

Game Agrees to Sports Direct Takeover

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Game Digital agrees to the £52 million takeover by Sports Direct, possibly paving the way for the creation of purpose-built gaming arenas in Hosue of Fraser stores.

A statement has the Game board admit it had no option but to accept the offer from the Mike Ashley-owned retailer, even if it was "disappointed" Sports Direct issued its offer document unilaterally even as discussions were ongoing. However the board concluded the Sports Direct offer represented a "fair value" for the group, and in any case Game was already reliant on Sports Direct for future growth. For instance, Game plans to open a network of live gaming arenas in stores under the Belong brand.

"In coming to this recommendation, the board has considered the growing size of Sports Direct's shareholding in the Group and the reliance Game has on Sports Direct for supporting its future growth prospects combined with the ongoing industry headwinds, current negative retail market outlook and the likely elongated current console lifecycle which are expected to impact the future financial performance of the group," the Game board continues.

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