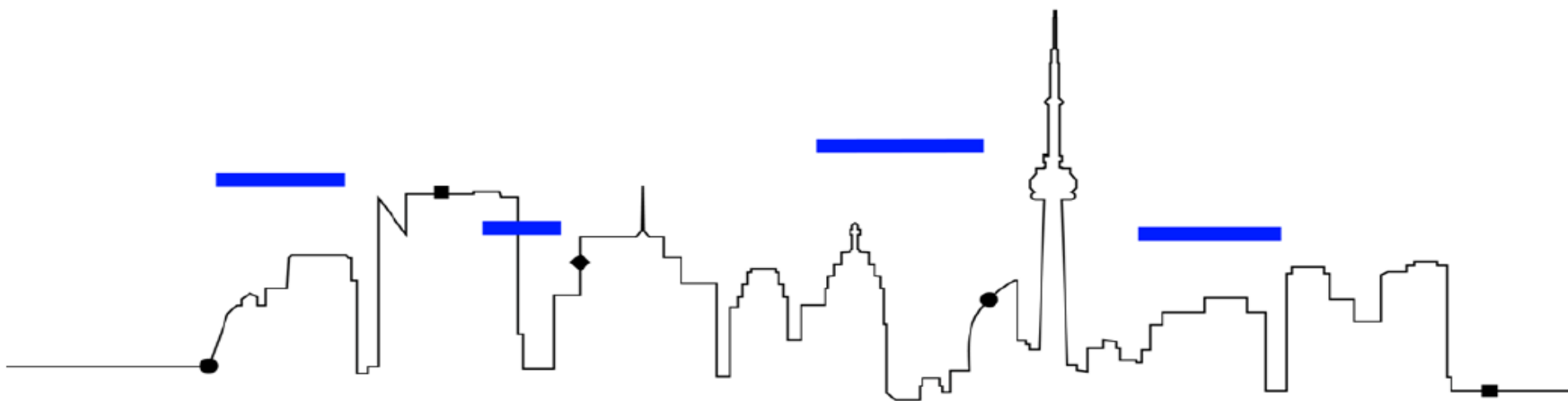


Canada Venture Capital Review

FIRST NINE MONTHS 2020



Canada Venture Capital

First Nine Months 2020 | Canada Venture Capital Review

Canada Venture Capital Deals Intelligence

CANADA VENTURE CAPITAL INVESTMENT TOTALS CA\$5.0 BILLION

Canadian venture capital totaled CA\$5.0 billion invested across 468 rounds in the first nine months of 2020. Investment values saw a year-over-year decrease of 11% but still remained the second strongest first nine months on record. Volumes were up 1% from the previous year and reached their highest level since the 490 rounds in the first three quarters of 2005.

TOP TEN ROUNDS BRING IN CA\$1.4 BILLION

At the top of the list of rounds newly added in the third quarter was the CA\$90 million funding provided to Ontario-based IVF clinic partnership, The Fertility Partners, led by Peloton Capital Management and Heal Partners Trust. Others included the CA\$75 million investment into VC-backed telemedicine company Maple Corp by Loblaw's Shoppers Drug Mart business, and a CA\$66 million funding round provided to Alberta-based 3D robotics supply chain company, Attabotics, by Ontario Teachers' Innovation Platform and Honeywell. No venture capital rounds surpassed the nine-figure mark between July and September, keeping this total to seven rounds worth CA\$1.1 billion.

QUÉBEC SEES YEAR-OVER-YEAR INCREASE IN INVESTMENT OF 8%

Companies based within Ontario had CA\$2.1 billion invested across 199 rounds, resulting in 8th place for dollar values and 4th place for volumes in the North American provincial & state rankings. Dollar values for the province were down 1% from the first nine months of 2019 while transaction volumes were up 6%. Québec followed with CA\$1.4 billion invested across 128 deals for dollar and volume rankings of 13th and 7th place, respectively, and a year-over-year increase of 8% in values and decrease of 7% in volumes. Companies within British Columbia saw their level of overall investment drop 27% to CA\$999 million across 73 rounds in 2020, resulting in an 18th place value ranking and 11th place volume ranking.

CANADIAN FUNDS CONTRIBUTE 61% OF VENTURE FINANCING

Domestic funds invested CA\$2.4 billion in Canadian companies through the end of September, a 61% share of all disclosed financing. This was up from the 45% throughout the entirety of 2019 and higher than any annual share since 2012. Funds located within the United States supplied only 33% of funding during the period, lower than any annual share since the 29% in 2012.

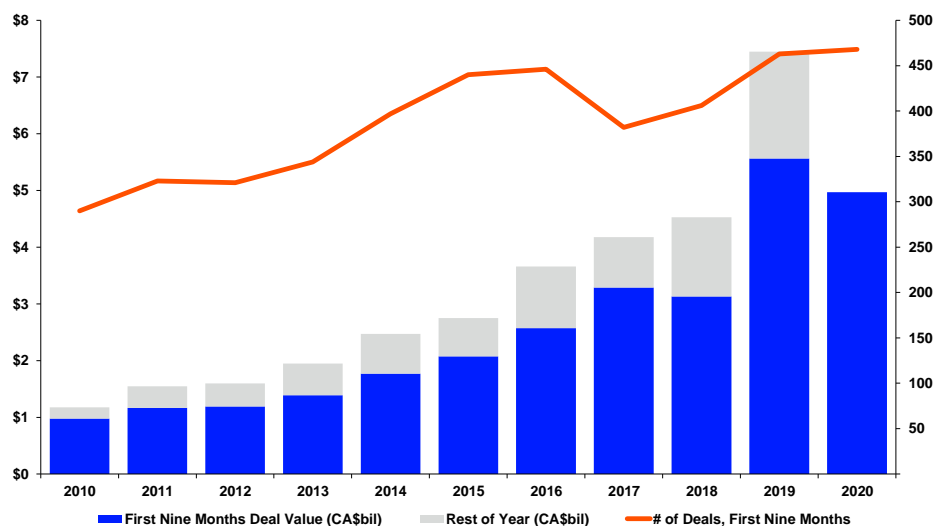
VENTURE CAPITAL FUNDS RAISE CA\$1.9 BILLION

A total of 17 Canadian VC funds recorded closes during the first three quarters, raising a combined CA\$1.9 billion in commitments, a decrease of 47% compared to a year ago but still the fourth strongest first nine months on record. Only a single fund completed a raise during the third quarter, with Brightspark Ventures bringing in CA\$61 million of commitments for its Canadian Opportunities Fund towards a target of CA\$75 million.

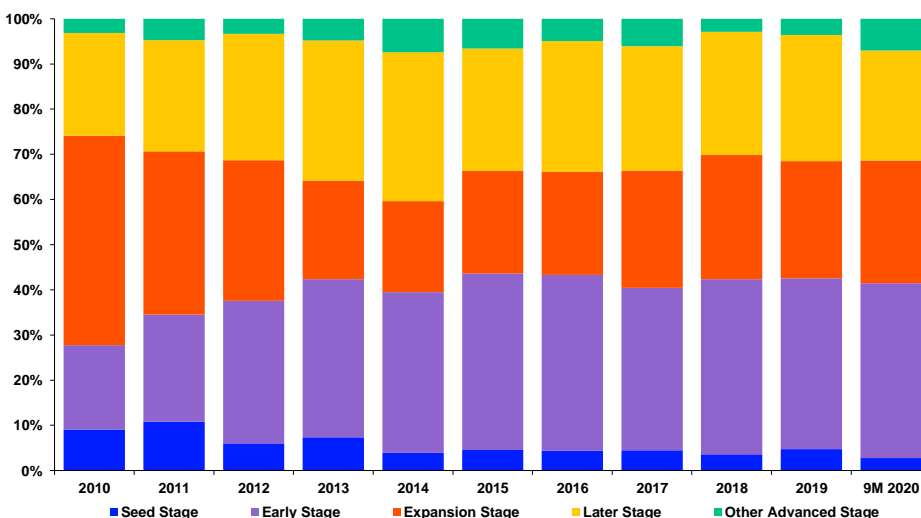
CANADA VENTURE CAPITAL-BACKED EXITS TOTAL CA\$1.0 BILLION

Canadian companies completed 36 VC-backed exits worth CA\$1.0 billion, a 48% decline in values and a 5% drop in volumes relative to the first nine months of 2019. The top three exits remained the three IPOs held in the second quarter of the year, those of oncology drug developers Repare Therapeutics and Fusion Pharmaceuticals which saw proceeds of CA\$344 million and CA\$290 million, and that of legal and business tech provider Dye & Durham, which saw proceeds of CA\$173 million.

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	Québec, QC
FirstService Corporation	05/22/20	\$209.9	Internet Ecommerce	Toronto, ON
AbCellera	03/23/20	\$152.2	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
ApplyBoard	04/15/20	\$101.7	Computer Software	Kitchener, ON
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
The Fertility Partners	07/31/20	\$90.0	Med/Health Services	Toronto, ON
D-Wave Systems	04/16/20	\$81.2	Computers Hardware	Burnaby, BC

Venture Capital Investment by Province & State

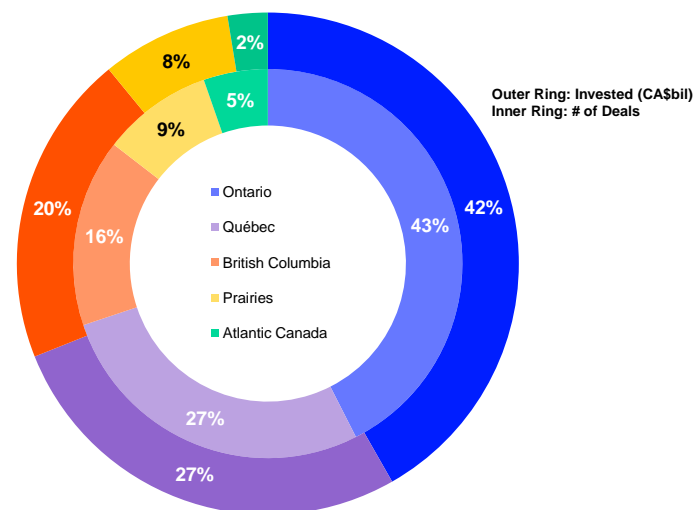
Province/State	01/01/2020 - 09/30/2020		01/01/2019 - 09/30/2019		YoY %	
	Value (CA\$mil)	# of Deals	Value (CA\$mil)	# of Deals	Chg. (\$)	Chg. (#)
California	\$69,263.1	1,526	\$57,261.8	1,595	21%	▲ -4%
New York	\$13,276.0	483	\$14,661.8	528	-9%	▼ -9%
Massachusetts	\$13,073.9	330	\$10,920.1	325	20%	▲ 2%
Washington	\$4,071.7	137	\$2,646.9	144	54%	▲ -5%
North Carolina	\$3,527.9	50	\$485.0	44	627%	▲ 14%
Texas	\$2,998.7	145	\$3,017.2	185	-1%	▼ -22%
Florida	\$2,538.2	64	\$1,621.4	62	57%	▲ 3%
Ontario	\$2,074.5	199	\$2,097.1	188	-1%	▼ 6%
Illinois	\$2,008.8	96	\$1,809.6	91	11%	▲ 5%
Colorado	\$1,816.0	89	\$1,545.0	128	18%	▲ -30%
Georgia	\$1,434.1	62	\$1,125.8	55	27%	▲ 13%
Pennsylvania	\$1,407.3	86	\$2,449.9	145	-43%	▼ -41%
Québec	\$1,351.6	128	\$1,254.8	138	8%	▲ -7%
Utah	\$1,224.7	47	\$1,035.4	46	18%	▲ 2%
New Jersey	\$1,207.0	37	\$1,131.6	38	7%	▲ -3%
Maryland	\$1,116.4	63	\$801.8	54	39%	▲ 17%
Minnesota	\$1,059.4	30	\$295.8	33	258%	▲ -9%
British Columbia	\$999.4	73	\$1,375.8	76	-27%	▼ -4%
Ohio	\$657.5	48	\$984.4	52	-33%	▼ -8%
Connecticut	\$623.7	58	\$585.1	52	7%	▲ 12%
Virginia	\$596.8	58	\$892.5	65	-33%	▼ -11%
Oregon	\$484.6	35	\$282.0	25	72%	▲ 40%
D. of Columbia	\$441.4	21	\$230.1	24	92%	▲ -13%
Arizona	\$340.1	18	\$442.4	38	-23%	▼ -53%
Nebraska	\$265.1	20	\$36.2	15	633%	▲ 33%

*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	89	\$230.4
Desjardins Capital	2	40	\$40.5
Export Development Canada	3	28	\$91.4
Real Ventures	4	24	\$20.5
Teralys Capital	5	18	\$125.2
MaRS Investment Accelerator Fund	6	17	\$35.1
Inovia Capital	7*	14	\$134.0
Yaletown Venture Partners	7*	14	\$15.1
Cycle Capital - Ecofuel	7*	14	\$6.8
Investissement Québec	10*	11	\$57.7
CIBC Innovation Banking	10*	11	\$50.1
New Brunswick Innovation Foundation	12	10	\$3.5
Fonds de solidarité FTQ	13*	8	\$36.9
Panache Ventures	13*	8	\$16.6
Rhino Ventures	15*	7	\$34.5
Canadian Business Growth Fund	15*	7	\$29.8
Relay Ventures	15*	7	\$8.0
Techstars	15*	7	\$6.4
Portag3 Ventures	19*	6	\$32.0
Westcap	19*	6	\$7.7
AmorChem	19*	6	\$7.2
Ontario Centres of Excellence	19*	6	\$4.6
National Bank of Canada	19*	6	\$4.1
Anges Québec Capital	19*	6	\$2.0

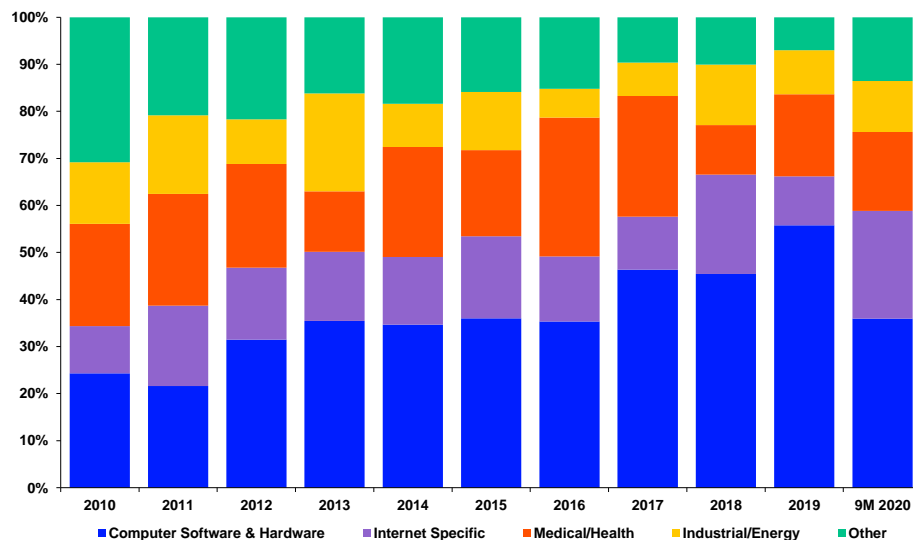
Venture Capital Investment by Province & Region



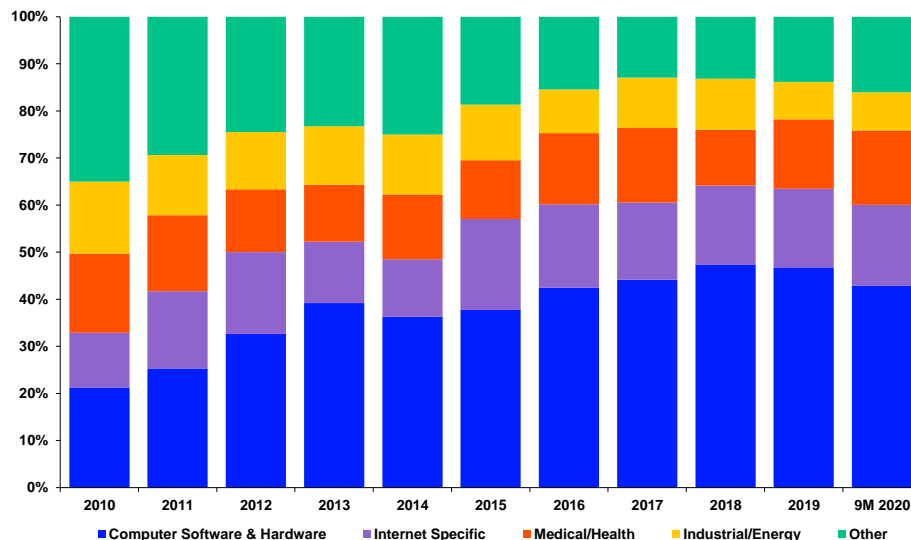
Investments

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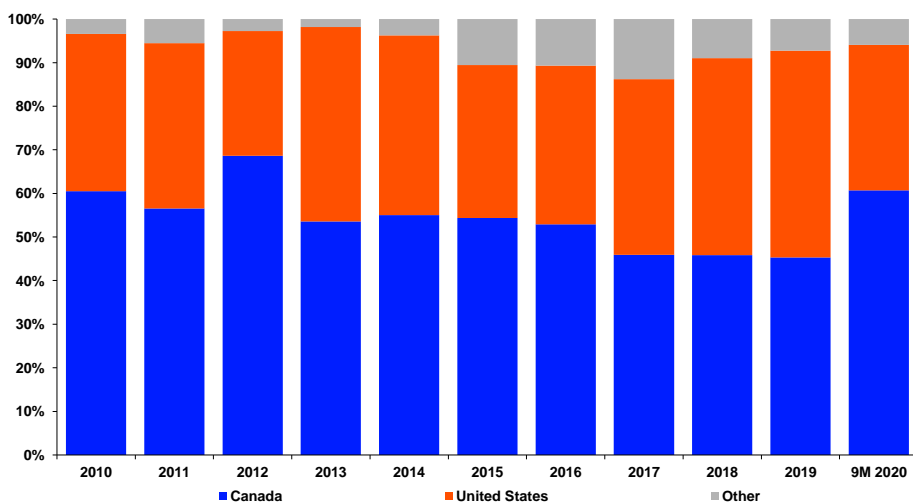
Investments by Sector, Amount Invested



Investments by Sector, Number of Deals



Investment by Origin of Capital



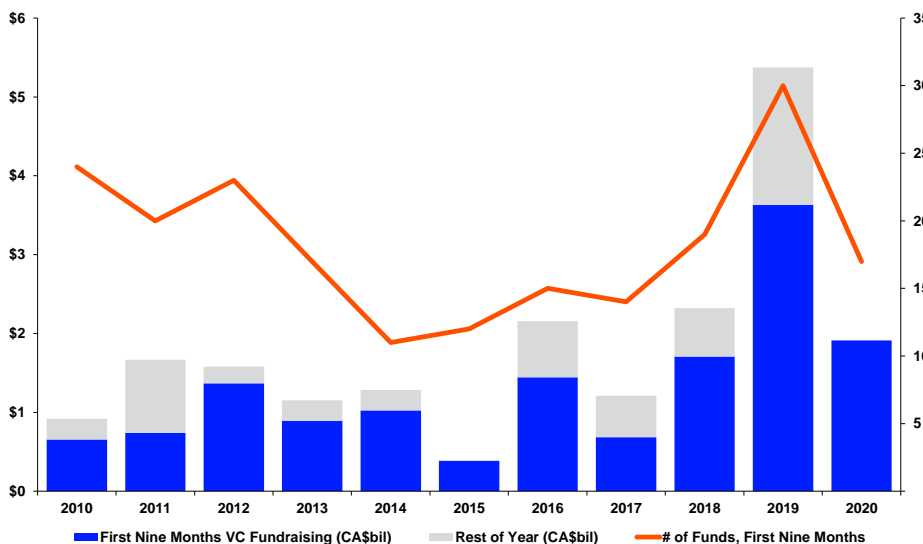
Top VC Deals by Canadian Firms Investing Abroad

Company Name	Deal Date	Deal Value (CA\$mil)	Sector	Location
Waymo	03/02/20	\$2,997.5	Transportation	United States of America
Epic Games	08/06/20	\$2,368.1	Computer Software	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
Zhangmen	09/30/20	\$534.9	Internet Ecommerce	China
Netskope	02/11/20	\$451.7	Computer Software	United States of America
Farmer's Business Network	08/03/20	\$334.7	Computer Software	United States of America
Space Exploration Technologies	03/13/20	\$305.4	Transportation	United States of America
Greenlight	09/10/20	\$283.6	Internet Content	United States of America
AppDirect	09/16/20	\$243.8	Computer Software	United States of America

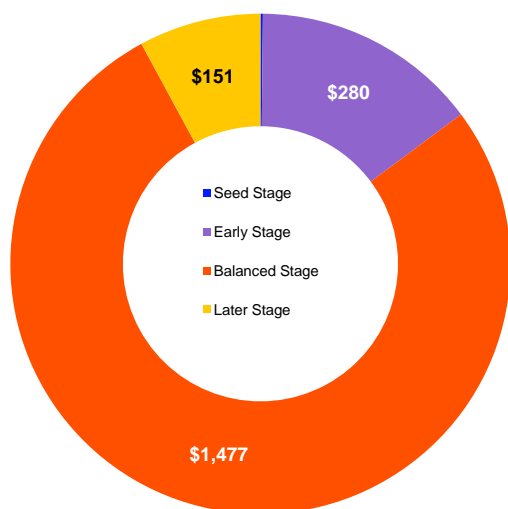
Fundraising

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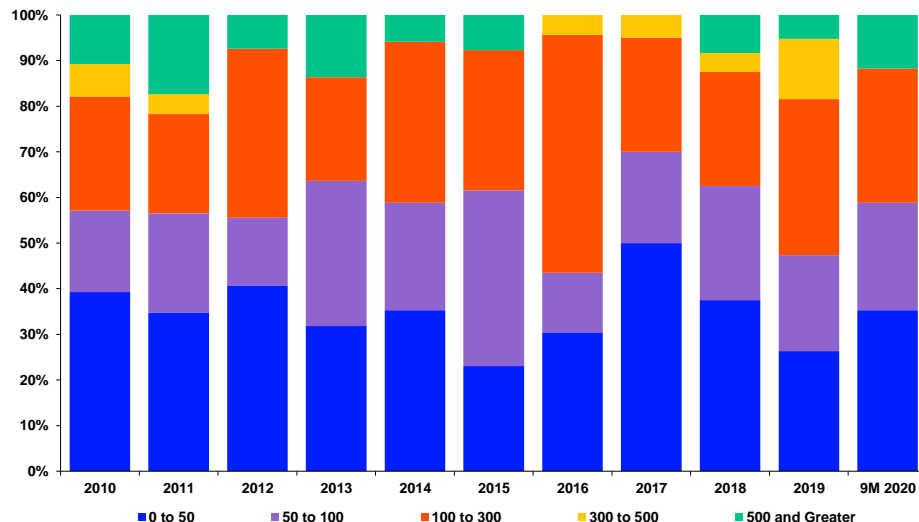
Canada Venture Capital Fundraising Activity



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



Venture Capital Fundraising by Fund Size, Number of Funds



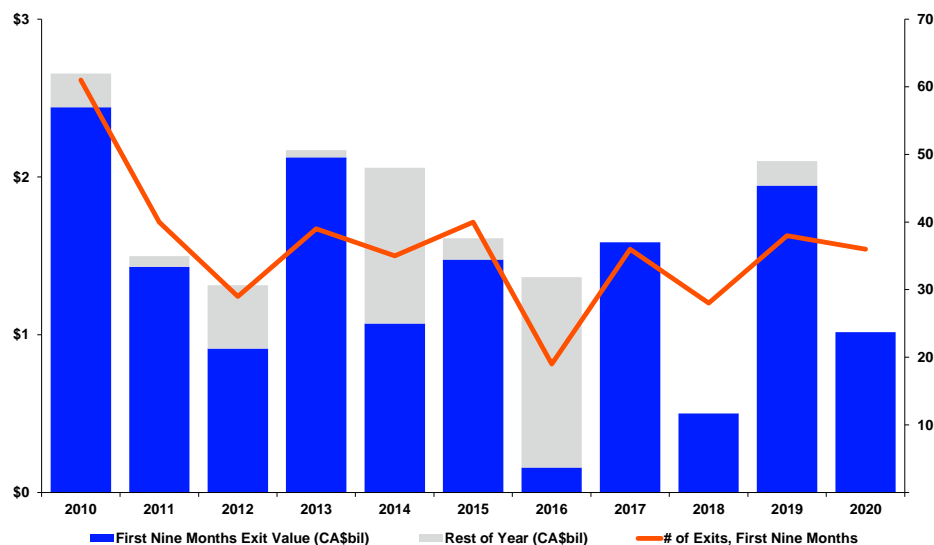
Largest Venture Capital Funds Raised in Canada

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
Round13 Fund II	01/22/20	\$125.0	\$125.0	Balanced Stage
Round13 Growth	01/22/20	\$100.0	\$100.0	Balanced Stage
FCC Venture Capital Fund	05/15/20	\$100.0	\$100.0	Balanced Stage
Agriculture & Food Business Solutions Fund	05/15/20	\$100.0	\$100.0	Balanced Stage
Brightspark Canadian Opportunities Fund	09/08/20	\$60.6	\$60.6	Early Stage
Amplitude Venture Capital	07/21/20	\$50.0	\$150.0	Early 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

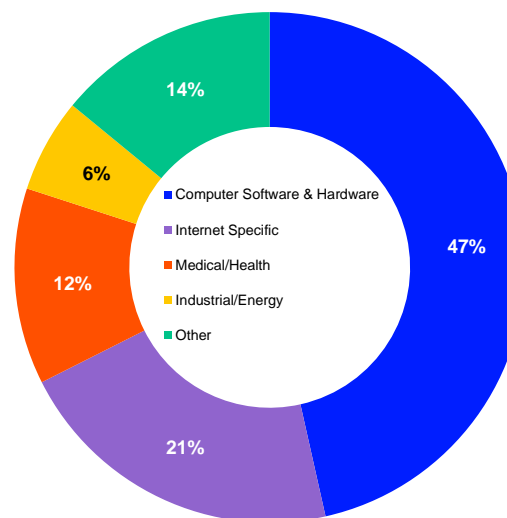
Exits

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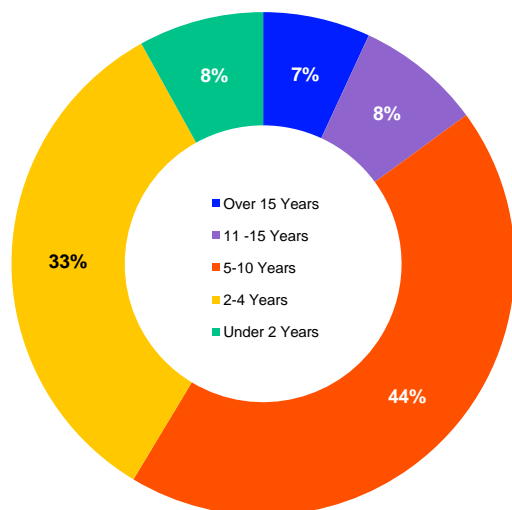
Canada Venture Capital Exit Activity



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
Fairhaven Pharmaceuticals	07/17/20	\$8.0	Biotech-Human	Trade Sale
Snapclarity	07/16/20	\$3.4	Computer Software	Trade Sale

Canada Venture Capital Criteria

First Nine Months 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:

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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, 2020 to September 30th, 2020.

All current and previous years data is as of Tuesday, October 27th, 2020. Data is continuously updated and is therefore subject to change. All figures are in Canadian dollars unless otherwise noted.

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