

In re Bumble, Inc. Securities Litigation

COURT: United States District Court for the Southern District of New York
CASE NUMBER: 1:22-cv-00624
CLASS PERIOD: 09/10/2021 - 01/24/2022
CASE LEADERS: Jeremy P. Robinson

Lead Plaintiff Has Settled the Action for \$18 Million

The Court-appointed Lead Plaintiff Louisiana Sheriffs' Pension & Relief Fund ("Louisiana Sheriffs" or "Lead Plaintiff"), on behalf of itself and the Settlement Class (as defined below), has reached a settlement of this securities class action (the "Action") for \$18,000,000 in cash (the "Settlement"). The Settlement resolves all claims in the Action.

The Settlement Class consists of all persons or entities who purchased or otherwise acquired the publicly traded Class A common stock of Bumble Inc. ("Bumble" or the "Company") between September 10, 2021 and January 24, 2022, inclusive, directly in or traceable to Bumble's Secondary Public Offering of Bumble Class A stock, which closed on September 15, 2021 (the "SPO") and were damaged thereby (subject to certain exclusions).

On March 27, 2023, the parties entered into a Stipulation and Agreement of Settlement (the "Stipulation") setting forth the terms of the Settlement. On April 14, 2023, the Court entered an order preliminarily approving the Settlement ("Preliminary Approval Order"). Pursuant to the Preliminary Approval Order, notice of the Settlement was mailed to potential Settlement Class Members and a Court hearing on final approval of the Settlement was held on August 8, 2023. Following the hearing, the Court entered a judgment finally approving the Settlement, an order approving the Plan of Allocation for the proceeds of the Settlement, and an order awarding attorney's fees and litigation expenses. Claims processing is ongoing.

More information about the Settlement is available at www.BumbleSecuritiesLitigation.com.

The Litigation

On January 24, 2022, a class action lawsuit was filed in the U.S. District Court for the Southern District of New York alleging violations of the federal securities laws against Bumble Inc., ("Bumble" or the "Company"), certain of the Company's senior executives and directors, controlling shareholder Blackstone Inc., Blackstone CEO Stephen Schwarzman, and several underwriters (collectively, "Defendants"). The lawsuit was brought on behalf of investors in Bumble that purchased Bumble stock in the Secondary Public Offering ("SPO") conducted on September 10, 2021.

Throughout the Class Period, Defendants allegedly made materially false and misleading statements and omissions regarding Bumble's business and financial performance, including about growth in paying users across its two primary dating apps, the Bumble App and the Badoo App. These alleged statements were allegedly facilitated by Bumble executives and directors, as well as the SPO underwriters.

The truth allegedly emerged on November 10, 2021, when Bumble disclosed that it was suffering from an overall decrease in paying users, driven by a precipitous decrease in paying users on its Badoo App and slowing growth in paying users on its Bumble App. In response to this disclosure, Bumble's stock price dropped 19.25%, or \$9.19 per share. The next day, Bumble's stock dropped by another 5.21% on November 12, 2021.

On August 25, 2022, the Court appointed Louisiana Sheriffs' Pension & Relief Fund lead plaintiff, and approved BLB&G as lead counsel. Lead Plaintiff filed an Consolidated Amended Class Action Complaint on October 7, 2022. Defendants filed a Motion to Dismiss on November 18, 2022, and Lead Plaintiff filed its opposition on December 16, 2022, to which Defendants replied on January 13, 2023.

The parties conducted a mediation on November 3, 2022, and agreed to a potential settlement of \$18 million on December 22, 2022, which was subject to confirmatory discovery and the execution of a full stipulation. The parties executed a settlement term sheet on February 6, 2023 and confirmatory discovery commenced on February 8, 2023. On March 27, 2023, following the completion of confirmatory discovery, the parties executed a stipulation setting forth the parties' agreement to settle all claims at issue in exchange for \$18 million. On March 31, 2023, the parties filed a motion for preliminary approval of the settlement, and preliminary approval was granted by Judge Denise Cote on April 14, 2023. On June 28, 2023, the parties filed a motion for final approval of the settlement. The Court conducted a settlement fairness hearing on August 8, 2023. Following the hearing, the Court entered a judgment finally approving the Settlement, an order approving the Plan of Allocation for the proceeds of the Settlement, and an order awarding attorney's fees and litigation expenses. Claims processing is ongoing.

Case Documents

- Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Hearing; and (III) Motion for Attorneys' Fees and Litigation Expenses ("Notice")
- Proof of Claim and Release Form ("Claim Form")
- August 8, 2023 - Judgment Approving Class Action Settlement
- August 8, 2023 - Order Approving Plan of Allocation of Net Settlement Fund
- August 8, 2023 - Order Awarding Attorneys' Fees and Litigation Expenses
- July 26, 2023 - Supplemental Declaration of Luiggy Segura Regarding: (A) Mailing of the Notice and Claim Form; and (B) Report on Requests for Exclusion Received
- July 26, 2023 - Reply Memorandum of Law In Further Support of (A) Lead Plaintiff's Motion for Final Approval of Settlement and Plan of Allocation and (B) Lead Counsel's Motion for Attorneys' Fees And Litigation Expenses
- June 28, 2023 - Declaration of Jeremy P. Robinson in Support of: (A) Lead Plaintiff's Motion for Final Approval of Settlement and Plan of Allocation; and (B) Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- June 28, 2023 - Memorandum of Law in Support of Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- June 28, 2023 - Notice of Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- June 28, 2023 - Memorandum of Law in Support of Lead Plaintiff's Motion for Final Approval of Settlement and Plan of Allocation
- June 28, 2023 - Notice of Lead Plaintiff's Motion for Final Approval of Settlement and Plan of Allocation

- April 14, 2023 - Order Preliminarily Approving Settlement and Authorizing Dissemination of Notice of Settlement
- March 27, 2023 - Stipulation and Agreement of Settlement
- October 7, 2022 - Consolidated Amended Class Action Complaint