounting principles:

Share-based payments

Employees (including senior executives and board members that have been granted warrants under the 2020 program) and directors of the Group receive remuneration in the form of share-based payments, whereby they render services as consideration for equity instruments (equity-settled transactions).

The cost is recognised in staff costs together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

The non-employee directors that have been granted warrants under warrant programs before 2020 are entitled to the total number of warrants immediately. Accordingly, these

awards are considered to vest immediately and therefore the related compensation expense is recognised in full on the date the warrants are granted.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding warrants is reflected as additional share dilution in the computation of diluted earnings per share.

When warrants are exercised, the Company issues new shares. The proceeds received are credited to share capital for the par value of the shares and share premium for the remainder. ◆

7 Fees paid to auditors appointed at the annual general meeting

tEUR	Group	
	2020	2019
Fee related to statutory audit	198	135
Fees for tax advisory services	0	63
Assurance engagements	22	27
Other assistance	48	181
	268	406

Fee in relation to non-audit services from EY Denmark, 70 tEUR mainly consists of financial due diligence, general accounting advice regarding IFRS, and review of condensed consolidated interim financial statements.

Notes

8 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	2020	2019
Operating profit	30,489	21,202
Special items related to M&A	-676	-1,101
Special items related to Earn-out	658	486
Special items related to Restructuring*	-493	0
Special items related to Divestiture of Intangible Assets*	632	0
Operating profit before special items	30,369	21,817
Amortisations	6,235	5,413
Operating profit before amortisations and special items (EBITA before special items)	36,604	27,231
Depreciation	1,548	831
Operating profit before depreciation, amortisations, and special items (EBITDA before special items)	38,152	28,061

* Restructuring and Divestiture of Intangible Assets was added to special items as of January 1, 2020

◆ Accounting principles:

Special items

Significant income expenses, which Better Collective considers non-recurring, are presented in the Income statement in a separate line item labelled 'Special items' in order to distinguish these items from other income statement items. The income statement and key figures include the subtotals 'Operating profit before depreciation, amortisations, and special items', 'Operating profit before amortisations and special items' and 'Operating profit before special items' as these are assessed to provide a more transparent and comparable view of Better Collective's ongoing performance. Better Collective considers costs related to not capitalised expenses related to M&A, adjustments to Earn-out payments, and cost related to restructuring as special items. As of January 1, 2020, cost related to restructuring, and income from divestiture of non-strategic sites, are included in special items. Historic numbers have not been affected. ◆

9 Finance income

tEUR	2020	2019
Exchange gains	1,925	1,097
Interest Income	40	31
Other financial income	0	1
Total finance income	1,965	1,129

10 Finance costs

tEUR	2020	2019
Exchange losses	1,688	2,056
Interest expenses	1,460	1,026
Interest - right of use assets (Leasing)	156	106
Other financial costs	438	390
Total finance costs	3,743	3,577

◆ Accounting principles:

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amount that concerns the financial year. Net financials include interest income and expenses, interest expenses calculated according to IFRS 16, foreign exchange adjustments, fees related to credit facilities, gains and losses on the disposal of securities, as well as allowances and surcharges under the advance-payment-of-tax scheme, etc. ◆

Notes

11 Income tax

Total tax for the year is specified as follows:

tEUR	2020	2019
Tax for the period	6,785	4,810
Tax on other comprehensive income	-751	142
Total	6,034	4,953

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

tEUR	2020	2019
Deferred tax	-1,036	-915
Current tax	7,848	5,741
Adjustment from prior years	-27	-16
Total	6,785	4,810

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

tEUR	2020	2019
Specification for the year:		
Calculated 22% tax of the result before tax	6,317	4,126
Adjustment of the tax rates in foreign subsidiaries relative to the 22%	376	502
Tax effect of:		
Non-taxable income	-388	-135
Non-deductible costs	507	332
Adjustment of tax relating to prior years	-27	-16
	6,785	4,810
Effective tax rate	23.6%	25.6%

tEUR	2020	2019
Deferred tax		
Deferred tax January 1	20,360	20,534
Additions from business acquisitions	5,262	741
Adjustments of deferred tax in profit and loss	-1,036	-915
Deferred tax December 31	24,586	20,360
Deferred tax is recognised in the balance sheet as:		
Deferred tax asset	621	278
Deferred tax liability	25,207	20,638
Deferred tax December 31	24,586	20,360
Deferred tax is related to:		
Intangible assets	25,263	20,686
Losses carried forward	-621	-278
Property, plant and equipment	-55	-48
Deferred tax December 31	24,586	20,360
Income tax payable, net		
Income tax payable January 1	3,280	330
Exchange differences	85	-106
Tax on other comprehensive income	-751	142
Current tax	7,848	5,741
Tax from prior year	-27	-16
Additions from business acquisitions	702	1017
Income tax paid during the year	-9,940	-3,793
Tax payable reduction from warrant settlement	0	-36
Income tax payable December 31	1,196	3,280
Income tax is recognised in the balance sheet as:		
Corporation tax receivable	788	457
Corporation tax payable	1,985	3,736
Income tax payable December 31	1,196	3,280

Notes

11 Income tax (continued)

◆ Accounting principles:

The tax expense for the year, which comprises current tax and changes in deferred tax, is recognised in the income statement as regards the portion that relates to the profit/loss for the year, and directly in equity as regards the portion that relates to entries directly in equity. Tax expense relating to amounts recognised in other comprehensive income is recognised in other comprehensive income. Tax is provided on the basis of the tax rules and tax rates applicable in the individual countries where Better Collective has a tax presence.

Current and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as tax computed on the year's taxable income adjusted for tax on the previous year's taxable income and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Deferred tax liabilities as well as deferred tax assets are recognised. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognised under other non-current assets at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Joint taxation of the parent Company and Danish subsidiaries

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company acts as administration company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Joint taxation contributions payable and receivable are recognised in the balance sheet as corporation tax receivable or corporation tax payable. ◆

Notes

12 Intangible 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
Transfer	0	0	0	0
Disposals	0	0	0	0
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
Amortisation on disposed assets	0	0	0	0
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

tEUR	Goodwill	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation				
As of January 1, 2019	23,960	86,844	14,891	125,695
Additions	0	18,065	5,080	23,145
Acquisitions through business combinations	17,582	27,824	992	46,398
Currency Translation	426	115	0	541
At December 31, 2019	41,968	132,848	20,963	195,779
Amortisation and impairment				
As of January 1, 2019	0	0	3,609	3,609
Amortisation for the period	0	0	5,412	5,412
Currency translation	0	0	-13	-13
At December 31, 2019	0	0	9,008	9,008
Net book value at December 31, 2019	41,968	132,848	11,955	186,771

◆ Accounting principles:

Goodwill and intangible assets

Goodwill

Goodwill is initially recognised at cost. Subsequently, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised and impairment losses on goodwill are not reversed.

The carrying amount of goodwill is allocated to the Group's cash-generating units at the date of acquisition. Impairment is performed once a year as of December 31 or more frequently if events or changes in circumstances indicate that there is an impairment. An impairment loss is recognised if the recoverable amount of the cash-generating unit to which goodwill has been allocated is less than the carrying amount of the cash-generating unit. Identification of cash-generating units is based on the management structure and internal financial controls.

Notes

12 Intangible assets (continued)

Intangible assets

Separately acquired intangible assets are measured on initial recognition at cost including directly attributable costs. Intangible assets acquired in a business combination are measured at fair value at the acquisition date. Expenditures relating to maintenance of intangible assets are recognised in profit or loss when incurred. Expenditures relating to development of internally generated intangible assets are recognised in profit or loss when incurred, when requirements of capitalisation according to IFRS of is not met.

Intangible assets with a finite useful life are amortised over their useful life and reviewed for impairment whenever there is an indication that the asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at each year end.

Agreements related to media partnerships are measured at fair value of the fixed payments related to the agreement at the starting date. The value is amortised over the lifetime of the agreement

Intangible assets with indefinite useful lives (domains and websites) are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Costs related to maintenance of intangible assets, are not capitalised on the balance sheet but recognised in Profit and Loss in the financial year they are incurred.

Amortisation

The item comprises amortisation of intangible asset, as well as any impairment losses recognised for these assets during the period.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight-line basis over the expected useful life. The expected useful lives of long-lived assets are as follows:

Goodwill	Indefinite
Domains and websites	Indefinite
Other intangible assets	3-5 years

13 Goodwill and intangible assets with indefinite life

The Group's goodwill and domain names and websites for 2020 arise from the acquisitions of business combinations HLTV and Ateni Ltd as described in note 22. Other asset acquisitions and business combinations from prior years are also included.

Goodwill and domain names and websites arising on business combinations are not subject to amortisation, but are reviewed annually for impairment, or more frequently if there are any indicators of impairment that are noted during the year.

Cash-generating units

Goodwill from a business combination is allocated to cash-generating units in which synergies are expected to be generated from the acquisition. A cash-generating unit represents the smallest identifiable group of assets that together have cash inflows that are largely independent of the cash inflows from other assets. Management has assessed that following the acquisitions in 2020, Better Collective has four cash generating units, Ateni, HLTV, US, and the rest of Better Collective. Performance and cash flows from domain names and websites owned by the individual cash generating units are allocated and forms the basis for impairment.

Carrying amount of goodwill and Domains and Websites for the CGUs:

2020

tEUR	US	HLTV	Ateni	Rest	Total
Goodwill	16,485	17,777	41,178	23,875	99,315
Domains and Websites	40,407	20,551	0	89,315	150,274

2019

tEUR	US	HLTV	Ateni	Rest	Total
Goodwill	18,094	0	0	23,875	41,968
Domains and Websites	44,401	0	0	88,448	132,848

As at December 31, 2019 and December 31, 2020 the directors have evaluated goodwill, domains and websites for impairment. The directors are of the view that the carrying amount of domains and goodwill is recoverable on the basis that the cashflows generated from these assets are in line, or exceed, the estimated projections made prior to the acquisitions. The directors are satisfied that the judgements made are appropriate to the circumstances.

Notes

13 Goodwill and intangible assets with indefinite life - continued

Recoverable amount

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

Impairment test of HLTV, Atemi, and Rest:

For the CGUs HLTV, Atemi and the rest of Better Collective, the Group has performed an impairment test on goodwill and domain names and websites as of December 31, 2020, on a value-in-use basis. Management has based the value in use by estimating the present value of future cash flows from a three-year forecast approved by the Board of Directors and corresponding to the Group's budget for 2021. Key parameters in the forecast are trends in revenue, cost development and growth expectations. Beyond this, Management has applied a terminal value rate of 2%. The cash flows assume a discount factor of 15% based on the Group's weighted average cost of capital (WACC) in all years 2021-2023, with an effective tax rate of 25% (discount rate before tax 19.1%). The Board of Directors have approved the inputs to the impairment testing and are satisfied that the judgements made are appropriate.

Impairment test of US:

For the CGU US the Group has performed an impairment test on goodwill and domain names and websites as of December 31, 2020, on a value-in-use basis. Management has based the value in use by estimating the present value of future cash flows from the forecast for the period 2021 - 2028. Key parameters in the forecast are trends in revenue, cost development and growth expectations. Beyond this, Management has applied a terminal value rate of 2%. The cash flows assume a discount factor of 15% based on the Group's weighted average cost of capital (WACC) in all years 2021-2028, with an effective tax rate of 25% (discount rate before tax 19.1%). The Board of Directors have approved the inputs to the impairment testing and are satisfied that the judgements made are appropriate.

Other domains and websites:

Further to the CGUs, acquired domains and websites with indefinite life have been individually evaluated for indicators of impairment. The evaluation is based on actual traffic on the websites, as well as actual and expected revenue and NDCs generated by the accounts with operators that are linked to the websites. The evaluation of one of the assets resulted in an impairment of 558 tEUR. The liability related to the asset was reduced in the assessment and the net impact (profit) on P/L was included in Special items.

Besides the impairment mentioned above, the results of the impairment tests for goodwill and domains and websites showed that the recoverable amount exceeded the carrying value and that there was no impairment loss to be recognised.

◆ Accounting principles:

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The acquisition date is the date when Better Collective A/S effectively obtains control over the acquired business. Any costs directly attributable to the acquisition are expensed as Incurred.

If a put and call option exists for an acquired business combination, the put and call option is taken into consideration when assessing the ownership of the business combination.

The acquired businesses' identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

The consideration paid for a business consists of the fair value of the agreed consideration in the form of the assets transferred, equity instruments issued, and liabilities assumed at the date of acquisition. If part of the consideration is contingent on future events, such consideration is recognised at fair value. Subsequent changes in the fair value of contingent consideration are recognised in the income statement as special items. A positive excess (goodwill) of the consideration transferred (including any previously held equity interests and any non-controlling interests in the acquired business) over the fair value of the identifiable net assets acquired is recorded as goodwill.

If uncertainties regarding identification or measurement of acquired assets, liabilities or contingent liabilities or determination of the consideration transferred exist at the acquisition date, initial recognition will be based on provisional values. Any adjustments in the provisional values, including goodwill, are adjusted retrospectively, until 12 months after the acquisition date, and comparative figures are restated.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, from the acquisition date, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquired business combination are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed in these circumstances is measured based on the relative fair values of the disposed operation and the portion of the cash generating unit retained.

Notes

13 Goodwill and intangible assets with indefinite life (continued)

Impairment

The carrying amounts of goodwill, intangible assets, property, plant and equipment and investments in subsidiaries is assessed for impairment on an annual basis. Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. Furthermore, goodwill and intangible assets with indefinite useful lives are tested on an annual basis as at December 31. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use.

The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Impairment losses are recognised in the income statement under depreciation and amortisation. Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed. ♦

Notes

14 Property, plant and equipment

tEUR	Land and buildings	Right of use assets	Fixtures and fittings, other plant and equipment	Total
Cost or valuation				
At December 31, 2019	787	3,570	1,894	6,250
Additions	24	1,269	453	1,746
Acquisitions through business combinations	0	0	61	61
Disposals	0	0	-6	-6
Currency Translation	3	10	-19	-6
At December 31, 2020	813	4,849	2,383	8,045
Depreciation and impairment				
At December 31, 2019	68	565	487	1,119
Depreciation for the period	21	1,061	437	1,519
Depreciation on disposed assets	0	0	-6	-6
Currency translation	3	-2	17	18
At December 31, 2020	92	1,623	935	2,650
Net book value at December 31, 2020	721	3,225	1,448	5,395

tEUR	Land and buildings	Right of use assets	Fixtures and fittings, other plant and equipment	Total
Cost or valuation				
At December 31, 2018	787	0	752	1,539
Change in accounting principles	0	2,622	0	2,622
Additions	0	948	936	1,884
Acquisitions through business combinations	0	0	43	43
Disposals	0	0	-1	-1
Currency Translation	0	0	164	164
At December 31, 2019	787	3,570	1,894	6,250
Depreciation and impairment				
At December 31, 2018	51	0	95	146
Depreciation for the period	17	565	256	838
Depreciation on disposed assets	0	0	-1	-1
Currency translation	0	0	137	137
At December 31, 2019	68	565	487	1,119
Net book value at December 31, 2019	718	3,005	1,408	5,131

Notes

14 Property, plant and equipment (continued)

◆ Accounting principles:

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as depreciation. Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Depreciation

The item comprises depreciation of property, plant and equipment, and right of use assets, as well as any impairment losses recognised for these assets during the period.

The basis of depreciation, which is calculated as cost less any residual value, is amortised on a straight-line basis over the expected useful life. The expected useful lives of long-lived assets are as follows:

Land	Not depreciated
Buildings	10-50 years
Right of use assets and leasehold improvements	Up to 7 years
Fixtures and fittings, other plant and equipment	3-5 years

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately. The basis of depreciation is calculated considering the residual value at the end of the expected useful life and less any impairment. The depreciation period and residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. ◆

15 Trade and other receivables

tEUR	2020	2019
Trade receivables	17,401	10,035
Other receivables	847	1,544
Total receivables	18,248	11,579

◆ Accounting principles:

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Write-downs on trade receivables are based on the simplified expected credit loss model. Credit loss allowances on individual receivables are provided for when objective indications of credit losses occur such as customer bankruptcy and uncertainty about the customers' ability and/or willingness to pay, etc. In addition to this, allowances for expected credit losses are made on the remaining trade receivables based on a simplified approach. Reference is made to note 20 of the consolidated financial statements regarding credit risk.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years. ◆

Notes

16 Issued capital and reserves

tEUR	2020	2019	2018	2017	2016	2015
Share capital:						
Opening balance	464.3	404.9	68.5	68.4	67.9	67.2
Capital increase	4.8	59.4	336.4	0.1	0.6	0.7
Total	469.1	464.3	404.9	68.5	68.4	67.9

The share capital consists of 46,904,219 shares of nominal EUR 0.01 each.

Share buy-back

During March-June 2020 the company purchased 625,964 shares at an average price of 8 EUR. The buy-back was approved by the Board of Directors with the purpose to cover existing and future deferred acquisition related payment obligations with 180,458 and 445,265 shares respectively.

241 treasury shares remain as of December 31, 2020.

No treasury shares were purchased or sold in 2019. No treasury shares were remaining as of December 31, 2019.

◆ Accounting principles:

Equity

Treasury shares

Treasury shares are own equity instruments that are reacquired. They are recognised at cost as a deduction from equity in the reserve for treasury shares. The difference between par value and the acquisition price and consideration (net of directly attributable transaction costs) and dividends on treasury shares are recognised directly in equity in retained earnings.

Share premium

Share premium can be used for dividend.

Currency translation reserve

Foreign exchange differences arising on translation of Group entities and parent company to the EUR presentation currency are recognised in other comprehensive income (OCI) in a separate currency translation reserve under equity. On disposal of a reporting entity, the component of other comprehensive income relating to that particular reporting entity is reclassified to profit or loss. ◆

17 Distributions made and proposed

tEUR	2020	2019
Declared and paid during the year on ordinary shares	0	0
Proposed dividend on ordinary shares	0	0

◆ Accounting principles:

Proposed dividends

Dividends proposed for the year are recognised as a liability when the distribution is authorised by the shareholders at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate line item under "Equity".

Proposed dividends on ordinary shares are subject to approval at the Annual General Meeting. ◆

18 Trade and other payables

tEUR	2020	2019
Trade Payables	7,166	761
Other payables	3,080	2,661
Total payables	10,247	3,422

◆ Accounting principles:

Prepayments consist of payments received from customers relating to income in subsequent periods. Prepayments are mainly classified as current, as the related revenue is recognised within one year.

Trade payables are obligations to pay for goods or services acquired in the normal course of business. Trade payables are initially reported at fair value and, subsequently, at amortised cost using the effective interest method.

Other payables comprise amounts owed to staff, including wages, salaries and holiday pay; amounts owed to the public authorities, including taxes payable, VAT, excise duties, etc.

Other financial liabilities comprise amounts payable to sellers as a result of business combinations and asset acquisitions. ◆

Notes

19 Leasing

Right-of-use assets

tEUR	Buildings	Cars	Total
Balance at January 1, 2020	2,982	23	3,005
Additions	314	0	314
Additions from acquisitions	931	0	931
Modifications	51	-23	28
Exchange rate adjustment	6	0	6
Depreciation	1,059	0	1,059
Balance at December 31, 2020	3,225	0	3,225
Balance at January 1, 2019	2,622	0	2,622
Additions	623	24	647
Additions from acquisitions	237	0	237
Modifications	64	0	64
Exchange rate adjustment	0	0	0
Depreciation	564	1	565
Balance at December 31, 2019	2,982	23	3,005

Lease liabilities

tEUR	2020	2019
Maturity analysis - contractual undiscounted cash flows		
Less than one year	1,193	846
One to five years	2,386	2,344
More than five years	-	202
Total undiscounted cash flows	3,579	3,393
Total lease liabilities	3,386	3,103
Current	1,262	846
Non-current	2,124	2,257

The total cash outflow for leases during 2020 was 1181 tEUR.

Amounts recognised in the consolidated income statement

tEUR	2020	2019
Interest on lease liabilities	156	106
Expenses relating to short-term lease	169	106
Expenses relating to lease of low value assets	1	0

◆ Accounting principles:

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities (due to indexation of lease payments or extension of leases). The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Notes

19 Leasing (continued)

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate of 4%, at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to extend the term of lease.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

◆ Accounting principles – Before January 1, 2019:

Operating leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term. ◆

20 Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency exchange risk and interest rate risk), credit risk, and liquidity risk. The Group has established principles for overall risk management, which seek to minimise potential adverse effects on the Group's performance.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. For the Group, market risk comprises foreign currency risk and interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's international operating activities. The Group's revenues are mainly denominated in DKK, EUR, and GBP (following the acquisition of Atemi Ltd), with limited revenues in USD, SEK and PLN. The majority of the Group's expenses are employee costs, which are denominated in the parent company's functional currency, DKK. Expenses have a pattern which is in line with the revenue. The expenses are mainly in DKK, EUR and limited GBP, USD, SEK, RON and PLN. The DKK exchange rate is fixed to the EUR. Since revenues in other foreign currencies than DKK and EUR (GBP, USD, SEK, and PLN) are limited and expenses in GBP, USD, SEK, RON and PLN reduces the exposure, the Group is not overly exposed to foreign currency risk.

Historically, exposure to currency fluctuations has not had a material impact on the Group's financial condition or results of operations and accordingly Management deems that a sensitivity analysis showing how profit or pre-tax equity would have been impacted by changes in these foreign exchange rates is not deemed necessary.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from the revolving credit facility and deposits held by the Group. These are short-term and not material amounts. Management expects to re-pay the credit facility in the short term, as the Group is generating positive cash flows. Therefore, exposure to interest rate risk is considered minimal.

The Group regularly monitors its interest rate risk and considers it to be insignificant, therefore an interest rate sensitivity analysis is not deemed necessary.

Credit risk

As per January 1, 2018 the Group implemented IFRS 9 using the simplified expected credit loss model. The model implies that the expected loss over the lifetime of the asset is recognised in the profit and loss immediately and is monitored on an ongoing basis until realisation. The Group has limited overdue trade receivables and historically there has been minimal losses on trade receivables. The inputs to the expected credit loss model reflects this.

Notes

20 Financial risk management objectives and policies (continued)

As per December 31, 2020 the Group's impairment for expected loss is included in the trade receivables (ref note 15).

Expected credit loss on receivables from trade receivables can be specified as follows:

tEUR	Expected Loss Rate	Gross receivable	Expected loss	Net receivable
2020				
Not Due	0.0%	8,769	0	8,769
Less than 30 days	0.2%	3,883	8	3,875
Between 31 and 60 days	3.4%	765	26	739
Between 61 and 90 days	10.6%	361	38	323
More than 91 days	16.8%	4,437	744	3,694
Total		18,217	816	17,401

As no significant losses were recognised during 2020, expected loss rate has been reduced compared to loss percentage recorded in 2019:

2019				
Not Due	0.1%	6,636	6	6,630
Less than 30 days	1.0%	1,639	16	1,623
Between 31 and 60 days	9.0%	854	77	776
Between 61 and 90 days	18.0%	180	32	147
More than 91 days	24.0%	1,130	271	859
Total		10,439	403	10,035

Liquidity risk

The Group is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which mainly include trade payables, other payables, earn-outs and deferred M&A payments, contingent consideration, and the credit facility. The group ensures adequate liquidity through the management of cash flow forecasts and close monitoring of cash inflows and outflows.

The following table summarises the maturities of the Group's financial obligations. The Group had no derivative financial instruments.

Contractual cash flows:

	Carrying amount	Fair Value	Total	< 1 year	2-5 years	> 5 years
2020						
Non-derivative financial instruments:						
<i>Financial liabilities measured at fair value</i>						
Earn-Out consideration	7,882	7,882	8,173	2,688	5,484	0
Contingent consideration	23,305	23,305	24,346	11,770	12,576	0
Other financial liabilities measured at fair value	4,237	4,237	4,373	744	3,629	0
<i>Financial liabilities measured at amortised costs</i>						
Trade and other payables	3,422	3,422	3,422	3,422	0	0
Deferred payment on acquisitions	6,526	6,526	6,559	5,176	1,384	0
Debt to mortgage credit institutions	527	527	536	26	100	410
Debt to credit institutions	68,770	68,770	71,672	963	70,709	0
Total non-derivative financial instruments	114,669	114,669	119,081	24,788	93,883	410
Assets:						
<i>Financial assets measured at amortised costs</i>						
Non-current financial assets*	555	555	572	572	0	0
Trade and other receivables	18,248	18,248	18,248	18,248	0	0
Restricted Cash	6,926	6,926	6,926	6,926	0	0
Cash	21,127	21,127	21,127	21,127	0	0
Total financial assets	46,857	46,857	46,873	46,873	0	0
Net	67,812	67,812	72,209	-22,085	93,883	410

* Non-current financial assets consist of a subordinated loan to Mindway AI

Notes

20 Financial risk management objectives and policies (continued)

Contractual cash flows:	Carrying amount	Fair Value	Total	< 1 year	2-5 years	> 5 years
2019						
Non-derivative financial instruments:						
Earn-Out consideration	9,432	9,432	9,494	9,494	0	0
Contingent liabilities	26,714	26,714	28,390	2,202	26,188	0
Other financial liabilities measured at fair value	5,610	5,610	5,844	1,086	4,758	0
Financial liabilities measured at amortised costs						
Trade and other payables	2,564	2,564	2,564	2,564	0	0
Deferred payment on acquisitions	977	977	977	977	0	0
Debt to mortgage credit institutions	544	544	626	26	101	500
Debt to credit institutions	16,734	16,734	17,694	318	17,376	0
Total non-derivative financial instruments	62,575	62,575	65,589	16,666	48,423	500
Assets:						
Non-current financial assets, loan	590	590	615	24	590	0
Trade and other receivables	11,579	11,579	11,579	11,579	0	0
Cash	22,755	22,755	22,755	22,755	0	0
Total financial assets	34,925	34,925	34,949	34,359	590	0
Net	27,651	27,651	30,640	-17,693	47,833	500

Fair value of Earn-out consideration, contingent consideration, and other financial liabilities

Fair Value is measured based on level 3 - Valuation techniques, for which the lowest level input that is significant to the fair value measurement is unobservable. The Fair Value of Earn-Out consideration, Contingent consideration, and Other financial liabilities is measured based on weighted probabilities of assessed possible payments discounted to present value. For further information on the contingent liability consideration, please refer to note 22

Fair value

In all material aspects the financial liabilities are current/short termed. Non-current loans and overdraft facility are subject to a variable interest rate. Thus, the fair value of the financial assets and liabilities is considered equal to the booked value.

Capital Management

For the purpose of the Group's capital management, capital includes issued capital, share premium, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise shareholder value and to maintain an optimal capital structure. The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, issue new shares or return capital to shareholders.

Credit facilities

Better Collective has non-current bank credit facilities of total 84 mEUR, of which 69 mEUR was drawn up end of December 2020. As of December 31, 2020 cash and unused credit facilities, amounted to approximately 36 mEUR.

Net debt includes current and non-current debt to financial institutions and other financial liabilities, less cash and cash equivalents

Notes

20 Financial risk management objectives and policies (continued)

Change in liabilities arising from financing activity

tEUR	2018	Cash flows Net	Non cash flow changes	2019	Cash flows Net	Non cash flow changes	2020
Non-current financing liabilities	9,044	8,260	-45	17,259	51,893	125	69,277
Leasing and other non-current liabilities (vacation fund)	0	0	2,607	2,607	484	-122	2,968
Current financing liabilities	20	0	0	20	-20	20	20
Leasing and other non-current liabilities	0	0	846	846	-1,025	1,441	1,262
Total liabilities from financing activities	9,064	8,260	3,408	20,731	51,332	1,464	73,527

20 Financial risk management objectives and policies (continued)

◆ Accounting principles:

Cash

Cash comprises cash at bank and on hand.

Restricted Cash

Restricted cash comprises cash in escrow account related to the acquisition of Atemi Ltd. The funds will be released from the escrow account to the sellers of Atemi in quarterly instalments, ending March 31, 2022.

Liabilities

The Group's liabilities include prepayments from customers, trade payables and overdraft facility. Liabilities are classified as current if they fall due for payment within one year or earlier. If this condition is not met, they are classified as non-current liabilities.

Earn-out and contingent liability amounts are measured at fair value.

Debt to credit institutions are at initial recognition measured at fair value less transaction cost and subsequently measured at amortised cost.

Other financial liabilities and contingent consideration comprise amounts payable to sellers as a result of business combinations and asset acquisitions.

21 Change in working capital

tEUR	2020	2019
Change in receivables	-1,653	-919
Prepaid expenses	-26	-497
Prepayment from customers	97	-108
Change in trades payable, other debt	796	-334
Change in working capital, total	-786	-1,858

Notes

22 Business combinations

Acquisition of Atemi Ltd.

On October 1st, 2020, Better Collective completed the acquisition of Atemi Group for 44 mEUR net of cash and working capital. Atemi Group is one of the World's largest companies specialised within lead generation for iGaming through paid media (PPC) and social media advertising. The acquisition is a major strategic move for Better Collective with significant synergistic opportunities.

The transferred consideration is paid with cash and treasury shares and a deferred payment payable in cash.

tEUR	Fair value determined at acquisition
Acquired net assets at the time of the acquisition	
Accounts & other intangible assets	3,900
Equipment	61
Deposits	81
Trade and other receivables	4,993
Prepayments	195
Cash and cash equivalents	2,442
Deferred tax liabilities	-741
Corporate tax payables	-122
Trade and other payables	-5,869
Identified net assets	4,940
Goodwill	41,178
Total consideration	46,118

A goodwill of 41,178 tEUR emerged from the acquisition of Atemi Ltd. 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 brands acquired, and leveraging Better Collective's existing operator agreements and monetisation models. The goodwill is not tax deductible.

Transaction costs related to the acquisition of Atemi Ltd. amounts to 443 tEUR in 2020. Transaction costs are accounted for in the income statements under "special items".

The fair value of the trade receivables amounts to 4,914 tEUR. The gross amount of trade receivables is 5,282 tEUR and a provision of 367 tEUR has been recorded in accordance with IFRS9.

tEUR	
Purchase amount	46,118
<i>Regards to:</i>	
Cash and cash equivalents	2,442
Deferred Payment - adjustment of Net Working Capital opening balance	59
Deferred Payment - payable in shares	5,210
Deferred Payment - payable in cash instalments	8,293
Net cash outflow	30,113

The acquisition was completed on October 1, 2020. If the acquisition would have taken place on January 1, 2020 the Group's revenue YTD would have amounted to 126,739 tEUR and result after tax YTD would have amounted to 25,878 tEUR.

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

Acquisition of HLTV ApS.

On February 28, 2020, Better Collective acquired HLTV, which owns the website HLTV.org, thereby establishing a strong position within the esport betting market. HLTV ApS is incorporated in Denmark

The transferred consideration is paid with cash, a deferred payment payable with shares, and an estimated conditional purchase amount.

Notes

22 Business combinations (continued)

tEUR	Fair value determined at acquisition
Acquired net assets at the time of the acquisition	
Domains and websites	20,551
Deposits	5
Trade and other receivables	54
Cash and cash equivalents	396
Deferred tax liabilities	-4,521
Corporate tax payables	-580
Trade and other payables	-98
Identified net assets	15,808
Goodwill	17,777
Total consideration	33,585

A goodwill of 17,777 tEUR emerged from the acquisition of HLTV as an effect of the difference between the transferred consideration and the fair value of acquired net assets. Goodwill is primarily connected to the future growth expectations given the strong brand acquired, and leveraging Better Collective's existing operator agreements and monetisation models. The goodwill is not tax deductible.

Transaction costs related to the acquisition of HLTV amounts to 77 tEUR in 2020. Transaction costs are accounted for in the income statements under "special items".

The fair value of the trade receivables amounts to 28 tEUR. The gross amount of trade receivables is 28 tEUR and no impairment has been recorded.

tEUR	
Purchase amount	33,585
Regards to:	
Cash and cash equivalents	396
Deferred return payment - adjustment of Net Working Capital opening balance	-542
Deferred Payment - payable in shares	2,678
Estimated conditional purchase amount (at fair value)	7,737
Net cash outflow	23,316

An additional conditional consideration depends on the development of the results in the acquired company. At the date of the acquisition, the debt assigned to the conditional consideration amounted to 8 mEUR (fair value of 7,7 mEUR). The maximum amount of the conditional payment is 8 mEUR.

The acquisition was completed on February 28, 2020. If the acquisition would have taken place on January 1, 2020 the Group's revenue YTD would have amounted to 92,058 tEUR and result after tax YTD would have amounted to 22,268 tEUR.

Notes

22 Business combinations (continued)

Business combinations 2019

Acquisition of Ribacka Group.

The acquisition of Ribacka Group was included in the balance sheet as per December 31, 2018 based on estimates. The opening balance was amended as per December 31, 2018 and a revised PPA is therefore included in this report. The change is considered immaterial and no correction has therefore been made to comparative figures.

On December 21, 2018, Better Collective acquired all shares in Ribacka Group AB, which owns a strong network of leading Swedish sports betting and casino marketing platforms, including www.speltips.se. Ribacka Group is incorporated and headquartered in Sweden.

The transferred consideration is paid with cash, a deferred payment, and an estimated conditional purchase amount.

tEUR	Fair value determined at acquisition
Acquired net assets at the time of the acquisition	
Domains and websites	31,235
Accounts & other intangible assets	2,200
Deposits	2
Trade and other receivables	2,335
Cash and cash equivalents	4,699
Deferred tax liabilities	-7,225
Corporate tax payables	-1,045
Trade and other payables	-564
Identified net assets	31,637
Goodwill	2,609
Total consideration	34,246

A goodwill of 2,609 tEUR emerged from the acquisition of Ribacka as an effect of the difference between the transferred consideration and the fair value of acquired net assets. Goodwill is primarily connected to the future growth expectations given the strong brands acquired, the regulation of the Swedish market, and leveraging Better Collective's existing operator agreements. The goodwill is not tax deductible.

Transaction costs related to the acquisition of Ribacka AB amounts to 113 tEUR in 2018 and 43 tEUR in 2019. Transaction costs are accounted for in the income statements under "special items".

The fair value of the trade receivables amounts to 2,234 tEUR. The gross amount of trade receivables is 2,434 tEUR and an impairment of 200 tEUR has been recorded.

tEUR

Purchase amount	34,246
<i>Regards to:</i>	
Cash and cash equivalents	3,903
Deferred payment	10,451
Estimated conditional purchase amount (at fair value)	8,766
Net cash outflow	11,125

An additional conditional consideration depends on the development of the results in the acquired company. At the date of the acquisition, the debt assigned to the conditional consideration amounted to 9 mEUR (fair value of 8,766 tEUR). The maximum amount of the conditional payment is 9 mEUR.

Acquisition of Rical LLC

On May 28, 2019 Better Collective acquired 60% of shares in Rical LLC ("RotoGrinders") which operates rotogrinders.com, pocketfives.com, sportshandle.com, usbets.com, and pennbets.com for 21 mUSD of which 17.85 mUSD was paid in cash and the remaining 3.15 mUSD was paid in shares, issued on June 13, 2019. The agreement regarding the acquisition of RotoGrinders contains a put- and call option related to acquisition of the remaining 40% of the shares, therefore it is management assessment that RotoGrinders should be fully (100%) consolidated into the Better Collective consolidated results as from May 28, 2019. Due to the put and call option Better Collective will acquire the remaining 40% of the shares of RotoGrinders during the period 2022-2024 at a valuation based upon an EBITDA-multiple between 5x and 10x. The valuation will be determined by the future growth and profitability of RotoGrinders and Better Collective's other business in the United States.

Up to 35% of the future payments may be paid in the form of shares in Better Collective, at the discretion of Better Collective. RotoGrinders is fully (100%) consolidated into the Better Collective accounts as from May 28, 2019. The value of the assets, dividend payments to existing owners during 2021-2023, and remaining committed tranche payments are included in the accounts at an estimated fair value.

Notes

22 Business combinations (continued)

tEUR	Fair value determined at acquisition
Acquired net assets at the time of the acquisition	
Domains and websites	25,788
Accounts & other intangible assets	300
Office machinery & Other assets	42
Trade and other receivables	963
Cash and cash equivalents	261
Deferred tax liabilities	21
Corporate tax payables	0
Trade and other payables	-636
Identified net assets	26,739

Goodwill	17,790
Total consideration	44,529

A goodwill of 17,790 tEUR emerged from the acquisition of RiCal LLC as an effect of the difference between the transferred consideration and the fair value of acquired net assets. Goodwill is primarily connected to the future growth expectations given the strong brands acquired, the regulation of the US market, the contingent consideration, and leveraging Better Collective's existing operator relationships. The goodwill is tax deductible when paid.

Transaction costs related to the acquisition of RiCal amounts to 739 tEUR in 2019. Transaction costs are accounted for in the income statement under "special items".

The fair value of the trade receivables amounts to 854 tEUR. The gross amount of trade receivables is 954 tEUR and an impairment of 100 tEUR has been recorded.

tEUR	
Effect on cash flow regarding acquisition of RiCal LLC	
Purchase amount	44,529
<i>Regards to:</i>	
Cash and cash equivalents	261
Estimated conditional purchase amount (at fair value)	26,521
Share Capital issued	2,803
Net cash outflow	14,944

An additional conditional consideration depends on the development of the results in the acquired company. At the date of the acquisition, the debt assigned to the conditional consideration amounted to 26.5 mEUR, to be paid in USD.

The acquisition was completed on May 28, 2019. If the acquisition would have taken place on January 1, 2019 the Group's revenue in 2019 would have amounted to 70,597 tEUR and result after tax would have amounted to 14,130 tEUR.

Acquisition of MOAR Performance Ltd (mybettingsites.co.uk)

On September 1, 2019, Better Collective acquired 100% of shares in MOAR Performance Ltd. which owns mybettingsites.co.uk.

The transferred consideration was paid with cash, a deferred payment, and an estimated conditional purchase amount.

tEUR	Fair value determined at acquisition
Acquired net assets at the time of the acquisition	
Domains and websites	1,562
Accounts & other intangible assets	700
Office machinery & Other assets	1
Trade and other receivables	86
Cash and cash equivalents	921
Deferred tax liabilities	-430
Corporate tax payables	-151
Trade and other payables	0
Identified net assets	2,689

Goodwill	592
Total consideration	3,280

A goodwill of "A goodwill of 592 tEUR emerged from the acquisition of MOAR Performance Ltd. as an effect of the difference between the transferred consideration and the fair value of acquired net assets. Goodwill is primarily connected to the future growth expectations given the strong brand acquired and leveraging Better Collective's existing operator relationships. The goodwill is not tax deductible.

Notes

22 Business combinations (continued)

Transaction costs related to the acquisition of MOAR Performance amounts to 72 tEUR in 2019. Transaction costs are accounted for in the income statement under “special items”.

The fair value of the trade receivables amounts to 83 tEUR. The gross amount of trade receivables is 83 tEUR and no impairment has been recorded.

tEUR

Effect on cash flow regarding acquisition of MOAR Performance Ltd.

Purchase amount	3,280
<i>Regards to:</i>	
Cash and cash equivalents	921
Deferred payment	165
Estimated conditional purchase amount (at fair value)	216
Share Capital issued	390
Net cash outflow	1,588

An additional conditional consideration depends on the development of the results in the acquired company. At the date of the acquisition, the debt assigned to the conditional consideration amounted to 0.2 mEUR.

The acquisition was completed on September 1, 2019. If the acquisition would have taken place on January 1, 2019 the Group's revenue in 2019 would have amounted to 68,059 tEUR and result after tax would have amounted to 14,199 tEUR.

Notes

23 Related party disclosures

The Group has registered the following shareholders with 5% or more equity interest:

- J Søgaard Holding ApS, 22.75 %, Tolbodgade 12, 1253 Copenhagen, Denmark
- Chr. Dam Holding ApS, 22.75 %, Tolbodgade 12, 1253 Copenhagen, Denmark

Christian Kirk Rasmussen and Jesper Søgaard each hold 22.75% of the shares in Better Collective A/S, through respective holding companies. The remaining shares are held by other shareholders.

Leading employees

The Group's related parties with significant influence include the Group's Board of Directors, Executive Directors and Key Management in the parent company and close family members of these persons. Related parties also include companies in which this circle of persons has significant interests.

Management remuneration and warrant programs are disclosed in note 5 and 6.

Transactions with related parties have been as follows:

tEUR	2020	2019
Capital increase – gross	0	832
Sale of warrants	0	0
Warrants settled, net of tax	0	-1,522
Warrants board member (included in board remuneration)	32	0

Notes

24 Group information

Information about subsidiaries

The consolidated financial statements of the Group include the following subsidiaries:

December 31, 2020

Name	Ownership	Country	City	Currency	Capital
					Local currency
Better Collective GmbH*	100%	Austria	Vienna	tEUR	36
Hebiva Beteiligungen GmbH	100%	Austria	Vienna	tEUR	40
Better Collective SAS	100%	France	Paris	tEUR	100
Better Collective D.o.o.	100%	Serbia	Niš	tRSD	620
Bola Webinformation GmbH	100%	Austria	Vienna	tEUR	35
Better Collective Greece P.C.	100%	Greece	Thessaloniki	tEUR	10
Kapa Media Services Ltd.	100%	Malta	Naxxar	EUR	1,200
Better Collective Sweden AB	100%	Sweden	Stockholm	tSEK	50
Better Collective UK Ltd	100%	United Kingdom	Stoke on Trent	GBP	1
Better Collective Poland SP Z o o	100%	Poland	Krakow	tPLN	5
Moar Performance Ltd	100%	United Kingdom	London	GBP	1
Better Collective Romania SRL	100%	Romania	Bucharest	tRON	50
Better Collective USA Inc	100%	USA	New York	USD	1
Better Collective Florida LLC**	100%	USA	Nashville	USD	1
Better Collective Tennessee LLC***	60%	USA	Tennessee	tUSD	2,239
Atemi Ltd	100%	Malta	St Julians	tGBP	1
Hot Media Corp****	100%	British Virgin Islands	Tortola	tGBP	0
Force Media Inc****	100%	British Virgin Islands	Tortola	tGBP	0
Pedia Publications Ltd****	100%	Guernsey	St. Peter Port	tGBP	67
5 Star Traffic Ltd****	100%	British Virgin Islands	Tortola	tGBP	0
FTD LABS Ltd****	100%	Guernsey	St. Peter Port	tGBP	0
Your Media Ltd****	100%	United Kingdom	Tunbridge wells	tGBP	0
HLTV ApS	100%	Denmark	Aarhus	tDKK	50

* Better Collective GmbH is 100% owned by Hebiva Beteiligungen GmbH.

** Better Collective Florida LLC is 100% owned by Better Colective USA Inc.

*** Better Collective Tennessee LLC is 60% owned by Better Collective USA Inc.

**** Subsidiaries are 100% owned by Atemi Ltd

Other investments

Mindway AI Aps	19.99%	Denmark	Aarhus
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Notes

24 Group information (continued)

Information about subsidiaries

The consolidated financial statements of the Group include the following subsidiaries:

December 31, 2019

Name	Ownership	Country	City	Currency	Capital
					Local currency
Better Collective GmbH*	100%	Austria	Vienna	tEUR	36
Hebiva Beteiligungen GmbH	100%	Austria	Vienna	tEUR	40
Better Collective SAS	100%	France	Paris	tEUR	100
Better Collective D.o.o.	100%	Serbia	Niš	tRSD	620
Bola Webinformation GmbH	100%	Austria	Vienna	tEUR	35
Better Collective Greece P.C.	100%	Greece	Thessaloniki	tEUR	10
Kapa Media Services Ltd.	100%	Malta	Naxxar	EUR	1,200
Better Collective Sweden AB	100%	Sweden	Stockholm	tSEK	50
Better Collective UK Ltd	100%	United Kingdom	Stoke on Trent	GBP	1
Better Collective Poland SP Z o o	100%	Poland	Krakow	tPLN	5
Moar Performance Ltd	100%	United Kingdom	London	GBP	1
Better Collective Romania SRL	100%	Romania	Bucharest	tRON	50
Better Collective USA Inc	100%	USA	New York	USD	1
Better Collective Florida LLC**	100%	USA	Nashville	USD	1
Better Collective Tennessee LLC***	60%	USA	Tennessee	tUSD	2,239

* Better Collective GmbH is 100% owned by Hebiva Beteiligungen GmbH.

** Better Collective Florida LLC is 100% owned by Better Colective USA Inc.

***Better Collective Tennessee LLC is 60% owned by Better Collective USA Inc.

Other investments

Mindway AI Aps	19.99%	Denmark	Aarhus
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Notes

25 Other contingent liabilities

Other contingent liabilities

Better Collective A/S has taken a mortgage loan from Realkredit Danmark totalling 526 tEUR as of December 31, 2020 and the property on HC. Andersens Boulevard is placed as collateral. The book value of the property as of December 31, 2020 is 704 t EUR.

26 Events after the reporting date

Acquisition of 70% of shares in Mindway AI:

On January 1, 2021 Better Collective acquired and additional 70% of the shares in Mindway AI for 2.3 mEUR, bringing the ownership to 90%

As per the date of publication of the interim financial statements it has not been possible to obtain sufficient financial data to fulfill reporting requirements according to IFRS3. Therefore the opening balance, the acquired net assets at the time of the acquisition, and goodwill is not included in these interim financial statements.

Parent Company financial statements

Statement of profit and loss

Note	tEUR	2020	2019
2	Revenue	26,940	24,952
	Other operating income	8,878	6,183
	Direct costs related to revenue*	3,546	3,044
3,4	Staff costs	10,958	11,290
14	Depreciation	482	455
5	Other external expenses*	9,129	10,729
	Operating profit before amortisations (EBITA) and special items	11,702	5,618
12	Amortisation	1,974	1,142
	Operating profit (EBIT) before special items	9,728	4,475
6	Special items, net	266	375
	Operating profit	9,994	4,851
9	Financial income	13,860	15,358
10	Financial expenses	6,573	4,084
	Profit before tax	17,280	16,125
11	Tax on profit for the period	1,563	789
	Profit for the period	15,717	15,336

*Historic numbers for 2019 re-stated for Paid Media, please refer to note 1

Statement of comprehensive income

Note	tEUR	2020	2019
	Profit for the period	15,717	15,336
	Other comprehensive income		
	<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
	Currency translation to presentation currency	601	-23
11	Income tax	0	0
	Net other comprehensive income/loss	601	-23
	Total other comprehensive income/(loss) for the period, net of tax	16,319	15,313

Balance sheet

Note	tEUR	2020	2019
Assets			
Non-current assets			
12,13	Intangible assets		
	Domains and websites	15,185	14,319
	Accounts and other intangible assets	3,355	5,560
		18,540	19,879
14	Property, plant and equipment		
	Land and building	704	718
	Right of use assets	896	1,196
	Fixtures and fittings, other plant and equipment	317	401
		1,917	2,316
Financial assets			
7	Investments in subsidiaries	183,856	103,024
8	Receivables from subsidiaries	36,969	36,714
8	Other non-current financial assets	1,146	1,175
	Deposits	160	156
		222,131	141,069
	Total non-current assets	242,588	163,264
Current assets			
16	Trade and other receivables	4,648	4,471
19	Receivables from subsidiaries	1,657	3,095
	Tax receivable	653	0
	Prepayments	736	771
	Restricted Cash	6,926	0
19	Cash	2,560	9,704
	Total current assets	17,180	18,041
	Total assets	259,767	181,304

Note	tEUR	2020	2019
Equity and liabilities			
Equity			
15	Share Capital	469	464
	Share Premium	108,825	106,295
	Currency Translation Reserve	494	-107
	Treasury shares	-2	0
	Retained Earnings	45,137	27,060
	Proposed Dividends	0	0
	Total equity	154,923	133,712
Non-current Liabilities			
19	Debt to mortgage credit institutions	507	524
19	Debt to credit institutions	68,770	16,734
18	Lease liabilities	629	909
11	Deferred tax liabilities	1,163	884
19	Other non-current financial liabilities	8,796	4,531
	Total non-current liabilities	79,864	23,583
Current Liabilities			
17	Trade and other payables	2,127	1,954
19	Payables to subsidiaries	12,585	9,991
11	Corporation tax payable	70	233
19	Other current financial liabilities	9,850	11,489
19	Debt to mortgage credit institutions	20	20
18	Lease liabilities	328	323
	Total current liabilities	24,980	24,009
	Total liabilities	104,844	47,592
	Total equity and liabilities	259,767	181,304

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, 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 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	494	-2	45,137	0	154,923

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, 2019	404	67,316	-84	0	12,989	0	80,626
Result for the period	0	0	0	0	15,336	0	15,336
Other comprehensive income							
Currency translation to presentation currency	0	0	-23	0	0	0	-23
Tax on other comprehensive income	0	0	0	0	0	0	0
Total other comprehensive income	0	0	-23	0	0	0	-23
Total comprehensive income for the year	0	0	-23	0	15,336	0	15,313
Transactions with owners							
Capital Increase	60	39,692	0	0	0	0	39,752
Transaction Costs	0	-713	0	0	0	0	-713
Shared based payments	0	0	0	0	384	0	384
Settlement of warrants	0	0	0	0	-1,685	0	-1,685
Tax on settlement of warrants	0	0	0	0	36	0	36
Total transactions with owners	60	38,979	0	0	-1,266	0	37,773
At December 31, 2019	464	106,295	-107	0	27,060	0	133,712

During the period no dividend was paid.

Statement of cash flows parent

Note	tEUR	2020	2019
	Profit before tax	17,280	16,125
	Adjustment for finance items	-7,287	-11,274
	Adjustment for special items	-266	-375
	Operating Profit for the period before special items	9,728	4,475
	Depreciation and amortisation	2,456	1,597
	Other adjustments of non cash operating items	955	384
	Cash flow from operations before changes in working capital and special items	13,140	6,457
20	Change in working capital	3,710	-5
	Cash flow from operations before special items	16,850	6,451
	Special items, cash flow	-479	-111
	Cash flow from operations	16,371	6,340
	Dividend received	10,733	12,578
	Other Financial income, received	1,883	965
	Financial expenses, paid	-1,713	-2,309
	Cash flow from ordinary activities before tax	27,274	17,574
	Income tax paid	-2,105	-220
	Cash flow from operating activities	25,169	17,354

Note	tEUR	2020	2019
7	Acquisition of businesses	-67,555	-11,845
12	Acquisition of intangible asset	-1,850	-4,273
14	Acquisition of property, plant and equipment	-75	-140
	Non-current loans to subsidiaries	0	-33,961
	Change in other non-current assets	50	-326
	Cash flow from investing activities	-69,431	-50,544
19	Repayment of borrowings	-22,756	-78,677
19	Proceeds from borrowings	74,629	86,937
	Group Financial borrowings	-3,515	4,166
	Lease liabilities	-281	-263
	Other non-current liabilities	484	350
	Capital increase	393	30,620
	Treasury Shares	-4,903	0
	Transaction cost	-33	-713
	Warrant settlement, sale of warrants	0	-1,686
	Cash flow from financing activities	44,020	40,734
	Cash flows for the period	-242	7,544
	Cash and cash equivalents at beginning	9,704	2,162
	Foreign currency translation of cash and cash equivalents	24	-1
	Cash and cash equivalents period end*	9,486	9,704
	*Cash and cash equivalents period end		
	Restricted cash	6,926	0
	Cash	2,560	9,704
	Cash and cash equivalents period end	9,486	9,704

Notes to the parent financial statement

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Notes

1 Accounting policies

Reference is made to notes to the consolidated financial statements. For the treatment of subsidiaries reference is made to note 7.

2 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	2020	2019
Revenue		
Revenue share	23,523	21,178
CPA	1,098	1,970
Other	2,320	1,804
Total Revenue	26,940	24,952

%-split	2020	2019
Revenue		
Revenue share	87	85
CPA	4	8
Other	9	7
Total Revenue	100	100

The parent company has earned 19 mEUR in revenues from one major customer, which represents 65% of the parent company's revenue (2019: 64%).

3 Staff costs

tEUR	2020	2019
Wages and salaries	9,035	9,655
Pensions, defined contribution	722	916
Other social security costs	140	143
Share-based payments	955	384
Other staff costs	106	191
Total staff costs	10,958	11,290
Average number of full-time employees	122	124

For remuneration of Key Management personnel, Executive Directors and the Board of Directors, reference is made to the disclosures in note 5 of the consolidated financial statements.

4 Share-based payments

Reference is made to the disclosures in note 6 of the consolidated financial statements.

Notes

5 Fees paid to auditors appointed at the annual general meeting

tEUR	2020	2019
Fee related to statutory audit	171	58
Fees for tax advisory services	0	13
Assurance engagements	22	27
Other assistance	48	124
	241	222

Fee in relation to non-audit services from EY Denmark, 70 tEUR mainly consists of financial due diligence, general accounting advice regarding IFRS and review of condensed consolidated interim financial statements.

6 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	2020	2019
Operating profit	9,994	4,851
Special items related to M&A	-122	-199
Special items related to Earn-out	744	574
Special items related to Restructuring*	-356	0
Operating profit before special items	9,728	4,475
Amortisations	1,974	1,142
Operating profit before amortisations and special items (EBITA before special items)	11,702	5,618
Depreciation	482	455
Operating profit before depreciation, amortisations, and special items (EBITDA before special items)	12,184	6,073

* Restructuring was added to special items as of January 1, 2020

Notes

7 Investments in subsidiaries

Subsidiaries			2020		2019	
Name	Domicile	Interest %	Equity tEUR	Profit/loss tEUR	Equity tEUR	Profit/loss tEUR
Subsidiaries						
Better Collective D.o.o.	Serbia	100%	665	(342)	1,042	817
Better Collective SAS	France	100%	10,709	4,165	6,544	3,178
Hebiva Beteiligungen GmbH	Austria	100%	4,822	2,353	7,283	7,235
Better Collective GmbH*	Austria	100%	32	2,346	34	2,423
Bola Webinformation GmbH	Austria	100%	4,067	4,032	4,644	4,609
Better Collective Greece P.C.	Greece	100%	1,573	660	913	483
Kapa Media Services Ltd.	Malta	100%	267	86	181	105
Better Collective Sweden AB	Sweden	100%	3,633	2,155	1,487	3,473
Better Collective UK Ltd	United Kingdom	100%	74	56	20	20
Better Collective Poland SP Z o o	Poland	100%	142	96	51	50
Moar Performance Ltd	United Kingdom	100%	90	243	1,056	141
Better Collective Romania SRL	Romania	100%	26	12	14	4
Better Collective USA Inc	USA	100%	(459)	913	-1,511	-1,511
Better Collective Florida LLC**	USA	100%	(2,280)	(1,776)	-611	-617
Better Collective Tennessee LLC***	USA	60%	2,801	3,772	2,872	2,152
Atemi Ltd	Malta	100%	(120)	(16)		
Hot Media Corp****	British Virgin Islands	100%	902	(939)		
Force Media Inc****	British Virgin Islands	100%	(374)	1,481		
Pedia Publications Ltd****	Guernsey	100%	(650)	147		
5 Star Traffic Ltd****	British Virgin Islands	100%	3,004	909		
FTD LABS Ltd****	Guernsey	100%	401	243		
Your Media Ltd****	United Kingdom	100%	(145)	(457)		
HLTV ApS	Denmark	100%	2,148	2,367		

* Better Collective GmbH is 100% owned by Hebiva Beteiligungen GmbH.

** Better Collective Florida LLC is 100% owned by Better Colective USA Inc.

*** Better Collective Tennessee LLC is 60% owned by Better Collective USA Inc.

**** Subsidiaries are 100% owned by Atemi Ltd.

Notes

7 Investments in subsidiaries (continued)

tEUR	2020	2019
Subsidiaries		
Cost at January 1	103,024	100,088
Additions*	80,372	3,017
Exchange rate to reporting currency	460	-81
Cost at December 31	183,856	103,024
Carrying amount at December 31	183,856	103,024

* Cash flow impact in 2020: 67,555 tEUR (2019: 11,845 tEUR)

Reference is made to note 22 of the consolidated financial statements for acquisition of businesses.

Investments in subsidiaries have been assessed for impairment in 2019 and 2020. The assessment did not lead to any impairment in neither 2019 nor 2020.

◆ Accounting principles:

Investments in subsidiaries

Investments in subsidiaries and other investments are measured at cost. If the cost exceeds the recoverable amount, the carrying amount is reduced to such lower value. Reference is made to note 13 of the consolidated financial statement. ◆

8 Non-current financial liabilities

tEUR	Receivables from Subsidiaries	Other non-current financial assets	Total
Cost at January 1, 2020	36,714	1,175	37,889
Additions	0	0	0
Disposals	0	-37	-37
Exchange rate adjustment	255	9	263
Cost at December 31, 2020	36,969	1,146	38,115
Carrying amount at 31 December, 2020	36,969	1,146	38,115
Cost at January 1, 2019	0	0	0
Additions	36,714	1,175	37,889
Cost at December 31, 2019	36,714	1,175	37,889
Carrying amount at 31 December, 2019	36,714	1,175	37,889

Notes

9 Finance income

tEUR	2020	2019
Exchange gains	2,325	2,384
Interest income	40	30
Interest expenses, group entities	781	366
Dividend income	10,714	12,578
Other financial income	0	0
Total finance income	13,860	15,358

10 Finance costs

tEUR	2020	2019
Exchange losses	5,096	2,653
Interest expenses	926	804
Interest - right of use assets (Leasing)	43	54
Interest expenses, group entities	164	223
Other financial costs	344	349
Total finance costs	6,573	4,084

11 Income tax

Total tax for the year is specified as follows:

tEUR	2020	2019
Tax for the year	1,563	789
Tax on other comprehensive income	0	0
Total	1,563	789

Income tax of profit from the year is specified as follows:

tEUR	2020	2019
Deferred tax	275	433
Current tax	1,297	372
Adjustment from prior years	-8	-16
Total	1,563	789

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

tEUR	2020	2019
Specification for the year:		
Calculated 22% tax of the result before tax	3,802	3,548
Tax effect of:		
Non-taxable income	-2,440	-2,771
Non-deductible costs	202	13
	1,563	789
Effective tax rate	9,0%	4,9%

Notes

11 Income tax (continued)

tEUR	2020	2019
Deferred tax		
Deferred tax January 1	884	451
Adjustments of deferred tax in profit and loss	279	433
Deferred tax December 31	1,163	884
Deferred tax is recognised in the balance sheet as:		
Deferred tax asset	0	0
Deferred tax liability	1,163	884
Deferred tax December 31	1,163	884
Deferred tax is related to:		
Intangible assets	1,218	932
Property, plant and equipment	-55	-48
Deferred tax December 31	1,163	884
Income tax payable		
Income tax payable January 1	233	133
Current tax	1,297	372
Income tax paid during the year	-2,105	-220
Adjustment - Prior year	-8	-16
Tax payable reduction from warrant settlement	0	-36
Exchange rate difference	2	0
Income tax payable December 31	-583	233

12 Intangible assets

tEUR	Domains and websites	Accounts and other intangible assets	Total
Cost or valuation			
At January 1, 2020	14,319	7,542	21,861
Acquisitions*	807	305	1,113
Disposals	0	0	0
Currency Translation	58	31	88
At December 31, 2020	15,185	7,878	23,063
Amortisation and impairment			
At January 1, 2020	0	1,982	1,982
Amortisation for the period	0	2,533	2,533
Amortisation on disposed assets	0	0	0
Currency translation	0	8	8
At December 31, 2020	0	4,523	4,523
Net book value at December 31, 2020	15,185	3,355	18,540
Cost or valuation			
At January 1, 2019	14,325	2,462	16,787
Acquisitions*	-2	5,080	5,079
Currency Translation	-5	-1	-5
At December 31, 2019	14,319	7,542	21,861
Amortisation and impairment			
At January 1, 2019	0	840	840
Amortisation for the period	0	1,142	1,142
At December 31, 2019	0	1,982	1,982
Net book value at December 31, 2019	14,319	5,560	19,879

*Cash flow impact in 2020: 1,850 tEUR (2019: 4,273 tEUR)

Notes

13 Intangible assets with indefinite life

The parent company's domain names and websites arise from asset acquisitions.

Domain names and websites are not subject to amortisation, but are reviewed annually for impairment, or more frequently if there are any indicators of impairment that are noted during the year.

Cash-generating units

A cash-generating unit represents the smallest identifiable group of assets that together have cash inflows that are largely independent of the cash inflows from other assets. Management has concluded that the Group has only one cash-generating unit for impairment testing purposes, since cash flows to the Group are generated by the business as a whole and independent cash flows from other assets cannot be separately distinguished. Therefore, impairment testing has been done at the level of one cash-generating unit.

Carrying amount of Domains and Websites for the CGU:

tEUR	2020	2019
Domains and Websites	15,185	14,319

As at December 31, 2019 and December 31, 2020, the directors have evaluated domains and websites for impairment. The directors are of the view that the carrying amount of domains and sites is recoverable on the basis that the cashflows generated from these assets are in line, or exceed, the estimated projections made prior to the acquisitions. The directors are satisfied that the judgements made are appropriate to the circumstances.

13 Intangible assets with indefinite life (continued)

Recoverable amount

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

The parent company has performed an impairment test on domains and websites as of December 31, 2019 and December 31, 2020, on a value-in-use basis. Management has based the value in use by estimating the present value of future cash flows from a three-year forecast approved by the Board of Directors. Key parameters in the short-term budget and midterm forecast are trends in revenue, margin development and growth expectations. Beyond this, Management has applied a terminal value rate of 2% per year. The cash flows assume a discount factor of 15% after tax based on the Group's weighted average cost of capital (WACC) in all years 2021-2023, with an effective tax rate of 22%-23% (pre-tax discount rate 18.5%). The Board of Directors have approved the inputs to the impairment testing and are satisfied that the judgements made are appropriate.

Further, acquired domains and websites with indefinite life have been individually evaluated for indicators of impairment. The evaluation is based on actual traffic on the websites, as well as actual and expected revenue and NDCs generated by the accounts with operators that are linked to the websites. The evaluation of one of the assets resulted in an impairment of 558 tEUR. The liability related to the asset was reduced in the assessment and the net impact (profit) on P/L was included in Special items.

Besides one asset detailed above, the results of the impairment tests for domains and websites showed that the recoverable amount exceeded the carrying value and that there was no further impairment loss to be recognised.

Notes

14 Property, plant and equipment

tEUR	Land and buildings	Right of use assets	Fixtures and fittings, other plant and equipment	Total
Cost or valuation				
At December 31, 2019	787	1,495	713	2,995
Additions	0	0	75	75
Disposals	0	0	-5	-5
Currency Translation	3	6	3	12
At December 31, 2020	790	1,502	786	3,077
Depreciation and impairment				
At December 31, 2019	68	299	312	680
Depreciation for the period	18	305	161	483
Currency translation	0	1	1	3
At December 31, 2020	86	605	469	1,160
Net book value at December 31, 2020	704	896	317	1,917

Cost or valuation				
At December 31, 2018	787	0	574	1,361
Change in accounting practices	0	1,431	0	1,431
Additions	0	64	139	204
At December 31, 2019	787	1,495	713	2,995
Depreciation and impairment				
At December 31, 2018	51	0	174	225
Depreciation for the period	17	299	138	455
At December 31, 2019	68	299	312	680
Net book value at December 31, 2019	718	1,196	401	2,316

Notes

15 Issued capital and reserves

Reference is made to the disclosures in note 16 of the consolidated financial statements.

16 Trade and other receivables

tEUR	2020	2019
Trade receivables	4,647	4,362
Other receivables	1	109
Total receivables	4,648	4,471

17 Trade and other payables

tEUR	2020	2019
Trade Payables	473	121
Other payables	1,655	1,833
Total payables	2,127	1,954

18 Leasing

Right-of-use assets

tEUR	Buildings	Cars	Total
Balance at January 1, 2020	1,196	0	1,196
Additions	0	0	0
Additions from acquisitions	0	0	0
Modifications	0	0	0
Exchange rate adjustment	5	0	5
Depreciation	305	0	305
Balance at December 31, 2020	896	0	896

Balance at January 1, 2019	1,431	0	1,431
Additions	0	0	0
Additions from acquisitions	0	0	0
Modifications	64	0	64
Exchange rate adjustment	0	0	0
Depreciation	299	0	299
Balance at December 31, 2019	1,196	0	1,196

Lease liabilities

tEUR	2020	2019
Maturity analysis - contractual undiscounted cash flows		
Less than one year	331	323
One to five years	683	1,010
More than five years	0	0
Total undiscounted cash flows	1,014	1,333
Total lease liabilities	957	1,232
Current	328	323
Non-current	629	909

The total cash outflow for leases during 2020 was 324 tEUR.

Notes

Amounts recognised in the consolidated income statement

tEUR	2020	2019
Interest on lease liabilities	43	54
Expenses relating to short-term lease	0	0
Expenses relating to lease of low value assets	0	0

19 Financial risk management objectives and policies

The parent company's activities expose it to a variety of financial risks:

market risk (including foreign currency exchange risk and interest rate risk), credit risk, and liquidity risk. The parent company has established principles for overall risk management, which seek to minimise potential adverse effects on the parent company's performance.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. For the parent company, market risk comprises foreign currency risk and interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The parent company's exposure to the risk of changes in foreign exchange rates relates primarily to the parent company's international operating activities. The parent company's revenues are mainly denominated in DKK and EUR, with limited revenues in GBP, USD, and PLN. The majority of the parent company's expenses are employee costs, which are denominated in the Group entities' functional currency, DKK together with expenses. Expenses have a pattern there is in line with the revenue. The expenses are mainly in DKK, EUR and limited GBP, USD, and PLN. The DKK rate is fixed to the EUR. Since revenues in other foreign currencies than DKK and EUR (GBP, USD, and PLN) are limited and expenses in GBP, USD, and PLN reduces the exposure, the parent company is not overly exposed to foreign currency risk for the ongoing operations.

The parent company has provided long-term intercompany loans in USD to Better Collective US, Inc. and Better Collective Florida LLC of 21 mUSD and 20 mUSD respectively, to fund the acquisitions in US. The un-realized exchange rate gains/losses are recorded in the profit and loss in the parent company. As strengthening of the USD vs. EUR will have a positive impact on the parent company of 0.4 mEUR, whereas a weakening of the USD vs. EUR of 10% will have a negative impact of 0.4 mEUR on the parent company. In connection with the agreement for media sites, the parent company has recorded a liability in GBP, covering the fixed payments to Telegraph. A strengthening of GBP vs. EUR of 10% will have a negative impact of 0.1 mEUR, whereas a weakening of GBP vs. EUR will have a positive impact of 0.1 mEUR on the parent company.

Beyond the impact due to loans and liabilities mentioned above, the historic exposure to currency fluctuations has not had a material impact on the parent company's financial condition or results of operations. Accordingly, Management deems that a further sensitivity analysis showing how profit or pre-tax equity would have been impacted by changes in these foreign exchange rates is not necessary.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The parent company's exposure to interest rate risk arises mainly from the revolving credit facility and deposits held by the parent company. These are short-term and not material amounts. Management expects to re-pay the credit facility in the short term, as the parent company is generating positive cash flows. Therefore, exposure to interest rate risk is considered minimal.

The parent company regularly monitors its interest rate risk and considers it to be insignificant, therefore an interest rate sensitivity analysis is not deemed necessary.

Credit risk

As per January 1, 2018 the parent company implemented IFRS 9 using the simplified expected credit loss model. The model implies that the expected loss over the lifetime of the asset is recognised in the profit and loss immediately and is monitored on an ongoing basis until realisation. The parent company has very limited overdue trade receivables and historically there has been minimal losses on trade receivables and the subsidiaries have a high liquidity ratio. The inputs to the expected credit loss model reflects this.

As per December 31, 2020 the parent company's impairment for expected loss is included in the trade receivables (ref note 15).

Notes

19 Financial risk management objectives and policies (continued)

Expected credit loss on receivables from trade and subsidiaries can be specified as follows:

tEUR	Exp. loss rate	Gross receivable	Expected loss	Net receivable
2020				
Not Due	0.0%	2,476	0	2,476
Less than 30 days	0.1%	1,008	1	1,007
Between 31 and 60 days	1.5%	-2	0	-2
Between 61 and 90 days	3.7%	94	3	91
More than 91 days	7.1%	1,151	75	1,077
Total		4,726	79	4,647
Receivables from subsidiaries	0.0%	38,626	0	38,626

As no losses were recognised during 2020, expected loss rate has been reduced compared to 2019

tEUR	Exp. loss rate	Gross receivable	Expected loss	Net receivable
2019				
Not Due	0.1%	3,330	1	3,329
Less than 30 days	0.2%	390	1	389
Between 31 and 60 days	2.0%	383	8	374
Between 61 and 90 days	6.0%	71	4	67
More than 91 days	9.0%	222	20	202
Total		4,396	34	4,362
Receivables from subsidiaries	0.0%	39,809	0	39,809

Liquidity risk

The parent company is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which mainly include trade payables, other payables and the credit facility. The parent company ensures adequate liquidity through the management of cash flow forecasts and close monitoring of cash inflows and outflows. The following table summarises the maturities of the parent company's financial obligations. The parent company had no derivative financial instruments.

Contractual cash flows:	Carrying amount	Fair Value	Total	< 1 year	2-5 years	> 5 years
2020						
Non-derivative financial instruments:						
<i>Financial liabilities measured at fair value</i>						
Earn-Out consideration	7,882	7,882	8,173	2,688	5,484	0
Other financial liabilities measured at fair value	4,237	4,237	4,373	744	3,629	0
<i>Financial liabilities measured at amortised costs</i>						
Trade and other payables	2,127	2,127	2,127	2,127	0	0
Deferred payment on acquisitions	6,526	6,526	6,559	5,176	1,384	0
Payables to subsidiaries	742	742	742	742	0	0
Loans from subsidiaries	11,843	11,843	12,080	12,080	0	0
Debt to mortgage credit institutions	527	527	536	26	100	410
Debt to credit institutions	68,770	68,770	71,672	963	70,709	0
Total non-derivative financial instruments	102,655	102,655	106,263	24,546	81,307	410
Assets:						
Non-current financial assets, subsidiaries	36,969	36,969	40,666	739	39,927	0
Non-current financial assets, loan*	555	555	572	572	0	0
Trade and other receivables	4,648	4,648	4,648	4,648	0	0
Receivable from subsidiaries	1,657	1,657	1,657	1,657	0	0
Restricted Cash	6,926	6,926	6,926	6,926	0	0
Receivables from subsidiaries	3,095	3,095	3,095	3,095	0	0
Cash	2,560	2,560	2,560	2,560	0	0
Total financial assets	53,316	53,316	57,029	17,102	39,927	0
Net	49,339	49,339	49,234	7,444	41,380	410

* Non-current financial assets consist of a subordinated loan to Mindway AI

Notes

19 Financial risk management objectives and policies (continued)

Contractual cash flows:	Carrying amount	Fair Value	Total	< 1 year	2-5 years	> 5 years
2019						
Non-derivative financial instruments:						
<i>Financial liabilities measured at fair value</i>						
Earn-Out consideration	9,432	9,432	9,493	9,493	0	0
Other financial liabilities measured at fair value	5,610	5,610	5,844	1,086	4,758	0
<i>Financial liabilities measured at amortised costs</i>						
Trade and other payables	1,954	1,954	1,954	1,954	0	0
Deferred payment on acquisitions	977	977	977	977	0	0
Payables to subsidiaries	748	748	748	748	0	0
Loans from subsidiaries	9,243	9,243	9,428	9,428	0	0
Debt to mortgage credit institutions	544	544	626	26	101	500
Debt to credit institutions	16,734	16,734	17,694	318	17,376	0
Total non-derivative financial instruments	45,243	45,243	46,764	24,029	22,235	500
Assets:						
Non-current subsidiaries	36,714	36,714	38,186	734	37,452	0
Non-current financial assets	590	590	615	24	590	0
Trade and other receivables	4,471	4,471	4,471	4,471	0	0
Receivables from subsidiaries	3,095	3,095	3,095	3,095	0	0
Cash	9,704	9,704	9,704	9,704	0	0
Total financial assets	54,574	54,574	56,070	18,028	38,042	0
Net	-9,331	-9,331	-9,306	6,002	-15,807	500

Fair value of Earn-out consideration, contingent consideration, and other financial liabilities

Fair Value is measured based on level 3 - Valuation techniques, for which the lowest level input that is significant to the fair value measurement is unobservable. Fair Value of EarnOut consideration and Other financial liabilities is measured based on weighted probabilities of assessed possible payments discounted to present value.

Fair value

In all material aspects the financial liabilities are current/short termed. Non-current loans, overdraft facility and intercompany loans are subject to a variable interest rate. Thus, the fair value of the financial assets and liabilities is considered equal to the booked value.

Capital Management

For the purpose of the parent company's capital management, capital includes issued capital, share premium, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the parent company's capital management is to maximise shareholder value and to maintain an optimal capital structure. The parent company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the parent company may adjust the dividend payment to shareholders, issue new shares or return capital to shareholders.

Credit facilities

Better Collective has non-current bank credit facilities of total 84 mEUR, of which 69 mEUR was drawn up end of December 2020. As of December 31, 2020 cash and unused credit facilities, amounted to approximately 36 mEUR.

Net debt includes current and non-current debt to financial institutions, and other financial liabilities, less cash and cash equivalents.

Notes

19 Financial risk management objectives and policies (continued)

Change in liabilities arising from financing activity

tEUR	2018	Cash flows Net	Non cash flow changes	2019	Cash flows Net	Non cash flow changes	2020
Non-current financing liabilities	9,044	8,279	-65	17,259	51,893	125	69,277
Leasing and other non-current liabilities	0	350	909	1,259	484	-270	1,473
<i>Current financing liabilities:</i>							
Payables to subsidiaries	4,209	5,781	0	9,991	2,595	0	12,585
Debt to credit institutions	20	-20	20	20	-20	20	20
Leasing current liabilities		-263	586	323	-281	285	328
Total liabilities from financing activities	13,274	14,128	1,450	28,852	54,671	160	83,683

20 Change in working capital

tEUR	2020	2019
Change in receivables	-161	-1,233
Changes in Intercompany balances	3,695	1,974
Prepaid expenses	39	-322
Prepayment - from Customers	0	-417
Change in trades payable, other debt	138	-7
Change in working capital, total	3,710	-5

21 Other contingent liabilities

Other contingent liabilities

Better Collective A/S has taken a mortgage loan from Realkredit Danmark totalling 526 tEUR as of December 31, 2020 and the property on HC. Andersens Boulevard is placed as collateral. The book value of the property as of December 31, 2020 is 704 tEUR.

21 Other contingent liabilities (continued)

Joint taxation with HLTV

The Parent Company is jointly taxed with the Danish subsidiary, HLTV ApS. As administration company, the Company has unlimited joint and several liability, together with the subsidiary, for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group. The jointly taxed entities' total known net receivable in respect of corporation taxes and withholding taxes payable on dividend, interest and royalties amounted to 575 tEUR at December 31, 2020. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc., may entail that the entities' liability will increase.

22 Related party disclosures

In addition to the disclosures in note 23 of the consolidated financial statements, the parent company's related parties include subsidiaries, cf. note 24 to the consolidated financial statements and note 5 to the parent company's financial statements.

Transactions with related parties have been as follows:

tEUR	2020	2019
Income Statement		
Other Operating income	8,878	6,183
Intercompany revenue	-2,403	-1,806
Purchases	4,670	4,611
Interest expense	164	223
Interest income	781	366
Dividend income	10,714	12,578
Balance Sheet		
Long-term financial assets	36,969	36,714
Receivables from subsidiaries	1,657	3,095
Short term loans and payables to subsidiaries	12,585	9,991

Management remuneration and share option programs are disclosed in note 2 and note 3 to the parent company financial statements.

There have not been other transactions with the Board of Directors, the Executive Directors, major shareholders or other related parties during the year.

Other

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BETTER
COLLECTIVE

Definitions

Affiliate A company providing a performance-based marketing service for its customers, in this context the customers are operators

Application Programming Interface (API), A set of rules and specifications that enables software programs to communicate with each other

Board The Board of Directors of the company

Business intelligence A collection of techniques, methods and strategies used for presenting business information and analysing data in order to support business decisions, for example user insights and behavioural analytics which enables site managers to efficiently evaluate the relevance of content for distribution

Company Better Collective A/S, a company registered under the laws of Denmark

Compounded average growth rate (CAGR) The annual growth rate over a specified time period

Content site A website containing information primarily generated by journalists, writers and other professional contributors. Content sites present in-depth information on specific iGaming areas

Cost per acquisition (CPA) A one-off payment for every referred user that creates a new profile and makes a deposit with the iGaming operator

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)

Earnings per share Net profit for the period / (Average number of shares - Average number of treasury shares held by the company)

Equity/assets ratio Equity at the end of period in relation to total assets at the end of period

Esports Competitive tournaments of online video games among professional gamers/cyberathletes

Executive management Executives that are registered with the Danish Company register

The group / Better Collective The company and its subsidiaries

iGaming Online sports betting and online casino

iGaming affiliates Affiliates in the iGaming market

iGaming operator Online sports betting and online casino operators

Mobile (-sports betting/casino) iGaming activities on mobile devices, such as smartphones and tablets

New depositing customer (NDC) A user that creates an account and makes a deposit with the iGaming operator

Operating profit before amortisations (EBITA) Operating profit plus amortisations

Organic growth Revenue growth compared to the same period previous year. Organic growth from acquired companies or assets are calculated from the date of acquisition measured against historical baseline performance

Organic traffic The opposite of paid traffic, which defines the visits generated by paid advertisement such as PPC (see definition below)

Paid Media Marketing efforts involving a paid placement. Paid media includes PPC advertising (see definition below), branded content, and ads display

Pay-per-click (PPC) An internet advertising model used to direct traffic to websites whereby advertisers pay to appear in the search engine results for certain search queries

Publishing Organic traffic generated from content sites

Revenue share A revenue share model is a remuneration model based on the percentage of the net revenue generated by an NDC with the iGaming operator

Search engine optimisation (SEO) The methods and techniques used to optimise the online visibility of a website through improved rankings in a web search engine's result

Special items Cost related to IPO and acquisitions

Sports wagering The value of bets placed by the players

Sports win margin The difference between the amount of money players wager minus the amount that they win

Alternative performance measures

Alternative Performance Measure	Description	SCOPE
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
EBITA before special items	EBITA adjusted for special items	This APM supports the assessment and monitoring of the Group's performance and profitability excluding special items that do not 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 not 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 earn-out payments.
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

Our values

Our culture is driven by an urge to accomplish, create and grow. To accomplish our vision and mission, we share a firm belief in cross-functional collaboration, short decision-cycles and a firm focus on execution



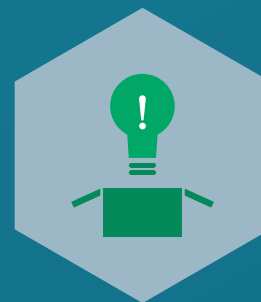
Talent

Talented employees are key to our success.



Respect

We respect each other, our users and our partners.



Innovation

We innovate products and processes that make a difference



Dedication

We are dedicated to enrich our users' iGaming experience

BETTER COLLECTIVE



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CVR no. 27 65 29 13

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 Instagram

 Twitter

 LinkedIn

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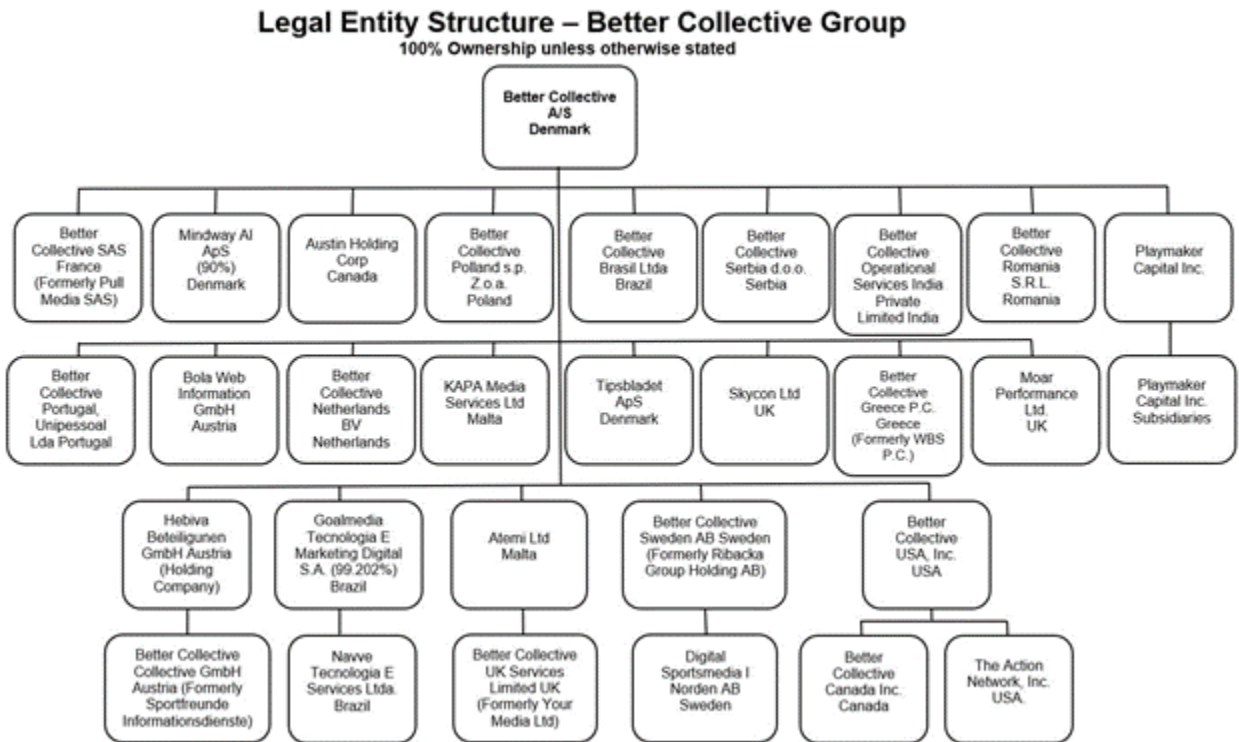
APPENDIX “G”
INFORMATION CONCERNING BETTER COLLECTIVE FOLLOWING COMPLETION OF THE ARRANGEMENT

This Appendix contains forward-looking information. Readers are cautioned that actual results may vary. See “Forward-Looking Statements”.

Overview

On completion of the Arrangement, Better Collective will directly own all of the outstanding Company Shares and Playmaker will be a wholly-owned subsidiary of Better Collective. Following completion of the Arrangement, existing Better Collective Shareholders and Company Shareholders will own approximately 94.5% and 5.5% of Better Collective, respectively, based on the number of securities of Better Collective and Playmaker issued and outstanding as of December 15, 2023.

The corporate chart that follows sets forth Better Collective’s subsidiaries, together with the jurisdiction of incorporation of each company and the percentage of voting securities beneficially owned, controlled or directed, directly or indirectly, by Better Collective following completion of the Arrangement.



Except as otherwise described in this Appendix, the business of Better Collective following completion of the Arrangement and information relating to Better Collective following completion of the Arrangement will be that of Better Collective generally and as disclosed elsewhere in this Circular.

The head office of Better Collective following completion of the Arrangement will continue to be situated at Sankt Annæ Plads 28, DK-1250 Copenhagen K, Denmark.

Description of Share Capital

The issued share capital of Better Collective will change as a result of the consummation of the Arrangement, to reflect the issuance of the Better Collective Shares contemplated in the Arrangement. Based on the outstanding securities of

Playmaker as of December 15, 2023, Better Collective expects to issue up to 1,757,450 Better Collective Shares in connection with the Arrangement. On completion of the Arrangement, assuming that the current number of Company Shares and Better Collective Shares outstanding does not change from the respective dates of the information provided herein, it is expected that the total number of Better Collective Shares issued and outstanding will be 57,124,958, on a non-diluted basis. On completion of the Arrangement, assuming that the current number of convertible securities of Better Collective does not change from the respective dates of the information provided herein, and assuming the exercise and settlement of such convertible securities (on a non-adjusted basis) by way of the issuance of newly created Better Collective Shares, up to 59,607,587 Better Collective Shares will be issued and outstanding on a fully-diluted basis.

Dividends

There are no restrictions on the ability of Better Collective to declare and pay dividends on the Better Collective Shares. As Better Collective's growth strategy continues to focus on potential acquisitions of value accretive targets and assets, Better Collective does not expect to pay dividends in the near future. There have been no dividends paid or distributions made in the last three financial years. Any decision to pay dividends will be based on Better Collective's financial position, investment needs, liquidity positions as well as general economic and business conditions.

Repayment of Playmaker Debt

Upon closing of the Arrangement, Better Collective intends to repay the amounts outstanding under the Company Credit Agreement and to repay the amounts outstanding under the Beedie Credit Agreement. For additional information regarding Playmaker's debt, see (a) the audited consolidated financial statements of Playmaker as at and for the years ended December 31, 2022 and 2021, together with the notes thereto and the auditors' report thereon, (b) management's discussion and analysis of financial condition and results of operations of Playmaker for the years ended December 31, 2022 and 2021, (c) the unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2023 and 2022, together with the notes thereto and (d) management's discussion and analysis of financial condition and results of operations of Playmaker for three and nine months ended September 30, 2023 and 2022, all of which are incorporated by reference into this Circular.

Unaudited Pro Forma Consolidated Financial Statements

For selected unaudited pro forma consolidated financial statements of Better Collective giving effect to the Arrangement, see Appendix "H" to this Circular.

Auditors, Transfer Agent and Registrar

The auditor of Better Collective following completion of the Arrangement will continue to be EY Godkendt Revisionspartnerselskab, with Jan C. Olsen as lead auditor, and the issuing agent and operator of the share register for the Better Collective Shares will continue to be Euronext Securities Copenhagen (VP Securities A/S), CVR no. 21599336 with registered address at Nicolai Eigtveds Gade 8, DK-1402 Copenhagen K, Denmark.

Risk Factors

The business and operations of Better Collective following completion of the Arrangement will continue to be subject to the risks currently faced by Better Collective and Playmaker, as well as certain risks unique to Better Collective following completion of the Arrangement, including those set out under the heading "Risk Factors". Readers should also carefully consider the risk factors relating Better Collective described in the 2022 Annual Report of Better Collective for the year ended December 31, 2022 dated March 23, 2023, the 2021 Annual Report of Better Collective for the year ended December 31, 2021 dated March 23, 2022, the 2020 Annual Report of Better Collective for the year ended December 31, 2020 dated March 25, 2021, and the Interim Report Q3 2023 of Better Collective for the nine month period ended September 30, 2023 dated November 15, 2023, each incorporated by reference into this Appendix "G", and the risk factors relating to Playmaker described in the annual information form of Playmaker dated March 31, 2023 for the year ended December 31, 2022 and the unaudited condensed consolidated interim financial

statements for the three and nine months ended September 30, 2023 and 2022, together with the notes thereto, each of which is incorporated by reference in this Circular.

APPENDIX "H"
PRO FORMA FINANCIAL STATEMENTS

(See attached.)

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE COMBINED GROUP

Unaudited Pro Forma Financial Information of the Combined Group

Unaudited consolidated pro forma statement of financial position of the Combined Group as of September 30, 2023

Pro forma balance sheet September 30, 2023	Better Collective Group	Playmaker Capital Group Note 4	Playmaker Capital Group Note 2	Debt related transactions Note 3a	Arrangement impact Note 3b	Arrangement related costs Note 3c	Consolidated Pro Forma
	in €	in US\$	in €	in €	in €	in €	in €
Assets							
<i>Non-current assets</i>							
<i>Intangible assets</i>							
Goodwill	262,980	46,430	43,914	-	65,193	-	372,087
Domains and websites	473,436	-	-	-	-	-	473,436
Accounts and other intangible assets	54,978	56,312	53,260	-	-	-	108,238
Total intangible assets	791,394	102,743	97,174	-	65,193	-	953,761
<i>Property, plant and equipment</i>							
Land and buildings	-	-	-	-	-	-	-
Right of use assets	14,906	414	392	-	-	-	15,298
Leasehold improvements, Fixtures and fittings, other plant and equipment	5,510	386	365	-	-	-	5,875
Total property, plant and equipment	20,416	800	757	-	-	-	21,173
<i>Other non-current assets</i>							
Other non-current financial assets	-	-	-	-	-	-	-
Deposits	1,716	42	40	-	-	-	1,756
Deferred tax asset	10,732	1,731	1,637	-	-	-	12,369
Total other non-current assets	12,448	1,773	1,677	-	-	-	14,125
Total non-current assets	824,258	105,316	99,607	-	65,193	-	989,058
<i>Current assets</i>							
Trade and other receivables	45,097	7,768	7,347	-	-	-	52,444
Corporation tax receivable	6,854	134	126	-	-	-	6,980
Prepayments	4,306	1,090	1,030	-	-	-	5,336
Other current financial assets	9,742	-	-	-	-	-	9,742
Cash	40,676	6,429	6,080	46,964	(39,362)	(10,878)	43,481
Total current assets	106,675	15,420	14,585	46,964	(39,362)	(10,878)	117,984
Total assets	930,933	120,736	114,192	46,964	25,831	(10,878)	1,107,042
Equity and liabilities							
Share Capital	552	66,934	63,306	-	(63,288)	-	570
Share Premium	273,184	2,694	2,548	-	38,952	-	314,685
Currency Translation Reserve	26,074	(2,413)	(2,283)	-	2,283	-	26,074
Treasury Shares	(21,050)	-	-	-	21,050	-	-
Retained Earnings	158,983	(15,245)	(14,419)	350	26,834	(10,878)	160,870
Warrant reserve	-	-	-	-	-	-	-
Proposed Dividends	-	-	-	-	-	-	-
Total equity	437,743	51,970	49,153	350	25,831	(10,878)	502,199
<i>Non-current Liabilities</i>							
Debt to credit institutions	248,359	9,583	9,064	62,436	-	-	319,859
Lease liabilities	12,577	300	283	-	-	-	12,860
Deferred tax liabilities	90,173	7,135	6,748	-	-	-	96,921
Other long-term financial liabilities	49,415	9,688	9,163	-	-	-	58,578
Convertible debenture	-	16,312	15,428	(15,428)	-	-	-
Total non-current liabilities	400,524	43,018	40,686	47,008	-	-	488,219
<i>Current Liabilities</i>							
Prepayments received from customers and deferred revenue	4,066	701	663	-	-	-	4,729
Trade and other payables	26,487	5,500	5,202	-	-	-	31,689
Corporation tax payable	4,516	260	246	-	-	-	4,762
Other financial liabilities	54,866	18,708	17,694	-	-	-	72,560
Debt to credit institutions	23	417	394	(394)	-	-	23
Lease liabilities	2,708	163	154	-	-	-	2,862
Total current liabilities	92,666	25,748	24,353	(394)	-	-	116,624
Total liabilities	493,190	68,766	65,039	46,614	-	-	604,843
Total Equity and liabilities	930,933	120,736	114,192	46,964	25,831	(10,878)	1,107,042

Pro forma income statement Nine months ended September 30, 2023	Better	Playmaker	Playmaker	Debt related transactions Note 3a	Pro Forma adjustments Note 3c	Consolidated Pro Forma
	Collective	Capital	Capital			
	Group	Group	Group			
	in €	in US\$	in €	in €	in €	in €
Revenue	241,491	39,859	36,798	-	-	278,289
Direct costs related to revenue	(74,862)	(6,249)	(5,769)	-	-	(80,631)
Staff costs	(66,018)	(15,290)	(14,116)	-	-	(80,134)
Other external expenses	(19,045)	(10,952)	(10,110)	-	-	(29,155)
Operating profit before depreciation and amortization (EBITDA) and special items	81,566	7,368	6,803	-	-	88,369
Depreciation	(2,611)	(261)	(241)	-	-	(2,852)
Operating profit before amortization (EBITA) and special items	78,955	7,108	6,562	-	-	85,517
Amortization and impairment	(16,314)	(5,029)	(4,643)	-	-	(20,957)
Operating profit (EBIT) before special items	62,641	2,079	1,919	-	-	64,560
Special items, net	(2,347)	(1,798)	(1,660)	-	-	(4,007)
Operating profit	60,294	281	259	-	-	60,553
Financial income	4,179	-	-	-	-	4,179
Financial expenses	(20,164)	(2,518)	(2,324)	(121)	-	(22,609)
Profit before tax	44,309	(2,237)	(2,065)	(121)	-	42,123
Tax on profit for the period	(11,964)	(1,281)	(1,183)	-	-	(13,147)
Profit for the period	32,345	(3,518)	(3,248)	(121)	-	28,977
Profit for the period	32,345	(3,518)	(3,248)	(121)	-	28,977
Currency translation to presentation currency	521	(677)	(625)	-	-	(104)
Currency translation of non-current intercompany loans	3,048	-	-	-	-	3,048
Income tax	(671)	-	-	-	-	(671)
Total comprehensive income/(loss) for the period, net of tax	35,243	(4,195)	(3,873)	(121)	-	31,250
Earnings per share - Note 6						
Basic						0.51
Diluted						0.49

Pro forma income statement Year ended December 31, 2022	Better	Playmaker	Playmaker	Debt related transactions Note 3a	Pro Forma adjustments Note 3c	Consolidated Pro Forma
	Collective	Capital	Capital			
	Group	Group	Group			
	in €	in US\$	in €	in €	in €	in €
Revenue	269,297	40,348	38,875	-	-	308,172
Direct costs related to revenue	(92,227)	(5,288)	(5,105)	-	-	(97,332)
Staff costs	(68,639)	(15,842)	(15,148)	-	(2,978)	(86,765)
Other external expenses	(23,356)	(12,647)	(12,205)	-	-	(35,561)
Operating profit before depreciation and amortization (EBITDA) and special items	85,075	6,571	6,418	-	(2,978)	88,515
Depreciation	(2,321)	(268)	(257)	-	-	(2,578)
Operating profit before amortization (EBITA) and special items	82,754	6,303	6,161	-	(2,978)	85,937
Amortization and impairment	(12,347)	(7,090)	(6,847)	-	-	(19,194)
Operating profit (EBIT) before special items	70,407	(787)	(686)	-	(2,978)	66,743
Special items, net	(54)	(4,195)	(3,894)	-	(7,900)	(11,848)
Operating profit	70,353	(4,981)	(4,580)	-	(10,878)	54,895
Financial income	4,198	-	-	-	-	4,198
Financial expenses	(9,587)	(2,430)	(2,372)	471	-	(11,488)
Profit before tax	64,964	(7,412)	(6,952)	471	(10,878)	47,605
Tax on profit for the period	(16,888)	(337)	(328)	-	-	(17,216)
Profit for the period	48,076	(7,749)	(7,280)	471	(10,878)	30,389
Profit/(loss) for the period	48,076	(7,749)	(7,280)	471	(10,878)	30,389
Currency translation to presentation currency	(905)	(368)	(399)	-	-	(1,304)
Currency translation of non-current intercompany loans	17,030	-	-	-	-	17,030
Income tax	(3,747)	-	-	-	-	(3,747)
Total comprehensive income/(loss) for the period, net of tax	60,454	(8,117)	(7,678)	471	(10,878)	42,368
Earnings per share - Note 6						
Basic						0.54
Diluted						0.52

EBITDA is defined as profit for the year before depreciation, amortization and impairment, financial income, financial expenses and tax on profit for the period. See “Non-IFRS Measures” in Schedule B and Schedule C to Appendix F of the Circular and “Alternative Performance Measures and Definitions” in the Annual Reports and Q3 Interim Report of Better Collective.

Notes to the Unaudited Pro Forma Financial Information of the Combined Group:

1. Pro Forma Financial Information relating to the Combined Group

On November 6, 2023, Better Collective and Playmaker announced the Arrangement. Upon completion of the Arrangement, Company Shareholders will be entitled to receive the Consideration, consisting of either Better Collective Shares, cash, or a combination thereof (subject to the ability of Company Shareholders to elect their form of consideration and Proration), and Playmaker (together with its subsidiaries, the “**Playmaker Group**”) will become a wholly-owned subsidiary of Better Collective to form the “**Combined Group**”. Closing of the Arrangement is subject to customary conditions including receipt of necessary regulatory approvals and approval of Company Shareholders. As at the date of this Circular, Playmaker and Better Collective expect the Effective Date to occur during the first quarter of 2024.

Set out above is the unaudited consolidated pro forma income statement of the Combined Group for the year ended December 31, 2022 as well as the nine-month period from January 1, 2023 ending September 30, 2023 and the unaudited consolidated pro forma statement of financial position of the Combined Group as at September 30, 2023 (the “**Pro Forma Financial Information**”). The Pro Forma Financial Information has been prepared with the intent to provide information about how the Arrangement might have affected Better Collective’s historical financial statements.

The unaudited consolidated pro forma income statements of the Combined Group for the year ended December 31, 2022, and for the nine-month period ended September 30, 2023 have been prepared to illustrate the effect of the Arrangement on the earnings of Better Collective as if it had taken place on January 1, 2022.

The unaudited consolidated pro forma statement of financial position of the Combined Group has been prepared to illustrate the effect of the Arrangement on the consolidated financial position of Better Collective as of September 30, 2023 as if it had taken place on that date.

The Pro Forma Financial Information has been prepared on the basis set out in the notes below and is based on the consolidated income statement for the year of Better Collective as at and for the year ended December 31, 2022 as extracted from the audited consolidated financial statements of Better Collective and the audited consolidated statement of earnings of Playmaker as at and for the year ended December 31, 2022 as well as on the unaudited consolidated income statement and unaudited consolidated statement of financial position of Better Collective as at and for the nine months ended September 30, 2023 and the unaudited consolidated statement of earnings and unaudited consolidated statement of financial position of Playmaker as at and for the nine months ended September 30, 2023.

The Pro Forma Financial Information is presented for illustrative purposes only and is not necessarily indicative of the financial position or results of operations in future periods or the results and financial position that actually would have been realized if Better Collective and Playmaker had been consolidated during the specified periods.

Shareholders should read the whole of this document and should not rely solely on the Pro Forma Financial Information contained in this Appendix F.

2. Basis of preparation

The unaudited consolidated pro forma income statement of the Combined Group for the year ended December 31, 2022 and for the nine-months ended September 30, 2023, as well as the unaudited consolidated pro forma statement of financial position of the Combined Group as at September 30, 2023 have been prepared by management for the purpose of illustrating the effect of the Arrangement.

The accounting policies used in the preparation of the Pro Forma Financial Information incorporate the significant accounting policies used by Better Collective for the respective periods in the consolidated financial statements incorporated by reference in this Circular. The Pro Forma Financial Information includes adjustments necessary for the fair presentation of the Pro Forma Financial Information in accordance with

the recognition and measurement as well as presentation/classification of captions principles of Better Collective in accordance with IFRS as applied by the European Union (“EU IFRS”). There are no material differences to generally accepted accounting principles between the EU IFRS accounting policies used to prepare the annual financial statements of Better Collective for the year ended December 31, 2022 and for the nine-months ended September 30, 2023, and the IFRS accounting policies used to prepare the financial information for Playmaker for the year ended December 31, 2022 and for the nine months ended September 30, 2023.

Pro forma adjustments reflected in the Pro Forma Financial Information are based on items that are factually supportable, directly attributable to the Arrangement, or for which there are firm commitments.

All currency amounts, except for per share information, or unless otherwise specified, are expressed in thousands of Euros (“EUR” or “€”) which is the presentation currency of Better Collective. The historical financial information for Playmaker was translated from US\$ to EUR using the following historical exchange rates:

	<u>\$/€</u>
Period end exchange rate as of December 31, 2022	0.9376
Period end exchange rate as of September 30, 2023	0.9458
Average exchange rate for the year ended December 31, 2022	0.9635
Average exchange rate for the nine months period ended September 30, 2023	0.9232

The Combined Group’s Pro Forma Financial Information has been prepared using the following base information:

- The consolidated income statement of Better Collective as at and for the year ended December 31, 2022 and the interim quarterly report for Q3 ending at September 30, 2023. The financial information for the year ended December 31, 2022 has been extracted from the audited consolidated financial statements and the unaudited financial information for the nine months period ended September 30, 2023 has been extracted from the unaudited financial statements both prepared in accordance with EU IFRS and incorporated by reference in this Circular; and
- The consolidated statement of earnings of Playmaker as at and for the year ended December 31, 2022, and the Condensed Consolidated Interim Financial Statements (Unaudited) for the nine months ended September 30, 2023. The financial information for the year ended December 31, 2022 has been extracted from the audited consolidated financial statements and the unaudited financial information for the nine months period ended September 30, 2023 has been extracted from the unaudited financial statements both prepared in accordance with IFRS and incorporated by reference in this Circular.

The Pro Forma Financial Information, including the notes thereto, should be read in conjunction with Better Collective’s and Playmaker’s historical financial statements, and their respective interim quarterly reports (for Better Collective) and management’s discussion and analysis of financial condition and results of operations (for Playmaker) incorporated by reference in this Circular.

The Pro Forma Financial Information is based on assumptions and adjustments that are described in the accompanying notes. The Pro Forma Financial Information does not give effect to the potential impact of current financial conditions, regulatory matters, operating efficiencies or other savings or expenses that may be associated with the completion of the Arrangement. The Pro Forma Financial Information has been prepared for illustrative purposes only and is not necessarily indicative of the financial position or results of operations in future periods or the results and financial position that actually would have been realized if Better Collective and Playmaker had been a consolidated company during the specified periods. Additionally, the application of the acquisition method of accounting depends on certain valuations and other studies that have yet to be completed. Accordingly, the pro forma adjustments are preliminary, subject to a valuation study and additional analyses which could not have been made given the approval conditions from regulators and shareholders that remain outstanding at the time of preparing the Pro Forma Financial Information.

Differences between these preliminary estimates and the final acquisition accounting will occur and these differences could have a material impact on the accompanying Pro Forma Financial Information and the Combined Group's future earnings and financial position. Differences between the preliminary and final amounts will likely occur because of (i) the replacement of carrying values with the fair value of Playmaker's net identifiable assets in the acquisition accounting for the Arrangement, (ii) changes to purchase consideration for the Arrangement due to the number of Better Collective ordinary shares and changes to the respective fair values of the same and (iii) other changes in cash, assets and liabilities.

3. The Arrangement

The Pro Forma Financial Information includes the following pro forma assumptions and adjustments:

3a. Debt related transactions

This pro forma adjustment in the balance sheet represents the issuance of debt to Better Collective of € 71,106 and the early repayment of Playmaker's loan under the Beedie Credit Agreement and the Company Credit Agreement originally calculated in USD (currency of the loans) and converted to € using the September 30, 2023 FX rate. In the income statement, this pro forma adjustment also reflects the pro forma interest charges related to the new Better Collective debt (using historical quarterly interest rate) as well as the reversal of the charged interests related to Playmaker's loans under the Beedie Credit Agreement and the Company Credit Agreement.

3b. Arrangement impact

a) This pro forma adjustment eliminates Playmaker's historical equity of €49,153 as of September 30, 2023.

b) Estimated consideration and related excess consideration over book value of net assets acquired are as follows:

	€k
Estimated consideration (i)	112,464
Less: book value of net assets acquired as of September 30, 2023	(49,153)
Add: prepayment penalty fees in connection with refinancing (ii)	1,882
Playmaker impact on Pro forma goodwill	65,193
Adjust: Playmaker Capital Group goodwill (iii)	43,914
Excess of consideration over book value recognized as goodwill (iv)	109,107

(i) Estimated consideration in connection with the Arrangement is approximately € 112,464 comprised of the value of newly-issued Better Collective ordinary shares (1,824,113 Better Collective Shares), the value of Better Collective treasury shares (1,387,580 Better Collective Shares) and the cash consideration (collectively not to exceed 65% in Better Collective Shares and 35% in cash to Company Shareholders) and is preliminarily determined as follows:

Number of Playmaker Capital Group common shares outstanding at September 30, 2023 extracted from the Condensed Consolidated Interim Financial Statements (unaudited) for the nine months ended September 30, 2023	229,504,472
Exchange ratio	0.014
Total number of Better Collective shares for Playmaker Capital Group shareholders	3,211,693
Closing price of Better Collective shares per October 26, 2023 (in €)	22.76
Value of newly issued shares (in €k)	73,102
Cash settlement (in €k)	39,362
Estimated consideration (in €k)	112,464

(ii) Estimated penalty fees for the early repayment of Playmaker's loans under the Beedie Credit Agreement and the Company Credit Agreement in connection with pro forma adjustment 3a Debt related transactions.

(iii) For the purposes of the pro forma financial information, goodwill of Playmaker € 43.9 million has been added back to the book value of net assets acquired to reflect a total goodwill of €109.1 million.

(iv) Following the completion of the Arrangement, the assets and liabilities of Playmaker will be subject to fair value restatement.

c) This pro forma adjustment also reclassifies Playmaker's premium and currency translation reserve to retained earnings.

3c. Arrangement related costs

The adjustment to the income statement of € 10,878 (exclusive of VAT) reflects the following items:

- The Combined Group expects to incur transaction costs of € 7,900 (exclusive of VAT) which is reflected as a decrease in cash and a reduction in the equity balance as at September 30, 2023 and special items in the pro forma income statement for the year ended December 31, 2022.
- Cash settlement of RSUs and stock options in Playmaker of € 1,547 and € 1,431 (exclusive of corporate tax impact), respectively, originally calculated in CAD and converted to € using the September 30, 2023 FX rate.

4. Playmaker presentation reclassification adjustments

The tables below present the presentation reclassification adjustments which had a \$nil impact on the total assets, liabilities and equity accounts and translation of Playmaker's consolidated statement of financial position as of September 30, 2023:

As at September 30, 2023	As Reported in US\$^k	Presentation Reclass in US\$^k	Adjusted Presentation in US\$^k
Assets			
Goodwill	46,430	-	46,430
Domains and websites	-	-	-
Accounts and other intangible assets	-	56,312	56,312
Intangible assets	56,312	(56,312)	-
Total intangible assets	102,743	-	102,743
Land and buildings	-	-	-
Right of use assets	-	414	414
Leasehold improvements, Fixtures and fittings, other plant and equipment	-	386	386
Property and equipment	800	(800)	-
Total property, plant and equipment	800	-	800
Other non-current financial assets	-	-	-
Deposits	-	42	42
Other long-term assets	42	(42)	-
Deferred tax assets	1,731	-	1,731
Total other non-current assets	1,773	-	1,773
Total non-current assets	105,316	-	105,316
Trade and other receivables	-	7,768	7,768
Accounts receivable	7,768	(7,768)	-
Inventory	-	-	-
Corporation tax receivable	-	134	134
Income taxes receivable	134	(134)	-
Prepayments	-	1,090	1,090
Prepaid and other current assets	1,090	(1,090)	-
Other current financial assets	-	-	-
Cash	-	6,429	6,429
Cash and cash equivalents	6,429	(6,429)	-
Total current assets	15,420	-	15,420
Total assets	120,736	-	120,736

As at September 30, 2023	As Reported in US\$k	Presentation Reclass in US\$k	Adjusted Presentation in US\$k
Equity and liabilities			
Share Capital	(66,934)	-	(66,934)
Share Premium	-	(2,694)	(2,694)
Contributed surplus	(2,694)	2,694	-
Currency Translation Reserve	-	2,413	2,413
Accumulated other comprehensive (loss) income	2,413	(2,413)	-
Treasury Shares	-	-	-
Retained Earnings	-	15,245	15,245
Retained earnings (deficit)	15,245	(15,245)	-
Warrant reserve	-	-	-
Proposed Dividends	-	-	-
Total Equity	(51,970)	-	(51,970)
Long-term debt	(9,583)	9,583	-
Debt to credit institutions	-	(9,583)	(9,583)
Long-term lease liability	(300)	300	-
Lease liabilities	-	(300)	(300)
Deferred tax liability	(7,135)	7,135	-
Deferred tax liabilities	-	(7,135)	(7,135)
Deferred consideration	(981)	981	-
Contingent Consideration	(8,707)	8,707	-
Other long-term financial liabilities	-	(9,688)	(9,688)
Convertible debenture	(16,312)	-	(16,312)
Total non-current liabilities	(43,018)	-	(43,018)
Accounts payable	(1,326)	1,326	-
Income taxes payable	(260)	260	-
Corporation tax payable	-	(260)	(260)
Deferred revenue	(701)	701	-
Prepayments received from customers and deferred revenue	-	(701)	(701)
Accrued expenses and other current liabilities	(4,174)	4,174	-
Trade and other payables	-	(5,500)	(5,500)
Current portion of lease liability	(163)	163	-
Lease liabilities	-	(163)	(163)
Current portion of long-term debt	(417)	417	-
Debt to credit institutions	-	(417)	(417)
Current deferred consideration	(1,701)	1,701	-
Contingent Consideration	(17,007)	17,007	-
Other financial liabilities	-	(18,708)	(18,708)
Total current liabilities	(25,748)	-	(25,748)
Total liabilities	(68,766)	-	(68,766)
Total Equity and liabilities	(120,736)	-	(120,736)

The tables below present the presentation reclassification adjustments which had a \$nil impact on net income and translation of Playmaker's consolidated statement of earnings for (i) the nine months ended on September 30, 2023 and (ii) the year ended on December 31, 2022:

	As Reported in US\$k	Presentation Reclass in US\$k	Adjusted Presentation in US\$k
For the nine months ended September 30, 2023			
Revenue	39,859	-	39,859
Direct costs related to revenue	-	(6,249)	(6,249)
Cost of Sales	(6,249)	6,249	-
Staff costs	-	(15,290)	(15,290)
Salary and wages	(14,366)	14,366	-
Stock-based compensation	(924)	924	-
Other external expenses	-	(10,952)	(10,952)
Advertising, commissions and fees	(7,065)	7,065	-
Web services and publishing	(1,310)	1,310	-
General and administration	(1,419)	1,419	-
Professional fees	(1,110)	1,110	-
Bad debt expense	(30)	30	-
Listing and filing fees	(18)	18	-
EBITDA before special items	7,368	-	7,368
Depreciation	-	(261)	(261)
Amortization and impairment	-	(5,029)	(5,029)
Depreciation and amortization	(5,290)	5,290	-
Loss on impairment	-	-	-
EBIT before special items	2,079	-	2,079
Special items, net	-	(1,798)	(1,798)
Transaction costs	(283)	283	-
Other income	50	(50)	-
Other expenses	(30)	30	-
Change in fair value of consideration	(279)	279	-
Net loss from discontinued operations, after tax	(1,256)	1,256	-
Operating profit	281	-	281
Financial income	-	-	-
Financial expenses	-	(2,518)	(2,518)
Interest expense	(1,796)	1,796	-
Change in fair value of convertible debenture	(878)	878	-
Foreign exchange gain (loss)	157	(157)	-
Profit before tax	(2,237)	-	(2,237)
Tax on profit for the period	-	(1,281)	(1,281)
Deferred tax	-	-	-
Current tax	(1,281)	1,281	-
Profit for the period	(3,518)	-	(3,518)
Profit for the period	(3,518)	-	(3,518)
Currency translation to presentation currency	-	(677)	(677)
Gain (loss) on translation	(1,222)	1,222	-
Currency translation of non-current intercompany loans	-	-	-
Reclassification of CTA	545	(545)	-
Total comprehensive income/(loss) for the period, net of tax	(4,195)	-	(4,195)

For the year ended December 31, 2022	As Reported in US\$^k	Presentation Reclass in US\$^k	Adjusted Presentation in US\$^k
Revenue	40,348	-	40,348
Direct costs related to revenue	-	(5,288)	(5,288)
Cost of Sales	(5,288)	5,288	-
Staff costs	-	(15,842)	(15,842)
Salary and wages	(14,615)	14,615	-
Stock-based compensation	(1,227)	1,227	-
Other external expenses	-	(12,647)	(12,647)
Advertising, commissions and fees	(7,747)	7,747	-
Web services and publishing	(1,331)	1,331	-
General and administration	(1,911)	1,911	-
Professional fees	(1,398)	1,398	-
Bad debt expense	(251)	251	-
Listing and filing fees	(10)	10	-
EBITDA before special items	6,571	-	6,571
Depreciation	-	(268)	(268)
Amortization and impairment	-	(7,090)	(7,090)
Depreciation and amortization	(5,225)	5,225	-
Loss on impairment	(2,133)	2,133	-
EBIT before special items	(787)	-	(787)
Special items, net	-	(4,195)	(4,195)
Transaction costs	(2,845)	2,845	-
Other income	107	(107)	-
Other expenses	(182)	182	-
Change in fair value of consideration	(1,275)	1,275	-
Net loss from discontinued operations, after tax	-	-	-
Operating profit	(4,981)	-	(4,981)
Financial income	-	-	-
Financial expenses	-	(2,430)	(2,430)
Interest expense	(1,151)	1,151	-
Change in fair value of convertible debenture	(424)	424	-
Foreign exchange gain (loss)	(854)	854	-
Profit before tax	(7,412)	-	(7,412)
Tax on profit for the period	-	(337)	(337)
Deferred tax	945	(945)	-
Current tax	(1,282)	1,282	-
Profit for the period	(7,749)	-	(7,749)
Profit for the period	(7,749)	-	(7,749)
Currency translation to presentation currency	-	(368)	(368)
Gain (loss) on translation	(368)	368	-
Total comprehensive income/(loss) for the period, net of tax	(8,117)	-	(8,117)

5. Income Taxes

For the purpose of the pro forma adjustments included in the Pro Forma Financial Information, the following tax rates were applied:

- For Better Collective pro forma interest charge on the new loan, the Danish corporate tax rate of 22% has been applied. No tax effect has been applied on the other pro forma adjustments incurred by Better Collective.
- For Playmaker pro forma adjustments, no tax effect has been applied.

6. Pro forma earnings per share

Basis and diluted earnings per share (“EPS”) are calculated by dividing the pro forma profit or loss attributable to ordinary shareholders of the Combined Group for the period by the pro forma weighted average number of Better Collective ordinary shares that would have been outstanding during the period. The weighted average number of Better Collective ordinary shares was determined by taking the historical weighted average number of Better Collective ordinary shares outstanding and adjusting for the Better Collective ordinary shares issued under the Arrangement.

The calculation of the pro forma basic and diluted EPS is as follows (i) for the nine months ended September 30, 2023, and (ii) for the year ended December 31, 2022:

	For the nine months ended September 30, 2023
<i>Numerator in respect of basic and diluted earnings per ordinary share</i>	
Pro forma profit of the Combined Group as of September 30, 2023 (in €k)	28,977
<i>Denominator in respect of basic earnings per ordinary share</i>	
Weighted average number of Better Collective ordinary shares	55,164,474
Pro forma adjustment for newly-issued Better Collective ordinary shares	1,824,113
Pro forma denominator for basic Better Collective EPS - weighted average Better Collective shares	56,988,587
<i>Adjustments to derive denominator in respect to diluted EPS per ordinary share</i>	
Better Collective dilutive effect of weighted average number of warrants	2,679,260
Pro forma denominator for diluted Better Collective EPS - weighted average Better Collective ordinary shares	59,667,847
Pro forma basic earnings per Better Collective ordinary share (in €)	0.51
Pro forma diluted earnings per Better Collective ordinary share (in €)	0.49
	For the year ended December 31, 2022
<i>Numerator in respect of basic and diluted earnings per ordinary share</i>	
Pro forma profit of the Combined Group as of December 31, 2022 (in €k)	30,389
<i>Denominator in respect of basic earnings per ordinary share</i>	
Weighted average number of Better Collective ordinary shares	54,363,312
Pro forma adjustment for newly-issued Better Collective ordinary shares	1,824,113
Pro forma denominator for basic Better Collective EPS - weighted average Better Collective shares	56,187,425
<i>Adjustments to derive denominator in respect to diluted EPS per ordinary share</i>	
Better Collective dilutive effect of weighted average number of warrants	2,495,614
Pro forma denominator for diluted Better Collective EPS - weighted average Better Collective ordinary shares	58,683,039
Pro forma basic earnings per Better Collective ordinary share (in €)	0.54
Pro forma diluted earnings per Better Collective ordinary share (in €)	0.52

- (i) The weighted average number of ordinary shares and the Better Collective dilutive effect of share options and awards on issue has been extracted without adjustment from the Better Collective financial statements for the year ended December 31, 2022 and the interim quarterly report for Q3 ending at September 30, 2023 (it includes 1,387,580 own shares used for the Arrangement), respectively.
- (ii) The number of newly-issued Better Collective Shares has been calculated according to a fixed exchange ratio, where the total Consideration is paid 65% through share settlement and 35% through cash settlement as reflected in adjustment 3b. The Better Collective Shares are being issued at the price equivalent to the volume weighted average trading price of such Better Collective Shares on Nasdaq Stockholm for the 10 trading days prior to November 3, 2023.

APPENDIX “I”
COMPARISON OF RIGHTS OF COMPANY SHAREHOLDERS AND BETTER COLLECTIVE SHAREHOLDERS

The rights of Company Shareholders are governed by the OBCA and by Playmaker’s articles and by-laws. Following the Arrangement, Company Shareholders who receive Better Collective Shares as part of the Arrangement will become shareholders of Better Collective and as such their rights will be governed by the Danish Companies Act (“DCA”).

The following is a summary of the most significant differences between the rights of Company Shareholders under the OBCA and the rights of shareholders of Better Collective under the DCA. This summary is not intended to be complete and is qualified in its entirety by reference to the OBCA, the DCA and the governing constating documents of the applicable parties.

	Better Collective	Playmaker
Authorized Capital Stock	<p>Better Collective’s board of directors has been authorized by the general meeting, in the period until the annual general meeting to be held in 2024, to:</p> <ol style="list-style-type: none"> 1) increase Better Collective’s share capital in one or more issues without pre-emption rights for Better Collective’s existing shareholders by up to a nominal amount of EUR 110,298.33. 2) acquire up to nominal EUR 55,148.668 treasury shares corresponding to approx. 10% of the existing share capital; and 3) raise funds against issuance of convertible loan instruments in one or more issues with a right for the lender(s) to convert the loan(s) into shares in Better Collective with a nominal amount of up to EUR 55,148.668. 	<p>Playmaker is authorized by its articles to issue an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.</p>
Reduction of Share Capital	<p>According to the DCA, the general meeting of a limited liability company can at a general meeting decide to reduce the share capital with a 2/3 majority of both the votes cast and the proportion of the share capital represented at the general meeting. The resolution to reduce the share capital must specify the amount by which the share capital will be reduced and for which of the following purposes the amount will be used:</p> <ol style="list-style-type: none"> 1) loss coverage 2) distribution to shareholders 	<p>The OBCA provides that the authorized share capital of a corporation may be amended by the shareholders approving a “special resolution” (that is, a resolution passed by a majority of not less than 66$\frac{2}{3}$% of the votes cast by shareholders who voted in person or by proxy on such resolution or signed by all shareholders entitled to vote on that resolution).</p>

	Better Collective	Playmaker
	<p>3) allocation to a special reserve</p> <p>In addition to the adoption at a general meeting, options 2) and 3) requires approval from the board of directors.</p>	
Pre-emptive Rights	<p>Under the DCA, shareholders have as a main rule the right to a proportional subscription of the new shares in connection with any cash increase in the share capital.</p> <p>However, under the DCA the general meeting may decide that certain persons shall have pre-emptive rights to the new shares at market price, if approved by two-thirds of the votes cast and the share capital represented at the general meeting. If shares are issued under the market price to a that is not a shareholder of the company, the proposal may be adopted by 90% of both the votes cast and the proportion of the share capital represented at the general meeting. If shares are issued under the market price to an existing shareholder, the proposal may only be passed with the consent of all shareholders of the company.</p>	<p>Under the OBCA, shareholders of a corporation do not have pre-emptive rights to subscribe to an additional issue of shares or to any security convertible into such shares, unless such right is expressly included in the articles of incorporation or a unanimous shareholder agreement. Since the articles of Playmaker do not include any provisions in this regard, Company Shareholders do not have pre-emptive rights.</p>
Consideration for Shares	<p>Under the DCA, the shareholders can either subscribe for shares by contributing cash or by contributing other assets in kind. In both cases, the subscription amount must be paid in full.</p> <p>Any contribution of assets other than cash must have an economic value and cannot consist of an obligation to perform work or services. Where Better Collective is to acquire assets other than cash, a valuation report must be prepared by one or more impartial valuation experts.</p> <p>For some specific contributions, the requirement for a valuation report does not apply. In that case, the board of directors of Better Collective is responsible for ensuring that a contribution made is not detrimental to Better Collective or its shareholders or creditors.</p>	<p>Under the OBCA, subject to a corporation's articles, by-laws and any pre-emptive rights shareholders have, shares in a corporation may be issued at such time and to such persons and for such consideration as the directors may determine. Shares issued by a corporation are non-assessable and the holders are not liable to the corporation or to its creditors in respect thereof. Further, shares cannot be issued until the consideration for the shares is fully paid in money or in property or past service that is not less in value than the fair equivalent of the money that the corporation would have received if the shares had been issued for money.</p>
Declaration of Dividends, Distributions, Repurchases and Redemptions	<p><i>Declaration of Dividends and Distributions by Better Collective</i></p> <p>Under the DCA, Better Collective's funds may only be distributed to its shareholders:</p>	<p><i>Declaration of Dividends and Distributions by the Company</i></p> <p>Under the OBCA, subject to a corporation's articles, if applicable, and any unanimous shareholder agreement, the directors may declare and the corporation may pay a dividend (i) by issuing fully-paid shares of the corporation, or options</p>

	Better Collective	Playmaker
	<p>1) as dividends on the basis of the latest approved financial statement (“ordinary dividends”);</p> <p>2) as extraordinary dividends;</p> <p>3) in connection with capital reductions; or</p> <p>4) in connection with a dissolution of Better Collective.</p> <p><i>Option 1)</i></p> <p>The resolution on distribution of ordinary dividends is made at the annual general meeting in connection with approval of the annual report. Dividends may only be distributed out of distributable reserves.</p> <p><i>Option 2)</i></p> <p>Resolution on distribution of extraordinary dividends can be adopted by the shareholders at an extraordinary general meeting or by the board of directors based on an authorization from the general meeting. In public limited liability companies, any resolution to distribute extraordinary dividends must always be accompanied by a balance sheet. The board of directors assesses whether the balance sheet of the latest annual report is adequate, or whether an interim balance sheet showing that sufficient funds are available for distribution needs to be prepared, however, for public limited liability companies, the resolution to distribute extraordinary dividends cannot be passed more than six months after the respective balance sheet date.</p> <p><i>Option 3)</i></p> <p>If the nominal share capital is higher than the minimum requirement for nominal share capital of a public limited company of DKK 400,000, it is possible to reduce the nominal share capital with an amount of up to the excess nominal share capital. The resolution to reduce the share capital by distribution must be passed at a general meeting stating the amount that the share capital is reduced by and the premium, if any, and the resolution must be either proposed or approved by the board of directors. The resolution must be registered with the Danish Business Authority.</p>	<p>or rights to acquire fully-paid shares of the corporation, (ii) in money, or (iii) in property. The directors may not declare, and the corporation may not pay, a dividend if there are reasonable grounds for believing that the corporation is, or after the payment would be, unable to pay its liabilities as they become due; or the realizable value of the corporation’s assets would thereby be less than the aggregate of its liabilities and its stated capital of all classes.</p> <p>Further, under the OBCA, the purchase or other acquisition by a corporation of its shares is generally subject to solvency tests similar to those applicable to the payment of dividends, as set out above.</p> <p>Subject to the rights of the holders of the preferred shares and the rights of the holders of any other class or series of shares ranking senior to the common shares of the Company, the holders of common shares shall be entitled to receive dividends if and when declared by the board of directors.</p> <p><i>Share Repurchases and Redemptions by the Company</i></p> <p>Under the OBCA, a corporation may, subject to its articles, purchase or redeem any redeemable shares issued by it at prices not exceeding the redemption price thereof stated in the articles or calculated according to a formula stated in the articles. However, a corporation may not make any payment to purchase or redeem any redeemable shares issued by it if there are reasonable grounds for believing that it would not meet similar solvency tests as those set out above.</p> <p>Applicable stock exchange rules provide for a mechanism whereby a listed corporation may repurchase for cancellation its own shares, provided that such repurchases are in accordance with the applicable rules.</p> <p>Shares issued by a corporation and purchased, redeemed or otherwise acquired by it shall be cancelled or, if the articles limit the number of authorized shares of a class or series, may be restored to the status of authorized but unissued shares of the class.</p> <p><i>Purchases by Subsidiaries of the Company</i></p>

	Better Collective	Playmaker
	<p>In connection with a capital reduction to be distributed to the shareholders or transferred to a special reserve, the creditors of Better Collective must be encouraged to file their claims against Better Collective within a deadline of four weeks.</p> <p>The share capital reduction by distribution can be completed after the expiring of the notice period.</p> <p><i>Option 4)</i></p> <p>The shareholders may agree to distribute dividends in a limited liability company in liquidation on the basis of the latest approved annual report. In that case, distribution of dividends must be made in accordance with the general provisions on dividends and extraordinary dividends. Liquidation proceeds cannot be distributed to the shareholders until debts to known creditors have been paid.</p> <p><i>Share Repurchases and Redemptions by Better Collective</i></p> <p>According to Better Collective’s articles of association, the board of directors is authorised to pass a resolution on acquisition of treasury shares on the following terms:</p> <p>Better Collective may acquire up to nominal EUR 55,148.668 treasury shares corresponding to approx. 10% of the existing share capital in the period until the annual general meeting to be held in 2024.</p> <p>Acquisitions of treasury shares should be made on Nasdaq Stockholm at a price per share within the band of prices (spread) applying on Nasdaq Stockholm.</p> <p>All acquisitions of treasury shares shall be made in accordance with the applicable rules at Nasdaq Stockholm.</p>	<p>Under the OBCA, except in limited circumstances, a corporation shall not hold shares in its holding body corporate, and a corporation shall not permit any of its subsidiary bodies corporate to hold shares of the corporation.</p>
Lien on Shares, Calls on Shares and Forfeiture of Shares	<p><i>Lien on Shares</i></p> <p>Under the DCA, it is possible to have a pledge on shares. Shareholders or pledgees in respect of pledges over shares must notify Better Collective of any change of share ownership or legal charge and Better Collective or the keeper of the register of shareholders must endorse the registered share to the effect that registration has been made.</p>	<p>Pursuant to the OBCA, the articles or by-laws of a corporation may provide that the corporation has a lien on a share registered in the name of a shareholder or the shareholder’s legal representative for a debt of that shareholder to the corporation, including an amount unpaid in respect of a share issued by a body corporate on the date it was continued.</p>

	Better Collective	Playmaker
	<p>As referenced above, all shares of Better Collective must be fully paid prior to the issuance thereof.</p> <p><i>Calls on Shares</i></p> <p>The DCA does not include provisions dealing with “Calls on Shares”.</p> <p><i>Forfeiture of Shares</i></p> <p>Where the shares in a public limited company are to be issued through a securities centre, such company must provide the securities centre with some specific information, e.g., name, registered office, share capital, any particular rights or obligations etc.</p> <p>Any shares in a public limited company must be delivered to a custodian bank in the manner prescribed in the registration notice from the securities centre.</p> <p>Where, three years after a call for registration of a public limited company’s shares with a securities centre was made, not all the shares have been registered, the board of directors may by an announcement in the IT system of the Danish Business Authority request the shareholders to register their shares within six months. If the shares are not registered before the expiry of the time-limit, the board of directors may sell any unregistered shares, at the shareholder's expense, through a securities dealer. Any sales proceeds not claimed within three years of the sale will accrue to the public limited company.</p>	<p>As referenced above, all Company Shares must be fully paid prior to the issuance thereof.</p>
Registered Office and Records	<p>Under the DCA, a limited liability company is required to have a registered office in Denmark. A limited liability company is also required to maintain a register of shareholders. The register of shareholders must be available to public authorities and the articles must specify the place where the register of shareholders is to be kept if it is not kept at the limited liability company's registered office.</p> <p>Better Collective’s registered office is located at Sankt Annæ Plads 28, 1250 Copenhagen, Denmark.</p>	<p>Under the OBCA, a corporation is required to have its registered office located in Ontario and must keep its corporate records in Ontario. The Company’s registered office is located at 2 St. Clair Avenue West, 601, Toronto, Ontario, M4V 1L5.</p>

	Better Collective	Playmaker
Size of the Board of Directors; Citizenship and Residency of Directors; and Election of Directors	<p>Under the DCA, there are no residency or citizenship requirements applicable to directors.</p> <p>Under the DCA, board of directors of a public limited company must have at least 3 directors. The majority of the members of the board of directors must not be executive officers of such company and no executive officer may be chairman or vice-chairman of such company's board of directors.</p> <p>In public limited liability companies, the majority of the members of the board of directors must be elected by the general meeting.</p> <p>Before the members of the board of directors are elected at the general meeting, public limited liability companies must provide information on management level posts held by the candidates in other commercial enterprises, except for posts held in the public limited company's own wholly-owned subsidiaries. This subsection may be departed from if so agreed by all shareholders.</p> <p>Pursuant to the DCA, shareholders of a limited liability company may, by ordinary resolution passed at an annual or extraordinary meeting, remove any director or directors from office, and pursuant to such company's articles, the vacancy created by such removal may be filled at the same meeting.</p> <p>Better Collective's articles of association provide that the general meeting elects no less than 3 and no more than seven members to the board of directors of Better Collective. Members of the board of directors are elected for a term of 1 year at a time until the next annual general meeting. Re-election is possible. The chair of the board of directors and the vice chair of the board of directors are elected by the general meeting.</p>	<p>Under the OBCA, there are no residency requirements applicable to directors.</p> <p>Under the OBCA, a board of directors of a publicly traded corporation shall have no fewer than three directors, at least one-third of whom are not officers or employees of the corporation or its affiliates.</p> <p>The Company's articles provide that it may have a minimum of three directors and a maximum of ten directors. The Company's by-laws provide that until changed in accordance with the OBCA, the Company Board shall consist of the number of directors within the minimum and maximum number of directors provided for in the articles, as is determined by special resolution or, if such special resolution empowers the Company Board to determine the number, by a resolution of the Company Board; provided, however, that in the latter case the directors may not, between meetings of shareholders, increase the number of directors on the Company Board to a total number greater than one and one-third times the number of directors required to have been elected at the last annual meeting of shareholders.</p>
Removal of Directors; Filling Vacancies on the Board of Directors	<p>Under the DCA, shareholders of a limited liability company may, by ordinary resolution passed at an annual or extraordinary meeting, remove any director or directors from office, and pursuant to the company's articles of association,</p>	<p>Under the OBCA, provided that the articles of a corporation do not provide for cumulative voting (the Company's articles do not so provide), shareholders of a corporation may, by ordinary resolution passed at an annual or special meeting, remove any director or directors from office, and pursuant to</p>

	Better Collective	Playmaker
	<p>the vacancy created by such removal may be filled at the same meeting.</p> <p>Under the DCA, a member of the board of directors also has the option to resign at any time. Notice of resignation must be given to the board of directors of Better Collective. Where there is no alternate member to replace the member, the other members of the board of directors must arrange for the election of a new member to replace the resigning or removed member for the remainder of his term of office. However, if a new member is to be elected by the general meeting, such election may be postponed until the next annual general meeting at which members are to be elected to the board of directors or the supervisory board, provided that the remaining members and alternate members of the board of directors form a quorum.</p>	<p>the Company's by-laws, the vacancy created by such removal may be filled at the same meeting failing which, provided a quorum remains in office, it may be filled by the Company Board.</p> <p>Pursuant to the Company's by-laws, where the holders of any class or series of shares of the Company have an exclusive right to elect one or more directors, a director so elected may only be removed by an ordinary resolution at a meeting of the shareholders of that class or series.</p> <p>The OBCA and the Company's by-laws also provide that a director not elected for an expressly stated term ceases to hold office at the close of the first annual meeting of shareholders following the director's election. A director also ceases to hold office when the director: (i) dies; (ii) is removed from office by the shareholders; (iii) ceases to be qualified for election as a director; or (iv) sends or delivers to the Company a written resignation or, if a time is specified in such resignation, at the time so specified, whichever is later.</p> <p>Under the OBCA, a vacancy among the directors may be filled at a meeting of shareholders at which the director is removed. A quorum of directors may fill a vacancy among directors, except a vacancy resulting from an increase in the number of directors otherwise than in accordance with the OBCA or in the maximum number of directors, as the case may be, or a failure to elect the number of directors required to be elected at any meeting of the shareholders.</p> <p>Pursuant to the Company's by-laws, in the absence of a quorum of the Company Board, or if the vacancy has arisen from a failure of the shareholders to elect the number of directors required at an annual general meeting of the Company, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy. If the directors fail to call a meeting or if there are no directors then in office, any shareholder may call the meeting. A director appointed or elected to fill a vacancy holds office for the unexpired term of that director's predecessor.</p>

	Better Collective	Playmaker
		The Company's by-laws provide that if an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.
Duties of Directors	<p>Under the DCA, all directors of a limited liability company must, in addition to responsible for the overall and strategic management and ensuring proper organisation of the company's activities, ensure:</p> <p>that the bookkeeping and financial reporting procedures are satisfactory, having regard to the circumstances of the public limited company;</p> <p>that adequate risk management and internal control procedures have been established;</p> <p>5) that the board of directors receives adequate reporting about the public limited company's financial position on a continuous basis;</p> <p>6) that the executive board performs its duties properly and according to the directions issued by the board of directors; and</p> <p>7) that the financial resources of the limited liability company are adequate at all times, including that the limited liability company has sufficient liquidity to meet its current and future liabilities as they fall due.</p> <p>Under the DCA, the members of the management of a limited liability company must not make any transaction that is clearly likely to provide certain shareholders or others with an undue advantage over the other shareholders or the limited liability company. The members of the management of the limited liability company must not comply with any resolution passed by a general meeting or any other corporate body if such resolution is invalid because it conflicts with current legislation or limited liability company 's articles.</p>	<p>Under the OBCA, all directors of a corporation, in exercising their powers and discharging their duties to the corporation must (i) act honestly and in good faith with a view to the best interests of the corporation; and (ii) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.</p> <p>These fiduciary obligations include a duty to comply with all laws, a duty to carry out management obligations with the care, diligence and skill of a person in comparable circumstances and a duty to disclose any conflicts of interest with the corporation.</p>
Conflicts of Interest of Directors	According to the DCA, no member of management (including directors) may participate in meetings involving (i) any agreement between the public limited company and the member, (ii) any legal proceedings against the member,	According to the OBCA and applicable common law, directors must exercise particular care with regard to the following: (i) directors must not act with self-interest or collateral or improper motives; (ii) directors must not

	Better Collective	Playmaker
	<p>(iii) any agreement between the public limited company and a third party or (iv) any legal proceedings against a third party, where the member has a material interest in such business that may conflict with the interests of the public limited company. There is nothing to prevent a director from being an opposing party in a lawsuit.</p> <p>Under the DCA material related party transactions of public companies are subject to approval by the board of directors. Related parties are defined in accordance with internationally accepted accounting standards (IAS) 24, as adopted in the EU.</p> <p>There are no particular thresholds that apply when determining whether a transaction is material. The management of the public company shall, when determining whether the transaction is material, apply the usual considerations and rules for “materiality” which are applied in connection with the preparation of the public company’s financial statements.</p> <p>The public company must make an announcement concerning a related party transaction where the value of the transaction equals to 10% or more of the public company’s assets (on a consolidated level) or 25% or more of the profit from operating activities (on a consolidated level), according to the most recent consolidated financial statements of the public company. The announcement must be published on the public company’s website and remain available for five years.</p> <p>Notwithstanding the foregoing, ordinary course business transactions are exempt (which is to be determined by the board of directors based on an internal procedure in this respect).</p> <p>Separate disclosure requirements may apply in the event that the public company prepares a prospectus (e.g. in connection with an offering of securities to the public)</p>	<p>appropriate corporate opportunities—lest they be forced to disgorge profits; and (iii) directors may be liable for paying dividends while the corporation is insolvent.</p> <p>The OBCA provides that a director is required to disclose his or her interest with respect to a material contract or transaction or proposed material contract or transaction.</p> <p>The director who is required to disclose a conflict of interest is prohibited from attending any part of a meeting of directors during which the contract or transaction is discussed and from voting on any resolution to approve it, unless the contract or transaction relates primarily to their remuneration as a director of the corporation or an affiliate, is for indemnity or insurance or is one with an affiliate of the corporation. The prohibition extends to any discussion with respect to the director’s compensation as an employee, officer or agent of the corporation and to arrangements by way of security for money lent to or obligations undertaken by the director for the benefit of the corporation or an affiliate.</p> <p>If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present at the meeting, the remaining directors will be deemed to constitute a quorum for the purposes of voting on the resolution. Where all of the directors are conflicted, the contract or transaction may be approved only by the shareholders of the corporation.</p>
Indemnification of Officers and Directors	Under the DCA, there are no rules regarding indemnification of officers and directors.	The Company’s by-laws provide that, subject to the provisions of the OBCA, the Company shall indemnify a director or officer of the Company, a former director or

	Better Collective	Playmaker
	<p>It is customary for larger limited liability companies to take out a directors' and officers' liability insurance, which covers the members of the board from liability for claims for damages that have been made against them in connection with their exercise of their duties.</p>	<p>officer of the Company or another individual who acts or acted at the Company's request as a director or officer, or an individual acting in a similar capacity of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such individual in respect of any civil, criminal, administrative or investigative action or other proceeding in which the individual is involved because of that association with the Company or other entity if: (i) the individual acted honestly and in good faith with a view to the best interests of the Company or other entity for which the individual acted as a director or officer or in a similar capacity at the Company's request, as the case may be; and (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that his or her conduct was lawful.</p> <p>The Company indemnifies its directors and certain officers, as well as individuals serving as directors and officers of its Subsidiaries, pursuant to indemnification agreements. The Company has also obtained directors' and officers' liability insurance.</p>
Limitation on Director Liability	<p>Under the DCA, the general meeting may resolve at the ordinary general meeting that the limited liability company discharges its directors of claims for damages in connection with events in the past fiscal year.</p> <p>The resolution to discharge the directors may be set aside under certain circumstances, e.g., if the general meeting, at the time the resolution was passed, did not have access to adequate information regarding the directors' actions or in the event of fraud or illegality.</p>	<p>Under the OBCA, directors, officers, and employees of corporations remain protected from personal liability unless it can be shown that their actions are tortious or exhibit an identity separate from that of the corporation so as to make the act or conduct complained of their own.</p> <p>Under the common law, courts can impose liability on a director if they are found in breach of any of the aforementioned fiduciary obligations. The common Law can also hold directors personally liable for corporate actions should they have resulted from the negligence of the director or negligent misrepresentation to a third party by a director.</p> <p>Generally, courts will not interfere in management decisions in the absence of fraud or illegality and directors and officers will not be held to be in breach of their duty of care if they acted prudently and on a reasonably informed basis.</p>

	Better Collective	Playmaker
Location of Shareholder Meetings	<p>Under the DCA, a general meeting of shareholders of a limited liability company must be held at the registered office of the public limited company, unless the articles specify that general meetings must or may be held elsewhere.</p> <p>According to Better Collective’s articles general meetings are held in (i) Greater Copenhagen, (ii) the Municipality of Gothenburg, Sweden, or (iii) the Municipality of Stockholm, Sweden, as decided by the board of directors. Further, the board of directors is authorised to decide that general meetings are held as a completely electronic general meetings (i.e. without physical attendance) or partially electronic meetings.</p>	<p>Under the OBCA, a meeting of shareholders of a corporation must be held at such place in or outside Ontario as the directors of the corporation determine or, in the absence of such a determination, at the place where the registered office of the corporation is located. In addition, subject to the articles or by-laws and the provisions of the OBCA, a meeting of shareholders may be held entirely by one or more telephonic or electronic means or by any combination of in-person attendance and by one or more telephonic or electronic means.</p>
Annual Meetings	<p>Under the DCA, the annual general meeting must be held in time for the approved annual report to be received by the Danish Business Authority before the expiry of the time-limit set out in the Financial Statements Act. The ordinary time-limit for filing of the annual report with the Danish Business Authority is six months after the expiry of the financial year and four months for companies whose shares are admitted to trading on a regulated market. According to Better Collective’s articles of association the annual general meeting must be held no later than four months after the end of the financial year.</p> <p>Better Collective’s articles of association provide that the board of directors shall publish the date of the annual general meeting and the deadline for submission of requests for specific business to be included in the agenda no later than eight weeks before the contemplated date of the annual general meeting. General meetings must be convened at no less than three weeks’ and no more than five weeks’ notice.</p> <p>The DCA provides that any business not included on the agenda may be resolved by the general meeting only if all shareholders consent. Any shareholder is entitled to have a specific issue included on the agenda for an annual general meeting.</p>	<p>Directors of a corporation are required to call an annual meeting not later than 15 months after the holding of the last preceding annual meeting.</p> <p>The annual meeting is held for the purpose of receiving financial statements, electing directors and appointing auditors or dispensing with the requirement for an auditor.</p> <p>Pursuant to the OBCA, the directors shall place before each annual meeting of shareholders, the financial statements of the corporation required to be filed under securities legislation, together with the report of the auditor, if any.</p> <p>At any annual meeting of the shareholders, only such business may be conducted as has been properly brought before the meeting. To be properly brought before the meeting, business must be (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Company Board; (ii) otherwise properly brought before the meeting by or at the direction of the Company Board; or (iii) properly brought before an annual meeting of shareholders by a shareholder. For business to be properly brought before an annual meeting by a shareholder it must be done in compliance with the procedures set forth in the OBCA.</p> <p>The Company’s by-laws provide that any notice of a Company Shareholders’ meeting specifying the time and</p>

	Better Collective	Playmaker
	Pursuant to Better Collective’s articles of association, the board of directors must receive such proposals in writing no later than six weeks before the date of the general meeting.	place of the meeting must be sent not less than 21 days and not more than 50 days before the meeting (except as outlined in connection with the advance notice by-law of the Company as discussed below).
Special/Extraordinary General Meetings	<p>Under the DCA, extraordinary general meetings must be held at the request of the board of directors, or the auditor elected by the general meeting. In public limited liability companies, shareholders who hold 5% or more of the share capital may request an extraordinary general meeting in writing.</p> <p>Better Collective’s articles of association provide that extraordinary general meetings are held when so decided by a general meeting, the board of directors or the company’s auditor or when so requested of the board of directors in writing by shareholders holding at least 5% of the share capital. Any such request by shareholders must specify the matters to be considered at the general meeting. Such extraordinary general meeting must be convened within 14 days of receipt of the request by the board of directors.</p> <p>Agendas for extraordinary general meetings usually deal with specific questions or issues.</p>	<p>Under the OBCA, the directors may, at any time, call a special meeting of shareholders.</p> <p>Notice of a meeting of shareholders called for any purpose other than the consideration of minutes of an earlier meeting, consideration of the financial statements and auditor’s report thereon (if any), election of directors and re-appointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the shareholder to form a reasonable judgment thereon and shall state the text of any special resolution or by-law to be submitted to the meeting. A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of or otherwise consent to a meeting of shareholders, and, subject to the OBCA, attendance of any such shareholder or any such other person is a waiver of notice of the meeting.</p> <p>Agendas for special meetings of shareholders usually deal with specific questions or issues, such as whether to approve a fundamental change proposed by the corporation’s directors. Generally, a corporation’s directors will call a special meeting of the shareholders when they would like to undertake a particular activity or to consider a special issue that requires shareholder approval.</p> <p>The Company’s by-laws provide for an advance notice procedure to be followed by Company Shareholders for proposals in connection with the nominations of directors made by Shareholders. The by-laws require notice (i) for annual shareholder meeting, not later than the close of business on the 30th day; provided, however, if the date (the “Notice Date”) on which the first public announcement made by the Company of the date of the annual meeting is less than 50 days prior to the meeting date, not later than the close of business on the 10th day following the Notice Date; or (ii) for a special shareholders meeting (which is not also an annual</p>

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		shareholders meeting) called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special shareholders meeting was made.
Requisition of Meetings by Shareholders	<p>Under the DCA, general meetings must be called and organised by the board of directors. Notice of general meetings must be given in accordance with the provisions of the company’s articles of association. In public limited liability companies whose shares are admitted to trading on a regulated market, notice of general meetings must not be given more than five weeks before the general meeting and, unless the articles provide for a longer period of notice, less than three weeks before the general meeting.</p> <p>In public limited liability companies whose shares are admitted to trading on a regulated market, the notice calling the general meeting must include specific information.</p> <p>Pursuant to Better Collective’s articles of association, general meetings must be convened at no less than three weeks’ and no more than five weeks’ notice. The board of directors convenes general meetings via Better Collective’s website (www.bettercollective.com) as well as in writing to all shareholders registered in Better Collective’s register of shareholders having so requested.</p> <p>According to Better Collective’s articles of association, the board of directors is also authorised to decide that general meetings are held as a completely electronic general meetings (i.e. without physical attendance) or partially electronic meetings. The notice convening an electronic general meeting must state the requirements to the electronic equipment to be used for attending the general meeting. The notice must also explain how shareholders may register for electronic attendance, and where they may find information on the procedure for electronic attendance at the general meeting.</p>	<p>Under the OBCA, the holders of not less than 5% of the issued shares of a corporation that carry the right to vote at a meeting sought to be held may requisition the directors to call a meeting of shareholders. Upon receiving such a requisition, the directors shall call a meeting unless (i) a record date has been fixed and notice thereof has been given; (ii) the directors have called a meeting and notice thereof has been given; or (iii) the business of the proposed meeting includes certain matters enumerated in the OBCA whereby the directors are not required to call a meeting.</p> <p>Subject to certain exceptions, if the directors fail to call a meeting within 21 days of receiving the requisition, any shareholder who signed the requisition may call the meeting.</p>

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Quorum of Shareholders Meetings	<p>Under the DCA (and unless the articles of association provide otherwise), there are no quorum requirements for general meetings.</p> <p>Better Collective’s articles of association do not contain any quorum requirement for general meetings.</p>	<p>Under the OBCA (and unless the by-laws otherwise provide), the holders of a majority of the shares entitled to vote at a meeting of shareholders, whether present in person or represented by proxy, constitute a quorum.</p> <p>Pursuant to the Company’s by-laws, subject to any minimum quorum requirement for a shareholder meeting of any securities exchange upon which the Company Shares are listed, at each meeting of the shareholders, the holders of not less than 10% of the shares entitled to vote at a meeting of shareholders, present in person or represented by proxy, shall constitute a quorum.</p>
Record Date; Notice Provisions	<p>Under the DCA, in public limited liability companies whose shares are admitted to trading on a regulated market a shareholder's right to attend a general meeting and to vote in respect of his shares must be determined on the basis of the shares held by the shareholder at the date of registration. The shareholding and voting rights of a shareholder must be determined at the date of registration on the basis of the number of shares held by the shareholder according to the register of shareholders and any notice of ownership received by the public limited company for the purpose of registration in the register of shareholders.</p> <p>The date of registration is one week before the general meeting.</p> <p>Better Collective’s articles of association provide that a shareholder is required to notify the company of his/her attendance at least three days before the general meeting. Such notification does not prevent the shareholder from subsequently deciding to attend the general meeting by proxy.</p>	<p>The OBCA provides that the directors can fix in advance a date as the record date for the purpose of determining shareholders (i) entitled to receive payment of a dividend; (ii) entitled to participate in a liquidation or distribution; or (iii) for any other purpose except the right to receive notice of or to vote at a meeting, provided that the record date cannot precede the particular action to be taken by more than 50 days.</p> <p>For the purpose of determining shareholders entitled to receive notice of a meeting of shareholders, the OBCA provides that the directors can fix in advance a date as the record date for such determination of shareholders, but the record date cannot precede by more than 60 days or by less than 30 days the date on which the meeting is to be held.</p> <p>Pursuant to the Company’s articles, notice of any such record date shall, unless waived in accordance with the OBCA, be given not less than seven days before such record date, by newspaper advertisement in the manner provided in the OBCA.</p> <p>Where no record date is fixed, the record date for the determination of shareholders for any purpose other than to establish a shareholder’s right to receive notice of a meeting or to vote shall be the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.</p>

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Shareholder Proposals	<p>Under the DCA, any shareholder is entitled to have a specific issue included on the agenda for an annual general meeting. In addition, all shareholders are entitled to attend and speak at general meetings.</p> <p>Better Collective’s articles of association provide that shareholders have a right to have one or more specific issues treated at the general meeting if the board of directors has received such proposals in writing no later than six weeks before the date of the general meeting. Furthermore, the shareholders may put questions in writing concerning the agenda or documents for use for the general meeting no later than seven days before the date of the general meeting.</p>	<p>Under the OBCA, a shareholder entitled to vote at a meeting of shareholders may, subject to satisfaction of certain requirements: (i) submit to the corporation notice of a proposal; and (ii) discuss at the meeting any matter in respect of which the shareholder would have been entitled to submit a proposal. If so requested by a shareholder giving notice of a proposal, the corporation must, subject to certain exemptions, include in the management information circular or attach thereto a statement by the shareholder of not more than two hundred words in support of the proposal along with the name and address of the shareholder.</p> <p>A proposal can include nominations for the election of directors if the proposal is signed by one or more shareholders representing in the aggregate not less than 5% of the shares or 5% of the shares of a class or series of shares of the corporation entitled to vote at the meeting to which the proposal is to be presented, but this does not preclude nominations being made at a meeting of shareholders.</p> <p>Where a corporation refuses to include a proposal in a management information circular, the corporation must, within ten days after receiving the proposal, send notice to the shareholder submitting the proposal of its intention to omit the proposal from the management information circular and send to the shareholder a statement of the reasons for the refusal. Upon the application of a shareholder aggrieved by a corporation’s refusal, the court may restrain the holding of the meeting to which the proposal is sought to be presented and make any further order it thinks fit.</p>
Voting Rights	<p>Under the DCA, all shares carry voting rights. However, the articles of a public limited company may provide that certain shares carry no voting rights, and that the voting power of certain shares differs from that of the other shares.</p> <p>Better Collective’s articles of association provide that each represented share of EUR 0.01 carries one vote, no shares carry any special rights, and each shareholder must vote consistently in respect of all its shares.</p>	<p>Pursuant to the OBCA, unless the articles of a corporation otherwise provide, each share of a corporation entitles the holder thereof to one vote at a meeting of shareholders.</p> <p>The Company’s articles provide that Company Shareholders shall be entitled to vote at all meetings of shareholders, except meetings at which only holders of a specific class or series of shares are entitled to vote.</p> <p>Each Company Share entitles the holder thereof to one vote at a meeting of shareholders. The Company’s by-laws provide</p>

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		<p>that all questions proposed for the consideration of shareholders at a Company Shareholders meeting shall be determined by the requisite majority of the votes cast by all who are entitled to vote and the Chair of the meeting shall not be entitled to a second or casting vote.</p> <p>Any question at a Company Shareholders meeting shall be decided by a show of hands, unless a ballot is required or demanded as hereinafter provided.</p> <p>On any question proposed for consideration at a meeting of shareholders, the Chair may require, or any shareholder or proxyholder may demand, a ballot. A ballot so required or demanded shall be taken in such manner as the Chair shall direct.</p> <p>As discussed above, a “special resolution” is passed by a majority of not less than 66$\frac{2}{3}$% of the votes cast by shareholders who voted in person or by proxy on such resolution or signed by all shareholders entitled to vote on that resolution. Ordinary resolutions, by contrast, require a simple majority of the votes cast at a meeting of the shareholders. All resolutions are ordinary resolutions unless specified.</p>
Proxies	Under the DCA, every shareholder entitled to vote at a meeting of shareholders may, by means of a legal proxy, appoint a proxy holder or one or more alternate proxy holders, who need not be shareholders, as the shareholder’s nominee to attend and act at the meeting in the manner and to the extent and with the authority conferred by the proxy.	<p>Under the OBCA, every shareholder entitled to vote at a meeting of shareholders may, by means of a legal proxy, appoint a proxy holder or one or more alternate proxy holders, who need not be shareholders, as the shareholder’s nominee to attend and act at the meeting in the manner and to the extent and with the authority conferred by the proxy.</p> <p>The appointment of a proxy shall not preclude a shareholder from attending and voting in person at a meeting. A shareholder may appoint more than one proxy to attend on the same occasion, provided that each such proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.</p>
Shareholder Derivative Actions	Under the DCA, any resolution providing that a limited liability company must commence legal proceedings against its promoters, members of management, valuation experts,	Under the OBCA, a shareholder, or other complainant recognized under the OBCA, may apply to the court for leave to bring an action in the name of and on behalf of the

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	<p>auditors, scrutinisers, keepers of the register of shareholders or shareholders must be passed by the general meeting.</p> <p>Under the DCA, legal proceedings may be commenced even if the general meeting has previously granted an exemption from liability or waived the right to commence legal proceedings if the information concerning the resolution or the cause of action which had been provided to the general meeting before the passing of the resolution was not correct or complete in all essentials.</p>	<p>Company or any of its subsidiaries, or to intervene in an existing action to which the Company or any of its subsidiaries is a party, for the purpose of prosecuting, defending or discontinuing the action on behalf of the Company or any of its subsidiaries.</p> <p>Under the OBCA, no action may be brought and no intervention in an action may be made unless a court is satisfied that: (i) the complainant has given the requisite notice to the directors of the corporation or its subsidiary of the complainant's intention to apply to the court if the directors do not bring, diligently prosecute or defend or discontinue the action; (ii) the complainant is acting in good faith; and (iii) it appears to be in the interests of the corporation or its subsidiary that the action be brought, prosecuted, defended or discontinued.</p> <p>Under the OBCA, the court may make any order it thinks fit including: (i) an order authorizing the complainant or any other person to control the conduct of the action; (ii) an order giving directions for the conduct of the action; (iii) an order directing that any amount adjudged payable by a defendant in the action shall be paid, in whole or in part, directly to former and present securityholders of the corporation or its subsidiary instead of to the corporation or its subsidiary; and (iv) an order requiring the corporation or its subsidiary to pay reasonable legal fees and any other costs reasonably incurred by the complainant in connection with the action.</p>
Oppression Remedy	<p>Under the DCA, the general meeting cannot pass resolutions which are clearly likely to provide certain shareholders or others with an undue advantage/benefit over the other shareholders or Better Collective as a whole. A shareholder or a member of management may commence legal proceedings concerning a resolution passed by the general meeting that has not been lawfully passed or conflicts with the DCA or the articles of association of Better Collective.</p> <p>The DCA also provides that the members of the management of a limited liability company must not make any transaction that is clearly likely to provide certain shareholders or others</p>	<p>The OBCA provides an oppression remedy to a shareholder (among others) that enables a court to make any order, both interim and final, to rectify the matters complained of, if the court is satisfied upon application of a complainant that:</p> <ul style="list-style-type: none"> • any act or omission of the corporation or any of its affiliates effects or threatens to effect a result; • the business or affairs of the corporation or any of its affiliates are, have been or are threatened to be carried on or conducted in a manner; or

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	with an undue advantage over the other shareholders or Better Collective. The members of the management of Better Collective must not comply with any resolution passed by a general meeting or any other corporate body if such resolution is invalid because it conflicts with current legislation or Better Collective’s articles of association.	<ul style="list-style-type: none"> the powers of the directors of the corporation or any of its affiliates are, have been or are threatened to be exercised in a manner, <p>that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any security holder, creditor, director or officer of the corporation, the court may make an order to rectify the matters complained of.</p>
Disclosure of Interests in Shares	<p>Under the DCA, shareholders are obliged to notify Better Collective of significant shareholdings and any such holdings must be registered with the Danish Business Authority. Any change to the information notified of significant shareholdings must also be notified. The registered information in respect of significant shareholdings is publicly available through the IT system of the Danish Business Authority. “Significant shareholdings” means i) holdings of shares that represent at least 5% of the voting rights of the share capital or represent at least 5% of the share capital or ii) any change occurs in a previously notified shareholding to the effect that the 5%, 10%, 15%, 20%, 25%, 50%, 90% or 100% thresholds and the thresholds of one-third or two-thirds of the voting rights or the share capital are reached or no longer reached.</p> <p>Beside the above, neither the DCA nor Better Collective’s articles of association impose any obligations with respect to disclosure by shareholders of their respective interests in the Better Collective Shares.</p> <p>In addition to the abovementioned corporate rules, applicable securities laws govern the circumstances requiring persons who acquire securities of Better Collective to disclose their interests in such securities.</p>	<p>Neither the OBCA nor the articles or by-laws of the Company impose any obligations with respect to disclosure by Company Shareholders of their respective interests in the Company Shares.</p> <p>Applicable securities Laws govern the circumstances requiring persons who acquire securities of the Company to disclose their interests in such securities.</p>
Fundamental Changes	Under the DCA, certain fundamental changes such as mergers, demergers, restructuring, and dissolutions must be passed by the general meeting.	Certain fundamental changes such as certain amalgamations (other than with certain affiliated corporations), continuances to another jurisdiction and sales, leases or exchanges of all or substantially all of the property of a corporation (other than in the ordinary course of business) and other extraordinary corporate actions such as liquidations, dissolutions and plans

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		<p>of arrangement are required to be approved by special shareholder resolution.</p> <p>In certain cases, a special resolution to approve an extraordinary corporate action is also required to be approved separately by the holders of a class or series of shares, including in certain cases a class or series of shares not otherwise carrying voting rights (unless in certain cases the share provisions with respect to such class or series of shares provides otherwise).</p> <p>Pursuant to applicable securities Laws, a vote of the majority of disinterested shareholders may also be required where certain shareholders have an interest in the transaction being approved.</p>
Compulsory Acquisition	<p>Under the DCA, a shareholder holding more than 90% of the shares and voting rights in a limited liability company may initiate a compulsory acquisition of the minority shareholders' shares. The minority shareholders will be provided with a four-week period to sell their shares prior to completion of the compulsory acquisition.</p> <p>If a shareholder holds more than 90% of the shares in a limited liability company and a corresponding share of the votes, each minority shareholder of Better Collective may demand redemption by that shareholder.</p>	<p>The OBCA provides a right of compulsory acquisition for an offeror that acquires 90% of the target securities pursuant to a take-over bid or issuer bid, other than securities held at the date of the bid by or on behalf of the offeror.</p>
Appraisal Rights / Dissent Rights	<p><i>Appraisal Rights</i></p> <p>Under the DCA, a shareholder may require a valuation from an expert regarding exercise of a pre-emption right and regarding redemption of shares if Better Collective's articles do not include any provisions concerning the calculation of the price and in the absence of agreement on the price by the parties.</p> <p><i>Dissent Rights</i></p> <p>The DCA does not include any rules on Dissent Rights.</p>	<p>The OBCA provides that shareholders of a corporation are entitled to exercise dissent rights in respect of certain matters and to be paid the fair value of their shares in connection therewith. Such matters include: (i) an amalgamation with another corporation (other than with certain affiliated corporations); (ii) an amendment to the corporation's articles to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of the class in respect of which a shareholder is dissenting; (iii) an amendment to the corporation's articles to add, change or remove any restriction on the business or businesses that the corporation may carry on; (iv) a continuance under the Laws of another jurisdiction; and (v) a sale, lease or exchange of all or substantially all of the property of the corporation other</p>

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		than in the ordinary course of business. Shareholders may also be entitled to dissent in respect of any other resolution of the Company if dissent is authorized by such resolution in respect of any court order that permits or grants dissent, such as in respect of the Arrangement.
Variation of Rights Attaching to a Class or Series of Shares	<p>Under the DCA, all shares carry equal rights in public limited liability companies. However, the articles may provide for different share classes. In that case, the articles of association must specify the differences between the different share classes and the size of each share class.</p> <p>Under the DCA, any change in the right attaching to a class or series of shares requires a general meeting resolution to amend the company's articles of association. The resolution requires the consent of the shareholders whose legal position will be impaired.</p> <p>However, where the public limited company already has more than one share class, any proposed amendment to the articles of association which, if passed, will change the legal relationship between the share classes, either by changing existing differences or by creating new differences between the share classes, will have legal effect only if adopted by shareholders at the general meeting holding at least 2/3 of the shares of the share class whose rights will be impaired.</p> <p>According to Better Collective's articles of association, no shares have special rights.</p>	<p>Under the OBCA, a special resolution must be passed in order for the corporation to file articles of amendment that change or vary the rights of an existing class of shares.</p> <p>However, where the directors are authorized by the articles to divide any class of unissued shares into series and determine the designation, rights, privileges, restrictions and conditions thereof, they can authorize the amendment of the articles to so provide.</p>
Amendment of Constating Documents (Articles and Bylaws)	<p>The DCA provides that the articles of association of a limited liability company may, from time to time. Resolutions to amend the articles must be passed by at least 2/3 of the votes cast and of the share capital represented at the general meeting.</p> <p>Resolutions to amend the articles of association resulting in an increase of the shareholders' obligations to the public limited company are valid only if all shareholders agree.</p> <p>Certain resolutions to amend the articles of association require a special majority of at least 9/10 of the votes cast as</p>	<p>The OBCA provides that the articles of a corporation may, from time to time, be amended for various reasons such as to change the name of the corporation or to amend the share structure of the corporation.</p> <p>Depending on the nature of the amendment, it will require either a special resolution of the shareholders and/or a resolution of the directors.</p> <p>Under the OBCA, the directors may, by resolution, make, amend or repeal any by-laws that regulate the business or affairs of a corporation and they must submit the by-law, amendment or repeal to the shareholders at the next meeting</p>

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	well as at least nine-tenths of the share capital represented at the general meeting.	of shareholders, and the shareholders may, by ordinary resolution, confirm, reject or amend the by-law, amendment or repeal.
Dissolution	<p><i>Dissolution by declaration</i></p> <p>A limited liability company may be dissolved by its shareholders making a declaration to the Danish Business Authority that all debts, whether due or not, have been paid and that it has been resolved to dissolve the limited liability company.</p> <p>The declaration must be registered with the Danish Business Authority, and it must be accompanied by a declaration from the Danish tax authorities that there is no claim for direct taxes or indirect taxes against the public limited company. The declaration from the Danish tax authorities must be obtained by an accountant from the Danish Tax Authority.</p> <p>The limited liability company is dissolved when the Danish Business Authority has confirmed that both the declaration from the shareholder and Danish tax authorities complies with the requirements and consequently, the limited liability company has been removed from the Danish company register.</p> <p><i>Liquidation by resolution</i></p> <p>At a general meeting, the shareholders must pass a resolution for voluntary dissolution of the limited liability company and elect a liquidator to replace the management and liquidate the limited liability company.</p> <p>The resolution whereby the limited liability company enters into liquidation must be registered with the Danish Business Authorities. Notice of the resolution must be sent to all known creditors at the same time as the resolution is sent to the Danish Business Authority.</p> <p>Upon registration and publication of the resolution for a limited liability company to enter into liquidation, the limited liability company's creditors are requested to file their proofs and claim with the liquidator within three months.</p>	<p><i>Voluntary Dissolution</i></p> <p>Pursuant to the OBCA, the shareholders of a corporation may, by special resolution, require the corporation to be wound up voluntarily.</p> <p>Prior to a voluntary dissolution, the corporation must first pay or discharge its debts. Subsequently, it must transfer its remaining assets to its shareholders or liquidate its remaining assets into cash and distribute the cash to the shareholders based on the shareholders' entitlements.</p> <p>Corporations with ongoing legal proceedings are generally not permitted to dissolve voluntarily. Special conditions apply if an insolvent or a bankrupt corporation wishes to dissolve.</p> <p>A corporation may be revived if someone seeks to bring a legal proceeding or enforce a debt against the dissolved corporation. After revival, the dissolved corporation will once again become a legal person. If a corporation is successfully revived, then its revival will be applied retroactively so that the corporation will be responsible for all acts done by (and to) the corporation during the time period after the corporation was dissolved and before it was revived.</p> <p><i>Involuntary Dissolution</i></p> <p>A corporation may be involuntarily dissolved by order of the Director or by order of a court under the OBCA in certain circumstances.</p>

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	<p>Following the three months notice period, the liquidator may close and dissolve the limited liability company. When the liquidation proceeds have been distributed, the general meeting may pass a resolution on final liquidation.</p> <p>In connection with the resolution to approve the final liquidation, the shareholder must approve the liquidation accounts prepared by the liquidator. Following the liquidation, the shareholder has no liability for the limited liability company's debt.</p> <p><i>Resumption of activities</i></p> <p>Where no distribution has been commenced, the shareholders may resolve to resume the limited liability company's activities. The activities may be resumed only if a management and an auditor, if applicable, are elected and a declaration is made by a valuation expert that the required capital is available.</p> <p>The above applies correspondingly where a limited liability company in compulsory dissolution applies to the Danish Business Authority for a discontinuation of the proceedings before the bankruptcy court and a resumption of the limited liability company 's activities.</p>	
Enforcement of Judgment Rendered by a Canadian Court	<p>A judgment or award by the courts of a Canadian state or territory or the federal courts of Canada in an action, suit or proceeding would generally not be recognised and enforced in Denmark and any political subdivision thereof without re-examination or re-litigation and it would be necessary to commence new proceedings in Denmark, however, a judgment or award by the courts of a Canadian state or territory, or a federal court of Canada, would be admissible in the evidence.</p>	<p>A judgment for the payment of money rendered in a court in Canada based on civil liability generally would be enforceable elsewhere in Canada.</p>

**APPENDIX “J”
SECTION 185 OF THE OBCA**

185 (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

- (a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
- (b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (c) amalgamate with another corporation under sections 175 and 176;
- (d) be continued under the laws of another jurisdiction under section 181;
- (d.1) be continued under the Co-operative Corporations Act under section 181.1;
- (d.2) be continued under the Not-for-Profit Corporations Act, 2010 under section 181.2; or
- (e) sell, lease or exchange all or substantially all its property under subsection 184 (3),

a holder of shares of any class or series entitled to vote on the resolution may dissent.

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

- (a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
- (b) subsection 170 (5) or (6).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

- (a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or
- (b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986.

Shareholder’s right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted.

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent.

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection.

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights.

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares.

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section.

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder.

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

- (a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);

- (b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or
- (c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10).

Same

(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),

- (a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or
- (b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,
 - (i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and
 - (ii) to be sent the notice referred to in subsection 54 (3).

Same

(14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,

- (a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and
- (b) to be sent the notice referred to in subsection 54 (3).

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,

- (a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or
- (b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms.

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder.

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow.

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders.

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

- (a) has sent to the corporation the notice referred to in subsection (10); and
- (b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made,

of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions.

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22)(a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application.

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders.

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Where corporation unable to pay

(28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

- (a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or
- (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Idem

(30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
- (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission.

Commission may appear

(32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation.

Section Amendments with date in force (d/m/y)

1994, c. 27, s. 71 (24) - 01/03/1995

2006, c. 34, Sched. B, s. 35 - 01/08/2007

2011, c. 1, Sched. 2, s. 1 (9-11) - 31/12/2015

2017, c. 20, Sched. 6, s. 24 - 19/10/2021

**APPENDIX “K”
GLOSSARY OF DEFINED TERMS**

“\$” or “C\$” means Canadian dollars.

“**Acquisition Proposal**” means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only the Company and one or more of its wholly-owned Subsidiaries or between or among one or more of the Company’s wholly-owned Subsidiaries, any offer, proposal or inquiry from any Person or group of Persons other than the Purchaser (or any affiliate of the Purchaser or any Person acting jointly or in concert with the Purchaser) after the date of the Arrangement Agreement, whether or not in writing and whether or not delivered to the Company Shareholders, relating to: (i) any sale, disposition, alliance or joint venture (or any license, lease, royalty, long-term supply agreement or other arrangement having the same economic effect as a sale or disposition), direct or indirect, in a single transaction or a series of related transactions, of, or involving assets (including securities of Subsidiaries) representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of the Company and its Subsidiaries, taken as a whole, or of 20% or more of the voting or equity securities of the Company or any of its Subsidiaries (including securities convertible into or exercisable or exchangeable for such voting or equity securities); (ii) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance of securities, sale of securities or other transaction that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities of the Company or any of its Subsidiaries (including securities convertible into or exercisable or exchangeable for such voting or equity securities); or (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, debt exchange, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or any other similar transaction or series of transactions involving the Company or any of its Subsidiaries.

“**Affected Securities**” means, collectively, the Company Shares, Company Options, Company RSUs, Company PSUs and Company DSUs.

“**affiliate**” means, with respect to any Person, any other Person, directly or indirectly, controlling, controlled by, or under common control with, such Person. For purposes of this definition, the term “control” (including the correlative terms “controlling”, “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“**All Cash Consideration**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Election Procedure”.

“**All Share Consideration**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Election Procedure”.

“**allowable capital loss**” has the meaning ascribed to that term in the section of this Circular entitled “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gain or Capital Loss”.

“**Arrangement**” has the meaning ascribed to that term in the “Notice of Special Meeting of Company Shareholders”.

“**Arrangement Agreement**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement Agreement”.

“**Arrangement Resolution**” means the special resolution of Company Shareholders approving the Arrangement, substantially in the form of Appendix “B” hereto.

“**Articles of Arrangement**” means the articles of arrangement of the Company in respect of the Arrangement required by the OBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and substance satisfactory to the Company and the Purchaser, each acting reasonably.

“**Authorization**” means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Entity having jurisdiction over the Person.

“**BC Share Instruction Form**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Description of the Plan of Arrangement”.

“**Beedie**” means Beedie Investments Ltd.

“**Beedie Credit Agreement**” means the credit agreement with Beedie dated July 8, 2022, for a non-revolving term convertible loan of up to the principal amount of US\$20,000,000, maturing on July 11, 2026.

“**Beneficial Company Shareholders**” has the meaning ascribed to that term in the section of this Circular entitled “General Information About the Meeting and Voting – Voting and Other Meeting Activities”.

“**Better Collective Articles**” means Articles of Incorporation of Better Collective.

“**Better Collective Shares**” means ordinary shares in the capital of Better Collective.

“**Better Collective Shareholders**” means the holders of Better Collective Shares.

“**Better Collective Share Market Price**” means the volume weighted average trading price of the Better Collective Shares on Nasdaq Stockholm as displayed under the VWAP function on the “BETCO SS EQUITY” Bloomberg page (or its equivalent successor if such page is not available) on each of the five consecutive trading days immediately before the Effective Date (as adjusted as appropriate to reflect any stock splits, stock dividends, combinations, reorganizations, reclassifications or similar events).

“**Board Nomination Agreement**” means the board nomination agreement dated May 31, 2021, between Playmaker, Relay Ventures Fund III L.P., Relay Ventures Parallel Fund III L.P., Jordan Gnat and JPG Investments Inc.

“**Broadridge**” means Broadridge Financial Solutions Inc.

“**Business Day**” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario or Copenhagen, Denmark.

“**Canaccord Genuity**” means Canaccord Genuity Corp.

“**Canaccord Genuity Engagement Agreement**” means the engagement letter dated August 17, 2023 between Playmaker and Canaccord Genuity.

“**Canada-U.S. Tax Treaty**” has the meaning ascribed to that term in the section of this Circular entitled “Certain U.S. Federal Income Tax Considerations”.

“**Canadian Securities Laws**” means the *Securities Act* (Ontario) and any other applicable provincial securities Laws.

“**Cash Election**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Description of the Plan of Arrangement – Election Mechanics”.

“**Cash Electing Shareholder**” means a Company Shareholder that has validly elected to receive the All Cash Consideration in accordance with Section 2.4 of the Plan of Arrangement.

“**Cash Election Share**” means each Company Share (other than a Rollover Share) in respect of which a Company Shareholder has made a valid Cash Election in accordance with Section 2.4 of the Plan of Arrangement.

“**Cash Proration Factor**” means the fraction, rounded to six decimal places, the numerator of which is the Maximum Cash Consideration and the denominator of which is the Total Elected Cash Consideration.

“**CDS**” means CDS & Co.

“**Certificate of Arrangement**” means the certificate of arrangement to be issued by the Director pursuant to subsection 183(2) of the OBCA in respect of the Articles of Arrangement.

“**CFC**” has the meaning ascribed to that term in the section of this Circular entitled “Certain U.S. Federal Income Tax Considerations”.

“**Chair**” means the chair of the Company’s Board.

“**Circular**” means this management information circular dated December 15, 2023.

“**Code**” has the meaning ascribed to that term in the section of this Circular entitled “Certain U.S. Federal Income Tax Considerations”.

“**Combination Consideration**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Election Procedure”.

“**Combination Election**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Description of the Plan of Arrangement – Election Mechanics”.

“**Company**” or “**Playmaker**” means Playmaker Capital Inc., a corporation incorporated under the provincial laws of Ontario.

“**Company Board**” means the board of directors of Playmaker, as the same is constituted from time to time.

“**Company Board Recommendation**” means the unanimous recommendation of the Company Board that Company Shareholders vote in favour of the Arrangement.

“**Company Credit Agreement**” means the commitment letter dated as of March 30, 2022, as amended by a First Amendment to Commitment Letter dated as of July 12, 2022, as further amended by a Second Amendment to Commitment Letter dated as of November 2, 2022, and as further amended by a Third Amendment to Commitment Letter dated as of July 25, 2023, among the Company, the guarantors listed thereto, the Subsidiaries listed thereto, and a Tier 1 Canadian bank.

“**Company Disclosure Letter**” means the disclosure letter dated November 6, 2023 and delivered by the Company to the Purchaser with the Arrangement Agreement.

“**Company DSUs**” means each deferred share unit granted under and pursuant to the Company Incentive Plan which is issued and outstanding immediately prior to Closing.

“**Company Equity Awards**” means, collectively, the Company Options, Company RSUs, Company DSUs and Company PSUs granted under and pursuant to the Company Incentive Plans.

“**Company Incentive Plans**” means, collectively, (i) the Company’s Omnibus Equity Incentive Plan dated February 8, 2022, as may be amended from time to time, (ii) the Company’s Stock Option Plan dated May 26, 2021, and (iii) the Company’s Stock Option Plan dated January 1, 2020, and “**Company Incentive Plan**” means any one of them, as the context requires.

“**Company Material Adverse Effect**” means any change, event, occurrence, effect, state of facts or circumstance that, individually or in the aggregate with other changes, events, occurrences, effects, states of facts or circumstances, is or would reasonably be expected to be material and adverse to the business, operations, results of operations, assets, properties, liabilities (contingent or otherwise) or financial condition of the Company and its Subsidiaries, taken as a whole, but excluding any change, event, occurrence, effect, state of facts or circumstance directly or indirectly relating to or arising in connection with:

- (a) any change generally affecting the industries in which the Company or its Subsidiaries operate;
- (b) any change, development or condition in or relating to general economic, business, regulatory, interest rate, rate of inflation or market conditions in the jurisdictions in which the Company and its Subsidiaries conduct business, or in financial or capital markets in Canada, the United States or globally;
- (c) any change or development in political conditions or any outbreak or escalation of any military conflict, declared or undeclared war, armed hostilities, or acts of foreign or domestic terrorism or sabotage, including any cyber-terrorism or cyber-attack;
- (d) any adoption, proposal, implementation or change in Law or any interpretation of Law by any Governmental Entity;
- (e) any change in IFRS or changes in applicable regulatory accounting requirements;
- (f) any natural disaster;
- (g) any epidemic, pandemic or disease outbreak (including COVID-19);
- (h) the failure of the Company to meet any internal or published projections, forecasts or estimates of revenues, earnings or cash flow for any period ending on or after the date of the Arrangement Agreement (provided, however, that the causes underlying such failure may be considered to determine whether such causes constitute a Company Material Adverse Effect);
- (i) any action taken by the Company or any of its Subsidiaries which is required to be taken pursuant to the Arrangement Agreement or that is consented to by the Purchaser in writing;
- (j) any change in the market price or trading volume of any securities of the Company (provided, however, that unless excluded by (a) through (i), the causes underlying such failure may be considered to determine whether such causes constitute a Company Material Adverse Effect); or
- (k) the negotiation, execution, announcement pendency or performance of the Arrangement Agreement or the transactions contemplated hereby, including any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of the Company or any of its Subsidiaries with any of its current or prospective employees, shareholders, regulators, contractual counterparties or other business partners;

provided, however, that with respect to clauses (a) through to and including (g), such matter does not have a materially disproportionate effect on the Company and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the industries in which the Company and/or its Subsidiaries operate, and unless expressly provided in any particular section of the Arrangement Agreement, references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a “**Company Material Adverse Effect**” has occurred.

“**Company Option**” means each option to purchase Company Shares granted under and pursuant to the Company Incentive Plans which is issued and outstanding immediately prior to Closing.

“**Company PSUs**” means each performance share unit granted under and pursuant to the Company Incentive Plan which is issued and outstanding immediately prior to Closing.

“**Company RSUs**” means each restricted share unit granted under and pursuant to the Company Incentive Plan which is issued and outstanding immediately prior to Closing.

“**Company Shareholder Approval**” means the approval of the Arrangement Resolution by Company Shareholders at the Meeting in accordance with Section 2.3(b) of the Arrangement Agreement.

“**Company Shareholders**” means the registered or beneficial holders of the Company Shares, as the context requires, each being a “**Company Shareholder**”.

“**Company Shares**” means the common shares in the capital of Playmaker, each being a “**Company Share**”.

“**Confidentiality Agreement**” means the confidentiality agreement dated November 22, 2022 between Better Collective and the Company, as amended on June 14, 2023.

“**Consideration**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Election Procedure”.

“**Controlling Individual**” has the meaning ascribed to that term in the section of this Circular entitled “Eligibility For Investment”.

“**Court**” means the Ontario Superior Court of Justice (Commercial List).

“**COVID-19**” means the novel coronavirus, which was declared a pandemic by the World Health Organization in March 2020.

“**Current Policy**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Interests of Certain Parties in the Arrangement – Insurance and Indemnification of Directors and Officers”.

“**Current Premium**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Interests of Certain Parties in the Arrangement – Insurance and Indemnification of Directors and Officers”.

“**D&O Supporting Shareholders**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Voting and Support Agreements”.

“**D&O Voting and Support Agreements**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Voting and Support Agreements”.

“**Danish Securities Laws**” means the (a) Danish Capital Markets Act, Consolidated Act No. 41 of January 13, 2023, as amended, (b) Market Abuse Regulation, consolidated Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, and (c) Nasdaq Nordic Main Market Rulebook for Issuer of Shares effective January 1, 2024, as supplemented by Supplement A effective October 1, 2021 and Supplement D effective January 1, 2024, each supplement to the extent applicable to the Purchaser, as each may be amended from time to time.

“**DCA**” means the Danish Companies Act.

“**Depositary**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Description of the Plan of Arrangement”.

“**Different Consideration**” has the meaning ascribed to that term in the section of this Circular entitled “Regulatory Matters – Canadian Securities Law Matters – Multilateral Instrument 61-101”.

“**Director**” means the Director appointed pursuant to Section 278 of the OBCA.

“**Dissent Rights**” means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement.

“Dissenting Shareholders” means a Registered Company Shareholder as of the record date for the Meeting who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and who is ultimately determined to be entitled to be paid the fair value of its Company Shares, but only in respect of the Company Shares in respect of which Dissent Rights are validly exercised by such Registered Company Shareholder.

“Dissenting Resident Holder” has the meaning ascribed to that term in the section of this Circular entitled “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Holders”.

“DTC” means The Depository Trust Company.

“Effective Date” means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

“Effective Time” means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

“Election Deadline” means 5:00 p.m. (Toronto time) on January 18, 2024, or, if the Meeting is adjourned or postponed, no later than 5:00 p.m. (Toronto time) two Business Days before the adjourned Meeting is reconvened or the postponed Meeting is convened.

“Exemptive Relief” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Background to the Arrangement”.

“Exemptive Relief Order” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Background to the Arrangement”.

“Fairness Opinion” means an opinion of the Canaccord Genuity to the effect that, as of the date of such opinion, the Consideration to be received by the Company Shareholders (other than the Rollover Shareholders) is fair, from a financial point of view, to such holders. A copy of the Fairness Opinion is attached as Appendix “E” to this Circular.

“Final Order” means the final order of the Court made pursuant to section 182 of the OBCA, after being informed of the intention to rely upon the Section 3(a)(10) Exemption and similar exemptions from applicable securities laws of any state of the United States with respect to the issuance of the Better Collective Shares to be issued pursuant to the Arrangement, in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal.

“Foreign Tax Credit Regulations” has the meaning ascribed to that term in the section of this Circular entitled “Certain U.S. Federal Income Tax Considerations – Additional U.S. Tax Considerations”.

“General Shareholders” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Voting and Support Agreements”.

“General Shareholder Voting and Support Agreements” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Voting and Support Agreements”.

“Gnat Loan” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Background to the Arrangement”.

“Gnat Option Grant” has the meaning ascribed to that term in the section of this Circular entitled “Canadian Securities Law Matters – Collateral Benefits”.

“**Gnat Supporting Shareholders**” has the meaning ascribed to that term in the section of this Circular entitled “Voting and Support Agreements”.

“**Gnat Voting and Support Agreement**” has the meaning ascribed to that term in the section of this Circular entitled “Voting and Support Agreements”.

“**Goodmans**” means Goodmans LLP.

“**Governmental Entity**” means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange or any law enforcement authority or agency.

“**Heritage Approval**” means (i) the Heritage Minister shall have sent a notice to Better Collective confirming that the Heritage Minister is satisfied the completion of the transactions contemplated by the Arrangement Agreement are “likely to be of net benefit to Canada”, or (ii) the Heritage Minister shall have been deemed to be satisfied, pursuant to sections 21(9) or 22(4) of the *Investment Canada Act*, that the transactions contemplated by the Arrangement Agreement are “likely to be of net benefit to Canada”.

“**Heritage Minister**” means the Minister of Canadian Heritage, including where the context so requires her designates in the Cultural Sector Investment Review division of the Department of Canadian Heritage, including the Director, Trade Negotiations and Investments, or such member of the King’s Privy Council for Canada designated by the Governor General as Minister for the purposes of the *Investment Canada Act* as they relate to prescribed business activities under paragraph 15(a) thereof.

“**Holder**” has the meaning ascribed to that term in the section of this Circular entitled “Certain Canadian Federal Income Tax Considerations”.

“**IFRS**” means, (i) in respect of the Company, International Financial Reporting Standards as issued by the International Accounting Standards Board and (ii) in respect of the Purchaser, International Financial Reporting Standards as adopted by the European Union.

“**including**” means including without limitation, and “include” and “includes” have a corresponding meaning.

“**Independent Directors**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Background to the Arrangement”.

“**Initial Proposal**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Background to the Arrangement”.

“**Interim Order**” means an order of the Ontario Superior Court of Justice (Commercial List) dated December 14, 2023.

“**Intermediary**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Description of the Plan of Arrangement”.

“**Investment Assets**” has the meaning ascribed to that term in the section of this Circular entitled “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Offshore Investment Fund Property”.

“**IRS**” means the U.S. Internal Revenue Service.

“**Key Regulatory Approvals**” means the approvals, decisions, clearances, confirmations and other requirements set out in Part 2 of Schedule E of the Arrangement Agreement and includes (a) the Heritage Approval, (b) the

Pennsylvania Gaming Service Provider Certification in respect of Wedge Traffic, Ltd., and (c) the Colorado Vendor Minor Limited Gaming License in respect of Wedge Traffic, Ltd.

“**Law**” or “**Laws**” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, notice, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended, and, for greater certainty, includes Canadian Securities Laws, U.S. Securities Laws and Danish Securities Laws.

“**Letter of Transmittal and Election Form**” means the letter of transmittal and election form(s) for use by Registered Company Shareholders, in the form accompanying the Circular (which will be reasonably acceptable to Better Collective), providing for the Company Shareholder’s election with respect to the Consideration and which will specify that delivery will be effected, and risk of loss and title to the Company Share certificates, if any, shall pass, only upon proper delivery of the Company Share certificates (or effective affidavits of loss in lieu thereof), if any, to the Depository and which will be in such form and have such other customary provisions as the Company may specify (which shall be reasonably acceptable to Better Collective).

“**Lien**” means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, right of way, easement, option, right of first refusal or first offer, occupancy right, lease, servitude, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute, and excludes non-exclusive licenses of Intellectual Property (as such term is defined in the Arrangement Agreement) granted in the Ordinary Course to and by the Company.

“**Lock-Up Agreements**” has the meaning ascribed to that term in the section of this Circular entitled “Rollover and Lock-Up Agreements”.

“**Lock-Up Shares**” has the meaning ascribed to that term in the section of this Circular entitled “Rollover and Lock-Up Agreements”.

“**Matching Period**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement Agreement – Non-Solicitation Provisions”.

“**material fact**” and “**material change**” have the meanings ascribed thereto in the Securities Act.

“**Maximum Cash Consideration**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Cash Proration”.

“**Maximum Share Consideration**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Share Proration”.

“**Meeting**” means the special meeting of Company Shareholders held in connection with this Circular.

“**Meeting Materials**” has the meaning ascribed to that term in the section of this Circular entitled “General Information About the Meeting and Voting – Voting by Beneficial Company Shareholders”.

“**MI 61-101**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Background to the Arrangement”.

“**misrepresentation**” has the meaning ascribed to that term in the *Securities Act*.

“**Moelis**” means Moelis & Company.

“**Mutual CA**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Background to the Arrangement”.

“**Named Executive Officers**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Interests of Certain Parties in the Arrangement – Termination and Change of Control Benefits”.

“**Nasdaq Copenhagen**” means the Nasdaq Copenhagen Market.

“**Nasdaq Stockholm**” means the Nasdaq Stockholm Market.

“**NI 51-102**” means National Instrument 51-102 – Continuous Disclosure Obligations.

“**NI 71-102**” means National Instrument 71-102 – Continuous Disclosure and Other Exemptions Relating to Foreign Issuers.

“**Non-Electing U.S. Holder**” has the meaning ascribed to that term in the section of this Circular entitled “Certain U.S. Federal Income Tax Considerations – Default PFIC Rules under Section 1291 of the Code”.

“**Non-Resident Holder**” has the meaning ascribed to that term in the section of this Circular entitled “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada”.

“**Non-Responding Shareholders**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Description of the Plan of Arrangement”.

“**Non-U.S. Holder**” has the meaning ascribed to that term in “Certain U.S. Federal Income Tax Considerations”.

“**Notice-and-Access**” means notice-and-access provisions under National Instrument 54-101 – Communications with Beneficial Owners of Securities of a Reporting Issuer and National Instrument 51-102 – Continuous Disclosure Obligations.

“**Notice of Appearance**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Court Approval”.

“**Notice of Meeting**” means the Notice of Special Meeting of Company Shareholders which is attached to the front of this Circular.

“**Notice Shares**” has the meaning ascribed to that term in the section of this Circular entitled “Rights of Dissenting Company Shareholders”.

“**Oakvale**” means Oakvale Capital LLP.

“**OBCA**” means the *Business Corporations Act* (Ontario).

“**Odyssey**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Description of the Plan of Arrangement”.

“**Offer Letter**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Background to the Arrangement”.

“**OIF Rules**” has the meaning ascribed to that term in the section of this Circular entitled “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Offshore Investment Fund Property”.

“**Option Grant LOI**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Background to the Arrangement”.

“**Order**” means all judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, rulings, determinations, awards, or decrees of any Governmental Entity (in each case, whether temporary, preliminary or permanent).

“**Ordinary Course**” means, with respect to an action taken by Playmaker, Better Collective or a Subsidiary thereof, that such action is consistent with the past practices of such party or such Subsidiary and is taken in the ordinary course of the normal day-to-day operations of the business of such party or such Subsidiary.

“**OSC**” means the Ontario Securities Commission.

“**OTCQX**” means the OTCQX, a U.S. market for companies already listed on a qualified international stock exchange.

“**Outside Date**” means February 4, 2024, or such later date as may be agreed to in writing by the Parties; provided that either Party may, no later than 5:00 p.m. on the date that is not less than five (5) Business Days immediately prior to the then Outside Date, elect to extend the Outside Date by delivering a written notice to the other Party stating that if on the Outside Date, the conditions set forth in Section 6.1(3) of the Arrangement Agreement have not been satisfied or waived but all other conditions to effect the Arrangement set forth in Article 6 of the Arrangement Agreement have been satisfied or waived (other than those conditions that by their terms are to be satisfied at the Effective Time), then the Outside Date shall be extended by 45 days; provided, further, that there shall be no more than two of such 45-day extensions; provided, further that a Party shall not be permitted to extend the Outside Date if the failure to satisfy any condition set forth in Article 6 of the Arrangement Agreement is primarily the result of such Party’s failure to comply with its covenants in the Arrangement Agreement.

“**Parties**” means the Company and the Purchaser, and “**Party**” means either of them.

“**Person**” includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

“**PFIC**” means passive foreign investment company.

“**Plan of Arrangement**” means the plan of arrangement, substantially in the form of Appendix “A”.

“**Post-Closing Instruction Period**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Post-Closing Instruction Procedure”.

“**Pre-Acquisition Reorganization**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement Agreement – Pre-Acquisition Reorganization”.

“**Preferred Shares**” means preferred shares in the capital of Playmaker.

“**Proceeding**” means any suit, claim, action, charge, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, audit, examination, demand, notice in writing, review, enquiry, investigation or other proceeding commenced, brought, conducted or heard by or before, any Governmental Entity.

“**Proposed Amendments**” has the meaning ascribed to that term in the section of this Circular entitled “Certain Canadian Federal Income Tax Considerations”.

“**Proposed Transaction**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Background to the Arrangement”.

“**Proration**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Election Procedure”.

“**Purchaser**” or “**Better Collective**” means Better Collective A/S, a corporation existing under the laws of the Kingdom of Denmark.

“**Purchaser Material Adverse Effect**” means any change, event, occurrence, effect, state of facts or circumstance that, individually or in the aggregate with other changes, events, occurrences, effects, states of facts or circumstances, is or would reasonably be expected to be material and adverse to the business, operations, results of operations, assets, properties, liabilities (contingent or otherwise) or financial condition of the Purchaser and its Subsidiaries, taken as a whole, but excluding any change, event, occurrence, effect, state of facts or circumstance directly or indirectly relating to arising in connection with:

- (a) any change generally affecting the industries in which Purchaser and its Subsidiaries operate;
- (b) any change or development in political conditions or any outbreak or escalation of any military conflict, declared or undeclared war, armed hostilities, or acts of foreign or domestic terrorism or sabotage, including any cyber-terrorism or cyber-attack;
- (c) any change, development or condition in or relating to general economic, business, regulatory, interest rate, rate of inflation or market conditions in the jurisdictions in which Purchaser and its Subsidiaries conduct business, or in financial or capital markets in Canada, the United States or globally;
- (d) any adoption, proposal, implementation or change in Law or any interpretation of Law by any Governmental Entity;
- (e) any change in IFRS or changes in applicable regulatory accounting requirements;
- (f) any natural disaster;
- (g) any epidemic, pandemic or disease outbreak (including COVID-19);
- (h) the failure of Purchaser to meet any internal or published projections, forecasts or estimates of revenues, earnings or cash flow for any period ending on or after the date of the Arrangement Agreement (provided, however, that the causes underlying such failure may be considered to determine whether such causes constitute a Purchaser Material Adverse Effect);
- (i) any action taken by Purchaser or any of its Subsidiaries which is required to be taken pursuant to the Arrangement Agreement or that is consented to by the Company in writing;
- (j) any change in the market price or trading volume of any securities of Purchaser (provided, however, that unless excluded by (a) through (i), the causes underlying such failure may be considered to determine whether such causes constitute a Company Material Adverse Effect); or
- (k) the negotiation, execution, announcement pendency or performance of the Arrangement Agreement or the transactions contemplated hereby, including any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of the Company or any of its Subsidiaries with any of its current or prospective employees, shareholders, regulators, contractual counterparties or other business partners;

provided, however, that with respect to clauses (a) through to and including (g), such matter does not have a materially disproportionate effect on the Purchaser and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the industries in which the Purchaser and its Subsidiaries operate, and unless expressly provided in any particular section of the Arrangement Agreement, references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a “**Purchaser Material Adverse Effect**” has occurred.

“**Record Date**” means December 11, 2023.

“**Regulatory Approvals**” means the notices, approvals, consents, licences, franchises, permits, certificates, decisions, clearances and confirmations set out in Schedule E of the Arrangement Agreement (including by way of any expiration, waiver or termination of any relevant waiting period in relation to any Governmental Entity).

“**Registered Company Shareholders**” are Company Shareholders whose names are entered on the securities register of the Company, each being a “**Registered Company Shareholder**”.

“**Registered Plans**” has the meaning ascribed to that term in “Eligibility For Investment”.

“**Relay Lock-Up Agreement**” has the meaning ascribed to that term in the section of this Circular entitled “Rollover and Lock-Up Agreements”.

“**Relay Supporting Shareholder**” has the meaning ascribed to that term in the section of this Circular entitled “Rollover and Lock-Up Agreements”.

“**Relay Ventures**” has the meaning ascribed to that term in the section of this Circular entitled “General Information About the Meeting and Voting”.

“**Relay Voting and Support Agreement**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Voting and Support Agreements”.

“**Representatives**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement Agreement – Non-Solicitation”.

“**Resident Holder**” has the meaning ascribed to that term in the section of this Circular entitled “Certain Canadian Federal Income Tax Considerations”.

“**Revised Offer**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Background to the Arrangement”.

“**Rollover Agreement**” has the meaning ascribed to that term in the section of this Circular entitled “Rollover and Lock-Up Agreements”.

“**Rollover Consideration**” means the consideration described in the Rollover Agreement and payable to the Rollover Shareholders for the transfer of the Rollover Shares.

“**Rollover Shareholders**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement Agreement – The Arrangement Agreement”.

“**Rollover Shares**” means Company Shares held by the Rollover Shareholders that are to be transferred to the Purchaser for the Rollover Consideration as contemplated by a Rollover Agreement.

“**SEC**” means the U.S. Securities and Exchange Commission.

“**Section 3(a)(10) Exemption**” has the meaning specified in Section 2.12(1) of the Arrangement Agreement.

“**Securities Act**” means the *Securities Act* (Ontario) and the rules, regulations and published policies made thereunder.

“**SEDAR+**” means the System for Electronic Document Analysis and Retrieval and includes SEDAR+.

“**Share Election**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Description of the Plan of Arrangement – Election Mechanics”.

“Share Election Share” means each Company Share (other than a Rollover Share) in respect of which a Company Shareholder has made a valid Share Election.

“Share Electing Shareholder” means a Company Shareholder who elects to receive the All Share Consideration in respect of each Company Share held by such Company Shareholder.

“Share Proration Factor” means the fraction, rounded to six decimal places, the numerator of which is the Maximum Share Consideration and the denominator of which is the Total Elected Share Consideration.

“Shareholder Voting and Support Agreements” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Voting and Support Agreements”.

“Stifel” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Description of the Plan of Arrangement”.

“Stikeman” means Stikeman Elliott LLP.

“Subject Securities” means, with reference to the Supporting Shareholder and D&O, that number of Company Shares set forth on the Supporting Shareholder and D&O’s signature page attached to the Voting and Support Agreement, being all of the Company Shares owned legally or beneficially, either directly or indirectly, by the Supporting Shareholder and D&O or over which the Supporting Shareholder and D&O exercises control or direction, either directly or indirectly, and shall further include: (a) Company Shares issued upon the exercise by the Supporting Shareholder and D&O of any securities convertible into or exercisable for Company Shares; or (b) securities of the Company otherwise acquired by the Supporting Shareholder and D&O after the date thereof.

“Subsidiary” with respect to any Person, means any other Person of which the first Person owns, directly or indirectly, (a) securities or other ownership interests having voting power to elect a majority of the board of directors or other persons performing similar functions or (b) more than 50% of the equity interests of the second Person.

“Subsidiary PFIC” has the meaning ascribed to that term in “Certain U.S. Federal Income Tax Considerations – PFIC Status of Better Collective”.

“Superior Proposal” means any unsolicited bona fide written Acquisition Proposal from a party other than Better Collective (or an affiliate of Better Collective or any Person “acting jointly or in concert” (within the meaning of National Instrument 62-104 – Take-Over Bids and Issuer Bids) with Better Collective or an affiliate thereof), made after the date of the Arrangement Agreement, to acquire not less than all of the outstanding Company Shares (provided that, for further clarity, any Company Shares subject to a rollover or similar arrangement will be considered acquired for this purpose) or all or substantially all of the assets of the Company on a consolidated basis that: (i) did not result from or involve a breach of Article 5 of the Arrangement Agreement; (ii) is reasonably capable of being completed without undue delay, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal and the Person making such Acquisition Proposal (including such Person’s ability to obtain all required regulatory approvals); (iii) is not subject to any financing contingency and in respect of which it has been demonstrated to the satisfaction of the Company Board that adequate arrangements have been made in respect of any financing required to complete such Acquisition Proposal; (iv) is not subject to any due diligence or access condition; and (v) the Company Board determines, in its good faith judgment, after receiving the advice of its outside legal and financial advisors and after taking into account all the terms and conditions of the Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction that is more favourable, from a financial point of view, to the Company Shareholders (other than the Rollover Shareholders), than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to the terms of the Arrangement Agreement (including any amendments to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to Section 5.4(2) of the Arrangement Agreement).

“**Superior Proposal Notice**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement Agreement – Non-Solicitation Provisions”.

“**Supporting Shareholders**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Voting and Support Agreements”.

“**Supporting Shareholders and D&Os**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Voting and Support Agreements”.

“**Tax Act**” means the *Income Tax Act* (Canada), R.S.C., 1985, c. 1 (5th Supp.), as amended, and the regulations promulgated thereunder.

“**Tax Returns**” means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and statements (including estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of taxes.

“**taxable capital gain**” has the meaning ascribed to that term in the section of this Circular entitled “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gain or Capital Loss”.

“**Termination Fee**” means \$5,000,000.

“**Termination Fee Event**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement Agreement – Termination of the Arrangement Agreement”.

“**Total Elected Cash Consideration**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Cash Proration”.

“**Total Elected Share Consideration**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Share Proration”.

“**Transfer**” means to option, sell, transfer, pledge, encumber, grant a security interest in, hypothecate or otherwise convey with respect to any securities.

“**Treasury Regulations**” has the meaning ascribed to that term in “Certain U.S. Federal Income Tax Considerations”.

“**TSXV**” means the TSX Venture Exchange.

“**U.S. Exchange Act**” means the U.S. *Securities Exchange Act of 1934*, as amended, and the rules and regulations promulgated thereunder.

“**U.S. Dissenter**” has the meaning ascribed to that term in “Certain U.S. Federal Income Tax Considerations – Exercise of Dissent Rights Pursuant to the Arrangement”.

“**U.S. GAAP**” means U.S. generally accepted accounting principles.

“**U.S. Holder**” has the meaning ascribed to that term in “Certain U.S. Federal Income Tax Considerations”.

“**U.S. Securities Act**” means the U.S. *Securities Act of 1933*, as amended, and the rules and regulations promulgated thereunder.

“**U.S. Securities Laws**” means the U.S. *Securities Act*, the U.S. *Exchange Act* and all other applicable U.S. federal securities laws.

“**US\$**” means U.S. dollars.

“**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

“**VIF**” means voting instruction form.

“**Voting and Support Agreements**” has the meaning ascribed to that term in the section of this Circular entitled “The Arrangement – Voting and Support Agreements”.