

Canada Venture Capital Review First Half 2023

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Canada Venture Capital

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CANADA VENTURE CAPITAL INVESTMENT TOTALS C\$1.9 BILLION

Canadian venture capital totaled C\$ 4.6 billion in deal values across 342 rounds during first half of 2023. This represented a 26% decline in volumes and a 7% increase in deal values year-over-year.

TOP TEN ROUNDS BRING IN CA\$1.9 BILLION

The top ten transactions for the first half of 2023 raise C\$1.9 billion, accounting for 41% 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 62% MARKET SHARE

Companies within the Technology sector saw C\$2.9 billion of deal values across 342 transactions during the first half of 2023, accounting for a 62% share of the market. Companies in the Healthcare sector raised C\$5.9 million.

VENTURE CAPITAL FUNDS RAISE C\$1.6 BILLION

A total of nine Canadian VC funds recorded closes during first half 2023, raising a combined C\$1.6 billion in commitments.

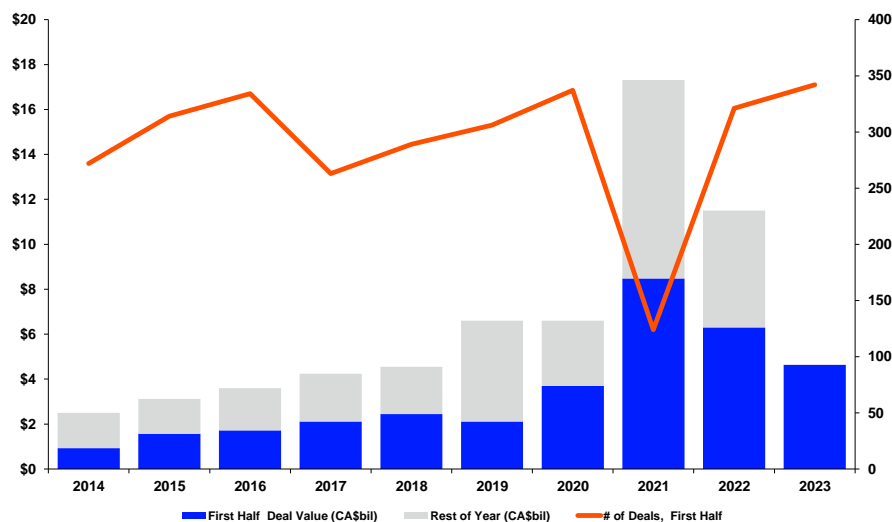
The top fundraise for the period was the C\$300 million closing of Vertu Partners Fund I. The second largest was the C\$200.6 million closing of Sustainability Venture Fund. Third, was the C\$199.6 million raised by Round13 Fund III.

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

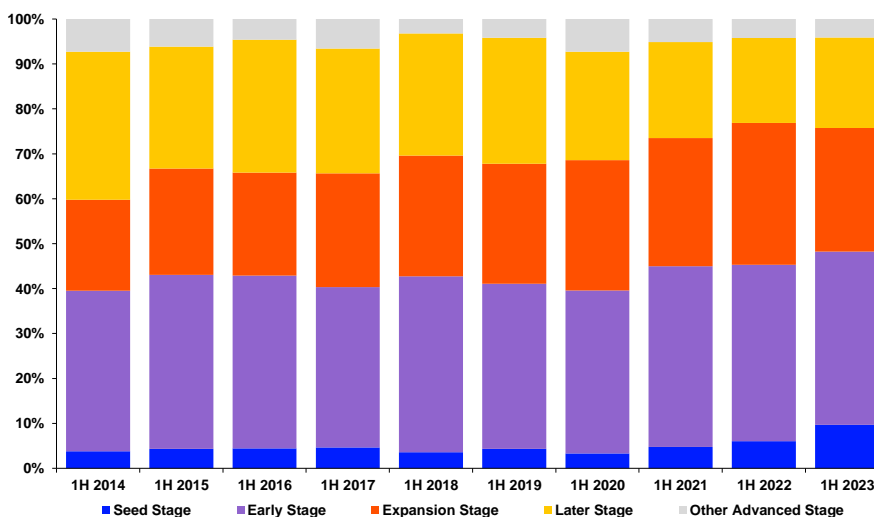
Canadian companies completed five VC-backed exits totaling C\$1.8 billion during first half of 2023, a 54% decline in the number of exits and 39% drop in values when compared to first half of 2022.

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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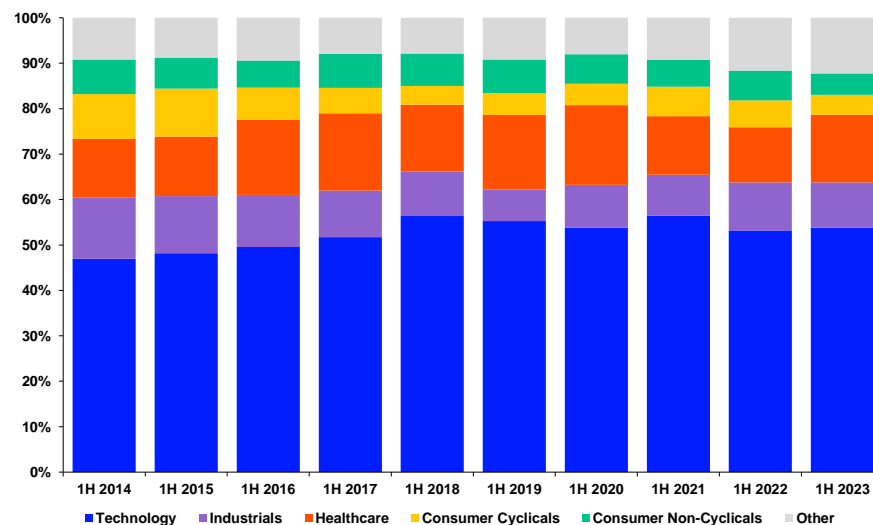
Top Canadian Venture Capital Deals

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
Silfab Solar Inc	03/08/23	\$125.0	Renewable Energy	Ontario
Milestone Pharmaceuticals Inc	03/28/23	\$125.0	Pharmaceuticals & Medical Research	Quebec
Kepler Communications Inc	04/13/23	\$122.7	Telecommunications Services	Ontario

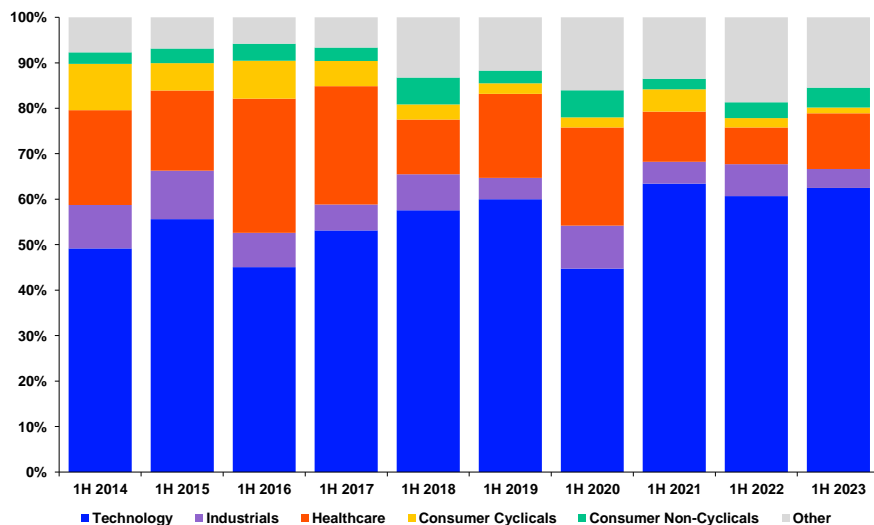
Top VC Deals by Canadian Firms Investing Abroad

Company Name	Deal Date	Deal Value (CA\$mil)	Sector	Company Location
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
Asimov Inc	01/05/23	\$237.5	Pharmaceuticals & Medical Research	United States
Amolyt Pharma SAS	01/06/23	\$186.0	Pharmaceuticals & Medical Research	France
Wefox Insurance AG	05/17/23	\$148.0	Insurance	Germany
R-Zero Systems Inc	02/16/23	\$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
LENZ Therapeutics Inc	03/07/23	\$114.8	Pharmaceuticals & Medical Research	United States
SpanIO Inc	03/03/23	\$114.1	Industrial Goods	United States
NextPoint Therapeutics Inc	01/10/23	\$107.4	Pharmaceuticals & Medical Research	United States

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	23	\$108.8
Investissement Quebec	2	16	\$176.5
Export Development Canada	3	14	\$263.0
Anges Quebec	4	12	\$6.8
Fondaction-CSN	5	11	\$48.2
Viking Global Investors LP	6	9	\$17.8
Real Investment Management Inc	7	8	\$16.1
iNovia Capital Inc	8*	7	\$193.3
Desjardins Capital Management Inc	8*	7	\$28.0
Relay Ventures	8*	7	\$12.3
Mars Investment Accelerator Fund Inc	8*	7	\$6.3
FounderFuel	8*	7	\$0.0
TELUS Ventures	13*	6	\$94.7
Techstars Central LLC	13*	6	\$2.0
Uceed	13*	6	\$0.2
Graphite Ventures Inc	16*	5	\$8.9
Conexus Credit Union 2006 Ltd	16*	5	\$6.6
Anges Quebec Capital	16*	5	\$4.6
Canadian Business Growth Fund	16*	5	\$4.5
Sandpiper Ventures	16*	5	\$1.0

Top Investors in Québec Companies

Firm Name	Rank	# of Deals	Estimate Investment
Business Development Bank of Canada	1	23	\$108.8
Investissement Quebec	2	16	\$176.5
Anges Quebec	3	12	\$6.8
Fondaction-CSN	4	11	\$48.2
Real Investment Management Inc	5	8	\$16.1
iNovia Capital Inc	6*	7	\$193.3
Desjardins Capital Management Inc	6*	7	\$28.0
FounderFuel	6*	7	\$0.0
Anges Quebec Capital	9	5	\$4.6
Cycle Capital Management (CCM) Inc	10*	3	\$15.4
Brightspark Ventures	10*	3	\$15.3
Fonds de solidarité des travailleurs du Québec	10*	3	\$10.5
Panache Ventures Investment Fund 2018 LP	10*	3	\$10.0
BoxOne Ventures Inc	10*	3	\$1.4

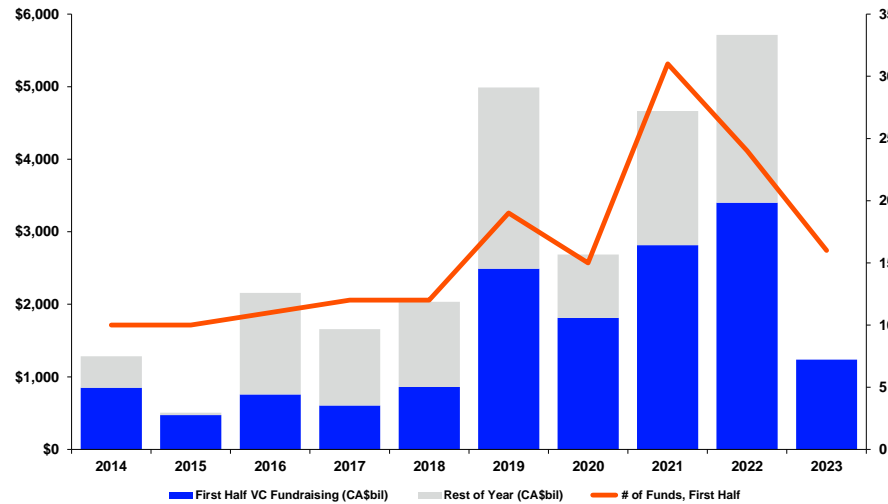
Top Investors in Ontario Companies

Firm Name	Rank	# of Deals	Estimate Investment
Export Development Canada	1	14	\$263.0
Relay Ventures	2*	7	\$12.3
Mars Investment Accelerator Fund Inc	2*	7	\$6.3
Graphite Ventures Inc	4*	5	\$8.9
Canadian Business Growth Fund	4*	5	\$4.5
Golden Venture Partners Inc	6*	4	\$30.4
Garage Capital Ventures Inc	6*	4	\$10.7
N49P Venture Capital	6*	4	\$3.6
Amplify Capital	6*	4	\$3.4
Good News Ventures	6*	4	\$3.0
Amplitude Venture Capital Management Inc	11*	3	\$22.3
Portag3 Ventures Inc GP	11*	3	\$10.0
Diagram Ventures GP Inc	11*	3	\$9.1
Deloitte Ventures	11*	3	\$7.4
Standup Ventures	11*	3	\$1.8
Maverix Private Equity	16*	2	\$86.7
Government Of Quebec	16*	2	\$47.6
Mistral Venture Partners Inc	16*	2	\$8.5
Celtic House Venture Partners Inc	16*	2	\$6.6
Whitecastle Investments Ltd	16*	2	\$4.5
Mantella Venture Partners	16*	2	\$4.5
Hazelview Investments Inc	16*	2	\$2.9
Round13 Capital	16*	2	\$1.8
Co-operators Group Fund Ltd	16*	2	\$0.0

Top Investors in British Columbia Companies

Firm Name	Rank	# of Deals	Estimate Investment
TELUS Ventures	1	6	\$94.7
Nimbus Synergies Inc	2	3	\$2.4
Evok Innovations Inc	3*	2	\$11.5
Red Thread Ventures Ltd	3*	2	\$1.9
Weave Vc	3*	2	\$0.5

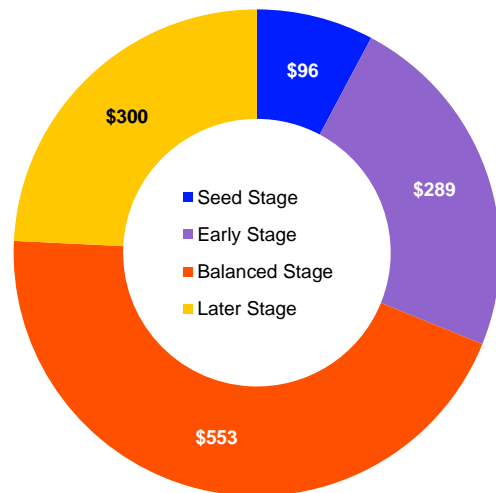
Canada Venture Capital Fundraising Activity



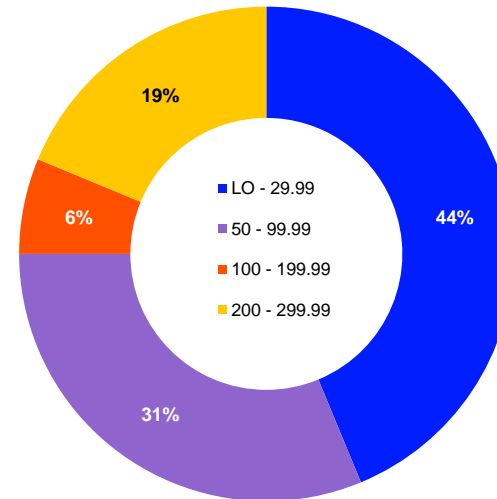
Canada Venture Capital Fundraising Activity

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
Diagram Ventures III LP	05/03/23	\$99.4	\$99.4	Early Stage
Brightspark Canadian Opportunities Fund II	03/15/00	\$75.0	\$75.0	Early 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
Raven Fund II	01/31/23	\$53.7	\$100.0	Balanced Stage
The51 Ventures Food & AgTech Fund	04/28/23	\$30.0	\$30.0	Balanced Stage

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



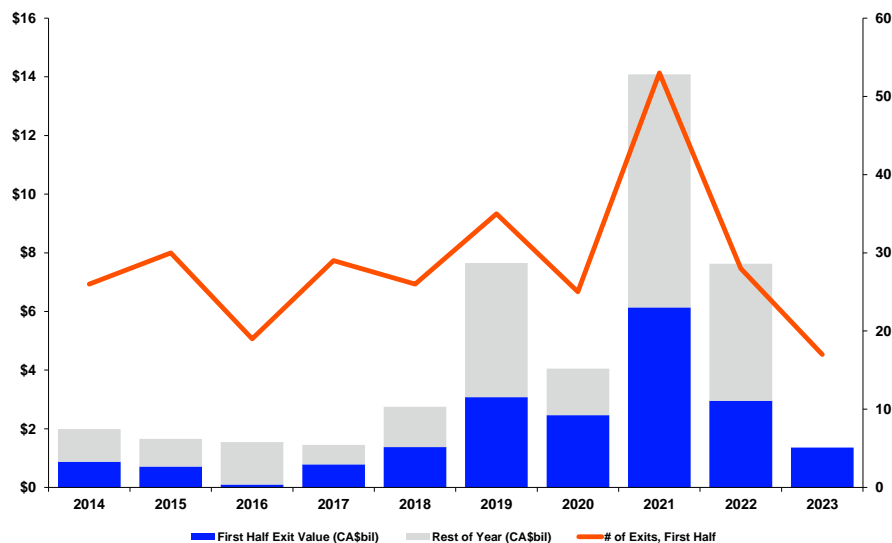
First Half Venture Capital Fundraising, First Half Fund Size Composition



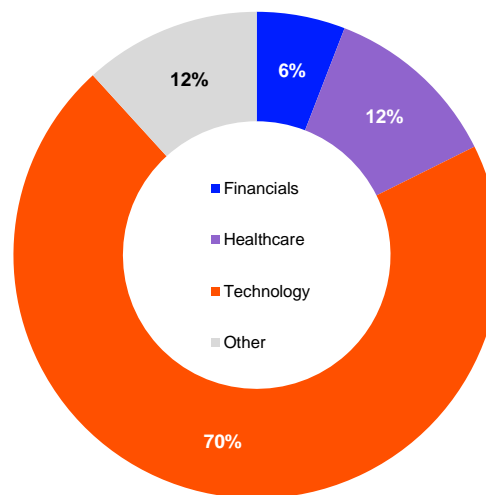
Exits

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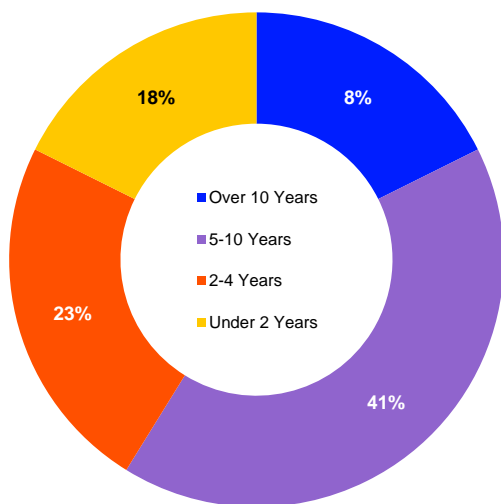
First Half Canada Venture Capital Completed Exit Activity



First Half Exit Volumes by Sector



First Half Length of Time to Exit



Top Completed Canada Venture Capital-Backed Exits

Company Name	Announced 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
VINN Automotive Technologies Ltd	06/27/23	\$0.8	Financial Technology (Fintech) & Infrastructure	Merger

Canada Venture Capital Criteria

First Half 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 June 30th, 2023.

All current and previous years data is as of Monday, July 28th, 2023. Data is continuously updated and is therefore subject to change. All figures are in Canadian dollars unless otherwise noted.

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