

COMPLETED ACQUISITION BY FACEBOOK, INC OF GIPHY, INC

Directions issued on 15 October 2021 pursuant to paragraph 10 of the Initial Enforcement Order made by the Competition and Markets Authority on 9 June 2020 pursuant to section 72(2) of the Enterprise Act 2002 (the Act)

On 15 May 2020, Facebook, Inc (**Facebook**) through a stock conversion by its wholly-owned subsidiary, Tabby Acquisition Sub, Inc (**Tabby Acquisition**) acquired Giphy Inc (**Giphy**).

On 9 June 2020, the Competition and Markets Authority (**CMA**) issued an Initial Enforcement Order (**Initial Order**) addressed to Facebook, Tabby Acquisition, Facebook UK Limited (**Facebook UK**) and Giphy in accordance with section 72(2) of the Enterprise Act 2002 (the **Act**) for the purpose of preventing pre-emptive action. The Initial Order is still in force.

On 19 June 2020, the CMA issued directions to Facebook, Tabby Acquisition, Facebook UK and Giphy to appoint a monitoring trustee (**MT**), and subsequently, on 30 July 2020, the CMA Issued directions to Facebook, Tabby Acquisition, Facebook UK and Giphy to appoint a hold-separate manager for the purposes of securing compliance with the Initial Order.

Following [§], the CMA has identified actions necessary to ensure: (i) compliance with the Initial Order by Facebook, Tabby Acquisition, Facebook UK and Giphy and, (ii) that the Giphy business is maintained as a going concern.

The CMA now issues written directions to Facebook, Tabby Acquisition, Facebook UK and Giphy under paragraph 10 of the Initial Order to take the actions specified in **Annex 1** for the purpose of carrying out, or ensuring compliance with, the Initial Order.

Yours sincerely,
Signed
Richard Romney
Director, Mergers
15 October 2021

Annex 1

Directions to Facebook, Tabby Acquisition, Facebook UK and GIPHY

Interpretation

In these Directions:

'the Act' means the Enterprise Act 2002;

'CMA' means the Competition and Markets Authority;

'Commencement date' means 9 June 2020, which is the commencement date of the Initial Order;

'Facebook' means Facebook, Inc, a company incorporated in the state of Delaware, United States with principal executive offices at 1601 Willow Road Menlo Park CA 94025 United States;

'Facebook UK' means Facebook UK Limited (Company number 06331310);

'the Facebook business' means the business of Facebook and its subsidiaries carried on as at the commencement date;

'Giphy' means Giphy, Inc, a company incorporated in the state of Delaware, United States;

'the Giphy business' means the business of Giphy and its subsidiaries carried on as at the commencement date;

Hold-separate manager means the Hold Separate Manager appointed in accordance with the Directions issued by the CMA on 30 July 2021 under paragraph 10 of the Initial Order;

'the Initial Order' means the Initial Enforcement Order issued by the CMA on 9 June 2020 and addressed to Facebook, Tabby Acquisition, Facebook UK and Giphy;

[X];

'the MT' means the Monitoring Trustee appointed by Facebook, Tabby Acquisition, Facebook UK and Giphy pursuant to the directions issued by the CMA on 19 June 2020 under paragraph 10 of the Initial Order; and

'Tabby Acquisition' means Tabby Acquisition Sub, Inc., a company incorporated in the state of Delaware, United States.

Terms and expressions defined in the Initial Order have the same meaning in these Directions, unless the context requires otherwise.

Specified actions

1. [X]

- (i) In accordance with paragraph [X] of the Initial Order,¹ Facebook, Tabby Acquisition, Facebook UK and Giphy are directed to take all reasonable steps [X] the Giphy business.
- (ii) In furtherance of this obligation, Facebook, Tabby Acquisition, Facebook UK and Giphy must procure that an [X] of the Giphy business is implemented in accordance with paragraph 1(iii) below.
- (iii) Facebook, Tabby Acquisition, Facebook UK and Giphy must procure that:
 - a. [X] is identified and provided to the CMA without delay, and in any event **by Tuesday 19 October**;
 - b. an [X] of the Giphy business is designed in coordination with the hold-separate manager and MT which will be provided to the CMA without delay, and in any event **by Tuesday 26 October** for CMA review and approval; and
 - c. the [X] of the Giphy business is implemented without delay, and in any event, within **24 hours** of CMA approval of the proposed scheme.

2. Deadlines

- (i) The CMA may, where it considers it appropriate, in response to a written request from Facebook, Tabby Acquisition, Facebook UK and/or Giphy showing good cause, or otherwise at its own discretion, grant an extension in writing (including via email) of any period specified in these Directions within which Facebook, Tabby Acquisition, Facebook UK and Giphy must take action.

¹[X] of the Initial Order provides for Facebook, Tabby Acquisition, Facebook UK and Giphy [X].