

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law, by virtue of the European Union (Withdrawal) Act 2018 – for immediate release.

18 October 2023

LBG Media plc

(“LBG Media”, or the “Group”)

Acquisition of Betches Media, LLC

Step-change acquisition significantly accelerates growth and presence in the key US market

LBG Media, the owner of the global leader in youth publishing LADbible Group, is pleased to announce the acquisition of Betches Media, LLC (“Betches”, or the “Acquisition”) a US-based media brand founded by women and focussed on digital media content production and publication for women. The Acquisition is for an initial cash consideration of \$24 million, funded from existing cash resources, with up to a further \$30 million cash consideration payable in instalments, subject to Betches achieving certain revenue and profitability targets to 2026.

Acquisition highlights:

- Acquisition of a complementary, high growth US digital publisher with a focus on millennial and Gen Z women.
- Step-change addition to the Group, in line with stated M&A ambitions, materially expanding its reach and footprint in the US, the world’s largest advertising market.
- Significant additional revenue and Adjusted EBITDA contribution. Funded through existing cash reserves, the Acquisition will be highly accretive.
- Major new brands added to the portfolio, new capabilities unlocked and improved revenue diversification.
- Expansion of both LBG Media’s existing 100 million US following as well as its overall audience of women.
- Clear potential for cross-selling opportunities.

About Betches

Established in New York in 2011 by three female co-founders, who are all remaining with the business post-Acquisition, Betches is a high growth, cash-generative, and profitable business, where 92% of revenue is Direct and derived primarily from long-term recurring partnerships with blue-chip brands. With approximately 32 million followers¹, Betches has a highly engaged following and delivers its unique perspective through social, branded partnerships, live-events, merchandise, podcasts and newsletters. Women represent approximately 86% of its overall audience, engaging with brands that are focused on passion points such as moms, brides, travel, relationships and humour.

In the year ended 31 December 2022, Betches generated over \$14.6 million of revenue (unaudited) and delivered \$3.9 million Adjusted EBITDA, representing a margin of approximately 27%, having grown revenues by 44% on the prior year.

Strategic rationale

The US represents the worlds largest advertising market. As well as enhancing the Group’s existing Direct revenue stream, LBG Media’s existing brands will benefit from the additional capabilities and revenue channels that Betches brings, including podcasts and newsletters. The Acquisition enables LBG Media to accelerate its presence and understanding of the North American market, while developing deeper relationships with US brands and agencies.

Betches will remain a stand-alone business, but will work with LBG Media’s existing US team to develop larger direct brand partnership opportunities that can span LBG Media and Betches brands and audiences. This

announcement builds on the successful acquisition of UNILAD in 2018, another US-focused publisher, and the Group continues to evaluate acquisition opportunities with the intention of building capabilities and/or expanding geographic reach.

Solly Solomou, CEO at LBG said:

“The joining of LBG Media and Betches is an incredibly exciting milestone in the Group’s story, progressing a key element of the strategy that we set out at the time of IPO, and since. This deal brings together two highly successful, growth-focused businesses with complementary brands and skills, similar cultures and amazing teams, to create a world-class proposition. The opportunity for the enlarged group is exciting, as we will be better positioned to capitalise on the significant US audience and advertising market. I look forward to welcoming the Betches team to LBG Media.”

Aleen Dreksler, CEO at Betches said:

“It’s a very exciting day in the history of Betches as we begin this next chapter with LBG Media, a highly influential media owner with massive global reach. Betches has been on the cutting edge of women’s media and disrupting internet culture in the US for over a decade, and this acquisition will enable us to achieve new heights in our global footprint, new original programming, brand partners, and much more. The synergy between LBG and Betches is unmatched, with our similar origin stories and passion for connecting with millennial and Gen Z audiences, making this a natural next step for our company. We remain committed to our ambition to be the number one humour platform for women globally and are confident that the legacy we have built for Betches will continue to thrive with the newfound support of LBG Media and its leadership.”

¹ Followers includes social media followers, as well as subscribers to both podcasts and newsletters.

For further information please contact:

LBG Media plc

Solly Solomou, Co-founder & CEO
Richard Jarvis, CFO
Mark Mochalski, Investor Relations
Fiona O’Nolan, Investor Relations

investors@ladbiblegroup.com

Zeus Capital Limited

(Lead Financial Adviser, Nominated Adviser and Broker)

Dan Bate / Nick Cowles (Investment Banking)
Kieran Russell / Daniel Phillips (Lead Financial Adviser)
Benjamin Robertson (Equity Capital Markets)

Tel: +44 (0) 161 831 1512
www.zeuscapital.co.uk

Peel Hunt LLP (Joint Broker)

Neil Patel
Paul Gillam
Richard Chambers

+44 (0) 20 7418 8900
www.peelhunt.com

Media enquiries

Buchanan

Richard Oldworth / Chris Lane / Toto Berger / Jack Devoy

Tel: +44 (0) 20 7466 5000
lbgmedia@buchanan.uk.com

Notes to editors

LBG Media is a global, multi-brand, multi-channel digital youth publisher and is a leading disrupter in the digital media and social publishing sectors. The Group produces and distributes digital content across a range of media including video, editorial, image, audio, and experience (virtual and augmented reality). Since its inception in 2012, the Group has curated a diverse collection of specialist brands using social media platforms (primarily Facebook, Instagram, Snapchat, Twitter, YouTube and TikTok) and has built multiple websites to reach new audiences and drive engagement. Each brand is dedicated to a distinct popular interest point (e.g. sport, gaming etc.), which is designed to achieve broader engagement, increase relevance and ultimately build a loyal community of followers.

The Group operates two core routes to market: Direct revenue, which is principally generated from the provision of content marketing services to corporates, brand owners, marketing agencies and other entities such as government bodies and where the relationship with the client is held directly by LBG Media; and Indirect

revenue, which is generated via a third party, such as a social media platform or via a programmatic advertising exchange / online marketplace, which holds the relationship with the brand owner or agency.