**Enthusiast Gaming acquiring Omnia Media for about 34 Million USD**

Enthusiast gaming is Canadian is Sports and Media company listed on the Toronto Stock Exchange (TSX). It entered a binding agreement acquiring Omnia media for about 34.1 million USD. Enthusiast gaming also holds Call of Duty League team Seattle Surge, Esports organization Luminosity Gaming, and Overwatch League Franchise Vancouver Titans.

The company also announced entering into an agreement with an underwriter’s syndicate led by Canaccord Genuity Corp for $11.25 million. This is a brought deal ensuring underwriter’s commitment to financing and buying 10 million of Enthusiast’s common shares for $1.125 each. Additionally, Underwriters might also buy an additional 1.5 million shares. The added gross profit is $1.69 million.

After the acquisitions, Omnia will eradicate all the assets unrelated to its core business of gaming and the undisclosed ones. Enthusiast Gaming will acquire 100% of the Omnia Media Inc. shares, all being the issued and outstanding ones. The shares will move on from Blue Ant Media Solutions to Enthusiast Gaming. Blue Ant will receive compensations in 3 types of assets that are, a cash payment of 8.25 million USD, vendor take-back note of $4.31 million, and 18.25 million of Enthusiast Gaming’s common shares accounting for $21.53 million. The vendor note will have an annual interest rate of 9% and 36 months of maturity.

Blue Ant expects owning around 18% of Enthusiast Gaming after the acquisition. It will also be entitled to nominate one director in the Enthusiast’s board of directors as it will hold their certain shares.

Omnia Media is a Los Angeles based company and is a gaming platform available for global users. It creates, operates, and manages multiple channels of YouTube network. It programs 30+ shows weekly in several channels like video-on-demand, advertising-based, and OTT channels. It also represents 500+ gaming influencers over YouTube channels and Twitch ones.

As of August 31st, 2019, Omnia acquired net revenues of about $59.9 million. Enthusiast gaming, on the other hand, generated 9 million USD of revenue in 2019. Enthusiast, however, had a net loss of 58.9 million USD in 2019 from expenses for transaction costs, going public, manager costs, and acquisitions of $42.1 million. The operating expenses accounted for $19.1M.

Enthusiast Gaming is looking to reduce the costs by $375k - $750K by using the co-operation with Omnia Media. They aim to come up with business processes with the combined company to generate positive earning. They also aim to acquire more viewers, generate more number of contents, sell more subscriptions and advertisements, Develop revenue streams, and improve the advertisement analytics. With this acquisition, Enthusiast’s platforms will have a total of 300 million gamers and will generate 4.2 billion+ monthly users.