Registered No. 10103086

Match Group Europe Limited

Strategic Report, Directors' Report and Financial Statements

Year ended 31 December 2018

Registered No. 10103086

Contents of the Financial Statements

for the year ended 31 December 2018

Company information

Directors
P Eigenmann
J Sine
B Perez

Auditors
Ernst & Young LLP
1 More London Place
London SE1 2AF

Bankers
JP Morgan
25 Bank Street
Canary Wharf
London E14 5JP

Solicitors
Eversheds
1 Royal Standard Place
Nottingham NG1 6FZ

Registered Office
C/O Skadden
40 Bank Street
Canary Wharf
London E14 5DS

Strategic report

Principal Activities

The Company exists primarily as an extension of the Media division of Match Inc, based in USA. The Company is engaged in the business of selling advertising space for the Match Group's European platforms. The directors expect it to continue as such in the future.

Review of the business

The key financial and other performance indicators during the year were as follows:

		2018		2017	Change
		$000		*$000*	*%*
Turnover	$	1,785	$	1,603	11%
Operating loss on ordinary activities before taxation	$	(2,482)	$	(27)	9093%

The loss for the year, before taxation, amounts to $2,482,000 (2017 - $27,000). Loss for the year increased in the current year which is attributable to increases in advertising expense.

Principal risks and uncertainties

As a parent undertaking the principal risk related to reliance on its profitable subsidiaries, which operate in a competitive market. Subsidiaries that are engaged in online dating activities manage this risk by their ability to attract users to their websites and applications, and ultimately to convert these registered users to subscribing members. This is contingent on the effectiveness of on-line and off-line advertising, the quality of the subsidiary websites and applications, and the subsidiaries' ability to maintain productive relationships with affiliate networks. No assurances can be provided that the Company's subsidiaries will continue to be able to effectively attract registered users to their websites and convert such registered users to subscribing members. Failure to do so would adversely affect the Company's business, financial condition and results of operations. The subsidiaries manage this risk by monitoring site performance on an ongoing basis, providing a range of value added services to its subscribers and providing excellent customer service.

The Directors have reviewed the potential implications associated with the pending departure of the United Kingdom from the European Union and do not believe there to be any risks to the operations of the Company.

Financial Risk Management

The Company's activities expose it to liquidity risk. The use of financial derivatives is governed by the company's policies approved by the board of directors. The Company does not use derivative financial instruments for speculative purposes. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company obtain loans from the group undertakings. In addition, the Company aims to mitigate the risks associated with its liquidity by managing cash generation by its subsidiary operations and cash collection targets to ensure sufficient cash flows are available for repayment of liabilities when they become due.

ON BEHALF OF THE BOARD:

P. Eigenmann
Director

Date: 27 February 2020

Directors' report

The directors present their report with the audited financial statements for the year ended 31 December 2018.

Results and dividends

The net loss for the year after taxation amounted to $2,531,000 (2017 - profit of $22,000). No dividends were distributed for the year ended 31 December 2018

Directors and their interests

The current directors are shown on page 1. A Oguntade resigned 29 March 2018.

Going concern

The company is dependent upon continued support being made available by Match Group, Inc. (a direct subsidiary of the company's ultimate parent undertaking IAC/InterActiveCorp) to enable it to meet its liabilities as they fall due. Match Group Inc. has expressed its willingness to provide financial support to Match Group Europe Limited to assist the company in meeting its liabilities for a period of at least 12 months from the date of approval of these financial statements, and accordingly, the financial statements have been prepared on a going concern basis.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

ON BEHALF OF THE BOARD:

P. Eigenmann
Director

Date: 27 February 2020

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 101. 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 to 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.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors' report

to the members of Match Group Europe Limited

Opinion

We have audited the financial statements of Match Group Europe Limited for the year ended 31 December 2018 which comprise the Income Statement, Statement of Other Comprehensive Loss/ Income, Balance Sheet, Statement of Changes in Equity and the related notes, 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 (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss 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 below. 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

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.

In connection with our audit of the financial statements, 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 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 or a material misstatement of the other information. 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.

Independent auditors' report (continued)

to the members of Match Group Europe Limited

Opinion on other matter 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report or Directors' Report.

We have nothing to report in respect of the following matters where 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, 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.

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.

Independent auditors' report (continued)

to the members of Match Group Europe Limited

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.

Ernst + Young LLP

Stuart Darrington (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
1 More London Place
London
SE1 2AF

28/12/2020

Income statement

for the year ended 31 December 2018

	Notes	31 Dec 2018	31 Dec 2017
		(in $000s)	
Turnover		$ 1,785	$ 1,603
Cost of sales		(19)	—
Gross profit		1,766	1,603
Administrative expenses		(4,361)	(1,646)
Other operating income	4	112	16
Operating loss		(2,483)	(27)
Interest receivable and similar income		1	—
Operating loss on ordinary activities before taxation	6	(2,482)	(27)
Tax on loss on ordinary activities	7	(49)	49
(Loss) profit for the financial year		$ (2,531)	$ 22

All amounts relate to continuing operations.

Other comprehensive loss/income

for the year ended 31 December 2018

	Notes	31 Dec 2018		31 Dec 2017	
		(in $000s)			
(Loss) profit for the financial year		$	(2,531)	$	22
Other comprehensive income			—		—
Total comprehensive (loss) income for the year		$	(2,531)	$	22

Registered No. 10103086

Balance sheet
at 31 December 2018

	Notes		31 Dec 2018		31 Dec 2017
			(in $000s)		
Fixed Assets					
Investments	8	$	101	$	101
Current Assets					
Debtors	9		255		2,021
Cash at bank			1,286		458
			1,541		2,479
Creditors					
Amounts falling due within one year	10		3,902		2,528
Net Current Liabilities			(2,361)		(49)
Net (Liabilities) Assets		$	(2,260)	$	52
Capital and Reserves					
Called up share capital	11	$	—	$	—
Share premium	11		11		11
Share based payments	12		271		52
Retained earnings			(2,542)		(11)
Total Equity		$	(2,260)	$	52

The financial statements were approved by the Board of Directors on 27 February 2020 and were signed on its behalf by:

P. Eigenmann
Director

Registered No. 10103086

Statement of changes in equity
at 31 December 2018

	Called up share capital	Share premium	Share based payments	Retained earnings	Total equity
			(in $000s)		
Balance at 1 January 2017	$ —	$ 11	$ —	$ (33)	$ (22)
Changes in equity					
Total comprehensive income	—	—	—	22	22
Share based payments	—	—	52	—	52
Balance at 31 December 2017	—	11	52	(11)	52
Changes in equity					
Total comprehensive loss	—	—	—	(2,531)	(2,531)
Share based payments	—	—	219	—	219
Balance at 31 December 2018	$ —	$ 11	$ 271	$ (2,542)	$ (2,260)

Notes to the financial statements

for the year ended 31 December 2018

1. Authorisation of Financial Statements and Compliance

The financial statements of Match Group Europe Limited (the "Company") for the year ended 31 December 2018 were authorised for issue by the board of directors on 27 February 2020 and the balance sheet was signed on the board's behalf by P. Eigenmann. Match Group Europe Limited is incorporated and domiciled in England and Wales.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraphs 10(d), 10)(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

The company is exempt by virtue of S400 of the Companies Act 2006 from the requirement to prepare group accounts as the company is included in the consolidated accounts of a larger group headed by IAC/ InterActiveCorp, the parent undertaking established under the law of America. These financial statements present information about the company as an individual undertaking and not about its group.

As the company is a wholly owned subsidiary of Match.com Foreign Holding Limited, the company has taken advantage of the exemption contained in Financial Reporting Standards 101 and has therefore not disclosed transactions on balances which form part of the group.

The impact of the new International Financial Reporting Standards effective for the entity as of 1 January 2018 is set out below:

- In July 2014, the IASB issued IFRS 9, Financial Instruments, which replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The Company has adopted IFRS 9 for the reporting period commencing 1 January 2018 and its adoption did not have a material effect on its financial statements. The accounting policy has been amended following the adoption of the standard to address the requirement to calculate an expected credit loss, compared to a provision for doubtful debt as per the extant sections of IAS 39.

Notes to the financial statements

for the year ended 31 December 2018

2. Accounting policies

Basis of preparation (continued)

- IFRS 15 'Revenue from Contracts with Customers' - this standard was adopted from the date of initial application - 1 January 2018. The five step model for revenue recognition has been applied to each significant revenue stream. The accounting policy for revenue recognition has been updated below in order to identify when each performance obligation has been completed for each revenue stream. No material impact on the financial statements following adoption of the standard has been identified.

Going concern

The company is dependent upon continued support being made available by Match Group, Inc. (a direct subsidiary of the company's ultimate parent undertaking IAC/InterActiveCorp) to enable it to meet its liabilities as they fall due. Match Group Inc. has expressed its willingness to provide financial support to Match Group Europe Limited to assist the company in meeting its liabilities for a period of at least 12 months from the date of approval of these financial statements, and accordingly, the financial statements have been prepared on a going concern basis.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules enacted or substantially enacted by the balance sheet date.

The charge for tax is based on the profit and loss for the year and takes into account taxation deferred because of timing differences between the treatment for reporting purposes and tax purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less or to receive more tax, with the following exceptions:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted.
- Deferred tax is measured on an undiscounted basis at the rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currency transaction

The directors of the Company regard the US dollar as the functional currency of the Company. The majority of the Company's revenue and expenditure is carried out in US dollars. Therefore, the financial statements are presented in US dollars.

Transactions denominated in foreign currencies are translated in to US dollars and recorded at the actual rate of exchange during the year. Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the rate of exchange ruling at the balance sheet date (2018 - $1.00 = £$0.7869, 2017 - $1.00 = £$0.7485). Exchange gains or losses are included in the profit and loss account.

Investments

Investments in subsidiary undertakings, associates and joint ventures are held at historical cost less any applicable provision for impairment.

Turnover

Revenue is recognised when it is probable that the economic benefit will flow to the company and when the revenue can be measured reliably. For the rendering of services, revenue is recognised when the related services have been provided and costs have been incurred. Revenue is presented net of Value Added Tax.

Notes to the financial statements

for the year ended 31 December 2018

2. Accounting policies

Turnover (continued)

In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers*, which establishes the principles that an entity applies when reporting information about the nature, amount, timing, and uncertainty of revenue and cash flows from a contract with a customer. The Company has adopted IFRS 15 for the reporting period commencing 1 January 2018 using the modified retrospective approach. The Company's adoption did not have a material effect on its financial statements.

Operating leases

Operating lease rentals are charged to the income statement on a straight line basis over the term of the lease.

Pensions

The company operates a defined contribution pension scheme. Contributions to the scheme are recognised in the profit and loss account in the period in which they are payable.

Share based payments

The share option programme allows employees to acquire shares of the parent company, Match Group Inc (US). The grant date fair value of share-based payment awards granted is recognised as an employee expense with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The fair value of the options granted is measured using an option pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date.

Management assumptions

In preparing the financial statements, there are no significant management assumptions above or beyond items previously disclosed above.

3. Turnover

The Company is engaged in the business of selling advertising space for the Match Group's European platforms. Revenue from contracts with customers is recognised when the control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. As payment processing is done in near real time, revenue is recognised at a point in time (i.e. as the services to group companies are complete), which is generally the same day the payment request is received.

4. Other Operating Income

	31 Dec 2018	31 Dec 2017
	(in $000s)	
Exchange gains	$ 112	$ 16

Notes to the financial statements
for the year ended 31 December 2018

5. Employees and Directors

	31 Dec 2018	31 Dec 2017
	(in $000s)	
Wages and salaries	$ 1,725	$ 1,215

The average number of employees during the year was as follows:

	31 Dec 2018	31 Dec 2017
Administration	11	8

The directors' remuneration for 2018 and 2017 was borne and paid for by a fellow group undertaking. It is impractical to determine the share of remuneration attributable to their services as a director of Match Groupe Europe Limited.

6. Loss before Taxation

The loss before taxation is stated after charging:

	31 Dec 2018	31 Dec 2017
	(in $000s)	
Auditor's remuneration - audit services	$ 34	$ 31

7. Taxation

Analysis of tax income

	31 Dec 2018	31 Dec 2017
	(in $000s)	
Current tax:		
Current tax on profits for the year	$ —	$ (2)
Adjustment in respect of prior years	2	—
	2	(2)
Deferred tax:		
Deferred tax for the year	(486)	(47)
Effect of changes in tax rates	51	—
Valuation allowance	482	—
	47	(47)
Total tax income in income statement	$ 49	$ (49)

Notes to the financial statements

for the year ended 31 December 2018

7. Taxation (continued)

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31 Dec 2018	31 Dec 2017
	(in $000s)	
Loss on ordinary activities before income tax	$ (2,482)	$ (27)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.00% (2017 - 19.25%)	$ (472)	$ (5)
Effects of:		
Group relief surrendered	166	(11)
Non tax-deductible expenses	1	7
Tax rate changes	51	1
Adjustments in respect of prior years	2	—
Share options	(181)	(41)
Valuation allowance	482	—
Tax expense	$ 49	$ (49)

Deferred tax

	31 Dec 2018	31 Dec 2017
	(in $000s)	
Deferred tax asset:		
Temporary differences trading	$ 691	$ 47
Losses	396	—
	1,087	47
Valuation allowance	(1,087)	—
Net deferred tax asset	$ —	$ 47

Notes to the financial statements

for the year ended 31 December 2018

8. Investments

		Shares in group undertakings
		(in $000s)
Cost		
At 1 January 2018 and 31 December 2018	$	101
Net book value		
At 31 December 2018	$	101
At 31 December 2017	$	101

The Company's investments at the Balance Sheet date in the share capital of companies include the following:

Company	Country of Incorporation	Principal Activity	Share Capital	Interest
Tinder France Services SAS	France	Public relations and advertising services	Ordinary Shares	100% direct
MG Korea Services Ltd.	South Korea	Online dating	Ordinary Shares	100% direct

9. Debtors: Amounts Falling due within one year

		31 Dec 2018		31 Dec 2017
		(in $000s)		
Trade debtors	$	87	$	11
Amounts owed by group undertakings		12		1,846
Prepayments and accrued income		39		—
Income tax receivable		117		117
Deferred tax asset		—		47
	$	255	$	2,021

Notes to the financial statements

for the year ended 31 December 2018

10. Creditors: Amounts Falling due within one year

	31 Dec 2018		31 Dec 2017	
	(in $000s)			
Amounts owed to group undertakings	$	2,767	$	2,305
Accrued expenses		1,135		221
Trade creditors		—		2
	$	3,902	$	2,528

11. Called Up Share Capital and Share Premium

	Allotted, issued and fully paid:			Share capital		Share premium		Total	
						(in $000s)			
	Number:	Class	Nominal value:						
At 1 January 2018 and 31 December 2018	1	Ordinary	£1	$	—	$	11	$	11

12. Share-Based Payment Transactions

Certain employees of the Company have been granted options and restricted stock units ("RSU") in Match Group, Inc. (US) shares. The options are granted with a fixed exercise price, generally vest equally over four years, and contractually expire ten years after the date of grant. Employees are required to remain in employment with the group until the options become exercisable. RSUs generally vest equally over four years while the employee remains in the group's employment and contractually expire ten years after the date of grant.

The Company recognises a share-based payment expense based on the fair value of the awards granted, and an equivalent credit directly in equity as share-based payment.

Out of the 137,860 outstanding options (2017: 127,715 options), 51,806 options (2017: 32,326) were exercisable. Options exercised in 2018 resulted in 22,653 shares being issued at a weighted average price of $8.67. No options were exercised in 2017. The related weighted average share price at the time of exercise was $50.20 per share.

Share options outstanding at 31 December 2018 have grant dates between August 2015 and January 2018, expiration dates between August 2025 and January 2028, with exercise prices between $4.89 and $31.07.

Out of the 28,447 unvested RSUs (2017: 22,350 RSUs), no RSUs were exercisable at 31 December 2018 and 2017. No RSU vestings occurred in 2018 or 2017.

RSUs outstanding at 31 December 2018 have grant dates between August 2017 and December 2018, expiration dates between August 2027 and December 2028, with issue prices between $19.39 and $41.46.

Notes to the financial statements

for the year ended 31 December 2018

13. Ultimate Parent Company

The Company is a wholly-owned subsidiary of Match.com Foreign Holdings Limited, a company which is incorporated in the United Kingdom, which in turn, is a majority-owned subsidiary of IAC/ InterActiveCorp, through its direct subsidiary, Match Group Inc., a company incorporated in the USA. As of 31 December 2018, IAC/InterActiveCorp's ownership interest in Match Group, Inc. was 81.1%.

IAC/InterActiveCorp heads the largest group of which Match.com Foreign Holdings II Limited is a member for which group accounts are prepared.

The group accounts for IAC/InterActiveCorp are available at 555 West 18th Street, New York, NY 10011.

14. Related Party Disclosures

As the Company is a wholly-owned subsidiary of Match.com Foreign Holdings Limited, the Company has taken advantage of the exemption contained in FRS 101 Related Parties Disclosures and has therefore not disclosed transactions or balances with entities which form part of the group.

15. New Accountings Standards

IFRS 16 "Leases"

In January 2016, the IASB published the financial reporting standard IFRS 16 "Leases," which was adopted into European Law on November 9, 2017. IFRS 16 stipulates that all leases and the associated contractual rights and obligations should generally be recognized in the lessee's Balance Sheet, unless the term is 12 months or less or the lease is for a low-value asset.

IFRS 16 is required for financial years commencing on or after January 1, 2019. In anticipation of the adoption of IFRS 16, management has carried out an impact assessment of lease agreements against the requirements of IFRS 16. The Company expects to apply the modified retrospective approach on adoption, and will not adjust prior-year figures. The Company does not expect a material impact to the Income Statement upon the adoption of IFRS 16.