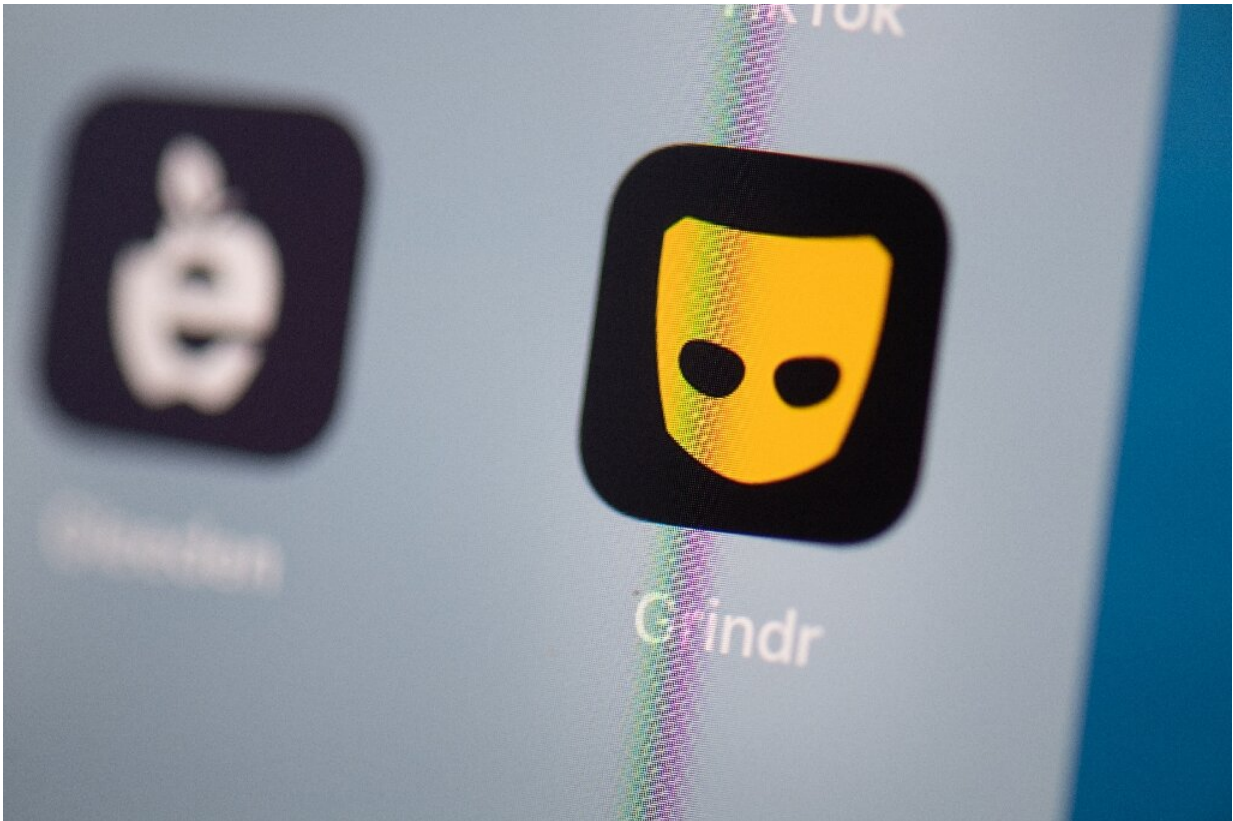


Social network Grindr going public at \$2.1 bn value

May 10 2022



Gay dating and social networking platform Grindr says it will use some \$384 million raised by going public to expand and improve its service.

Social network Grindr on Monday said it has hooked up with a special purpose acquisition company to become a publicly traded company

valued, out of the gate, at \$2.1 billion.

Los Angeles-based Grindr expected to raise \$384 million when it combines with Tiga Acquisition Corp and becomes Grindr Inc.

"Grindr is the leading platform focused on the LGBTQ+ community for digital connection and engagement," said chief executive Jeff Bonforte.

"Grindr is well positioned to be a [public company](#) and will continue to expand the ways it serves the LGBTQ+ community."

Grindr had an average of 10.8 million users monthly last year, most of whom are age 35 or younger, the [company](#) said in a release.

The startup founded in 2009 said it is profitable.

Grindr's union with the SPAC pends regulatory approval and is expected to be consummated in the second half of this year, the company said.

"This transaction is a milestone event," said Grindr board chair James Lu.

The Grindr app early this year disappeared from multiple app stores in China as authorities tightened control of the country's already heavily policed internet and purged online behavior the ruling Communist Party disapproves of.

The country's cyber authority conducted a campaign to root out illegal and sensitive content during the Lunar New Year holiday and February's Winter Olympics.

Although the world's most populous nation decriminalized homosexuality in 1997, same-sex marriage is illegal and LGBTQ issues

remain taboo.

The Chinese former owner of Grindr, Beijing Kunlun Tech, sold the app to investors in 2020 under pressure from US authorities concerned that the potential misuse of its data could present national security risks.

Norwegian authorities in December said that they were fining Grindr more than six million euros for illegally sharing users' [personal data](#) with third parties.

"Our conclusion is that Grindr has disclosed [user data](#) to third parties for behavioral advertisement without a legal basis," said Tobias Judin, head of the Norwegian Data Protection Authority's (DPA) international department.

Grindr, which bills itself as "the world's largest social networking app for gay, bi, trans, and queer people," is accused of sharing GPS coordinates, elements of its users' profiles such as age or sex and the very fact that they use the app, thus giving indications of their sexual orientation.

The lack of clear information about this practice given to users and lack of explicit approval on this point from them violates the General Data Protection Regulation (GDPR) adopted by the European Union in 2018, according to the Norwegian DPA.

Grindr has appealed the fine, the Norwegian regulatory authority said in an online post in February.

© 2022 AFP

Citation: Social network Grindr going public at \$2.1 bn value (2022, May 10) retrieved 30 April 2024 from <https://techxplore.com/news/2022-05-social-network-grindr-bn.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.