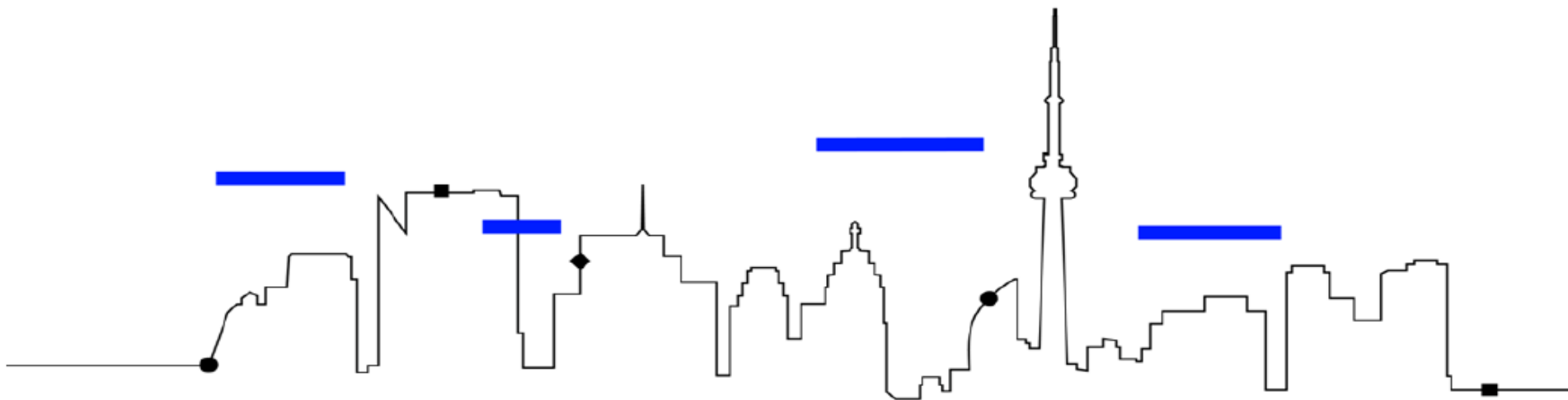


Canada Venture Capital Review

FIRST QUARTER 2021



Canada Venture Capital

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Canada Venture Capital Deals Intelligence

CANADA VENTURE CAPITAL INVESTMENT TOTALS CA\$3.1 BILLION

Canadian venture capital totaled CA\$3.1 billion invested across 157 rounds throughout the first three months of 2021. Although investment volumes were flat year-over-year, investment values rocketed to their highest level ever recorded, surpassing the previous record of CA\$2.8 billion set in Q3 2019 by 10% and marking a year-over-year increase of 67% from Q1 2020. The average size of disclosed rounds was CA\$23.1 million, up 77% from CA\$13.1 million a year ago.

TOP TEN ROUNDS BRING IN CA\$1.8 BILLION

Nine rounds in the first quarter saw investment values in the nine-figure range. The top round for the period was the CA\$385 million investment into blockchain-based game and entertainment company, Dapper Labs. The funding received by the Vancouver-based business was the second largest Canadian venture capital round of all time and was led by Coatue with support from a large group of firms and individuals. The second largest round for the quarter was obtained by digital home equity platform, Fraction, also based in Vancouver. The CA\$289 million round was backed by Impression Ventures, Primetime Partners, Global Founders Capital, Panache Ventures, and others. Rounding out the top three was the CA\$214 million investment into Montreal-based travel platform, Hopper, led by Capital One with support from Inovia Capital, WestCap, Goldman Sachs, and Citi Ventures.

ONTARIO AND BRITISH COLUMBIA COMPANIES MORE THAN DOUBLE INVESTMENT

Companies based within Ontario had CA\$1.2 billion invested across 63 rounds, resulting in 9th place for dollar values and 4th place for volumes in the North American provincial & state rankings. Companies based in British Columbia had CA\$1.0 billion invested across 26 rounds, resulting in 10th place for dollar values and 14th place for volumes. Both provinces more than doubled their value totals from the same period last year, with year-over-year increases of 101% and 106%, respectively. Alberta investment figures increased more than sixfold over the same period, with CA\$234 million of investment across 16 rounds representing a 665% increase in values.

CANADIAN FUNDS CONTRIBUTE 42% OF VENTURE FINANCING

Domestic funds invested CA\$1.1 billion in Canadian companies during the quarter, just a 42% share of all disclosed financings. This was down from their 57% share throughout the entirety of 2020 and lower than any annual share since 38% in 1992. Funds located within the United States supplied CA\$1.2 billion, or 46%, of all funding, up from 36% throughout 2020.

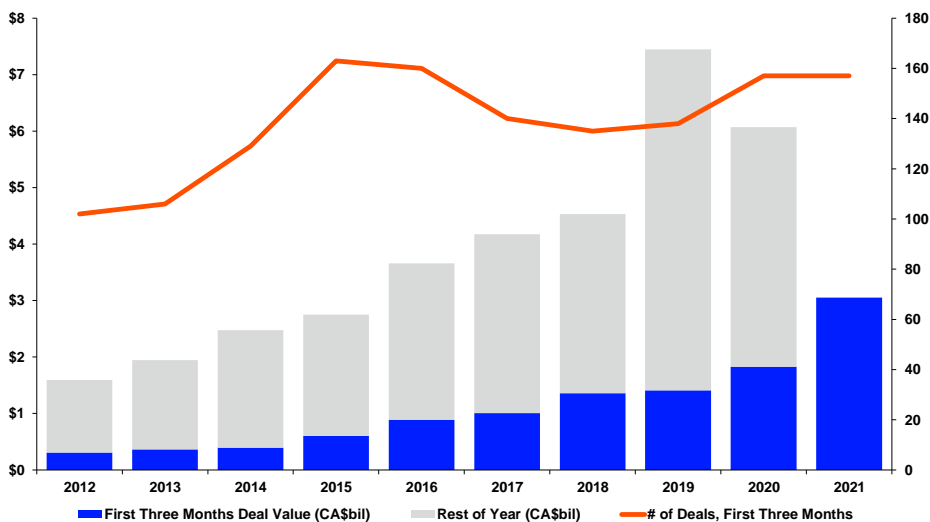
VENTURE CAPITAL FUNDS RAISE CA\$1.5 BILLION

A total of 14 Canadian VC funds recorded closes during the first three months of the year, raising a combined CA\$1.5 billion in commitments, an increase of 265% compared to a year ago. Inovia Capital's second growth fund was the largest fundraiser for the period, with a close of CA\$560 million in March.

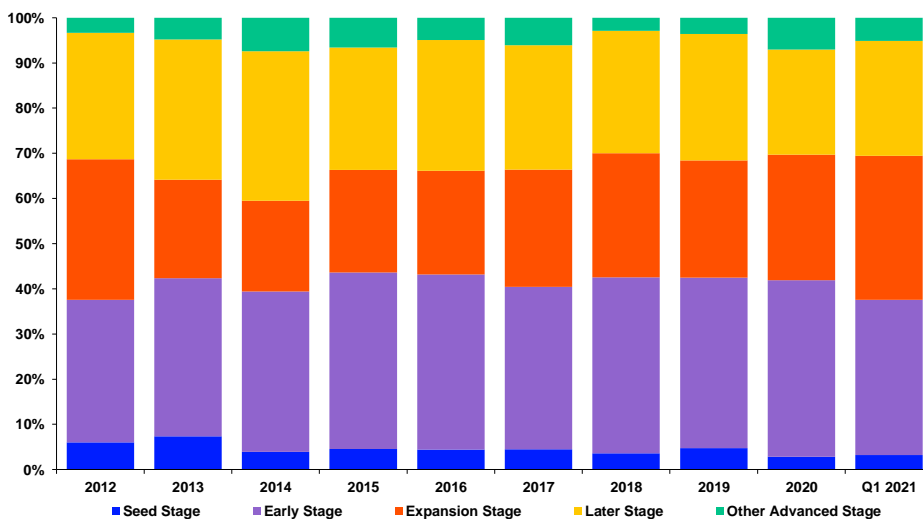
CANADA VENTURE CAPITAL-BACKED EXITS TOTAL CA\$5.7 BILLION

Canadian companies completed 16 VC-backed exits worth CA\$5.7 billion in the first quarter, the largest single quarter in dollar terms on record. 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 for the quarter was the reverse takeover transaction to take Ontario-based lithium-ion battery recycling business, Li-Cycle, public via SPAC. The transaction valued the company at CA\$1.2 billion prior to the deal proceeds.

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
Dapper Labs	03/30/21	\$385.3	Internet Ecommerce	Vancouver, BC
Fraction	02/10/21	\$289.0	Internet Content	Vancouver, BC
Hopper	03/24/21	\$213.8	Internet Software	Montreal, QC
Top Hat	02/04/21	\$169.5	Computer Software	Toronto, ON
Prodigy Education	01/12/21	\$159.0	Computer Software	Oakville, ON
Svante	03/18/21	\$124.8	Pollution and Recycling	Burnaby, BC
Field Trip Health	03/17/21	\$117.8	Med/Health Services	Toronto, ON
Notch Therapeutics	02/10/21	\$107.9	Biotech-Human	Toronto, ON
Snapcommerce	03/04/21	\$107.7	Internet Content	Toronto, ON
Jobber	01/12/21	\$76.7	Computer Software	Edmonton, AB
KOHO	03/11/21	\$69.5	Computer Software	Toronto, ON
Paystone	01/21/21	\$69.0	Turnkey Integrated Systems and Solutions	London, ON

Venture Capital Investment by Province & State

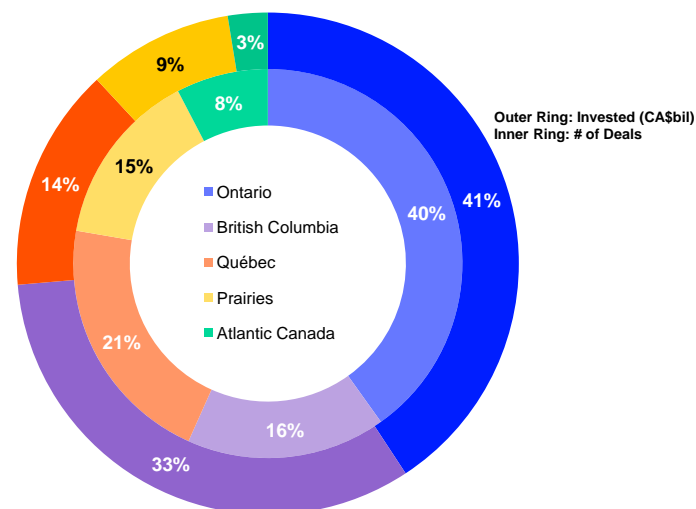
Province/State	01/01/2021 - 03/31/2021		01/01/2020 - 03/31/2020		YoY %	YoY %
	Value (CA\$mil)	# of Deals	Value (CA\$mil)	# of Deals	Chg. (\$)	Chg. (#)
California	\$39,828.2	611	\$24,624.4	516	62%	▲ 18%
New York	\$10,465.5	211	\$4,841.7	171	116%	▲ 23%
Massachusetts	\$9,588.5	128	\$4,519.1	123	112%	▲ 4%
Michigan	\$2,699.8	16	\$37.3	6	7134%	▲ 167%
Pennsylvania	\$1,897.2	37	\$502.9	31	277%	▲ 19%
Texas	\$1,741.8	58	\$1,286.2	57	35%	▲ 2%
Washington	\$1,726.3	50	\$606.4	43	185%	▲ 16%
Colorado	\$1,717.8	44	\$361.2	26	376%	▲ 69%
Ontario	\$1,244.3	63	\$619.9	58	101%	▲ 9%
British Columbia	\$1,004.6	26	\$488.5	32	106%	▲ -19%
New Jersey	\$852.3	14	\$402.3	11	112%	▲ 27%
Georgia	\$833.3	20	\$691.7	18	20%	▲ 11%
Utah	\$779.6	21	\$218.2	17	257%	▲ 24%
Illinois	\$692.9	30	\$660.7	36	5%	▲ -17%
Maryland	\$664.2	20	\$290.7	20	128%	▲ 0%
Virginia	\$622.6	28	\$323.4	22	92%	▲ 27%
Florida	\$600.3	41	\$263.7	19	128%	▲ 116%
Oregon	\$533.0	19	\$88.6	8	502%	▲ 138%
Connecticut	\$442.2	31	\$130.3	26	239%	▲ 19%
Quebec	\$440.5	33	\$651.1	46	-32%	▼ -28%
North Carolina	\$389.8	19	\$444.6	18	-12%	▼ 6%
Wisconsin	\$325.6	4	\$14.8	8	2094%	▲ -50%
D. of Columbia	\$310.3	13	\$80.6	5	285%	▲ 160%
Ohio	\$255.5	13	\$211.2	18	21%	▲ -28%
Alberta	\$233.8	16	\$30.6	9	665%	▲ 78%

*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	22	\$61.5
Real Ventures	2	12	\$15.8
MaRS Investment Accelerator Fund	3	9	\$5.0
Inovia Capital	4	8	\$67.0
Fondaction	5*	6	\$24.0
Export Development Canada	5*	6	\$19.0
Desjardins Capital	5*	6	\$13.4
Panache Ventures	8	5	\$80.8
Canadian Business Growth Fund	9	4	\$114.0
Global Founders Capital	10*	3	\$61.1
OMERS Ventures	10*	3	\$31.7
Whitecap Venture Partners	10*	3	\$15.9
White Star Capital	10*	3	\$13.6
Round13 Capital	10*	3	\$13.5
Luge Capital	10*	3	\$3.3
New Brunswick Innovation Foundation	10*	3	\$0.6
District Ventures	10*	3	\$0.0
Impression Ventures	18*	2	\$61.8
Citi Ventures	18*	2	\$50.3
Version One Ventures	18*	2	\$46.7
Upper90	18*	2	\$42.9
CIBC Innovation Banking	18*	2	\$37.4
Portag3 Ventures	18*	2	\$26.3
Chevron Technology Ventures	18*	2	\$19.4
Temasek	18*	2	\$19.4

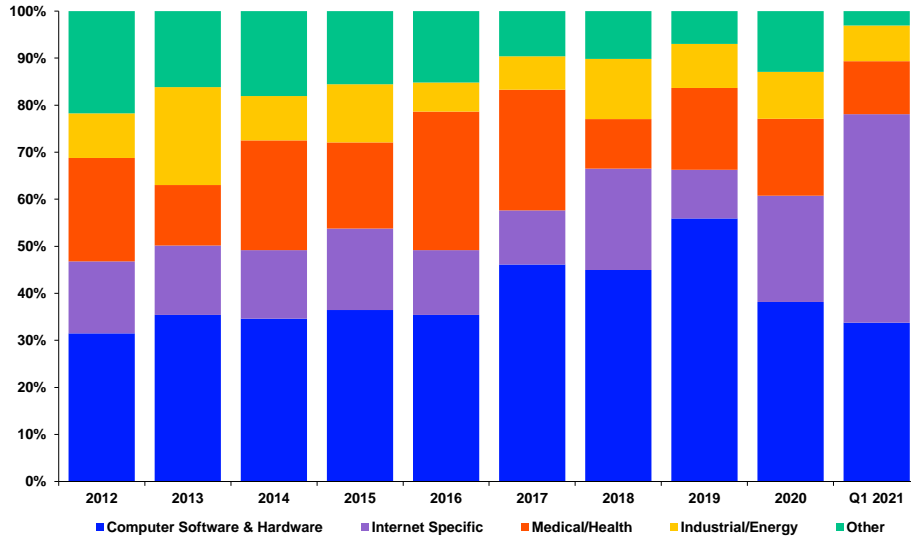
Venture Capital Investment by Province & Region



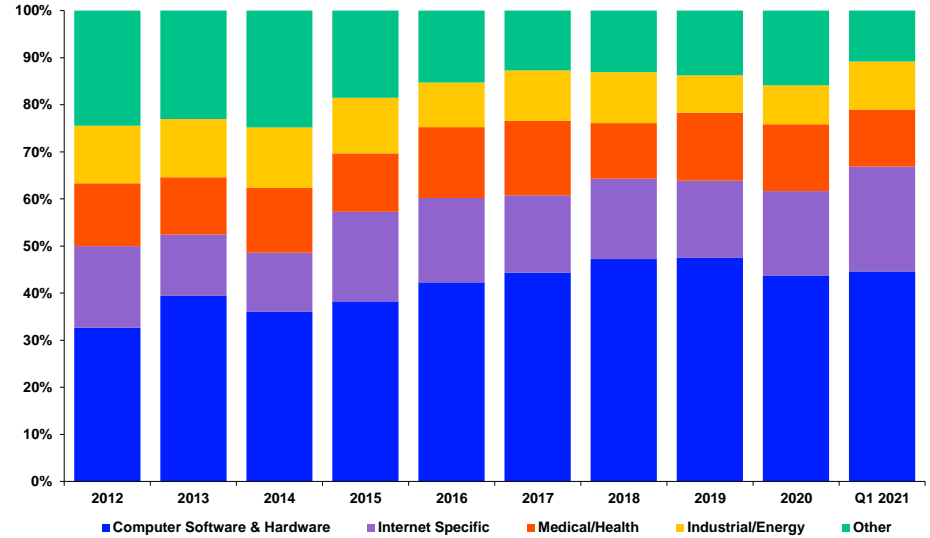
Investments

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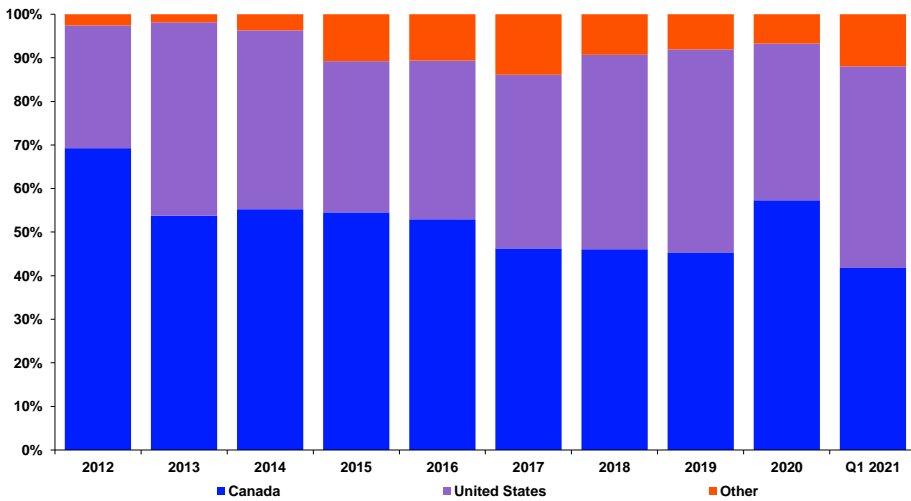
Investments by Sector, Amount Invested



Investments by Sector, Number of Deals



Investment by Origin of Capital



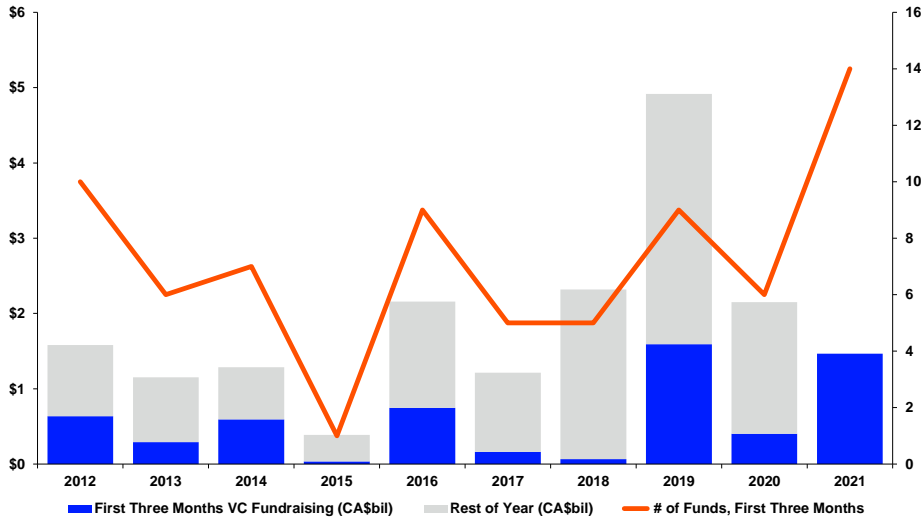
Top VC Deals by Canadian Firms Investing Abroad

Company Name	Deal Date	Deal Value (CA\$mil)	Sector	Location
Databricks	02/01/21	\$1,284.9	Computer Software	California
Sila Nanotechnologies	01/26/21	\$748.7	Batteries	California
Loft	03/23/21	\$534.9	Internet Content	Brazil
insitro	03/15/21	\$498.7	Biotech Research	California
Zwift	03/08/21	\$420.5	Computer Software	California
Forward Health	03/11/21	\$281.8	Computer Software	California
WorkFusion	03/09/21	\$278.0	Computer Software	New York
Evidation Health	03/22/21	\$191.6	Computer Software	California
Axiom Space	02/16/21	\$164.9	Transportation	Texas
Truvian	02/05/21	\$133.9	Biotech-Human	California
Albert	01/27/21	\$128.0	Computer Software	California
Pony.ai	02/07/21	\$127.5	Computer Software	California

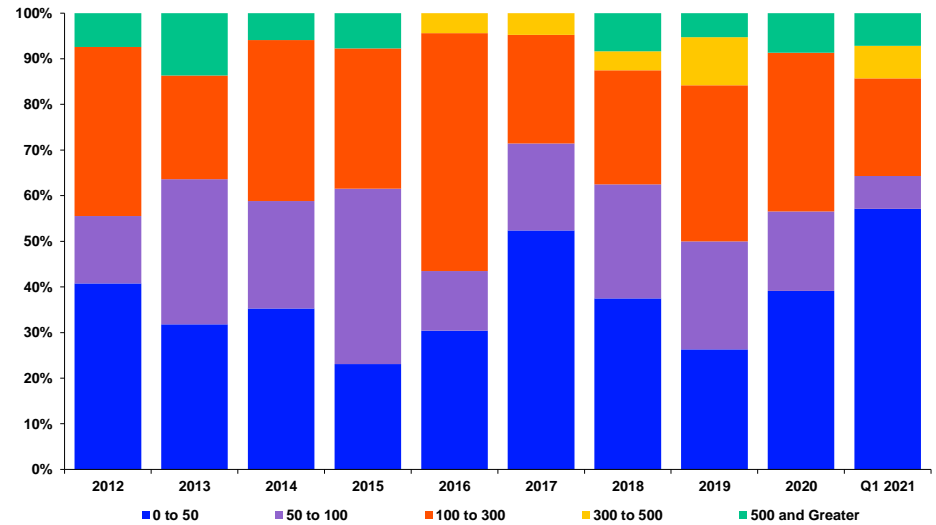
Fundraising

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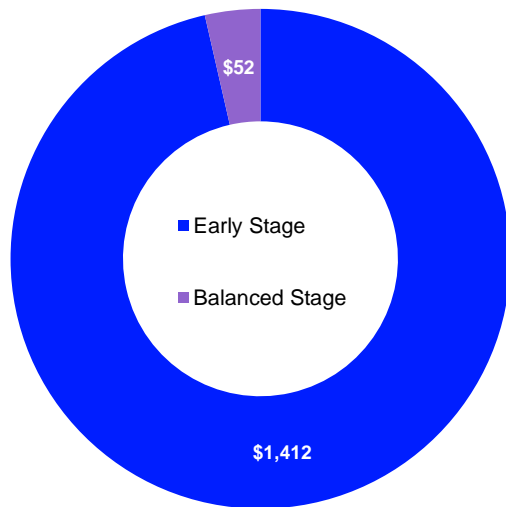
Canada Venture Capital Fundraising Activity



Venture Capital Fundraising by Fund Size, Number of Funds



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



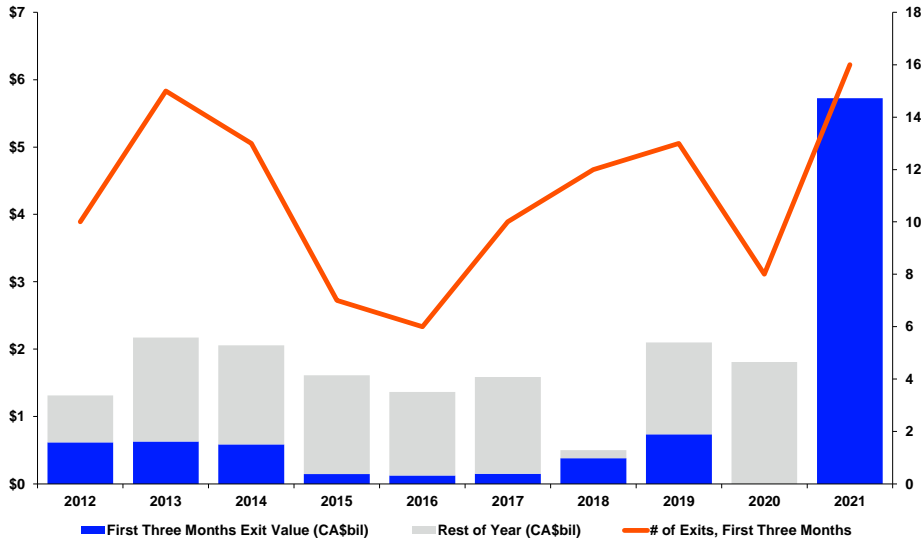
Largest Venture Capital Funds Raised in Canada

Fund Name	Latest Closing Date	Amount Raised (CA\$mil)	Total Fund Size (CA\$mil)	Fund Stage
Inovia Growth Fund II	03/16/21	\$559.9	\$559.9	Early Stage
Radical Ventures Fund	02/02/21	\$415.4	\$415.4	Early Stage
National Bank SME Growth Fund LP	01/12/21	\$200.0	\$200.0	Early Stage
BrandProject Capital Fund LP	03/10/21	\$47.9	\$54.0	Early Stage
Mistral Venture Partners III	02/08/21	\$41.0	\$41.0	Early Stage
Active Impact Investments Fund II	03/10/21	\$41.0	\$41.0	Early Stage
Raiven Capital Fund I	01/13/21	\$31.7	\$31.7	Early Stage
Boreal Ventures Fund I	02/17/21	\$26.0	\$26.0	Early Stage
Raven Indigenous Impact Fund	01/31/21	\$25.0	\$25.0	Balanced Stage
Lumira IV	02/04/21	\$22.7	\$22.7	Balanced Stage
Amplitude Venture Capital	01/13/21	\$21.0	\$164.5	Early Stage
Bay Mills Diversity Fund	02/25/21	\$15.1	\$15.1	Early Stage

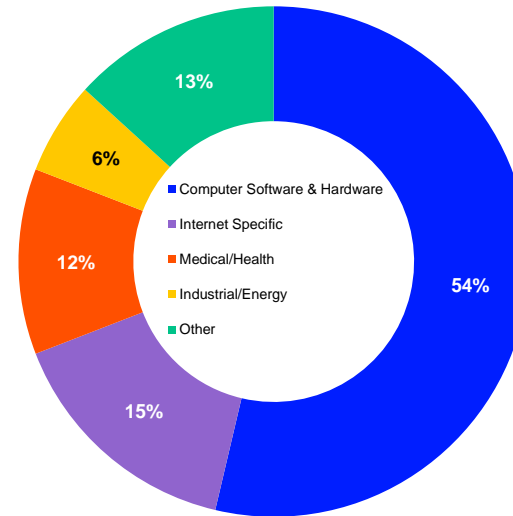
Exits

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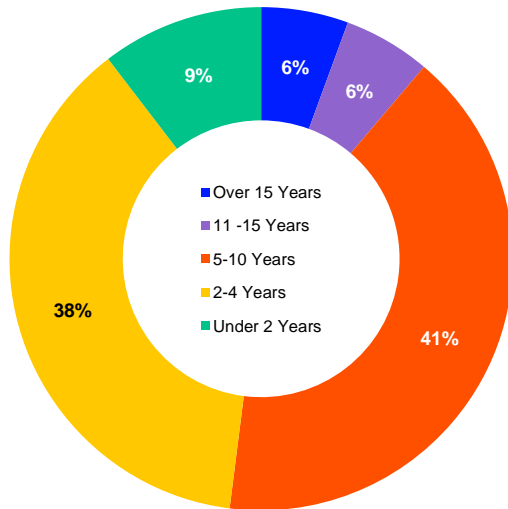
Canada Venture Capital Completed Exit Activity



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
Li-Cycle	02/16/21	\$1,243.2	Pollution and Recycling	Reverse Takeover
Thinkific	03/22/21	\$160.0	Internet Content	IPO
Farmers Edge	02/09/21	\$143.8	Computer Software	IPO
Dialogue	03/08/21	\$115.0	Internet Ecommerce	IPO
Flexiti	02/01/21	\$109.2	Computer Software	Trade Sale
Bearworks	03/22/21	\$104.3	Computer Software	Trade Sale
Moka	03/23/21	\$75.1	Computer Software	Trade Sale
Cybeats	03/03/21	\$8.8	Computer Software	Trade Sale

Canada Venture Capital Criteria

First Quarter 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 three-month period from January 1st, 2021 to March 31st, 2021.

All current and previous years data is as of Monday, April 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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