Chinese firm buys majority of gay dating app Grindr

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A Chinese gaming firm has bought a controlling stake in the hugely popular US gay dating app Grindr, despite homosexuality remaining a sensitive subject in the Asian giant.

Grindr, which calls itself "the largest network for gay men in the world", has millions of users globally. It is renowned for facilitating hook-ups, helping potential partners connect via photos, messaging and location details.

Its search criteria include body type, ethnicity or "Tribe": Bear, Clean-Cut, Daddy, Discreet, Geek, Jock, Leather, Otter, Poz, Rugged, Trans or Twink.

Beijing Kunlun Tech's soared 10 percent—their daily limit—on the Shenzhen stock exchange on Tuesday after it announced the $93 million deal.

Grindr is already available in China, and in a statement to the exchange Kunlun Tech—one of China's biggest designers and operators of online games—suggested it might be interested in the company as much for its networking technology, as for its particular niche specialisation.

"This investment in a social networking platform will further improve the company's strategic layout in the global Internet market," the statement said.

It added that its own experience operating Internet products in overseas markets, such as games, would help Grindr's business grow.

Los Angeles-based Grindr was founded in 2009 and the gay dating application—versions of which are tailored for Apple or Android devices—says it has more than two million daily active users in 196 countries.

Its 10 most active territories do not include China, where it competes with other foreign gay dating apps such as Jack'd as well as hugely popular homegrown options such as Blued and Zank, which sport interfaces similar to their international counterparts.

Blued says its app has been downloaded by 17 million users in mainland China, and another five million overseas.

'Vote of confidence'

China only officially decriminalised homosexuality in 1997, and listed it as a mental illness for another four years.

More recently tolerance has grown in larger Chinese cities, but conservative attitudes remain deeply engrained and discrimination against gays and lesbians is common.

In a company blog post, Grindr founder and chief executive Joel Simkhai touted the investment as "a huge vote of confidence in our vision to connect gay men to even more of the world around them".

The six-year-old start-up agreed to the purchase to accelerate growth and improve the mobile application for its users, according to Simkhai.

Simkhai founded Grindr with his own money and said it was the first

time the firm had sold shares to an outside investor.

The deal—which is subject to US anti-trust approval—is for a 60 percent stake in Grindr, and Kunlun Tech will appoint three of the five members the US app's board, including its billionaire head Zhou Yahui, who will become its chairman.

Tuesday's share price jump took Kunlun Tech's market capitalisation to 1.13 billion yuan ($170 million).

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