

## Glu Mobile lands big China deal that could signal expansion

April 30 2015

---



In this March 19, 2014 file photo, Pony Ma Huateng, Chairman and CEO of Tencent Holdings Ltd., attends a press conference to announce his companies' annual results in Hong Kong. A \$126 million investment from Tencent sent shares of Glu Mobile soaring almost 30 percent before the opening bell Thursday, April 30, 2015. (AP Photo/Kin Cheung, File)

A \$126 million investment from a Chinese gaming company sent shares of Glu Mobile soaring almost 20 percent Thursday.

Tencent Holdings Ltd., based in Shenzhen, a booming city that borders

Hong Kong, acquired 21 million shares at \$6 each. With a 14.6 percent stake, it is now Glu Mobile's largest shareholder.

It's been a busy week for the San Francisco gamemaker.

After topping Wall Street expectations for the first quarter Wednesday, Glu said it had added to its stable of celebrity-focused games by cutting a five-year deal with Britney Spears. The company already has deals with Kim Kardashian and Katy Perry.

With Tencent's backing, it appears that Glu is going to broaden its presence in China, said Benchmark analyst Mike Hickey.

"The effective localization and publishing of a celebrity related mobile game for the China market could provide a significant performance boost," Hickey said.

Shares of Glu Mobile Inc. jumped \$1.12 to \$6.52 in afternoon trading.



In this Nov. 5, 2014 file photo, singer Britney Spears appears on stage at The LINQ Promenade in Las Vegas. Spears is joining Kim Kardashian and Katy Perry on Glu Mobile's roster of celebrity mobile games, the company said on Wednesday, April 29, 2015. (Photo by Jeff Bottari/Invision/AP, File)

© 2015 The Associated Press. All rights reserved.

Citation: Glu Mobile lands big China deal that could signal expansion (2015, April 30) retrieved 19 April 2024 from <https://phys.org/news/2015-04-glu-mobile-big-china-expansion.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.