

# TIMIA Capital

TECHNOLOGY-ENABLED LENDING FOR GROWING SOFTWARE COMPANIES

AUGUST 2019

TSXV	TCA
OTC	TIMCF



**TIMIA  
CAPITAL**  
frictionless finance

[TIMIACAPITAL.COM](http://TIMIACAPITAL.COM)

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# TIMIA Capital

- Provides unique secured credit facilities to software companies,
- 22% gross Internal Rate of Return (IRR) over the past 4 years,
- Proprietary efficient fintech platform closes deals and manages risks,
- Limited Partnership structure launched in 2019 scales \$AUM
- Approx. 2/3<sup>rds</sup> of interest paid to capital providers, 1/3<sup>rd</sup> retained by Timia
- North American focus, 70% USD
- Revenue Growth of >75% for Q2 2019 over Q2 2018



# Lending 2.0 – The Revolution is Underway

This is  Card.

A new kind of credit card.  
Created by Apple, not a bank.



Business funding in as little as 10 minutes<sup>1</sup>

Apply for quick access to up to \$250,000 with a *Kabbage* line of credit.\*

**Kabbage raises a record \$700 million in debt for its SMB loans platform**



**Banks will scramble to upgrade their technology**

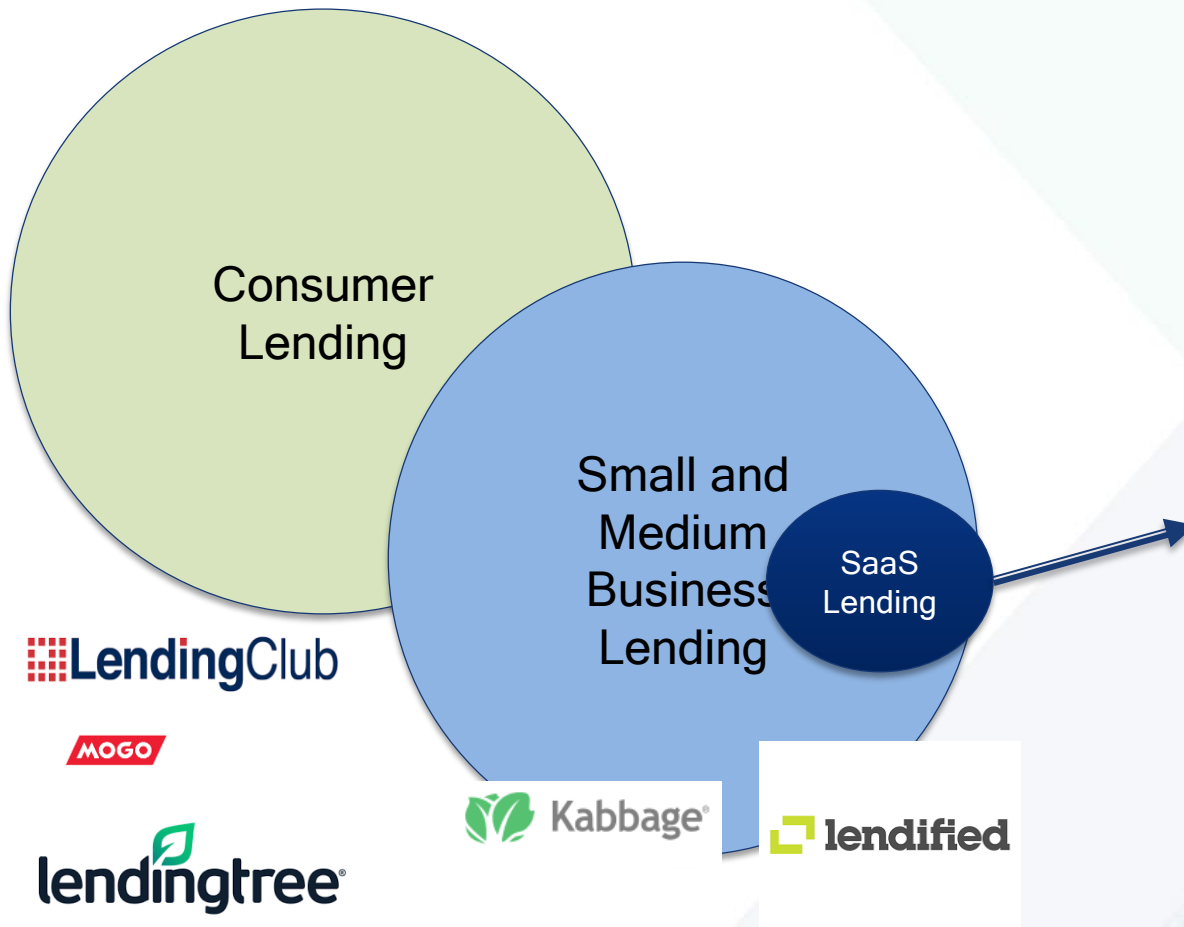
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**Goldman Sachs, Point72 and others invest \$44 million in business credit startup Nav**

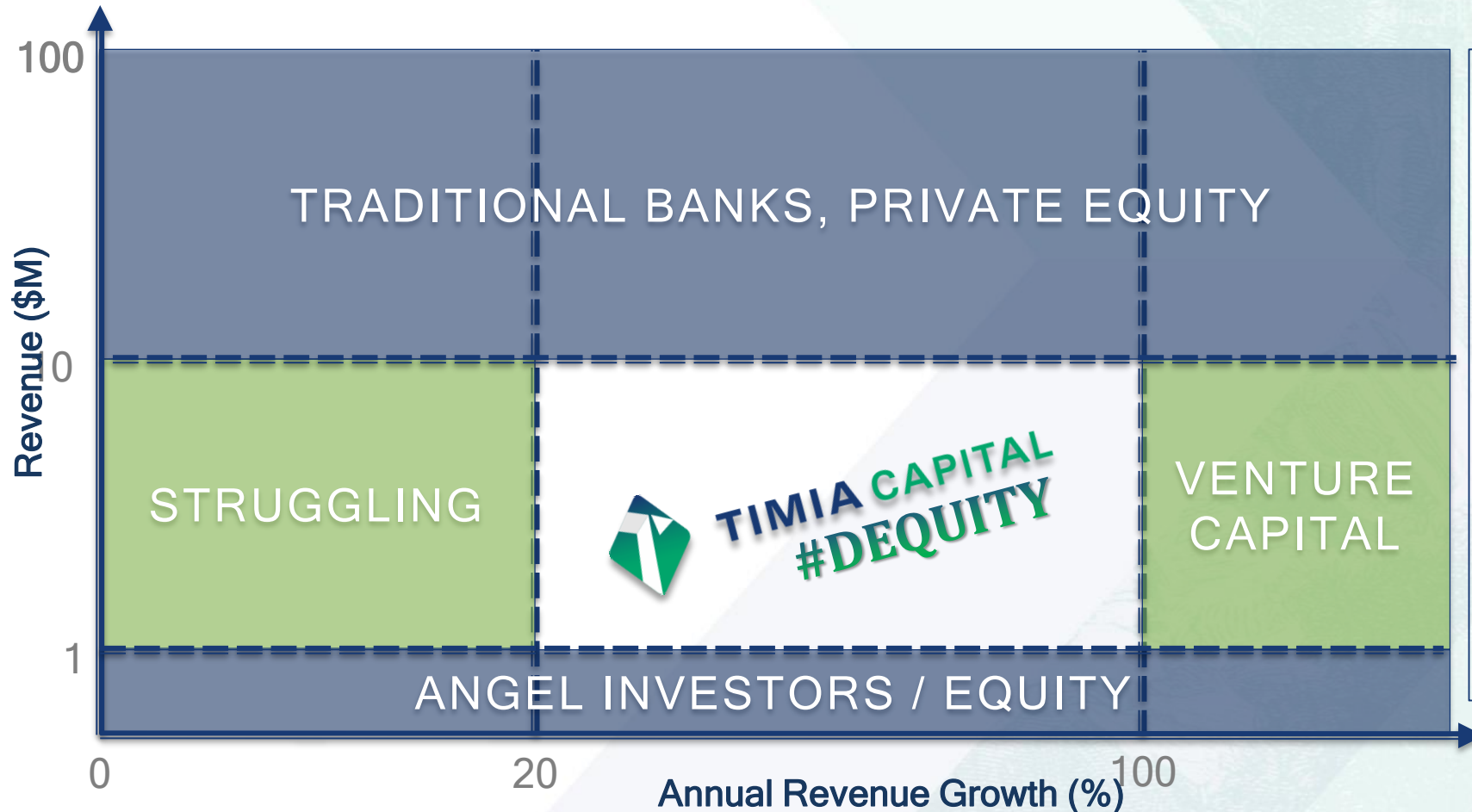
# TIMIA's fit in the Lending Revolution



- “Cashflow Based Lending”
- SaaS Lending: \$14B market and growing
- Higher risk-adjusted returns than other SMB Loans
- Predictable cashflow = lower risk
- High volume of M&A
- SaaS Lending lends itself to technology, scale

# TIMIA Serves an Underserved Sector

## Financing Landscape for Software Companies



### Typical Credit Deal

- 6 Year Term
- 16% to 23% per annum
- Principal & interest pmts
- No bullet pmts
- Sloped repayment stream leaving cash in company in early years
- First or second GSA
- Reasonable exit clauses



# Multiple Income Streams Deliver 22% Gross IRR since 2015

Superior results in Private Equity / Credit

**How the returns are made:**

Monthly payments from Portfolio Companies

Structured to generate 20% IRR per annum

Buyout Premiums

Have delivered IRRs of 30% to 40% to investors

Warrants

Historically added ~3% annual return

Buyout premiums and warrants are an important part of the overall portfolio return. They have historically accounted for greater than 5% IRR on a portfolio-wide basis.

## EXITED INVESTMENTS



iCompass

EXITED



quickmobile

EXITED



LAMBDA SOLUTIONS

EXITED



Beanworks  
ACCOUNTING EVOLVED

EXITED



RISE

EXITED

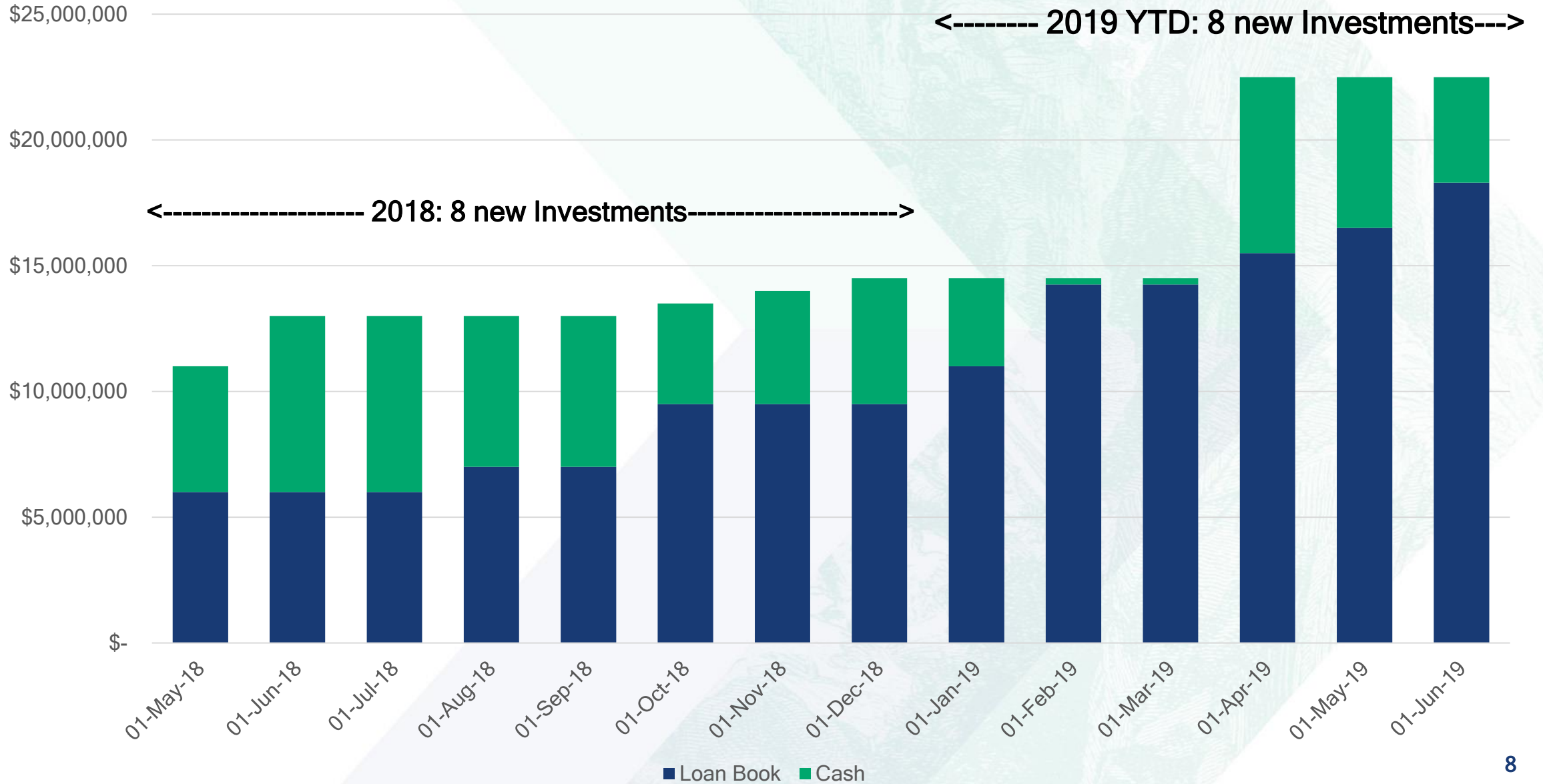


RealSavvy

EXITED



# Acceleration in Capital Deployment





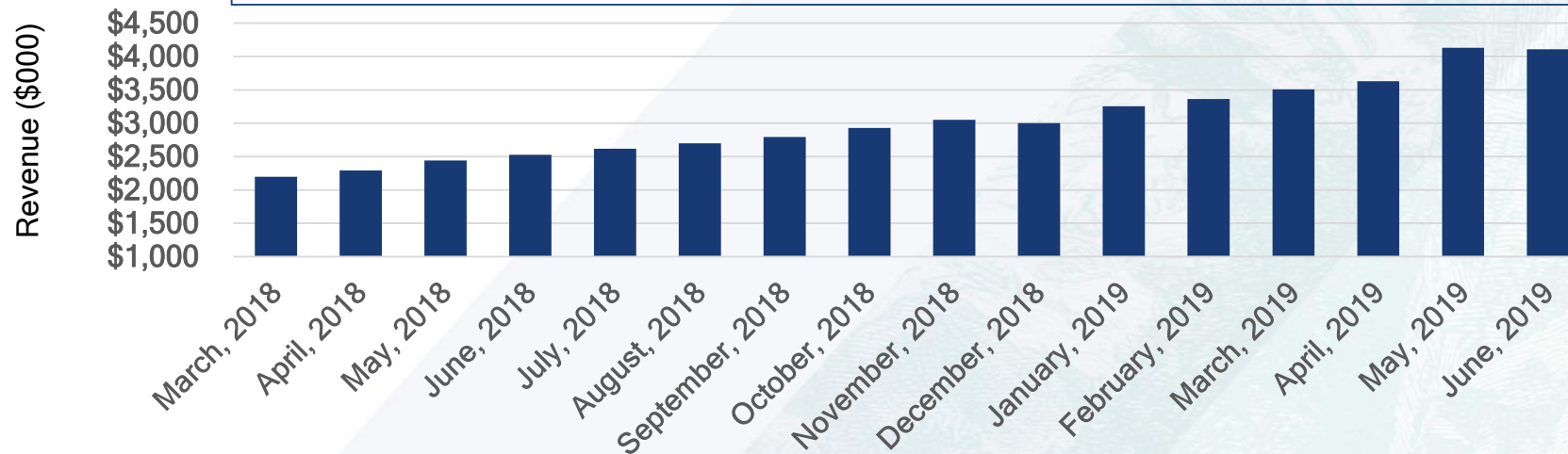
# Monthly Portfolio Risk Management

## Current Portfolio across all vehicles

Predictable Revenue



**Consolidated Portfolio Sales Showing Growth / Security**



# The TIMIA Platform

The TIMIA Platform : Brand, Technology, Team, Access to Capital

Two shareholder investment cases:

1. Building a high powered loan book delivering great risk-adjusted returns, or
2. Creating a high-value strategic platform in a strategically oriented market.

TIMIA Capital is a **publicly-traded, fintech-enabled** platform creating value for shareholders by earning a **great risk adjusted return** on **private capital** while concurrently building a **platform** that has **strategic value** in a rapidly evolving market.

# Experienced Management Team

**Mike Walkinshaw**  
Chief Executive Officer



- Mike joined the company as the CEO in August 2015
- Co-Founder and Managing Partner of Fronterra Capital
- Managing Partner, CFO at Chrysalix Energy



**Greg Smith**  
Chief Investment Officer



- Greg joined TIMIA as the CIO in September 2015
- Co-Founder and Managing Partner of Espresso Capital
- Business Development Bank of Canada's ("BDC") Technology Seed Investment Group



**Andrew Abouchar**  
Chief Credit Officer



- 20-plus years of experience in Canada's venture capital and private equity industry
- Cofounder and partner in Tech Capital Partners Inc.
- Founder of TCP Property Inc.
- Accountant at PwC
- Investment manager at Working Ventures
- Advisor to the Government of Canada and Province of Ontario
- Board of Ontario Centres of Excellence



**Darren Seed**  
VP - Capital Markets



- Over 20 years of capital markets experience across various exchanges and industries
- Darren joined TIMIA as the Vice President, Capital Markets & Communications (VPCMC) in January 2018
- VPCMC of Avigilon Corporation
- President of Incite Capital Markets Inc
- Raised in excess of \$750 million for previous companies.



**Stephanie Andrew**  
VP - Finance

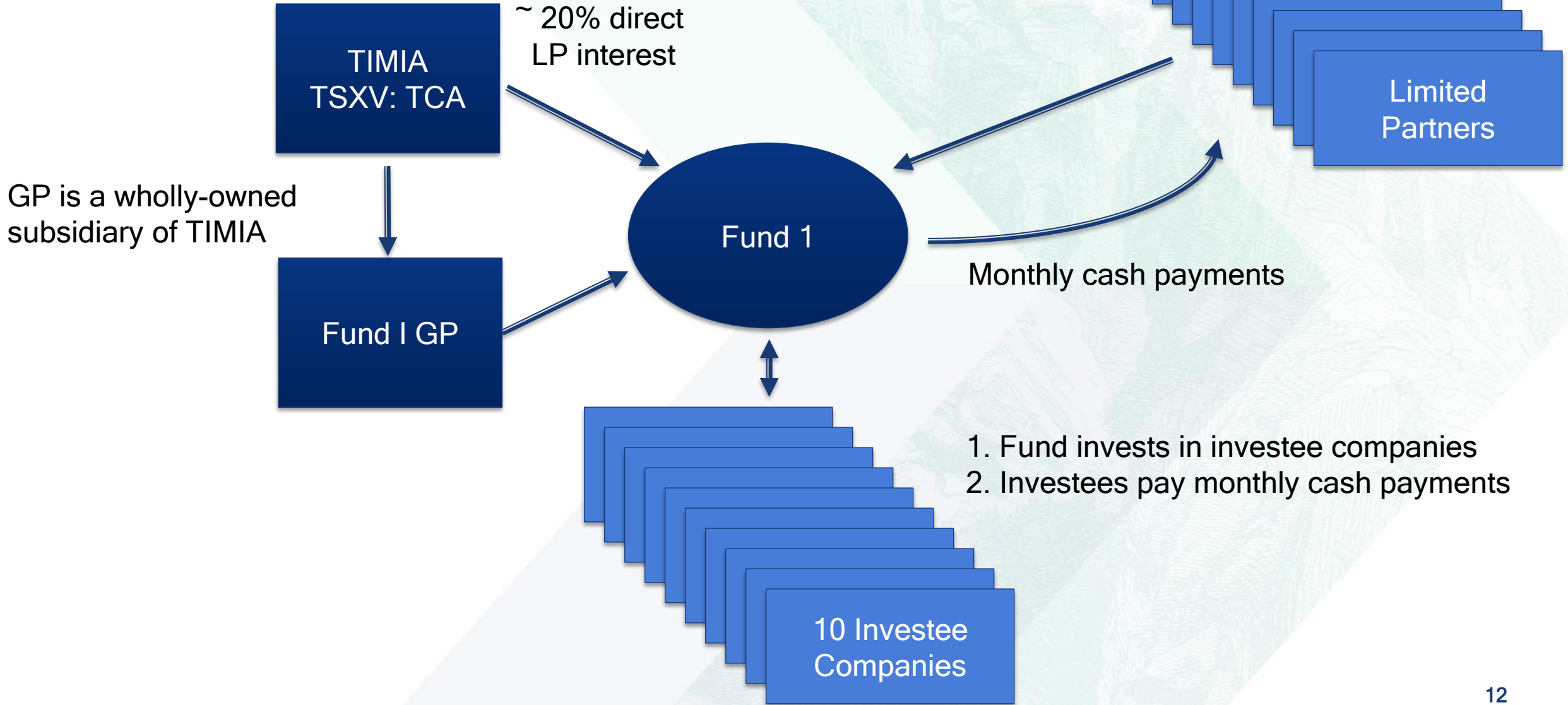


- VP Finance, Espresso Capital
- Founding Partner of the Women's Equity Lab (WEL)
- Executive Director of the Capital Investment Network (CIN)
- MSc in Molecular Biology and Medical Genetics
- MBA at the Schulich School of Business
- CFA charter holder





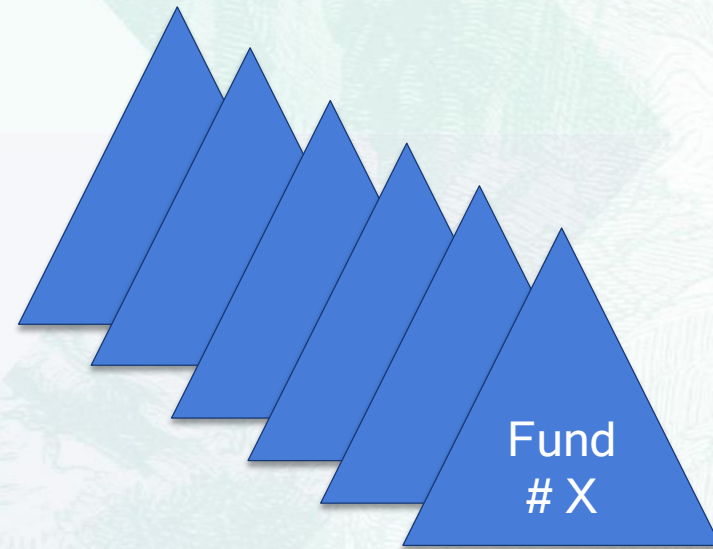
# TIMIA Capital I Limited Partnership



# Future Growth: SPV Driven Financing

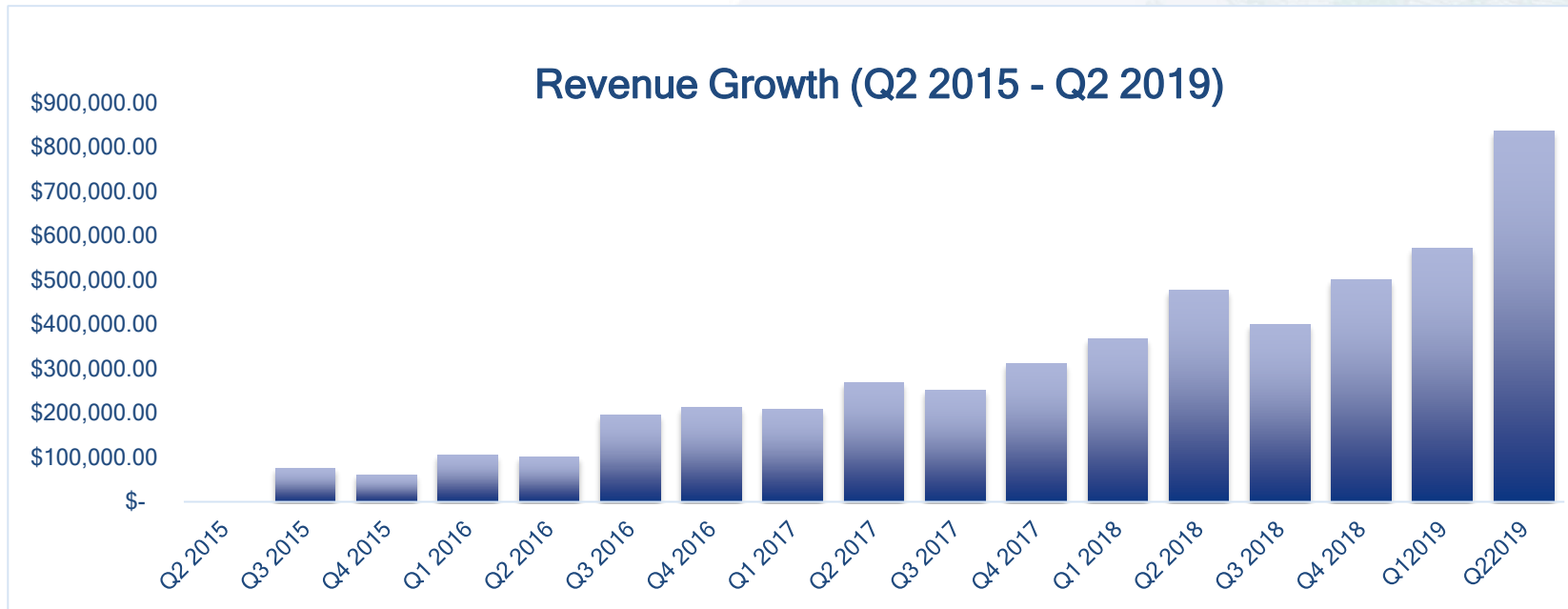
Scaling through Special Purpose Vehicles (SPVs) provides yield participation matching risk to reward profile.

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# Recent Financial Results – Q2 2019 (May 31st)

- Record revenue of \$835,038, up 75% over the same period last year
- Total assets grew over 87% to \$22,332,091 compared with the same period last year
- TIMIA’s loan investment portfolio (loans receivable) increased 169% to \$16,315,527 compared to \$6,073,948 in the same period last year
- Provided US\$5,000,000 in new revenue financing facilities and a \$2,000,000 debt facility
- Completed a \$10,500,000 financing with the launch of its first Limited Partnership (“LP”), in which the Company owns 20% of the LP units and acts as the LP’s manager.





# Capital Structure

- Shares outstanding
  - **~39 MILLION TOTAL OUTSTANDING**
  - **~50 MILLION FULLY DILUTED**
- Market capitalization ~\$9.4 million
- Warrants outstanding -6.8 million with weighted average @ \$0.24
- Options outstanding - 4.5 million with weighted average @ \$0.11
- \$2,051,000 convertible debentures @\$0.14 convertible into 14,650,000 common shares. Mature on November 30, 2020
- Insider ownership ~40%

# Highlights

## Delivering Strong Gross Returns

- TIMIA is a fin-tech driven specialty lending platform utilizing internal and external capital
- Focused on small to medium size private software companies; North American wide.
- **Experienced tech VC management team**
- Loans have security protection on downside and equity participation on upside
- **22 loan investments since 2015 inception, 6 successful early exits, 22% gross IRR**
- Strong portfolio, zero bad debt

## Meeting the Needs of Yield Investors

- Accessing an under-served sector with significant growth potential
- High alpha return over long term beta yield
- Low correlation with public market indexes
- **Manager with “skin in the game”**
- Private debt market experiencing significant growth
- **Building a scalable model that can deliver returns above risk return curve.**

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