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Regulatory Release 36/2019
December 3, 2019

Better Collective has resolved on a directed new share issue of 4 million shares, raising proceeds of SEK 312 million

Better Collective A/S (“Better Collective” or the “Company”), the world’s leading sports betting affiliate with a growing presence in the US, today announces, in accordance with the Company’s press release on 3 December 2019, the closing of a directed new share issue of 4 million shares at a price of SEK 78 per share (the “Issue”). The Issue will raise proceeds to the Company of SEK 312 million before transaction costs. The subscription in the Issue was significantly oversubscribed due to high demand from Nordic and international institutional investors.

The transaction in brief

The Board of Directors of Better Collective has resolved on a directed share issue of 4,000,000 new shares at a subscription price of SEK 78 per share. The subscription price in the Issue has been determined through an accelerated bookbuilding procedure (the “Bookbuilding”) and it is therefore the Board of Director’s assessment that the subscription price is in accordance with market conditions. The reason for the deviation from the shareholders’ preferential rights is to raise capital for the continued growth trajectory through acquisitions in a time and cost-effective manner. Moreover, the Company has further diversified the shareholder base with Nordic and international institutional investors through the Issue.

Better Collective CEO, Jesper Søgaard:

“I am very pleased to see the broad-based interest from both current and new shareholders wanting to invest in our further growth. Better Collective has completed 7 acquisitions at a total value of > 125 mEUR since the IPO in June 2018. The proceeds from the transaction allow us to continue the growth path including M&A, which we believe has contributed significantly in placing Better Collective as the leading company within sports betting affiliation.”

Further transaction details

The Issue will entail a dilution of approximately 9 percent of the number of shares and votes in the Company. Through the Issue, the number of outstanding shares and votes will increase by 4,000,000 from 42,425,179 to 46,425,179. The share capital will increase by nominally EUR 40,000 from EUR 424,251.79 to EUR 464,251.79.



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It is expected that investors who subscribed shares in the Issue will receive their shares on 6 December 2019. In order to facilitate the delivery of shares to investors on this date, J. Søgaaard Holding ApS and Chr. Dam Holding ApS have each lent 2,000,000 existing shares in the Company to Nordea Advisory & ECM, part of Nordea Danmark, Filial af Nordea Bank Abp, Finland (as settlement bank in connection with the Issue) for onward delivery to investors in the Issue.

In connection with the Issue, the Company has agreed to a lock-up undertaking on future share issuances for a period of 180 days. The Company's lock-up undertaking is subject to certain specific exceptions, e.g. that the Company can carry out future share issuances if done so in the context of and as an integral part of an industrial deal pursuant to its announced growth strategy.

As a consequence of the Issue, Better Holding 2012 A/S (formerly Bumble Ventures A/S) – the joint holding company of Jesper Søgaaard, CEO and Christian Kirk Rasmussen, COO of Better Collective, directly holding 4,528,786 shares in the Company – has resolved to distribute its entire direct shareholding in the Company as dividends to its two shareholders, J. Søgaaard Holding ApS and Chr. Dam Holding ApS. J. Søgaaard Holding ApS and Chr. Dam Holding ApS are 100 per cent owned holding companies of Jesper Søgaaard and Christian Kirk Rasmussen, respectively. The restructuring has not resulted in any changes to the ultimate ownership of each of Jesper Søgaaard and Christian Kirk Rasmussen, each holding approx. 26.53 per cent (including warrants) following the Issue.

Better Collective will issue a separate press release with information regarding the "Major shareholder notification" triggered by the share lending arrangement and distribution in accordance with the foregoing.

About Better Collective

Better Collective is the world's leading sports betting affiliate with a growing presence in the US. Better Collective is a Danish registered company headquartered in Copenhagen. The Company was founded in 2002 by Jesper Søgaaard and Christian Kirk Rasmussen, both of whom remain part of the executive management team as CEO and COO, respectively.

The business model is based on referring users to iGaming operators. Revenue is generated from iGaming operators and is based on a revenue share model ("revenue share"), cost per acquisition model ("CPA"), or a combination of the two, and US subscription revenue. In the first nine months of 2019, revenue share accounted for 71% of the revenue (79% of player-related revenue) with 16% coming from CPA, 4% from subscription revenue, and 9% from other income. The number of New Depositing Customers (NDCs) was more than 313,000, which amounts to 74% growth compared to the same period last year.

The Company reported revenue of 48 mEUR for the first nine months of 2019, which represented an annual growth rate of 69 percent. Organic revenue growth was 27%. Reported EBITA amounted to 20 mEUR in the first nine months of 2019, which represented an EBITA margin of 42 percent. Better Collective believes that the Company is well-positioned to continue to grow faster than the iGaming market through organic growth as well as through acquisitive growth.



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Advisors

Nordea Advisory & ECM, part of Nordea Danmark, Filial af Nordea Bank Abp, Finland and Citigroup Global Markets Limited act as Global Coordinators and Bookrunners in connection with the Issue. Setterwalls Advokatbyrå AB and Bruun & Hjejle Advokatpartnerselskab are legal advisors to Better Collective and Advokatfirman Vinge KB and Shearman & Sterling LLP are legal advisers to the Global Coordinators and Bookrunners.

Further information

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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, at 23.45 p.m. CET on December 3, 2019.

Important information

Publication, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions. The recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such restrictions. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in the Company in any jurisdiction, neither from the Company nor from anyone else.

This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the new shares. Any investment decision in connection with the Issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Global Coordinators and Bookrunners. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. The Global Coordinators and Bookrunners are acting for the Company in connection with the transaction and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

This announcement does not constitute a recommendation concerning any investor's option with respect to the Issue. Each investor or prospective investor should conduct his, her or its own investigation, analysis and



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evaluation of the business and data described in this announcement and publicly available information. The price and value of securities can go down as well as up. Past performance is not a guide to future performance.

This announcement does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied or distributed, directly or indirectly, in whole or in part, within or into the United States of America, Australia, Canada, Japan or in any other jurisdiction where the announcement, publication or distribution of the information would not comply with applicable laws and regulations or would require prospectuses, registration or any other measures than those required by Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This announcement is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the Issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation. This announcement is only being distributed to and is only directed at persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). This communication must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, assessments, or current expectations about and targets for the Company's future results of operations, financial condition, development, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates, including with respect to prospects for pharmaceutical treatments and studies. Forward-looking statements are statements that are not historical facts and may be identified by the fact that they contain words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors nor does it accept any responsibility for the future accuracy of the opinions



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expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements contained in this press release speak only as at its date and are subject to change without notice. Neither the Company nor anyone else undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Better Collective have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Better Collective may decline and investors could lose all or part of their investment; the shares in Better Collective offer no guaranteed income and no capital protection; and an investment in the shares in Better Collective is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue.