

**Match.com Europe Limited**

---

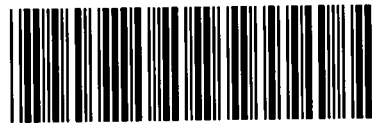
Registered No. 07661220

## **Match.com Europe Limited**

### **Strategic Report, Directors' Report and Financial Statements**

Year ended 31 December 2017

THURSDAY



\*L7EFMM8W\*

LD7

13/09/2018

#29

COMPANIES HOUSE

## Contents of the Financial Statements

for the year ended 31 December 2017

Company information .....	1
Strategic report .....	2
Directors' report .....	4
Statement of directors' responsibility .....	5
Independent auditors' report .....	6
Income statement .....	9
Other comprehensive loss/income .....	10
Balance sheet .....	11
Statement of changes in equity .....	12
Notes to the financial statements .....	13

## Company information

### Directors

P Eigenmann  
J Sine

### Auditors

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

### Bankers

JP Morgan  
125 London Wall  
London EC2Y 5AJ

### 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 is an investment holding company and the directors expect it to continue as such in the future. Match.com Europe Limited ("Match Europe" or the "Company") is a wholly-owned subsidiary of Match.com Foreign Holdings III Limited ("MFH III"), a UK company whose ultimate parent company is IAC/InterActiveCorp ("IAC").

In September 2017, Match.com Foreign Holdings III Limited subscribed for an additional 114,072,629 shares in the amount of USD\$149,446,652 (GBP£114,072,629) in the Company. Additionally, the Company entered into a loan advance where USD\$149,446,652 was loaned to Match.com Foreign Holdings Limited. The loan advance is due in September 2024 and bears interest at 6.00%.

### Review of the business

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

	2017	2016	Change
	\$000	\$000	%
Operating (loss) profit on ordinary activities before taxation	\$ (9,047)	\$ 10,756	(184)%
Intragroup loan interest expense	\$ (7,771)	\$ (7,508)	4 %

The loss for the year, after taxation, amounts to \$9,047,000 (2016 - profit of \$9,106,000). The Company continued as a holding company during the year and suffered an interest expense on the intercompany loans outstanding at the balance sheet date. The operating profit in 2016 turned into an operating loss in 2017 due primarily to the dividends received in 2016 that did not recur in 2017.

Other than noted above, there have not been any significant changes in the Company's principal activities in the period under review.

### Principal risks and uncertainties

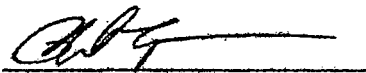
As a parent undertaking the principal risk related to reliance on its profitable subsidiaries, which operate in a competitive market. Subsidiaries that are engaged in on-line dating activities manage this risk by their ability to attract users to their websites and applications, and ultimately to convert these registered users to subscribing members. This is contingent on the effectiveness of on-line and off-line advertising, the quality of the subsidiary's websites and applications, and the Company's ability to maintain productive relationships with affiliate networks. No assurances can be provided that the Company will continue to be able to effectively attract registered users to its 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.

## Strategic report (continued)

### 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: 5 September 2018

## Directors' report

The directors present their report with the audited financial statements for the year ended 31 December 2017.

### Results and dividends

The net loss for the year after taxation amounted to \$9,047,000 (2016 - profit of \$9,106,000).

### Directors and their interests

The current directors are shown on page 1. E Moustaka resigned 16 June 2017, A Oguntade was appointed 16 June 2017 and resigned 29 March 2018, and B Perez resigned 4 September 2018.

### Going concern

The company is dependent upon continued support being made available by its ultimate parent undertaking IAC/InterActiveCorp, through its direct subsidiary Match Group, Inc., to enable it to meet its liabilities as they fall due. The ultimate parent undertaking has expressed its willingness to provide financial support to Match.com Europe Limited to assist the company in meeting its liabilities and accordingly, the financial statements have been prepared on a going concern basis.

### Future developments

The review of business, financial risk management and indication of future developments are discussed in the Strategic Report.

### 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: 5 September 2018

## 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 UK 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.com Europe Limited**

### **Opinion**

We have audited the financial statements of Match.com Europe Limited for the year ended 31 December 2017 which comprise the Income Statement, Statement of Other Comprehensive Income/Loss, Balance Sheet, Statement of Changes in Equity and the related notes 1 to 19. 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 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'; 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.com 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 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.

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.com 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

*7/9/18.*

## Income statement

for the year ended 31 December 2017

	Notes	31 Dec 2017	31 Dec 2016
		<i>(in \$000s)</i>	
<b>Turnover</b>	3	\$ 4,113	\$ 4,472
Administrative expenses		(8,188)	(5,278)
<b>Operating loss</b>		(4,075)	(806)
Income from shares in group undertakings	5	—	19,055
Interest receivable and similar income	6	2,799	15
Interest payable and similar charges	7	(7,771)	(7,508)
<b>Operating (loss) profit on ordinary activities before taxation</b>	8	(9,047)	10,756
Tax on (loss) profit on ordinary activities	9	—	(1,650)
<b>(Loss) profit for the financial year</b>		<u>\$ (9,047)</u>	<u>\$ 9,106</u>

*All amounts relate to continuing operations.*

## Other comprehensive loss/income


for the year ended 31 December 2017

	Notes	31 Dec 2017	31 Dec 2016
		<i>(in \$000s)</i>	
(Loss) profit for the financial year		\$ (9,047)	\$ 9,106
Other comprehensive (loss) income			
Translation adjustment		(10,349)	3,843
Other comprehensive (loss) income for the year, net of income tax		(10,349)	3,843
Total comprehensive (loss) income for the year		<u>\$ (19,396)</u>	<u>\$ 12,949</u>

**Balance sheet**  
 at 31 December 2017

	Notes	31 Dec 2017	31 Dec 2016
		<i>(in \$000s)</i>	
<b>Fixed Assets</b>			
Tangible assets	11	\$ —	\$ 32
Investments	12	591,969	591,533
		<u>591,969</u>	<u>591,565</u>
<b>Current Assets</b>			
Debtors	13	176,297	13,529
Cash at bank		15,021	13,193
		<u>191,318</u>	<u>26,722</u>
<b>Creditors</b>			
Amounts falling due within one year	14	58,475	37,662
<b>Net Current Assets (Liabilities)</b>		<u>132,843</u>	<u>(10,940)</u>
<b>Total Assets Less Current Liabilities</b>		724,812	580,625
<b>Creditors</b>			
Amounts falling due after more than one year	15	188,718	174,582
<b>Net assets</b>		<u>\$ 536,094</u>	<u>\$ 406,043</u>
<b>Capital and Reserves</b>			
Called up share capital	16	\$ 539,488	\$ 390,041
Translation adjustment	17	14,075	24,424
Retained earnings	17	(17,469)	(8,422)
<b>Total Equity</b>		<u>\$ 536,094</u>	<u>\$ 406,043</u>

The financial statements were approved by the Board of Directors on 5 September 2018 and were signed on its behalf by:

  
 P. Eigenmann  
 Director

# Statement of changes in equity

at 31 December 2017

	Called up share capital	Retained earnings	Translation adjustment	Total equity
	(in \$000s)			
<b>Balance at 1 January 2016</b>	\$ 390,041	\$ (13,028)	\$ 20,581	\$ 397,594
<b>Changes in equity</b>				
Dividends	—	(4,500)	—	(4,500)
Total comprehensive income	—	9,106	3,843	12,949
<b>Balance at 31 December 2016</b>	390,041	(8,422)	24,424	406,043
<b>Changes in equity</b>				
Issue of share capital	149,447	—	—	149,447
Total comprehensive loss	—	(9,047)	(10,349)	(19,396)
<b>Balance at 31 December 2017</b>	<u>\$ 539,488</u>	<u>\$ (17,469)</u>	<u>\$ 14,075</u>	<u>\$ 536,094</u>

The dividends paid in 2016 were distributed prior to the issuance of the 2015 statutory accounts. Subsequent to the payment of these dividends, a non-cash impairment on the investment in subsidiary was recorded in the 2015 statutory accounts during year-end procedures. This impairment, which was not evident at the time the dividend was paid, resulted in a negative reserve balance.

## Notes to the financial statements

for the year ended 31 December 2017

### 1. Authorisation of Financial Statements and Compliance

The financial statements of Match.com Europe Limited (the "Company") for the year ended 31 December 2017 were authorised for issue by the board of directors on 5 September 2018 and the balance sheet was signed on the board's behalf by P. Eigenmann. Match.com 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 financial statements have been prepared on the going concern basis and in accordance with applications accounting standards in the United Kingdom and under historical cost accounting rules. 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 IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(c) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- 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 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- 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 Holdings III 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.

## Notes to the financial statements

for the year ended 31 December 2017

### 2. Accounting policies (continued)

#### Going concern

The company is dependent upon continued support being made available by its ultimate parent undertaking IAC/InterActiveCorp, through its direct subsidiary Match Group, Inc., to enable it to meet its liabilities as they fall due. The ultimate parent undertaking has expressed its willingness to provide financial support to Match.com Europe Limited to assist the company in meeting its liabilities and accordingly, the financial statements have been prepared on a going concern basis.

#### Turnover and revenue recognition

Turnover represents the service fee revenue generated for services provided to entities within the group. Service fee revenue is recognised over the period the services are provided.

#### 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 (2017 - \$1.00 = £0.7485, 2016 - \$1.00 = £0.8142). Exchange gains or losses are included in the profit and loss account.

#### Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all property and equipment on a straight-line basis over its estimated useful life as follows:

Asset Category	Estimated Useful Lives
Computer equipment and capitalized software	2 to 3 years
Furniture and other equipment	5 years

#### Investments

Fixed asset investments are stated at cost less provision for impairments in value. The carrying values of investments are reviewed for impairment when events indicate the carry value may not be recoverable.



## Notes to the financial statements

for the year ended 31 December 2017

### 2. Accounting policies (continued)

#### Management assumptions

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

### 3. Turnover

There is only one principal activity, namely the provision of providing services to entities within the group.

Turnover by business and geographical segment has not been disclosed because, in the opinion of the directors, it would be seriously prejudicial to the interests of the Company to do so.

### 4. Employees and Directors

	31 Dec 2017	31 Dec 2016
	(in \$000s)	
Wages and salaries	\$ 4,477	\$ 3,177

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

	31 Dec 2017	31 Dec 2016
	(in \$000s)	
Management, operational and administrative	6	6

Certain individuals also held director positions within Match.com Europe Limited during the period; however, their emoluments were paid by other entities and only inconsequential services provided to the Company.

### 5. Income from Shares in Group Undertakings

	31 Dec 2017	31 Dec 2016
	(in \$000s)	
Shares in group undertakings	\$ —	\$ 19,055

### 6. Interest Receivable and Similar Income

	31 Dec 2017	31 Dec 2016
	(in \$000s)	
Deposit account interest	\$ 2,799	\$ 15

## Notes to the financial statements

for the year ended 31 December 2017

### 7. Interest Payable and Similar Charges

	31 Dec 2017	31 Dec 2016
	<i>(in \$000s)</i>	
Interest payable	\$ 7,771	\$ 7,508

### 8. (Loss)/Profit before Taxation

The (loss)/profit before taxation is stated after charging:

	31 Dec 2017	31 Dec 2016
	<i>(in \$000s)</i>	
Depreciation — owned assets	\$ 34	\$ 54
Auditor's remuneration - audit services	44	21

### 9. Taxation

Analysis of tax expense

	31 Dec 2017	31 Dec 2016
	<i>(in \$000s)</i>	
Current tax:		
Foreign tax	—	1,813
Amounts overprovided in previous years	—	(163)
Total tax expense in income statement	\$ —	\$ (1,650)

## Notes to the financial statements

for the year ended 31 December 2017

### 9. Taxation (continued)

#### Factors affecting the tax expense

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

	31 Dec 2017	31 Dec 2016
	<i>(in \$000s)</i>	
(Loss)/Profit on ordinary activities before income tax	\$ (9,047)	\$ 10,756
(Loss)/Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.25% (2016 - 20.00%)	\$ (1,741)	\$ 2,151
Effects of:		
Foreign tax suffered	—	1,813
Group relief surrendered	613	1,592
Non-taxable dividend income	—	(3,811)
Non tax-deductible expenses	1,119	58
Deferred taxes unrecognised	9	10
Tax overprovided in previous years	—	(163)
Tax expense	\$ —	\$ 1,650

#### Tax effects relating to effects of other comprehensive income

	31 Dec 2017		
	<i>(in \$000s)</i>		
	Gross	Tax	Net
Translation adjustment	\$ (10,349)	\$ —	\$ (10,349)
	\$ (10,349)	\$ —	\$ (10,349)

### 10. Dividends

	31 Dec 2017	31 Dec 2016
	<i>(in \$000s)</i>	
Ordinary shares of 1 each		
Interim	\$ —	\$ 4,500

## Notes to the financial statements

for the year ended 31 December 2017

### 11. Tangible Fixed Assets

	<u>Fixtures and Fittings</u>	
	<i>(in \$000s)</i>	
<b>Cost</b>		
At 1 January 2017	\$	126
Additions		1
Exchange differences		16
At 31 December 2017		<u>143</u>
<b>Depreciation</b>		
At 1 January 2017		94
Charge for year		34
Exchange differences		15
At 31 December 2017		<u>143</u>
<b>Net Book Value</b>		
At 31 December 2017		<u>—</u>
At 31 December 2016	\$	<u>32</u>

## Notes to the financial statements

for the year ended 31 December 2017

### 12. Investments

	Shares in group undertakings (in 5000s)
<b>Cost</b>	
At 1 January 2017	\$ 614,063
Additions	436
Disposals	—
At 31 December 2017	614,499
<b>Impairment</b>	
At 1 January 2017	(22,530)
Impairment for the year	—
At 31 December 2017	(22,530)
<b>Net book value</b>	
At 31 December 2017	\$ 591,969
At 31 December 2016	\$ 591,533

Additions for the year represent the acquisition of additional shares of Meetic SAS in August 2017.

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
Pretty Fun Therapy SAS	France	Online dating	Ordinary shares	100% direct
Meetic SAS	France	Online dating	Ordinary shares	99.09% direct
Match.com Pegasus Ltd	UK	Holding company	Ordinary shares	100% direct
Massive Media Match NV	Belgium	Online dating	Ordinary shares	100% direct
FriendScout24 GmbH	Germany	Online dating	Ordinary shares	100% direct
Match.com Global Services Ltd	UK	Online dating	Ordinary shares	100% indirect
Match Global Investment SARI.	Luxembourg	Holding company	Ordinary shares and preferred shares	100% indirect
MM Latam LLC	US	Holding company	Ordinary shares	100% indirect
Parperfeito Comunicacao SA	Brazil	Online dating	Ordinary shares	100% indirect
Match.com LatAm Ltd	UK	Online dating	Ordinary shares	100% indirect
Match.com Mexico S de R.L. de C.V.	Mexico	Online dating	Ordinary shares	100% indirect
Match.com Japan Networks GK	Japan	Holding company	Ordinary shares	100% indirect
Neu.de	Germany	Online dating	Ordinary shares	99.09% indirect
Match.com International Ltd.	UK	Online dating	Ordinary shares	99.09% indirect

## Notes to the financial statements

for the year ended 31 December 2016

### 12. Investments (continued)

Company	Country of Incorporation	Principal Activity	Share Capital	Interest
Match.com International II Ltd.	UK	Online dating	Ordinary shares	99.09% indirect
Match.com Nordic AB	Sweden	Online dating	Ordinary shares	99.09% indirect
Nexus Ltd	UK	Holding company	Ordinary shares	99.09% indirect
Dating Direct Ltd	UK	Online dating	Ordinary shares	99.09% indirect
Massive Media Europe NV	Belgium	Online dating	Ordinary shares	99.09% indirect
Massive Media Ltd	UK	Online dating	Ordinary shares	99.09% indirect
Meetic Netherlands BV	Netherlands	Online dating	Ordinary shares	99.09% indirect
Meetic Italia SRL	Italy	Online dating	Ordinary shares	99.09% indirect
Meetic Espana SLU	Spain	Online dating	Ordinary shares	99.09% indirect

### 13. Debtors

	31 Dec 2017	31 Dec 2016
	<i>(in \$000s)</i>	
Amounts owed by group undertakings	\$ 175,794	\$ 13,177
Prepayments and accrued income	192	161
Trade debtors	311	—
VAT	—	191
Total	<u>\$ 176,297</u>	<u>\$ 13,529</u>

The loan was opened in September 2017 and will mature in September 2024. Interest is earned at a fixed rate of 6.0% per annum.

### 14. Creditors: Amounts Falling due within one Year

	31 Dec 2017	31 Dec 2016
	<i>(in \$000s)</i>	
Amounts owed to group undertakings	\$ 53,329	\$ 34,884
Accrued expenses	4,975	2,176
Trade creditors	18	15
VAT	153	—
Income tax payable	—	140
Other creditors	—	447
Total	<u>\$ 58,475</u>	<u>\$ 37,662</u>

## Notes to the financial statements

for the year ended 31 December 2017

### 15. Creditors: Amounts Falling due after more than one Year

	31 Dec 2017	31 Dec 2016
	(in \$000s)	
Amounts owed to group undertakings	\$ 188,718	\$ 174,582

Loans advanced become due between January 2020 and September 2026 and bear interest at rates between 3.50% and 5.00%.

### 16. Called Up Share Capital

			Share capital
			(in \$000s)
	Allotted, issued and fully paid:		
	Number:	Class	Nominal value:
At 1 January 2017	232,296,179	Ordinary	£1
Issuance of shares	114,072,629	Ordinary	£1
At 31 December 2017	346,368,808	Ordinary	£1
			\$ 390,041
			149,447
			\$ 539,488

### 17. Reserves

	Retained earnings	Translation adjustment	Totals
		(in \$000s)	
At 1 January 2017	\$ (8,422)	\$ 24,424	\$ 16,002
Deficit for the year	(9,047)	—	(9,047)
Translation adjustment	—	(10,349)	(10,349)
At 31 December 2017	\$ (17,469)	\$ 14,075	\$ (3,394)

### 18. Ultimate Parent Company

The Company is a wholly-owned subsidiary of Match.com Foreign Holdings III 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 2017, IAC/InterActiveCorp's ownership interest in Match Group, Inc. was 81.2%.

IAC/InterActiveCorp heads the largest group of which Match.com Europe 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.

## **Notes to the financial statements**

for the year ended 31 December 2017

### **19. Related Party Disclosures**

As the Company is a wholly-owned subsidiary of Match.com Foreign Holdings III 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.