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## Better Collective completes acquisition of remaining shareholding in RotoGrinders Network

Driven by significant potential synergy upside and strong US business growth, Better Collective, a leading global sports betting media group, has decided to complete the acquisition of the remaining 40% share stake in the US based RotoGrinders Network at a total price of 33 mEUR. Better Collective acquired its original 60% share stake in Rotogrinders Network in 2019.

### The Transaction

The acquisition of the remaining 40% of the shares will be paid through a 22 mEUR cash consideration and the remaining part in shares or cash. Both components will be transferred no later than December 31, 2021. This brings the expected transaction price for 100% of the shares in RotoGrinders Network to a total of 51 mEUR, equivalent to 7.5x the expected 2021 EBITDA. The purchase price of the remaining shares is dependent on financial performance in 2021 and the final price will be adjusted accordingly once financial results for 2021 have been announced. Better Collective and the selling shareholders had mutual options to buy and sell the shares in the period 2022-2024, however the decision has now been made to accelerate the purchase and complete it in one transaction.

### Better Collective US will be further strengthened

The decision to accelerate the remaining share purchase is fuelled by the strong growth in RotoGrinders and the entire US business. The full acquisition will provide a strong platform for future growth, supported by underlying US market growth and synergies between RotoGrinders and the other BC US assets that now can be fully realised. Since Better Collective acquired the initial 60% in May 2019, RotoGrinders has seen significant growth within sports betting as well as daily fantasy sports (DFS).



Sports betting is driven by sportshandle.com and the usbets.com network, whereas DFS is driven through the leading US DFS brand, RotoGrinders.com. Since the initial share acquisition, the following growth rates have been recorded:

- 2021 revenue more than doubled since 2019 (2.2x), based on a 47% compound annual growth rate
- 2021 EBITDA is 4.4x higher than 2019, growing at a 109% compound annual growth rate

The strong growth is expected to be accelerated further, both as a consequence of more states regulating online sports betting and due to synergies between the RotoGrinders Network and other Better Collective assets, such as Fantasy Labs (DFS), Action Network, vegasinsider.com and Scores And Odds. Synergies are of both product and commercial nature. The DFS and other subscription based assets (such as Action Network and VegasInsider) will continue to be key revenue generators throughout the US, also in states where sports betting remains to be regulated.

The US sports betting market is, according to Vixio, expected to grow from a Gross Gaming Revenue (GGR) of ~\$2.5bn in 2021 to ~\$5.8bn by 2023. By 2030 the market is expected to exceed \$40bn GGR.

Five of seven of the original founders and shareholders of the RotoGrinders Network, will remain employed in Better Collective and two will continue in advisory roles.

## Financial Reporting

The difference between the new estimated purchase price of the shares and the contingent liability recorded in the balance sheet as of June 30, 2021 is 11.5 mEUR and will be disclosed under Special Items in the Profit and Loss account in the Q3 2021 report in accordance with IFRS. The transaction has no impact on the financial guidance for 2021.

## Marc Pedersen, CEO of Better Collective US, says:

*“We are pleased to settle the full acquisition of the RotoGrinders Network earlier than originally planned. Since the initial acquisition, we have been impressed with the RotoGrinders team and we are excited to now welcome them to the broader Better Collective family and pursue all synergies to the fullest. Furthermore, we are pleased to keep the now previous shareholders in Rotogrinders engaged in Better Collective with the opportunity to benefit from their competences more widely in the organisation.”*

## Cal Spears, CEO of Rotogrinders, says:

*“Joining Better Collective a few years back helped us fully unlock the potential of the RotoGrinders network. We're proud to announce that our significant growth has led to an accelerated acquisition and that our team of 50+ will be fully integrated into Better Collective US going forward. All seven of the original RotoGrinders network shareholders and co-founders are now assuming full time or advisory roles. Better Collective is perfectly positioned for US growth and we're excited to help realise its potential.”*

## Enquiries regarding this announcement should be addressed to

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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 4, 2021 at 6:35 pm CET.

### **About Better Collective**

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