

**InBC Investment Corp.**

**2024/25**  
**Annual Service Plan Report**  
**August 2025**



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## Board Chair's Accountability Statement



The InBC Investment Corp. 2024/25 Annual Service Plan Report compares the organization's actual results to the expected results identified in the 2024/25 – 2026/27 Service Plan published in 2024. The Board is accountable for those results as reported.

Signed on behalf of the Board by:

A handwritten signature in black ink, appearing to read 'Suzanne Trottier'.

Suzanne Trottier  
Board Chair  
July 28, 2025

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## Letter from the Board Chair & CEO

On behalf of the InBC Investment Corp. (InBC), we are pleased to provide the 2024/25 Annual Service Plan Report.

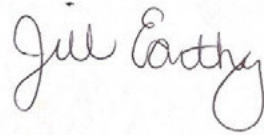
InBC's 2024/25 investments focused on building a strong and diversified portfolio of B.C. companies spanning key growth sectors, economic regions and company growth stages. Our investments included B.C. companies in life sciences, cleantech, and information and communications technology that are ready to accelerate growth and scale in the market, with potential to drive both financial profit and meaningful economic and employment impact for British Columbia.

We also continued investing in venture funds to leverage their sectoral expertise and increase the number of investors in the province reaching more B.C. companies. In fiscal year 2024/25, InBC invested \$81 million, bringing InBC to a cumulative capital investment of \$165 million into 22 investments. This total represents 14 B.C. companies as well as eight investments into venture funds that have invested in an additional 20 B.C. companies across the province. The 34 companies supported through InBC's investments have contributed a cumulative \$203 million in research and development in B.C. and are employing nearly 1,800 British Columbians.

InBC's investments are helping to build a strong, diversified and resilient economic future for British Columbians. The InBC team looks forward to continuing this work into the new fiscal year, supporting B.C. businesses to innovate, grow and stay in the province.



Suzanne Trottier  
Board Chair  
July 28, 2025



Jill Earthy  
Chief Executive Officer  
July 25, 2025

## Purpose of the Annual Service Plan Report

This annual service plan report has been developed to meet the requirements of the Budget Transparency and Accountability Act (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, a Minister Responsible for a government organization is required to make public a report on the actual results of that organization's performance related to the forecasted targets stated in the service plan for the reported year.

## Strategic Direction

The strategic direction set by Government in 2020 and expanded upon in the Board Chair's [2023 Mandate Letter](#) from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the InBC [2024/25 – 2026/27 Service Plan](#) and the actual results reported on in this annual report.

## Purpose of the Organization

InBC is a strategic investment fund with \$500 million to invest in companies and venture capital funds to generate competitive financial returns and achieve social, economic and environmental benefits for the people of British Columbia. InBC provides a source of local and long-term capital for growing companies, placing and managing investments that support businesses and sectors. Through its investments, InBC supports the growth of the B.C. economy to create good jobs with higher paycheques and the wealth needed to support strong public services, such as health care and education.

The [InBC Investment Corp. Act](#) (InBC Act) establishes the purpose and governance structure of the corporation, as well as specifying the independence of investment decision-making by establishing the Chief Investment Officer (CIO) with the sole statutory authority to make investment decisions. The InBC Act created InBC for the purpose of making investments that achieve both a financial return, and support the social, economic and environmental policy objectives of the government<sup>1</sup>. The Government of B.C. appoints a board of directors to govern InBC, ensuring prudent stewardship and alignment with policy direction from the government.

The Government of B.C. and the board have approved an Investment Policy Statement (IPS) for InBC<sup>2</sup>. The IPS sets the guiding framework for the investment program of InBC and is reviewed on an annual basis.

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<sup>1</sup> InBC Investment Corp. Act. Section 4(1).

<sup>2</sup> InBC's IPS is a key accountability document for InBC which establishes the parameters for investing and includes: investment themes, risk tolerances, constraints and reporting requirements. The complete IPS can be found in the [corporate reports](#) section of the InBC website.

InBC is investing through:

- Direct investments in early<sup>3</sup> and later-stage<sup>4</sup> companies
- Venture capital funds<sup>5</sup> that invest across various stages of growth, including seed stage companies<sup>6</sup>, early-stage companies and later-stage companies

InBC has defined [four investment themes](#) in the IPS to support a more prosperous, inclusive, and sustainable economy. These investment themes are:

- 1) Driving climate action: investing in solutions towards net-zero emissions and a climate resilient economy
- 2) Advancing reconciliation: investing to generate economic opportunities for Indigenous Peoples in B.C.
- 3) Elevating inclusive communities: investing in inclusive and equitable solutions that improve health, education and social well-being for communities across B.C.
- 4) Innovating for the future: investing in technologies that digitize and innovate industries to enable future economic growth in B.C.

Any investment InBC makes is individually assessed according to: an alignment with at least one of these investment themes; its ability to provide a return on investment and generate a profit; strength of connection to B.C.; and the investment's risk profile, including environmental, social and governance (ESG)<sup>7</sup> risks.

As a Crown corporation of the Province of B.C., a central element of InBC's investment objectives is the demonstrated connection to B.C. of the companies and venture capital funds InBC invests in. The criteria used to demonstrate a strong connection to B.C. include business activity in the province such as the provision of jobs, revenues, payroll, assets, and research and development. Other indicators include head office location and where executives are based.

Profits from InBC will be reinvested. The goal is to become evergreen, where InBC generates enough investment income to eventually become self-sustaining.

Information regarding InBC's subsidiary corporation, the BC Renaissance Capital Fund, can be found in [Appendix B: Subsidiaries and Operating Segments](#).

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<sup>3</sup> Early-stage business/company is a business or company with a product or service in testing, pilot production or that has recently become commercially available.

<sup>4</sup> Later-stage business/company is a business or company with a product or service that is commercially available.

<sup>5</sup> Pooled investment funds that manage the money of investors who provide private capital to start-ups and other businesses considered to have growth potential.

<sup>6</sup> Seed stage business/company is a business or a company with a concept or product in development.

<sup>7</sup> ESG is a framework for integrating and assessing environmentally and socially conscious factors in opportunities.

Environmental refers to stewardship of the natural environment, social refers to people and relationships, and governance refers to responsible management.

## Operating Environment

B.C. has a strong community of innovators and entrepreneurs, but to fully grow its economy, the government needs to invest in the right areas. Access to venture capital is key to helping businesses grow, but Canadian companies often struggle to get enough funding. Without this funding, B.C. businesses can have a hard time growing and competing in Canada and around the world<sup>8</sup>.

Government investment in venture capital helps reduce the risk for private investors, supports innovation, and helps high-potential companies succeed. InBC sees a chance to back entrepreneurs across B.C. whose businesses can deliver strong profits while also benefiting people, communities, and the environment. With smart public funding, B.C. can become a national leader in innovation and build a stronger, fairer, and greener economy.

InBC actively monitors and responds to external economic and geopolitical forces that shape the innovation ecosystem in B.C. On the global scale, inflationary pressures had begun to ease in January 2025. However, persistent geopolitical tensions resulting from tariffs are projected to strain global supply chains, drive up production costs and delay critical investment decisions, while also contributing to financial market volatility. Global economic growth is now projected to slow to 2.4 percent in 2025, down from 2.9 percent in 2024, and 0.4 percentage points below the January forecast<sup>9</sup>. In Canada's venture capital landscape, average deal sizes have risen, driven by a focus on fewer, higher-value investments in later-stage companies, while early-stage funding remains weak amid cautious investor sentiment and a challenging macroeconomic environment<sup>10</sup>. Barriers persist for companies seeking to scale beyond Series B<sup>11</sup>. This trend threatens the long-term competitiveness of B.C.'s innovation economy.

Strengthening local sources of capital is a strategic imperative. Local capital supports the growth and retention of high-potential companies, safeguards intellectual property, creates high-value jobs, and enhances regional economic resilience. Public investment plays a pivotal role in anchoring these businesses in B.C., ensuring that the economic and social returns of innovation are realized here at home.

Strategic sectors such as life sciences and cleantech are critical to B.C.'s long-term economic growth and environmental leadership, yet they face unique financing challenges that require both local<sup>12</sup> and patient<sup>13</sup> capital. Life sciences companies often require more than a decade, and substantial investment, to bring new technologies from concept to market, underscoring the need for stable, long-term funding to sustain innovation<sup>14</sup>. Similarly, cleantech companies

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<sup>8</sup> [Access to Capital for Canadian Growth-oriented, Medium-sized Firms](#). Innovation, Science and Economic Development Canada.

<sup>9</sup> [World Economic Situation and Prospects as of Mid-2025](#). United Nations.

<sup>10</sup> [Q1 2025 VC & PE Canadian Market Overviews](#). Canadian Venture Capital and Private Equity Association.

<sup>11</sup> [Here's the Data that Shows Why Canadian Startups Struggle to Grow](#). The Logic.

<sup>12</sup> Local capital includes capital provided from domestic sources within B.C. and/or Canada.

<sup>13</sup> Patient capital refers to investments or money raised with lenient or longer repayment terms or investment time horizon.

<sup>14</sup> [Life Sciences in Metro Vancouver: Shaping a Globally Prominent R&D Hub](#). Invest Vancouver.



operate on extended timelines with capital-intensive development phases, making patient investment essential to their success<sup>15</sup>.

In today's uncertain economic environment, these structural demands have only heightened the difficulty for entrepreneurs to secure adequate financing. Addressing this gap through expanded sources of patient capital and targeted public investment is vital to ensuring that high-potential ventures in these sectors can scale in B.C., delivering both economic and environmental returns for the province.

Since launching its investment activities in late 2022, InBC has committed \$165 million into 22 investments – 14 investments into companies and eight investments into venture funds as of March 31, 2025. This investment is mobilizing capital to drive innovation, strengthen key sectors, and support job creation across the province. Building on this strong investment pacing, InBC will continue to commit capital in 2025/26, targeting high-impact opportunities that foster a resilient, inclusive, and sustainable economy. Through strategic investment, InBC is helping businesses grow in B.C., ensuring that the long-term social, economic, and environmental benefits of innovation are realized here at home.

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<sup>15</sup> [2022 Cleantech Industry Survey Results](#). Innovation, Science and Economic Development Canada.

# Report on Performance: Goals, Objectives, and Results

The following goals, objectives and performance measures have been restated from the 2024/25 – 2026/27 service plan. For forward-looking planning information, including current and future performance targets, please see the [latest service plan](#).

## Goal 1: Invest capital to generate both long-term financial returns and non-financial impacts

### Objective 1.1: Invest in opportunities aligned with InBC's IPS.

This objective reflects the mandate of InBC to provide a local source of patient, long-term capital to companies and funds contributing to the B.C. economy under the parameters established by InBC's approved IPS. InBC invests in growing, innovative companies driving economic, social or environmental impacts for B.C. and showing strong potential for financial returns.

#### Key results

- InBC placed eight direct investments in B.C.-based companies in 2024/25
- In fiscal year 2024/25, InBC invested in three venture capital funds with strong connections to B.C. in alignment with the IPS
- \$81 million was invested in these 11 investments in a variety of sectors in alignment with financial return and impact objectives, sectors and regions as stated in the IPS

#### Summary of progress made in 2024/25

InBC continued investing directly in companies and developed a strong funnel of robust deal flow to identify investment opportunities across the province with the potential to drive financial returns alongside environmental, social and economic benefits for B.C.

As of March 31, 2025, InBC has committed a cumulative \$165 million into a total of 22 investments - 14 direct investments into B.C. companies and eight investments into venture funds that have invested in an additional 20 B.C. companies across the province.

InBC's investments spanned key sectors and industries contributing to economic growth in the province, including agriculture; health care; information, communications and technology; life sciences; and robotics and artificial intelligence (AI). The Board of directors conducts quarterly reviews of investments to ensure the CIO is making investments in accordance with the terms defined by the IPS.

2024/25 direct investments into B.C.-based companies are as follows:

- Aspect Biosystems: a biotechnology company pioneering bioprinted tissue therapeutics to transform the treatment of disease. Investment: \$4.2 million
- Arca Climate Technologies: Arca's carbon dioxide (CO<sub>2</sub>) removal technology speeds up the natural process of carbon mineralization occurring in ultramafic rocks, transforming CO<sub>2</sub> from the atmosphere into rocks for permanent storage. Investment: \$4.2 million
- ChopValue: a circular product manufacturer transforming urban waste into climate-positive, premium wood furniture and décor for homes and businesses. Investment: \$4 million
- Mangrove Lithium: a cleantech company that has developed a more sustainable and cost-effective method of refining lithium. Investment: \$6.9 million
- Netskrt Systems: uses content deliver network and edge caching solutions to bring high-quality, on-demand and live streaming to underserved and difficult-to-reach areas with limited internet access. Investment: \$3 million
- Novarc Technologies: a full-stack robotics company and pioneer of autonomous welding technology. Investment: \$10.9 million
- Svante: a leading carbon capture and removal solutions provider that develops nanoengineered filters and modular rotary contactor machines to trap and remove CO<sub>2</sub> from industrial emissions and the air. Investment: \$15 million
- Reverb Therapeutics: a biotechnology company harnessing the body's natural immune system and cytokine signalling to treat life-threatening diseases. Investment: \$3 million

In 2024/25 InBC made 3 venture fund investments, investing into:

- Active Impact Investments: one of Canada's largest climate tech seed funds, providing private capital and support to accelerate the growth of early-stage climate technology companies to achieve scale while solving the most urgent environmental issues. Investment: \$10 million
- Brightspark Ventures: a leading Canadian early-stage venture capital firm experienced in supporting Canadian technology companies for success. Investment: \$10 million
- Vanedge Capital: an experienced Vancouver-based fund investing in early-stage hard tech (deep tech) companies. Investment: \$10 million

The complete list of InBC's investments can be found in [Appendix D: InBC Investment Portfolio](#)

## Performance measure(s) and related discussion

Performance Measure (\$millions)	2022/23 Baseline	2023/24 Actual	2024/25 Target	2024/25 Actual
1.1a Cumulative committed capital to venture funds and companies <sup>1</sup>	\$35	\$81	\$230	\$165

Data source: InBC Investment Corp.

<sup>1</sup> This performance measure was replaced by a new measure in the [latest service plan](#).

This performance measure tracks InBC's cumulative capital commitments for both direct investments in businesses and funds.<sup>16</sup> This measure indicates the cumulative amount of capital committed by InBC for deployment in companies and venture funds strongly connected to B.C. The targets for this data are based on InBC's investment plan and are subject to quarterly revision and updated based on actual performance.

The cumulative capital commitment target was not met. The target was not achieved due to ongoing economic factors impacting the venture capital market, resulting in smaller fundraising rounds, overall lower valuations for companies and longer timelines to close deals. The focus for this past year was on advancing direct investments, not fund investments, which also had an impact on the target. Despite not achieving cumulative capital commitment targets, InBC was among the most active investors in the early-stage companies in 2024<sup>17</sup> in Canada.

Future service plan targets have been replaced to indicate the number of companies supported through InBC's investments. The number of B.C.-based businesses supported more accurately reflects the reach of InBC in the B.C. market.

Performance Measure	2022/23 Baseline	2023/24 Actual	2024/25 Target	2024/25 Actual
1.1b Annual percentage of investments that implement/have an ESG and/or impact management framework. <sup>1,2</sup>	75% <sup>3</sup>	64%	60%	64%

Data source: InBC Investment Corp.

<sup>1</sup> Targets for performance measure 1.1b were revised in the [latest service plan](#).

<sup>2</sup> Examples of ESG and impact management frameworks include: [ILPA Reporting](#), [UN Principles for Responsible Investment](#), [UN Sustainable Development Goals and Targets](#), [UN Declaration on the Rights of Indigenous Peoples](#), [Global Impact Investing Network \(GIIN\)](#), and [International Finance Corporation's \(IFC\) Operating Principles for Impact Management](#).

<sup>16</sup> These investments are made in accordance with the InBC Investment Corp. Act and specifically exclude any legacy assets from the B.C. Immigrant Investment Fund and the B.C. Renaissance Capital Fund. Legacy assets are described in Appendix B: Subsidiaries and Operating Segments.

<sup>17</sup> [CVCA Market Report Year End 2024](#). Canadian Venture Capital and Private Equity Association.

<sup>3</sup> In 2022/23 InBC invested in four funds. Three of the four funds have an impact framework in place. As InBC starts to directly invest in companies there will be greater variability in the number of entities that have ESG or impact management frameworks in place.

This performance measure tracks InBC's success in investing in businesses and funds that are committed to impact. InBC uses a standardized disclosure methodology based on the Institutional Limited Partners Association<sup>18</sup> standards to gather information on ESG metrics, including diversity, equity and inclusion. The target numbers for this performance measure are based on the priority InBC places on assessing investments within an ESG framework. InBC has exceeded its targets with 14 out of its 22 (64 percent) investments to date having ESG or impact management frameworks. This performance measure is calculated based on InBC's cumulative portfolio of investments on an annual basis.

## Goal 2: Develop connections to strengthen and enhance InBC's impact

**Objective 2.1: Establish partnerships to drive investment opportunities and to maximize investment efforts.**

Key to InBC's investment approach is the formation of partnerships that enable InBC to extend its reach and impact. To support the investment strategy's deployment, InBC has developed a network of partnerships with stakeholders representing a cross section of geographic regions, sectors, and underrepresented groups.

### Key results

- Convened capital providers from across the province as part of the B.C. Venture Capital Roundtable. These meetings enable collaborations that will grow capital resources available to B.C. businesses
- InBC and partners continue to manage [Capital Compass B.C.](#) As of March 31, 2025, over 4,200 verified startups are being captured by the platform

### Summary of progress made in 2024/25

Building partnerships with organizations across different regions, sectors and communities helps InBC extend its reach. Through these partnerships, InBC identifies and creates pathways for quality and diverse investment opportunities and support the effective deployment of capital. Partnerships also enable the unlocking of additional capital and the diversification of investment decision-making.

InBC regularly engages with other investors across B.C. and Canada to share best practices and create synergies to increase collective impact on the market. InBC continues to host

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<sup>18</sup> With nearly 600 member institutions representing over two trillion USD of private equity assets under management, the Institutional Limited Partners Association (ILPA) is a global organization dedicated exclusively to advancing the interests of limited partners and their beneficiaries.

quarterly B.C. venture capital gatherings, inviting the venture capital community in B.C. to discuss ways to strengthen the investing ecosystem in the province, including identifying investment gaps and opportunities to collaborate.

In 2024/25, InBC signed the following memorandums of understanding (MOU) with partner organizations:

- Innovation Asset Collective, a member-based not-for-profit funded by the Government of Canada with a mission to improve the ability of companies to implement intellectual property (IP) strategies
- InBC, Innovate BC and the BC First Nations Business Development Association (FNBDA) have an ongoing MOU. This MOU established a working group to explore approaches to supporting First Nations innovation and technology in the province

InBC also collaborated with the innovation ecosystem to showcase B.C. innovation in the lead-up to Web Summit Vancouver in May 2025, which is the first time the large technology and innovation conference (formerly called Collision) was hosted on the West Coast.

Additionally, InBC and partners continued to manage Capital Compass B.C.<sup>19</sup>, a free online platform for navigating the startups and funding sources in the province. As of March 31, 2025, over 4,200 verified startups are being captured by the platform.

### Performance measure(s) and related discussion

Performance Measure	2022/23 Baseline	2023/24 Actual	2024/25 Target	2024/25 Actual
2.1 Cumulative number of partnerships <sup>1</sup> supporting InBC's investment objectives. <sup>2, 3</sup>	12	18	18	25

Data source: InBC Investment Corp.

<sup>1</sup> Partnerships are defined as a signed agreement (including memorandums of understanding, sponsorship agreements, terms of reference, membership agreements) between InBC and the partner organization for project(s) and activities that align with InBC's mandate and impact objectives. Partner organizations could be entrepreneur support organizations (e.g., economic development organizations, accelerators, universities), industry associations and business groups, other capital providers (e.g., granting agencies, venture funds), and other economic development corporations, agencies, and trusts.

<sup>2</sup> PM 2.1 targets for 2025/26 and 2026/27 were stated in the 2024/25 service plan as 20 and 22, respectively.

<sup>3</sup> Includes diverse sectors and geographies, and equity-deserving groups to support the development of diverse investment opportunities.

In 2024/25, InBC exceeded its target and partnered with 25 organizations including Accelerate IP, BC Net Zero Innovation Network, Innovate BC, Pacific Economic Development Canada (PacifiCan), Digital Supercluster, New Ventures BC, Canadian Venture Capital & Private Equity Association, Impact United, 50-30 Challenge, Propel Impact, Impact United, First Nations

<sup>19</sup> Capital Compass B.C. was developed in partnership between Innovate BC, InBC, New Ventures BC and PacifiCan. Additional supporters have come onboard including the University of Victoria Impact Investing Hub, Invest Vancouver, DIGITAL and WeBC.

Business Development Association, Canadian Impact Investing Working Group, and Canada 51.

## Goal 3: To be an accountable, high performing, leading organization

**Objective 3.1:** InBC is an effective, respected, and valuable contributor to the investment landscape in British Columbia.

This objective reflects the mandate of InBC to provide a local source of capital and to be an effective, respected, and valuable component of the investment landscape in B.C.

### Key results

- Identified, assessed, and mitigated significant risks and developed operations to address and respond to those risks
- Participated in events, discussions, and publications to promote InBC and investing in B.C. as a speaker, participant and partner
- Tracked and measured progress through an annual impact report. This report is tabled in the B.C. legislature annually and made publicly available on the [InBC website](#). As well, InBC proactively discloses all investments in a timely manner on its website

### Summary of progress made in 2024/25

Strong governance and accountability frameworks, with clear lines of responsibility through to the minister, hold all levels of InBC accountable for meeting its corporate objectives and support InBC in identifying the short-, medium-, and long-term actions required to successfully deliver those objectives.

As part of the accountability framework for InBC, the [InBC Act](#) requires that the corporation submit annual reports to the Minister of Jobs, Economic Development and Innovation<sup>20</sup>. InBC has submitted and published these reports for all years of operations.

Strong board governance is also important for InBC's success. InBC is overseen by a nine-member board of directors appointed by the Province of B.C. In 2024/25, five new directors joined the InBC board. These directors were recruited through a fulsome and competitive process. New directors bring important expertise to the organization in the areas of law, business, venture capital, and finance.

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<sup>20</sup> The Minister of Jobs and Economic Growth as of July 17, 2025.

## Objective 3.2 Recruit and retain qualified leadership and investment professionals capable of delivering InBC's investment program.

This objective is related to the mandate of InBC which necessitates employing qualified staff including professional investment staff.

### Key results

- Utilized inclusive hiring practices to ensure employees reflect the diversity of our province
- Promoted an inclusive work culture with ongoing development opportunities for team members
- Continued to participate in the 50/30 Challenge, an initiative of the Federal government to support diversity, equity and inclusion

### Summary of progress made in 2024/25

The CIO and their team are key to the placement of individual investments. Recruiting and retaining staff are essential to achieving the overall investment objectives of InBC.

On March 31, 2025, InBC had six professional investment staff and one vacancy being recruited for.

### Performance measure(s) and related discussion

Performance Measure	2022/23 Baseline	2023/24 Actual	2024/25 Target	2024/25 Actual
3.2a Cumulative number of investment staff including a Chief Investment Officer <sup>1</sup>	5	7	7	6

Data source: InBC Investment Corp.

<sup>1</sup> This performance measure was replaced by a new measure in the [latest service plan](#).

Qualified staff include staff with previous financial investment experience as well as social finance backgrounds. Professional designations of staff include certified financial analysts, master of business administration, certified fraud examiner and chartered professional accountants.

Being fully staffed enables InBC to proceed with placing investments and providing the necessary oversight and expertise for its portfolio investments. At the end of fiscal year 2024/25, InBC had 6 full time investment staff and was working to recruit for a vacant investment staff position expeditiously.

As InBC has completed its initial hiring initiative, this performance measure has been retired in future service plans.



## Financial Report

For the auditor's report and audited financial statements, see [Appendix C](#). These documents can also be found on the InBC website.

## Discussion of Results

InBC differentiates the results from operations for the purposes described in the InBC Act from the results from operations relating to legacy operations that were in place at the time the InBC Act came into effect. Further details of these results are provided in InBC's audited financial statements (Note 10 Segmented Information).

Results from InBC Operations include the revenues and expenses recognized for the purposes of the corporation, as described in section 4 of the InBC Act.

In the fiscal year ending March 31, 2025, InBC continued to focus on advancing its investment program through investing directly as well as investing through venture funds. Activities this year included investing in eight companies and three venture capital funds, reviewing and updating InBC's investment and operating policies, building investment deal flow, and recruiting and training new staff. In the year, InBC made a total of \$64.4 million in investments: \$10.6 million invested into venture capital funds which are investing in B.C. companies, and \$53.8 million directly into B.C. companies.

Results from operations also include the revenues and expenses associated with investments that were made under agreements that were in place before the InBC Act came into force on May 20, 2021. Revenues include interest income from loans made to government entities under investments made prior to InBC being established. For the fiscal year ending March 31, 2025, these revenues totaled \$2.0 million. Expenses from these legacy investments are \$0.6 million which includes interest costs from arrangements undertaken to finance the investments, and a loss on an underlying fund investment of \$0.3 million.

InBC's consolidated operating and interest expenses of \$8.4 million are recovered from the Province of B.C. through a transfer arrangement. InBC's fiscal 2024/25 operating surplus of \$2.1 million is attributable to venture capital investment and interest revenue earned in the year.

## Financial Summary

(\$000s)	2023/24 Actual	2024/25 Budget	2024/25 Actual	2024/25 Variance
<b>Revenues</b>				
Operating Contribution from the Province of B.C.	6,033	12,327	8,396	(3,931)
Interest	669	250	334	84
Venture capital investment income <sup>1</sup>	3,824	0	2,036	2,036
Recoveries from other parties	4	0	12	12
<b>Total Revenue</b>	<b>10,530</b>	<b>12,577</b>	<b>10,778</b>	<b>(1,799)</b>
<b>Expenses</b>				
Salaries and Benefits	3,182	3,944	3,779	(165)
Operations and Administration	1,207	1,775	1,765	(10)
Debt Service	1,647	6,608	3,166	(3,442)
<b>Total Expenses</b>	<b>6,036</b>	<b>12,327</b>	<b>8,710</b>	<b>(3,617)</b>
<b>Annual Surplus (Deficit)</b>	<b>4,494</b>	<b>250</b>	<b>2,068</b>	<b>1,818</b>
<b>Total Debt</b>	<b>60,279</b>	<b>170,600</b>	<b>116,559</b>	<b>(54,041)</b>
<b>Capital Expenditures</b>	<b>84</b>	<b>0</b>	<b>9</b>	<b>9</b>
<b>Accumulated Surplus (Deficit)</b>	<b>70,625</b>	<b>70,431</b>	<b>72,693</b>	<b>2,262</b>

Note: The above financial information was prepared based on current Public Sector Accounting Standards in Canada.

<sup>1</sup> InBC does not include revenue from venture capital investments when forecasting due to the variable and unpredictable nature of the investments and associated distributions. Venture capital revenue is reported as it is realized.

## Variance and Trend Analysis

InBC's consolidated annual surplus was higher than the budgeted amount in fiscal 2024/25 due to unbudgeted venture capital investment income realized from legacy venture capital portfolio distributions.

### Revenues

The Province of B.C. funds InBC through operating contributions which cover the cost of InBC's operating expenses and debt service costs. The actual amount of provincial operating contributions will vary from budget when actual costs vary from budget. Contributions were lower for the fiscal year due to lower recoverable expenditures on salaries and debt service.

Venture capital investment income is not estimated in establishing InBC's fiscal targets because the timing and amount of distributions from venture capital investments cannot be forecast with certainty. Venture capital investment income is recognized when distributions from investments exceed the investments' cost base. As venture capital portfolio investments mature, further distributions are anticipated; however, due to the unpredictable nature of distributions, a trend may not be observable when comparing this year's results to prior fiscal year figures.

Interest Income is earned through short term holdings with the Province of B.C.'s Central Deposit Program (CDP). Interest income is higher than budgeted primarily due to higher interest rates earned on balances on CDP deposits in the year.

### Expenses

Fiscal year 2024/25 Salaries and Benefits expenses were lower than budget due to vacancies during the fiscal year.

Debt service costs are the costs of borrowing from financing InBC's investments. Debt service costs are lower than budget due to the lower than budgeted investment of capital, and lower interest rate.

### Total Debt

Total Debt consists of Fiscal Agency Loans (FAL) payable to the B.C. Ministry of Finance. The FAL balance for legacy investment decreased in 2024/25. As legacy investments wind down and make distributions, InBC repays the loan to the province. A new FAL was established in 2022/23 to finance investments made under the InBC Act. This balance is expected to increase over time as InBC makes new investments. Total debt balance was lower than budget due to the lower than budgeted investment of capital.

### Capital Expenditures

Capital expenditures for fiscal year 2024/25 were higher than budget due to purchase of IT equipment.

## Risks and Uncertainties

Risks and uncertainties include:

- **Investment:** Venture capital investment valuations and the timing and amount of venture capital investment capital calls and distributions are not estimable with certainty. This impacts InBC's ability to forecast and budget for the timing and magnitude of venture capital investment income and anticipate investment cash flows from venture capital investments. This uncertainty is caused in part by the nature of venture capital investments which are not traded on active exchanges, and therefore are not liquid, and do not have quoted market prices. Venture capital investment fund managers give little advance notice of upcoming capital calls and distributions for their funds. In addition, due to the broad range in nature and maturity of companies InBC invests in, the size and duration of investments are difficult to forecast. This creates uncertainty with respect to aspects of InBC's cash management, and debt planning. In response to this risk, InBC invests with a long-time horizon in mind and has established borrowing facilities with the Ministry of Finance to maintain sufficient cash balances in liquid, interest bearing accounts to meet capital calls and fund operating activities until venture capital investment returns are realized
- **Operational funding:** InBC relies on venture capital investment income and debt financing as sources of funding for its operations. As noted above, the amount and timing of venture capital investment income is subject to a high degree of uncertainty. As an investor with a long-time horizon, there is risk that InBC will not have a significant source of revenue from its venture investments in the near or medium term. Reliance of debt financing to fund InBC operations is a source of risk to the organization given timing of interest expenses does not align with timing of investment revenues. In the short-term, InBC will manage this risk through a five-year funding arrangement with the Province of B.C. where the Province will provide funding for InBC's operations and interest costs
- **Interest rates:** InBC finances operating expenses and venture capital investment with a FAL arranged through the Ministry of Finance. The FAL is short term borrowing. The Bank of Canada has decreased its overnight target rates from 5.0 percent in March 2024 to 2.75 percent in March 2025, decreasing the overall cost of borrowing. There remains uncertainty over the timing and magnitude of interest rate changes, and this is a source of risk to InBC. InBC manages this risk through a five-year funding arrangement with the Province of B.C. where the Province will provide funding for InBC's interest costs, thereby mitigating the risk of interest rate volatility on the organization. InBC will continue working with the provincial government on a long-term arrangement
- **Market Conditions:** The volatile conditions in the external market due to the changing tariffs may lead to headwinds for investment company growth and valuations. The uncertainty in the market means that deployment of capital and realisation of maturing investments may take longer than anticipated. InBC is able to manage this risk through

its ability to invest over the long term, through different business cycles. InBC will continue to monitor this risk and its impact on its portfolio

## Appendix A: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in the 2021/22 and 2023 Mandate Letters from the Minister Responsible.

2021/22 Mandate Letter Priority	Status as of March 31, 2025
Transition InBC to its new organizational mandate by developing and implementing a robust organizational framework that includes a governance and corporate accountability framework.	<ul style="list-style-type: none"> <li>Complete: Crown corporation has been established. Executive team, including a CEO and CIO, has been hired, and strong governance and accountability frameworks are in place</li> </ul>
Develop, report and implement an approved investment policy for the strategic investment fund.	<ul style="list-style-type: none"> <li>Ongoing: InBC has an approved investment policy in place and is implementing this policy by committing capital to venture capital funds and directly into companies</li> </ul>
Develop and report on a performance measurement and public accountability framework.	<ul style="list-style-type: none"> <li>Ongoing: InBC has established a performance measurement and accountability framework and reports annually to the legislature</li> </ul>
<p>Oversee the legacy investment portfolios and obligations:</p> <ul style="list-style-type: none"> <li>- Continue to manage the BC Renaissance Capital Fund venture capital investment portfolios and repayments to the federal government under the Immigrant Investor Program.</li> <li>- Provide biannual updates regarding the venture capital funds, including how they support growth, facilitate availability of capital for B.C. technology companies and stimulate job creation in B.C.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing: Funds are fully committed and out of their active investment phases. Investments continue to be monitored and managed. Biannual updates are provided to the Ministry of Jobs, Economic Development and Innovation</li> <li>The Immigrant Investor Program is concluded, and all repayments have been made to the federal government</li> </ul>

## Appendix B: Subsidiaries and Operating Segments

### Active Subsidiaries

#### B.C. Renaissance Capital Fund (BCRCF)

The BCRCF is wholly owned by InBC. The BCRCF is charged with managing legacy portfolio assets inherited by InBC Investment Corp. in 2020.

The BCRCF has venture capital investments in key technology sectors including information technology, digital media, clean technology, and life sciences. Investments are housed within two portfolios:

- B.C. Renaissance Capital Fund (Portfolio 1)
- B.C. Tech Fund (Portfolio 2)

Both Portfolio 1 and Portfolio 2 are now fully committed. Portfolio 1 investments are at or near maturity. BCRCF will continue to meet its capital commitments to Portfolio 2, but the portfolio is no longer making new investments.

#### Financial Summary

(\$000)	2023/24 Actual	2024/25 Budget	2024/25 Actual
Revenues <sup>1</sup>	3,824	0	2,036
Expenses <sup>2</sup>	(17)	0	(303)
<b>Net Income</b>	<b>3,807</b>	<b>0</b>	<b>1,733</b>

<sup>1</sup> InBC does not include revenue from venture capital investments when forecasting due to the variable and unpredictable nature of the investments and associated distributions. Venture capital revenue is reported as it is realized.

<sup>2</sup> Operating expenses are incurred through InBC Investment Corp. and not through the BCRCF subsidiary. 2024/25 expenses are related to a downward revision in valuation of a portfolio investment.

## **Appendix C: Auditor's Report and Audited Financial Statements**





Consolidated Financial Statements of  
**INBC INVESTMENT CORP.**  
Year Ended March 31, 2025



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## MANAGEMENT'S REPORT

### Management's Responsibility for the Consolidated Financial Statements


The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements. A summary of the significant accounting policies is described in Note 2 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements.

The Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal consolidated financial statements on a quarterly basis and external audited consolidated financial statements annually. The Board also discusses any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The Auditor General of British Columbia conducts an independent examination, in accordance with Canadian auditing standards, and expresses their opinion on the consolidated financial statements. The external auditor has full and free access to financial management of the Corporation and meets when required. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of InBC Investment Corp.,



David Mortimer, CPA, CA | CFO  
Vancouver, BC



Jill Earthy, MBA | CEO



## **Independent Auditor's Report**

*To the Board of Directors of InBC Investment Corp., and  
To the Minister of Jobs, Economic Development and Innovation, Province of British Columbia*

### ***Opinion***

I have audited the accompanying consolidated financial statements of InBC Investment Corp. ("the Corporation"), which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations and change in accumulated surplus, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2025, and the results of its operations and change in accumulated surplus, remeasurement gains and losses, changes in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of my report. I am independent of the Corporation in accordance with the ethical requirements that are relevant to my audit of the Corporation's consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a basis for my opinion.

### ***Other Accompanying Information***

Management is responsible for the other information accompanying the consolidated financial statements. The other information comprises the information included in the InBC Investment Corp. 2024/25 Annual Service Plan Report but does not include the consolidated financial statements and my auditor's report thereon.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information that I have obtained prior to the date of my auditor's report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained during the audit or otherwise appears to be materially misstated.

## Independent Auditor's Report

InBC Investment Corp.

Prior to the date of my auditor's report I obtained a copy of the InBC Investment Corp. 2024/25 Annual Service Plan Report. If, based on the work I have performed on this other information, I conclude that there is a material misstatement therein, I am required to report that fact in this auditor's report. I have nothing to report in this regard.

### ***Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements***

Those charged with governance are responsible for the oversight of the financial reporting process. Management is responsible for the preparation and fair presentation of the consolidated 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting when the Corporation will continue its operations for the foreseeable future.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

My objectives are to obtain reasonable assurance about whether the Corporation's consolidated 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

## Independent Auditor's Report

InBC Investment Corp.

- 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 the Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit and I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



Sheila Dodds, CPA, CA, CIA  
Acting Auditor General of British Columbia

Victoria, British Columbia, Canada  
June 27, 2025



# INBC INVESTMENT CORP.

## Consolidated Statement of Financial Position

(in \$000)

As at March 31	2025	2024
<b>Financial Assets</b>		
Cash	4,372	5,704
Accounts Receivable	85	342
Receivable from Province of British Columbia	2,555	1,956
Portfolio Investments - Legacy (Note 3)	69,915	74,616
Portfolio Investments - InBC Investment Corp. (Note 3)	113,074	48,654
	<u>190,001</u>	<u>131,272</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 4)	133	104
Due to Related Parties (Note 9)	908	578
Fiscal Agency Loan - Legacy (Note 5)	2,683	9,048
Fiscal Agency Loan - InBC Investment Corp. (Note 5)	113,876	51,231
	<u>117,600</u>	<u>60,961</u>
<b>Net Financial Assets</b>	<u>72,401</u>	<u>70,311</u>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 6)	67	97
Prepaid expenses	225	217
	<u>292</u>	<u>314</u>
<b>Accumulated Surplus</b>	<u>72,693</u>	<u>70,625</u>
Accumulated Surplus is comprised of:		
Accumulated Operating Surplus	72,693	70,625
Accumulated Remeasurement Gains	-	-
	<u>72,693</u>	<u>70,625</u>

Commitments (Note 8)

Approved by the Board



Suzanne Trottier | Chair – Board of Directors



Daniel Muzyka | Board of Directors

## INBC INVESTMENT CORP.

### Consolidated Statement of Operations and Change in Accumulated Surplus

(in \$000)

For the Year Ended March 31	Budgeted Figures (Note 12)	2025	2024
Revenues:			
Venture capital investment income	-	2,036	3,824
Provincial operating contributions	12,327	8,396	6,033
Interest Income	250	334	669
Recoveries from other parties	-	12	4
	12,577	10,778	10,530
Expenses (Note 10)	12,327	8,710	6,036
Annual Operating Surplus	250	2,068	4,494
Accumulated Annual Operating Surplus, Beginning of Year	70,181	70,625	66,131
Accumulated Annual Operating Surplus, End of Year	70,431	72,693	70,625

### Consolidated Statement of Remeasurement Gains and Losses

(in \$000)

For the Year Ended March 31	2025	2024
Accumulated Remeasurement Gains at the beginning of the year	-	41
Unrealized Gains attributable to:		
Derivatives	-	-
Investments	-	-
Amounts Reclassified to the Statement of Operations		
Derivatives	-	(36)
Investments	-	(5)
Change in Remeasurement (Losses) for the Year	-	(41)
Accumulated Remeasurement Gains, End of the Year	-	-



# INBC INVESTMENT CORP.

## Consolidated Statement of Change in Net Financial Assets

(in \$000)

For the Year Ended March 31	2025	2024
Annual Operating Surplus	2,068	4,494
Acquisition of tangible capital assets	(9)	(84)
Amortization of tangible capital assets	39	25
	30	(59)
Acquisition of prepaid expenses	(285)	(354)
Use of prepaid expenses	277	236
	(8)	(118)
Effect of Remeasurement (Losses)	-	(41)
Increase in Net Financial Assets	2,090	4,276
Net Financial Assets, Beginning of the Year	70,311	66,035
Net Financial Assets, End of the Year	72,401	70,311

# INBC INVESTMENT CORP.

## Consolidated Statement of Cash Flows

(in \$000)

For the Year Ended March 31	2025	2024
Operating Transactions:		
Annual Surplus	2,068	4,494
Items not involving Cash:		
Gains on Venture Capital distributions	(2,036)	(3,829)
Amortization of tangible capital assets	39	25
Impairment loss on legacy venture investment	303	-
Realized Investment Loss	-	6
Changes in non-cash Operating Working Capital:		
Accounts Receivable	257	(247)
Recoverable amount from Province of BC	(599)	(1,956)
Prepaid Expenses	(8)	(118)
Accounts Payable and Accrued Liabilities	29	(1,204)
Accrued Interest on Fiscal Agency Loan	(160)	69
Accrued Loan Interest Receivable	-	23
Due to Related Parties	330	117
Cash provided by (used for) Operating Activities	223	(2,620)
Capital Transactions:		
Acquisition of Tangible Capital Assets	(9)	(84)
Cash (used for) Capital Activities	(9)	(84)
Financing Transactions:		
Cash received from Fiscal Agency Loan – InBC Investment Corp.	1,045,967	260,724
Cash repayment of Fiscal Agency Loan – InBC Investment Corp.	(983,220)	(214,049)
Cash received from Fiscal Agency Loans - Legacy	23,206	59,555
Cash repayment of Fiscal Agency Loans - Legacy	(29,513)	(66,591)
Cash provided by Financing Activities	56,440	39,639
Investing Transactions:		
Proceeds from repayment of Loan Principal	-	5,741
Proceeds from sale of investment	-	214
Acquisition of Portfolio Investments - Legacy	(1,648)	(4,054)
Distributions from Portfolio Investments - Legacy	8,082	6,003
Acquisition of Portfolio Investments – InBC Investment Corp.	(64,615)	(44,015)
Distributions from Portfolio Investments – InBC Investment Corp.	195	138
Cash (used in) provided by Investing Activities	(57,986)	(35,973)
Increase (Decrease) in Cash	(1,332)	962

The accompanying notes are an integral part of these consolidated financial statements.

# Consolidated Statement of Cash Flows (continued)

(in \$000)

For the Year Ended March 31	2025	2024
<i>Carried forward from previous page:</i>		
Increase (Decrease) in Cash	(1,332)	962
Cash, Beginning of the Year	5,704	4,742
Cash, End of the Year	4,372	5,704

## Notes to Consolidated Financial Statements

### 1. NATURE OF BUSINESS

InBC Investment Corp. ("the Corporation") was created on September 17, 2020 by renaming the BC Immigrant Investment Fund Ltd. (BCIIF). The BCIIF was incorporated on September 19, 2000 under the *Company Act* and was wholly owned by the Province of British Columbia.

On May 20, 2021, legislation was enacted that changed the corporate structure of the Corporation. The Corporation is now incorporated under the *InBC Investment Corp. Act*, with two shares issued. One share is held by the Minister of Finance and one share is held by the Minister of Jobs, Economic Development and Innovation. The Corporation's Board of Directors is comprised of nine members, seven of whom are from outside government.

On October 22, 2007, the B.C. Renaissance Capital Fund Ltd. (BCRCF) was incorporated under the *Business Corporations Act* and is a wholly owned subsidiary of InBC Investment Corp. The primary business of BCRCF, a Limited Partner in venture capital funds, is to stimulate economic development and generate returns.

The Corporation administers a \$500 million strategic investment fund, established for the purpose of investing to achieve a financial return and in accordance with the policy objectives of the government as set out in the mandate letter to the Corporation signed by the two ministers. The *InBC Investment Corp. Act* continues all assets, liabilities, and activities of the Corporation, including responsibility for its subsidiary, the BCRCF.

The Minister of Finance acts as a fiscal agent for the Corporation. The Corporation is exempt from federal and provincial taxes.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### *Basis of Accounting*

These consolidated financial statements are prepared by management in accordance with generally accepted accounting principles established by the Canadian Public Sector Accounting Board.

#### *Basis of Consolidation*

The consolidated financial statements include the assets, liabilities, results of operations and cash flows of the Corporation and its wholly owned subsidiary, the BCRCF. All intercompany transactions and balances have been eliminated upon consolidation.

#### *Revenue Recognition*

Revenues are recognized in the period in which the transactions or events occurred that gave rise to revenues.

Venture capital investment income represents the Corporation's portion of distribution of proceeds resulting from the divestiture of investments held by the funds. Income is recognized once all paid in capital to the fund has been returned.

Realized investment gains represent realized investment and foreign exchange gains and losses earned in operating accounts and is recognized on the sale of investments.



**INBC INVESTMENT CORP.**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
March 31, 2025  
(tabular figures in \$000)



**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Interest income from cash balances is recognized on an accrual basis. Interest income from venture capital investments, in the form of investments in convertible notes, is recognized on a cash basis.

*Expenses*

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

*Foreign Currency Translation*

Foreign currency transactions are translated at the exchange rate prevailing at the date of transactions.

Monetary assets and liabilities, and non-monetary items included in the fair value measurement category denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the consolidated statement of remeasurement gains and losses. In the period of settlement, realized foreign exchange gains and losses are recognized in the consolidated statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the consolidated statement of remeasurement gains and losses.

*Measurement Uncertainty*

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Items requiring the use of significant estimates include the valuation of venture capital investments for any possible impairment.

Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these consolidated financial statements. Actual results could differ from these estimates.

*Financial Instruments*

Equity instruments and derivatives quoted in an active market are measured at fair value. All other financial assets and financial liabilities are measured at cost or amortized cost. The following classification system is used to describe the basis of the inputs used to measure the fair value of financial instruments in the fair value measurement category:

- Level 1     Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2     Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly
- Level 3     Inputs for the asset or liabilities that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction

**INBC INVESTMENT CORP.**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
March 31, 2025  
(tabular figures in \$000)



**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the consolidated statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the consolidated statement of remeasurement gains and losses and recognized in the consolidated statement of operations. Interest attributable to financial instruments is reported in the consolidated statement of operations.

All financial assets recorded at amortized cost are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of an investment to reflect a loss in value is not reversed for a subsequent increase in value.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

*i. Cash*

Cash includes deposit accounts held in Canadian financial institutions, and on deposit with the Province of British Columbia. Cash balances are reported at cost.

*ii. Accounts receivable*

Accounts receivable are recorded at cost.

*iii. Portfolio Investments*

The Corporation invests in venture investments as a Limited Partner, or through acquisition of equity securities, or convertible debt with equity conversion features. These investments are reported at cost as there is no quoted market price in an active market. The cost is reported net of any recovered due diligence costs.

Investment Commitments (*Note 8*) to venture capital funds are not recorded as liabilities on the statement of financial position until a capital call is issued by the venture capital fund. The liability (*Note 4*) exists until the capital call is funded, generally within five business days.

*iv. Debt and other financial liabilities*

All debt and other financial liabilities are recorded using cost or amortized cost.

**INBC INVESTMENT CORP.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
March 31, 2025  
(tabular figures in \$000)



**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Tangible Capital Assets*

Tangible capital assets (*Note 6*) are initially recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. The cost, less residual value of the tangible capital assets, are amortized on a straight line basis over their estimated useful life as follows:

<b>Asset Class:</b>	<b>Useful Life:</b>
Computer Hardware, software and website	3 years
Leasehold Improvements	Remainder of lease term
Office Furniture	5 years

Assets under construction are not amortized until the asset is available for productive use.

*Employee Future Benefits*

The Corporation accrues employee vacation entitlements, included in amounts due to related parties.

The Corporation is a member of the Public Service Pension Plan (*Note 11*). The plan is a defined benefit plan, providing pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. The Public Service Pension Plan is a multi-employer jointly trustee plan. As the assets and liabilities of the plan are not segregated by employer, the plan is accounted for as a defined contribution plan and any company contributions to the plan are expensed as incurred.

*Segmented Disclosure*

A segment is defined as a distinguishable activity or group of activities of a company for which it is appropriate to separately report financial information. The Corporation has provided definitions of segments used by the Corporation as well as presented financial information of the segments in *Note 10*.

**INBC INVESTMENT CORP.**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
March 31, 2025  
(tabular figures in \$000)



**3. PORTFOLIO INVESTMENTS**

Portfolio Investments - Legacy

Through its subsidiary the Corporation holds investments made under agreements put in place before the *InBC Investment Corp. Act* came into force on May 20, 2021. The Corporation's subsidiary, the BCRCF, has two legacy venture investment portfolios. In portfolio one, BCRCF has investments as a limited partner in nine venture funds. In portfolio two, BCRCF invests in the BC Tech Fund as a limited partner.

Cumulative contributions and returns of capital to date for BCRCF are:

	2025	2024
Canadian Dollar Venture Funds		
Cumulative contributions to date	138,141	132,940
Cumulative returns of capital	(68,951)	(59,353)
Total Canadian Dollar Venture Funds	69,190	73,587
US Dollar Venture Funds		
Cumulative contributions to date	41,307	41,307
Cumulative returns of capital	(18,986)	(18,986)
US Dollar Venture Funds	22,321	22,321
Combined Canadian and US Dollar Funds	91,511	95,908
Less cumulative impairments	(21,596)	(21,292)
Venture Capital Investments -Legacy	69,915	74,616

During the year, impairments totaling \$303 thousand (2024: \$0) in legacy venture capital investments were identified by management and reported on the consolidated statement of operations.

Portfolio Investments – InBC Investment Corp.

The *InBC Investment Corp. Act* establishes the Corporation for the purposes of making investments that:

- a) Achieve a financial return
- b) Support the social, economic and environmental policy objectives of the government.

The following investments were made subsequent to May 20, 2021, for the purposes of the Corporation established in the *InBC Investment Corp. Act*:



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**3. PORTFOLIO INVESTMENTS (Continued)**

	2025	2024
Canadian Dollar Venture Funds		
Cumulative contributions to date	14,260	6,846
Cumulative returns of capital	(365)	(123)
Total Canadian Dollar Venture Funds	13,895	6,723
US Dollar Venture Funds		
Cumulative contributions to date	9,697	5,777
Cumulative returns of capital	(529)	(73)
US Dollar Venture Funds	9,168	5,704
Combined Canadian and US Dollar Funds	23,063	12,427
Direct Investments (denominated in Canadian dollars)	20,687	12,141
Direct Investments (denominated in US Dollars)	31,467	6,452
Convertible Notes (denominated in Canadian dollars)	21,079	5,017
Convertible Notes (denominated in US Dollars)	16,778	12,617
Venture Capital Investments - InBC	113,074	48,654

**4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

The Corporation recognizes amounts due to venture capital investment partners as liabilities once a capital call is made. The capital call would be included in the accounts payable and accrued liabilities if a capital call is made prior to fiscal year-end and the amount due has not yet been paid. There were no outstanding capital calls at March 31, 2025 included in the accounts payable and accrued liability balance (2024: \$0).

**5. FISCAL AGENCY LOAN**

*Fiscal Agency Loan - Legacy*

InBC Investment Corp. assumed responsibility for all obligations of the BCIF when the Corporation was established under the *InBC Investment Corp. Act* on May 20, 2021. On March 31, 2017, the BCIF entered into a short-term borrowing facility with the Minister of Finance. The maximum principal amount of the facility is \$80 million. The contract was fully executed June 7, 2017. The purpose of the short-term borrowing facility is to fund venture capital commitments from BCRCF and operating expenses of InBC. The Corporation first accessed the short-term financing on October 15, 2018. At March 31, 2025, the interest rate on this legacy fiscal agency loan is 2.48%.

*Fiscal Agency Loan – InBC Investment Corp.*

On November 28, 2022, the Corporation entered into a borrowing facility with the Minister of Finance. The maximum principal amount of the facility is \$500 million. The purpose of the borrowing facility is to fund strategic investments as set out by the *InBC Investment Corp. Act*. The Corporation first accessed the financing on December 1, 2022. At March 31, 2025, the interest rate on the statutory fiscal agency loan is 2.48%.

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**6. TANGIBLE CAPITAL ASSETS**

Cost	Websites, Computer Hardware & Software	Furniture & Equipment	Leasehold Improvements	2025 Total	2024 Total
Beginning balance	71	13	38	122	38
Additions	9	-	-	9	84
Year-end balance	80	13	38	131	122
<b>Accumulated Amortization</b>					
Beginning balance	19	1	5	25	-
Additions	24	2	13	39	25
Year-end Balance	43	3	18	64	25
Net Book Value	37	10	20	67	97

**7. RISK MANAGEMENT**

The investment activities of the Corporation expose it to a variety of financial risks including credit risk, market risk (which includes currency risk, interest rate risk and other price risk) and liquidity risk.

*Credit Risk*

The Corporation is exposed to credit risk associated with its cash deposits. This risk is mitigated by placing deposits in recognized British Columbia institutions. Credit risk arising from cash deposits is considered negligible.

The Corporation is also exposed to credit risk through investments in convertible debt instruments. The corporation may be exposed to credit risk if the returns from convertible debt instruments are below cost. The Corporation's investment portfolio diversification is based on an investment strategy developed to generate returns to cover potential losses from its higher risk investments.

*Market Risk (Currency Risk, Interest Rate Risk and Other Price Risk)*

*Currency Risk*

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Corporation is exposed to foreign currency exchange risk because of its investments in US venture capital funds and commitments made in US dollars.

Through the Corporation's venture capital investments, the Corporation has a total of \$8.47 million USD (2024: \$10.96 million USD) remaining in venture capital commitments and holds \$49.3 million USD in venture capital investments (2024: \$26.4 million USD). Returns generated from investments in these venture capital funds will be in US dollars. The timing and value of returns from these investments cannot be reasonably estimated and so the impact of currency rate fluctuations can also not be estimated.

**7. RISK MANAGEMENT (Continued)**

At March 31, 2025, currency risk is negligible as the Corporation has sufficient cash and financing available to satisfy commitments made.

*Interest Rate Risk*

Interest rate risk arises from the possibility that changes in market interest rates will affect future cash flows. The Corporation is exposed to interest rate risk through its cash and fiscal agency loans.

If the Corporation were to have experienced a 1% change in the interest rate earned this would have impacted interest income by approximately \$0.1 million (2024 - \$0.1 million) calculated as 1% of average cash balances over the year.

*Other Price Risk*

Other price risk is the risk that the market value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Corporation is exposed to other price risk through its Portfolio Investments. InBC's Portfolio Investments consist of investments in early-stage companies and venture capital funds carry a high risk; however, the Corporation mitigates the risk by diversifying its portfolio across industries, limiting concentration of investments, and utilizing the expertise and skills of institutional venture capital managers with a track record of commercial returns.

*Liquidity Risk*

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with its financial liabilities. In connection with the Corporation's ongoing financing of operations including refinancing risk, management aims to ensure adequate liquidity of investments. The Corporation manages its liquidity risk by placing deposits in cash.

The Corporation is also exposed to liquidity risk associated with the Portfolio Investments. The Corporation cannot readily sell the investments. As the Corporation invests in early-stage venture capital investments that have a limited history of operations and whose business activities tend to be speculative, there is no assurance that such investments will provide positive future cash flows. The Corporation attempts to manage liquidity risk by diversifying its portfolio across industries, limiting concentration of investments, and utilizing the expertise and skills of institutional venture capital managers with a track record of commercial returns.



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**8. COMMITMENTS**

The Corporation has commitments in both CAD and USD to invest as a Limited Partner in certain venture capital funds. Commitments as a Limited Partner made after the *InBC Investment Corp. Act* came into force are identified as InBC commitments, prior commitments are identified as Legacy. The following table summarizes the total investment commitments, transfers made to date and total investment commitments remaining:

	InBC	Legacy	2025	2024
Total USD investment commitments (USD)	14,803	38,987	<b>53,790</b>	53,790
USD investment commitments transferred to date (USD)	(6,704)	(38,612)	<b>(45,316)</b>	(42,829)
Remaining USD investment commitments (USD)	8,099	375	<b>8,474</b>	10,961
Remaining USD investment commitments translated to CAD	11,643	539	<b>12,182</b>	14,853
Total CAD investment commitments	55,000	151,000	<b>206,000</b>	176,000
CAD investment commitments transferred to date	(13,837)	(134,382)	<b>(148,219)</b>	(136,724)
Remaining CAD investment commitments	41,163	16,618	<b>57,781</b>	39,276
Aggregate remaining investment commitments	52,806	17,157	<b>69,963</b>	54,129

The Corporation has entered into contractual arrangements to lease office space in Vancouver and office equipment. The Corporation also has operational commitments for software licenses and operational agreements. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts:

	2026	2027	2028	2029	2030
Capital lease	9	9	9	9	9
Property Lease	319	133	-	-	-
Other operational commitments	126	-	-	-	-
Total	454	142	9	9	9

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**9. RELATED PARTY TRANSACTIONS**

The Corporation is related through common ownership to all Province of British Columbia ministries, agencies, Crown corporations and all other public sector organizations. The Corporation's related parties also include key management personnel which include the directors, and senior management of the Corporation. Transactions with these entities and individuals are in the normal course of operations and are recorded at the exchange amount. Assets and liabilities with related parties include:

	2025	2024
Cash (CDP)	2,754	4,081
Accounts receivable	9	19
Recoveries from the Province of British Columbia	2,555	1,956
Fiscal Agency Loans <i>(Note 5)</i>	116,559	60,279
Due to Related Parties	908	578

The consolidated statement of operations includes the following transactions with related parties:

	2025	2024
Interest Income	334	669
Operating contributions from the Province	8,396	6,033
Interest expense	3,166	1,647
Board of Director fees	87	57
Facilities	318	301
Office and miscellaneous expenses	131	122
Professional fees	34	35
Salaries, wages and benefits	3,279	2,733

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**10. SEGMENTED INFORMATION**

Segmented information is provided to differentiate between the results from operations relating to legacy operations that were in place at the time the *InBC Investment Corp. Act* came into effect.

InBC Operations: InBC Operations reports the revenues and expenses recognized for the purposes of the Corporation, as described in Section 4 of the *InBC Investment Corp. Act*:

The purposes of the corporation are as follows:

- a. to make investments that achieve a financial return;
- b. to make investments that support the social, economic and environmental policy objectives of the government.

InBC Operations reports the results of investments made for the purposes of the corporation under *InBC Investment Corp. Act*, and reports the expenses associated with administering those investments, including the costs of salaries and benefits, operations, and financing costs associated with the InBC Investment Corp. Fiscal Agency Loan.

Legacy Operations: Legacy Operations reports the revenues and expenses associated with investments that were made under agreements that were in place before the *InBC Investment Corp. Act* came into force on May 20, 2021. This segment reports venture capital investment income from Portfolios 1 and 2, and the costs associated with administering those investments, including investment fees and interest costs from the Legacy Fiscal Agency Loan.

The following is a summary of revenues and expenses by segment:

	InBC Operations	Legacy Operations	2025 Total	2024 Total
Revenues:				
Venture Capital Investment Income	-	2,036	2,036	3,824
Provincial operating contributions	8,396	-	8,396	6,033
Interest Income	334	-	334	669
Recoveries from other parties	12	-	12	4
	8,742	2,036	10,778	10,530
Amortization of tangible capital assets	39	-	39	25
Board of Director fees	87	-	87	57
Facilities	318	-	318	319
Interest expense	2,918	248	3,166	1,647
Investment fees	-	-	-	17
Office and miscellaneous expenses	678	-	678	506
Professional fees	340	-	340	277
Realized investment loss	-	-	-	6
Salaries, wages and benefits	3,779	-	3,779	3,182
Venture capital investment loss	-	303	303	-
Expenses	8,159	551	8,710	6,036
Annual Surplus / (Deficit)	583	1,485	2,068	4,494

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**11. EMPLOYEE FUTURE BENEFITS**

The Corporation and its employees contribute to the Public Service Pension Plan, which is a multiemployer jointly trustee plan. The plan is a defined benefit plan, providing pension on retirement based on the member's age of retirement, length of service and highest earnings averaged over five years. The board of trustees of the plan represents plan members and employers and is responsible for the management of the plan including investment of the assets and administration of the plan. The most recent actuarial valuation for the Public Service Pension Plan as at March 31, 2023 indicated a \$4,491 million funding surplus for basic pension benefits on a going concern basis. As described in Note 2, the plan is accounted for as a defined contribution plan. For the year ended March 31, 2025, the Corporation paid \$260,013 (2024 - \$241,050) for employer contributions to the plan.

**12. BUDGETED FIGURES**

Budgeted figures have been provided for comparison purposes and have been derived from the 2024/25 Service Plan approved by the Board Chair in February 2024.

**13. COMPARATIVE INFORMATION**

Certain comparative figures have been reclassified in order to provide presentational consistency with the current year.

## Appendix D: InBC Investment Portfolio

InBC Investment Portfolio as of March 31, 2025		
Investment	Investment Year	Amount (millions)
Aspect Biosystems	2024/25	\$4.2
Arca Climate Technologies	2024/25	\$4.2
ChopValue	2024/25	\$4
Mangrove Lithium	2024/25	\$6.9
Netskrt Systems	2024/25	\$3
Novarc Technologies	2024/25	\$10.9
Svante	2024/25	\$15
Reverb Therapeutics	2024/25	\$3
Active Impact Investments: Active Impact Fund III	2024/25	\$10
Brightspark Ventures: Canadian Opportunities Fund	2024/25	\$10
Vanedge Capital: Fund IV	2024/25	\$10
4AG Robotics	2023/24	\$5
Clarius Mobile Health	2023/24	\$5
ThoughtExchange	2023/24	\$7.5
Poseidon Ocean Systems	2023/24	\$6.5
Sanctuary AI	2023/24	\$12.6
VodaSafe	2023/24	\$2.1
Pender Ventures: Pender Technology Inflection Fund II	2023/24	\$10
Amplitude Ventures: Fund II	2022/23	\$10
Evok Innovations: Fund II	2022/23	\$10
Raven Indigenous Capital Partners: Fund II	2022/23	\$5
Yaletown Partners: Innovation Growth Fund II	2022/23	\$10