

Rezatec

A case study

Background

Rezatec is a high growth SpaceTech company that provides geospatial data analytics on a Data-as-a-Service basis. Subscribers to Rezatec's data product include companies operating in agribusiness, oil & energy, water, forestry, urban infrastructure, commodities and fast-moving consumer goods. International clients account for 75% of the company's business.

The Challenge

Rezatec provides geospatial data analytics to a worldwide customer base. Providing such a new and innovative product has a high operational cost, employing highly skilled staff, purchasing specialist instrument data and running powerful data processing hardware.

Providing their service on a recurring revenue subscription basis reduced upfront payment from clients resulting in an extended customer payback period.

Rezatec was looking for funding to bolster their cash runway during a high growth period, to give them protection from economic instability, cost overruns and potential pivots while they grew internationally and expanded their client base.

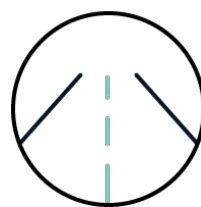
In order to continue to fund their growth they wanted to avoid diluting equity and control of the business until they had a greater revenue line and higher valuation. As a high growth business, bank finance was also unsuitable.

75%

Client base is international



Based in the UK



Funding required to extend cash runway

300%

Expected growth by 2023



The Solution

After Rezatec completed Fuse Capital's data request an investment memorandum was produced and presented to the private debt market.

"Fuse Capital went the extra mile in putting together our investment memorandum. The result was a highly detailed, realistic and marketable proposition"

In total four debt funds issued term sheets. Rezatec secured a venture debt facility that provided the company with three times the amount it originally asked.

The entire process took six weeks.

The Outcome

Fuse Capital worked with Rezatec to deliver a venture debt solution that secured 3x more funding than they had originally been seeking.

Multiple venture debt term sheets from multiple funds

Exceeded funding expectation with flexible terms suited to a high growth business

Closed the deal quickly and saved management time



"When running an early stage, yet high growth tech business, it's a given that you'll encounter swings and roundabouts along the way. So venture debt's terms, which are covenant-lite, and include warrants to incentivise the lender is the right solution for companies like ours."

Patrick Newton | CEO Rezatec



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