

Sumo Group PLC

09:07 15 Nov 2019

Sumo surges as Chinese giant Tencent takes 10% stake

Shares in video game developer Sumo Group PLC (LON:SUMO) soared on Friday after it revealed that Chinese group Tencent, the world's largest gaming company, has purchased a 10% stake in the firm.

"We are delighted that Tencent have chosen to acquire a shareholding in the Company, and we look forward to working with Tencent to explore co-development opportunities", said Sumo chief executive Carl Cavers.

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Tencent has acquired its holding in the company from private equity group Perwyn, which following the sale now owns 17.4% of Sumo.

Analysts at Peel Hunt, which rate Sumo at a 'buy' rating with a 200p target price, said Tencent's involvement "could enable Sumo to have stronger relationships in China with respect to both launching its own games in the region, but also gaining new clients for its core co-dev model".

The news drove Sumo's shares 7.1% higher to 165p in early deals.

Price: 194.5

Market Cap: £292.92 m

1 Year Share Price Graph



January 2019 July 2019 January 2020

Share Information

Code: SUMO

Listing: AIM

52 week High Low
205 118

Sector: Tech

Website: www.sumogrouplc.com

Company Synopsis:

Sumo Digital is one of the UK's largest independent developers of AAA-rated video games, providing both turnkey and co-development solutions to an international blue chip client base.

action@proactiveinvestors.com

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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