

**THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW**

**No. 83(I)/2014**

**Notification of concentration concerning the acquisition of the share capital of Tapjoy Inc.  
by ironSource Ltd**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou	Chairperson
Mr. Andreas Karidis,	Member
Mr. Panayiotis Oustas,	Member
Mr. Aristos Aristidou Palouzas,	Member

Date of decision: 3 December 2021

**SUMMARY OF DECISION**

On the 21<sup>st</sup> of October 2021 the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of ironSource Ltd (hereinafter the «ironSource») a notification of a proposed concentration. The notification was filed according to Section 10 of the Control of Concentrations between Enterprises Law 83(I)/14 (hereinafter the “Law”).

The notification concerns a concentration, according to which ironSource intends to acquire 100% of the share capital of Tapjoy Inc. (hereinafter the "Target").

Companies participating at this merger are the following:

1. IronSource is a limited liability company, duly registered under the Law of Israel, with shares listed on the NYSE. IronSource is a leading business platform that

enables content creators for mobile devices to thrive in the app economy. Their services, primarily enables application developers to turn their applications into scalable, successful businesses. At the same time, provides internet marketing solutions for mobile marketers.

2. Tapjoy Inc. is a duly registered company under the laws of the State of Delaware of the USA. The company is a mobile advertising platform and application revenue generation, combining mobile advertising, market research and application revenue generation solutions.

The concentration is based on an Agreement (hereinafter "Agreement") dated October 14, 2022, which was agreed upon by and between ironSource Sonic, Inc., acting as the Purchaser, ironSource Sonic 2021, Inc., a subsidiary of the Purchaser ("Merger Sub") and Tapjoy Inc., (the "Company") and Fortis Advisors LLC. As a result, ironSource will acquire all share capital and sole control of Target.

The Commission, taking into account the facts of the concentration, has concluded that this transaction constitutes a concentration within the meaning of section 6 (1)(a)(ii) of the Law, since it leads to a permanent change of control of target by ironSource.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3 (2) (a) of the Law were satisfied and therefore the notified concentration was of major importance falling within the scope of the Law.

The relevant products/services in this case were defined as the market (a) for the provision of mobile app monetization solutions on the publisher side, and (b) for the provision of online advertising solutions on the advertiser side. Any further separation does not differentiate the outcome of the merger assessment. In addition, the Commission concluded that the geographic market for all the relevant markets in question is that of the territory of the Republic of Cyprus.

According to the data of the notification, there is a horizontal overlap between the activities of the participating companies in the relevant market of the Income Generation Solutions Offer for Mobile Application Publishers in Cyprus. However, the combined market share of the participating companies after the transaction does not exceed 15%. As a result, there is no horizontal affected market.

According to the notification data, regarding a vertical relationship "[.....]."

Taking into account the above, the Commission concludes that in this concentration no affected market is created based on Annex I of the Law. In addition, there are no other markets in which the notified concentration may have a significant effect.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position as there is no affected market and therefore the concentration does not raise serious doubts as to its compatibility with the operation of the competition in the market.

Therefore, the Commission, acting in accordance with section 22 of the Law, unanimously decided not to oppose the notified concentration and declare it as being compatible with the operation of the competition in the market.

Loukia Christodoulou

Chairperson of the Commission for the Protection of Competition