

Timia Capital Corp.

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TIMIA Capital swings to profit in 2Q thanks to growing fintech portfolio of SaaS companies

TIMIA Capital Corporation (CVE:TCA) (OTCMKTS:TIMCF) swung to a profit during its fiscal second quarter as its software-as-a-service (SaaS) portfolio companies operated near capacity during the coronavirus (COVID-19) pandemic.

The investment company reported net income of C\$479,000 in its fiscal second quarter ended May 31, 2020, compared to a net loss of \$490,000 during the same period a year earlier. Total revenue was also 7% higher than 2Q 2019 at C\$891,000.

In a statement, the company said its year-over-year improvement is primarily due to its growing investment portfolio and the resulting interest income increase, lower operating expenses and \$293,000 fund restructuring and financing costs recognized in 2019.

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"The company posted a solid quarter during a time of unprecedented uncertainty with the emergence of the COVID-19 pandemic," said Mike Walkinshaw, CEO of TIMIA Capital Corporation in the statement Friday.

"While much of the economy of North America was shut down during our second quarter, our experience was SaaS companies continued to operate near full capacity. Based on our experience, we believe that SaaS companies are a more secure asset class than most consider and offer a superior risk adjusted return."

TIMIA said that interest income from investments came in at C\$870,000, a 28% increase year-over-year. Total assets rose by 18% to C\$31.9 million and its loan investment portfolio increased by 56% to C\$25.5 million.

The Vancouver-based firm provides growth capital to technology companies in exchange for payments based on monthly revenue. Its business model is to make money via a combination of monthly payments and periodic gains on its investments

During the quarter, TIMIA grew its revenue-financing business with two new investments worth a total of US\$2 million into US-based Measured and Canadian-based Cova.

"We will remain vigilant with our operations and continue to leverage our fintech platform to locate and engage leading recurring revenue software companies," Walkinshaw told shareholders.

The company ended the quarter with C\$5.2 million in cash.

Price: 0.205

Market Cap: \$8.49 m

1 Year Share Price Graph



Share Information

Code: TCA

Listing: TSX-V

52 week	High	Low
	0.24	0.135

Sector: Investments and investor services

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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Shares of TIMIA traded nearly 18% higher on Friday afternoon at C\$0.23.

--Updates with share price--

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