

VENTURE CAPITAL REVIEW

Canadian Venture Capital Review

Full Year 2023



LSEG DATA & ANALYTICS

Canada Venture Capital

Full Year 2023 | Canada Venture Capital Review

Canada Venture Capital Deals Intelligence

CANADA VENTURE CAPITAL INVESTMENT TOTALS C\$7.0 BILLION

Canadian venture capital totaled C\$7.0 billion in deal values across 617 rounds during full year 2023. This resulted in a year-over-year decrease of 34%, by value and a 17% decrease, by volume, compared to full year 2022.

TOP TEN ROUNDS BRING IN C\$2.0 BILLION

The top ten transactions during full year 2023 raised C\$2.0 billion, accounting for 28% of total disclosed values for the period.

The top round for the period was the C\$360.5 million acquisition of a Technology company, Cohere. The second largest transaction was Miovision Technologies C\$260 million transaction, and third was the C\$215 million transaction by Savio Technology

TECHNOLOGY COMPANIES ACCOUNT FOR 57% MARKET SHARE

Companies within the Technology sector saw C\$4.0 billion of deal values across 617 transactions during full year 2023, accounting for a 57% share of the market. Companies in the Healthcare sector raised C\$699 million.

VENTURE CAPITAL FUNDS RAISE C\$7.0 BILLION

Canadian VC funds raised a combined C\$7.0 billion in commitments during full year 2023, representing a 66% decrease compared to the same period in 2022.

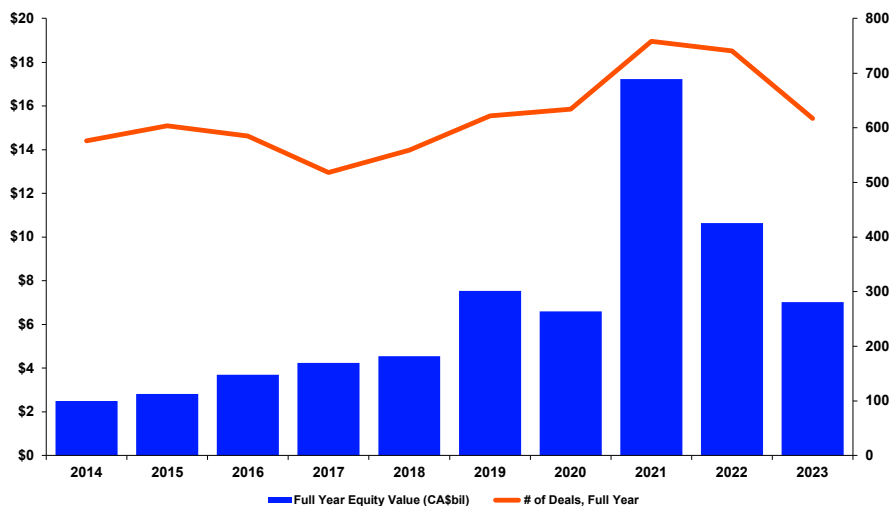
The top fundraiser for the period was the C\$300 million closing of Vertu Partners Fund I. The second largest was the C\$200.8 million closing of Sustainability Venture Fund. Third, was the C\$199.6 million raised by Round13 Fund III.

TOP TEN ANNOUNCED EXIT VALUES TOTAL C\$4.8 BILLION

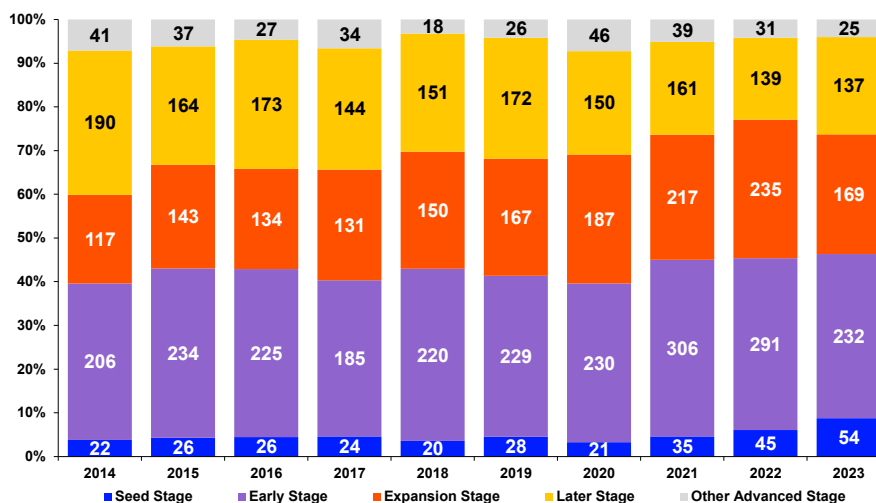
The top ten Canadian announced VC-backed exits with aggregate disclosed exit values totaled C\$4.8 billion during full year 2023.

The top announced exit for the full year was Carbon Engineering Ltd C\$1.5 billion. Placing second was the C\$1.4 billion exit of Inversago Pharma. Third, was the C\$1.1 billion exit of GaN Systems.

Venture Capital Investment Activity in Canadian Companies



Venture Capital Deal Volumes (#) by Transaction Type



Investments

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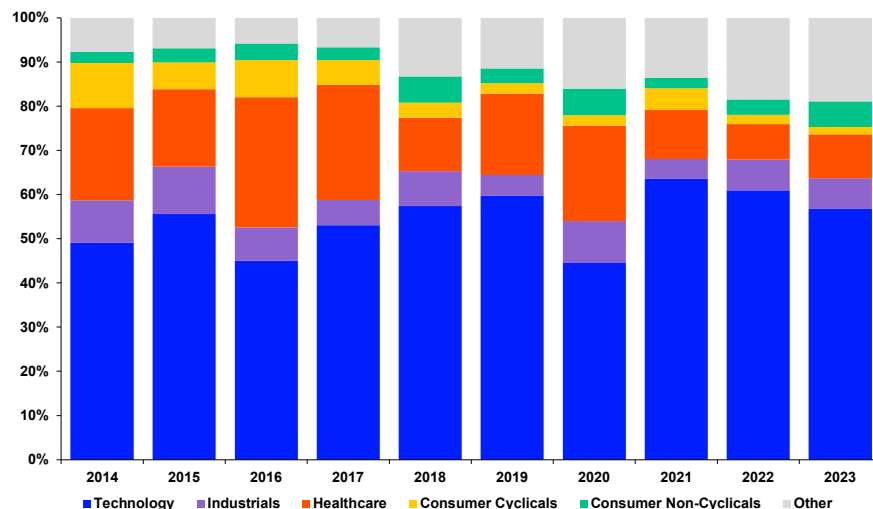
Top Canadian Venture Capital Deals

Company Name	Deal Date	Deal Value (CA\$mil)	Sector	Company Location
Cohere Inc	06/08/23	\$361.0	Technology	Ontario
Miovision Technologies Inc	04/17/23	\$260.0	Technology	Ontario
Savio Technology Inc	04/04/23	\$215.0	Technology	Nova Scotia
Eavor Technologies Inc	10/25/23	\$182.0	Utilities	Alberta
Equisoft Inc	03/01/23	\$169.9	Technology	Quebec
Blockstream Corporation	01/26/23	\$166.5	Technology	Quebec
LayerZero Labs Ltd	03/24/23	\$164.9	Technology	British Columbia
Filo Mining Corp	01/12/23	\$158.3	Basic Materials	British Columbia
Abdera Therapeutics Inc	04/20/23	\$142.0	Healthcare	British Columbia
Photonic Inc	11/08/23	\$137.9	Consumer Non-Cyclicals	British Columbia

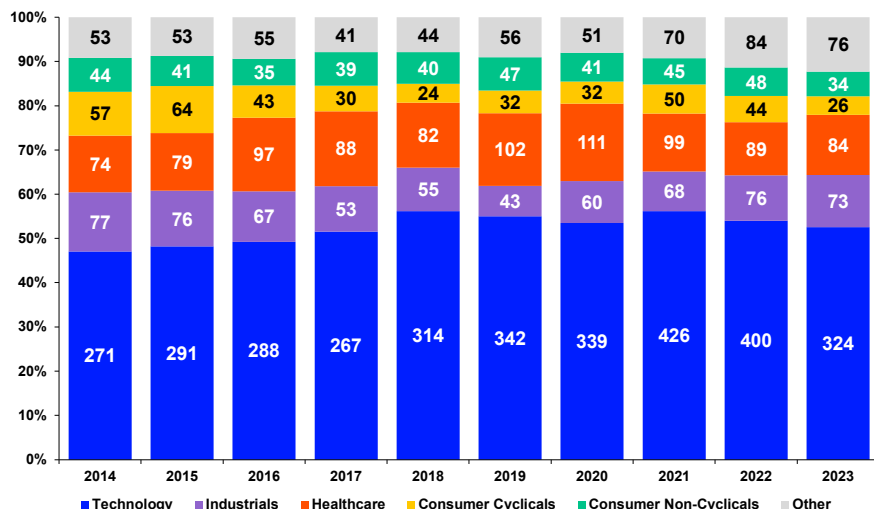
Top VC Deals by Canadian Firms Investing Abroad

Company Name	Deal Date	Deal Value (CA\$mil)	Sector	Company Location
Redwood Materials Inc	08/29/23	\$1,355.3	Industrials	United States
CoreWeave Inc	12/04/23	\$869.1	Technology	United States
Databricks Inc	09/14/23	\$675.4	Technology	United States
Persimmon Ai Labs Inc	03/13/23	\$480.3	Technology	United States
Nakhle Information Systems Technology Co	12/18/23	\$455.4	Technology	Saudi Arabia
Aledade Inc	06/21/23	\$342.2	Industrials	United States
Cato Networks Ltd	09/19/23	\$320.1	Technology	Israel
Genesis Therapeutics Inc	08/21/23	\$270.9	Healthcare	United States
Asimov Inc	01/05/23	\$237.5	Healthcare	United States
Amolyt Pharma SAS	01/06/23	\$186.0	Healthcare	France

Investments by Sector, Amount Invested



Investments by Sector, Number of Deals



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	42	\$199.8
Investissement Quebec	2	24	\$224.4
Export Development Canada	3	22	\$312.6
Anges Quebec	4*	17	\$13.6
iNovia Capital Inc	4*	17	\$153.6
TELUS Ventures	6*	15	\$110.3
MaRS Investment Accelerator Fund Inc	6*	15	\$10.0
Real Investment Management Inc	8	14	\$18.1
Fondaction-CSN	9	12	\$21.9
Radical Ventures Investments Inc	10*	11	\$94.1
Relay Ventures	10*	11	\$21.4
Graphite Ventures Inc	10*	11	\$12.9
Portage Venture Partners LLC	13*	9	\$77.3
Golden Venture Partners Inc	13*	9	\$38.5
Yaletown Venture Partners	13*	9	\$28.6
Garage Capital Ventures Inc	13*	9	\$18.0
Amplify Capital	13*	9	\$10.1
ArcTern Ventures	18*	8	\$63.0
OMERS Ventures	18*	8	\$58.3
CIBC Innovation Banking	18*	8	\$55.2
Lumira Capital Investment Management Inc	18*	8	\$45.4
Loyal Venture Advisors Inc	18*	8	\$5.6

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	15	\$10.0
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	42	\$199.8
Investissement Quebec	2	24	\$224.4
Anges Quebec	3*	17	\$13.6
iNovia Capital Inc	3*	17	\$153.6
Real Investment Management Inc	5	14	\$18.1
Fondaction-CSN	6	12	\$21.9
Cycle Capital Management (CCM) Inc	7*	7	\$36.5
Desjardins Capital Management Inc	7*	7	\$28.0
Panache Ventures	7*	7	\$13.3
Anges Quebec Capital	7*	7	\$6.9
FounderFuel	7*	7	\$0.0
Sectoral Asset Management Inc	12*	6	\$72.2
Fonds de solidarite des travailleurs du Quebec	12*	6	\$47.5
BoxOne Ventures Inc	12*	6	\$4.5
Brightspark Ventures	15*	5	\$31.4
Propulia Capital	15*	5	\$7.2

*Indicates a Tie

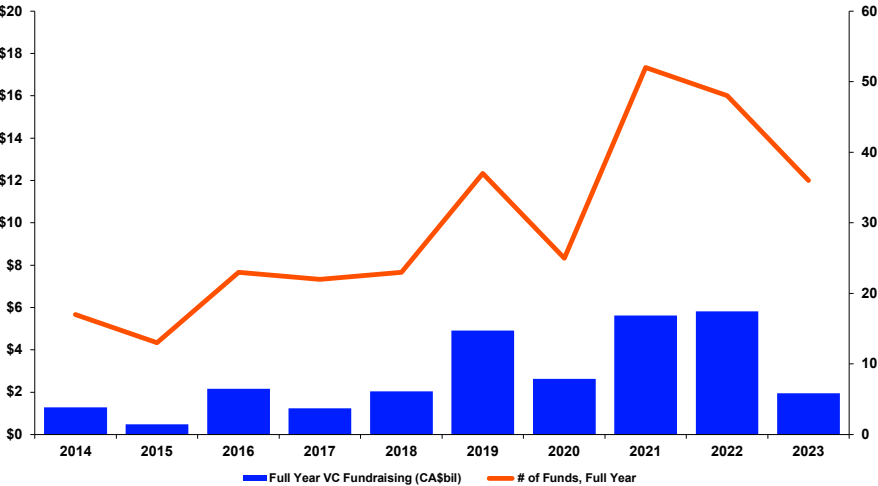
Top Investors in British Columbia Companies

Firm Name	Rank	# of Deals	Estimate Investment
TELUS Ventures	1	15	\$110.3
Yaletown Venture Partners	2	9	\$28.6
Chrysalix Venture Capital	3	6	\$11.4
Pangaea Ventures Ltd	4*	5	\$18.3
Active Impact Investments GP Inc	4*	5	\$2.8
Evok Innovations Inc	6*	4	\$22.9
Serafund	6*	4	\$2.5
Version One Ventures LLC	8*	3	\$36.3
Vanedge Capital Inc	8*	3	\$8.0
Nimbus Synergies Inc	8*	3	\$2.4
WELL Health Ventures	8*	3	\$1.9

Fundraising

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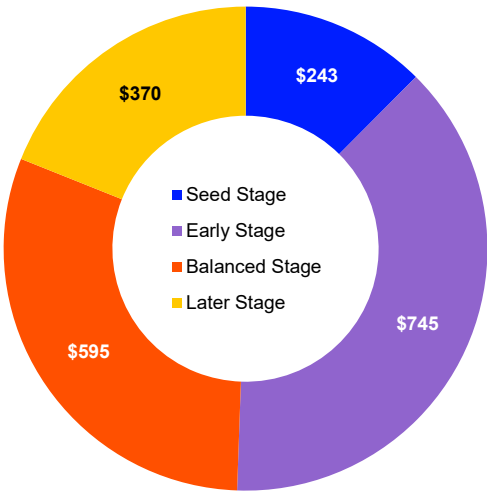
Canada Venture Capital Fundraising Activity



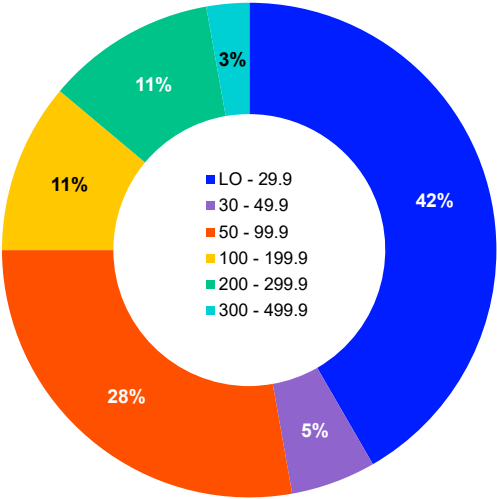
Canada Venture Capital Fundraising Activity

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
Pender Technology Inflection Fund II	11/16/23	\$77.0	\$78.8	Seed 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 iNFund LP	09/27/23	\$70.3	\$230.8	Later Stage

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



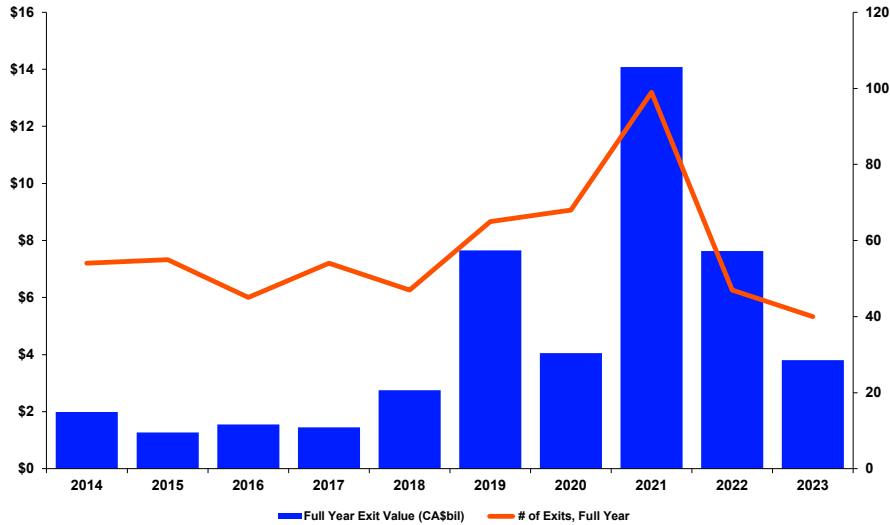
Venture Capital Fundraising, Fund Size Composition



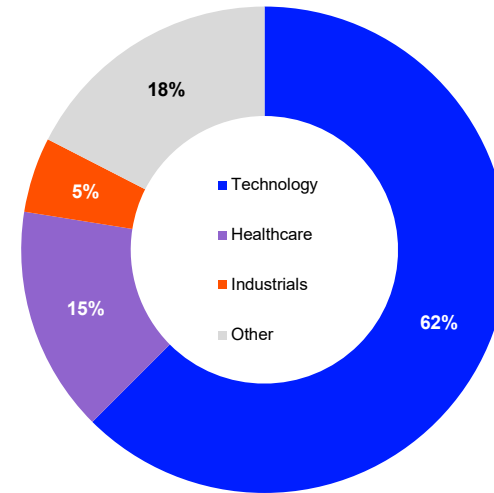
Exits

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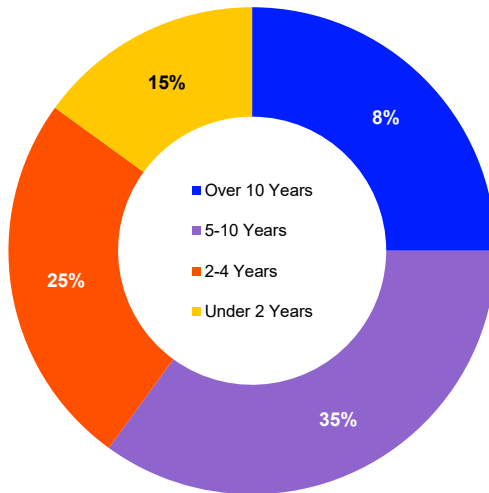
Canada Venture Capital Completed Exit Activity



Exit Volumes by Sector



Length of Time to Exit



Top Announced Canada Venture Capital-Backed Exits

Company Name	Announced Date	Deal Value (CA\$mil)	Sector	Exit Type
Carbon Engineering Ltd	08/15/23	\$1,480.5	Industrials	Merger
Inversago Pharma	08/10/23	\$1,442.4	Healthcare	Merger
GaN Systems Inc	03/02/23	\$1,128.3	Technology	Merger
Leddartech Inc	06/13/23	\$336.9	Consumer Cyclical	Reverse Takeover
OpSens Inc	10/10/23	\$334.1	Healthcare	Merger
Cyclica Inc	05/08/23	\$53.5	Healthcare	Merger
Valence Discovery Inc	05/08/23	\$52.9	Healthcare	Merger
Spindle Biotech Inc	07/12/23	\$3.9	Healthcare	Merger
VINN Automotive Technologies Ltd	06/27/23	\$0.8	Technology	Merger

Canada Venture Capital Criteria

Full Year 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 LSEG Data & Analytics for this statistical report were drawn from a variety of sources including LSEG Data & Analytics 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 LSEG Data & Analytics 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 LSEG Data & Analytics 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 three-month period from January 1st, 2023 to December 31st, 2023.

All current and previous years data is as of January 30, 2024. Data is continuously updated and is therefore subject to change. All figures are in Canadian dollars unless otherwise noted.

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