

PRESS RELEASE

The CNMC clears MIH Food Delivery Holdings's acquisition of Just Eat, subject to remedies

- The operation affects the handling of food orders for home delivery through online platforms.
- The objective of the conditions is to ensure that the Naspers Group/MIH does not have access to strategic information or participate in decision-making that affects Glovo's strategy, due to the restrictive effects that this might have on competition.

Madrid, 13 December 2019 - The CNMC has authorised [MIH Food Delivery Holdings \(MIH\), of the Naspers Group, to purchase Just Eat](#), with commitments. The operation will be carried out through the takeover bid announced on 22 October 2019. This takeover bid competes with the operation that was already authorised on 19 September 2019 ([C/1061/19 TAKEAWAY/JUST EAT](#)).

The operation affects the handling of food orders for home delivery placed through online platforms, which are accessed via internet or mobile applications. This market, characterised by indirect network effects, is relatively concentrated at the moment and demand is expected to continue growing at significant rates in coming years.

In this context, the CNMC analysed the implications of MIH's minority interest (less than 25%) in Delivery Hero and the stake that Delivery Hero has in Glovo (less than 20%). This would result in the buyer of Just Eat having an indirect minority interest in its main competitor in Spain, Glovo. These interests could entail a risk by making it possible for MIH to access information related to Glovo's strategic commercial policy, since directly or indirectly (through Delivery Hero), MIH would have access to the information made available to the board of directors of Just Eat and of Glovo, respectively. Likewise, the indirect presence of MIH on the board of directors of the main competitor of Just Eat creates an incentive for MIH to prevent the expansion of this competitor's business.

The operation satisfies the requirements contained in the Anti-Trust Law (ATL) by exceeding the market share threshold specified in Article 8.1.a) therein, and has been authorised in Phase I with commitments.

Consequently, the approval of the merger remains subject to the fulfilment of the commitments proposed by the notifying party. These involve insuring that MIH does not have access to sensitive commercial information from either Delivery Hero or its

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investee, Glovo; as well as preventing MIH from using this relationship to influence Glovo's strategy in those markets in Spain where it competes or may compete with Just Eat. In addition, to ensure the right to competition, neither Delivery Hero (nor Glovo for that matter) will be allowed to access sensitive information from Just Eat.

Therefore, the objective pursued by the commitments is to ensure that the Naspers Group/MIH does not have access to Glovo's strategic information or participate in decision-making that may influence Glovo's strategy, due to the restrictive effects that this might have on competition.

The commitments shall be in place for three years and may be extended an additional year if the CNMC decides that the continuation or adjustment of said commitments is necessary. Specifically, this will depend on the entry of new competitors into the Spanish market, particularly in the case of Delivery Hero.

During this period, the CNMC will enforce compliance of the commitments by MIH. To this end, the company is required to periodically submit information that can be used to verify its effective compliance with said commitments.

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