



Case File No. CCC/MER/11/48/2025

Decision¹ of the 126th Meeting of the Committee Responsible for Initial Determinations Regarding the Proposed Acquisition by Oak-Eagle AcquireCo, Inc. of Electronic Arts Inc.

ECONOMIC SECTOR: Entertainment



15 April 2026

¹ In the published version of this decision, some information has been omitted pursuant to Rule 73 of the COMESA Competition Rules concerning non-disclosure of business secrets and other confidential information. Where possible, the information omitted has been replaced by ranges of figures or a general description.

The Committee Responsible for Initial Determinations,

The Committee Responsible for Initial Determinations (“**CID**”) established pursuant to Article 13(4) of the COMESA Competition Regulations of 2004 (the “**Regulations**”):

Desirous of the overring objective of strengthening and achieving convergence of COMESA Member States’ economies through the attainment of full market integration as enshrined in the Treaty Establishing the Common Market for Eastern and Southern Africa (the “**Treaty**”);

Cognisant of Article 55 of the Treaty;

Having regard to the Regulations, and in particular Part 4 thereof;

Mindful of the COMESA Competition Rules of 2004, as amended by the COMESA Competition [Amendment] Rules, 2014 (the “**Rules**”);

Conscious of the Rules on the Determination of Merger Notification Thresholds and Method of Calculation of 2015;

Having regard to the COMESA Merger Assessment Guidelines of 2014;

Recalling the overriding need to establish a Common Market;

Recognising that anti-competitive mergers may constitute an obstacle to the achievement of economic growth, trade liberalization and economic efficiency in the COMESA Member States;

Considering that the continued growth in regionalization of business activities correspondingly increases the likelihood that anti-competitive mergers in one Member State may adversely affect competition in another Member State.

Determines as follows:

Introduction and Relevant Background

1. On 6 February 2026, the COMESA Competition Commission (“**Commission**”) received a notification for approval of a merger involving Oak-Eagle AcquireCo, Inc. (“**AcquireCo**” or the “**Primary Acquiring Firm**”) and Electronic Arts Inc. (“**EA**” or the “**Target**”), pursuant to Article 24(1) of the Regulations.
2. Pursuant to Article 26 of the Regulations, the Commission is required to assess whether the transaction between the parties would or is likely to have the effect of substantially preventing or lessening competition or would be contrary to public interest in the Common Market.



The Parties

AcquireCo (the “Primary Acquiring Firm”)

3. AcquireCo is a company incorporated in the State of Delaware in the United States of America. AcquireCo is a special purpose vehicle which has been created to facilitate the Proposed Transaction and is ultimately controlled by the Public Investment Fund (“PIF”). PIF is the sovereign wealth fund of the Kingdom of Saudi Arabia, which has direct and indirect investments in a number of sectors across Saudi Arabia and globally, including food and agriculture, energy, the financial sector, manufacturing, real estate, logistics and the digital sector.
4. PIF and the entities controlled by it and entities which control it are together referred as the “Acquiring Group”.
5. In the Common Market, the Acquiring Group is active in all Member States.

EA (the “Target”)

6. EA is a public company incorporated under the laws of the United States of America. EA is listed on the NASDAQ stock exchange.
7. EA is a global interactive entertainment company that develops, markets, and publishes video games, principally for consoles and PCs. Its franchises include EA SPORTS FC (formerly FIFA), EA SPORTS Madden NFL, Apex Legends, Battlefield and The Sims. EA’s main business relates to developing and publishing video games, as well as activities relating to their marketing and distribution.
8. EA is not physically present in any Member State in the Common Market but derives revenue from individual customers in relation to the above-mentioned activities.
9. In the Common Market, EA is active in all Member States.

Jurisdiction of the Commission

10. Article 24(1) of the Regulations requires ‘notifiable mergers’ to be notified to the Commission. Rule 4 of the Rules on the Determination of Merger Notification Thresholds and Method of Calculation (the “**Merger Notification Thresholds Rules**”) provides that:

“Any merger, where both the acquiring firm and the target firm, or either the acquiring firm or the target firm, operate in two or more Member States, shall be notifiable if:

- a) *the combined annual turnover or combined value of assets, whichever is higher, in the Common Market of all parties to a merger equals or exceeds USD 50 million; and*
- b) *the annual turnover or value of assets, whichever is higher, in the Common Market of each of at least two of the parties to a merger equals or exceeds USD 10 million, unless each of the parties to a merger achieves at least two-*



thirds of its aggregate turnover or assets in the Common Market within one and the same Member State”.

11. The undertakings concerned have operations in two or more Member States. The undertakings concerned derived a turnover of more than the threshold of USD50 million in the Common Market and they each derived a turnover of more than USD10 million in the Common Market. In addition, the parties do not derive/hold more than two-thirds of their respective aggregate turnover or asset value in one and the same Member State. The CID was thus satisfied that the transaction constitutes a notifiable transaction within the meaning of Article 23(5)(a) of the Regulations.

Details of the Merger

12. The notified transaction involves the proposed acquisition by PIF of sole control of EA.

Competition Analysis

Consideration of the Relevant Markets

13. In the determination of the relevant market, which is divided into relevant product and relevant geographic markets, the CID is guided by the COMESA Guidelines on Market Definition and other authorities on the subject.

Relevant Product Market

14. The CID noted that, **“a relevant product market comprises all those products and/or services which are regarded as interchangeable or substitutable by the consumer, by reason of the products' characteristics, their prices and their intended use”.**²
15. The CID observed that the Acquiring Group is active in the video gaming industry through its wholly owned subsidiary Savvy. The Acquiring Group is primarily active in the supply of video games for mobile device applications and has marginal activities in the supply of video games for PC and console platforms.
16. The CID noted that the target, EA, on the other hand, develops, markets and publishes video games, principally for consoles and PCs. Its franchises include EA SPORTS FC (formerly FIFA), EA SPORTS Madden NFL, Apex Legends, Battlefield and The Sims. Further, the main activity of EA's business is to develop and publish video games, as well as activities relating to their marketing and distribution.
17. The CID noted the parties' submission that the majority of EA's business relates to developing and publishing video games, as well as activities relating to their marketing and distribution. EA is active in the same activities via exports in the Common Market.
18. The CID considered that the transaction therefore raised a horizontal overlap in the activities of the merging parties with respect to two levels of the supply chain of video

² Paragraph 7 of the COMESA Guidelines on Market Definition



games, namely, with respect to the development and publishing of video game and video game distribution.

19. In line with Paragraph 8.4 of the COMESA Merger Assessment Guidelines, given that this transaction is a horizontal merger, the CID's assessment focused on the overlap between the product and geographic relations of the parties.
20. Video games form part of the digital entertainment sector which bridges technology and the creative industry. It creates a virtual reality through the use of software or hardware to support user-program interaction within a digital environment.
21. Video games are created for electronic devices such as computers, game consoles and mobile devices including smartphones and tablets.³

Development and publishing of video games

22. The development process of video games relates to video game conceptualisation, artwork and graphics, programming and testing. Publishing, on the other hand, refers to bringing these games to market and distributing them to consumers using different models, such as paid purchases, free-to-play systems, or hybrid approaches that combine both.
23. The CID noted that the decisional practice of the European Commission ("EC") considered the development and publishing of video games as one integral activity.⁴
24. The CID further noted that in **Microsoft/ZeniMax**, the EC, while leaving the relevant open, considered that the market for video game publishing and development could be segmented according to (i) video gaming platforms (i.e., personal computer games, console games and mobile games); (ii) game genres (e.g. action, adventure, strategy) or (iii) type of games (i.e. premium or casual games).
25. Specifically with respect to platforms, the CID further noted that the EC has considered that mobile games were likely to form a separate market from PC and console games.⁵
26. Considering the activities of the merging parties, the CID considered that PC and console games and mobile games are likely to form part of different markets, in view of the differences in the game characteristics, time spent by the user and graphics. The CID further noted that timely substitution without significant costs from one platform to another might not be possible in view of the differences in intellectual efforts involved in the design and conceptualisation of the game in a particular format and the underlying technology of each platform and the efforts to convert the game for another platform.



³ European Commission's Case M.10646 – Microsoft/ Activision Blizzard

⁴ European Commission's Case M.7866 - Activision Blizzard/King, quoted in Case M.10001- Microsoft/ Zenimax and Case M.10646 – Microsoft/ Activision Blizzard

⁵ European Commission's Case M.10646 – Microsoft/ Activision Blizzard, paragraph 61

Video game development and publishing for console and PC

27. The EC has considered whether this market should be further segmented according to genre and type. The EC's investigation in **Microsoft/Activision Blizzard** received mixed evidence on whether gamers consider that a segmentation of video games for consoles and PCs can be made on genres. The genre that the EC considered were (i) action and adventure; (ii) shooter/battle royale; (iii) role-playing games; (iv) sports (including racing and flying, respectively); (v) fighting; and (vi) strategy⁶. The EC's investigation received similar responses from suppliers on the feasibility of switching genres. The EC whilst acknowledging that genres constitute an important distinguishing factor between video games, it considered that there exists some uncertainty as to whether each genre constitutes a separate product market⁷.
28. In the present matter, given that any narrower segment of the market will not affect the competitive assessment of this matter, the CID was of the view that the question of whether the market for video game development and publishing for console and PC should be segmented on the basis of genres can be left open.
29. On the question of whether the market for video game development and publishing for console and PC should be segmented on the basis of type, the EC determined that this could equally be left open⁸. The EC acknowledged that there are different types of video games, notably premium or "AAA" video games and casual video games. AAA video games is an informal description used to distinguish games that feature advanced graphics, game mechanics, or gameplay, require significant development budget and time (up to several years), and are typically developed by large development studios. In comparison, non-AAA or "casual" video games are less sophisticated, are less costly to develop, and may have smaller developer teams.
30. Given that any narrower segment of the transaction will not change the competitive assessment of the transaction, the CID concluded that the relevant product market is the market for the development and publishing of PC and console video games with no further segmentation with respect to genre and type.

Game development and publishing for mobile video games

31. The CID observed that the EC has in the same vein, concluded that no segmentation of the mobile video games market according to the type of video game or genre; or the operating system is required. The reason being that companies generally develop video games for all major operating systems (such as iOS and Android) and, in reality, there are insignificant differences between video games played using different operating systems.

Video game distribution

⁶ European Commission's Case M.10646 – Microsoft/ Activision Blizzard, paragraph 72

⁷ European Commission's Case M.10646 – Microsoft/ Activision Blizzard, paragraph 78

⁸ European Commission's Case M.10646 – Microsoft/ Activision Blizzard, paragraph 83



32. Video game distribution refers to the supply of video games to consumers either through physical or digital channels. Video game distribution through physical channels refers to the retail sales of physical copies through cartridges or compact discs. In the digital channel, video games are made available to users via online downloads or streaming services.
33. The CID noted that in **Microsoft/ZeniMax**⁹, the EC considered whether the market for video game distribution should be segmented according to physical vs. digital distribution. Further, in relation to digital distribution, the CID considered whether segmentations were appropriate by: (i) gaming platforms (PC, console and mobile); (ii) payment model (upfront payment vs. subscription); and (iii) type of access to games (download vs. streaming). The EC left open the product market definition as regards physical vs. digital distribution and a possible segmentation by gaming platforms. The EC further found that a segmentation by payment model and type of access was not warranted.
34. The CID took the view that for the present assessment, a segmentation by gaming platforms may be warranted, and that the distribution of mobile video games does not belong to the same market as the distribution of PC and console games.
35. The CID further noted the parties' submissions that:
- i. The overall distribution of PC and console video games is separate from the distribution of mobile video games.
 - ii. The distribution of PC and console video games encompassed digital (both download and streaming) and physical distribution, and that no further distinction should be drawn depending on payment model (upfront payment versus subscription). In the same vein, the distribution of mobile video games should not be further sub-segmented.
36. Given that any narrower segment of the market will not change the competitive assessment of the transaction, the CID took the view that no further segmentation of the markets was necessary in terms of physical and digital distribution, payment model and type of access (download versus streaming).
37. Given that in this present matter, any narrow segment of the overall video game distribution market will not alter the competitive assessment of the transaction, the CID was of the view that the market can be left broad.
38. For the above reasons, the CID deemed it appropriate to consider the relevant product markets as:
- i. **video game development and publishing for mobile devices;**
 - ii. **video game development and publishing for PC and console; and**

⁹ European Commission's Case M.10001 – Microsoft/ZeniMax, paragraphs 37 to 42



iii. **video game distribution.**

Relevant Geographic Market

39. The CID noted that paragraph 8 of the Market Definition Guidelines defines the relevant geographic market as, “...the area in which the undertakings concerned are involved in the supply and demand of products or services, in which the conditions of competition are sufficiently homogeneous, and which can be distinguished from neighbouring areas because the conditions of competition are appreciably different in those areas”.
40. The CID was of the view that the respective geographic scopes of the markets for video game development and publishing for mobile devices; video game development and publishing for PC and console; and video game distribution is likely to be global in scope due to the international nature of both the development and publishing and the distribution. The CID noted that the Common Market is typically a consumer of video games rather than a producer of the same. The CID also noted that there are several international suppliers of the relevant products in the Common Market, such as Microsoft and Activision-Blizzard, Epic Games, Sony, Ubisoft and Square Enix.
41. The CID noted that there is high tradability of the relevant products, with no significant impediment to cross border trade. The CID was of the view that this supported a global geographic scope to the relevant markets.
42. In view of the foregoing considerations and recognizing that the transaction under review does not raise competition concerns under any alternative market definition, the relevant geographic market for the markets for video game development and publishing for mobile devices, video game development and publishing for PC and console and video game distribution **was construed to be global.**

Conclusion of the Relevant Markets

43. Based on the foregoing assessment, and without prejudice to its approach in similar future cases, the CID identified the relevant markets as the:
- i. **global market for video game development and publishing for mobile devices;**
 - ii. **global market for video game development and publishing for PC and console; and**
 - iii. **global market for video game distribution.**



Consideration of Substantial Lessening of Competition or “Effect” Test

Market Shares and Concentration

Global market for video game development and publishing for mobile devices

44. The CID noted the parties’ submission of the estimated market shares regarding the global market, excluding East Asia, for video game development and publishing for mobile devices for themselves and their competitors as per Table 1 below.

Table 1: Estimated non-confidential market shares regarding the global market for video game development and publishing for mobile devices

Entity	Estimated Market Share (%)
PIF	5 - 10
Microsoft	5 - 10
Tencent	5 - 10
Playrix	0 - 5
Dream Games	0 - 5
EA	0 - 5
Others	70 - 75
Total	100%

45. The CID noted from the above table, the merged entity market share in the publication and development of video games for mobile applications on a global basis is likely to be around 5 - 10%. The transaction will therefore result in 0 - 5% market share accretion. The CID further noted that the market is highly fragmented with no single entity likely to be holding a market share of 30%.
46. The CID noted the parties’ submission that market share data excludes East Asia because this is how EA compiles the data internally. The CID noted that the data provided in Table 1 overestimated the parties’ market shares worldwide. The CID noted that there are several players in East Asia. The CID noted the parties’ submissions that if the data included East Asia, the parties’ combined market share in the development and publication of mobile video games is 5 - 10% (on a worldwide basis), representing an increment of 0 - 5% brought by EA. The CID noted that market is fragmented, with Tencent being the largest competitor (10 - 15%), followed by Microsoft (0 - 5%), Playrix (0 - 5) and Dream Games (0 - 5%). Other players include King, Miniclip, Moon Active, and Roblox Corporation.



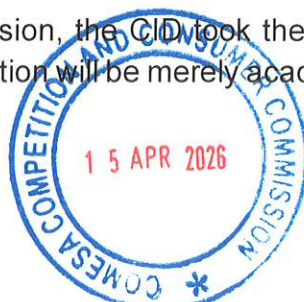
47. The CID considered the parties' further submissions that EA estimates its share in this market at the Common Market level to be approximately 5 - 10% whereas PIF (through Scopely/Savvy) estimates its share to be approximately 0 - 5% in the Common Market.

Global market for video game development and publishing for PC and console

48. The CID noted the parties' submission that their combined market share in the development and publication of PC and console video games (on a worldwide basis) is estimated to <20%, with EA having a market share of around 15 – 20% and PIF having a market share of 0 - 1%. The CID observed that the transaction will therefore result in a less than 1% increment brought by PIF. The CID noted that this market has several other established players providing significant competition constraints, including Microsoft (15–20%) and Sony (10 - 15%), who also act as key gatekeepers in the industry, given their roles as hardware manufacturers for the Xbox and PlayStation consoles, as well as the most important distribution networks via the online stores and online subscription services they provide for their consoles.

Distribution of video games

49. The CID noted the parties' submission that there is no competitively appreciable interaction between the Parties as they each primarily distribute self-published video games (although EA does publish a small amount of independent third-party studio games through its EA Originals program), that is, neither of the Parties materially distribute video games published by third parties.
50. The CID noted that the parties estimated their combined market share in the distribution of video games on a global basis is <20%, with EA's market share being <15% and PIF's market share being <5%. The CID further noted that the increment brought by the proposed transaction is insignificant as both parties heavily rely on third parties for the distribution of their games.
51. The CID noted that the parties have limited overlap in the development and publishing of video games. The CID further noted that PIF, through its portfolio companies, is primarily active in the supply of video games for mobile devices where EA's presence is modest. EA on the other hand, is primarily active in the supply of video games for PC and console platforms, where PIF is a small player, with a market share of 0 - 5%. The CID further noted that industry is highly competitive where players have fragmented market shares. The CID took the view that both parties will continue to be constrained by numerous global competitors.
52. Based on the above, the CID concluded that the transaction will not confer any market power on the merged entity as the pre-merger market shares of the merging parties are relatively low. Given that the merged entity will still face strife competition, the CID concluded that the transaction is unlikely to result in a significant prevention or lessening of competition.
53. In view of the above conclusion, the CID took the view that the consideration of any vertical effects of the transaction will be merely academic as neither the merging parties



nor the merged entity have market shares which will confer market power to engage in any foreclosure post the transaction.

Determination

54. The CID, therefore, determined that the merger is not likely to substantially prevent or lessen competition in the Common Market or a substantial part of it, nor will it be contrary to public interest. The CID further determined that the transaction is unlikely to negatively affect trade between Member States.
55. This decision is adopted in accordance with Article 26 of the Regulations.

Dated this 15th day of April 2026

Commissioner Mahmoud Momtaz (Chairperson)

Commissioner Lloyds Vincent Nkhoma Commissioner Luyamba Kizito Mpamba

