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Correction: Better Collective reports Q3 revenue growth of 32% - financial targets are maintained

Changed to MAR release

Interim report July 1 - September 30, 2022

Regulatory release no. 40/2022

Better Collective reports Q3 revenue growth of 32% - financial targets are maintained

Flash highlights

- Revenue: 60 mEUR; growth of 32% YOY, organic growth 23%
- Revenue share income: 25 mEUR; growth of 73% YOY
- EBITDA before special items: 15 mEUR; growth of 7% YOY; margin 24%
- New Depositing Customers: >354,000; growth 73% YOY; >1.100.000 YTD
- October started Q4 with revenue of 26 mEUR; >50% YOY growth
- Financial targets are maintained despite a larger estimated impact from moving to revenue share in the US; increased from >5 mEUR to >10 mEUR

Highlights Q3, 2022

- Financial targets are maintained despite a larger estimated impact from moving to revenue share in the US; increased from >5 mEUR to >10 mEUR.
- Q3 Group revenue grew by 32% to 59.7 mEUR; organic revenue growth was 23%.
 - Out of the total revenue >45% came in during a busy September, which reflects the impact of seasonality in Q3.
 - Europe & ROW grew very strong 38% despite the low season and was driven by LATAM and Media Partnerships.
 - US grew 17% signalling the seasonally low quarter, the move to revenue share as well as a decreasing ad spend from the sportsbooks. Excluding the move to revenue share the US growth would have been >30%.
 - Revenue share income was all time high at 25.0 mEUR; 73% YOY growth.
 - The sports win margin increased from Q2 and is now above the same quarter last year. Sports win margin impact was positive by 1.3 mEUR.
- Q3 Group EBITDA before special items increased 7% to 14.6 mEUR resulting in a margin of 24%.

- Europe & ROW delivered 13.9 mEUR in EBITDA which equals growth of 68% YOY and a margin of 32%.
- The US business came in at 0.7 mEUR, or a margin of 4%. The move to revenue share has been fast forwarded resulting in an increased FY impact from >5 mEUR to >10 mEUR hitting EBITDA directly. Excluding the move to revenue share the US margin would have been 17% during the quarter.
- Cash flow from operations before special items was 13.2 mEUR an increase of 25%. The cash conversion was 86%. By the end of Q3, capital reserves stood at 41 mEUR of which cash of 33 mEUR and unused bank credit facilities of 8 mEUR.
- New depositing customers (NDCs) were >354,000 in the quarter; growth of 73%. NDCs sent on revenue share contracts were >282,000; 111% growth. YTD the Group has delivered >1.1 million NDCs YTD.
- Three new media partnerships were signed with the Chicago Tribune, Bostom.com and SPORT1 to bring engaging sports betting content to the publications.
- A share buyback program for up to 5 mEUR was initiated. The purpose of the buyback program is to cover future payments relating to completed acquisitions and LTI programs.
- Better Collective announced that it will host a Capital Markets Day on March 23, 2023, in Copenhagen.

Significant events after the closure of the period

- October revenue reached 26 mEUR, YOY growth of >50%. The EBITDA margin was as expected.
- In October 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.
- On October 28, 2022, the share buyback program of 5 mEUR was completed with 386,145 shares accumulated under the program.
- When Better Collective listed in 2018, the prospectus mentioned an ongoing case with the Danish Gambling Authority which at the time was being considered by the Danish Prosecution Services. The case was brought to the Danish courts in 2020. In April 2022 Better Collective was acquitted in the court of first instance, and the acquittal is final.
- At the 2022 SBC Latin America awards Better Collective was awarded "Sports Media of the Year".

Highlights first nine months, 2022

- In the first nine months of 2022, revenue grew by 47% to 183.2 mEUR (YTD 2021: 124.3 mEUR).
- In the first nine months of 2022, EBITDA before special items increased 27% to 49.9 mEUR (YTD 2021: 39.4 mEUR). The EBITDA-margin before special items was 27%, where Publishing was 33% and Paid Media was 13%.
- EBITDA after special items amounted to 48.2 mEUR YTD, more than a doubling from 22.4 mEUR YTD 2021. The EBITDA margin was 26%, a 6%-points improvement from YTD 2021.

- Cash Flow from operations before special items was 48.8 mEUR (YTD 2021: 37.7 mEUR), an increase of 30%. The cash conversion rate before special items was 95%. End of Q3 2022, cash and unused credit facilities amounted to 41 mEUR.
- New Depositing Customers reached 1.1 million in the first nine months of 2022 (growth of 90%).

A telephone conference will be held at 10.00 a.m. CET today by CEO Jesper Søgaard and CFO Flemming Pedersen. The presentation will simultaneously be webcasted, and both the telephone conference and the webcast offer an opportunity to ask questions.

Webcast link: <http://edge.media-server.com/mmc/p/mzkp4nih>

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About Better Collective

Better Collective is a digital sports media group providing platforms that empower and enhance the betting experience for sports fans and iGamers. Aiming to make sports entertainment more engaging and fun, Better Collective offers a range of editorial content, bookmaker information, data insights, betting tips, iGaming communities and educational tools. Its portfolio of platforms include bettingexpert.com, VegasInsider.com, HLTV.org and [Action Network](http://ActionNetwork). Better Collective is headquartered in Copenhagen, Denmark, and listed on Nasdaq Stockholm (BETCO). More information at bettercollective.com.

This information is information that Better Collective is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2022-11-17 08:53 CET.