EUROPEAN COMMISSION

Brussels, 22.7.2026
C(2026) 5432 final

PUBLIC VERSION

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus […]. Where possible the information omitted has been replaced by ranges of figures or a general description.

Public Investment Fund
The Public Investment Fund Tower,
Building 1.16, King Abdullah
Financial District
Al Aqiq district, Riyadh, 13519
Saudi Arabia

Subject: **Case M.12213 – PIF / ELECTRONIC ARTS**
Commission decision pursuant to Article 6(1)(b) of Council Regulation No 139/2004 ([1]) and Article 57 of the Agreement on the European Economic Area ([2])

Dear Sir or Madam,

(1) On 16 June 2026, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which Oak-Eagle AcquireCo, Inc. ("**AcquireCo**", United States, ultimately controlled by the Public Investment Fund of Saudi Arabia ("**PIF**" or "Notifying Party", Saudi Arabia), intends to acquire sole control of Electronic Arts Inc. ("**EA**", United States) (the "**Transaction**").[3] PIF and EA are collectively referred to as the "**Parties**".

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1 OJ L 24, 29.1.2004, p. 1 (the 'Merger Regulation'). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ('TFEU') has introduced certain changes, such as the replacement of 'Community' by 'Union' and 'common market' by 'internal market'. The terminology of the TFEU will be used throughout this decision.

2 OJ L 1, 3.1.1994, p. 3 (the 'EEA Agreement').

3 OJEU C/2026/3490, 1.7.2026.

1. THE PARTIES AND THE TRANSACTION

1.1. Description of the Parties

(2) **PIF** is the sovereign wealth fund of Saudia Arabia. It has direct and indirect investments in several sectors across Saudi Arabia and globally, including in the digital sector. PIF controls the Saudi Electronic Games Holding Company (active as the Savvy Games Group ("**Savvy**", Saudi Arabia) which is active in the video game industry. Savvy owns the following companies that are relevant to the Transaction:

(a) ESL FACEIT Group ("**EFG**", United Kingdom) is an electronic sport (hereafter "Esports")[4] company that organises tournaments, leagues, and events through Electronic Sports League ("**ESL**") and it owns FACEIT's Esports gaming platform for online multiplayer games. EFG also operates the brand DreamHack which provides Esports tournaments and gaming convention services.

(b) Scopely, Inc. ("**Scopely**", United States) is an interactive entertainment company that develops, markets and publishes mobile-first video games. Its mobile video games include Monopoly Go!, Pokémon GO, Stumble Guys, Yahtzee with Buddies and Marvel Strike Force.

(c) Steer Studios (Saudi Arabia) is a game development studio which focuses on mobile game development. It published one game so far: Grunt Rush.[5]

(3) **EA** is a global interactive entertainment company which develops, markets, and publishes video games, principally for consoles and PC, and related content and online services. Its franchises include Apex Legends, Battlefield, EA SPORTS FC (formerly FIFA), EA SPORTS Madden NFL and The Sims. In addition to its PC and console video games, EA publishes a range of mobile video games, of which the most successful in terms of revenue is EA Sports FC Mobile.[6]

1.2. Independence of PIF

(4) When investigating a transaction involving state-owned entities, the Commission assesses whether such entity constitutes a separate economic unit acting independently from the government of the respective country to determine the relevant scope for its competitive assessment.[7]

(5) In the present case, PIF submits that it is an instrumentality of Saudi Arabia with financial autonomy, as well as independence, in carrying out its investment management and day to day operational activities. According to the parties, PIF has no shares or shareholders and no individuals or entities hold shares or exercise voting rights in PIF as the fund is constituted as an independent legal personality under the laws of the Kingdom of Saudi Arabia, with a dedicated and independent executive management team responsible for executing its investment strategy and

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4 Electronic sports (often referred to as Esports) involves competitive video gaming events in an organised format, e.g., a tournament or league, with a specific goal or prize, such as winning a championship title or prize money. Esports encompass all video game genres, however defined, i.e., it is not limited to, e.g., sports-themed video games

5 Form CO, paragraph 32.

6 Form CO, paragraph 33 and paras.146-148.

7 In accordance with recital 22 of the Merger Regulation account has to be taken of undertakings making up an economic unit with independent power of decision, irrespective of the way in which their capital is held or of the rules of administrative supervision applicable to them, in order to respect the principle of non-discrimination between the public and private sectors.

managing its daily operations. PIF therefore submits that the perimeter of the competition assessment on the side of PIF consists solely of the companies controlled by PIF.[8]

(6) The Commission notes that the outcome of its competitive assessment is the same irrespective of whether PIF is considered on a standalone basis or as forming part of a single economic entity with other companies that are controlled by the Government of Saudi Arabia, as there are no other entities controlled or potentially controlled by the Government of Saudi Arabia that are active in the markets affected by the transaction or the inclusion of which in the assessment would lead to any additional affected markets.9 Since the competitive assessment is therefore the same even if PIF were to be considered as controlled by the Government of Saudi Arabia, the Commission does not need to take a view on this question.

1.3. The Transaction

(7) The Transaction consists of the acquisition of sole control by PIF over EA, pursuant to an Agreement and Plan of Merger dated 28 September 2025, according to which Oak-Eagle MergerCo, Inc., a wholly owned subsidiary of AcquireCo, will merge with and into EA, with EA being the surviving entity, for a total consideration of USD 55 billion. Upon completion, EA being the surviving entity, for a total consideration of USD 55 billion. Upon completion, EA will be ultimately indirectly owned by PIF ([…]%). Investment funds and/or vehicles managed and/or controlled by Silver Lake Group, L.L.C. ("**Silver Lake**") (approx. […]%) and A Fin Management LLC ("**Affinity Partners**") (approx. […]%) will acquire non-controlling minority shareholdings in EA.[10]

(8) Therefore, the Transaction constitutes a concentration within the meaning of Article 3(1)(b) of the Merger Regulation

2. UNION DIMENSION

(9) The undertakings concerned have a combined aggregate world-wide turnover of more than EUR 5 000 million [11] (PIF: EUR […]; EA: EUR […]). Each of them has a Union-wide turnover in excess of EUR 250 million (PIF: EUR […]; EA: EUR […]), but it is not the case that each of the undertakings concerned achieved more than two-thirds of their aggregate Union-wide turnover within one and the same Member State.

(10) The Transaction therefore has an EU dimension within the meaning of Article 1(2) of the Merger Regulation.

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8 Reply to RFI 8, question 2.

9 Id. The PIF controlled entity EFG organises the Esport World Cup (EWC), the rights for which are held by [details regarding EWC's ownership structure]. However, all revenues of the Esport Worlds Cup have already been attributed to PIF for the purposes of the competitive assessment as the organiser of this event.

10 Form CO, paragraph 41.

11 Turnover calculated in accordance with Article 5 of the Merger Regulation.

3. INDUSTRY OVERVIEW

(11) From a video game's[12] conception until the moment it is played by consumers, two main market activities can be distinguished: (i) game developing and publishing; and (ii) game distribution and marketing.[13]

a. Games are developed for PCs, game consoles, and mobile devices (such as smartphones and tablets). Game software development comprises the design, art, programming and testing of games, usually by one or more development studios. Game publishing involves making video games available to the public under various monetization models, including pay-to-play, free-to-play, or combinations of the two.

b. Game distribution involves the distribution of games to the public in either physical or digital form, through (i) physical retail (online and "brick-and-mortar" shops) and (ii) online download or streaming, via digital storefronts, app stores, and/or subscription services. In the case of physical distribution, games are distributed on physical media like cartridges or compact discs and sold online or in brick-and-mortar stores. In the case of digital distribution, games are distributed through online download and/or streaming.

(12) Linked to development and publishing of video games is also the organisation and commercialisation of Esports events, that can take place in person or online. Almost all events are live streamed or broadcast to reach a large and often global audience.[14]

(13) Esports tournaments are organised by video game publishers or owners of video game IP (first-party organisers) or third-party Esports event organisers (third-party organisers). They involve organising sponsorships, broadcasting, streaming and media rights, managing prize pools, securing venues, attracting players and selling tickets. For video game publishers, the principal aim of organising Esports competitions is to engage their most committed players and create widely distributed content, to drive the overall popularity (and commercial success) of the relevant games. In short, they are used as a form of marketing. In contrast, for third-party Esports event organisers, the principal aim is revenue maximization from the event itself (including from the distribution of content related to the event), mainly from sponsorship and broadcast fees, media distribution, service fees, ticket sales, merchandise, advertising and licensing fees.[15]

4. RELEVANT MARKETS

(14) The Transaction concerns the following fields of activity: (i) video game development and publishing, (ii) video game distribution and marketing, and (iii) the organisation and commercialisation of Esports events.

4.1. Game development and publishing

(15) Both Parties are active in the development and publishing of video games.

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12 The terms 'games' and 'video games' are used interchangeably in this decision.
13 Form CO, paragraph 77.
14 Form CO, paragraph 115.
15 Form CO, paragraph 192..

(16) As mentioned at paragraph 2 above, PIF is active in game development and publishing via companies controlled by its wholly owned subsidiary Savvy. Of the Savvy-owned companies, two are active in the development and publishing of video games: Scopely and Steer Studios. Scopely develops and publishes a range of mobile-first video games, including Monopoly Go!, Pokémon GO, Stumble Guys, Yahtzee with Buddies, and Marvel Strike Force. Steer Studios focuses on mobile game development and has so far published one mobile game: Grunt Rush.

(17) As mentioned at paragraph 3 above, EA develops and publishes video games principally for consoles and PC. In addition, EA publishes a range of mobile video games. Its franchises include Apex Legends, Battlefield, EA SPORTS FC (formerly FIFA), EA SPORTS Madden NFL and The Sims.

4.1.1. Product market

4.1.1.1. Past Commission decisions

(18) In *Activision Blizzard/King* the Commission considered potential segmentations of the market for video game publishing and development based on gaming platforms (i.e., PC games, console games and mobile games) but left the precise market definition open.[16]

(19) In *Microsoft/ZeniMax*, the Commission considered potential segmentations of the market for video game publishing and development based on: (i) gaming platforms; (ii) game genres (e.g. strategy, simulation, action, adventure, role-playing etc.); and (iii) type of games (e.g. premium "AAA" games[17], casual games). The Commission left the precise market definition open.[18]

(20) More recently, in *Microsoft/Activision Blizzard*, the Commission considered that the relevant product market was the development and publishing of PC and console video games, and that mobile games do not belong to the same product market. The Commission left open whether the market for the development and publishing of PC and console video games should be further segmented (i) between PC and console platforms, by (ii) game genres and (iii) game type. [19]

4.1.1.2. Notifying Party's views

(21) The Notifying Party submits that, consistent with the Commission's precedent in *Microsoft/Activision Blizzard*, the relevant video game development and publishing product markets are (i) console and PC video games and (ii) mobile video games.[20]

(22) As regards the development and publishing of console and PC games, the Notifying Party considers that it is not appropriate to segment it by genre or otherwise. The Notifying Party submits that segmentation by genre is challenging and imprecise, given that many games comprise a range of elements and the boundaries between genres are often blurred or arbitrarily categorized, making it difficult to allocate a game to a particular genre. In any event, the Notifying Party submits that the exact

16 Commission decision of 12 February 2016 in case M.7866 – *Activision Blizzard/King*, paras. 20 – 26.
17 AAA games are high-profile, high-budget games produced by well-known publishers.
18 Commission decision of 5 March 2021 in case M.10001 – *Microsoft/ZeniMax,* paras. 16 – 21.
19 Commission decision of 15 May 2023 in case M.10646 – *Microsoft/Activision Blizzard* ("Microsoft/Activision"), paras. 42 -84.
20 Form CO, paragraph 94.

product market definition can be left open as the Transaction will not raise any concerns under either level of segmentation.[21]

(23) As regards game types, the Notifying Party submits that there is no clear form of segmentation by game "type", and they do not have access to data that appropriately segments the market in relation to particular "types". In any event, the Notifying Party submits that the exact product market definition can be left open as a further segmentation by video game type will not change the competitive analysis.[22]

4.1.1.3. Commission assessment

(a) Segmentation based on platform

(24) The market investigation provided no clear support for segmenting the relevant market according to the three platforms (i.e., PC games, console games and mobile games) or for considering mobile games as distinct from games published for PCs and consoles.[23]

(25) With regard to demand substitution, market participants submitted mixed replies to the question of whether PC games, console games and mobile games are interchangeable from the perspective of gamers.

(26) Those market participants who submitted that PC games, console games and mobile games are not interchangeable from the perspective of gamers pointed to the different ways in which each platform operates, as well as the fact that they are directed to different types of gamers.[24]

(27) As for supply substitution, most respondents consider that a developer of video games for either (i) consoles; (ii) PCs or (iii) mobile can switch to developing games for another platform within a short timeframe (e.g. 6 to 12 months) and with a low investment.[25]

(28) In light of the above, for the purposes of this Decision, the Commission concludes that it can be left open whether the product market shall be further segmented between platform since the Parties only overlap as regards mobile video games and the Commission considers that the Transaction does not give rise to serious doubts with regard to its compatibility with the internal market regardless of the segmentation.

(b) Segmentation based on genre

(29) Most respondents consider that the segmentation of video games according to the genres retained by third-party Sensor Data (i.e. Action, Casino, Hypercasual, Kids, Match, Other, Party, Puzzle, Racing, Role-Playing Game, Shooting, Simulation, Sports, Strategy and Tabletop) is relevant, but for different reasons.[26] For example,

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21 Form CO, paragraph 97.

22 Form CO, paragraph 100.

23 Replies to Questionnaire Q1 to video games developers, publishers and distributors, questions D.A.A.1 and D.A.A.2.

24 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.A.A.2.1.

25 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.A.A.3.

26 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.A.A.5.

one respondent considers that it provides a fairly accurate definition of the type of game the customer is about to consume, and also notes that the GfK classification system uses similar segments. Another respondent explains that while such genre groupings may be a useful descriptive tool for market reporting, they do not constitute a reliable or relevant basis for delineating distinct product markets, and gamers do not regard these categories as defining separate, non-substitutable products.[27]

(30) Further, most respondents consider that games either compete equally irrespective of their genre, or that games generally compete across genres, but that competition is stronger between games of the same genre.[28]

(31) From the demand-side, respondents' views as regards a likely reaction by gamers in case of a price increase of a given game by e.g. 10%, were mixed. Some respondents consider that gamers would not switch to another game, while others indicated that gamers would switch to another game, irrespective of the genre.[29]

(32) As for supply-side substitutability, the replies to the market investigation were mixed regarding whether a developer that has so far only developed games of a certain genre (e.g. sports) could switch easily to developing games of another genre (e.g. strategy) within a short timeframe (e.g. 6 to 12 months) and with a low investment.[30]

(33) Overall, respondents were split as regards the question whether a segmentation of the market for the development and publishing of video games by genre is warranted with more respondents saying that no such distinction is warranted for PC/ console and mobile than respondents indicating that they consider such distinction appropriate.[31]

(34) In light of the above, for the purposes of this Decision, the Commission concludes that the product market definition can be left open with regard to a segmentation based on genre, as the Commission considers that the Transaction does not give rise to serious doubts with regard to its compatibility with the internal market regardless of the game genre.

4.1.1.4. Conclusion

(35) For the purposes of this decision, the precise scope of the market for the development and publishing of video games and any plausible further segmentation thereof can be left open, as the Transaction does not raise serious doubts as to its compatibility with the internal market or a substantial part of it regardless of the product market definition. The competitive assessment will be carried out at the following plausible levels: (i) by type of platform, and (ii) by genre.

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27 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.A.A.6.

28 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.A.A.7.

29 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.A.A.9.

30 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.A.A.10.

31 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.A.A.12.

4.1.2. Geographic market

4.1.2.1. Past Commission decisions

(36) In *Microsoft/ZeniMax*[32] and *Microsoft/Activision Blizzard*[33], the Commission concluded that the market for the development and publishing of video games is at least EEA-wide.

4.1.2.2. Notifying Party's view

(37) The Notifying Party submits that the geographic market definition can be left open between EEA-wide and worldwide, as no concerns will arise under either market definition.[34]

4.1.2.3. Commission assessment

(38) Most respondents to the market investigation indicated that the geographic market for the development and publishing of video games is worldwide, and at least EEA-wide, and also indicated that the geographic scope of the market would not change for possible segmentations by platform or game genre.[35]

4.1.2.4. Conclusion

(39) For the purposes of this decision, the precise geographic scope of the market for the development and publishing of video games and any plausible further segmentation thereof can be left open, as the Transaction does not raise serious doubts as to its compatibility with the internal market or a substantial part of it regardless of the geographic market definition. The competitive assessment will be carried out at the following plausible levels: worldwide and EEA-wide.

4.2. Game distribution and marketing

(40) Game distribution and marketing refers to the distribution of games to the public. In the case of physical distribution, games are distributed on physical media like cartridges or Blu-ray discs. In the case of digital distribution, games are distributed through online download and/or streaming.[36]

(41) Scopely distributes its mobile games primarily through third-party app stores like the Apple App Store, Google Play Store, and Facebook Instant Games. It also uses a proprietary platform, Playgami, which is not used to distribute any third-party games; Steer Studios distributes its only published game to date, Grunt Rush, through the Apple App Store and Google Play. Physical distribution is not a route to market for Scopely's or Steer Studio's games. [37]

(42) EA distributes all of its games digitally through its own platform, the EA App and its "EA Play" subscription service, as well as through third-party app stores (e.g., Apple App Store, Google Play) and the digital marketplaces of console-makers,

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32 Commission decision of 5 March 2021 in case M.10001 – *Microsoft/ZeniMax,* paragraph 25.
33 Commission decision of 15 May 2023 in case M.10646 -*Microsoft/Activision Blizzard,* paragraph 88.
34 Form CO, paragraph 101.
35 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.A.B.1.
36 Form CO, paragraph 105.
37 Form CO, paragraph 189.

such as PlayStation and Xbox. Further, EA sells physical (PC and console only) copies of its games. These are distributed via mass market retailers, specialty stores and through distribution arrangements, which in turn distribute the video games to the public.[38]

4.2.1. Relevant product market

4.2.1.1. Commission precedents

(43) In *Microsoft/ZeniMax*[39], the Commission considered whether the market for video game distribution should be segmented according to physical vs. digital distribution. Further, in relation to digital distribution, the Commission 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 Commission left open the product market definition as regards physical vs. digital distribution and a possible segmentation by gaming platforms, whereas it found that a segmentation by payment model and type of access was not warranted.

(44) In *Microsoft/Activision Blizzard*, the Commission concluded that the distribution of mobile video games does not belong to the same market as the distribution of PC and console video games, respectively.[40]

(45) Further, the Commission concluded that the market for the distribution of PC and console video games should not be segmented between physical and digital distribution,[41] nor based on payment model[42] or type of access (download vs. streaming).[43]

4.2.1.2. The Notifying Party's view

(46) The Notifying Party submits that the distribution of PC and console video games is separate from the distribution of mobile video games, with the former encompassing digital (both download and streaming) and physical distribution, and that no further distinction should be drawn depending on payment model (upfront payment vs. subscription). The Notifying Party further submits that, similarly, the distribution of mobile video games should not be further segmented.[44]

4.2.1.3. Commission assessment

(a) Segmentation between PC and console video games on the one hand and mobile games on the other hand

(47) Most respondents to the market investigation consider that the distribution of mobile games does not belong to the same product market as the distribution of PC and console games.[45] As one respondent explained: "*Mobile games continue to be distributed through distinct ecosystems, primarily app stores, which differ*

38 Form CO, paragraph 189.
39 Commission decision of 5 March 2021 in case M.10001 – *Microsoft/ZeniMax,* paragraphs 37 – 42.
40 Commission decision of 15 May 2023 in case M.10646– *Microsoft/Activision Blizzard*, paragraph 105.
41 Ibid., paragraph 100.
42 Ibid., paragraph 107.
43 Ibid., paragraph 109.
44 Form CO, paragraphs 106-107.
45 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.B.1.

significantly from the distribution channels used for PC and console games. These differences are reflected in access conditions, pricing models and platform constraints."[46]

(b) Further segmentations

(48) Most respondents consider that game distribution should not be further segmented based on the type of distribution (physical vs. digital), payment model or type of access (download, or streaming).[47] In essence, respondents point to the fact that these are merely different options available to consumers and interchangeable from the latter's perspective.[48]

4.2.1.4. Conclusion

(49) In light of the above, for the purposes of this decision, the Commission concludes that the distribution of mobile games does not belong to the same product market as the distribution of PC and console games, and that these product markets should not be segmented further.

4.2.2. Relevant geographic market

4.2.2.1. Commission precedents

(50) In *Microsoft/ZeniMax*, the Commission found that the geographic scope of the market for game distribution is at least EEA-wide, and possibly worldwide, regardless of possible segmentation between physical and digital distribution.[49] More recently, in Microsoft/Activision Blizzard the Commission left open whether the geographic scope of the market for the distribution of PC and video console games is worldwide or EEA-wide.[50]

4.2.2.2. The Notifying Party's view

(51) The Notifying Party indicates that the Commission has previously considered that the geographic scope of the market for video game distribution is at least EEA-wide and possibly worldwide and considers that scope may equally be left open in the present case.[51]

4.2.2.3. Commission assessment

(52) Most respondents to the market investigation submitted that the geographic market for game distribution is worldwide, or at least EEA-wide. Said respondents similarly indicated that the geographic scope of the market would not change if it were further segmented based on the type of distribution (physical vs. digital), payment model or game delivery mechanism.[52]

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46 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.B.1.1.
47 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.B.2.
48 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.B.2.1.
49 Commission decision of 5 March 2021 in case M.10001 – *Microsoft/ZeniMax,* paragraphs 45 – 47.
50 Commission decision of 15 May 2023 in case M.10646– *Microsoft/Activision Blizzard*, paragraphs 112-114.
51 Form CO, paragraph 111.
52 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question D.A.1.

(53) In light of the above, for the purposes of this Decision, the Commission concludes that the geographic market definition can be left open between EEA-wide and worldwide, as the Commission considers that the Transaction does not raise serious doubts as to its compatibility with the internal market or a substantial part of it under any plausible product market definition.

4.3. Organization and commercialisation of Esports events

(54) PIF, through Savvy, controls EFG, an Esports company that organises tournaments, leagues and events, providing platforms for video game players and fans to connect, each related to the commercialization of video games via competitive play. EFG combines ESL's activities relating to the organisation and commercialisation of Esports events and FACEIT's competitive Esports gaming platform for online multiplayer games. EFG also operates an additional brand, DreamHack, which provides Esports tournaments and gaming convention services. [53]

(55) EFG does not develop or publish video games. It acquires (typically through licensing) the IP rights to organise Esports events for game titles from the game publisher or other rights owners.[54] Among other events, EFG is the official organising partner of the Esports World Cup and also organises the Intel Extreme Masters competition series, which features professional gamers in titles like Counter-Strike 2 and StarCraft II.[55]

(56) Further, through Savvy, PIF jointly controls Hero Esports (formerly known as VSPN and VSPO), a company that is also active in the organisation and commercialisation of Esports events and tournaments, primarily in China.[56]

(57) Finally, also through Savvy, PIF is in the process of acquiring Shangai Moonton Technology ("Moonton"), a Chinese video game company focused on mobile-only video games. Moonton is known for its mobile-only game Mobile Legends: Bang Bang, which represents the […].[57]

(58) EA hosts Esports events for some of its own games, as one marketing tool among many other marketing initiatives. As part of EA's marketing efforts, EA organises Esports programs for three of its video game franchises: Apex Legends (a shooter video game), EA SPORTS FC (a global football (soccer) video game series) and EA SPORTS Madden NFL (an American football sports video game series). EA also has plans to [information regarding EA's plans in relation to Esports events for its titles].[58]

(59) Further, EA generally grants licenses for its titles to third parties for the organisation of Esports events on an event-by-event basis. That said, EA has also granted […] licenses for the organisation of Esports events for one or several of its titles to […].[59] Unlike PIF, EA does not organise Esports events for games that it does not own.

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53 Form CO, paragraph 198.
54 Form CO, paragraph 91.
55 Id.
56 Form CO, paragraph 198.
57 Form CO, paras. 167 and 169.
58 Form CO, paragraph 199.
59 Form CO, paragraph 201.

4.3.1. Relevant product market

4.3.1.1. The Commission's decisional practice

(60) The Commission has not previously defined a product market for the organisation and commercialisation of Esports.

4.3.1.2. The Notifying Party's views

(61) The Notifying Party submits that the relevant market is the market for the organisation and commercialisation of Esports events, and that it comprises the full range of Esports services necessary to deliver Esports tournaments and entertainment, i.e.: (i) the organisation and operation of Esports events (i.e., Esports tournaments, leagues, and other competitions), as well as the production and capture of live content from the event to be used for live-streaming and broadcasting; and (ii) the commercialisation of Esports events (e.g., revenues from sponsorship deals and media rights distribution agreements relating to Esports events). [60]

(62) The Notifying Party considers that the commercialisation of Esports events is part of the relevant product market, in essence because the sponsorship and media rights distribution agreements in question are contingent upon, and directly tied to, the Esports events to which they relate, and that a further segmentation of the market for the organisation and commercialisation of Esports events is not warranted.[61]

4.3.1.3. Commission assessment

(63) All respondents to the market investigation submitted that the organisation of Esports events and the commercialisation thereof belong to the same relevant market.[62] Most respondents also indicated that the market for the organisation and commercialisation of Esports events is separate from the organisation and commercialisation of other events not related to Esports.[63]

(64) Further, most respondents indicated that the market should not be further segmented: (i) between first-party organisers and third-party organisers of Esports events, nor (ii) by genre (e.g., sports-related games, shooter games, MOBA (Multiplayer Online Battle Arena) games.[64]

(65) However, most respondents consider that a developer/publisher of video games cannot organise its own Esports events within a reasonably short period of time and for a low investment in case it does not want to use a third-party Esports events organiser.[65] As one respondent explained: "*The ability of a game publisher to organise an esports event depends primarily on the scale and complexity of the event. Small online tournaments may be organised internally within a relatively short period of time. In contrast, major international esports events require extensive planning, experienced operational teams, broadcast production, venue*

60 Form CO, paras. 115-117.
61 Form CO, paragraphs 117 and 126-129.
62 Replies to Questionnaire Q1 to Esports event organisers, question D.A.A.1.
63 Replies to Questionnaire Q1 to Esports event organisers, question D.A.A.2.
64 Replies to Questionnaire Q1 to Esports event organisers, questions D.A.A.4; D.A.A.8; and D.A.A.12.
65 Replies to Questionnaire Q1 to Esports event organisers, question D.A.A.7.

management, logistics, travel coordination, technical infrastructure and significant financial resources."[66]

(66) For the purposes of this Decision, the Commission concludes that there is a separate product market for the organisation and commercialisation of Esports events. The question whether said market can be further segmented along the lines discussed in paragraph 64 can be left open as it would not change the competitive assessment.

4.3.2. Relevant geographic market

4.3.2.1. The Commission's decisional practice

(67) The Commission has not previously defined the geographic scope of a market for the organisation and commercialisation of Esports events.

4.3.2.2. The Notifying Party's views

(68) Because Esports events take place on a cross-border basis and almost all in-person events are often live-streamed or broadcast online with no linguistic barriers in most countries, the Notifying Party submits that the market for the organisation and commercialisation of Esports events is global in scope, except for China.[67]

(69) The Notifying Party submits that China could be seen as a separate market due to distinct regulatory and structural barriers. As a result, the majority of Esports revenues and activities in China are generated by local companies. Further, the Chinese Esports market is characterised by language barriers and distinct consumer preferences, with certain games and platforms (e.g., Huya) directing the market, which are not available outside of China, either at all or to any significant extent.[68]

(70) In any event, the Notifying Party submits that the geographic market definition can be left open given the lack of competition concerns.[69]

4.3.2.3. Commission assessment

(71) All respondents to the market investigation indicated that the geographic market for the organisation and commercialisation of Esports events, as well as the potential segments thereof, is worldwide.[70]

(72) For the purposes of this Decision, the Commission will consider the relevant geographic market as worldwide (excluding China, for the reasons set out at paragraphs 68 and 69 above).

4.4. Overall conclusion on market definition

(73) Based on the above, and in view of the activities of the Parties, the Commission identifies the following plausible product markets for the purposes of assessing the Transaction:

a. The overall market for video game development and publishing.

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66 Replies to Questionnaire Q1 to Esports event organisers, question D.A.A.7.1.
67 Form CO, paragraph 136.
68 Form CO, paragraph 137.
69 Form CO, paragraph 136.
70 Replies to Questionnaire Q1 to Esports event organisers, question D.A.B.1.

b. The potential market for the development and publishing of PC and console video games, as well as the following potential segments thereof: Action, Casino, Hypercasual, Kids, Match, Other, Party, Puzzle, Racing, Role-Playing Game, Shooting, Simulation, Sports, Strategy and Tabletop.

c. The potential market for the development and publishing of mobile video games, as well as the following potential segments thereof: Action, Casino, Hypercasual, Kids, Match, Other, Party, Puzzle, Racing, Role-Playing Game, Shooting, Simulation, Sports, Strategy and Tabletop.

d. The market for the distribution of mobile video games.

e. The overall market for the organisation and commercialisation of Esports events.

f. The potential market for the third-party organisation and commercialisation of Esports events.

(74) The Commission will consider said product markets both at worldwide level and at EEA level, except for the markets for the organisation and commercialisation of Esports events, which will be considered at global level (excluding China).

5. COMPETITIVE ASSESSMENT

5.2. Introduction

(75) Under Article 2(2) and (3) of the Merger Regulation, the Commission must assess whether a proposed concentration would significantly impede effective competition in the internal market or in a substantial part of it, in particular through the creation or strengthening of a dominant position.

(76) In this respect, a merger may entail horizontal and/or non-horizontal (namely, vertical or conglomerate) effects. Horizontal effects are those deriving from a concentration where the undertakings concerned are actual or potential competitors of each other in one or more of the relevant markets concerned. Vertical effects are those deriving from a concentration where the undertakings concerned are active on different or multiple levels of the supply chain. Conglomerate effects are those deriving from a concentration where the undertakings concerned are in a relationship which is neither horizontal nor vertical. A concentration may involve all three types of effects. In such a case, the Commission will appraise horizontal and non-horizontal effects in accordance with the guidance set out in the Horizontal Merger Guidelines[71] and the Non-Horizontal Merger Guidelines.[72]

(77) In assessing the competitive effects of a merger, the Commission compares the competitive conditions that would result from the notified merger with the conditions that would have prevailed without the merger. In most cases, the competitive conditions existing at the time of the merger constitute the relevant comparison for evaluating the effects of a merger. However, in some circumstances,

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71 Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings (‘**Horizontal Merger Guidelines’**), OJ C31, 5.2.2004, p. 5.

72 Guidelines on the assessment of non-horizontal mergers under the Council Regulation on the control of concentrations between undertakings (‘**Non-Horizontal Merger Guidelines’**), OJ C 265, 18.10.2008.

the Commission may take into account future changes to the market that can reasonably be predicted.[73]

5.3. Market shares

5.3.1. Horizontal overlaps

(78) The Transaction results in horizontal overlaps for 15 potential market segments listed below. However, none of these overlaps give rise to affected markets within the meaning of paragraph 25(g) of Annex I to Regulation (EU) 2023/914 [74], as they meet the conditions for review under point 5 of the Notice on Simplified Procedure[75] or benefit from the flexibility clauses of point 8 of the Notice on Simplified Procedure, as can be seen from Table 1 below. Therefore, these overlaps will not be further discussed in this decision.

[73] Horizontal Merger Guidelines, paragraph 9; Non-Horizontal Merger Guidelines, paragraph 20.

[74] Commission Implementing Regulation (EU) 2023/914 of 20 April 2023 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings and repealing Commission Regulation (EC) No 802/2004, OJ L 119, 5.5.2023, p. 22.

[75] Commission Notice on a simplified treatment for certain concentrations under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings 2023/C 160/01, OJ C 160, 5.5.2023, p. 1. (the 'Notice on Simplified Procedure')

Table 1: Market shares (2025)

Market / segment	Geographic area	PIF share	EA share	Combined	Delta HHI	Condition met
Development and publishing of video games overall	Worldwide	[0-5]%	[0-5]%	[5-10]%	<150	Point 5(d)(i)(aa)
Development and publishing of video games overall	EEA[76]	[0-5]%	[5-10]%	[5-10]%	<150	Point 5(d)(i)(aa)
Development and publishing of video games on PC and console	Worldwide	[0-5]%	[20-30]%	[20-30]%	<150	Point 5(d)(i)(bb)
Development and publishing of video games on PC and console	EEA[77]	[0-5]%	[20-30]%	[20-30]%	<150	Point 5(d)(i)(bb)
Development and publishing of mobile video games	Worldwide	[0-5]%	[0-5]%	[5-10]%	<150	Point 5(d)(i)(aa)
Development and publishing of mobile video games	EEA	[0-5]%	[0-5]%	[5-10]%	<150	Point 5(d)(i)(aa)
Development and publishing of mobile video game, Puzzle genre	Worldwide	[0-5]%	[0-5]%	[0-5]%	<150	Point 5(d)(i)(aa)
Development and publishing of mobile video games, RPG genre	Worldwide	[0-5]%	[5-10]%	[5-10]%	<150	Point 5(d)(i)(aa)
Development and publishing of mobile video games, RPG genre	EEA	[0-5]%	[10-20]%	[10-20]%	<150	Point 5(d)(i)(aa)
Development and publishing of mobile video games, Simulation genre	Worldwide	[0-5]%	[0-5]%	[0-5]%	<150	Point 5(d)(i)(aa)
Development and publishing of mobile video games, Simulation genre	EEA	[0-5]%	[0-5]%	[0-5]%	<150	Point 5(d)(i)(aa)
Distribution of mobile video games[78]	Worldwide	[0-5]%	[0-5]%	[5-10]%	<150	Point 5(d)(i)(aa)
Distribution of mobile video games [79]	EEA	[0-5]%	[0-5]%	[5-10]%	<150	Point 5(d)(i)(aa)
Organization and commercialisation of Esports events	Worldwide (excluding China)	[10-20]%	[0-5]%	[20-30]%	<150	Point 5(d)(i)(bb)
Organization and commercialisation of Esports events	EEA-wide	[10-20]%	[0-5]%	[10-20]%	N/A	Point 5(d)(i)(aa)

Source: Response to RFI 5, question 3 and updated Annex 6 to the Form CO (18 June 2026).

76 Reply to RFI 5, Updated annex 6 (18 June 2026). The Notifying Party explains that market size data is not available for the EEA and that it therefore provides estimates for Western Europe, whilst adding that, to the best of the Parties' knowledge, these market shares would not vary materially if calculated on an EEA-wide basis

77 Id.

78 Reply to RFI 9.

79 Id.

5.3.2. Vertical links

(79) The Commission notes that, apart from two vertical relationships which will be discussed below, each Party's market share is lower than 30% in any plausible market segment which would give rise to any vertical links brought about by the Transaction.[80] Therefore, only the remaining vertical links will be further discussed in this decision.

(80) The first vertical relationship that is affected consists of EA's activities in an upstream market segment for the development and publishing of PC and console video games that is limited to the sports genre, where EA had a share of [60-70]% globally and [80-90]% on an EEA-wide basis in 2025. PIF, on the other hand, had an estimated [40-50]% market share on a downstream market segment for the organisation and commercialisation of third-party Esports events globally (excluding China) in 2024. [81]

(81) The second vertical relationship consists of EA's activities in an upstream market segment for the development and publishing of PC and console video games that is limited to the shooter genre where EA's market share was [30-40]% in 2025 (increasing from [20-30]% in 2024) and [30-40]% in the EEA (increasing from [10-20]% in 2024). The vertically affected downstream market is the same as in the first vertical relationship, notably market segment for the organisation and commercialisation of third-party Esports events globally (excluding China), where PIF had a [40-50]% market share in 2024.[82]

5.4. Vertical effects

5.4.1. Legal framework

(82) According to the Non-Horizontal Merger Guidelines, non-coordinated effects may significantly impede effective competition as a result of a vertical merger if such merger gives rise to foreclosure. Foreclosure occurs where actual or potential competitors' access to supplies or markets is hampered or eliminated as a result of the merger, thereby reducing those companies' ability and/or incentive to compete.[83] Such foreclosure may discourage entry or expansion of competitors or encourage their exit.[84]

(83) The Non-Horizontal Guidelines distinguish between two forms of foreclosure. Input foreclosure occurs where the merger is likely to raise the costs of downstream competitors by restricting their access to an important input. Customer foreclosure occurs where the merger is likely to foreclose upstream competitors by restricting their access to a sufficient customer base.[85]

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80 Form CO, Tables 24 and 25 and Annex 6.

81 Reply to RFI 5, Updated annex 6 (18 June 2026).

82 Reply to RFI 5, Updated annex 6 (18 June 2026).The Parties were not in a position to replicate the 2024 market shares provided for the market for the market segment for the organisation and commercialisation of third-party Esports events globally (excluding China) for the years 2022, 2023 and 2025 but have confirmed PIF's market share in this market segment would not differ materially for any of such calendar years.

83 Non-Horizontal Merger Guidelines, paragraph 18.

84 Non-Horizontal Merger Guidelines, paragraph 29.

85 Non-Horizontal Merger Guidelines, paragraph 30.

(84) In assessing the likelihood of an anticompetitive foreclosure scenario, the Commission examines, first, whether the merged entity would have, post-merger, the ability to substantially foreclose access to inputs or customers, second, whether it would have the incentive to do so, and third, whether a foreclosure strategy would have a significant detrimental effect on competition. In practice, these factors are often examined together as they are closely intertwined.[86]

(85) The Commission assessed, first, whether the Transaction gives rise to input foreclosure concerns on the downstream market for the organisation and commercialisation of third-party Esports events, and, second, whether the Transaction gives rise to customer foreclosure concerns on the upstream market for the development and publishing of PC and console video games for the sports and/or shooter genres.

5.4.2. Foreclosure of rival Esports events organizers by restricting access to EA's video games in the sport and/or shooter genre

(86) In its market investigation, the Commission has sought to verify if the Parties have the ability and incentive to foreclose PIF's main competitors in the downstream market for the organisation and commercialisation of third-party Esports events by (i) totally restricting their access to EA's PC and console video games for the sports genre and reserving said games to PIF's Esports events; or by (ii) degrading the terms under which EA's sports video games are made available to other Esports event organizers (e.g. by increasing licensing costs, making certain features of EA's games exclusively available only for PIF's events, or exclusively available through PIF's events only for a certain period of time).

5.4.2.1. Ability to foreclose

5.4.2.1.1. The Notifying Party's views

(87) The Notifying Party submits that PIF/EA does not have the ability to foreclose organisers of third-party Esports events, for the following reasons.

(88) First, EA's titles would not be a competitively significant input for Esports events. From all EA's video games, only three, Apex Legends, EA SPORTS FC, and EA SPORTS Madden NFL, would feature in professionally organized Esports competitions, and all three of these games would face considerable competition from other video games for the purposes of attracting Esports players and viewers. By comparison, the Notifying Party points out, Valve publishes the two leading Esports games, Dota 2 and Counter Strike, based on awarded prize money. Other publishers with multiple titles in the top 20, the total prize pools of which each exceed those of EA games, would include Epic Games, Krafton, Microsoft/ Activision-Blizzard and Tencent/ Riot Games. As such, even if EA refused to licence its titles for events organised by other Esports organisers (e.g., if EA were to exclusively use EFG), there would be no impact on rival Esports platforms because there are numerous attractive alternative games which they could (and already do) feature instead. [87]

(89) Second, even considering a narrow hypothetical segment for sports titles in PC and console video games as an input to third-party Esports providers, EA's sports game

86 Non-Horizontal Merger Guidelines, paragraph 32.

87 Form CO, paras. 212-214.

titles would not constitute an important input, as: (a) games that can be characterised as belonging to the sports genre itself are not an important input for Esports events; (b) there is robust competition for sports-focused games for Esports events, across a range of different sports; (c) there are numerous, successful, sports-focused Esports events that do not feature EA's games; (d) even of those Esports events that do feature EA's sports-focused games, many feature other (non-EA) sports-focused games; and (e) even considering EA's most popular game in isolation, EA SPORTS FC, it is not a critical input for sports events and even for football-related Esports events.[88]

(90) Further, the Notifying Party submits that sports games face structural limitations in the context of Esports tournaments compared to MOBA, Shooters and Battle Royale games, all battle games. The leading Esports MOBA, Shooters and Battle Royale games would, by design, be suited for Esports, and would be managed to serve the purpose of the Esports community, including through game updates, community engagement and competitive seasons. To the contrary, sports games would be designed primarily as mass-market casual experiences.[89]

5.4.2.1.2. Commission assessment

(91) In line with the Notifying Party's submissions, respondents to the market investigation confirmed that EA's games are not an essential input for any Esport event, with most respondents indicating that EA's video games are not essential or important but "nice to have" for the organisation of an Esports event.[90] In essence, the respondents that expressed a view explained that while EA's titles are attractive for Esports events organisers, there are numerous successful competitive titles published by different companies, and Esports events organizers can build successful events, leagues, and commercial programs using a variety of licensed game properties.[91]

(92) In line with the above responses, most respondents have indicated that, if it would no longer be possible to obtain a license for any of EA's video games in their Esports events, they would either switch to another popular video game that they could obtain a license for, or that it would not impact their business.[92]

(93) Having regard to the above, the Commission concludes that the merged entity would lack the ability to substantially foreclose third-party organisers of Esports events by restricting access to EA's video games, including as regards the sport and shooter genres.

5.4.2.2. Incentive to foreclose

5.4.2.2.1. The Notifying Party's views

(94) The Notifying Party submits that PIF will lack a financial incentive to withhold EA game titles from other Esports organisers as it would be economically irrational. EA's objective is to use Esports to drive as much brand awareness and engagement with its titles as possible. In this context, EA would have a compelling economic

88 Form CO, paras. 215-229.
89 Form CO, para. 216.
90 Replies to Questionnaire Q1 to Esports event organisers, question E.A.3.
91 Replies to Questionnaire Q1 to Esports event organisers, question E.A.3.1.
92 Replies to Questionnaire Q1 to Esports event organisers, question E.A.5.

incentive to continue to work with third-party organisers of Esports events who are best placed to maximise the marketing impact of EA's Esports events. [93]

(95) These incentives would not change following completion of the Transaction: PIF/EFG and EA would continue to have a compelling economic incentive to license EA's games as widely as possible across the Esports segment to drive the overall long-term success of its key gaming assets (in what is a highly innovative and dynamic market for gaming titles). Indeed, as EFG would have a […] presence in the EEA, a foreclosure strategy would be commercially irrational as it would only serve to significantly limit the opportunities available to EA to use Esports to market and enhance gamer engagement with its games across the EEA.[94]

5.4.2.2.2. Commission assessment

(96) In line with the Notifying Party's submissions, no respondent to the market investigation indicated that PIF would have the incentive following the Transaction to prevent competing Esports event organisers from getting access to EA's video games.[95] As one respondent explained: "*There is not enough money to be made in esports event production compared to the value of the marketing benefit of an EA title being in an esports event organized by a third party*."[96] Similarly, another respondent indicated that: "*Restricting access to EA titles could strengthen exclusive tournament ecosystems but could also reduce the overall reach of those games, limit community engagement and decrease commercial opportunities generated through third-party events*."[97]

(97) Therefore, the Commission takes the view that the merged entity would not have an incentive to foreclose rival Esports event organisers.

5.4.2.2.3. Conclusion

(98) In light of the above, the Commission considers that the merged entity would lack both the ability and the incentive to substantially foreclose third-party organisers of Esports events by restricting access to EA's video games, including as regards the sport and shooter genres.

5.4.3. Foreclosure of rival PC or console developers and publishers of PC and console video games by refusing them access to downstream Esports event organisers

(99) As explained at Section 5.2.2 above, the Transaction gives rise to a vertical relationship between EA's activities in the upstream market for the development and publishing of PC and console games and PIF's activities downstream in the organisation and commercialisation of Esports events.

(100) In its market investigation, the Commission has sought to verify if the Notifying Party has the ability and incentive to foreclose competing distributors of console and PC video games by restricting their access to PIF's Esport events.

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93 Form CO, paras. 230-232.

94 Form CO, para. 233.

95 Replies to Questionnaire Q1 to Esports event organisers, question E.A.6.

96 Replies to Questionnaire Q1 to Esports event organisers, question E.A.6.1.

97 Id.

5.4.3.1. Ability to foreclose

5.4.3.1.1. The Notifying Party's views

(101) The Notifying Party submits that it would not have the ability to foreclose any rival video game publisher, including in the sports genre, for the following reasons.

(102) First, Esports events would be only one of the many ways in which a game publisher can market their games. Further, many of the best-selling video games of all time have not featured prominently in Esports events, or even in an Esport event at all.[98]

(103) Second, EFG, as a third-party organiser, would compete in a highly dynamic and competitive segment with many other highly effective Esports organisers. As a result, video game publishers would have access to a wide range of competitive options when looking for third-party organisers to support their own in-house Esports events or when considering licensing out their games to third-party Esports organisers for commercialisation by these third-party organisers.[99]

(104) Third, game publishers would be able and do organize their own Esports events, including Epic Games, Garena, Sony, Tencent, and Ubisoft, among others. For example, Tencent / Riot Games would organize the League of Legends World Championship, while Ubisoft runs Esports events for Rainbow Six Siege and Brawlhalla. The League of Legends World Championship would consistently achieve massive viewership, surpassing 6.7 million concurrent viewers at its peak.[100]

(105) In short, the Notifying Party submits that video game publishers are not dependent upon EFG or FACEIT. If EFG were to hypothetically refuse to provide Esports services to video game publishers, it would have no impact because video game publishers have numerous alternatives to which they can turn to market their product, including numerous Esports alternatives. This would include using the services of a variety of other Esports organizers, organizing events themselves, or organizing the events by using the services of white label providers.[101]

5.4.3.1.2. Commission assessment

(106) In line with the Notifying Party's submissions, all respondents to the market investigation that expressed a view indicated that their company would not be affected should PIF (EFG, […] or Hero Esports) decide to no longer organise third party Esports events and to only act as first party Esports event organiser for EA video games.[102] Several respondents indicated that there are multiple competing event organizers in the market. Moreover, game developers have the capability to organize events on their own, and there are many examples of successfully held events.[103]

98 Form CO, paras. 236-237.
99 Form CO, paras. 238-239.
100 Form CO, para. 241.
101 Form CO, para. 242.
102 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question E.C.3.
103 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question E.C.3.1.

(107) Further, all respondents that expressed a view consider that there are viable alternatives to PIF's third party Esports events.[104]

(108) For the reasons set out above, the Commission considers that the Notifying Party would not have the ability to foreclose competing developers and publishers of console and PC video games by restricting access to PIF's Esports events.

5.4.3.2. Incentive to foreclose

5.4.3.2.1. The Notifying Party's views

(109) The Notifying Party submits that it would be economically irrational for it to foreclose or disadvantage rival game developers or publishers, for the following reasons.

(110) First, Esports organisers would generate revenue by hosting events with the most popular titles to attract the greatest number of participants and viewers. EA's titles would not be leading Esports titles, accounting for a […] proportion of events, viewership and prize pools across all Esports events globally.[105]

(111) Second, EFG would make the vast majority of its revenues from sponsors, rather than game publishers. Such sponsors would seek to reach the largest possible audience for their products. None of EA's games is a top 10 Esports game, with Apex Legends representing [0-5]% of total peak viewers in 2024, EA SPORTS FC representing [0-5]% of total peak viewers in 2024, and EA SPORTS Madden NFL a significantly smaller [0-5]%. If EFG therefore withheld Esports organizing from video game publisher rivals of EA, its Esport events would reach significantly fewer consumers, be correspondingly less attractive, and would therefore generate less revenue from sponsors. There would be no reason to suspect significant diversion from events featuring leading Esports titles like League of Legends, Counter-strike, Valorant, or Dota 2 to events featuring EA video games, given that EA's titles have been significantly less prominent in Esports. Nor would EFG recoup the lost revenue through greater sales of EA games. Esports is not a critical input to video game publishing, and thus disadvantaging other game publishers in Esports would not result in greater sales of EA games.[106]

5.4.3.2.2. Commission assessment

(112) The Commission considers that the merged entity would not have the financial incentive to engage in a foreclosure strategy by restricting or degrading the access to PIF's Esports events downstream.

(113) First, there are multiple competing third-party Esports event organizers that constitute viable alternatives for competing game developers and publishers. These include BLAST ApS, NODWIN Gaming, PGL Esports and WePlay Esports.[107] Further, there are multiple competing game developers with games that are more prominent in Esports than EA's titles. These include Epic Games, Garena, Microsoft, Sony, Tencent, Ubisoft and Valve.[108] There is therefore no reason to

104 Replies to Questionnaire Q1 to video games developers, publishers and distributors, question E.C.4.
105 Form CO, paras. 271, 275 and 278.
106 Form CO, para. 273.
107 Form CO, para. 205; updated Annex 6 to the Form CO (18 June 2026)
108 Idem.

suspect significant diversion from events featuring leading Esports titles to events featuring EA video games.

(114) Second, if PIF withheld Esports organizing from video game publisher rivals of EA, its Esport events would reach significantly fewer consumers, be correspondingly less attractive, and would therefore generate less revenue from sponsors, that account for the vast majority of revenues from the organisation and commercialisation of Esports events.

5.4.3.3. Conclusion

(115) In light of the above, the Commission considers that the merged entity would lack both the ability and the incentive to substantially foreclose competitors of EA's video games by restricting or degrading the access to PIF's Esports events.

6. CONCLUSION

(116) For the above reasons, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation and Article 57 of the EEA Agreement.

For the Commission

(Signed)
Teresa RIBERA
Executive Vice-President