



ASX Release

26 September 2019

## **Animoca Brands to develop official MotoGP™ blockchain Manager Game with collectibles, completes strategic capital raise at a premium**

- Three-year global licensing rights secured from Dorna Sports to develop and publish a blockchain Manager Game and Collectibles based on MotoGP™
- MotoGP is the oldest motorsports championship in the world and watched by over 400m viewers worldwide
- Consolidates the Company's lead in the space of blockchain for major sports brands, particularly motorsports (following deal with Formula 1®)
- Capital raise of A\$1m closed at a premium at a price per share of A\$0.20 from sophisticated investors, including Moses Tang (founder of AP Capital and founding chairman of Goldman Sachs Asia Pacific).
- Co-founder and chairman Yat Siu to participate in the raise, subject to shareholder approval
- Manager Game to be launched by start of MotoGP's 2020 racing season

Animoca Brands Corporation Limited (ASX: **AB1**, "the **Company**") is pleased to advise that it has secured, via its subsidiary Animoca Brands Limited, a three-year global licensing agreement ("the Agreement") with Dorna Sports, S.L. ("Dorna Sports") to develop and publish the official blockchain manager game ("Manager Game") and associated digital collectibles ("Collectibles") of FIM Road Racing World Championship Grand Prix, commonly known as MotoGP™ ("MotoGP"). In order to fund business opportunities including the advancement of the Manager Game, the Company has completed a strategic capital raise of A\$1 million.

Animoca Brands will produce a "manager" style game based on MotoGP intellectual property that will consist of a selection of Collectibles linked directly to the core gameplay; the Manager Game will utilise blockchain technologies and custom-developed smart contracts to enable users to purchase, collect, view, use, and transfer the Collectibles that will be part of the gameplay. The Company expects to launch the Manager Game by the start of the 2020 MotoGP racing season.



Having begun in 1949, MotoGP is the oldest motorsports championship in the world, featuring the fastest riders and the most technologically advanced prototype racing motorcycles on the planet. MotoGP is watched by over 400 million people worldwide and shown by more than a hundred media broadcasters, while the number of views of MotoGP videos on its various digital platforms exceeds one billion.

MotoGP is yet another major brand in the motorsport industry to partner with Animoca Brands, following the Company's partnership with Formula 1® to develop and publish the first official Formula 1 blockchain game, titled *F1® Delta Time* (refer to ASX announcement of 26 March 2019).

### **Strategic rationale**

The Agreement consolidates the Company's position as a burgeoning leader in the space of blockchain application for major sports brands, particularly in the area of motorsport, and in the associated space of digital sports collectibles. To date, the Company has obtained licensing arrangements with various leading sports franchises, including Formula 1, Major League Baseball, the Bundesliga, FC Bayern Munich, and now MotoGP.

The Company believes that the Manager Game and Collectibles based on MotoGP can considerably broaden its consumer reach and drive fan engagement through true digital ownership of in-game elements.

The Company also believes it can drive uptake and revenue by leveraging the established brands associated with Dorna Sports and MotoGP.

### **License agreement**

The Agreement with Dorna Sports grants Animoca Brands three-year worldwide rights to develop the Manager Game based on MotoGP and publish it globally, and develop and sell MotoGP digital Collectibles in connection with the Manager Game including, but not limited to, non-fungible tokens based on MotoGP intellectual property (IP). Dorna Sports grants the Company the rights to use MotoGP IP in connection with the production and promotion of the Manager Game and Collectibles, including logos and imagery of the riders and motorbikes participating in MotoGP events.

The Agreement covers multiple platforms including mobile devices, PC, Mac, Web, and game consoles (including, but not limited to, current generation consoles such as Sony PS4, Microsoft Xbox One, and Nintendo Switch).



As consideration for the license, Animoca Brands will pay to Dorna Sports a non-refundable minimum guarantee fee and a royalty consisting of a percentage of net revenues generated by the Manager Game and Collectibles. In the context of the license, Animoca Brands does not consider the guarantee fee and royalty to be material.

Both Dorna Sports and Animoca Brands have agreed to promote, through their various respective channels, the Manager Game and Collectibles.

### **Capital raise**

In order to fund various business opportunities including the advancement of the Manager Game, the Company has completed a strategic capital raise of A\$1 million from sophisticated investors including from Moses Tang, the founder of AP Capital and founding chairman of Goldman Sachs Asia Pacific. The capital raise was conducted at a price per share of A\$0.20, being a 11.6% premium to the 14-day volume weighted average price (VWAP) as of 30 August 2019 of A\$0.179. Co-founder and chairman Yat Siu will participate in the raise, subject to approval by the shareholders of the Company.

The Company intends to issue the new shares under the capacity provided by ASX Listing Rule 7.1A. The proposed security issue is shown in the table below. The remaining shares to be issued to Mr Siu would be issued under Listing Rule 10.11.

### **Securities Issues**

	<b>Capacity (Pre-Issue)</b>	<b>Issue</b>
Listing Rule 7.1A	59,337,486 shares	4,250,000 shares

### **Management commentary**

Yat Siu, co-founder and chairman of Animoca Brands, said: "We are honoured to work with MotoGP, the undisputed leader among motorcycle racing brands, and we look forward to bringing to blockchain the excitement and thrill of the world's most popular motorcycle races. With both MotoGP and Formula 1 as partners, Animoca Brands has established a solid foothold in two- and four-wheeled motorsports."

Pau Serracanta, Managing Director at Dorna Sports, said: "I'm delighted to announce this agreement and to continue evolving our involvement in blockchain technology. The digital world is one of opportunity and I'm proud to see MotoGP further cemented as a forward-thinking and innovative brand, at the same time as giving fans another way to engage with our sport and get the most from their passion for Grand Prix motorcycle racing."



The Company's securities will remain in suspension pending ASX's enquiries in relation to the half-year report for the period ended 30 June 2019.

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**About Dorna Sports**

Dorna Sports, founded in 1988 and based in Madrid, Spain, with subsidiaries in Barcelona and Rome, is a world leader in sports management, marketing, and media. Dorna Sports took over management of the MotoGP World Championship in 1991 and is the exclusive commercial and television rights holder of the series, as well as of the MOTUL FIM Superbike World Championship (WorldSBK), the FIM CEV Repsol, the Idemitsu Asia Talent Cup and the British Talent Cup.

**About Animoca Brands**

Animoca Brands (ASX: AB1) leverages gamification, blockchain, and artificial intelligence technologies to develop and publish a broad portfolio of mobile products including games such as *The Sandbox*, *Crazy Kings*, and *Crazy Defense Heroes* as well as products based on popular intellectual properties such as Formula 1®, Garfield, Snoopy, Thomas & Friends™, Ever After High and Doraemon. Animoca Brands' portfolio of blockchain investments and partnerships includes Lucid Sight, Dapper Labs (creators of *CryptoKitties*), WAX, Harmony, and Decentraland. The Company is based in Hong Kong, Canada, Finland, and Argentina. For more information visit [www.animocabrands.com](http://www.animocabrands.com) or get updates by following Animoca Brands on [Facebook](#) or [Twitter](#).

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