

VENTURE CAPITAL REVIEW

Canada Venture Capital Review First Nine Months 2023

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Canada Venture Capital

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Canada Venture Capital Deals Intelligence

CANADA VENTURE CAPITAL INVESTMENT TOTALS CA\$5.7 BILLION

Canadian venture capital totaled CA\$5.7 billion in deal values across 496 rounds during first nine months of 2023. This resulted in a year-over-year decrease in values of 24% and in volumes of 8% from first nine month 2022.

TOP TEN ROUNDS BRING IN CA\$1.9 BILLION

The top ten transactions for the first nine months of 2023 raise C\$1.9 billion, accounting for 33% of total disclosed values for the period.

The top round for the period was the C\$360.5 million investment into the Software & IT Services company, Cohere Inc. The second largest round for the year was the C\$260 million investment into Software & IT Services firm, Miovision Technologies Inc. Rounding out the top three, was the C\$215 million investment into Financial Technology & Infrastructure company, Savio Technology Inc..

TECHNOLOGY COMPANIES ACCOUNT FOR 59% MARKET SHARE

Companies within the Technology sector saw C\$3.3 billion of deal values across 496 transactions during the first nine months of 2023, accounting for a 59% share of the market. Companies in the Healthcare sector raised C\$754.5 million.

VENTURE CAPITAL FUNDS RAISE C\$1.4 BILLION

A total of 9 Canadian VC funds recorded closes during first nine months 2023, raising a combined C\$1.4 billion in commitments.

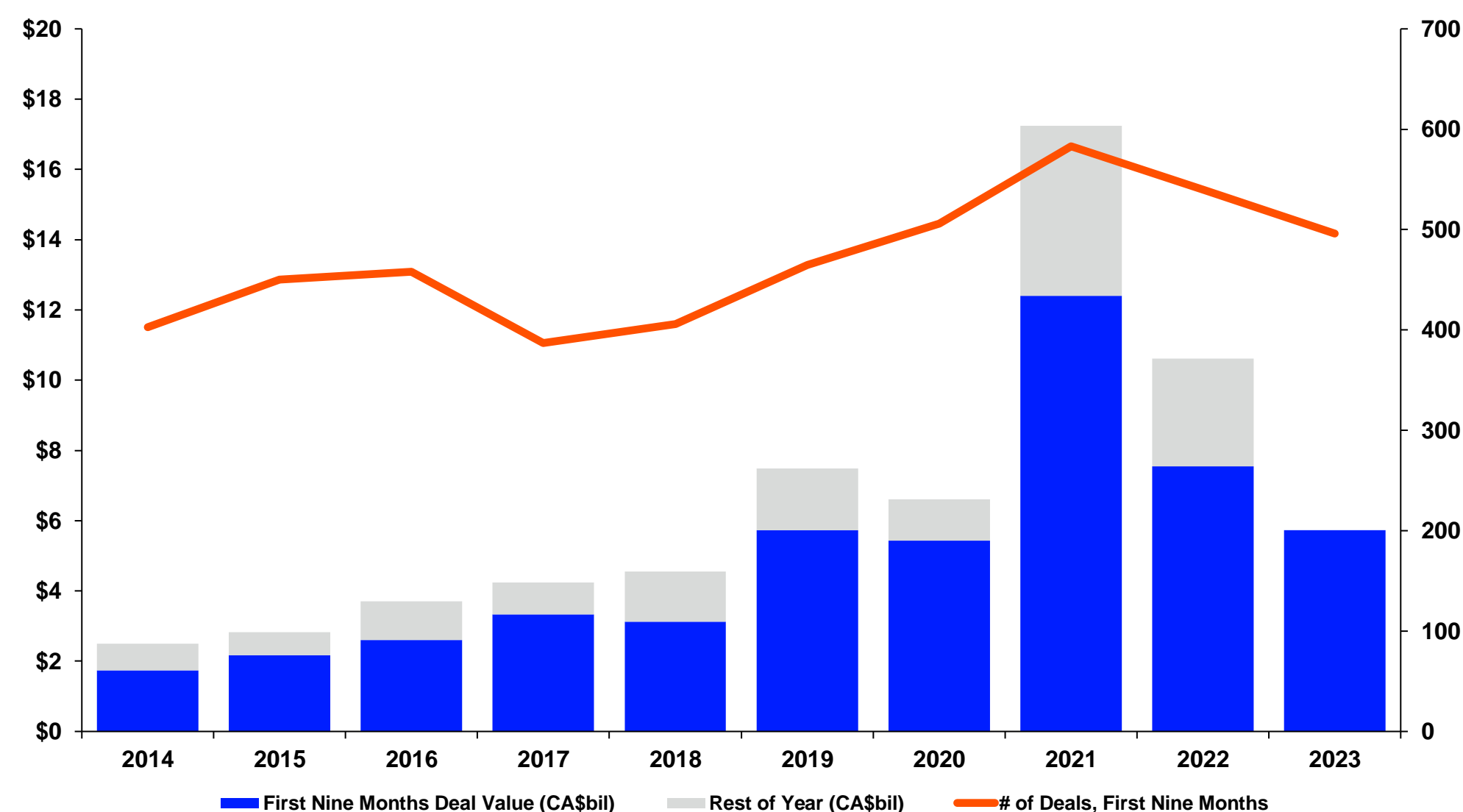
The top fundraiser for the period was the C\$300 million closing of Vertu Partners Fund I. The second largest was the C\$200.8 million closing of Sustainability Venture Fund. Third, was the C\$199.6 million raised by Round13 Fund III.

CANADA VENTURE CAPITAL-BACKED EXITS TOTAL C\$1.8 BILLION

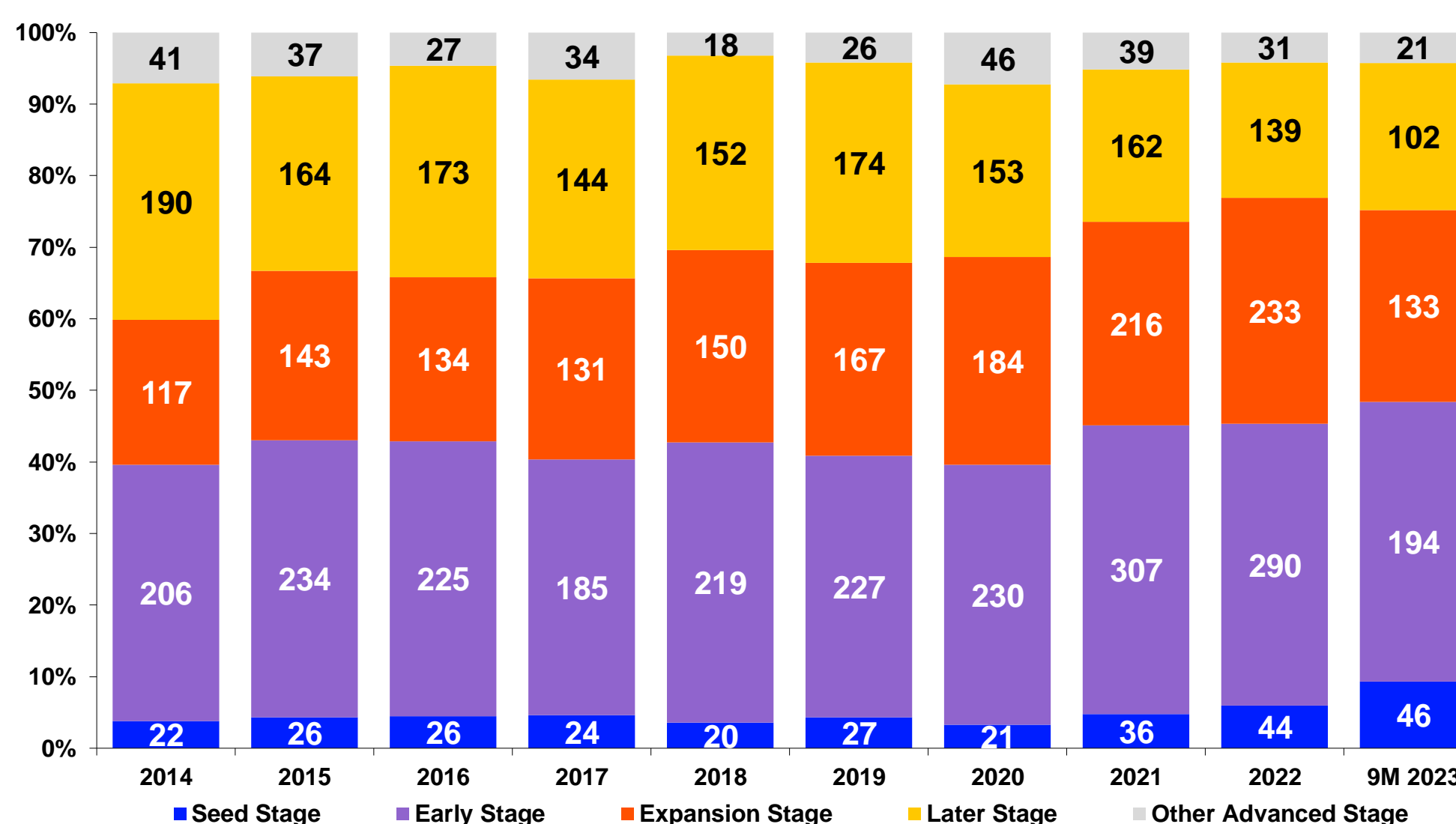
Canadian companies completed 6 VC-backed exits totaling C\$1.8 billion during first nine months of 2023, a 81% decline in the number of exits and 32% drop in values when compared to first nine months of 2022.

The top Completed exit for the period remained the acquisition of technology equipment company, Sierra Wireless, Inc, valuing the business at C\$1.5 billion.

Venture Capital Investment Activity in Canadian Companies



Venture Capital Deal Volumes (#) by Transaction Type

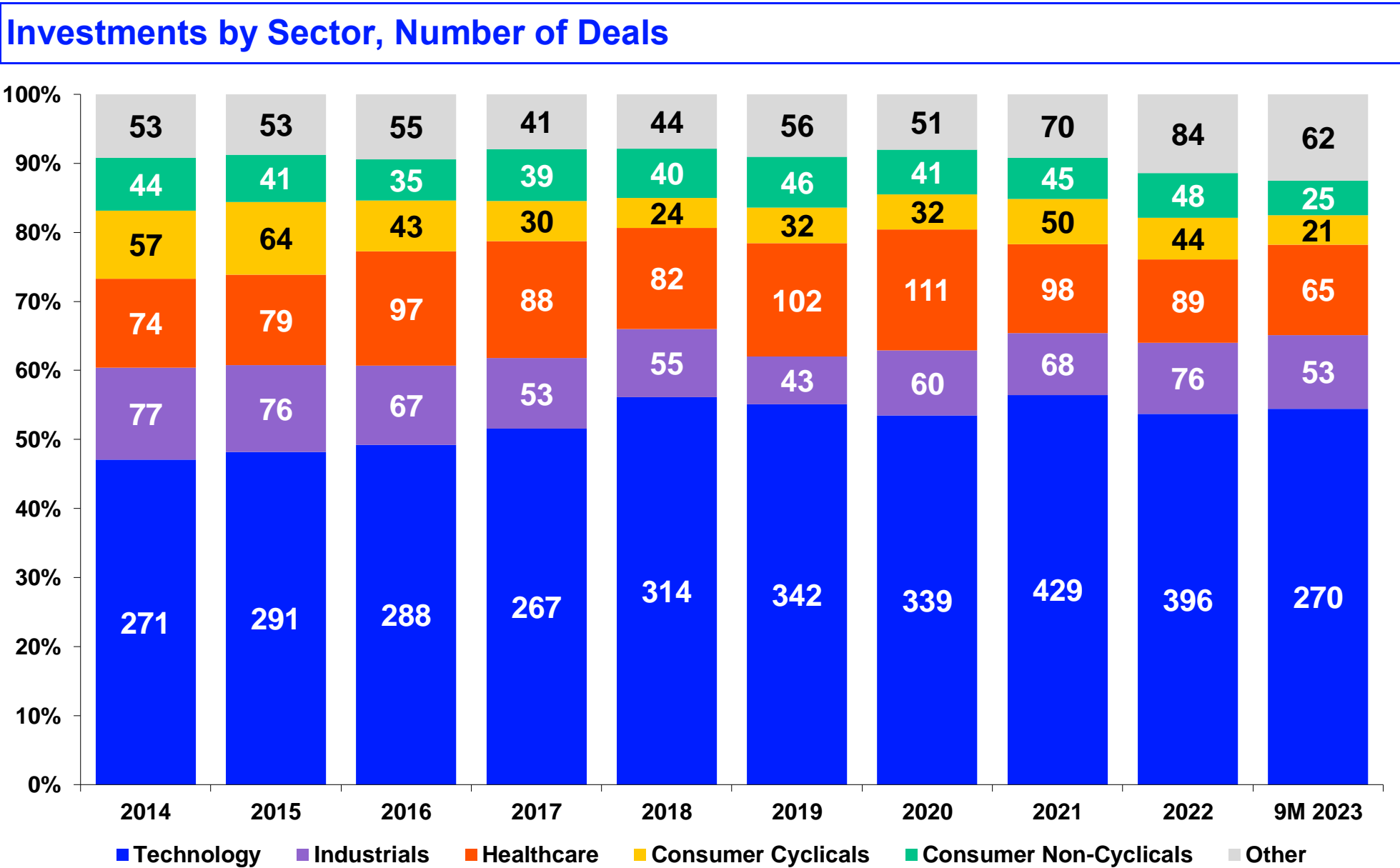
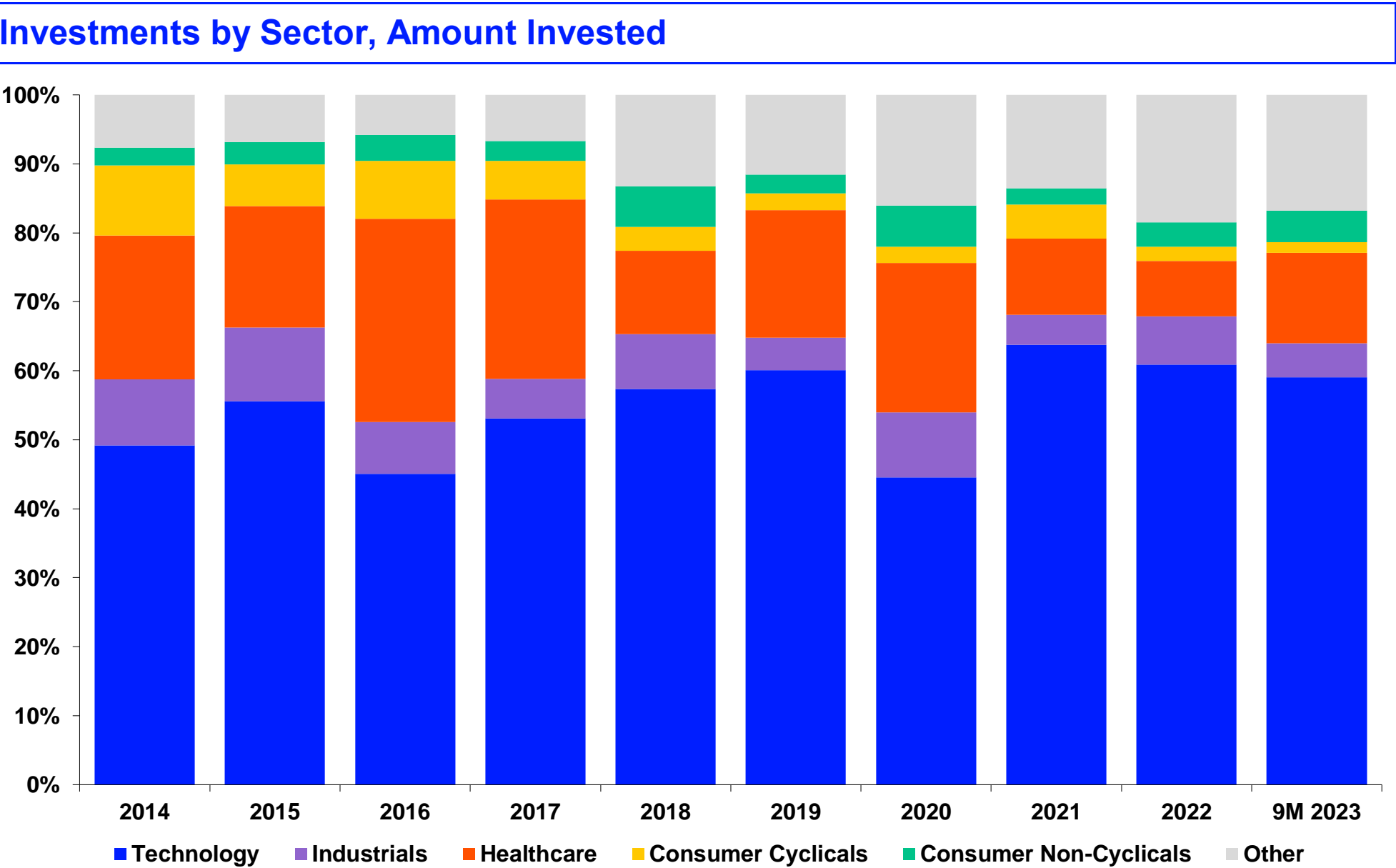


Investments

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Top Canadian Venture Capital Deals				
Company Name	Deal Date	Deal Value (CA\$mil)	Sector	Company Location
Cohere Inc	06/08/23	\$360.5	Software & IT Services	Ontario
Miovision Technologies Inc	04/17/23	\$260.0	Software & IT Services	Ontario
Savio Technology Inc	04/04/23	\$215.0	Financial Technology (Fintech) & Infrastructure	Nova Scotia
Equisoft Inc	03/01/23	\$169.9	Software & IT Services	Quebec
Blockstream Corporation	01/26/23	\$166.5	Financial Technology (Fintech) & Infrastructure	Quebec
LayerZero Labs Ltd	03/24/23	\$164.9	Financial Technology (Fintech) & Infrastructure	British Columbia
Filo Mining Corp	01/12/23	\$158.3	Mineral Resources	British Columbia
Abdera Therapeutics Inc	04/20/23	\$142.0	Pharmaceuticals & Medical Research	British Columbia
Octopusapp Inc	02/07/23	\$134.5	Software & IT Services	Alberta
Tenstorrent Inc	02/08/23	\$133.5	Technology Equipment	Ontario
Silfab Solar Inc	03/08/23	\$125.1	Renewable Energy	Ontario
Milestone Pharmaceuticals Inc	03/28/23	\$125.0	Pharmaceuticals & Medical Research	Quebec

Top VC Deals by Canadian Firms Investing Abroad				
Company Name	Deal Date	Deal Value (CA\$mil)	Sector	Company Location
Redwood Materials Inc	08/29/23	\$1,355.3	Industrial & Commercial Services	United States
Databricks Inc	09/14/23	\$675.4	Software & IT Services	United States
Persimmon Ai Labs Inc	03/13/23	\$480.3	Software & IT Services	United States
Aledade Inc	06/21/23	\$342.2	Industrial & Commercial Services	United States
Cato Networks Ltd	09/19/23	\$320.1	Software & IT Services	Israel
Genesis Therapeutics Inc	08/21/23	\$270.9	Pharmaceuticals & Medical Research	United States
Asimov Inc	01/05/23	\$237.5	Pharmaceuticals & Medical Research	United States
Amolyt Pharma SAS	01/06/23	\$186.0	Pharmaceuticals & Medical Research	France
R-Zero Systems Inc	02/06/23	\$141.3	Industrial & Commercial Services	United States
Boundless Bio Inc	05/16/23	\$134.8	Pharmaceuticals & Medical Research	United States
Uveye Inc	05/09/23	\$133.9	Industrial Goods	United States
Mr Jeff Labs SL	02/03/23	\$130.1	Software & IT Services	Spain



Investments

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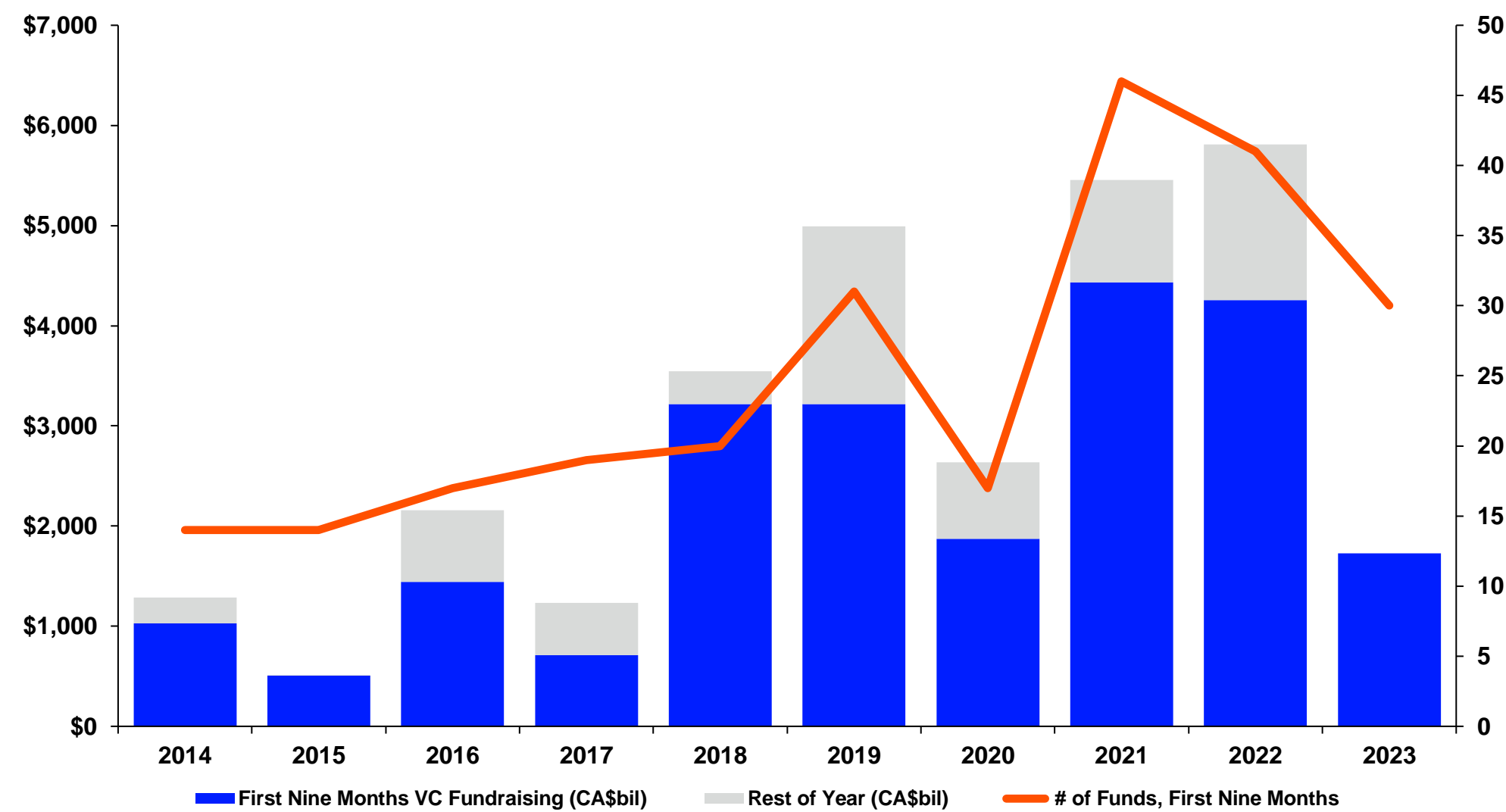
Top Canadian Investors in All Canadian Companies			
Firm Name	Rank	# of Deals	Estimate Investment
Business Development Bank of Canada	1	35	\$174.8
Investissement Quebec	2	20	\$191.1
Export Development Canada	3*	17	\$276.4
Anges Quebec	3*	17	\$13.1
Real Investment Management Inc	5*	13	\$18.0
MaRS Investment Accelerator Fund Inc	5*	13	\$9.4
TELUS Ventures	7*	12	\$101.1
Fondaction-CSN	7*	12	\$21.9
iNovia Capital Inc	9	11	\$116.7
Relay Ventures	10*	10	\$15.1
Graphite Ventures Inc	10*	10	\$11.6
ArcTern Ventures	12*	8	\$63.0
Omers Ventures	12*	8	\$58.3
Golden Venture Partners Inc	12*	8	\$38.1
Garage Capital Ventures Inc	12*	8	\$16.5
Radical Ventures Investments Inc	16*	7	\$76.4
Desjardins Capital Management Inc	16*	7	\$28.0
Loyal Venture Advisors Inc	16*	7	\$5.2
Sandpiper Ventures	16*	7	\$2.7
Uceed	16*	7	\$0.6
FounderFuel	16*	7	\$0.0

Top Investors in Ontario Companies			
Firm Name	Rank	# of Deals	Estimate Investment
Export Development Canada	1	17	\$276.4
Mars Investment Accelerator Fund Inc	2	13	\$9.4
Relay Ventures	3*	10	\$15.1
Graphite Ventures Inc	3*	10	\$11.6
ArcTern Ventures	5*	8	\$63.0
Omers Ventures	5*	8	\$58.3
Golden Venture Partners Inc	5*	8	\$38.1
Garage Capital Ventures Inc	5*	8	\$16.5
Radical Ventures Investments Inc	9*	7	\$76.4
Loyal Venture Advisors Inc	9*	7	\$5.2
Portage Venture Partners LLC	11*	6	\$62.1
CIBC Innovation Banking	11*	6	\$40.6
Amplify Capital	11*	6	\$7.8
GroundBreak Ventures	11*	6	\$5.9
Good News Ventures	11*	6	\$4.1
Lumira Capital Investment Management Inc	16*	5	\$32.2
Portag3 Ventures Inc GP	16*	5	\$20.9
Synergis Capital Ltd	16*	5	\$4.7
N49p Venture Capital	16*	5	\$3.8
Ontario Centre Of Innovation	16*	5	\$1.7

Top Investors in Québec Companies			
Firm Name	Rank	# of Deals	Estimate Investment
Business Development Bank of Canada	1	35	\$174.8
Investissement Quebec	2	20	\$191.1
Anges Quebec	3	17	\$13.1
Real Investment Management Inc	4	13	\$18.0
Fondaction-CSN	5	12	\$21.9
iNovia Capital Inc	6	11	\$116.7
Desjardins Capital Management Inc	7*	7	\$28.0
FounderFuel	7*	7	\$0.0
Sectoral Asset Management Inc	9*	6	\$72.2
Panache Ventures	9*	6	\$12.2
Anges Quebec Capital	9*	6	\$6.4
Fonds de solidarite des travailleurs du Quebec	12*	5	\$44.2
Cycle Capital Management (CCM) Inc	12*	5	\$19.3
BoxOne Ventures Inc	12*	5	\$3.4
Lalotte Ventures	15	4	\$0.9

Top Investors in British Columbia Companies			
Firm Name	Rank	# of Deals	Estimate Investment
TELUS Ventures	1	12	\$101.1
Yaletown Venture Partners	2	6	\$25.6
Chrysalix Venture Capital	3	5	\$9.0
Evok Innovations Inc	4*	4	\$22.9
Pangaea Ventures Ltd	4*	4	\$15.6
Active Impact Investments GP Inc	4*	4	\$1.2
Version One Ventures LLC	7*	3	\$36.3
Nimbus Synergies Inc	7*	3	\$2.4

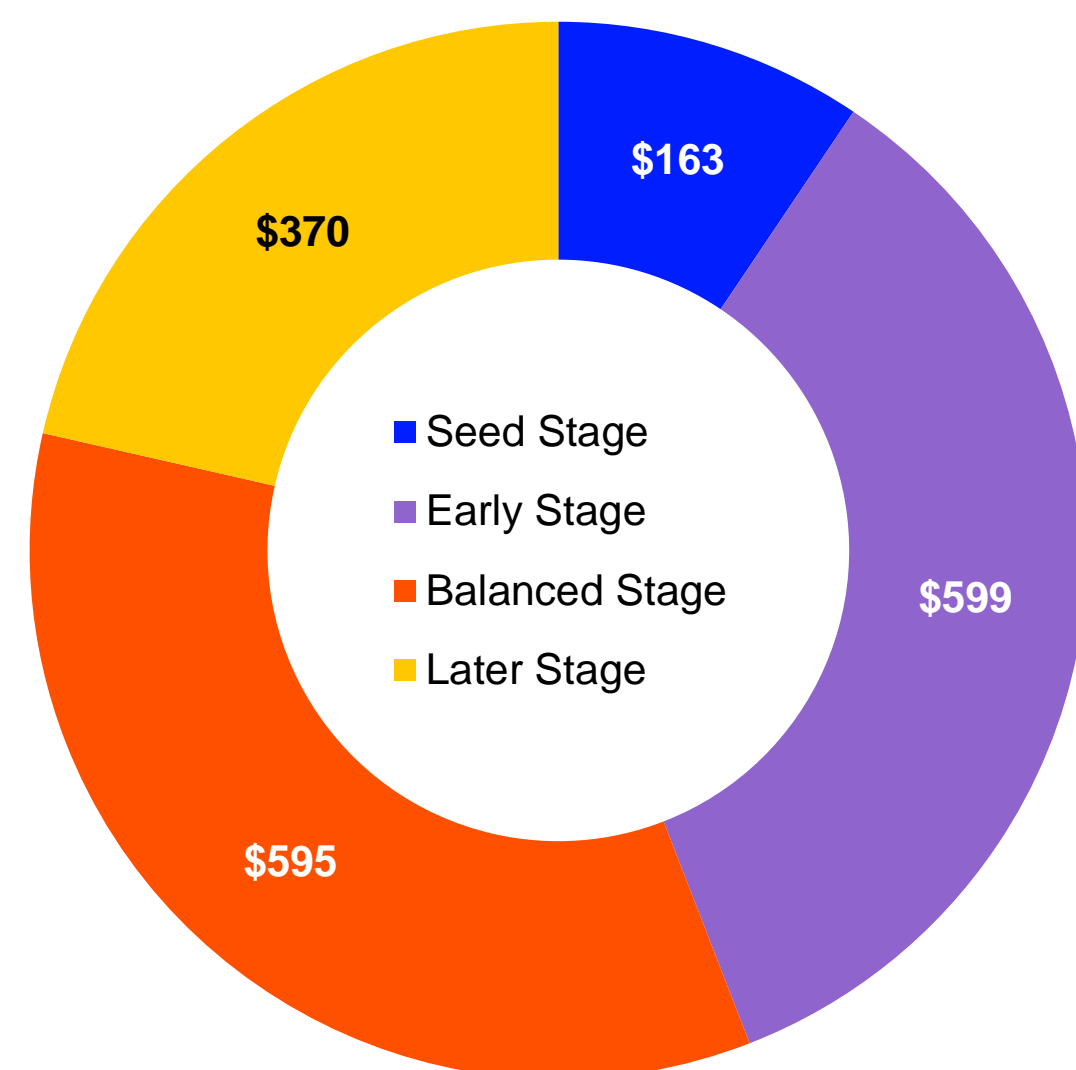
Canada Venture Capital Fundraising Activity



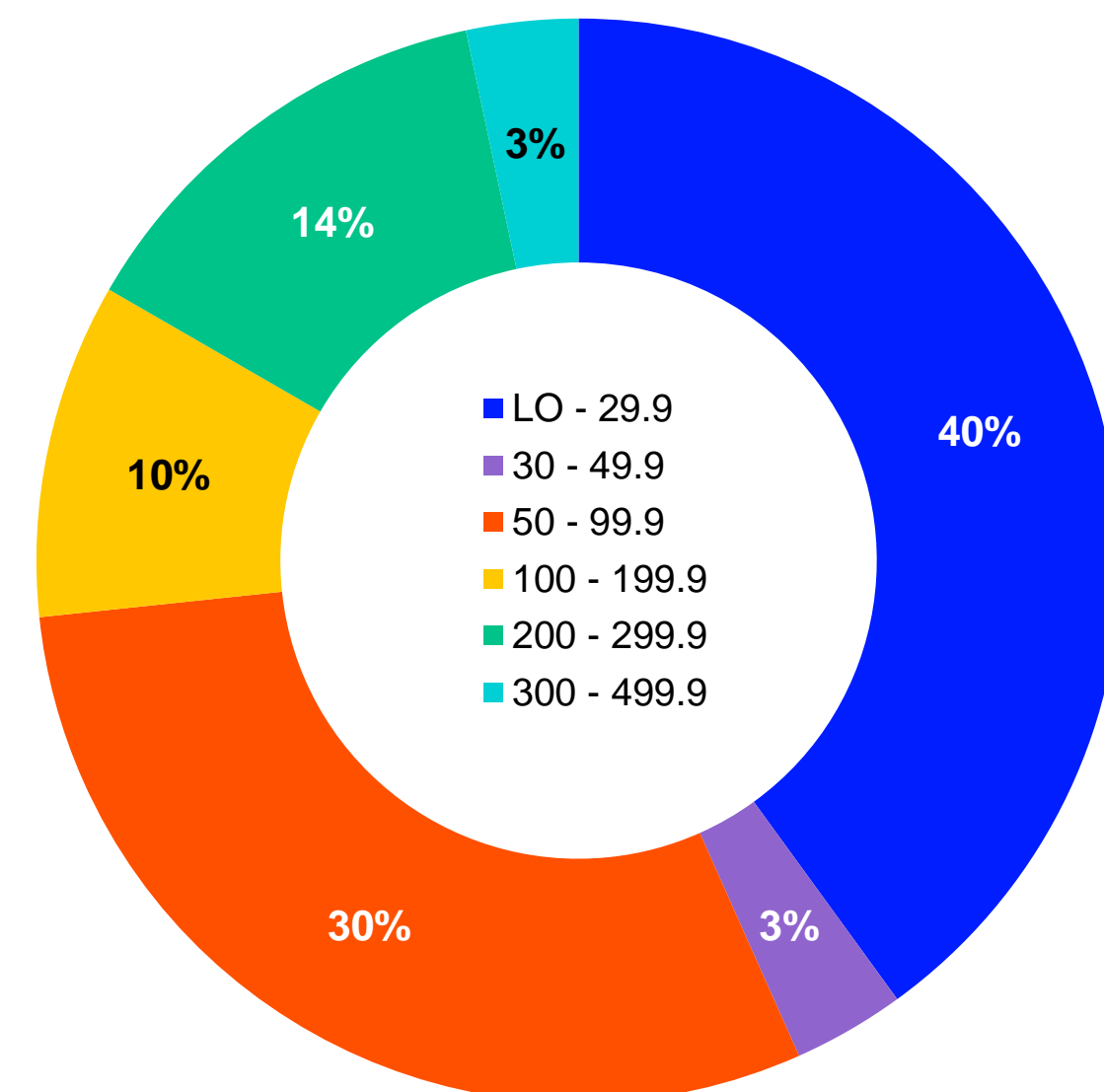
Canada Venture Capital Fundraising Activity

Fund Name	Latest Closing Date	Amount Raised (CA\$mil)	Total Fund Size (CA\$mil)	Fund Stage
Vertu Partners Fund I	03/22/23	\$300.0	\$300.0	Later Stage
Sustainability Venture Fund	04/18/23	\$200.8	\$200.8	Balanced Stage
Round13 Fund III	04/12/23	\$199.6	\$199.6	Balanced Stage
McRock Fund II LP	09/26/23	\$112.1	\$347.3	Early Stage
Public Ventures Impact Fund	07/06/23	\$100.0	\$100.0	Early Stage
Diagram Ventures III LP	05/04/23	\$99.4	\$99.4	Early Stage
Brightspark Canadian Opportunities Fund II	05/03/23	\$75.0	\$75.0	Early Stage
Luge Capital Fund II	09/26/23	\$71.3	\$71.3	Early Stage
McRock iFund LP	09/27/23	\$70.3	\$230.8	Later Stage
Yaletown Partners Innovation Growth Fund II	03/09/23	\$70.0	\$213.4	Early Stage
Manitoba First Fund	03/15/23	\$68.8	\$68.8	Balanced Stage
Pender Technology Inflection Fund II	01/25/23	\$67.0	\$67.0	Seed Stage

Venture Capital Fundraising by Fund Stage (CA\$mil)



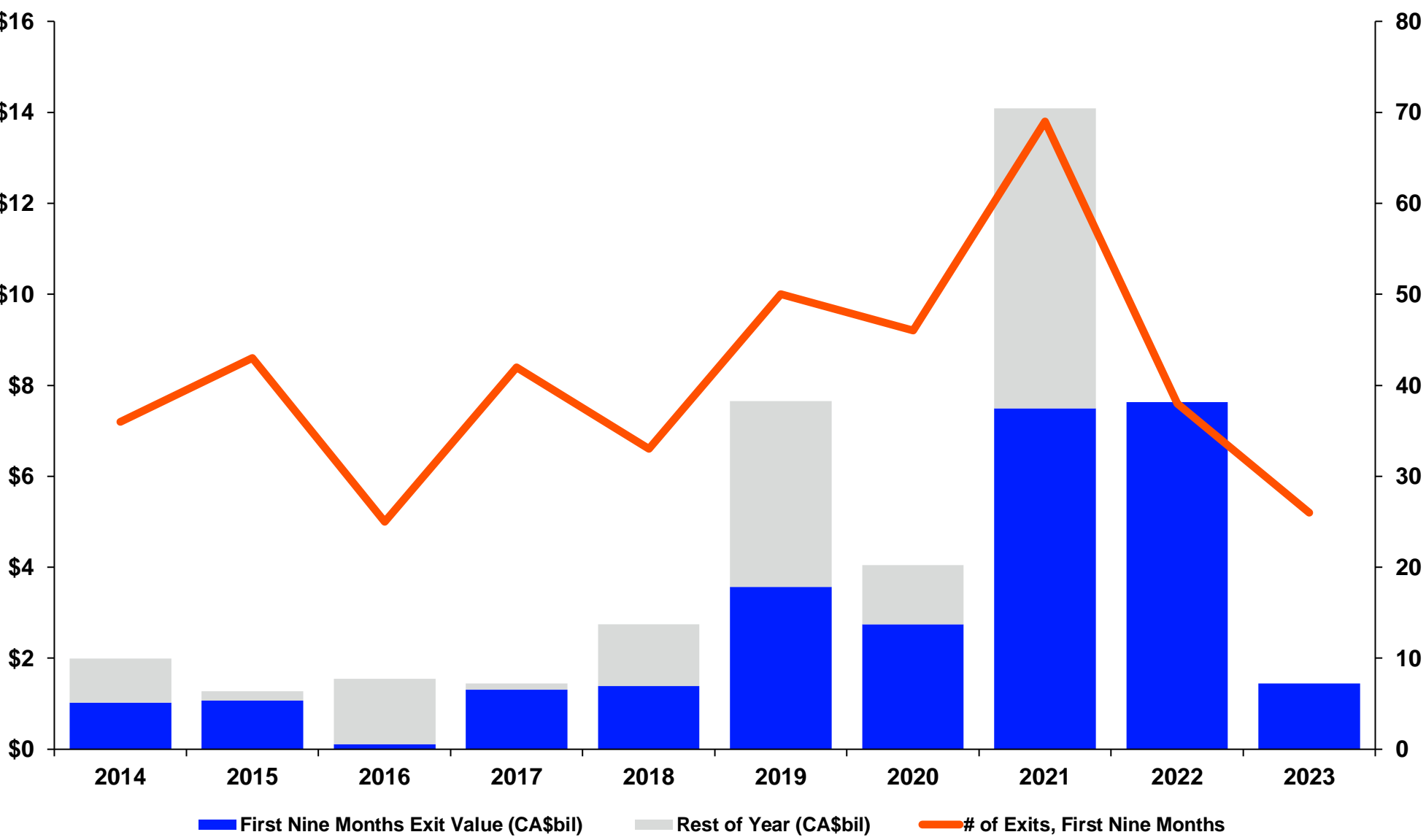
Venture Capital Fundraising, Fund Size Composition



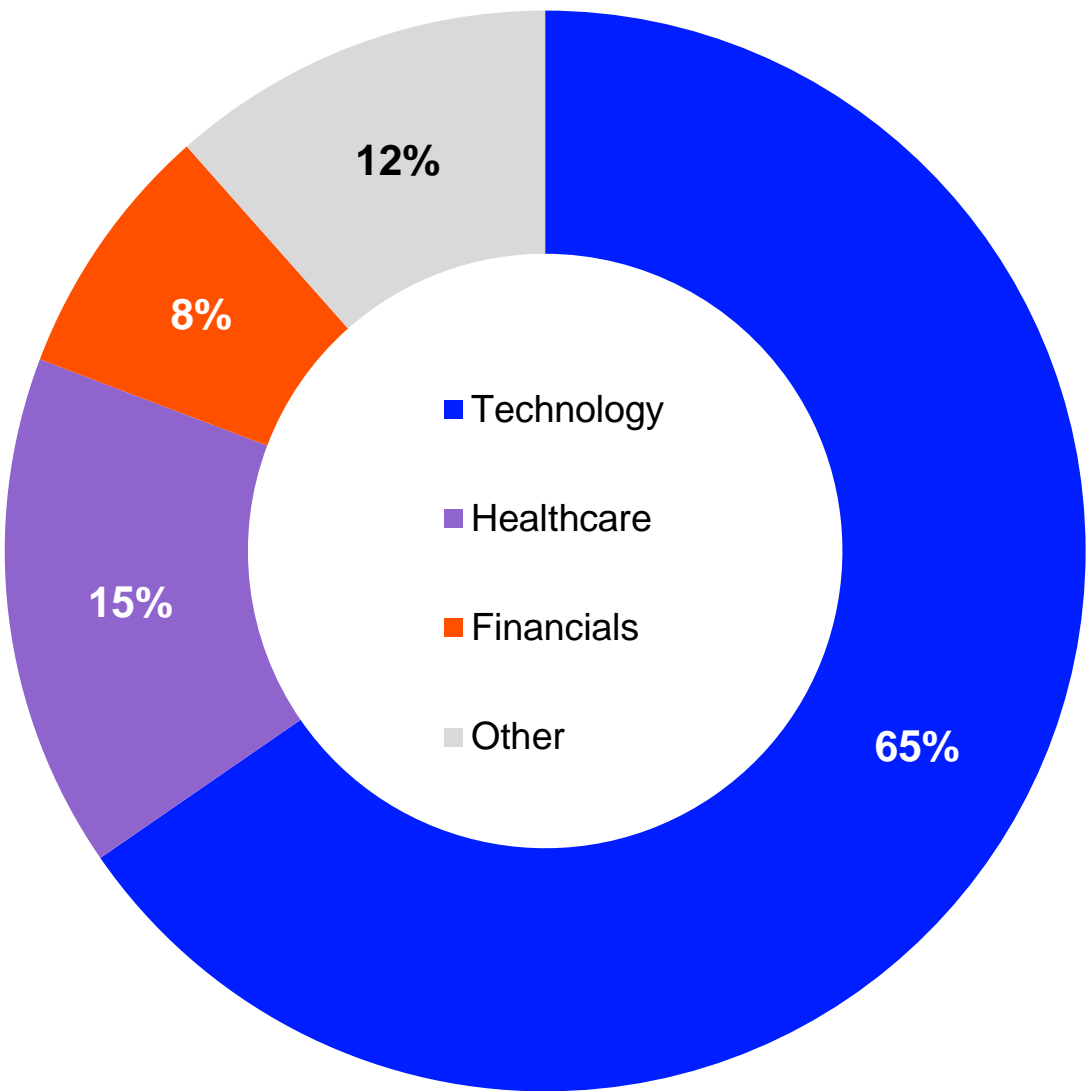
Exits

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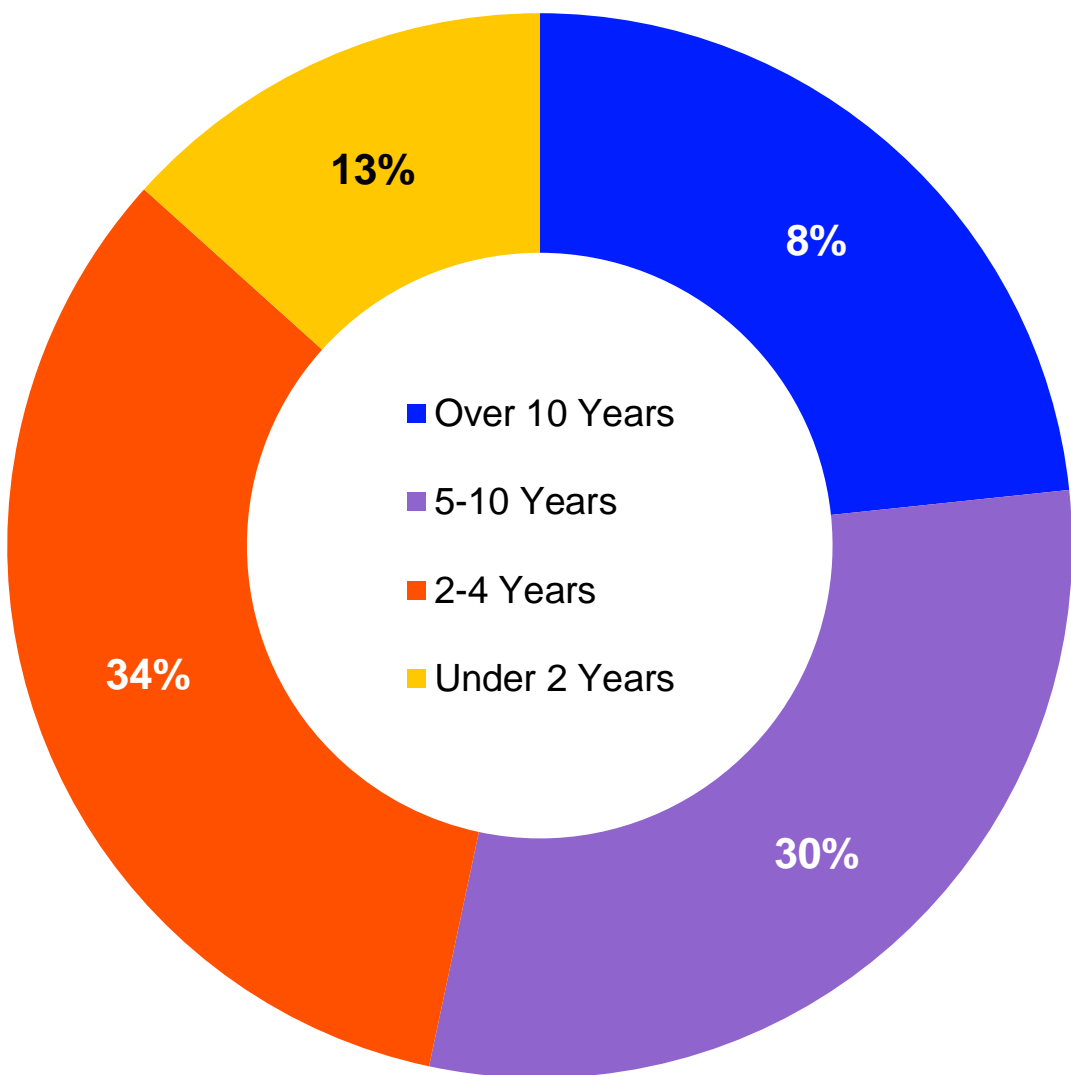
Canada Venture Capital Completed Exit Activity



Exit Volumes by Sector



Length of Time to Exit



Top Completed Canada Venture Capital-Backed Exits

Company Name	Completed Date	Deal Value (CA\$mil)	Sector	Exit Type
Sierra Wireless, Inc.	01/12/23	\$1,526.4	Technology Equipment	Merger
Neovasc Inc	04/11/23	\$143.6	Healthcare Services & Equipment	Merger
Cyclica Inc	05/25/23	\$53.5	Pharmaceuticals & Medical Research	Merger
Bird Canada Inc	01/03/23	\$32.0	Software & IT Services	Merger
Spindle Biotech Inc	07/12/23	\$3.9	Pharmaceuticals & Medical Research	Merger
VINN Automotive Technologies Ltd	06/27/23	\$0.8	Financial Technology (Fintech) & Infrastructure	Merger

Canada Venture Capital Criteria

First Nine Months 2023

If you would like to participate in the submission process, receive quarterly press releases, or have questions about our full league table criteria please contact:

CANADA

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Data collected and analyzed by Refinitiv for this statistical report were drawn from a variety of sources including Refinitiv M&A databases, regulatory filings, press releases, and proprietary reports from Canadian and non-resident venture capital firms, private equity firms, law firms, and other service providers.

The Refinitiv Canadian venture capital report measures cash for equity and quasi-equity investments by the professional venture capital community in emerging companies in Canada. These transactions are referred to as VCReporter Deals in Refinitiv databases.

The report includes the investment activity of professional venture capital firms, whether Canadian-based or not, including private independent funds, retail funds (LSVCCs and PVCCs), venture arms of corporations, institutions, government funds, angel funds, and similar entities whose primary activity is financial investing. Where there are additional participants such as angels, corporations, governments, or company officers in a qualified and verified financing round, the entire amount of the round is included.

The report excludes venture debt, buyouts, recapitalizations, secondary purchases, IPO exits, and other forms of private equity that do not involve cash such as services-in-kind. Investments in capital pool companies (CPCs & JCPs) are not eligible. Companies whose primary activity is the extraction of natural resources (agriculture, forestry, mining, and oil & gas exploration) without a specific focus on technology are not eligible.

Rounds are tracked based on investment location. This predominantly includes Canadian-headquartered companies, but companies headquartered outside of Canada with Canadian research & development facilities are also eligible.

Rankings of top VC investors include only investment activity made in Canadian portfolio companies. Estimated investment activity is based on the actual syndicate breakdown, where available, and is split equally among disclosed investors where actual breakdowns are not available. Private independent, government, and other funds are independently ranked in their respective categories. Rankings capture the nine-month period from January 1st, 2023 to September 30th, 2023.

All current and previous years data is as of Monday, October 30th, 2023. Data is continuously updated and is therefore subject to change. All figures are in Canadian dollars unless otherwise noted.

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