

Animoca Brands Corporation Ltd

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Animoca Brands shares rise on acquiring Gamma Innovations to boost gaming userbase

Animoca Brands Corporation Ltd (ASX:AB1) has entered into an agreement to fully acquire Gamma Innovations Inc which is focused on developing the GammaNow computing engine.

GammaNow is a desktop application that allows users to leverage their computers' idle processing power to generate Gamma Points, which are used to acquire in-game rewards for their favourite games.

READ: Animoca Brands launches Android version of mobile game Crazy Defense Heroes

Gamma recently executed a software license and development agreement with Razer Inc (HKG:1337), a global lifestyle brand for gamers.

As part of the agreement, Gamma white-labelled its GammaNow computing engine to develop 'Razer SoftMiner', a mining software that utilises users' computers' idle processing power to mine for ethereum, with Gamma collecting 50% of the value of tokens mined.

In return, users receive Razer's own loyalty credits called Razer Silver.

Razer SoftMiner launched in December 2018 and was immediately integrated into the Razer Central software.

This software runs across Razer's user base of over 60 million and enables users to receive notifications to download and install SoftMiner.

Strategic rationale

The acquisition of Gamma confers to Animoca a commercial relationship with Razer, which represents a potential audience of 60 million users, consisting primarily of gamers.

The current install base for Gamma's software is above 700,000 (with 692,000 installs through the RazerSoftMiner platform, plus an additional 15,000 direct downloads of the GammaNow version of the platform).

There are about 60,000 daily active users of Razer SoftMiner.

READ: Animoca Brands' first Formula 1 digital collectible goes up for auction, fetches record price

Animoca is also exploring the opportunity to utilise the computing power generated by GammaNow users to power artificial intelligence (AI) and

Price: 0.18

Market Cap: \$161.37 m

1 Year Share Price Graph



Share Information

Code: AB1

Listing: ASX

52 week High Low
0.215 0.064

Sector: Tech

Website: www.animocabrands.com

Company Synopsis:

Animoca Brands Corporation Ltd (ASX:AB1) is listed on the Australian Securities Exchange.

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machine learning functionalities.

GammaNow's computing power is inexpensive, reliable, scalable, and in the long term has the potential to overpower cloud supply, which is expensive and unable to meet future demand projections.

Animoca co-founder and chairman Yat Siu said: "The acquisition of Gamma continues the strategic expansion of Animoca Brands.

"We are immensely looking forward to working with both Gamma and Razer, who powerfully boost our focus on gamers and have a large audience of PC users - representing millions of potential candidates for our blockchain gaming products."

Acquisition terms

Animoca, via its wholly owned subsidiary Animoca Brands Limited, will acquire from Gabriel Schillinger, Samuel Snyder, and other Gamma shareholders 100% of the issued capital in Gamma Innovations Inc. for an upfront consideration of about \$511,600.

This consideration is payable in either cash or common shares of Animoca's stock, determined at Animoca's sole discretion, on the date of the execution of the definitive agreement, which will be executed as soon as practicable.

Additionally, Animoca will pay to the sellers an earn-out payment equal to about \$3.65 million in the event that Gamma achieves a cumulative revenue milestone of US\$5 million for the three-year period measured from the effective date of the definitive agreement.

New substantial shareholder joins register

Animoca also has a new substantial shareholder in Ponderosa Investments (WA) Pty Ltd.

Ponderosa has acquired a 5.05% stake in the company through the ownership of 41.44 million shares.

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up	to	Twenty	Five	Thousand	dollars	(\$25,000).
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