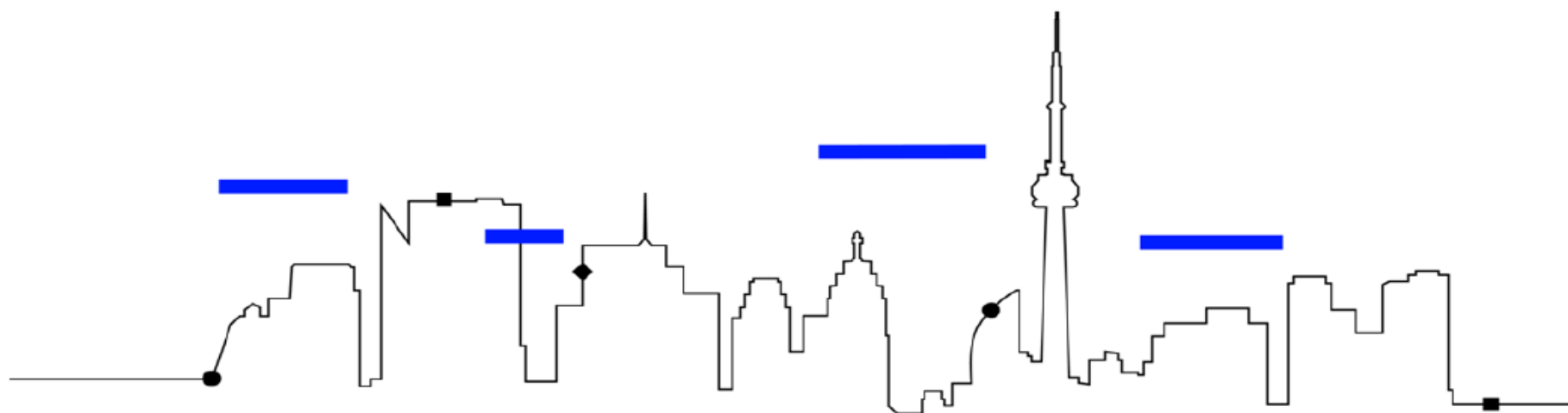


Canada Venture Capital Review

FIRST HALF 2021



Canada Venture Capital

First Half 2021 | Canada Venture Capital Review

Canada Venture Capital Deals Intelligence

CANADA VENTURE CAPITAL INVESTMENT TOTALS CA\$7.5 BILLION

Canadian venture capital totaled CA\$7.5 billion invested across 349 rounds throughout the first six months of 2021. Investment volumes increased by 5% year-over-year, and investment values continued their trajectory from the first quarter with an increase of 98% over the first half of 2020 and already tying the full year record of CA\$7.5 billion set in 2019. The average size of disclosed rounds was CA\$26.3 million, up 77% from CA\$12.8 million a year ago.

TOP TEN ROUNDS BRING IN CA\$2.7 BILLION

Twenty rounds in the first half saw investment values in the nine-figure range. The top round for the period was the CA\$476 million investment into identity verification software business, Trulioo, the second largest Canadian venture capital round of all time behind the 2019 CA\$515 million investment into financial crime management software business, Verafin. The first quarter CA\$385 million investment into blockchain entertainment company, Dapper Labs, retained the second spot in the half and the third largest round of all time. Rounding out the top three for the year to date was the newly added CA\$365 million investment into Kitchener-based international student platform, ApplyBoard, led by Ontario Teachers' Innovation Platform with support from existing investors Fidelity Investments, Business Development Bank of Canada, Harmonic, Index Ventures, Garage Capital, and Blue Cloud Ventures.

BRITISH COLUMBIA INVESTMENT UP 203% FROM PREVIOUS YEAR

Companies based within Ontario saw CA\$3.4 billion invested across 142 rounds, resulting in 5th place for dollar values and 4th place for volumes in the North American provincial & state rankings. Companies based in British Columbia saw CA\$2.4 billion invested across 61 rounds, resulting in 11th place for dollar values and 12th place for volumes. Ontario more than doubled its value totals from the same period last year with a year-over-year increase of 120%, while British Columbia tripled its totals with an increase of 203%.

CANADIAN FUNDS CONTRIBUTE 39% OF VENTURE FINANCING

Domestic funds invested CA\$2.6 billion into Canadian companies during the half, just a 39% share of all disclosed financings. This was down from their 54% share throughout the entirety of 2020 and lower than any annual share since the 38% in 1992. Funds located within the United States supplied CA\$3.3 billion or half of all funding, up from 34% throughout 2020.

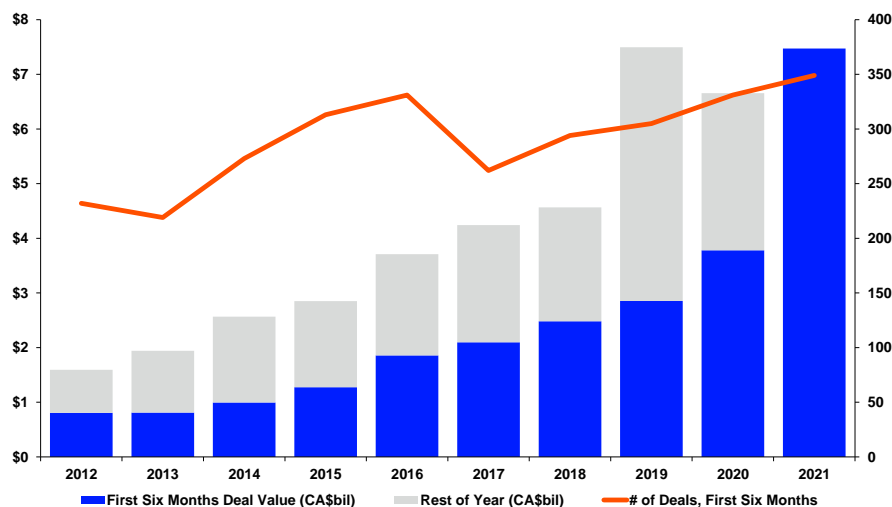
VENTURE CAPITAL FUNDS RAISE CA\$3.7 BILLION

A total of 34 Canadian VC funds recorded closes during the first six months of the year raising a combined CA\$3.7 billion in commitments, an increase of 108% compared to a year ago. Inovia Capital's second growth fund's March close remained the largest fundraiser for the period at CA\$560 million. Newly added in the second quarter was the Government of British Columbia's InBC Strategic Fund, which raised CA\$500 million to support startups within the province.

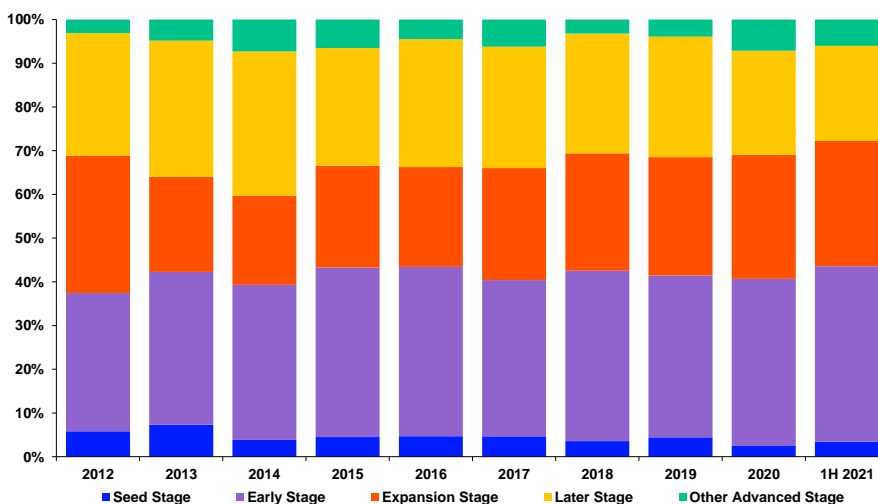
CANADA VENTURE CAPITAL-BACKED EXITS TOTAL CA\$7.2 BILLION

Canadian companies completed 38 VC-backed exits worth CA\$7.2 billion in the first half, the largest half in dollar terms on record and more than any full year period other than the CA\$8.9 billion in 2000. The top completed exit was Nasdaq's CA\$3.6 billion cash purchase of Newfoundland-based financial security company, Verafin, announced in November and completed in February. The top newly announced exit was the reverse takeover transaction to take short-term rental business, Sonder, public via SPAC. The company, founded in Montreal but now headquartered in San Francisco, was valued at CA\$2.7 billion prior to the deal proceeds.

Venture Capital Investment Activity in Canadian Companies



Venture Capital Deal Volumes (#) by Transaction Type



Investments

First Half 2021 | Canada Venture Capital Review

Top Canadian Venture Capital Deals

Company Name	Deal Date	Deal Value (CA\$mil)	Sector	Location
Trulioo	06/07/21	\$475.9	Computer Software	Vancouver, BC
Dapper Labs	03/30/21	\$385.3	Computer Software	Vancouver, BC
ApplyBoard	06/15/21	\$365.4	Internet Ecommerce	Kitchener, ON
Fraction	02/10/21	\$289.0	Internet Content	Vancouver, BC
Wealthsimple	05/03/21	\$249.7	Internet Ecommerce	Toronto, ON
AlayaCare	06/23/21	\$235.9	Computer Software	Toronto, ON
Hopper	03/24/21	\$213.8	Internet Software	Montreal, QC
Tenstorrent	05/20/21	\$198.4	Semiconductors/Other Electronics	Toronto, ON
Top Hat	02/04/21	\$169.5	Computer Software	Toronto, ON
Prodigy Education	01/12/21	\$159.0	Computer Software	Oakville, ON
Ada	05/07/21	\$157.7	Computer Software	Toronto, ON
Clio	04/27/21	\$136.4	Computer Software	Vancouver, BC

Venture Capital Investment by Province & State

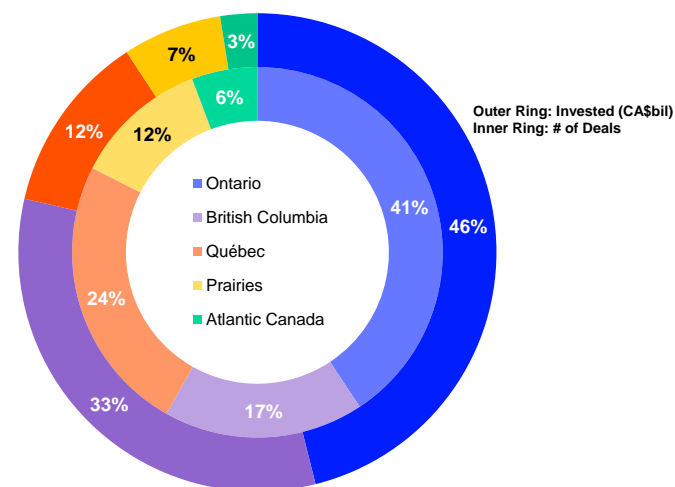
Province/State	01/01/2021 - 06/30/2021		01/01/2020 - 06/30/2020		YoY % Chg. (\$)	YoY % Chg. (#)
	Value (CA\$mil)	# of Deals	Value (CA\$mil)	# of Deals		
California	\$77,882.8	1,332	\$43,357.2	1,036	80%	▲ 29%
New York	\$22,579.2	514	\$8,689.1	336	160%	▲ 53%
Massachusetts	\$18,325.6	278	\$8,160.1	228	125%	▲ 22%
Texas	\$3,970.5	139	\$2,086.8	112	90%	▲ 24%
Ontario	\$3,443.7	142	\$1,563.8	136	120%	▲ 4%
Washington	\$3,392.2	118	\$2,393.0	85	42%	▲ 39%
Michigan	\$3,317.1	26	\$204.1	16	1525%	▲ 63%
Colorado	\$3,315.8	96	\$760.1	58	336%	▲ 66%
Illinois	\$3,152.4	74	\$1,057.2	67	198%	▲ 10%
Pennsylvania	\$3,131.0	76	\$938.1	60	234%	▲ 27%
British Columbia	\$2,429.5	61	\$802.7	56	203%	▲ 9%
New Jersey	\$2,334.4	35	\$1,302.4	34	79%	▲ 3%
North Carolina	\$2,204.6	51	\$784.2	39	181%	▲ 31%
Georgia	\$1,942.7	42	\$912.3	39	113%	▲ 8%
Florida	\$1,400.0	64	\$1,014.6	39	38%	▲ 64%
Utah	\$1,381.1	40	\$655.2	34	111%	▲ 18%
Maryland	\$1,301.5	39	\$718.4	40	81%	▲ -3%
Virginia	\$1,243.2	54	\$720.6	45	73%	▲ 20%
Connecticut	\$1,032.4	48	\$470.3	45	120%	▲ 7%
Québec	\$911.6	85	\$1,039.1	92	-12%	▼ -8%
Ohio	\$862.6	28	\$468.3	42	84%	▲ -33%
Oregon	\$720.1	33	\$315.0	23	129%	▲ 43%
Delaware	\$586.7	28	\$20.4	13	2783%	▲ 115%
Vermont	\$525.1	6	\$33.3	6	1477%	▲ 0%
Wisconsin	\$524.4	13	\$50.2	14	944%	▲ -7%

*Indicates a Tie

Most Active Investors in Canadian Venture Capital Deals

Firm Name	Rank	# of Deals	Estimated Investment (CA\$mil)
Business Development Bank of Canada (BDC)	1	36	\$206.5
Real Ventures	2	20	\$64.0
Desjardins Capital	3	18	\$98.7
Inovia Capital	4	17	\$141.4
Export Development Canada	5	14	\$50.8
MaRS Investment Accelerator Fund	6	14	\$12.6
Fondaction	7	10	\$34.3
Anges Québec Capital	8	8	\$4.0
Canadian Business Growth Fund	9	7	\$153.8
Golden Venture Partners Inc	10	7	\$15.7
Deer Management Co LLC	11	6	\$36.8
Relay Ventures	12	6	\$11.6
Panache Ventures	13	5	\$80.8
Global Founders Capital	14	5	\$66.2
Garage Capital	15	5	\$59.8
OMERS Ventures	16	5	\$57.7
Whitecap Venture Partners	17	5	\$27.7
Salesforce Ventures	18	5	\$14.3
Westcap	19	5	\$6.0
New Brunswick Innovation Foundation	20	5	\$3.3
Investissement Québec	21	4	\$58.9
White Star Capital	22	4	\$14.8
Diagram Ventures	23	4	\$14.6
Delta-v Capital	24	4	\$14.3
Round13 Capital	25	4	\$13.5

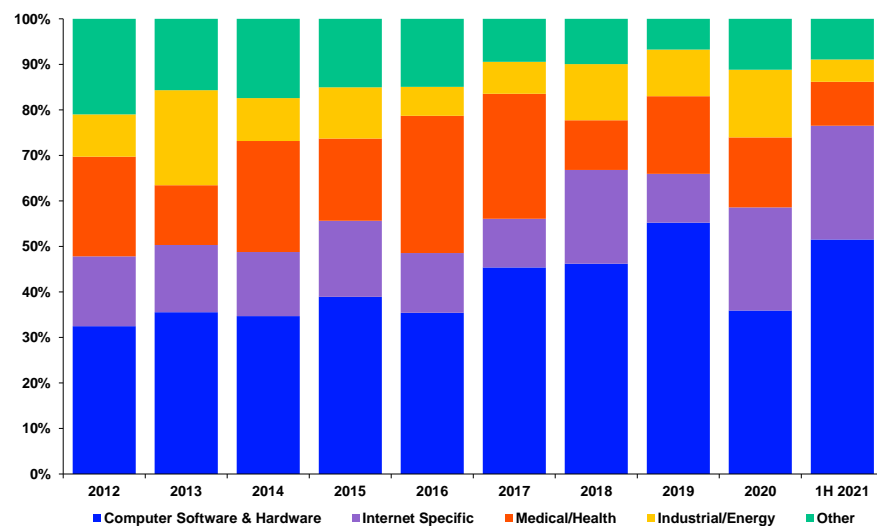
Venture Capital Investment by Province & Region



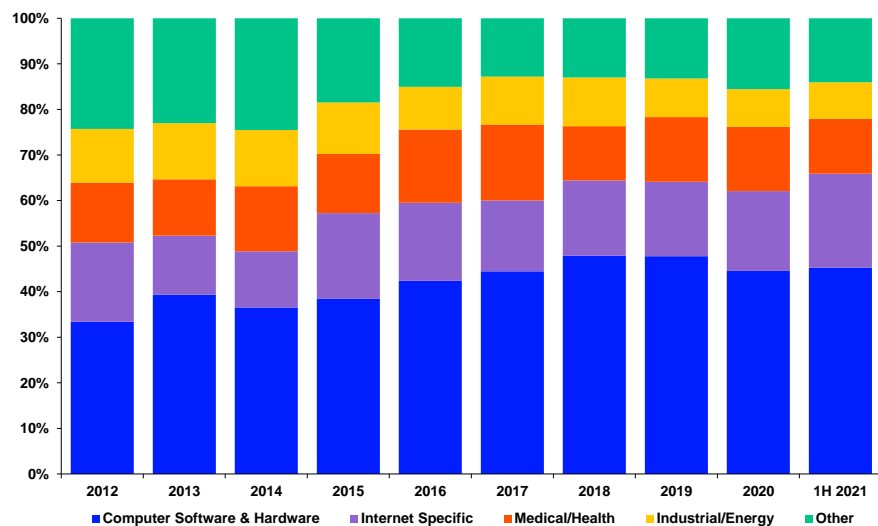
Investments

First Half 2021 | Canada Venture Capital Review

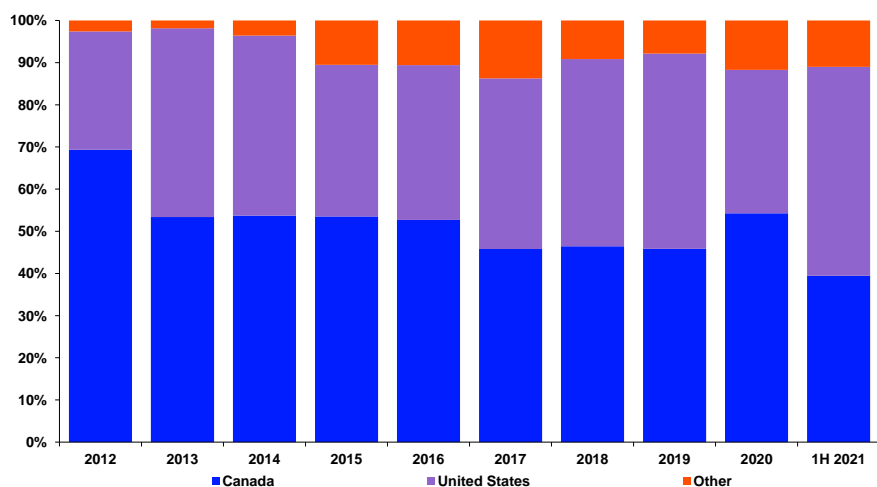
Investments by Sector, Amount Invested



Investments by Sector, Number of Deals



Investment by Origin of Capital



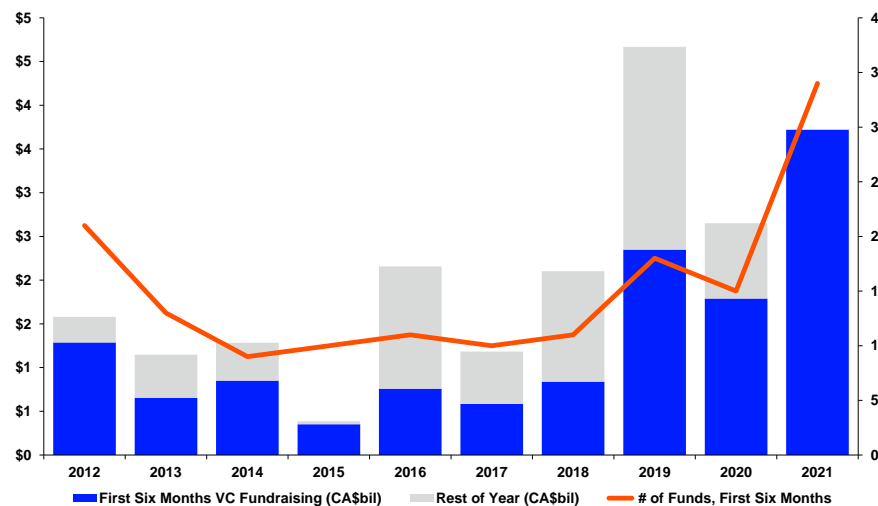
Top VC Deals by Canadian Firms Investing Abroad

Company Name	Deal Date	Deal Value (CA\$mil)	Sector	Location
Northvolt	05/20/21	\$3,303.7	Electronics Equipment	Sweden
Waymo	06/16/21	\$3,069.0	Transportation	California
Databricks	02/01/21	\$1,284.9	Computer Software	California
Epic Games	04/13/21	\$1,253.1	Computer Software	North Carolina
Nubank	06/08/21	\$908.3	Internet Ecommerce	Brazil
wefox	06/01/21	\$784.6	Computer Software	Germany
Sila Nanotechnologies	01/26/21	\$748.7	Batteries	California
MessageBird	04/28/21	\$689.5	Internet Communications	Netherlands
Loft	03/23/21	\$534.9	Internet Content	Brazil
insitro	03/15/21	\$498.7	Biotech Research	California
PharmEasy	04/07/21	\$441.3	Internet Ecommerce	India
Zwift	03/08/21	\$420.5	Computer Software	California

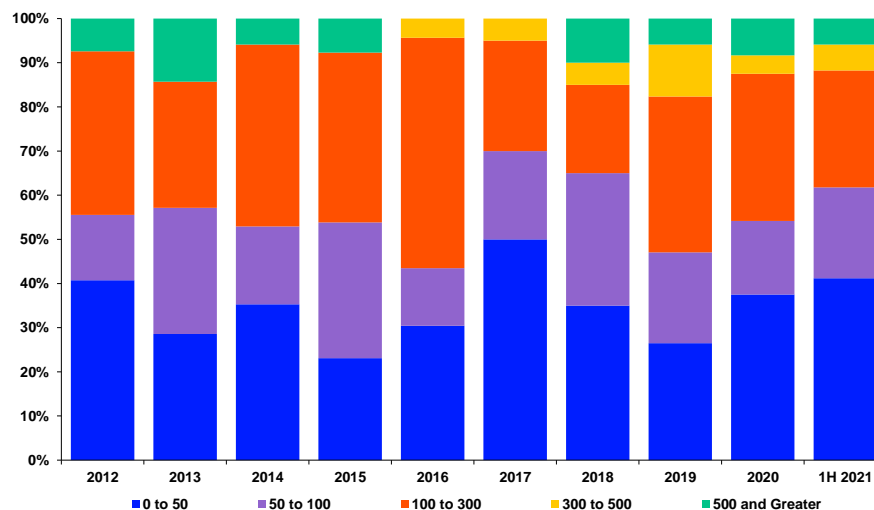
Fundraising

First Half 2021 | Canada Venture Capital Review

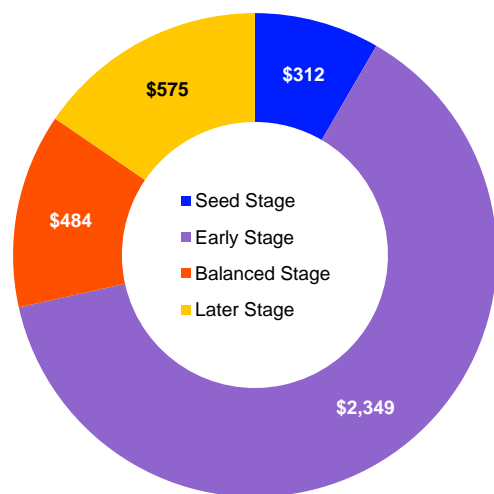
Canada Venture Capital Fundraising Activity



Venture Capital Fundraising by Fund Size, Number of Funds



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



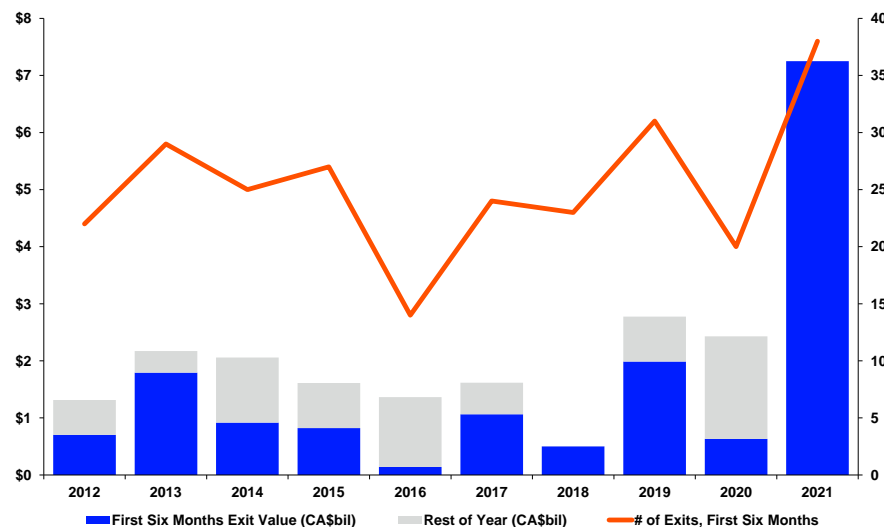
Largest Venture Capital Funds Raised in Canada

Fund Name	Latest Closing Date	Amount Raised (CA\$mil)	Total Fund Size (CA\$mil)	Fund Stage
Inovia Growth Fund II	03/16/21	\$559.9	\$559.9	Early Stage
InBC Strategic Fund	04/27/21	\$500.0	\$500.0	Early Stage
Radical Ventures Fund	02/02/21	\$415.4	\$415.4	Early Stage
BDC Capital Growth Venture Co-Investment Fund	06/08/21	\$300.8	\$300.8	Later Stage
BDC Capital Growth Equity Partners Fund II	05/17/21	\$250.0	\$250.0	Later Stage
National Bank SME Growth Fund LP	01/12/21	\$200.0	\$200.0	Early Stage
BDC Capital Deep Tech Venture Fund	05/05/21	\$200.0	\$199.3	Early Stage
Indigenous Growth Fund	04/14/21	\$150.0	\$150.0	Balanced Stage
Golden Ventures IV	06/23/21	\$123.1	\$123.1	Seed Stage
CTI Life Sciences Fund III	05/10/21	\$99.7	\$99.7	Balanced Stage
Version One Fund IV	06/08/21	\$84.8	\$84.8	Early Stage
Anges Québec Capital II	06/03/21	\$64.4	\$64.4	Early Stage

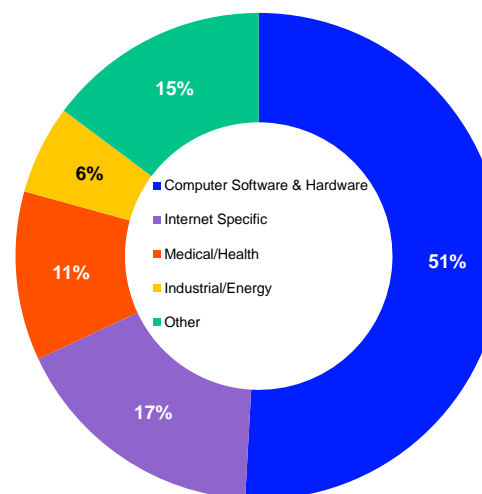
Exits

First Half 2021 | Canada Venture Capital Review

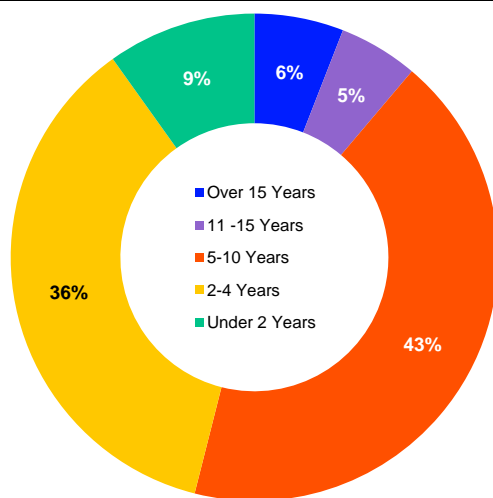
Canada Venture Capital Completed Exit Activity



Exit Volumes by Sector, Since 2019



Time to Exit, Since 2019



Top Announced Canada Venture Capital-Backed Exits

Company Name	Ann. Date	Deal Value (CA\$mil)	Sector	Exit Type
Sonder	04/30/21	\$2,674.8	Internet Ecommerce	Reverse Takeover
Li-Cycle	02/16/21	\$1,243.2	Pollution and Recycling	Reverse Takeover
Noverco	06/07/21	\$1,140.0	Utilities	Secondary Sale
Wattpad	01/19/21	\$752.6	Internet Content	Trade Sale
Neighbourly	05/03/21	\$201.3	Retailing Related	IPO
Anaergia	06/07/21	\$175.0	Pollution and Recycling	IPO
Thinkific	03/22/21	\$160.0	Computer Software	IPO
Farmers Edge	02/09/21	\$143.8	Computer Software	IPO
LifeSpeak	06/14/21	\$125.0	Internet Content	IPO
Dialogue	03/08/21	\$115.0	Internet Ecommerce	IPO
Flexiti	02/01/21	\$109.2	Computer Software	Trade Sale
Beanworks	03/22/21	\$104.3	Computer Software	Trade Sale

Canada Venture Capital Criteria

First Half 2021

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:

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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, 2021 to June 30th, 2021.

All current and previous years data is as of Monday, July 26th, 2021. Data is continuously updated and is therefore subject to change. All figures are in Canadian dollars unless otherwise noted.

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