

# TIMIA Capital Corp.

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## TIMIA Capital's revenue-based financing aims to lever up tech entrepreneurs

- TIMIA Capital is building a compelling portfolio that generates a steady stream of monthly income
- The form of alternative financing offers revenue-based financing, allowing SaaS (software as a service) and knowledge-based start-ups to "pay as they grow"
- The company is investing in high-quality companies in an active industry
- TIMIA's revenue growth is interlinked to its assets under management

### Who is TIMIA Capital?

TIMIA Capital Corp (CVE:TCA) (pronounced teh-MY-ah) is a specialty finance company that provides growth capital to technology companies -- in exchange for payments based on monthly revenue.

It offers revenue-based financing, allowing SaaS (software-as-a-service) and knowledge-based start-ups to "pay as they grow."

In short: it feels like equity, in that companies get financing upfront, but acts like debt, as there's no dilution of the company. Not to mention the fact that in its target market, there are significantly more companies looking for capital than there is available capital.

**READ:** Timia Capital ticks higher on record revenue growth and expansion of portfolio

TIMIA's focus is on entrepreneurial management teams who have \$1 million to \$10 million in annual recurring revenue and are aiming to grow. Its internal rate of return target is greater than 20%, calculated over the life of the deal, which is typically five to seven years. Each deal it does is a secured debt, but with a variable repayment stream, tied to revenue.

This form of alternative financing complements both debt and equity financing, while allowing entrepreneurs and existing stakeholders to retain ownership and control of their businesses.

### How is it doing?

TIMIA saw significant growth and expansion in 2018, with more deals, more revenue, more exits and a new US deal flow.

In 2018, the company did eight new deals and three follow-on investments, including TIMIA's extension into the US. This is up from five in 2017.

Additionally, the firm said portfolio company exits in 2018 generated more than C\$1.5 million in additional income. In 2018, the company reported record revenue of \$1.73 million -- up 67% over 2017.

Interest income from investments over the 12 months increased by 58% to \$1.52 million compared with the previous year.

**Price:** C\$0.24

**Market Cap:** C\$8.73M

### 1 Year Share Price Graph



### Share Information

**Code:** TCA

**Listing:** TSX-V

**52 week High Low**  
C\$0.27    C\$0.16

**Sector:** Investment Funds & Companies

**Website:** timiacapital.com

### Company Synopsis:

*TIMIA Capital Corporation is a specialty finance company that provides growth capital to technology companies in exchange for payments based on monthly revenue. This alternative financing option complements both debt and equity financing, while allowing entrepreneurs and existing stakeholders to retain ownership and control of their business.*

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The increase came from Timia making more investments and, therefore, receiving more monthly payments. As the revenue of Timia's underlying portfolio grows, the investees make larger blended interest and principal payments to the firm.

On an operational level, the firm appointed Andrew Abouchar, formerly TIMIA's Chief Credit Officer, to the position of CFO.

#### US deal flow compelling

TIMIA's US expansion is important to note. The company signed deals with a number of US players including Karbon Inc, a Sausalito, California-based workstream collaboration platform and Real Savvy Inc, an Austin, Texas-based real estate software company.

TIMIA's revenue growth is tied to its assets under management and the company is placing a focus on high-quality companies, with an eye on continuously seeking new and exciting investments in the software as a service industry.

#### CEO says all eyes on 2019

"For the second year in a row, we achieved record growth in revenue and assets under management and have reshaped our business for 2019," said Mike Walkinshaw, CEO of TIMIA. "Our pipeline of software as a service or SaaS companies increased significantly as the number of new transactions more than doubled in 2018 in comparison to 2017. We enjoyed working with some great entrepreneurs in 2018 and look forward to helping support the growth of more SaaS companies in 2019."

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