



Annual Report Fiscal 2024-25

July 2025

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ABOUT VENTURE ONTARIO

Venture Ontario was established as an agency of the Crown on February 1, 2009 by the *Venture Ontario Act, 2008* (the Act) and is accountable to the Minister of Economic Development, Job Creation and Trade (the Minister). Venture Ontario's mandate is closely aligned with the Ontario government's (the Province) focus on economic growth and increased employment in Ontario. Specifically, Venture Ontario:

- Makes investments and manages its interest in venture capital funds and technology companies;
- Provides advice to the Province on venture capital matters; and
- Supports the development of Ontario's venture capital ecosystem and the implementation of the Province's venture capital policies.

MESSAGE FROM THE BOARD AND PRESIDENT & CEO

We are pleased to present the Fiscal 2024-25 Annual Report for Venture Ontario (the Agency). This report highlights the Agency's activities during the past fiscal year, which ended on March 31, 2025.

Venture Ontario is committed to developing a long term, sustainable venture capital industry in Ontario, which will help strengthen Ontario's economy and create job opportunities in key economic sectors of the province. The Agency provides access to capital that enables innovative Ontario-based companies to realize their full economic potential.

Access to capital plays a critical role in accelerating the growth of innovative startups and entrepreneurial firms into medium and large companies that can compete in global markets. With its diversified portfolio of investments, Venture Ontario provides a market-based approach to help develop high potential companies and to better capture the associated economic benefits over the long term.

Venture Ontario has committed approximately \$500 million to Ontario-based/Ontario-focused fund managers and start-up companies, up from \$475 million compared to last year. The Agency's venture capital initiatives, together with third-party capital, have collectively made available approximately \$5.5 billion to venture capital fund managers and companies in Canada. Through the Agency's investments, Ontario portfolio companies currently employ over 9,000 people and have cumulatively recorded approximately \$18.4 billion in revenues and \$4.9 billion in R&D expenditures.¹

Since inception, the Agency has performed well, generating a 1.43x multiple of capital² as of March 31, 2025.

In fiscal 2025-26, Venture Ontario will manage its investment portfolio and general business operations in a prudent and cost-effective manner. We will also continue to support the development of Ontario's venture capital ecosystem and provide advice and support to the Minister on the Province's venture capital policies.

Norm Cappell was recently appointed to the Board of Directors of Venture Ontario (the Board). We are pleased to welcome him and the experience that he brings to the agency as we continue to deliver on our mandate.

Finally, we would like to thank the dedicated staff of Venture Ontario and our Board members for their ongoing effort and commitment to the Agency's success. We look forward to continuing to work together in the new fiscal year to deliver Venture Ontario's mandate.

¹ Revenues and R&D expenditures are reported as of December 31, 2024 have been aggregated across Venture Ontario's portfolio since inception. As individual fund managers may co-invest in syndicate, the aggregated figures may overstate these metrics due to potential double counting.

² Multiple of capital as calculated is net of underlying fund manager fees, expenses and carried interest, but before Venture Ontario's operating costs.

Original Executed by: “Daniel Nowlan”

Daniel Nowlan
Chair

Original Executed by: “Steve Romanyshyn”

Steve Romanyshyn
President & CEO

MANAGEMENT'S DISCUSSION AND ANALYSIS

Ontario Venture Capital Market in 2024

The venture capital market in Ontario remained relatively stable throughout 2024, overcoming macroeconomic challenges and adjusting to a constantly evolving marketplace. While early-stage investments held strong, late-stage investments were more cautious. The tech, biotech, and cleantech sectors remain the key areas of focus for investors.

Total venture capital commitments to Ontario companies fell to \$2.5 billion³ from \$3.2 billion in 2023 marking the third consecutive year over year drop. While not unexpected after the unprecedented investment seen during the pandemic, focus will be on 2025 to determine whether the market eases into a soft landing returning smaller year of year increases or continues to decline below pre-pandemic levels. The \$2.5 billion invested in 2024 sits roughly equal with 2019 levels but represents a marked and continued departure from the highs experienced in 2021 and 2022 owing mainly to macroeconomic conditions including interest rate fluctuations, inflation, and global uncertainty.

Despite reduced investment activity, Ontario's venture capital market continues to be the top jurisdiction in Canada, followed closely by British Columbia (\$2.45 billion). British Columbia edged out Quebec, driven primarily by the record-breaking investment in Clio which account for nearly half the province's investment total. Information and communications technology (ICT) continues to be Ontario's top sector, attracting the bulk of investment dollars at \$1.8 billion (i.e., roughly 75% of total venture investment in 2024). Life science investment captured \$205 million, or approximately 9% of the investment total, with the balance coming primarily from clean technologies.

Financing round sizes continued to contract in lock step with investment totals suggesting continued investor hesitance during unpredictable market conditions. At \$9.9 million, the average deal size fell 15% year-over-year. A return to smaller investment rounds suggests venture capital firms were more selective, prioritizing companies with a clear path to scaling and profitability rather than speculative or high-risk ventures.

Ontario-based startups continue to have a strong appeal to international investors, specifically US-based firms. In 2024, US investors were present in 35% of deals, Asian investors in 9% of deals and European investors in 7%. Such prominence of international investment signals recognition of Ontario's world class technology start-ups and innovation hubs. As the Canadian dollar remains relatively weak against the US dollar, Canadian technology companies may be more attractive for potential takeovers. As such, it is expected that mergers and acquisitions (M&A) activity from US firms is expected to significantly increase⁴.

Looking ahead, Ontario's venture market is expected to continue to evolve as threats of tariffs and other protectionist measures emerge from the United States, exacerbating macroeconomic uncertainty. To insulate itself against this economic uncertainty, Ontario must remain committed to an emphasis on government-supported innovation, fostering a welcoming

³ All statistics, figures and data refer to calendar year and are sourced from CVCA unless otherwise noted.

⁴ <https://www.theglobeandmail.com/business/commentary/article-canadas-weak-dollar-makes-tech-companies-more-attractive-takeover/>

and beneficial business environment for emerging local technology companies and continuing to develop of world class innovation hubs that attract top global talent and critical investment.

Overall Performance in Fiscal 2024-25

Venture Ontario is pleased to highlight its key results for the fiscal year ended March 31, 2025, that helped to fulfill the Agency's mandate and government priorities outlined in the Agency's letter of direction for fiscal 2024-25, including:

- Managing Venture Ontario's investment portfolio and business operations in a prudent and cost-effective manner using self-generated revenue to cover the Agency's operations;
- Supporting the development of Ontario's venture capital ecosystem and strategically investing in venture capital funds while maintaining Venture Ontario's high rate of net positive returns to the Province;
- Ensuring that Venture Ontario Fund investments are consistent with the Investment Framework that ensures investments are aligned with current government priorities, including but not limited to the commercialization/retention of intellectual property in Ontario and support for growth-oriented venture funds critical to Ontario firms reaching international prominence; and
- Working alongside Invest Ontario to align investment attraction efforts to support the growth of local companies.

Venture Ontario is expected to experience both investment gains and losses, which is typical for venture capital investment funds. For fiscal 2024-25, the Agency met its target of maintaining a positive net multiple of capital of at least 1.20x across Venture Ontario's investment portfolio. On an aggregated basis, the interim performance of the Agency's investments has a valuation of 1.43x multiple of capital⁵ as of March 31, 2025, a slight decline from 1.46x as of March 31, 2024. Venture Ontario expects that its investments will continue to build value over the long-term.

Upending more than a century of cross-border industrial cooperation between Canada and the United States, U.S. tariffs have caused the restructuring of supply chains, high degree of economic uncertainty and some concerning core inflation measures. In April 2025, Canada posted a trade deficit of \$7.1 billion, the largest on record as tariffs diminished demand for Canadian goods from the United States. Canada's exports to the rest of the world rose, but could not compensate for the drop in exports to the U.S. Exports to the U.S. shrank by 15.7%, a third consecutive monthly decline. This weakness on the demand side along with increasing unemployment and declining housing markets will likely outweigh potential inflationary pressure from the impact of tariffs to support cuts in the Bank of Canada policy rate sooner or later to prevent the economy from sliding into recession. Venture Ontario will continue to monitor the venture ecosystem, and coordinate with the Ontario Financing Authority in the risk management of its financial operations.

Actual operating expenditures for fiscal 2024-25 have reasonably met expectations as forecasted in the 2025-28 business plan, given the "lumpiness" of venture capital investments and economic conditions year-to-year. With adjusted operating expenses as a percentage of

⁵ Multiple of capital as calculated is net of underlying fund manager fees, expenses and carried interest, but before Venture Ontario's operating costs.

committed capital of 0.37% for fiscal 2024-25, Venture Ontario successfully achieved its target of no more than 0.75%, which is at the mid-point of 0.50%-1.0% in management fees typically charged by fund-of-funds. As of March 31, 2025, approximately 81.4% of the Agency's committed capital has been deployed.

During fiscal 2024-25, targets related to Venture Ontario's business operations and investment portfolio were previously set in the Agency's annual business plan and the following results were achieved from April 1, 2024 to March 31, 2025:

Venture Ontario's Business Operations:

Objective	Performance Measures	Targets Set in Previous Plan	Results Achieved Fiscal 2024-25
<ul style="list-style-type: none"> Ensure Venture Ontario's business operations are managed efficiently and effectively, including its limited partnership interests and the remaining OETF direct co-investments. 	<ul style="list-style-type: none"> Venture Ontario's adjusted operating expenses (net of any reimbursements received and impairment charges) as a percentage of committed capital to investment funds. Legislative requirements met. Compliance attestation submitted to the Ministry annually to confirm that Venture Ontario is in substantial compliance with all applicable government directives and policies. 	<ul style="list-style-type: none"> Adjusted operating expenses as a percentage of committed capital to be no more than 0.75%, which is at the mid-point of 0.50%-1.0% in management fees typically charged by fund-of-funds. Annual business plan and annual report submitted on March 1 and within 120 days after its fiscal year end respectively. Compliance attestation submitted to the Ministry by prescribed deadline. 	<ul style="list-style-type: none"> Adjusted operating expenses as a percentage of committed capital was 0.37% for the 12-months ended March 31, 2025. Annual business plan and annual report submitted by the required deadline. Compliance attestation submitted to the Ministry by the required deadline.

Objective	Performance Measures	Targets Set in Previous Plan	Results Achieved Fiscal 2024-25
<ul style="list-style-type: none"> Ensure continuity of business services. 	<ul style="list-style-type: none"> % of employee turnover. Internal procedures manual is revised and updated annually. Business continuity plan is provided to the Ministry annually. Detailed risk assessment chart is provided to the Ministry twice a year. 	<ul style="list-style-type: none"> No more than 15% employee turnover annually. Annual update of internal procedures manual completed. Annual update of business continuity plan completed. Semi-annual updates of risk assessment (in March and September) completed. 	<ul style="list-style-type: none"> While two staff members are currently on secondment, which represents a 25% annual employee turnover, both positions have been successfully backfilled on a temporary basis. Annual update of internal procedures manual completed. Annual update of business continuity plan completed. Semi-annual risk assessments completed and tabled with the Audit & Risk Committee.

Venture Ontario's Investment Portfolio

Objective	Performance Measures	Targets Set in Previous Plan	Results Achieved Fiscal 2024-25
<ul style="list-style-type: none"> Ensure investment portfolio is sufficiently diversified to mitigate financial risks while supporting the Province's venture capital policies. 	<ul style="list-style-type: none"> Number of new strategic fund investments made in alignment with the Province's venture capital policies and the Investment Framework. 	<ul style="list-style-type: none"> A minimum of 3 new fund commitments per fiscal year made across 2-3 target sectors as identified in the Investment Framework, with the number of new fund commitments in future years to be dependent on available remaining capital and the level of fundraising activity in the market. 	<ul style="list-style-type: none"> 3 new fund investment commitments were formally completed in fiscal 2024-25 in alignment with the Investment Framework.

Objective	Performance Measures	Targets Set in Previous Plan	Results Achieved Fiscal 2024-25
<ul style="list-style-type: none"> Maintain a positive net multiple of capital across Venture Ontario's investment portfolio. 	<ul style="list-style-type: none"> Aggregate net multiple of capital for Venture Ontario investment portfolio. 	<ul style="list-style-type: none"> Maintain net multiple of capital of at least 1.20x. 	<ul style="list-style-type: none"> 1.43x net multiple of capital as at March 31, 2025.⁶
<ul style="list-style-type: none"> Track portfolio activity quarterly and report annually on key performance indicators. 	<ul style="list-style-type: none"> Obtain key performance indicators and other relevant metrics from the fund managers on a quarterly or annual basis subject to each investment's respective partnership agreement; review and ensure adherence to limited partnership agreements; and gather market intelligence with respect to fund commitments/ investments. 	<ul style="list-style-type: none"> On a quarterly basis, portfolio summaries including activity and financial summaries are received. Annually, key performance indicators are included with the quarterly portfolio summaries from each fund manager. 	<ul style="list-style-type: none"> Portfolio summaries and annual key performance indicators received from each fund manager.
<ul style="list-style-type: none"> Respond to capital calls from externally-managed funds by the required deadlines. 	<ul style="list-style-type: none"> Percentage of capital calls are met by the required deadlines. 	<ul style="list-style-type: none"> Substantially all (95% or more) capital calls are met by the deadlines set by the fund manager. 	<ul style="list-style-type: none"> Substantially all capital calls have been met by the required deadlines.

⁶ Multiple of capital represents the return to Venture Ontario before the agency's expenses.

Objective	Performance Measures	Targets Set in Previous Plan	Results Achieved Fiscal 2024-25
<ul style="list-style-type: none"> Develop key relationships and networks (with VC fund managers, technology companies, institutional investors, VC associations, angel investor associations, and innovation-focused organizations) to gather market intelligence for potential investments and venture capital public policies. 	<ul style="list-style-type: none"> Number of meetings with potential investors, fund managers, and other venture capital stakeholders. 	<ul style="list-style-type: none"> Engaging with a minimum of 12 fund managers per year that are actively fundraising and seeking an investment commitment from Venture Ontario. Hold a minimum 50 meetings per year with other key relationships and networks. 	<ul style="list-style-type: none"> Engaged with over 40 active fund managers. Minimum target of 50 meetings with other key relationships and networks, including Invest Ontario, was achieved.

Venture Ontario has committed approximately \$500 million to Ontario-based/Ontario-focused fund managers and start-up companies, up from \$475 million compared to last year. Venture Ontario's venture capital initiatives, together with third-party capital, have collectively made available over \$5.5 billion to venture capital fund managers and companies in Canada. Through Venture Ontario's investments, Ontario portfolio companies currently employ over 9,000 people and have cumulatively recorded approximately \$18.4 billion in revenues and \$4.9 billion in R&D expenditures.⁷

⁷ Revenues and R&D expenditures are reported as of December 31, 2024 have been aggregated across Venture Ontario's portfolio since inception. As individual fund managers may co-invest in syndicate, the aggregated figures may overstate these metrics due to potential double counting.

Key Initiatives and Results Achieved

For this section, please note for the following:

- Revenues and R&D expenditures have been aggregated across Venture Ontario's portfolio since inception and reported to Venture Ontario as of calendar year-end. As individual fund managers may co-invest in syndicate, the aggregated figures may overstate these metrics due to potential double counting.
- As Venture Ontario's underlying portfolio exits investments or invests in new opportunities, annual impact drivers, such as employment or revenue generation, will increase or decrease accordingly. Therefore, an increase or decrease from a prior year cannot solely be attributed to investment performance.
- For each fund, values related to revenues, R&D expenditures and employment are as of December 31, as reported by the fund manager.
- All dollar figures provided are in Canadian dollars unless otherwise stated. A detailed list of Venture Ontario's investment portfolio can be found in Note 6 "Investments in Limited Partnerships" of the notes to the financial statements.
- Leverage is the aggregate sum of third-party capital invested for every \$1 of capital invested by Venture Ontario in Ontario companies.
- During the fiscal year, Venture Ontario managed and continued to oversee its limited partnership interest in each portfolio fund, including responding to capital calls issued by the fund manager in a timely manner.
- Funds below are listed by vintage year (i.e., the year that marks the start of a fund's investment period and lifecycle).

Ontario Venture Capital Fund LP (OVCF)

Fund Information:

Vintage:2008	Fund Manager: Northleaf Capital Partners
Fund Size: \$205.4M	Fund Location: Ontario
VO Commitment: \$90M	Investment Sector: Generalist
Investment Status: Fully Committed	Investment Stage: Agnostic

Ontario-Based/Focused Portfolio Statistics:

Total Companies:	7
Total Funds:	9
Total Committed by Fund:	\$190.4M
Leverage on Investments:	5x
Total Invested Including Leverage:	\$1B+
New Investments in Fiscal 2024-25	0

Investment Impact:

Revenues:	\$6.47B
R&D expenditures:	\$1.33B
Number of people employed:	962

Ontario Emerging Technologies Fund (OETF)

Fund Information:

Vintage: 2009	Fund Manager: Venture Ontario
Fund Size: \$104.6M	Fund Location: Ontario
VO Commitment: \$104.6M	Investment Sector: Generalist
Investment Status: Fully Committed	Investment Stage: Agnostic

Ontario-Based Statistics:

Total Companies:	27
Total Invested by Fund:	\$104.6M
Leverage on Investments:	3.96x
Total Invested Including Leverage:	\$518.7M
New Investments in Fiscal 2024-25	0

Investment Impact:

Revenues:	\$1.06B
R&D expenditures:	\$468.2M
Number of people employed:	63

Northleaf Venture Catalyst Fund LP (NVCF)

Fund Information:

Vintage: 2014	Fund Manager: Northleaf Capital Partners
Fund Size: \$300M	Fund Location: Ontario
VO Commitment: \$50M	Investment Sector: Generalist
Investment Status: Fully Committed	Investment Stage: Agnostic

Ontario-Based/Focused Portfolio Statistics:

Total Companies:	9
Total Funds:	8
Total Invested by Fund:	\$223M
Leverage on Investments:	7.9x
Total Invested Including Leverage	\$1.94B+
New Investments in Fiscal 2024-25	0

Investment Impact:

Revenues:	\$7B
R&D expenditures:	\$1.72B
Number of people employed:	3,477

ScaleUp Venture Fund I LP (SUVF I)

Fund Information:

Vintage: 2016	Fund Manager: ScaleUp Venture Partners
Fund Size: \$106M	Fund Location: Ontario
VO Commitment: \$25M	Investment Sector: ICT
Investment Status: Fully Committed	Investment Stage: Early

Ontario-Based Portfolio Statistics:

Total Companies:	17
Total Invested by Fund	\$44.4M
Leverage on Investments:	5.98x
Total Invested Including Leverage	\$310M
New Investments in Fiscal 2024-25	0

Investment Impact:

Revenues:	\$898M
R&D expenditures:	\$294M
Number of people employed:	1,134

Genesys Ventures III LP (Genesys III)

Fund Information:

Vintage: 2016	Fund Manager: Genesys Capital Management
Fund Size: \$107M	Fund Location: Ontario
VO Commitment: \$17M	Investment Sector: Life Science
Investment Status: Fully Committed	Investment Stage: Early

Ontario-Based Portfolio Statistics:

Total Companies:	6
Total Invested by Fund:	\$47.5M
Leverage on Investments:	6.09x
Total Invested Including Leverage	\$336.7M
New Investments in Fiscal 2024-25	0

Investment Impact:

Revenues:	\$52M
R&D expenditures:	\$240M
Number of people employed:	174

Yaletown Innovation Growth LP (IGF I)

Fund Information:

Vintage: 2017	Fund Manager: Yaletown Partners Inc.
Fund Size: \$127.9M	Fund Location: British Columbia
VO Commitment: \$20M	Investment Sector: Cleantech
Investment Status: Active Investment	Investment Stage: Early

Ontario-Based Portfolio Statistics:

Total Companies:	3
Total Invested by Fund:	\$27.5M
Leverage on Investments:	4.26x
Total Invested Including Leverage	\$144.4M
New Investments in Fiscal 2024-25	0

Investment Impact:

Revenues:	\$96M
R&D expenditures:	\$90M
Number of people employed:	138

Lumira Ventures III LP (Lumira III)

Fund Information:

Vintage: 2017	Fund Manager: Lumira Ventures
Fund Size: \$178.6M	Fund Location: Ontario
VO Commitment: \$23M	Investment Sector: Life Sciences
Investment Status: Active Investment	Investment Stage: Later

Ontario-Based Portfolio Statistics:

Total Companies:	5
Total Invested by Fund:	\$24M
Leverage on Investments:	6.01x
Total Invested Including Leverage	\$168.2M
New Investments in Fiscal 2024-25	0

Investment Impact:

Revenues:	\$602M
R&D expenditures:	\$364.5M
Number of people employed:	150

Amplitude Ventures I Fund LP (Amplitude I)

Fund Information:

Vintage: 2019	Fund Manager: Amplitude Ventures
Fund Size: \$203.7M	Fund Location: Quebec
VO Commitment: \$10M	Investment Sector Life Science
Investment Status: Active Investment	Investment Stage: Early

Ontario-Based Portfolio Statistics:

Total Companies:	4
Total Invested by Fund:	\$51.7M
Leverage on Investments:	8.66x
Total Invested Including Leverage	\$499.7M
New Investments in Fiscal 2024-25	0

Investment Impact:

Revenues:	\$31M
R&D expenditures:	\$162M
Number of people employed:	122

Whitecap Venture Partners V LP (Whitecap V)

Fund Information:

Vintage: 2021	Fund Manager: Whitecap Venture Partners
Fund Size: \$152M	Fund Location: Ontario
VO Commitment: \$10M	Investment Sector: Generalist
Investment Status: Active Investment	Investment Stage: Early

Ontario-Based Portfolio Statistics:

Total Companies:	5
Total Invested by Fund:	\$26.9M
Leverage on Investments:	1.94x
Total Invested Including Leverage	\$79.0M
New Investments in Fiscal 2024-25	1

Investment Impact:

Revenues:	\$17M
R&D expenditures:	\$16M
Number of people employed:	108

Maverix Growth Equity Fund I LP (Maverix I)

Fund Information:

Vintage: 2021	Fund Manager: Maverix Private Equity
Fund Size: \$367M USD	Fund Location: Ontario
VO Commitment: \$15M USD	Investment Sector: ICT
Investment Status: Active Investment	Investment Stage: Growth

Ontario-Based Portfolio Statistics:

Total Companies:	3
Total Invested by Fund:	\$142.9M
Leverage on Investments:	2.33x
Total Invested Including Leverage	\$475.8M
New Investments in Fiscal 2024-25	0

Investment Impact:

Revenues:	\$671M
R&D expenditures:	\$109M
Number of people employed:	730

Panache Ventures Investment Fund II LP (Panache II)

Fund Information:

Vintage: 2021	Fund Manager: Panache Ventures
Fund Size: \$98M	Fund Location: Quebec
VO Commitment: \$7.5M	Investment Sector: ICT
Investment Status: Active Investment	Investment Stage: Early

Ontario-Based Portfolio Statistics:

Total Companies:	14
Total Invested by Fund:	\$11M
Leverage on Investments:	14.6x
Total Invested Including Leverage:	\$180M
New Investments in Fiscal 2024-25	3

Investment Impact:

Revenues:	\$3.1M
R&D expenditures:	\$6.6M
Number of people employed:	105

Northleaf Growth Fund (NGF)

Fund Information:

Vintage: 2021	Fund Manager: Northleaf Capital Partners
Fund Size: \$212M USD	Fund Location: Ontario
VO Commitment: \$10M USD	Investment Sector: ICT
Investment Status: Active Investment	Investment Stage: Growth

Ontario-Based Portfolio Statistics:

Total Companies:	2
Total Invested by Fund:	\$16.8M
Leverage on Investments:	6.92x
Total Invested Including Leverage:	\$132.9M
New Investments in Fiscal 2024-25	0

Investment Impact:

Revenues:	\$1.1B
R&D expenditures:	\$64M
Number of people employed:	1,135

Yaletown Innovation Growth II LP (IGF II)

Fund Information:

Vintage: 2022	Fund Manager: Yaletown Partners Inc.
Fund Size: \$199M	Fund Location: British Columbia
VO Commitment: \$13M	Investment Sector: Clean Tech
Investment Status: Active Investment	Investment Stage: Early

Ontario-Based Portfolio Statistics:

Total Companies:	3
Total Invested by Fund:	\$40M
Leverage on Investments:	5.68x
Total Invested Including Leverage:	\$266.9M
New Investments in Fiscal 2024-25	1

Investment Impact:

Revenues:	\$350M
R&D expenditures:	\$35M
Number of people employed:	613

Other Investments

The following recent Venture Ontario investments are actively investing, but do not currently have sufficient activity to aggregate results:

Lumira Ventures IV LP (Lumira IV)

Fund Information:

Vintage: 2021	Fund Manager: Lumira Ventures
Fund Size: \$222M USD	Fund Location: Ontario
VO Commitment: \$11.7M USD	Investment Sector: Life Science
Investment Status: Active Investment	Investment Stage: Later

Climate Innovation Fund I LP (CIC I)

Fund Information:

Vintage: 2022	Fund Manager: Climate Innovation Capital Inc.
Fund Size: Not Disclosed Publicly	Fund Location: Ontario
VO Commitment: \$5M USD	Investment Sector: Clean Tech
Investment Status: Active Investment	Investment Stage: Growth

Amplitude Ventures Fund II (Amplitude II)

Fund Information:

Vintage: 2022	Fund Manager: Amplitude Ventures
Fund Size: \$192.1M USD	Fund Location: Quebec
VO Commitment: \$11.5M USD	Investment Sector: Life Science
Investment Status: Active Investment	Investment Stage: Early

Brightspark Canadian Opportunities Fund II LP (Brightspark II)

Fund Information:

Vintage: 2022	Fund Manager: Brightspark Ventures
Fund Size: \$100M	Fund Location: Ontario
VO Commitment: \$10M	Investment Sector: ICT
Investment Status: Active Investment	Investment Stage: Seed

Genesys Ventures IV LP (Genesys IV)

Fund Information:

Vintage: 2023	Fund Manager: Genesys Capital Management
Fund Size: Not Disclosed Publicly	Fund Location: Ontario
VO Commitment: \$15M	Investment Sector: Life Science
Investment Status: Active Investment	Investment Stage: Early

Luge Investment Fund II (Luge II)

Fund Information:

Vintage: 2023	Fund Manager: Luge Capital
Fund Size: \$92.8M	Fund Location: Ontario
VO Commitment: \$12M	Investment Sector: ICT
Investment Status: Fund Raising	Investment Stage: Early

McRock Fund III LP (McRock II)

Fund Information:

Vintage: 2024	Fund Manager: McRock Capital
Fund Size: \$82M USD	Fund Location: Ontario
VO Commitment: \$11M USD	Investment Sector: ICT
Investment Status: Active Investment	Investment Stage: Early

Mistral Venture Partners IV

Fund Information:

Vintage: 2024	Fund Manager: Mistral Venture Partners
Fund Size: Not Disclosed Publicly	Fund Location: Ontario
VO Commitment: \$5M	Investment Sector: ICT
Investment Status: Active Investment	Investment Stage: Early

Development of Ontario's Venture Capital Ecosystem

In fiscal 2024-25, Venture Ontario supported the development of Ontario's venture capital ecosystem by:

- Proactively meeting with venture capital funds seeking an investment commitment, investors, technology industry thought leaders and subject matter experts to gather critical market intelligence that will help shape appropriate venture capital public policies in the coming years; and
- Continuing to provide advice to the Ministry and the Province on venture capital matters as required.

Venture Ontario also took an active role in industry events, such as speaking and/or participating at the:

- AIMA Global Investment Forum;
- Bloom Burton & Co. Healthcare Investor Conference;
- Canadian Alternative Investment Forum;
- Canadian Fintech Summit 2025;
- Canadian Innovation Exchange (CIX);
- Canadian Venture Capital Association (CVCA) Annual Conference;
- Collision Toronto;
- Council of Canadian Innovator's Capital Market Summit;
- Driving Economic Prosperity with Intellectual Property Summit;
- Elevate Festival Toronto;
- ESG & Sustainable Investing Forum;
- Kauffman Fellows Summit;
- Ontario Bioscience Innovation Ontario (OBIO) Investor Summit;
- Private Markets Canada Conference;
- The Future of Transportation and Mobility;
- Toronto Region Board of Trade (TRBOT) Manufacturing Symposium; and
- Women's Private Capital Summit.

Such events are essential to building and maintaining strong relationships with other investors, thought leaders, and subject matter experts, who interact with the sector and companies at various stages of their lifecycle. The stronger these relationships are, the more effectively Venture Ontario can access market intelligence with respect to funds that are currently or expected to fundraise, as well as insight to help identify potential stage or sector gaps faced by Ontario-based technology companies.

With experience in both direct investments into companies and investments into venture capital funds, Venture Ontario shares its feedback, perspectives, and observations through proactive outreach to venture capital fund managers, as well as new and established Ontario-based companies. This outreach includes "Ask the Investor" sessions at industry conferences and responding to direct inquiries to Venture Ontario or via the Ministry. It also includes providing feedback in areas such as fundraising, investment thesis, and other relevant matters to help fund managers further define and advance their value proposition. Venture Ontario plans to continue its strategic engagement with stakeholders over the coming years.

Independent Auditor's Report

To the Board of Directors of
Venture Ontario

Opinion

We have audited the financial statements of Venture Ontario, which comprise the statement of financial position as at March 31, 2025, and the statements of operations and changes in accumulated operating surplus, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Venture Ontario as at March 31, 2025, and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the financial statements* section of our report. We are independent of Venture Ontario in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Venture Ontario's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Venture Ontario or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Venture Ontario's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Venture Ontario's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Venture Ontario's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Venture Ontario to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2025

Venture Ontario
Statement of financial position

As at March 31, 2025

(Amounts in Canadian dollars)

	Notes	2025 \$	2024 \$
Financial assets			
Cash		102,647,072	87,698,737
Marketable securities	4	284,967,520	284,939,044
Accounts receivable	5	9,101	1,606,456
Investment in limited partnerships	6	182,018,622	163,534,874
Ontario Emerging Technologies Fund – OETF	7 and 8	1,312,500	1,312,500
Total		570,954,815	539,091,611
Liabilities			
Accounts payable and accrued liabilities	12	593,280	1,968,105
Net financial assets		570,361,535	537,123,506
Non financial assets	14	—	—
Accumulated surplus		570,361,535	537,123,506
Contractual commitments	11		
Accumulated surplus is comprised of			
Accumulated operating surplus		569,808,013	536,547,810
Accumulated remeasurement gains		553,522	575,696
Total		570,361,535	537,123,506

The accompanying notes are an integral part of the financial statements.

Approved by the Board

Original Executed by: “Daniel Nowlan”

_____, Director

Original Executed by: “Leslie Lewis Westhaver”

_____, Director

Venture Ontario

Statement of operations and changes in accumulated operating surplus

Year ended March 31, 2025

(Amounts in Canadian dollars)

	Notes	Budget \$	2025 Actual \$	2024 Actual \$
Revenue				
Interest income		16,319,756	17,403,045	17,267,932
Investment income on distribution from				
NVCF		1,421	1,421	7,534
NGF		—	—	24,584
Genesys III		—	50,407	—
Lumira III		—	—	48,472
Amplitude II		—	—	2,140
Panache II		—	—	697
Realized capital gain on OETF investments		—	1,206	19,505
Capital gain on distribution from				
NVCF		5,626,159	5,626,159	1,112,063
OVCF		1,040,441	2,131,432	1,960,433
SUVF		—	1,459,300	2,807,098
Yaletown I		—	—	75,401
Lumira III		358,639	358,639	(1,563,244)
Genesys III		5,181,080	5,897,103	8,817,999
Amplitude I		209,618	209,618	191,719
Lumira IV		(372,080)	—	(473,593)
Panache II		—	(43,912)	—
Expression of Interest expense recovery from funds				
Prior period		—	—	3,835
Foreign exchange gain	3	592,632	3,217,652	51,680
Total		28,957,666	36,312,070	30,354,255
Expenses				
Reimbursements to the Ministry	12	1,164,866	1,197,329	1,067,357
Cash management fees	11	39,751	38,454	24,847
Professional services fees	11	547,852	307,241	387,502
Board and committee member expenses		4,818	7,270	5,192
Bad debt expense		320,577	320,577	113,571
Impairment of limited partnership investments		—	1,180,996	—
Total		2,077,864	3,051,867	1,598,469
Annual surplus		26,879,802	33,260,203	28,755,786
Accumulated operating surplus, beginning of year		536,547,810	536,547,810	507,792,024
Accumulated operating surplus, end of year		563,427,612	569,808,013	536,547,810

The accompanying notes are an integral part of the financial statements.

Venture Ontario**Statement of remeasurement gains and losses**

Year ended March 31, 2025

(Amounts in Canadian dollars)

	Budget	2025	2024
	\$	Actual	Actual
		\$	\$
Accumulated remeasurement gains (losses), beginning of year	575,696	575,696	659,844
Unrealized (losses) gains attributable to			
Foreign exchange	1,017	2,832	463
Marketable securities	—	(25,006)	(84,611)
Total	1,017	(22,174)	(84,148)
Accumulated remeasurement gains, end of year	576,713	553,522	575,696

The accompanying notes are an integral part of the financial statements.

Venture Ontario**Statement of change in net financial assets**

Year ended March 31, 2025

(Amounts in Canadian dollars)

	Budget	2025	2024
	\$	Actual	Actual
		\$	\$
Annual surplus	26,879,802	33,260,203	28,755,786
Net remeasurement (losses) gains	1,017	(22,174)	(84,148)
Increase in net financial assets	26,880,819	33,238,029	28,671,638
Net financial assets, beginning of year	537,123,506	537,123,506	508,451,868
Net financial assets, end of year	564,004,325	570,361,535	537,123,506

The accompanying notes are an integral part of the financial statements.

Venture Ontario
Statement of cash flows

Year ended March 31, 2025

(Amounts in Canadian dollars)

	2025	2024
	\$	\$
Operating transactions		
Annual surplus	33,260,203	28,755,786
Impairment of limited partnership investments	1,180,996	—
Realized gains on sale of OETF investments	(1,206)	(19,505)
Realized gains on distributions from limited partnerships	(15,638,339)	(12,927,876)
Interest income	(17,403,045)	(17,267,932)
Changes in non-cash operating balances		
Accounts receivable	1,597,355	(898,345)
Accounts payable and accrued liabilities	(1,374,825)	1,588,833
Interest received	17,431,572	16,154,081
Total	19,052,711	15,385,042
Investing transactions		
Proceeds from disposal and redemptions of marketable securities	503,184,644	521,831,500
Purchase of marketable securities	(503,266,653)	(526,168,079)
Proceeds from investments in limited partnerships	15,981,447	12,927,876
Purchase of investments in limited partnerships	(30,830,495)	(34,322,157)
Return of capital from limited partnerships	10,822,643	16,516,547
Release of holdback for OETF	4,038	19,968
Total	(4,104,376)	(9,194,345)
Increase in cash during the year	14,948,335	6,190,697
Cash, beginning of year	87,698,737	81,508,040
Cash, end of year	102,647,072	87,698,737

The accompanying notes are an integral part of the financial statements.

Venture Ontario
Notes to the financial statements

March 31, 2025

(Amounts in Canadian dollars)

1. Description of business

Venture Ontario (VO or the Corporation) is a corporation without share capital, established under the Ontario Capital Growth Corporation Act, 2008 (the Act), which was proclaimed in force as at February 1, 2009 as an agency of the Ministry of Research and Innovation (MRI). In July 2018, the responsible Ministry was reorganized as the Ministry of Economic Development, Job Creation and Trade (collectively, the Ministry). As at March 31, 2025, VO is responsible to the Minister of Economic Development, Job Creation and Trade (the Minister).

The legislative authority of the Corporation is set out in the Act. Under Section 4 of the Act, the objects of the Corporation are:

- (a) to receive, hold, administer and otherwise deal with the interest of the Government of Ontario in the limited partnership known as the Ontario Venture Capital Fund LP;
- (b) to receive, hold and deal with property, whether real or personal, in connection with the objects described above; and
- (c) to carry out the other objects or investments or classes of investments that are prescribed by regulations.

Ontario Regulation 278/09 made under the Act prescribe additional objects of the Corporation. The following are prescribed as classes of investments for the purposes of Section 4 of the Act:

- (i) Investments in venture capital funds that invest in,
 - (1) for-profit businesses, if the venture capital fund's investments include investments in private businesses, or
 - (2) other venture capital funds that invest in for-profit businesses if the other venture capital fund's investment includes investments in private businesses.
- (ii) Investments in for-profit businesses that are,
 - (1) private businesses, or
 - (2) public businesses, if the Corporation,
 - (a) invested in the business when it was a private business, or
 - (b) has an investment in a venture capital fund described in paragraph 1 that made a direct or indirect investment in the business when it was a private business.
- (iii) Investments in businesses that the Corporation considers to be emerging technology businesses, which portfolio shall be known in English as the Ontario Emerging Technologies Fund and in French as Fonds ontarien de développement des technologies émergentes.

The following are prescribed as additional objects of the Corporation for the purposes of Section 4 of the Act:

- (1) To develop or participate in conferences or other events regarding venture capital matters.
- (2) To collect, analyze or distribute information regarding venture capital matters.
- (3) To provide advice to the Government of Ontario on venture capital matters.
- (4) To undertake other activities that are similar or related to the objects described in paragraphs 1, 2 and 3

Venture Ontario

Notes to the financial statements

March 31, 2025

(Amounts in Canadian dollars)

1. Description of business (continued)

As of March 31, 2025, the Corporation has venture capital investments outstanding in twenty-one funds: (1) the Ontario Venture Capital Fund LP - OVCF; (2) the Northleaf Venture Catalyst Fund LP - NVCF; (3) the ScaleUP Venture Fund I LP - SUVF; (4) the Yaletown Innovation Growth I LP - Yaletown I; (5) the Lumira Ventures III LP - Lumira III; (6) the Genesys Ventures III LP - Genesys III; (7) the Amplitude Ventures I LP - Amplitude I; (8) the Lumira Ventures IV - LP Lumira IV; (9) the Yaletown Innovation Growth II LP - Yaletown II; (10) the Whitecap Venture Partners V LP - Whitecap V; (11) the Panache Ventures Investment Fund II 2022 LP - Panache II; (12) the Maverix Growth Equity Fund I, LP - Maverix I; (13) the Climate Innovation Capital Fund I LP - CIC I; (14) the Northleaf Growth Fund (Canada) LP - NGF, (15) the Amplitude Ventures II LP - Amplitude II; (16) Brightspark Canadian Opportunities Fund II LP - Brightspark II; (17) Genesys Ventures IV LP - Genesys IV; (18) Luge Investment Fund II LP - Luge II, (19) McRock Fund III LP- McRock III, (20) Mistral Venture Partners IV LP - Mistral IV and (21) the Ontario Emerging Technologies Fund - OETF, respectively.

As required by the Agencies and Appointments Directive, the Corporation and the Minister have entered into a memorandum of understanding, which outlines the operational, administrative, financial and other relationships that exist between the Minister, the Ministry and the Corporation.

VO claims exemption from federal and provincial income taxes under paragraph 149(1)(d) of the Income Tax Act (Canada). As a provincial entity listed in Schedule A of the Canada-Ontario Reciprocal Taxation Agreement, VO can claim government rebates of the Harmonized Sales Tax (HST). Under the pay-and-rebate model, VO pays the HST on taxable supplies and services, and subsequently applies for a rebate of the HST paid.

The Province of Ontario has classified VO as an Operational Enterprise Agency with the same fiscal year ending March 31.

2. Summary of significant accounting policies

The Corporation's functional and presentation currency is the Canadian dollar. These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) established by the Canadian Public Sector Accounting Board. The more significant accounting policies of the Corporation are summarized below.

Marketable securities

Investments in securities that are traded in an active market are measured at fair value as at March 31, with any unrealized gain or loss recognized on the statement of remeasurement gains and losses. Remeasurement gains and losses related to a particular investment are reclassified to the statement of operations and changes in accumulated operating surplus when that investment is settled. Fair value includes the value of accrued interest, as applicable.

Investments in securities that are not traded in an active market are measured at cost. Impairment losses, which are other than temporary, are recognized in the statement of operations and changes in accumulated operating surplus when they occur.

Venture Ontario
Notes to the financial statements

March 31, 2025

(Amounts in Canadian dollars)

2. Summary of significant accounting policies (continued)

Investments in limited partnerships

Investments in limited partnerships are classified as financial instruments and carried at cost based on the capital calls made by their respective general partner. These investments are not traded in an active market; therefore, the fair values of the investments are not readily determinable. The investments are subsequently tested for impairment annually and any losses due to impairment are recognized immediately in the statement of operations and changes in accumulated operating surplus.

Ontario Emerging Technologies Fund (OETF)

The investments in OETF are classified as financial instruments and carried at cost or measured at fair value based on whether or not there exists an active market for the securities. OETF investments quoted in an active market are measured at fair value as at the statement of financial position date with any unrealized gain or loss recognized on the statement of remeasurement gains and losses. Remeasurement gains and losses are reclassified to the statement of operations and changes in accumulated operating surplus when an investment becomes impaired or is derecognized. Impairment losses that are other than temporary are recorded to the statement of operations and changes in accumulated operating surplus when recognized. Fair value includes the value of accrued interest or dividends payable, as applicable.

When an OETF investment is not traded in an active market, it is measured at cost. OETF investments are tested for impairment annually and any impairment losses are recognized immediately in the statement of operations and changes in accumulated operating surplus.

Accrued interest, dividends and realized gains on the sale of OETF investments are recorded as described below under revenue recognition. If the Corporation has evidence the amounts owing will be collected, these amounts are accrued as receivable; otherwise, a reserve is taken against these amounts. If, in a future year, the Corporation receives an amount that had been written off, it is recorded as a recovery that had been previously deemed uncollectible. Amounts written off or recovered are recognized in the statement of operations and changes in accumulated operating surplus in the year in which they occur.

Fair value and impairment

The Corporation's carrying values of cash and cash equivalents, accounts receivable and accounts payable approximate their fair values due to the immediate or short-term nature of these financial instruments.

The investments in limited partnerships have been recorded at cost. The funds do not have a quoted market price in an active market. Subject to an impairment assessment policy, the Corporation may carry out periodic testing of fund investments to determine whether there has been an other than temporary loss in value that would indicate impairment. If the investment is determined to be impaired, it is written down to the new carrying value and the resulting impairment loss is recognized immediately in the statement of operations and changes in accumulated operating surplus.

The investments made in OETF portfolio companies are recorded at cost, which represents fair value at the time of acquisition. Investments in OETF that are quoted in an active market are measured at fair value at March 31. Any unrealized gain or loss is recognized in the statement of remeasurement gains and losses until the investment is derecognized in which the gain or loss is recognized in the statement of operations and changes in accumulated operating surplus. All other investments in OETF are measured at cost or amortized cost. As part of the reporting process to the Province of Ontario, the Corporation is required to carry out periodic valuations of OETF investments to determine whether there has been an other than temporary loss in value that would indicate impairment.

Venture Ontario
Notes to the financial statements

March 31, 2025

(Amounts in Canadian dollars)

2. Summary of significant accounting policies (continued)

Fair Value and Impairment (continued)

If the investments are determined to be impaired, they are written down to the new carrying value and the impairment expense is recognized immediately in the statement of operations and changes in accumulated operating surplus. Furthermore, to the extent that a security held in OETF represents a compound financial instrument with an embedded derivative, such as an equity conversion option, the value of that derivative at acquisition should be measured at fair value unless that derivative is linked to and must be settled by delivery of unquoted equity instruments, in which case, the derivative would be required to be measured at cost. For derivatives classified to the fair value category, value is first determined by referencing a quoted price in an active market, or in the absence of this, by applying a suitable valuation technique.

Revenue recognition

Interest income is recognized as it is earned. For marketable securities and OETF investments, interest income is accrued using the effective interest rate method. Interest income is recorded on an accrual basis in accordance with the terms of the purchase agreement and to the extent that such amounts are expected to be collected.

Dividend income is recognized in the year the Corporation becomes entitled to receive the dividend as per the terms and conditions of the share issuance.

Realized gains on the sale of OETF investments are recognized in the year the Corporation becomes entitled to receive the proceeds as per the terms and conditions of the respective disposition.

Revenue on distributions from the limited partnership investments are recognized in the year the Corporation becomes entitled to receive the distribution as per the terms and conditions of the respective limited partnership agreement.

VO has a number of transfer payment agreements, such as: OETF, NVCF, SUVF, CEF, LSVCF and VOF, where the funding received represents monies transferred from the Ministry to the Corporation. The funding is recognized when received. CEF refers to the Cleantech Equity Fund initiative, which the Corporation made an investment commitment of \$20 million to Yaletown I. LSVCF refers to the Life Science Venture Capital Fund initiative, which the Corporation made investment commitments of \$23 million to Lumira III, \$17 million to Genesys III and \$10 million to Amplitude. VOF refers to the Venture Ontario Fund initiative, which the Corporation to date made investment commitments of US\$11.7 million to Lumira IV, \$13 million to Yaletown II, \$10 million to Whitecap V, \$7.5 million to Panache II, US\$15 million to Maverix I, US\$5 million to CIC I, US\$10 million to NGF, US\$11.5 million to Amplitude II, \$10 million to Brightspark II, \$10 million to Genesys IV, \$12 million to Luge II, US\$11 million to McRock III and \$5 million to Mistral IV.

Expense categories

Cash management fees primarily represent fees paid to the Ontario Financing Authority (OFA) for cash management and related services.

Professional fees relate to fees paid to third party service providers.

Board and committee member expenses represent monies paid to board and committee members according to the Board and Committee Members Remuneration Policy, which conforms with the Agencies and Appointments Directive. In 2015, the Canada Revenue Agency (CRA) ruled that part-time per diem appointees (PTPDAs) are to be treated as employees for tax purposes only. This means that HST may not be paid for per diem services, since CRA does not consider appointee services (a) to be taxable supply; and (b) Employment Insurance is applicable. PTPDAs cannot participate in Canada Pension Plan with respect to their PTPDA services.

Venture Ontario
Notes to the financial statements

March 31, 2025

(Amounts in Canadian dollars)

2. Summary of significant accounting policies (continued)

Expense categories (continued)

Reimbursements to the Ministry represent direct VO expenses paid by the Ministry on its behalf for administrative purposes only.

Foreign currency translation

Foreign currency gains and losses on monetary items are recognized immediately in the statement of operations and changes in accumulated operating surplus. Unrealized foreign currency gains and losses on marketable securities and investments in funds are recognized in the statement of remeasurement gains and losses. Unrealized foreign currency exchange gains and losses are reclassified from the statement of remeasurement gains and losses to the statement of operations and changes in accumulated operating surplus when the financial instrument is derecognized.

Measurement uncertainty

The preparation of financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Such estimates are based on the best information available at the time of preparation of the financial statements and are periodically reviewed to reflect new information as it becomes available. Significant estimates include the valuation of OETF investments. Actual results could differ from those estimates.

3. Financial instruments

The Corporation has exposure to credit risk, liquidity risk, currency risk, interest rate risk and other price risk arising from financial instruments. This note presents information about VO's exposure to each of these risks.

Credit risk

Credit risk arises from the potential a counterparty will fail to perform its obligations. The Corporation considers obligations of the Governments of Ontario and Canada to be relatively risk-free (Note 4).

Liquidity risk

Liquidity risk is the risk an entity will encounter difficulty in raising funds to meet both expected and unexpected cash demands associated with its financial liabilities. The Corporation manages liquidity risk by maintaining holdings of cash or highly liquid investments. In addition, the Ministry provides funding to the Corporation to meet obligations as required.

Currency risk

Currency risk is the risk to the Corporation's results of operations that arises from fluctuations of foreign currency exchange rates and the degree of volatility of these rates. The Corporation's exposure to foreign currency exchange risk is limited to holding US dollar cash and cash equivalents and holding OETF investments denominated in US dollars. VO does not hedge its US dollar exposure. The Corporation had a net exposure of US\$63,052,360 as at March 31, 2025 (US\$61,747,162 in 2024).

Venture Ontario
Notes to the financial statements

March 31, 2025

(Amounts in Canadian dollars)

3. Financial instruments (continued)

Currency risk (continued)

A 5% increase or decrease of the Canadian dollar against the US dollar as at March 31, 2025 would result in an impact of US\$3,152,618 (US\$3,087,358 in 2024) on the statement of remeasurement gains and losses with no impact on the operating surplus. In practice, the actual trading results may differ from this sensitivity analysis and the impact could be material.

Interest rate risk

Interest rate risk is the risk the value of a financial instrument might be adversely affected by a change in interest rates. In seeking to minimize the risks from interest rate fluctuations, the Corporation manages exposure through its normal operating and financing activities. The Corporation is exposed to interest rate risk primarily through its short-term marketable securities and OETF investments. Risks from interest rate fluctuations for marketable securities are minimal due to the investments being held for a term of three years or less to match the limited partnership drawdowns projected by their respective fund managers.

Other price risk

Other price risk is the risk the value of financial instruments will fluctuate as a result of changes in market prices or from factors specific to an individual investment. The maximum risk resulting from the financial instruments is equivalent to their fair value. The marketable securities consist of treasury bills that are not subject to significant price risk. As at March 31, 2025, if the value of the investments in marketable securities, limited partnerships and OETF had increased or decreased by 5% and all other variables held constant, the value of the investments would have changed by \$9,166,556 (\$8,279,438 in 2024). Investments in funds made through limited partnerships or in OETF are highly illiquid, do not have a readily determinable market price, and are generally in early stage companies where the ultimate value that may be realized by VO on eventual disposition is inherently unpredictable.

Returns on these investments will depend on factors specific to each company (such as financial performance, product viability and quality of management), and external forces (such as the economic environment and technological progress by competitors). The carrying value of the OETF portfolio is measured at cost less changes for any other than temporary impairment in value at the statement of financial position date; however, the amounts that may ultimately be realized could be materially different.

4. Marketable securities

The Corporation may temporarily invest any monies not immediately required to carry out its objects in:

- (a) debt obligations of or guaranteed by the Government of Canada or a province of Canada; or
- (b) interest bearing accounts and short-term certificates of deposit issued or guaranteed by a chartered bank, trust company, credit union or caisse populaire.

The Corporation may receive distributions from its venture capital investments in the form of cash and securities. If the securities are listed for trading on a public exchange, the securities are reclassified as marketable securities.

Venture Ontario
Notes to the financial statements

March 31, 2025

(Amounts in Canadian dollars)

4. Marketable securities (continued)

The value of investments in marketable securities as at March 31 are as follows:

	2025		2024
Par value	Fair value	Par value	Fair value
\$	\$	\$	\$
Province of Ontario treasury bills, due dates ranging from April 16, 2025 to January 01, 2026 average coupon rate of 0.00%	69,449,000	33,152,000	32,623,553
Province of Ontario treasury bills, due dates ranging from April 15, 2025 to February 25, 2026 average coupon rate of 0.00%	218,664,000	254,511,000	252,315,491
Total	288,113,000	287,663,000	284,939,044

Fair value includes any accrued interest owing on the treasury bills.

The fair value of the marketable securities may fluctuate depending on changes in interest rates. For the year ended March 31, 2025, a change in interest rates of 1% would result in an impact of \$2,849,675 (\$2,849,390 in 2024) to the results of operations.

5. Accounts receivable

As a Schedule A provincial agency, VO is required to follow the pay and rebate model with respect to HST applied to direct purchases. The Corporation pays the HST on its purchases and, subsequently, files a monthly rebate claim with the Canada Revenue Agency for the HST paid. HST rebates receivable as at March 31, 2025 amounted to \$9,101 (\$2,197 in 2024).

Realized gains on the sale of OETF investments are recognized in the year the Corporation becomes entitled to receive the proceeds as per the terms and conditions of the respective dispositions. Accounts receivable, as a result of dispositions of OETF investments made in 2025, amounted to \$nil and remains in escrow for future disbursement (\$369,297 in 2024).

On December 1, 2022, Generac general indemnification expired, however, escrow was being held due to pending resolution of an ongoing patent infringement litigation. During the year, Generac special indemnification of \$320,577 has been released to buyer and was recognized as bad debt in April 2024. Generac expense fund was released in January 2025.

In addition, Venture Ontario is party to an escrow of \$nil (\$106,680 in 2024) from Genesys Ventures III LP pending no adjustments. Venture Ontario is also party to an earnout consideration of \$nil (\$91,309 in 2024) from Genesys Ventures III LP pending no adjustments.

6. Investments in limited partnerships

The Corporation is an investor in twenty (eighteen in 2024) limited partnerships. Capital commitments are flowed to the limited partnerships in amounts and at times determined by the respective general partner in order to meet the partnership's funding requirements. Distributions from the limited partnerships are flowed in amounts and at times determined by the respective general partner. Some distributions may be subject to recall provisions of the respective limited partnership agreement. Venture capital investments have a long-term investment time horizon and are deemed to be non-current assets.

Venture Ontario
Notes to the financial statements

March 31, 2025

(Amounts in Canadian dollars)

6. Investments in limited partnerships (continued)

The Corporation's investments in limited partnership as at March 31, 2025 are as follows:

	Total commitment \$	Remaining uncalled commitment \$	2025 Cost of investments* \$	2024 Cost of investments* \$
Limited Partnership				
Ontario Venture Capital Fund LP - OVCF	90,000,000	900,537	3,052,670	7,494,358
Northleaf Venture Catalyst Fund LP - NVCF	50,000,000	—	45,216,875	47,831,297
ScaleUP Venture Fund I LP - SUVF	25,000,000	621,754	24,378,246	22,217,386
Yaletown Innovation Growth I LP - Yaletown I	20,000,000	2,400,000	14,972,234	13,972,234
Lumira Ventures III LP - Lumira III	23,000,000	196,072	18,276,700	16,862,260
Genesys Ventures III LP - Genesys III	17,000,000	2,847,203	6,819,301	9,289,276
Amplitude Ventures I LP - Amplitude I	10,000,000	2,722,136	6,379,858	6,713,030
Lumira Ventures IV LP - Lumira IV (Note 1)	16,819,920	3,936,474	10,848,416	7,103,093
Yaletown Innovation Growth II LP - Yaletown II	13,000,000	5,330,000	7,670,000	5,720,000
Whitecap Venture Partners V LP - Whitecap V	10,000,000	4,810,065	5,189,935	4,242,802
Panache Ventures Investment Fund II 2022 LP - Panache II	7,500,000	3,759,623	3,677,094	2,234,720
Maverix Growth Equity Fund I, LP - Maverix I (Note 1)	21,564,000	9,703,800	11,258,246	8,013,296
Climate Innovation Capital Fund I LP - CIC I (Note 1)	7,188,000	2,043,300	4,835,587	3,761,678
Northleaf Growth Fund LP - NGF (Note 1)	14,376,000	6,469,200	7,569,129	3,388,604
Amplitude Ventures II LP - Amplitude II (Note 1)	16,532,400	10,894,077	5,365,002	2,629,688
Brightspark Canadian Opportunities Fund II LP - Brightspark II (Note 1)	10,000,000	8,175,800	1,830,891	1,395,539
Genesys Ventures IV LP - Genesys IV (Note 1)	15,000,000	12,959,915	2,089,061	665,613
Luge Investment Fund II, LP - Luge II (Note 1)	12,000,000	10,858,439	1,141,561	—
McRock Fund III LP - McRock III (note 1)	15,813,600	15,354,682	447,816	—
Mistral Venture Partners IV LP - Mistral IV (note 1)	5,000,000	4,000,000	1,000,000	—
Total	399,793,920	107,983,077	182,018,622	163,534,874

* Cost of investments represents aggregate funds flowed to partnership less distributions of return of capital from the partnership and any impairment charges.

Note 1: Commitments payable in US dollars. Uncalled commitments based on the exchange rate at March 31, 2025.

7. Ontario Emerging Technologies Fund (OETF)

OETF was launched in July 2009 with a commitment from the Government of Ontario to provide funding of \$250 million. OETF, as a direct co-investment fund, makes investments into innovative high potential companies alongside other qualified investors with a proven track record of success. Investments are in three strategic sectors: (a) clean technology; (b) digital media and information and communication technologies; and (c) life sciences and advanced health technologies.

On May 30, 2012, the Corporation paused new investments under OETF for an indefinite period of time. This decision did not affect the Corporation's ability to continue to make follow-on investments into existing portfolio companies.

Venture Ontario
Notes to the financial statements

March 31, 2025

(Amounts in Canadian dollars)

8. Investments in OETF

Investments in OETF can take the form of equity, warrants or convertible debt transacted in Canadian dollars (CAD) or US dollars (USD). The investments in OETF as at March 31 are summarized as follows:

	Acquisition cost*	Carrying value	2025 Contingent**	Acquisition cost*	Carrying value	2024 Contingent**
	\$	\$	\$	\$	\$	\$
CAD investments	1,687,500	1,312,500	—	1,687,500	1,312,500	—

* Represents historical cost net of investments exited and investments written off to nil.

** Represents follow-up on investments committed to by the Corporation but not yet executed.

All investments have been made in accordance with OETF guidelines. As at March 31, 2025, the OETF investment portfolio consisted of investment in 1 company, at 0.23% (1 company at 0.26% in 2024) of net assets. The percentage calculations exclude impaired investments in companies with a nominal or nil carrying value.

61,592 (61,592 in 2024) shares of Peraso Inc. are currently held in escrow for VO from the Peraso Inc. transaction. The value of these shares is not included in the OETF investments as the restrictions on these shares are such that the value may not be realized. Due to the uncertainty of realization, income from these shares will be reported when released from escrow.

9. Income on investment in OETF

For the year ended March 31, 2025, the Corporation recognized \$1,206 (nil income in 2024) of investment income in OETF.

10. Impairment of limited partnership investments

For the year ended March 31, 2025, \$1,180,996 impairment charges (nil in 2024) in limited partnership investments were identified by management and were recognized in the statement of operations and changes in accumulated operating surplus.

11. Contractual commitments

VO has the following contractual commitments, in addition to the investment commitments made to the various limited partnerships under note 6:

- In accordance with a financial service agreement between the OFA and VO, OFA conducts investment and cash management services and activities for VO. OFA is the agency of the Province of Ontario responsible for providing financial and centralized cash management services for the government. VO pays OFA a fee for these services based on assets under management and reimburses for other related activities on a cost recovery basis.
- In accordance with the contract between LP Analyst and VO, LP Analyst provides investment consulting services including sourcing strategy, conducts due diligence services and activities for potential new fund investments, provides business advice to support negotiation, and undertake portfolio monitoring and reporting. VO pays both fixed and hourly rates for these services and activities, respectively.
- In accordance with the contract between WCO Professional Corporation (WCO) and VO, WCO performs accounting functions relating to the operations of VO. VO pays an hourly rate for these services.

Venture Ontario
Notes to the financial statements

March 31, 2025

(Amounts in Canadian dollars)

12. Accounts payable

The Corporation and the Ministry carry out their respective operations on a shared cost basis. The Corporation reimburses the Ministry for certain expenses incurred on its behalf. These expenses may include but are not limited to staff salaries, benefits, information technology allocations per staff member, accommodations, external legal services, website development, French language translation, and other services.

Recognition and measurement of any reimbursement is subject to annual reconciliation between the Corporation and the Ministry, and approval of the extent and scope of the Ministry services to be provided.

The Corporation accrues eligible expenses reimbursable to the Ministry under accounts payable based on estimates provided by the Ministry that can be independently verified by the Corporation. Reimbursement payable in arrears as at March 31, 2025 amounted to \$442,867 (\$327,511 in 2024).

The remaining balance as at March 31, 2025 in the amount of \$150,413 (\$1,640,594 in 2024) represents payables in arrears to miscellaneous service providers and limited partners.

13. Related party transactions

As of March 31, 2025, the Corporation has related party transactions with the Ministry of Economic Development, Job Creation and Trade ("MEDJCT"), the Ontario Financing Authority ("OFA"), and the Province of Ontario.

VO has no tangible capital assets or long-term liabilities. It is subject to a policy whereby the Ministry or another government organization provides for the management of assets and liabilities used for, or as the result of, the provision of services to the Corporation (e.g. payroll, accommodation, utilities, information technology and communications services, et cetera).

VO has limited resources to issue cheques or transact wire transfers to pay its direct suppliers and service providers. With the approval of the Ministry's controllership office, VO utilizes the Ministry's access to Ontario Shares Services ("OSS") to indirectly pay most of its suppliers and service providers. OSS journals these payments through the government's integrated financial information system ("IFIS") to cost centres of the Ministry. In turn, VO is invoiced by the Ministry quarterly for reimbursements.

The provision of services to the Corporation by a related party is subject to a policy of reimbursement for the costs of such services or service level agreement fee.

14. Non-financial assets

The Corporation does not have any tangible capital assets or prepaid expenses. An inventory of office supplies is held for use and expensed in the year in which they are purchased. The total cost of these supplies is not material to the financial statements, and they are expected to be used up in a period of less than one year from their purchase date.

Venture Ontario
Notes to the financial statements

March 31, 2025

(Amounts in Canadian dollars)

15. Subsequent events

- (a) Subsequent to the year end, the Corporation committed USD \$3.5 million to Garage Capital Opportunities Fund III LP and USD \$3.9 million to Garage Capital Fund V LP under the Venture Ontario Fund initiative.
- (b) Subsequent to the year end, the Corporation received distribution of CAD \$13.8 million from Northleaf Venture Catalyst Fund LP on April 29, 2025.
- (c) Subsequent to the year ended, the Ontario government announced an expansion of venture capital investments through Venture Ontario by providing an additional \$90 million in venture capital funding. This includes \$50 million to Ontario-based VC funds focused on technologies that support national defence and related technologies such as AI and cybersecurity, and \$40 million to VC funds that will help life sciences companies and biomanufacturers innovate and grow.
- (d) U.S. President Trump signed an Executive Order on February 1, 2025, imposing tariffs on Canada originally stated to be effective February 4, 2025, and Canada issued its response to impose strategic and targeted retaliatory tariffs. Since then, there have been a number of measures and counter measures between both countries.

As a result of the tariff between United States and Canada, certain investments in businesses that the Corporation hold in OETF and investments in limited partnerships may be negatively impacted. These investments are recorded at the lower of cost or fair value at the statement of financial position date.

The duration and impact of the tariff between United States and Canada is unknown at this time and it is not possible to reliably estimate the impact that the severity and length of the tariff will have on the financial results and condition of the Corporation in future periods.

CORPORATE GOVERNANCE

Overview

Venture Ontario is an agent of the Crown characterized by the Management Board of Cabinet (MBC) Directive as a board-governed provincial agency. More specifically, Venture Ontario is prescribed as a public body and a Commission public body in accordance with Ontario Regulation 146/10 under the *Public Service of Ontario Act, 2006*. Pursuant to MBC directives, Venture Ontario is not organizationally part of the Ministry of Economic Development, Job Creation and Trade (the Ministry), but it is considered to be within government. Venture Ontario is required to prepare an annual report and provide it to the Minister of Economic Development, Job Creation and Trade (the Minister) no later than 120 days after the end of Venture Ontario's fiscal year and make it available to the public.

Corporate governance involves processes that permit the effective supervision and management of Venture Ontario's activities by senior management, the Venture Ontario Board of Directors (the Board) and the Minister. It includes identifying individuals and groups responsible for activities and specifying their roles.

Accountability and Responsibilities

Venture Ontario's accountability structure flows from its governing statute, the *Venture Ontario Act, 2008* (the Act). The Minister is responsible for the administration of the Act with respect to Venture Ontario. The Act, together with directives issued by MBC, the Minister and the Public Service Commission relating to Crown agencies, form a framework under which Venture Ontario is governed.

Each year, the Minister is required to table Venture Ontario's annual report in the Legislative Assembly. In addition, the Minister reviews and approves Venture Ontario's annual business plan. The Minister also maintains communications with Venture Ontario, through the Chair of the Board (the Chair), regarding government policies and expectations relevant to Venture Ontario.

The Chair is accountable to the Minister for the performance of Venture Ontario in fulfilling its mandate. The Chair is responsible for providing advice and information to the Minister with respect to the operation and affairs of Venture Ontario. In addition, the Chair provides leadership to Venture Ontario. The Deputy Minister of the Ministry ensures organizational capacity in the Ministry to monitor Venture Ontario, and ensuring it manages its risks appropriately.

The Board is appointed by the Lieutenant Governor in Council and is accountable to the Minister through the Chair. The Board performs a supervisory role. It oversees the management of the business and affairs of Venture Ontario to ensure that Venture Ontario's mandate is fulfilled. The Board is comprised of independent directors. The Board meets at least quarterly and receives regular reports from the President & CEO and Venture Ontario staff concerning the operations of Venture Ontario and its compliance with applicable laws and policies. Standards of conduct for Board members are set out in a Board-approved code of conduct.

There are also two committees of the Board to assist it in supervising the management of Venture Ontario:

- a) The Audit and Risk Committee (ARC) reviews and recommends approval by the Board of an annual internal audit plan and receives reports from Venture Ontario's internal auditors and Auditor of Record regarding internal controls and financial reporting. It also reviews financial policies and financial statements and recommends them to the Board. Another function of the ARC is to review Venture Ontario's major risks and mitigation strategies.
- b) The Governance & Human Resources Committee assists the Board in reviewing matters related to (1) Venture Ontario governance structures and practices and (2) Venture Ontario human resources programs and practices of Venture Ontario regarding compensation, performance evaluation, and training.

The President & CEO works under the direction of the Chair and the Board and provides regular reports on Venture Ontario's performance to the Board. Given that the President & CEO is employed under Part III of the *Public Service of Ontario Act, 2006*, the President & CEO is also responsible for consulting with the Deputy Minister of the Ministry as needed on matters of mutual importance, including services provided by the Ministry, alignment with Ministry and government policies, and adherence to Treasury Board/MBC directives. The President & CEO is responsible for managing the day-to-day operations and ongoing activities of Venture Ontario, including the supervision of staff.

Financial Reporting Requirements

Venture Ontario prepares audited annual financial statements in accordance with the Canadian Public Sector Accounting Board Standards of the Chartered Professional Accountants of Canada. The financial statements are reviewed by the ARC and approved by the Board. The annual financial statements are audited by Venture Ontario's independent external auditor who expresses an opinion on whether they present the financial results fairly and in accordance with Canadian Public Sector Accounting Standards. The findings are reviewed by the ARC and the Board. These audited financial statements are tabled in the Ontario Legislature as part of the Annual Report and are included in the Public Accounts of Ontario. Unaudited financial statements are prepared quarterly and presented to the ARC and the Board.

Internal Controls

Management is responsible for establishing and maintaining internal controls to provide reasonable assurance regarding the reliability of financial reporting, to safeguard Venture Ontario's assets and to manage its liabilities.

In meeting its responsibility for the reliability and timeliness of financial information, Venture Ontario uses a comprehensive system of internal controls, including organizational and procedural controls. The system of internal controls includes:

- Comprehensive business planning;
- Written communications of policies and procedures governing corporate conduct and risk management;
- Segregation of duties;
- Maintenance and retention of detailed records;
- Responsible delegation of authority and personal accountability;
- Careful selection and training of personnel; and
- Maintenance of updated accounting and financial risk policies.

As part of its annual business plan, Venture Ontario conducts an overall assessment of corporate-wide risks and develops appropriate mitigation strategies.

Operations

Venture Ontario's staffing level of eight full-time employees is lean compared to public sector bodies with similar economic development mandates, such as BDC and Investissement Québec. Given that the Government approved the delivery of the \$300 million Venture Ontario Fund, the agency continues to work with the Ministry to seek approval for additional FTEs and reduce the risk of key staff departures. Therefore, with the ongoing lean staffing model and to help ensure prudent operations, Venture Ontario continues to be supported by a limited number of external service providers having specialized knowledge in fund evaluation, as well as audit and accounting services.

MEMBERS OF THE BOARD OF DIRECTORS

Daniel Nowlan, Chair

Since 2017, Daniel Nowlan has been a Vice Chairman at National Bank Financial. Mr. Nowlan was the Chief of Staff to the Minister of Finance of Canada and led the Federal Budget 2015 process. From 2000 to 2013 Mr. Nowlan held increasingly senior roles at CIBC including Co-Head of Equity Capital Markets and as Vice Chairman Global Investment Banking from 2015-2017. Prior to joining CIBC World Markets in 2000, Mr. Nowlan was in the Investment Banking group at National Bank Financial for four years after serving as a Special Assistant to the Canadian Minister of Industry, Science and Technology and the Minister for International Trade. Mr. Nowlan also worked as a Special Assistant to the Minister of Human Resources and Labour. Mr. Nowlan holds a Bachelor of Commerce degree from Mount Allison University and a Master of Business Administration from the Richard Ivey School of Business at the University of Western Ontario.

Leslie Lewis Westhaver, Vice Chair

Leslie Lewis Westhaver is a financial strategy executive and former private equity investor. She is the Chief Financial Officer of Q4 Inc. Prior to joining Q4, Ms. Lewis Westhaver served as Chief Financial Officer at Avanti Software and led corporate finance at PowerSchool, where she played a leading role in the company's IPO on the NYSE. Leslie's private equity experience includes roles at Onex Corporation and Ontario Teachers' Pension Plan after beginning her career in investment banking at CIBC. Leslie has also served as the Tax, Trade, and International Finance Policy Advisor to the Canadian Minister of Finance at the Government of Canada. Leslie is a former Canadian national team athlete in kayaking and she holds a business honours degree from Acadia University.

Leslie's community involvement includes her appointments to the Board of Directors of the Workplace Safety & Insurance Board, Venture Ontario, and the Toronto Pan Am Sports Centre. Leslie has also received the ICD.D designation from the Institute of Corporate Directors.

Elsbeth Murray, Member

Elsbeth Murray is Associate Dean, MBA and Master's Programs at the Stephen J.R. Smith School of Business at Queen's University and an Associate Professor in Strategy and Entrepreneurship. Dr. Murray is a member of the Trinity College School, Analytics for Life, and Homestead Landholding Boards, and former Vice-Chair of the Ontario Research and Innovation Council. Dr. Murray holds a Ph.D. from the Ivey School of Business at the University of Western Ontario, a Master of Business Administration degree from Queen's University, and a Bachelor of Science degree in Computer Science and Mathematics from Queen's University.

Vikram Khurana, Member

Vikram (Vik) Khurana is currently the Chair of Toronto Business Development Centre (TBDC) – a leading business incubator that has been locally, nationally, and globally recognized for its efforts in nurturing the growth of new and emerging businesses in Ontario. Additionally, Vikram serves as the Chief Executive Officer of Brampton BHive, an incubator for international start-ups, in partnership with the City of Brampton and its Innovation District.

Vik serves on various Board of Directors including Ontario Lottery and Gaming Commission and serves as a Trustee at the Canada Post Community Foundation. He is a serial entrepreneur and has founded several multinational businesses including Prudential Consulting, Inc. and Leading System Consultants, and has advised start-ups, Small and Medium Enterprises, and multinational organizations in various capacities.

Vik has served on the Board of Directors of Export Development Canada, FinDev Canada, the Dean's Council of Ted Rogers School of Management at Ryerson University, the Technical Standards and Safety Authority, Asia Pacific Foundation of Canada and the Advisory Board of the Indo Canada Chamber of Commerce. He has also invested in a variety of start-ups as an Angel investor. He was an honorary member of the Board of Governors at Mount Sinai Hospital Foundation in Toronto.

He was awarded the Queen's Diamond Jubilee Medal for his work in the community as a fundraiser and for disaster relief.

Bryan Smith, Member

Bryan Smith is the Co-Founder and CEO of ThinkData Works, a Toronto-based technology company that enables data processing and refinement for governments, banks, and corporate clients across Canada and globally. Previously, Mr. Smith served as Senior Policy Advisor to the President of the Treasury Board of Canada, where he helped implement the Government's "Value for Money Ethic", leading to over \$7B in annual savings. Mr. Smith holds a B.A. from Wilfrid Laurier University.

Richard Robarts, Member

Richard Robarts is a Senior Director in RBC's Senior Commercial Markets segment for Southwestern Ontario, leading a team of credit underwriters. Previously, Mr. Robarts was an Associate Vice President of Commercial Credit Risk Management for TD Bank Group responsible for adjudicating loans in the mid-market segment for Commercial Branches across Ontario. He was formerly a Director and Head of US Financial Institutions for Global Transaction Banking in TD Securities covering US banks and non-bank Financial Institutions (including fintechs). Prior to that, Mr. Robarts held various roles in Corporate and Investment Banking in TD Securities and began his career as co-founder of an Internet start-up during the dot-com era. His community involvement has included leading TD's Juvenile Diabetes (JDRF) campaign, major fundraiser for TD Securities Underwriting Hope Charity Auction and active member of the Royal Canadian Yacht Club as a former World Champion, National Sailing Team member and Olympic Trials finalist. Mr. Robarts holds an MBA from the Ivey Business School at Western University and an Engineering degree from the University of Windsor.

Thomas Mathews, Member

Thomas Mathews is a bilingual lawyer based in Toronto, practising civil, commercial, and criminal litigation. He is a member of the Bars of Ontario and Quebec and represents clients in both provinces. Mr. Mathews previously served on the board of the Quebec-India Business Council. Passionate about public affairs, he enjoys writing on political and business issues, and has been published in both national and local newspapers. A native of Ancaster, Ontario, Mr. Mathews is a graduate of McMaster University's Arts & Science Program and holds law degrees from Université Laval and the University of Ottawa. He is a member of the Bay Street Rugby Football Club.

Norm Cappell, Member

Norm Cappell is the co-founder and former Co-Chief Executive Officer of SAVVYY, a digital mortgage platform that powers banks and other institutional lenders. Earlier, Norm was Head of Capital Markets at Borrowell, a Canadian direct-to-consumer fintech. At Borrowell, he led the company's groundbreaking partnership with CIBC, and arranged first-of-kind off-take agreements for online loans. From 2011-2015, Norm led RBC Capital Market's high yield bond origination business in Canada, drawing on prior leverage finance experience at Citadel and Merrill Lynch in New York. He began his career as a lawyer focused on international capital markets and corporate finance, practising at Cahill Gordon in New York and Allen & Overy in London. Norm holds a JD from Harvard Law School and a BA from The University of California at Berkeley.

The table below provides an overview of the Board of Directors as of March 31, 2024, including their total remuneration during fiscal 2024-2025 which is determined on a per diem basis.

Director	Date First Appointed	Current Appointment Term Expires	Number of Board meetings attended	Remuneration Paid in 2024-25
Daniel Nowlan (Chair)	Aug.5, 2021	Dec. 21, 2025	4	-
Leslie Lewis Westhaver (Vice-Chair)	Jan.28, 2021	Feb.9, 2028	3	\$3,500
Elspeth Murray	April 11, 2018	Apr.8, 2027	3	-
Vikram Khurana	July 9, 2020	July 8, 2026	3	\$1,800
Bryan Smith	Aug.6, 2020	Aug.5, 2026	3	-
Richard Robarts	Feb.18, 2021	Feb.17, 2027	4	\$1,000
Thomas Mathews	Oct.14, 2021	Oct.13, 2027	3	\$1,600
Norm Cappell	Jan.16, 2025	Jan.15, 2028	1	\$300

SUMMARY OF HUMAN RESOURCE (HR) IMPACTS

Venture Ontario continues to be capped at a total of eight employees and does not have the authority to hire an adequate level of qualified human resources to undertake a greater level of investment activity and an increased volume of oversight and financial reporting activities related to (1) an increased number of investments made, and (2) an increasing amount of government directives, policies and procedures that need to be adhered to. Without more staff, the agency is unable to build in-house capabilities and decrease its reliance on external service providers. As such, the agency is struggling with business continuity issues and cannot ensure adequate succession planning over the next few years.

In fiscal 2025-26, Venture Ontario's key human resource priority will be to continue seeking either additional FTEs or the authority to hire staff independently, thereby enabling the agency to build in-house capabilities and ensure business continuity in the event of staff turnover, as well as decrease reliance on external service providers.

RISK MANAGEMENT POLICIES AND PROCEDURES

As part of its annual business plan, Venture Ontario conducts an overall assessment of corporate-wide risks and develops appropriate mitigation strategies. Venture Ontario's risk management plan is based on the Province's directives and policies. The risk management plan considers the management of both internal and external risk exposures. The framework for Venture Ontario's risk management plan, includes, but is not limited to the following risks:

- Financial risk;
- Human Resources risk;
- Operational risk; and
- Strategic risk.

In addition to Venture Ontario's annual business plan, a detailed risk assessment is provided semi-annually to the Board. The Board is also informed of real or potential exposure to risk through regular updates by the President & CEO.

OUTLOOK FOR FISCAL 2025-26

The most recent agency mandate letter identified several government-wide priorities for all agencies⁸, as well as specific priorities for Venture Ontario. For fiscal 2025-26, the agency will focus on the following strategic directions:

- Managing Venture Ontario's investment portfolio and business operations in a prudent and cost-effective manner using self-generated revenue to cover operations;
- Supporting the development of Ontario's venture capital ecosystem and strategically investing in venture capital funds, while maintaining Venture Ontario's high rate of net positive returns to the Province;
- Ensuring that investments made through the Venture Ontario Fund and Venture Ontario Fund II are consistent with the Investment Framework, and also ensuring that investments are aligned with current government priorities, including but not limited to the commercialization and protection of intellectual property in Ontario and support for growth-oriented venture funds critical to Ontario firms reaching international prominence;
- Working alongside Invest Ontario⁹ to align investment attraction efforts to support the growth of local venture capital funds and companies; and,
- Exploring opportunities to align investments with the objectives of Ontario's Life Sciences Strategy: *Taking Life Sciences to the Next Level*, including supporting the growth of life sciences companies and adoption of Ontario-made innovation. Venture Ontario will identify opportunities to work collaboratively with Invest Ontario on areas of mutual interest, such as looking at opportunities to align investments with the objectives of Ontario's Life Sciences Strategy.

CONTACT INFORMATION

For general inquiries and information, please contact Venture Ontario at:

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Email: ventureontario@ontario.ca

Web: www.ventureontario.ca

To receive any section of this report, or the report in its entirety, in a more accessible, alternative format, please contact ventureontario@ontario.ca.

⁸ It is expected that Board-governed agencies will be innovative, sustainable, and accountable in fulfilling their mandate, while acting in the best interests of the people of Ontario and ensure that agencies provide value for money to taxpayers.

⁹ Invest Ontario is an investment attraction agency that primarily provides business support programs, such as loans, grants, wage subsidies, and tax credits, whereas Venture Ontario focuses on making investments in Ontario-based/Ontario-focused fund managers and start-up companies.