

Registered No. 09513513

Huggle App Limited

Annual Report and Financial Statements

For the year ended 31 December 2020

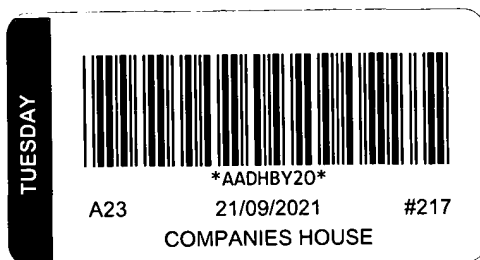


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COMPANY INFORMATION

Directors

M O'Shea
I Wallichman

Company Secretary

Reed Smith Corporate Services Limited

Registered number

09513513

Auditor

Ernst & Young LLP
One Cambridge Business Park
Cambridge
CB4 0WZ

Bankers

Barclays Bank Plc
Level 27
1 Churchill Place
Canary Wharf
London E14 5HP

Solicitors

Mishcon De Reya
Africa House
70 Kingsway
London EC2A 2RS

Registered Office

The Broadgate Tower Third Floor
20 Primrose Street
London
EC2A 2RS

Directors' report and financial statements

Registered No. 09513513

The Directors present their report for the year ended 31 December 2020.

Directors of the Company

The directors during the year end and at the date of this report are listed below:

M O'Shea

I Wallichman

Results

The results for the year amounted to a profit of £15k (2019: loss of £9k). The company did not generate revenue since inception. COVID-19 had no impact on the financial performance of the Company.

Dividends

The directors do not recommend a final dividend for the year ended 31 December 2020 (2019: £nil).

Financial instruments

The Company financed its activities through funding from the parent company. Currently no hedging techniques are being used to manage interest rate and foreign currency risks.

Events after the reporting period

In February 2021, Bumble Inc, a Delaware corporation, and its subsidiaries, (together "the Group") completed a reorganization and initial public offering. This resulted in Bumble Inc. being publicly listed on the NASDAQ and becoming the ultimate parent of the Company. See Corporate Information on page 12 for additional information.

Going concern

The Company has ceased marketing activities since 2018. Despite ceasing marketing activities, there are no plans to liquidate the Company and the Company is expected to continue to hold the rights to certain domains and trademarks.

The Company also has the full support and financial backing of Bumble Inc. to meet its financial liabilities as they fall due for a period of 12 months from the date of approval of the balance sheet. Accordingly, the Directors consider that it is still appropriate to adopt the going concern basis in preparing the financial statements.

Auditor

A resolution to reappoint Ernst & Young LLP as auditor will be put to the members of the board.

Political Donations

No political donations were made by the Company during 2020 and 2019.

Directors' indemnities

A group company has made qualifying third party indemnity provisions for the benefit of the Company's directors.

Small companies' exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small company's regime within Part 15 of the Companies Act 2006.

Directors' report and financial statements (continued)

Directors' statement as to disclosure of information to auditors

The Directors who were members of the board at the time of approving the Directors' report are listed on page 3. Having made enquiries of fellow Directors and of the Company's auditor, the Directors confirm that:

- to the best of each Director's knowledge and belief, there is no relevant information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditor is unaware; and
- each Director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

By order of the board

DocuSigned by:

B307F1238FF14A6...
I Wallichman

Director

Date: 3 September 2021

Directors' Responsibilities Statement

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" ("United Kingdom Generally Accepted Accounting Practice"). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Generally Accepted Accounting Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that they have complied with the requirements; have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing the financial statements.

Independent auditor's report

To the members of Huggle App Limited

Opinion

We have audited the financial statements of Huggle App Limited (the 'company') for the year ended 31 December 2020 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 10, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Independent auditor's report

To the members of Huggle App Limited (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are Companies Act 2006 (as amended), The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 (SI 2008-409), UK tax legislation, Financial Reporting Standards FRS 101/102. The Company also has to comply with laws and regulations relating to its operations, data protection and anti-bribery and corruption.
- We understood how Huggle App Limited is complying with those frameworks by making enquires of senior management, in house counsel, and those charged with governance, obtaining an understanding of entity-level controls and considering the influence of the control environment; obtaining an understanding of policies and procedures in place regarding compliance with laws and regulations, including how compliance with such policies is monitored and enforced; obtaining an understanding of management's process for identifying and responding to fraud risks, including programs and controls established to address risks identified, or otherwise prevent, deter and detect fraud, and how senior management monitors those programs and controls. We corroborated our enquiries through our review of Board minutes and reviewing correspondence with relevant regulatory authorities.

Independent auditor's report

To the members of Huggle App Limited (continued)

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with senior management and in house counsel to understand where it considered there was susceptibility to fraud and how it assessed whistleblowing incidences for those with a potential financial reporting impact. We considered the procedures and controls that the company has established to address risks identified or that otherwise prevent, deter and detect fraud and how senior management monitors these controls. Where the risk was considered to be higher, including areas impacting key performance indicators we performed audit procedures to address each identified fraud risk.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiring of senior management and in house counsel regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements; enquiring about the policies that have been established to prevent noncompliance with laws and regulations by officers and employees, and whether such policies are formalized in a code of conduct, conflict-of-interests statement or similar standard; enquiring about the entity's methods of enforcing and monitoring compliance with such policies, if any; and inspecting correspondence, if any, with the relevant licensing or regulatory authorities.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ruth Logan (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Cambridge

Date 8th September 2021

Statement of comprehensive income

for the year ended 31 December 2020

		2020	2019
	Notes	£'000	£'000
Administrative expenses	5	(3)	(9)
Operating loss		(3)	(9)
Exceptional gain	6	18	—
Finance costs		—	—
Profit/(loss) before tax		15	(9)
Income tax expense	8	—	—
Net Profit/(loss)		15	(9)
Other comprehensive income		—	—
Total comprehensive income/(loss) for the year		15	(9)

All the results shown in the Statement of comprehensive income are from discontinued operations.

The notes on pages 12 to 15 form part of these financial statements.

Statement of financial position

at 31 December 2020

		31 December 2020	31 December 2019
	Notes	£'000	£'000
Assets			
Current Assets			
Cash and cash equivalents		—	11
Total Assets		<u>—</u>	<u>11</u>
Equity and Liabilities			
Equity			
Called up share capital	9	—	—
Retained earnings	9	—	(15)
Total equity		<u>—</u>	<u>(15)</u>
Liabilities			
Current liabilities			
Trade and other payables	10	—	26
Total liabilities		<u>—</u>	<u>26</u>
Total equity and liabilities		<u>—</u>	<u>11</u>

The notes on pages 12 to 15 form part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 3 September 2021 and are signed on their behalf by:

DocuSigned by:

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I Wallichman

Director

Statement of changes in equity

for the year ended 31 December 2019

	<i>Issued capital</i>	<i>Retained earnings</i>	<i>Total equity</i>
	£'000	£'000	£'000
1 January 2019	—	(6)	(6)
Loss for the year	—	(9)	(9)
At 31 December 2019	—	(15)	(15)

for the year ended 31 December 2020

	<i>Issued capital</i>	<i>Retained earnings</i>	<i>Total equity</i>
	£'000	£'000	£'000
1 January 2020	—	(15)	(15)
Profit for the year	—	15	15
31 December 2020	—	—	—

Notes to the financial statements

1. Corporate information

Huggle App (UK) Limited is a private company, limited by shares, incorporated, registered and domiciled in England and Wales. The Company's registered number is 09513513 with a registered office address of The Broadgate Tower Third Floor, 20 Primrose Street, London EC2A 2RS, United Kingdom. The Company holds the trademarks and domains of Huggle.

Ultimate Group Undertakings

The Company's immediate parent is Badoo Trading Limited and ultimate parent is Bumble Inc., a corporation publicly listed on the NASDAQ and registered with the U.S. Securities and Exchange Commission ("SEC").

Bumble Inc. is the largest and smallest group for which consolidated financial statements are prepared for the year ended 31 December 2020. Copies of which are available on the Bumble investor relations website: <https://ir.bumble.com/investor-relations> or from the SEC website.

On January 29, 2020 Buzz Holdings L.P. ("Bumble Holdings"), a Delaware limited partnership, was formed primarily as a vehicle to finance the acquisition (the "Sponsor Acquisition") of a majority stake in Worldwide Vision Limited, the predecessor ultimate parent of the Company, by a group of investment funds managed by The Blackstone Group Inc. ("Blackstone").

On October 5, 2020 Bumble Inc. was incorporated as a Delaware corporation for the purpose of facilitating an initial public offering ("IPO") and other related transactions in order to operate the business of Bumble Holdings and its subsidiaries. On February 16, 2021, Bumble Inc. completed its IPO of 57.5 million shares of Class A common stock at an offering price of \$43 per share. In connection with the IPO, the organizational structure was converted to an umbrella partnership-C-Corporation with Bumble Inc. becoming the general partner of Bumble Holdings. As the general partner, Bumble Inc. operates and controls all of the business and affairs, and through Bumble Holdings and its subsidiaries, conducts the business. Bumble Inc. consolidates Bumble Holdings and its subsidiaries in its consolidated financial statements.

2. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom Accounting Standards including Financial Reporting Standard (FRS) 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

The Company's financial statements are presented in GBP (£'000), which is also the Company's functional currency. All values are rounded to the nearest £'000, except where otherwise indicated.

The Company has taken the following disclosure exemptions in the preparation of these financial statements, in accordance with FRS 101:

- The requirement of IFRS 7, *Financial Instruments: Disclosures*;
- Paragraphs 91 to 99 of IFRS 13, *Fair value Measurement*;
- IAS 7, *Statement of Cash Flows*
- Paragraph 30 and 31 of IAS 8, *Accounting policies, changes in accounting estimates and errors* (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- The following paragraphs of IAS 24, *Related party disclosures* (key management compensation):
 - 17 (Key management compensation), and
 - 18A (Key management services provided by a separate management entity)
- The requirement of IAS 24, *Related party disclosures* to disclose related party transactions entered into between two or more member of a group

There were other new standards, interpretations and amendments to existing standards also effective for the Company from 1 January 2020 but they do not have a material effect on the financial statements.

Going concern

The Company has ceased marketing activities since 2018. Despite ceasing marketing activities, there are no plans to liquidate the Company and the Company is expected to continue to hold the rights to certain domains and trademarks.

The Company also has the full support and financial backing of Bumble Inc. to meet its financial liabilities as they fall due for a period of 12 months from the date of approval of the balance sheet. Accordingly, the Directors consider that it is still appropriate to adopt the going concern basis in preparing the financial statements.

Notes to the financial statements (continued)

3. Summary of significant accounting policies

a) *Marketing Costs*

Marketing costs are expensed in the period in which the services are delivered to the Company. Where media space is purchased in advance then this will be held as a prepayment until the service has been received by the Company. Marketing represents online marketing, including fees paid to search engines and social media sites, offline marketing, such as television advertising, field marketing and partner-related payments to those who direct traffic to our platforms.

b) *Current versus non-current classification*

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets and liabilities are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

c) *Taxes*

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations where applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

d) *Foreign currencies*

Transactions in currencies other than an entity's functional currency are recorded at the exchange rate on the transaction date, whilst assets and liabilities are translated at exchange rates at the balance sheet date. Exchange differences are recognised in the statement of comprehensive income.

e) *Financial liabilities*

Financial liabilities are classified, at initial recognition under the following categories: trade payables and accruals. All financial liabilities are non-interest-bearing and recognised initially at fair value. Financial liabilities are subsequently measured at amortised cost. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

f) *Cash and cash equivalents*

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand.

Notes to the financial statements (continued)

4. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. There were no significant judgements made in the preparation of the Company's financial statements.

5. Administrative expenses

	2020 £'000	2019 £'000
Marketing	1	4
Professional fees	2	5
	<u>3</u>	<u>9</u>

The Company had no employees in 2020 and 2019. No remuneration was paid by the Company to the directors in 2020 and 2019.

6. Exceptional gain

	2020 £'000	2019 £'000
Exceptional gain	18	—

The exceptional gain relates to an amount owed to Badoo Trading Limited, which was formally released during the year.

7. Auditor's remuneration

The Company has recognised the following in respect of amounts paid or payable to its auditors in respect of the audit of the financial statements and for other services provided to the Company.

	2020 £'000	2019 £'000
Audit services	5	5
	<u>5</u>	<u>5</u>

Audit fees for the entity are borne by other group companies.

Notes to the financial statements (continued)

8. Income tax

a) The tax charge for the year ended 31 December 2020 is nil (2019: nil).

b) Factors affecting the tax results this year:

	2020	2019
	£'000	£'000
Profit/(loss) before tax	15	(9)
At UK's statutory income tax rate of 19% (2019: 19%)	3	(2)
Effects of:		
Intercompany loan write off	(4)	—
Group relief	1	2
Total tax expense reported in the statement of profit or loss and other comprehensive income	—	—

c) Deferred taxes

There were no temporary differences available for carry forward as a deferred tax asset.

9. Issued capital and reserves

Allotted, called up and fully paid

	2020	2020	2019	2019
	No.	£	No.	£
Ordinary Shares of £0.01 par value each	100	1	100	1

Retained earnings

Retained earnings of the Company represents the cumulative losses.

10. Trade and other payables

	2020	2019
	£'000	£'000
Payables to related parties (Badoo Trading Limited)	—	16
Accruals	—	6
Other payables	—	4
	—	26

Amounts owed to related parties are non-interest bearing and are repayable on demand.