

**Asian-focused** online gaming company looks to fund future acquisitions of existing online gaming operators

## ASIANLOGIC SUCCESSFULLY FLOATS ON AIM

**DEFYING THE ODDS SOMEWHAT**, and certainly surprising the sceptics, we have a new listed online gaming-related entity in our midst.

After a successful investment round, AsianLogic managed to get its float away on the Alternative Investment Market (AIM) over the holiday period. The company raised a total of £40.7m and floated its shares at a price of 112p, valuing the firm at £123m (US\$242m).

But just who is AsianLogic? Well, there are some familiar pointers. On the board is Tom Hall, ex-chief executive at Playtech, and now the executive vice chairman at AsianLogic.

Meanwhile, the firm has a licensing agreement with the aforementioned supplier and has entered into a partnership with the same with regard to a live-gaming product.

According to the prospectus, AsianLogic (which has been spawned out of long-established Asian gaming concern ESL) will use the proceeds of the float to fund acquisitions of existing online gaming operations. The firm also hopes to establish a gaming and gaming-related technology fund, seeded with US\$25m. AsianLogic will also acquire a 24% stake in a slot machine consortium looking to roll out machines in Macau, acquire a stake in another slot machine company called ID Games, and invest in online gaming companies "where appropriate opportunities arise".

Enough of the prospects; what does the company actually operate?

Well, established in 2002, AsianLogic runs a number of casino, online poker and Asian-gaming sites, as well as a sportsbook operation in the Philippines. It has licences there and also in Alderney and Curaçao. The brands include MegaSportsWorld in the Philippines, Dafa888 and Dafapoker, Tila Tequila, Zipang Casino and 777Baby.

According to the figures cited in the prospectus, revenue for the six months to June last year was US\$16.7m, with gross profit standing at US\$1.3m. About 85% of this revenue was generated by the online casino businesses, principally from customers in Malaysia and Singapore. The company said it "relies to a material extent on affiliates", saying that the wagers placed through these affiliates are primarily placed on a credit basis. The firm says revenue from the online casinos has "grown significantly and is currently in excess of US\$6m".

As for peer-to-peer Asian games, the company has launched a games portfolio including mah jong, cho-da-di, do-di-zhu and 13-card poker.

Bearing in mind that the company says one of its key strengths is access to the Asian market and diversified revenue streams, it is probably no surprise the company received the welcome it did in London's public markets. The only substantial caveat comes in the regulatory risks warning in the prospectus which runs to 10 pages. But such was ever the case with online gaming flotations.

**Start-up of the month: T6poker**

## A CHRISTMAS MIRACLE

**YOU MIGHT HAVE SEEN** the ads already: "No Bluff! 365 days of free rolls, every two hours, starts January 1". Such was the puff about T6poker in the UK gambling mags.

So who is T6poker? Well, it's the brainchild of Danish entrepreneur and T6 founder Torben Hübertz who, according to the info provided on the T6 website is a "skilled" businessman with a "background and unique experiences (that) have led him to invest in companies with such diverse services as online entertainment, online security, professional services and the wellness industry".

The new site has been extensively pre-marketed both in the UK and Scandinavia. So well pre-marketed, in fact, that it was in danger of outrunning the actual software of the site. According to the company, its existing software was struggling with the pre-launch crush.

The existing poker software couldn't handle the volume and with the marketing launch only weeks away, they needed a stable new software platform, and they needed it immediately. T6 had advertised a series of large guarantee tournaments for early January and the schedule could not be postponed.

"Despite all the testing of our original software, once we implemented it, we found it to be inadequate for the number of players we were accumulating," says Hübertz. "We needed a customisable software powerhouse that would handle thousands of players with impeccable stability, and allow us to rapidly develop new features."

After a fast but extensive search, Hübertz decided on CyberArts and its Foundation software platform, which has been built for scalability and robustness. Ken Arnold, CyberArts chairman, is rightly proud of the fact that his firm managed to provide T6 with a complete customised, multi-language, multi-currency online poker service in a mere three weeks. "Foundation's tested architecture made the ambitious goal seem possible, but we had to pull out all the stops to meet T6poker's deadlines," he says. "Foundation was designed to allow fast customisation and localisation. But normally it takes at least two months, not three weeks, to design, test and deploy a highly-customised online poker service."

Filling T6poker's needs required the CyberArts engineering team to work around the clock right through the recent holiday period. CyberArts developers implemented the distinctive, graphical look and feel that T6 had developed, and added new game-play and tournament

The screenshot shows the T6poker.com website interface. At the top, there are navigation links: ABOUT US, OUR TEAM, HOW TO PLAY, REAL MONEY, PROMOTIONS, TOURNAMENTS, and AFFILIATES. A 'LIVE UPDATE' section displays 'PLAYERS: 1285' and 'TABLES: 57'. Below this is a 'TOP 10 WINNERS' section with a 'Coming Soon' button. The 'TOURNAMENTS' section lists several events with their start times and prize pools, such as '00:28:46 200 Euro Guaranteed R' and '01:28:46 200 Euro Guaranteed R'. A large promotional banner for 'BIG DEAL' features a '€250K Guaranteed' prize, available 'Every Sunday at 21:00 CET. Buy in €165.' Below the banner is a 'RESEND ACTIVATION' button with a green checkmark icon and the text: 'If you can not register for our freerolls, you will need to validate your email. Click here to resend activation email.'

variations that should help T6 stand out from the competition.

But meeting T6poker's design goals was only part of the challenge. "We needed to install the software on new servers, and go through testing, before T6 could officially launch to live players," says CyberArts engineering vice-president Rudi Diezmann. "Fortunately, despite the fact that most vendors are shut down during the holidays, Dell was able to come through and deliver 60 servers in record time."

After just 17 frenzied days, the CyberArts team had accomplished its task; a fully customised online poker service in English, with Spanish and all Scandinavian languages to follow within a few weeks. They also integrated extensive payment options, so that T6 can process financial transactions in multiple currencies through a variety of payment processors. Most importantly, the software had been thoroughly wrung out by testing using human players as well as thousands of software bots simulating five-figure player volumes.

In an industry where crashes are the rule, not the exception, T6poker has been assured of the stability and scalability they need to grow into one of the largest and most successful European operators.

"We're extremely impressed with CyberArts' responsiveness and professionalism, but especially in their willingness and ability to launch in record time," says Hübertz. "We made a commitment to our players, affiliates and partners to provide a stable, secure poker service. Our investment in the CyberArts Foundation platform, customised exactly to our needs, will insure we can keep our word."