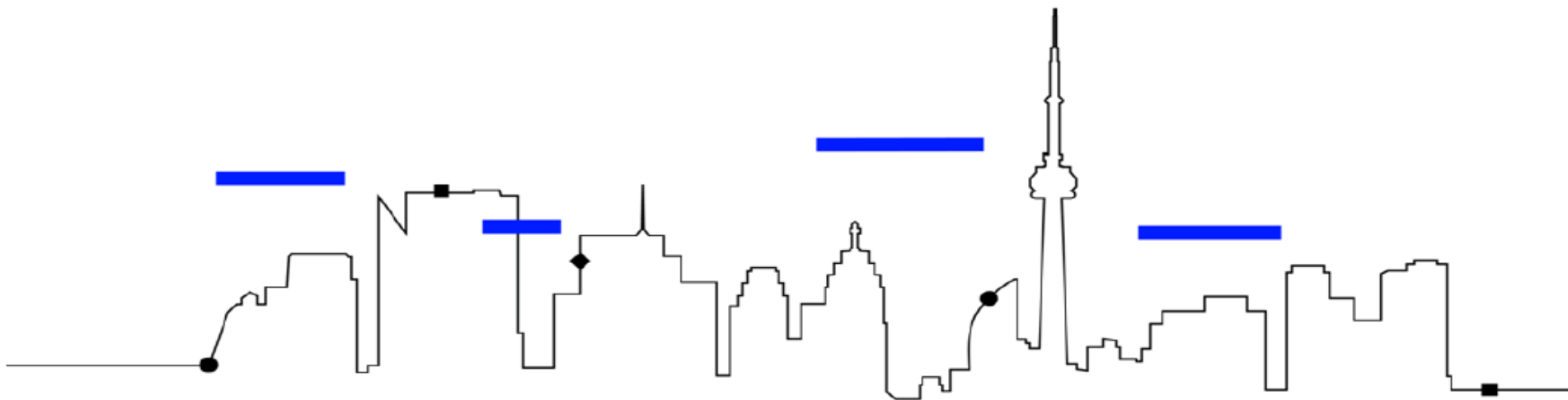


Canada Venture Capital Review

FIRST HALF 2020



Canada Venture Capital

First Half 2020 | Canada Venture Capital Review

Canada Venture Capital Deals Intelligence

CANADA VENTURE CAPITAL INVESTMENT TOTALS CA\$3.6 BILLION

Canadian venture capital totaled CA\$3.6 billion invested across 302 rounds in the first six months of 2020. Despite volumes declining 1% year-over-year, investment values saw an increase of 28% and it was the strongest first half ever recorded. The CA\$1.9 billion invested across 157 rounds in the second quarter alone marked the third strongest quarter on record, only behind CA\$2.1 billion in Q4 2000 and CA\$2.8 billion in Q3 2019.

SEVEN ROUNDS OVER CA\$100 MILLION COMPLETED DURING THE FIRST HALF

Four venture capital rounds surpassed the nine-figure mark between April and June, bringing the total to seven rounds worth CA\$1.2 billion in the half. Topping the list for those newly added was the CA\$211 million funding round provided to Kitchener-based online student recruitment platform, Applyboard, led by Drive Capital and joined by Business Development Bank of Canada, Anthos Capital, Artiman Ventures, Fidelity Investments, and Garage Capital. Publicly-listed residential property services business, FirstService Corporation, also raised CA\$210 million in a private placement sold to United States-based venture firm Durable Capital Partners in order to accelerate growth and pay existing obligations. Completing the top three for the quarter was the CA\$144 million investment into Vancouver-based biotechnology firm AbCellera, led by Orbimed and Data Collective with additional participation from Founders Fund, Presight Capital, Eli Lilly and Company, Peter Thiel, Viking Global Investors, and the University of Minnesota.

BRITISH COLUMBIA INCREASES SHARE OF INVESTMENT TO 22%

Companies based within Ontario saw CA\$1.5 billion invested across 119 deals, resulting in 6th place for dollar values and 4th place for volumes in the North American provincial & state rankings. Quebec followed closely behind with CA\$963 million financed across 86 deals for dollar and volume rankings of 9th and 6th place, respectively. Companies within British Columbia saw their share of overall investment rise from 19% in the first half of 2019 to 22% in 2020, with 55 rounds totalling \$792 million in the period.

CANADIAN FUNDS CONTRIBUTE 62% OF VENTURE FINANCING

Domestic funds invested CA\$1.8 billion in Canadian companies through the end of June, a 62% share of all disclosed financing. This was up from the 45% throughout the entirety of 2019 and higher than any annual share since 2012. As a result, funds located within the United States supplied 34% of funding during the half, lower than any annual share since 28% in 2012.

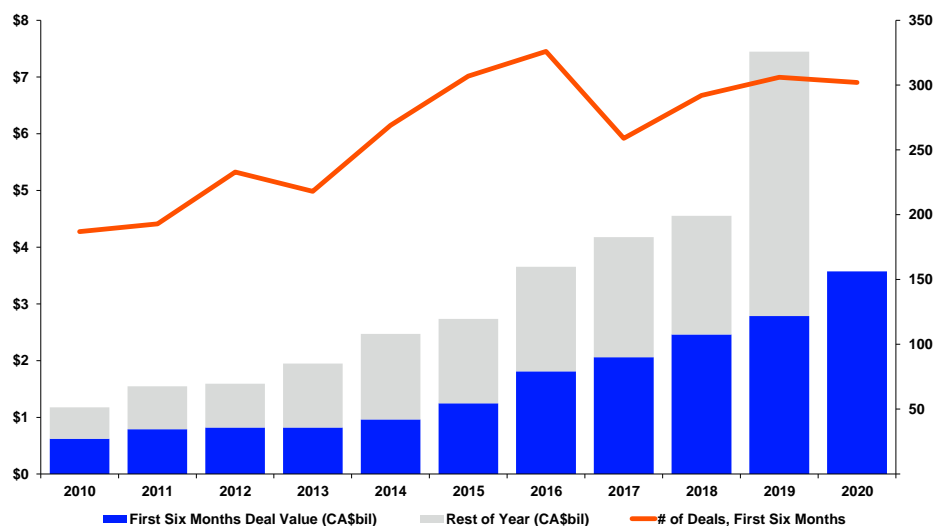
VENTURE CAPITAL FUNDS RAISE CA\$1.9 BILLION

A total of 14 Canadian VC funds recorded closes during the first half, raising a combined CA\$1.9 billion in commitments, a decrease of 36% compared to a year ago but still the third strongest first half on record. OMERS Ventures led the way with CA\$1.1 billion in commitments for its fourth flagship fund, a transatlantic fund which will focus primarily on fintech, healthtech, proptech, logistics tech, and workplace technology businesses. Georgian Partners also collected CA\$151 million of additional commitments for its Growth Fund V, bringing total fund commitments to CA\$1.1 billion.

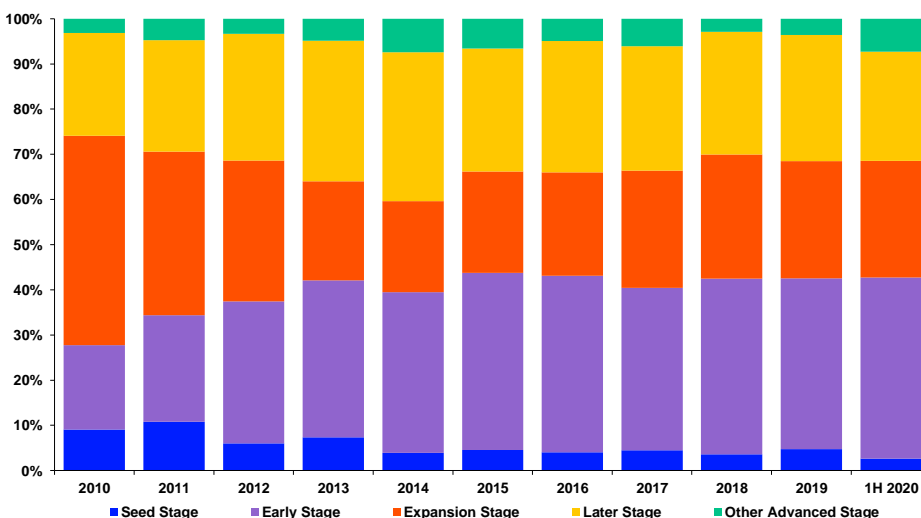
CANADA VENTURE CAPITAL-BACKED EXITS TOTAL CA\$634 MILLION

Canadian companies completed 21 VC-backed exits during the quarter worth CA\$634 million, a 22% decline in the number of exits and 52% drop in values when compared to the first half of 2019. The top three exits were all IPOs held in the second quarter of the year, including those of oncology drug developers Repare Therapeutics and Fusion Pharmaceuticals which received CA\$344 million and CA\$290 million of proceeds, respectively. Legal and business tech provider, Dye & Durham, also saw proceeds of CA\$173 million from its June listing.

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	Location
Eddyfi/NDT	01/30/20	\$270.0	Industrial Services	Quebec, QC
ApplyBoard	04/15/20	\$210.9	Turnkey Integrated Systems and Solutions	Kitchener, ON
FirstService Corporation	05/22/20	\$209.9	Internet Ecommerce	Toronto, ON
AbCellera	05/27/20	\$144.4	Biotech-Human	Vancouver, BC
Miovision	01/28/20	\$120.0	Computer Software	Kitchener, ON
Merit Functional Foods	05/04/20	\$119.7	Food and Beverage	Winnipeg, MB
Lightspeed POS	02/27/20	\$112.7	Computer Software	Montreal, QC
SemiosBIO Technologies	02/18/20	\$99.3	Internet Content	Vancouver, BC
Hopper	04/02/20	\$98.9	Internet Software	Montreal, QC
Bluestone Resources	05/01/20	\$92.0	Agricultural, Forestry	Vancouver, BC
D-Wave Systems	04/16/20	\$81.2	Computer Hardware	Burnaby, BC
TerrAscend	03/11/20	\$80.5	Cannabis	Mississauga, ON

Top Investors in Canadian Venture Capital Deals

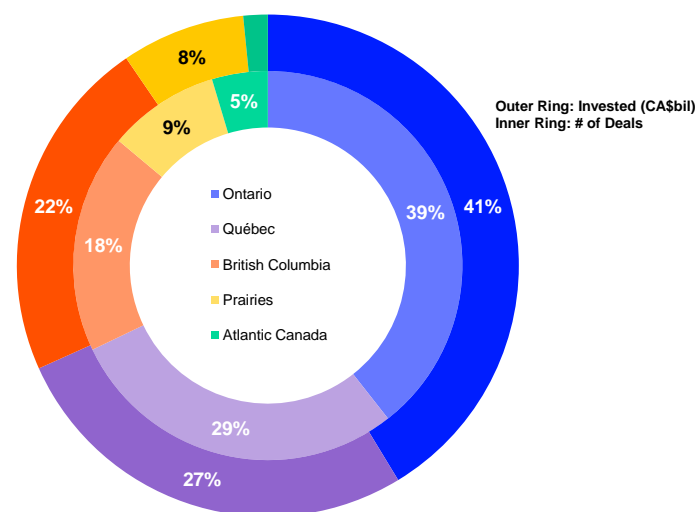
Firm Name	Rank	# of Deals	Estimated Investment (CA\$mil)
Business Development Bank of Canada (BDC)	1	47	\$138.6
Desjardins Capital	2	30	\$27.0
Real Ventures	3	21	\$18.2
Export Development Canada	4	16	\$75.8
Yaletown Venture Partners	5	11	\$12.3
MaRS Investment Accelerator Fund	6	11	\$5.9
Teravys Capital	7	10	\$90.6
Inovia Capital	8	9	\$132.6
CIBC Innovation Banking	9	8	\$49.0
Cycle Capital - Ecofuel	10	8	\$4.6
Investissement Québec	11	6	\$43.4
Relay Ventures	12	6	\$6.0
Ontario Centres of Excellence	13	5	\$4.3
Anges Québec Capital	14	5	\$1.8
New Brunswick Innovation Foundation	15	5	\$1.4
Canadian Business Growth Fund	16	4	\$22.1
Fondaction	17	4	\$10.6
Rhino Ventures	18	4	\$8.8
Westcap	19	4	\$7.6
Techstars	20	4	\$4.2
Innovacorp	21	4	\$0.1

Venture Capital Investment by Province & State

Province/State	01/01/2020 - 06/30/2020 Value (CA\$mil)	# of Deals	01/01/2019 - 06/30/2019 Value (CA\$mil)	# of Deals	YoY % Chg. (\$)	YoY % Chg. (#)
California	\$43,407.1	961	\$39,233.3	1,053	11%	-9%
New York	\$8,627.2	315	\$10,230.9	348	-16%	-9%
Massachusetts	\$7,718.3	217	\$7,676.9	219	1%	-1%
Washington	\$2,303.5	78	\$1,840.0	93	25%	-16%
Texas	\$1,937.9	100	\$2,619.9	134	-26%	-25%
Ontario	\$1,475.6	119	\$1,391.0	124	6%	-4%
Illinois	\$1,043.8	63	\$1,283.3	63	-19%	0%
Florida	\$964.5	36	\$1,275.8	41	-24%	-12%
Quebec	\$963.5	86	\$649.2	95	48%	-9%
New Jersey	\$912.0	25	\$941.6	28	-3%	-11%
Georgia	\$910.2	39	\$612.2	36	49%	8%
Maryland	\$857.0	40	\$534.4	34	60%	18%
Pennsylvania	\$798.0	52	\$797.6	94	0%	-45%
British Columbia	\$792.3	55	\$530.9	49	49%	12%
North Carolina	\$775.1	36	\$224.8	28	245%	29%
Colorado	\$696.1	55	\$1,142.8	72	-39%	-24%
Utah	\$582.4	31	\$696.6	29	-16%	7%
Virginia	\$475.1	37	\$483.6	43	-2%	-14%
Connecticut	\$410.1	42	\$498.1	38	-18%	11%
Oregon	\$313.3	20	\$167.2	15	87%	33%
Arizona	\$305.2	12	\$336.9	22	-9%	-45%
Ohio	\$294.7	35	\$426.5	38	-31%	-8%
D. of Columbia	\$290.7	9	\$157.3	14	85%	-36%
Nebraska	\$233.2	13	\$8.8	5	2562%	160%
Michigan	\$200.1	15	\$2,080.0	29	-90%	-48%

*Indicates a Tie

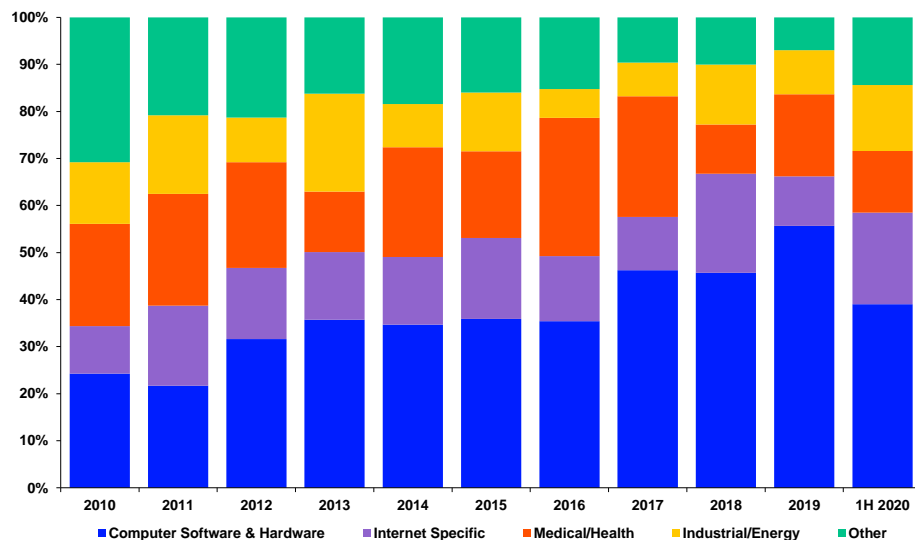
Venture Capital Investment by Province & Region



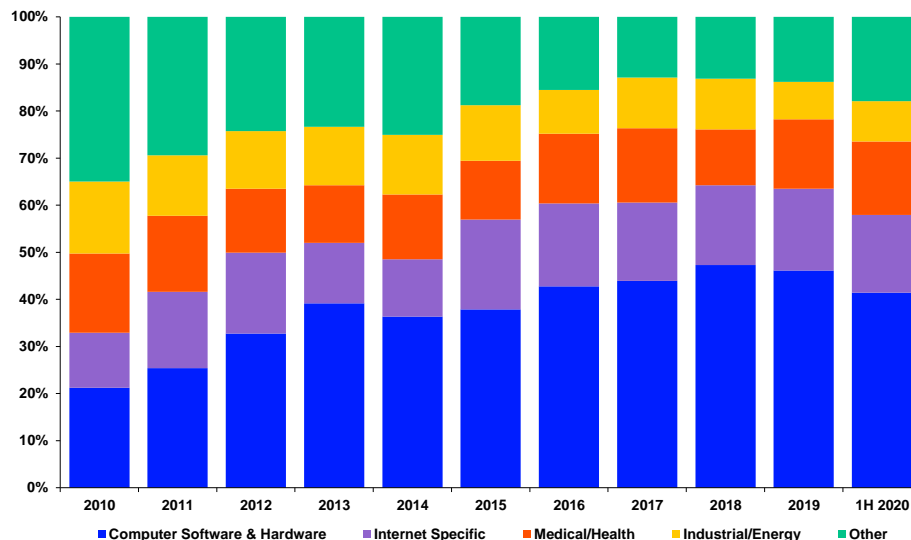
Investments

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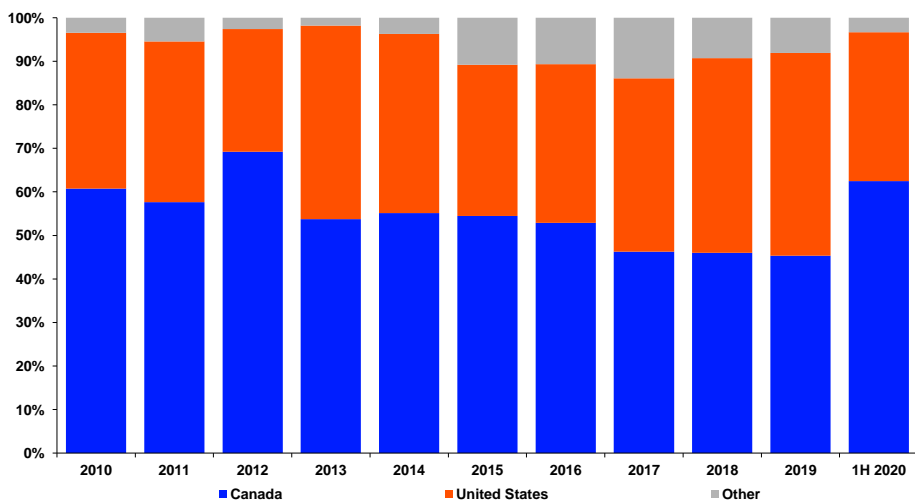
Investments by Sector, Amount Invested



Investments by Sector, Number of Deals



Investment by Origin of Capital



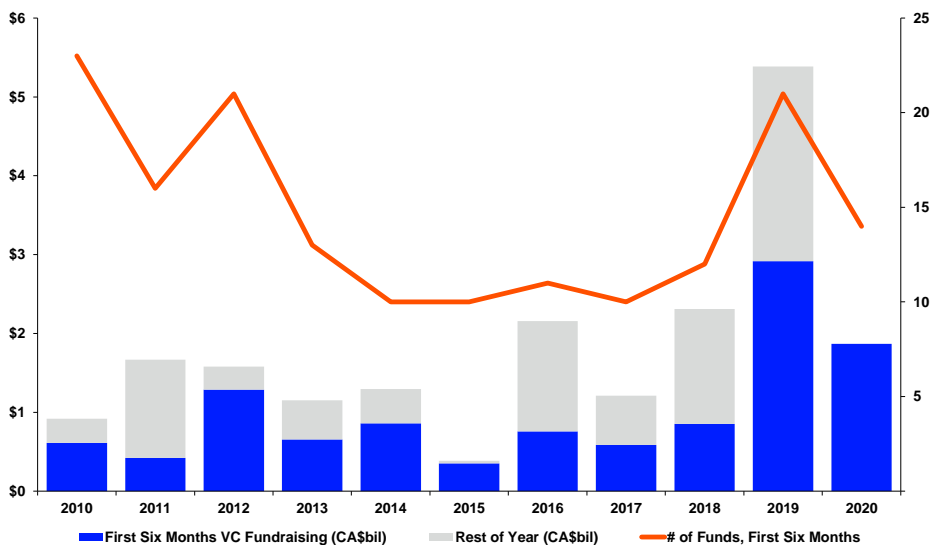
Top VC Deals by Canadian Firms Investing Abroad

Company Name	Deal Date	Deal Value (CA\$mil)	Sector	Location
Waymo	03/02/20	\$2,997.5	Transportation	United States of America
Sana Biotechnology	06/26/20	\$1,123.9	Biotech-Human	United States of America
GRAIL	05/07/20	\$542.6	Biotech-Human	United States of America
Netskope	02/11/20	\$451.7	Computer Software	United States of America
Space Exploration Technologies	03/13/20	\$305.4	Transportation	United States of America
Califia Farms	01/15/20	\$293.4	Food and Beverage	United States of America
Sonder	04/03/20	\$231.8	Internet Ecommerce	United States of America
Judo Bank	05/07/20	\$208.7	Financial Services	Australia
KRY	01/07/20	\$203.0	Internet Ecommerce	Sweden
Insitro	05/21/20	\$199.1	Biotech Research	United States of America

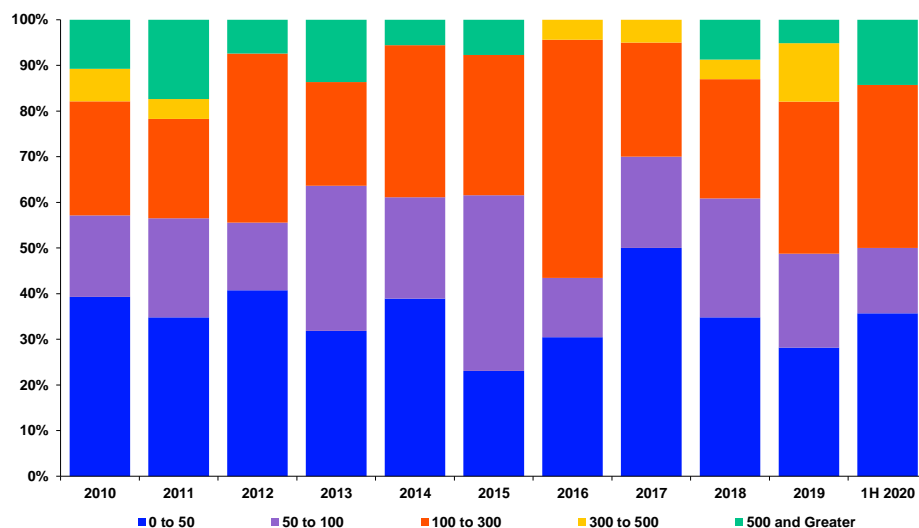
Fundraising

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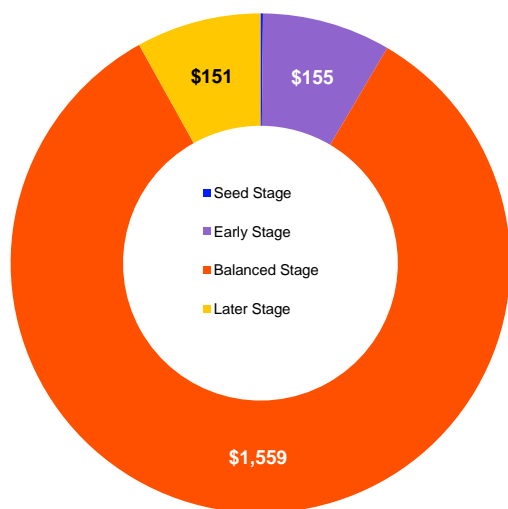
Canada Venture Capital Fundraising Activity



Venture Capital Fundraising by Fund Size, Number of Funds



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



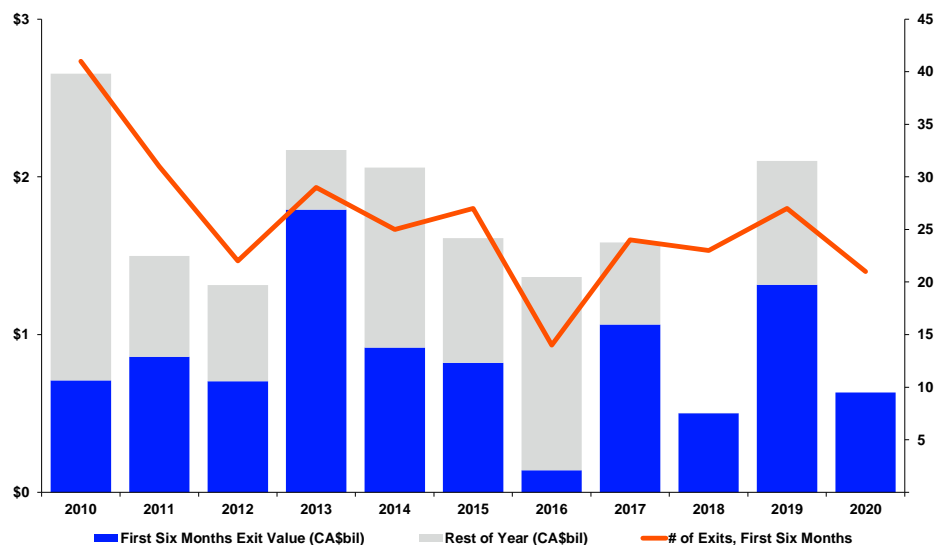
Largest Venture Capital Funds Raised in Canada

Fund Name	Latest Closing Date	Amount Raised (CA\$mil)	Total Fund Size (CA\$mil)	Fund Stage
OMERS Ventures Fund IV	04/27/20	\$1,052.2	\$1,052.2	Balanced Stage
Georgian Partners Growth Fund V	02/25/20	\$150.9	\$1,140.2	Later Stage
FCC Venture Capital Fund	05/15/20	\$141.1	\$141.1	Balanced Stage
Agriculture & Food Business Solutions Fund	05/15/20	\$141.1	\$141.1	Balanced Stage
Round13 Fund II	01/22/20	\$125.0	\$125.0	Balanced Stage
Round13 Growth	01/22/20	\$100.0	\$100.0	Balanced Stage
ATB Private Equity	05/11/20	\$50.0	\$50.0	Early Stage
McRock Fund II	06/04/20	\$32.0	\$114.0	Early Stage
District Ventures Capital Fund I	04/06/20	\$30.0	\$105.5	Early Stage
Concrete Ventures Fund	01/23/20	\$18.0	\$18.0	Early Stage

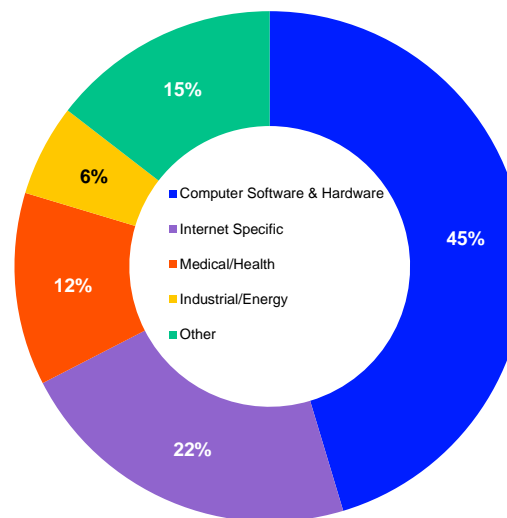
Exits

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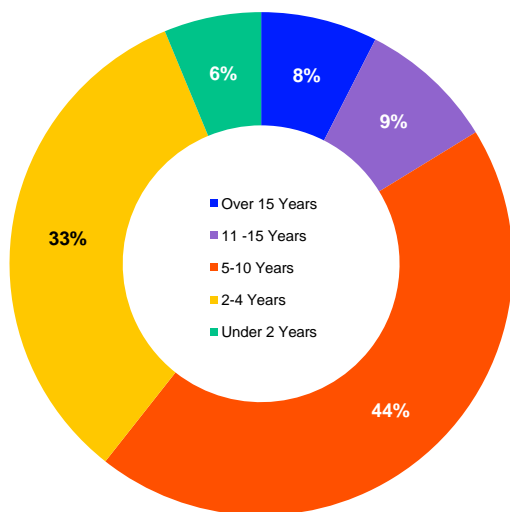
Canada Venture Capital Exit Activity



Exit Volumes by Sector, Since 2017



Time to Exit, Since 2017



Top Announced Canada Venture Capital-Backed Exits

Company Name	Ann. Date	Deal Value (CA\$mil)	Sector	Exit Type
Repare Therapeutics	05/29/20	\$344.1	Pharmaceutical	IPO
Fusion Pharmaceuticals	06/05/20	\$289.8	Biotech-Human	IPO
Dye & Durham	06/29/20	\$172.5	Computer Software	IPO
Rubikloud	06/15/20	\$81.4	Computer Software	Trade Sale
Client Outlook	06/10/20	\$38.5	Computer Software	Trade Sale
Askott Entertainment	06/23/20	\$26.7	Internet Content	Trade Sale

Canada Venture Capital Criteria

First Half 2020

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 six-month period from January 1st, 2020 to June 30th, 2020.

All current and previous years data is as of Tuesday, July 28th, 2020. Data is continuously updated and is therefore subject to change. All figures are in Canadian dollars unless otherwise noted.

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