THE STATE OF VC COLORADO 2021
Colorado venture activity: summary '21

2021 shattered previous records, marking an excellent comeback year for VC activity in Colorado.

Colorado ranked 7th in the US for the total number of VC deals & total amount of capital invested in those deals.

Here's a snapshot of 2021:

- 2.2x increase in VC funding.
- The highest funded industries were SaaS, aerospace & healthcare.
- The largest deal size ($1.4B) increased by 155% compared to 2020 ($549M).
- Median deal size increased by 63.6% from 2020 to 2021.
2021 marked a vast improvement in venture financing backing female-led startups.

Female co-founded companies raised $1.02B in 2021 compared to $146M in 2020.

- In 2021, Colorado-based women-only-led startups raised $91M.
- 3 of the top 10 largest deals were female-founded companies.
- Biotech was the top industry for female-founded companies.
venture activity: funding by stage '21

PRE-VC DEALS:

Angel
103 deals totaled $114M

Grants
36 deals totaled $99M

Pre-venture
85 startups raised $27M

VC DEALS, BY STAGE:

Seed stage
119 deals totaling $252M

Early stage (Series A & B)
87 deals totaling $1.3B

Later stage (Series C+)
153 deals totaling $5.1B

COLORADO VENTURE FUNDING BY STAGE, 2021

- Grants: 20%
- Pre/Accelerator/Incubator: 15%
- Angel: 18%
- Seed: 6%
- Early stage VC: 15%
- Later stage VC: 27%
venture activity: seed & early stage '21

Seed stage investing has become increasingly competitive yet the amount of seed stage deals has only increased YoY by 10%.

Most Active Out-of-State Seed Stage Firm:

Kickstart

Accelerator Activity
Accelerator activity has gradually decreased YoY from its peak in 2017 with 141 deals.

- 19 CO startups were backed by national accelerators.
- 3 CO-based accelerators invested in 20 CO-based startups.

Colorado Venture Funding by Stage, 2017-2021

<table>
<thead>
<tr>
<th>Year</th>
<th>Later stage VC</th>
<th>Early stage VC</th>
<th>Seed</th>
<th>Angel</th>
<th>Preseed/Accelerator/Incubator</th>
<th>Grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>15%</td>
<td>14%</td>
<td>13%</td>
<td>24%</td>
<td>12%</td>
<td>0%</td>
</tr>
<tr>
<td>2018</td>
<td>16%</td>
<td>18%</td>
<td>13%</td>
<td>25%</td>
<td>12%</td>
<td>0%</td>
</tr>
<tr>
<td>2019</td>
<td>19%</td>
<td>16%</td>
<td>16%</td>
<td>21%</td>
<td>10%</td>
<td>0%</td>
</tr>
<tr>
<td>2020</td>
<td>23%</td>
<td>15%</td>
<td>20%</td>
<td>16%</td>
<td>11%</td>
<td>0%</td>
</tr>
<tr>
<td>2021</td>
<td>26%</td>
<td>15%</td>
<td>20%</td>
<td>18%</td>
<td>15%</td>
<td>6%</td>
</tr>
</tbody>
</table>
venture activity: '21 later stage

LATER STAGE STATS

- 8 of the top 10 largest deals were raised by unicorns.
- 8 of the top 10 largest deals were raised by serial founders.
- The most active growth stage out-of-state firms were also the national leaders.

General Catalyst had the highest activity by a slim margin.

Tiger Global, Sapphire Ventures, Sequoia Capital, Insight Partners & BlackRock were all close behind.

MOST ACTIVE OUT-OF-STATE GROWTH STAGE FIRM:

GENERAL CATALYST

COLORADO MAX DEAL SIZE, 2017-2021

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital Invested (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>800</td>
</tr>
<tr>
<td>2017</td>
<td>0</td>
</tr>
<tr>
<td>2018</td>
<td>0</td>
</tr>
<tr>
<td>2019</td>
<td>0</td>
</tr>
<tr>
<td>2020</td>
<td>400</td>
</tr>
<tr>
<td>2021</td>
<td>1,600</td>
</tr>
<tr>
<td>Rank</td>
<td>Company</td>
</tr>
<tr>
<td>------</td>
<td>------------------</td>
</tr>
<tr>
<td>1</td>
<td>Sierra Space</td>
</tr>
<tr>
<td>2</td>
<td>SonderMind</td>
</tr>
<tr>
<td>3</td>
<td>JumpCloud</td>
</tr>
<tr>
<td>4</td>
<td>Dispatch Health</td>
</tr>
<tr>
<td>5</td>
<td>Quantum Metric</td>
</tr>
<tr>
<td>6</td>
<td>Guild (Education)</td>
</tr>
<tr>
<td>7</td>
<td>Inscripta</td>
</tr>
<tr>
<td>8</td>
<td>Pocket Outdoor Media</td>
</tr>
<tr>
<td>9</td>
<td>Boom Supersonic</td>
</tr>
<tr>
<td>10</td>
<td>Strive Health</td>
</tr>
</tbody>
</table>
The largest deal - Sierra Space’s $1.4B Series A - was an anomaly at 5.8x the value of the second largest deal.

The average early stage deal size was $16.7M, compared to $10.5M in 2020. This was largely due to 5 extra large Series B rounds in media, healthcare, energy & fintech.
venture activity: '21
most active CO investors

*by number of investments in Colorado companies
acquisitions & exits ’21

COLORADO-BASED VC-BACKED EXITS BY INDUSTRY, 2021

A quick caveat - exit capex is hard to conclusively determine as exit details are often undisclosed. This is based on the data publicly available.

SPACs/reverse mergers were all the rage in early 2021 but only accounted for 4 disclosed exits for Colorado companies.

TOP 10 LARGEST EXITS WERE CONCENTRATED IN:
- Business Products & Services (B2B)
- Healthtech & Biotech
- Consumer Products (B2C)

Exits were overwhelmingly concentrated in B2B with 27 exits.
COLORADO-BASED VC-BACKED EXITS, 2017-2021

- Merger/Acquisition: 33
- Buyout: 11
- Secondary Buyout: 7
- IPO: 6
- Reverse Merger: 4
- All: 61

$4.5B IN EXIT CAPEX

YEAR | Merger/Acquisition | Buyout | Secondary Buyout | IPO | Reverse Merger | Total
--- | --- | --- | --- | --- | --- | ---
2017 | 33 | 11 | 7 | 6 | 4 | 61
2018 | 35 | 11 | 7 | 6 | 4 | 61
2019 | 35 | 11 | 7 | 6 | 4 | 61
2020 | 35 | 11 | 7 | 6 | 4 | 61
2021 | 35 | 11 | 7 | 6 | 4 | 61
acquisition & exits: ’21

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Exit Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SpotX</td>
<td>$1.3B</td>
</tr>
<tr>
<td>2</td>
<td>CCRM</td>
<td>$775M</td>
</tr>
<tr>
<td>3</td>
<td>Lily's Sweets</td>
<td>$423M</td>
</tr>
<tr>
<td>4</td>
<td>Solid Power</td>
<td>$347M</td>
</tr>
<tr>
<td>5</td>
<td>EverCommerce</td>
<td>$276M</td>
</tr>
<tr>
<td>6</td>
<td>SomaLogic</td>
<td>$225M</td>
</tr>
<tr>
<td>7</td>
<td>Crucible Acquisition (SPAC)</td>
<td>$202M</td>
</tr>
<tr>
<td>8</td>
<td>Lightning eMotors</td>
<td>$176M</td>
</tr>
<tr>
<td>9</td>
<td>Edgewise Therapeutics</td>
<td>$160M</td>
</tr>
<tr>
<td>10</td>
<td>Bolder Surgical</td>
<td>$125M</td>
</tr>
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The State of VC & Investment in Colorado 2021 Report was compiled with data resources from:

OEDIT

This report was compiled by Elyse Kent of Access Venture Partners with help from Daniel Salvetti of OEDIT.

This report was compiled by:

OEDIT works with statewide partners to create a positive business climate that encourages dynamic economic development and sustainable job growth.

A Colorado-based venture capital firm focused on investing in early-stage tech companies.

What’s different about this year’s report?

For 2021, we utilized data solely from PitchBook, therefore YoY comparisons may be slightly different than what was reported in 2020.