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Better Collective acquires leading esports platform HLTV.org

Better Collective, a leading sports betting media group, has completed the acquisition of HLTV.org ApS for a total price of up to 34.5 mEUR (257 mDKK). The global mega brand HLTV.org is the leading esports platform in the world focusing on the popular game “Counter-Strike: Global Offensive (CS:GO)”.

Better Collective has established a strong position within the esports betting market through the acquisition of HLTV.org ApS, which includes the assets [HLTV.org](https://www.hltv.org) and [dust2.dk](https://www.dust2.dk). Better Collective pays up to 34.5 mEUR for the brands that are among the most popular Counter-Strike: Global Offensive (CS:GO) platforms for esports enthusiasts. The purchase price is agreed at up to 34.5 mEUR (257 mDKK) on a cash and debt free basis. Out of the total purchase price, 26.4 mEUR (197 mDKK) will be paid upfront, of which 23.7 mEUR (177 mDKK) in cash and shares of Better Collective A/S with an approx. market value of 2.7 mEUR (20 mDKK) to be issued no later than March 13, 2020. The share price of 90.26 SEK is determined as a weighted average over 10 trading days prior to closing.

The remaining up to 8.1 mEUR (60 mDKK) is structured as three separate earn out payments to be paid out in the coming three years subject to HLTV.org ApS reaching certain financial performance criterias. At the sole discretion of Better Collective, up to half of the earn out payments can be paid in Better Collective shares. The new shares to be issued as part of the initial payment as well as any shares paid as part of the future payments will be subject to lock-up periods.

Securing a strong position for Better Collective within the esports industry

Founded in 2002 in Denmark, the esports platform HLTV.org is the leading CS:GO site in the world, providing news from the esports industry, CS:GO match information and player and team rankings to the global esports audience. For years, the site has been the most popular site for CS:GO enthusiasts across the world. It is the brand behind the official CS:GO *World Ranking* as well as the CS:GO *Player of the Year Award*. On average, the website has more than 26.5 million visits per month.

HLTV.org also hosts a fantasy section, where the community users compete against each other through virtual teams consisting of real CS:GO players that community users pick for their individual team. Points are given to the virtual teams dependent on the real life performance by the CS:GO players.



Dust2.dk was founded in 2016 and is the leading CS:GO community in Denmark. The site provides news and interviews from the esports industry, live scores on CS:GO matches and also hosts Denmark's official Top 10 CS:GO team list. On average, the website has more than 250,000 visits per month.

The main business model of the platforms is to promote and advertise esports betting operators. During the last financial year, from July 1st 2018 to June 30th 2019, the platforms generated approximately 5 million EUR in revenues with earnings before tax of approximately 3,5 mEUR. Better Collective will consolidate the acquired company into the Better Collective Group accounts as from March 1, 2020. The founders of HLTV.org ApS will continue as daily management for at least three years to ensure the continued strong development of the platforms and communities.

Jesper Søgaard, CEO of Better Collective, says:

“We have carefully analysed and monitored esports for a long time. It is a rapidly growing industry and we consider esports an ideal extension to our sports focused business. The nature of esports betting differs significantly from traditional sports betting and, therefore, it was essential to find the right partner, adding deep know-how and industry knowledge to Better Collective. I am confident that, through this acquisition, we have found the right people who operate some of the best-positioned esports brands in the world. We expect strong synergistic effects as many of the betting operators we collaborate with today also offer bets on esports, so I look forward to a prosperous esports future for Better Collective together with our new colleagues.”

Martin Rosenbæk, CEO of HLTV.org Aps, says:

“Joining the Better Collective group will support our ambition to remain the preferred CS:GO brand for esports enthusiasts across the world. Esports is an industry that is rapidly growing and evolving and, through constructive discussions with the Better Collective management, it became clear that they are the optimal partner for us to realize the full potential of our platforms.”

“With more than 15 years of experience within sports betting, the Better Collective group has a deep understanding of sports communities and how to utilize technology to enhance the player experience. Combining this with the experience we have gathered from developing within the CS:GO community, we are strongly positioned to grow and build even stronger brands and experiences that will benefit the global network of CS:GO fans and our business.”

Esports: A fast-growing industry

The esports market has boomed in recent years. According to Statista, an online provider of market and consumer data, by 2022 it is expected there will be almost 300 million frequent viewers of esports worldwide, a significant increase from the 58 million viewers in 2012. In 2018, the global esports market was valued at nearly 865 million U.S. dollars. According to estimates, global esports market revenue will reach 1.79 billion U.S. dollars in 2022 and the industry is expected to continue growing rapidly in the coming years.

Likewise, betting on esports has grown significantly in recent years. According to Statista, sources expect the esports betting market revenue to grow from 24 million U.S. dollars in 2015 to 1.81 billion U.S. dollars in 2020, and continue growing at a rapid pace in the coming years.

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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 persons set out above, at 5.45 pm CET on February 28, 2020.



About Better Collective

Better Collective's vision is to empower iGamers through transparency and technology – this is what has made them the world's leading developer of digital platforms for betting tips, bookmaker information and iGaming communities. Better Collective's portfolio includes a range of websites and products, among other bettingexpert.com, the trusted home of tips from expert tipsters and in depth betting theory. Better Collective is headquartered in Copenhagen, Denmark, and listed on Nasdaq Stockholm (BETCO).