



Life Sciences Ontario

Annual Report

2023

MESSAGES

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YEAR IN REVIEW

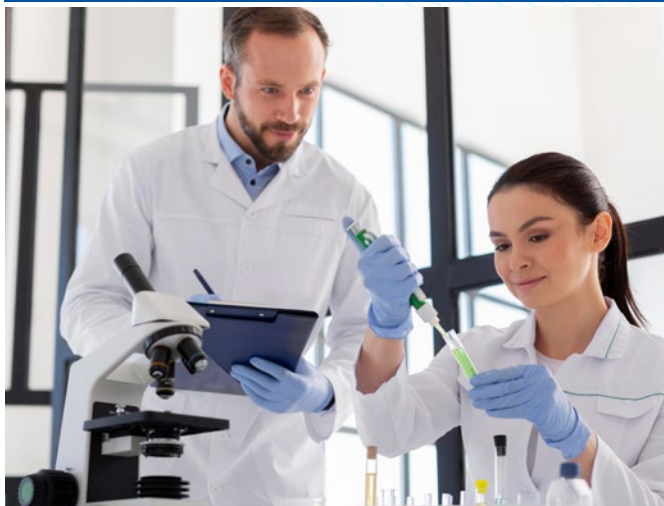
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LAND ACKNOWLEDGEMENT

LSO acknowledges that we are on the traditional territory of many nations including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples and is now home to many diverse First Nations, Inuit and Métis peoples. LSO also acknowledges that Ontario is covered by Treaty 13 signed with the Mississaugas of the Credit, and the Williams Treaties signed with multiple Mississaugas and Chippewa bands.

Message from the CEO & Chair

As we look back on 2023, it was a year best described as establishing a “new normal.” The world has changed, and our sector, crucial to reaching this “new normal,” continues to innovate to grow the economy and improve the lives of Ontarians and all Canadians.

We lost one of our long-time champions in Mayor Hazel McCallion, early in the year. Mayor McCallion was an early adopter in recognizing the importance of the life sciences community, helping build a vibrant sector in Mississauga, Ontario, and Canada. Her unwavering commitment to the sector attracted numerous investments and partnerships, making Mississauga fondly known as “Pill Hill.” She was among the few political leaders who attended the BIO International Conference yearly to sell the virtues of investing in Mississauga and Ontario. She was a strong voice for our sector and will be dearly missed.

As we moved into the spring, we also celebrated the exceptional achievements of other life sciences leaders at our annual Awards Presentation. With a record 500+ attendees, it was clear that the life sciences community was ready to reconnect after the years of social distancing and virtual meetings. This trend continued throughout 2023, with record attendances at all our signature events. This culminated in a mid-week networking night in the fall that attracted over 300 attendees in downtown Toronto. Participation in the LSO scholarship program also saw a record number of awardees—all significant signals of the strength of our sector.

Over the summer, we launched our landmark report on the “Status of Inclusion, Diversity, Equity and Accessibility (IDEA) in Canada’s Life Sciences Sector.” The launch event featured Ambassador David Cohen, the U.S. Ambassador to Canada, and over 125 attendees. The report uncovers where life sciences organizations have made progress in IDEA, how IDEA initiatives have impacted individuals working in the sector, and, significantly, immediate opportunities and recommendations to guide organizations to make further progress on IDEA. LSO will continue to champion the principles of IDEA to our community and beyond.

Our 2022 message applauded Ontario’s life sciences strategy launch: *Taking Life Sciences to the Next Level*. However, we noted at the time that the commitment to establishing a forward-looking Life Sciences Council had yet to

be implemented. We’re pleased to report that the Life Sciences Council was established in the spring of 2023, and its work will continue throughout 2024. LSO was asked to take a leadership role in this initiative in recognition of the breadth and diversity of our representation and the years of research and consultation that we have previously committed to establishing a life sciences strategy in Ontario. This is a huge step forward for our sector and a new paradigm in public-private partnership for the life sciences community.

LSO exists to serve its members and is very grateful for the support of all our members from across the life sciences ecosystem. We will only achieve the potential that life sciences promise as a collaborative community.

It’s an exciting time for life sciences in Ontario, and we’re looking forward to a productive 2024.

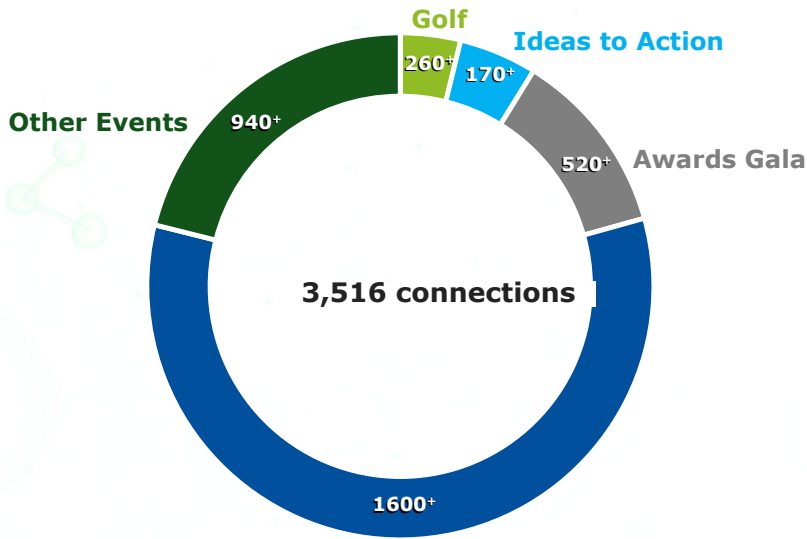


Jason Field
President & CEO, Life Sciences Ontario

Alison Symington
Chair, LSO Board of Directors

LSO's Impact In 2023

CONNECTING THE LIFE SCIENCES SECTOR



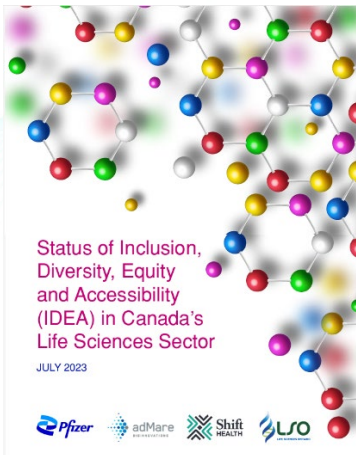
INCREASING ONLINE VISIBILITY OF OUR MEMBERS AND OUR SECTOR:

Total social media followers: **15,000+**



REPORTS AND PUBLICATIONS

Status of Inclusion, Diversity, Equity and Accessibility (IDEA) in Canada's Life Sciences Sector.



LSO Success Stories 2023



LSO Annual Ideas to Action Life Sciences Forum 2023 Summary Report





Queen's Park Day

LSO hosted our annual lobby day at Queen's Park Day in October. Each year, our Queen's Park Day brings together industry leaders and members of the provincial parliament (MPPs) to communicate the importance of Ontario's life sciences sector and ways we can collaborate to empower and ensure the growth of our sector. This year, we held a total of 25 meetings with MPPs—both virtual and in-person—and were joined by over 30 CEOs and executives from our member companies.

This year, our discussions with government centred on three key policy recommendations:

1. Keeping the life sciences at the forefront of policy conversations, which includes

implementing and monitoring Ontario's Life Sciences Strategy.

2. Positioning Ontario as a national and global leader in the life sciences.
3. Developing a rare disease framework for Ontario.

To close the day, over 130 guests attended our Queen's Park Day reception, which included speaker remarks from the three main provincial parties: Minister Victor Fedeli (Nipissing), MPP France Gelinat (Nickel Belt), and MPP Adil Shamji (Don Valley East). We were also pleased to host a company showcase that featured the latest medical technologies from Stryker Canada, BD Canada, Medtronic, Johnson & Johnson, and TeleVU.

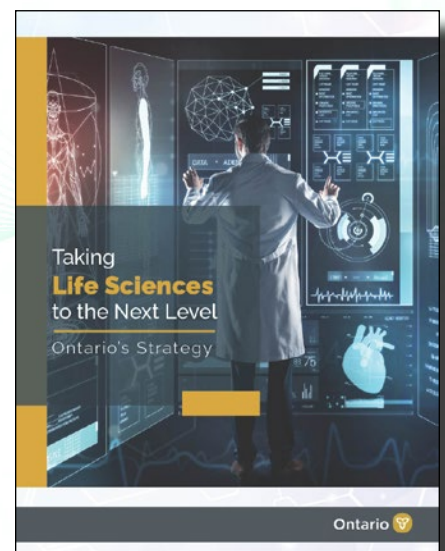




Policy and Government Relations

In 2023, LSO continued to advocate on behalf of our members for a prosperous, resilient, and diverse life sciences sector in Ontario. In February 2023, our submission for the 2023 Ontario Budget called on the government to implement **Ontario's Life Sciences Strategy: Taking Life Sciences to the Next Level** (<https://bit.ly/3kS3isG>) and to establish the Life Sciences Council to advise on the long-term implementation of the strategy.

We also recommend developing a procurement plan to accelerate the adoption of made-in-Ontario innovations, and establishing a rare disease strategy for Ontario. Additionally, we submitted a joint pre-budget submission with the Ontario Bioscience Innovation Organization (OBIO) that asked the Ontario government to invest long-term capital into Ontario's life sciences sector to support health innovation.



Budget 2023

A MADE-IN-CANADA PLAN



In our **pre-budget submission** (<https://bit.ly/49288qG>) before the 2023 Federal Budget, we asked the federal government to expand the scope of the federal Biomanufacturing and Life Sciences Strategy beyond pandemic preparedness to focus on creating a globally competitive policy and business environment for life sciences companies. Furthermore, we recommended the establishment of an advisory table composed of public and private sector leaders to guide the implementation of the federal strategy.

In April 2023, LSO welcomed the announcement from the Ontario government that the Life Sciences Council would be established. Chaired by LSO's CEO & President, Dr. Jason Field, the Life Sciences Council brings together leaders from industry and academia to advise on strategies to foster innovation, talent development, commercialization, and investment in the province's life sciences sector. In November 2023, the Life Sciences Council received a one-year extension of its mandate and will continue to guide the implementation of Ontario's life sciences strategy in 2024.



In August 2023, LSO submitted a response to the Ontario College of Pharmacists in support of regulatory amendments that expand the number of vaccines, including the RSV vaccine and treatments for COVID-19 and influenza, that pharmacists in Ontario can administer. In our response, we supported the amendments to improve patient access and health system sustainability in Ontario. Additionally, we highlighted the critical role of health innovations and their enormous potential to improve health system capacity.

In 2023, LSO remained engaged in changes to pricing guidelines at the Patented Medicine Prices Review Board (PMPRB). As in previous years, we advocated for pricing guidelines that are fair, transparent, and predictable. We also recommended that the PMPRB guidelines align with broader federal government initiatives, including the Biomanufacturing and Life Sciences Strategy. In December, LSO participated in a stakeholder policy roundtable with the PMPRB. In our presentation, we highlighted research from IQVIA in 2021 and 2022, which LSO commissioned, that shows the number of new medicines in Canada has steadily declined since the first PMPRB guideline reforms in 2016. This is the opposite of the global trend, which has seen an increase in the number of new medicines launched.



Click here to read our submission to the PMPRB's interim guidelines from August 2023: <https://bit.ly/4b54mPd>



Click here to read our submission to the PMPRB's scoping paper on the consultations for the Board's guidelines from December 2023: <https://bit.ly/48LhWWH>

Business Development and Member Engagement

by Andy Donovan

Over the past year, Life Sciences Ontario has demonstrated that a balanced approach to business development and member engagement allows us to maximize member investments to foster a commercially successful life sciences sector in Ontario and beyond. To achieve this, we have expanded our footprint and community outreach through various means, including attending international conferences such as BIO in Boston and The Medtech Conference in Anaheim, and engaging with life sciences markets via local events such as the Bloom Burton & Co. Healthcare Investor Conference, Gairdner Science Week, Clinical Trials Ontario Conference, Collision and so many other well-attended events. Our Breakfast Forum and Cross Province Road Trip have continued to attract organizations with a link, interest, and ability to invest in our advocacy, message amplification vehicles, and connectivity to community members via our networking events.

Our business development efforts have focused on working with life sciences companies, service providers, and institutions which assist in the commercialization and scaling of these organizations, as well as regional institutions charged with amplifying those within their regional borders in the life sciences ecosystems. These efforts have translated into 37 additional companies joining the Association, allowing LSO to grow our collective voice at the federal and provincial levels on behalf of the sector.

The second area of quantifiable impact has been within Member Engagement. Guided by the premise of building and nurturing long-term and mutually beneficial opportunities, we have worked to support our member's corporate investments - both human and financial capital all the while exceeding our financial expectations by creating opportunities to enhance corporate brand awareness and enhanced audience engagement activities. By identifying various levels of engagement within the organization, we have created opportunities that support corporate interests while working to provide mutual benefits between them and our collective membership. As we look towards 2024, we will continue to advocate for the community in support of the entire ecosystem where life sciences are thriving to enhance their ability to connect with their intended audience.





Scholarship

The Life Sciences Ontario (LSO) Scholarship and Mentorship program was developed in 2019. It has grown from its modest beginnings to become an essential element of the LSO mandate under education and mentorship.

Each spring, we invite undergraduate students enrolled in Ontario universities or colleges, specifically those pursuing studies relevant to the life sciences sector, to apply for our Scholarship and Mentorship program.

This year, we had an overwhelming response of over 300 eligible applications — a record number — and thanks to our sponsors’ support, we provided financial support and mentorship to 33 students from across Ontario, each

receiving a total of \$3,000. Students were selected based on their understanding of the life sciences industry and have demonstrated a dedicated drive to helping advance this sector for future generations.

In the five years of running the program, we have provided financial support to 168 students worth \$524,000, and paired each student up with an experienced professional within the life sciences sector.

Our Scholarship and Mentorship Program also serves as a vehicle for assisting underserved groups. We are proud to share these statistics with you:



68% of applicants identified as women.



67% of scholarship recipients identified as women.



69% of applicants identified as visible minorities.

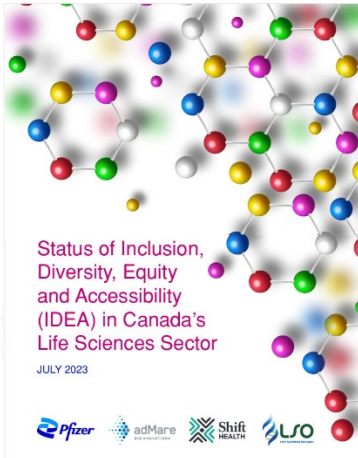


73% of scholarship recipients identified as visible minorities.

Through the support of our sponsors over the years, we have been able to help bring awareness to the many opportunities in Ontario’s life sciences sector. The 2023 Scholarship and Mentorship was made possible thanks to the generous support of our sponsors: **Alexion Pharma Canada, AstraZeneca Canada, Astellas Pharma Canada Inc., Johnson & Johnson Family of Companies in Canada, Novo Nordisk Canada, Ontario Genomics, Roche Canada, Sanofi Canada, Gilead Sciences Canada, Inc., GSK Canada, Takeda Canada, 3Sixty Public Affairs, Bayshore Specialty Rx Ltd and Jazz Pharmaceuticals Canada, Inc.**



Report on the “Status of Inclusion, Diversity, Equity, and Accessibility (IDEA) in the Life Sciences Sector”



This year, we collaborated with Pfizer Canada, adMare BioInnovations, and Shift Health on a landmark report titled “Status of Inclusion, Diversity, Equity and Accessibility (IDEA) in Canada’s Life Sciences Sector,” which is informed by the findings from a national survey of life sciences organizations and focus groups with diverse individuals working in the sector.

Focusing on highlighting differences between small/medium and large organizations, the report uncovers where life sciences organizations have made progress in IDEA, how IDEA initiatives have impacted individuals working in the sector, and, importantly, immediate opportunities and recommendations to guide organizations to progress in IDEA.

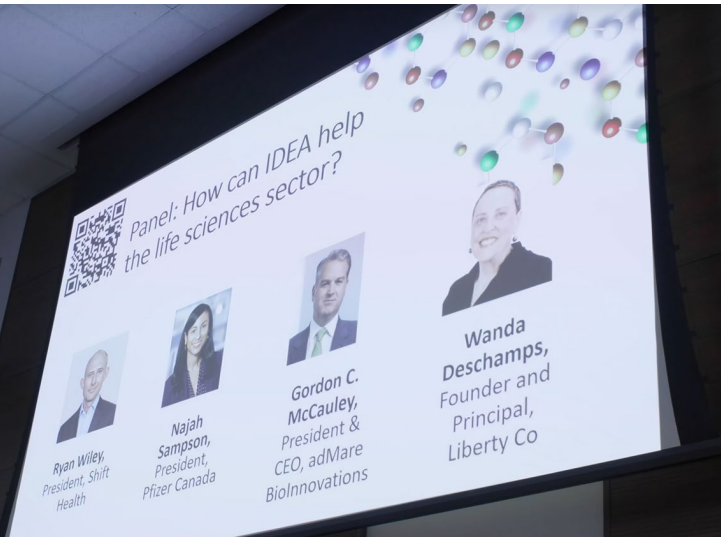
KEY FINDINGS:

Talent development: Advancing inclusive and equitable approaches to recruitment, training and performance management.

Community and culture: Building a stronger sense of belonging for all employees in the sector.

Knowledge: Strengthening understanding and appreciation of the need for and benefits of IDEA initiatives among all employees.

Leadership: Catalyzing progress in IDEA by building leadership teams that are diverse, competent in IDEA and accountable to IDEA commitments.



We also co-hosted a launch event for the report with the American Chamber of Commerce in Canada at the MaRS Auditorium in Toronto, where we had over 125 people in attendance.

We want to say a huge thank you to our speakers and panellists:

Ryan Wiley, President of Shift Health;
Ambassador David L. Cohen, US Ambassador to Canada;
Najah Sampson, President of Pfizer Canada;
Gordon C. McCauley, President & CEO of adMare BioInnovations;
Wanda Deschamps, Founder and Principal of Liberty Co; and
Anne Mullin, Principal at Shift Health.

The support we received served as a testament to the collective belief in the importance of fostering inclusion, diversity, equity and accessibility in the life sciences sector.



Ideas to Action Forum

In November, we hosted our annual Ideas to Action Life Sciences Forum. In its 14th year, the forum brought together leaders and stakeholders in the life sciences sector—from government, academia, and industry—to discuss how we can take actionable steps to build a resilient, vibrant, and diverse life sciences sector in Ontario and across Canada.

Our theme for this year, ***Disruption and Opportunity: Seizing a Pivotal Moment for Ontario's Life Sciences Ecosystem***, explored issues currently affecting and transforming our sector—from antimicrobial resistance and climate change to artificial intelligence and advances in precision medicine and medical technologies. We also explored topics such as how to handle the ongoing talent and skills shortage and challenges that life sciences companies in Ontario face when scaling up their business or commercializing their products, such as access to capital and infrastructure or wet lab space.

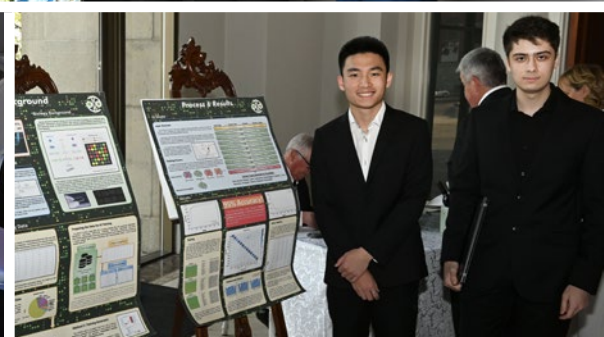


A few of the key “action items” that our panellist provided this year include:

- Drive collaboration between government, industry, researchers, and health sector partners to generate health AI regulation that balances the need for accessible, linkable data with the need to protect patient privacy in the context of our world today.
- Work in partnership to ensure a robust life sciences sector that can capitalize on economic growth and job creation opportunities and contribute to greater domestic health emergency readiness.
- Take collaborative approaches in research, innovation, and government to help ensure sustainable development and access to new and existing antimicrobials, diagnostics and alternatives to antimicrobials that focus on preventing human and veterinary medicine infections.
- Endorse and adopt the principles of the Health Data Charter and work collectively to improve data production, access, and use for innovation.

For more details, please see a link to our outcomes report here: <https://bit.ly/318hw0G>





Annual Awards Presentation

Celebrating our 20th year, LSO's Annual Celebration of Success has formed a reputation as an essential platform to recognize the individuals and companies driving the success of Ontario life sciences. The LSO Awards Presentation is our largest single fundraising vehicle—supporting our advocacy, educational, and networking events.

The event also served a crucial charitable function: proceeds from the silent auction supported the Sanofi Biogenius Challenge. This year's event was held at the Liberty Grand and was a very successful networking and celebration event. The Annual Awards Presentation included video welcomes from

Ontario's Premier, the Honourable Doug Ford, and Minister of Economic Development, Job Creation and Trade of Ontario, Minister Victor Fedeli (Nipissing). It also included greetings from our Board Chair Alison Symington and hosted by the Awards Presentation Co-Chairs, Jason Locklin and Jill Osborne.

We want to acknowledge our event sponsors and the outstanding efforts of the Awards Presentation Committee, the Awards Review Chair, Beni Rovinski, and our dedicated volunteers and staff who helped make this event a success.

Be sure to check out the awards videos: <https://bit.ly/428CyVQ>

The 2023 Awardees are as follows:

Lifetime Achievement Award:

Dave Smardon
President & CEO,
BioEnterprise Canada

Community Service Award:

Brian Bloom
Co-founder, Chairman and
Chief Executive Officer,
Bloom Burton & Co.

Community Service Award:

Jolyon Burton
Co-founder, President and
Head of Investment Banking,
Bloom Burton & Co.

Volunteer Award:

Wanda Deschamps
Founder and Principal, Liberty Co

Life Science Company of the Year:

DNASTack

Knowledge and Networking

KNOWLEDGE AND NETWORKING BREAKFAST/WEBINAR SERIES

Life Sciences Ontario's Knowledge and Networking breakfast meetings have been an enduring tradition, originating in September 1989, when LSO was known as TBI (Toronto Biotechnology Initiative).

Over the years, the Breakfast Committee has adeptly leveraged diverse virtual platforms to enhance the impact of our events. These platforms have become instrumental in ensuring LSO's continued delivery of dynamic and engaging educational content to the life sciences sector. We have continued to offer virtual options for our breakfast events, which has expanded our outreach significantly in terms of participant numbers and allowed us to feature knowledgeable speakers from various locations across the province and beyond Ontario and Canada.

This year's topics include:

- Expanding Science Research through Gaming and Virtual Reality (January 19th)
- Ontario Needs A Rare Disease Strategy! (February 16th)
- Industry and Academic Relationships (February 23rd)
- Digital Health in Poland (March 23rd)
- Advancing the Scale and Spread of Digital Health Innovations (April 27th)
- Water Surveillance (May 11th)
- Member Marathon (June 15th)
- Roadtrip Around the Province:
 - Sept 26th: Guelph
 - Sept 27th: Hamilton
 - Sept 28th: Barrie
 - Sept 29th: Northern Ontario
- How AI is Transforming Life Sciences from Bench to Bedside (October 26th)
- Member Marathon (November 23rd)
- How Fair is Pharmacare: Will Good Intentions Impact Access and Innovation? (December 14th)

NETWORKING NIGHTS

This year, we hosted our first Networking Night since COVID-19, and it was an absolute hit! With over 200 attendees, the venue was buzzing with energy as industry leaders, professionals, and newcomers mingled and made meaningful connections. LSO looks forward to continuing to provide invaluable opportunities for professionals to connect, learn, and thrive in their respective fields.

We want to thank STA Pharmaceutical Co., Ltd., a subsidiary of WuXi AppTec (WuXi STA) for sponsoring the event. We look forward to hosting more Networking Nights and facilitating an environment for connection-building between stakeholders in the life sciences sector.





Annual Golf Classic

Our 2023 Annual LSO Golf Classic was a resounding success, and thankfully, we had the perfect weather for this year's event. This year, we teed up at Lionhead Golf Club, where we were fortunate enough to utilize two of their state-of-the-art courses. We had 200+ attendees, making it one of our most-attended signature events of the year!

As you may know, this event provides an essential and engaging environment for the life sciences community and, most importantly, supports **Sanofi Biogenius Canada** through our silent auction.

Of course, this beloved event would not be possible without our generous event sponsors and thoughtful event donors. The LSO team, the LSO Board, and the LSO Golf Committee would like to shout out a huge thank you to the following:

EVENT SPONSORS

Beigene; BioBenefits; Billennium IT; BioTalent Canada; Catalyst; CBRE; CHUBB; CTI Working Environments; Digital Beachhead; Healthing.ca; Impres Pharma; Kingston Economic Development; mform Construction Group; Northeastern University Toronto; Ontario Pharmaceutical Marketing Association (OPMA); PharmEng Technology; PSC Biotech; Queen's University; Stryker; University of Toronto Scarborough; and Valgenesis.

Next year, we aim for an even bigger turnout with more activities and prizes. As always, we are grateful to all our Committee Members for their unwavering support, guidance and leadership.

We also hosted our inaugural "Learn to Golf" pre-tournament networking event at the Paramount Golf Liberty Village indoor golf simulator. This event served as an opportunity to learn golf basics and brush up on golf skills in preparation for the Golf Classic. The reception and attendance at the event were excellent, and we intend to host more in the coming years.

We would like to say a big thank you to Birdies & Brews for helping to organize the event.

EVENT DONORS

Berkley; CAI; Digital Beachhead; Healthing; Impres; Innomar Strategies; Kingston Economic Development; PharmEng; Sterling; University of Toronto Scarborough Arts & Science Co-op; Valgenesis; BLG; Cleveland Golf; Liberty Grand Group; mForm Construction Group; and John & Jennifer Goudey.

About LSO

LSO VISION

“Diversity of Members, Unity of Voice”

Our vision is a vibrant life sciences sector in Ontario that speaks with a unified voice to create an environment that fosters collaboration, innovation and is recognized as a leading contributor to a better, more prosperous life in Ontario.

BOARD OF DIRECTORS

Executive Committee



Alison Symington
Chair
Principal,
Life Science Strategic
Consulting



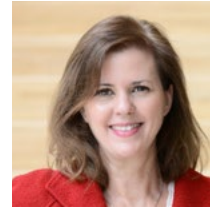
Alexis Sciuk
Vice-Chair
Global Market Access
Policy Strategist,
Pfizer Healthcare
Innovation Centre



Mark Smithyes
Member of the
Executive
National Director, Life
Sciences,
Delphic Research
Group



Rafi Hofstein
Member of the
Executive
Former President and
CEO,
Toronto Innovation
Acceleration Partners



Susan Marlin
Member of the
Executive
President and CEO,
Clinical Trials Ontario
(CTO)



Anne Woods
Member of the
Executive
Managing Director,
Life Sciences &
Healthcare, RBCx

Officers



Manoj Pundit
Secretary
Partner, Borden
Ladner Gervais LLP



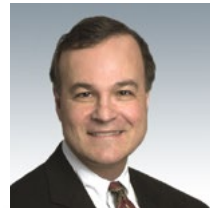
Nicole DeKort
President & CEO,
Medtech Canada



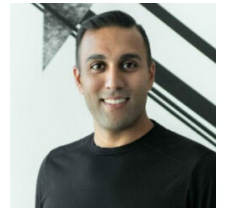
Lauren Fischer
Lead, Government
Affairs,
AbbVie Canada



Ingrid Fung
Director, Enterprise
Operations and
Strategy,
GreenLight Biosciences



Jeff Graham
Senior Vice President,
Head of Legal and
Regulatory Affairs,
SkyPower Global



Naheed Kurji
President,
Recursion Canada



Laura Sluce
Treasurer
Partner,
Ernst & Young LLP



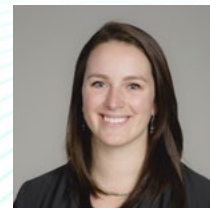
Jason Locklin
Director, Market
Access, Policy &
Government Relations,
argenx Canada



Carrie McElroy
Canadian Head of
Market Access &
Public Affairs,
Sanofi Canada



Brigitte Nolet
President & CEO,
Roche Canada Pharma



Andrea Palmer
CEO and Founder,
Awake Labs



**Benjamin
Rovinski**
Managing Director,
Lumira Ventures



Emily Titus
Vice President,
Process Sciences,
Notch Therapeutics



Bernard West
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John Wilkinson
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Russell Williams
Senior Vice President,
Mission,
Diabetes Canada

LSO MISSION

“Advancing life sciences for a better society”

LSO’s mission is to foster success for Ontario’s life sciences sector through collaboration, advocacy, networking, education, and promoting its innovation locally, nationally, and internationally.

Corporate Sponsors

Platinum



Gold



Silver

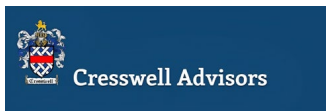


Event Sponsors

Johnson & Johnson
Innovative Medicine

sanofi





Committee Members

LSO would like to thank our Board of Directors, many volunteer members and partners, for their contributions to LSO in 2023.

EXECUTIVE COMMITTEE

Alison Symington (Chair)
Alexis Sciuk (Vice Chair)
Anne Woods
Mark Smithyes
Rafi Hofstein
Susan Marlin

AWARDS PRESENTATION COMMITTEE

Jason Locklin (Presentation Co-Chair)
Jill Osborne (Presentation Co-Chair)
Benjamin Rovinski (Review Chair)
Alison Symington
Anne Woods
Jordan Da Silva
Kira Pejemsky
Luis Barreto
Magda O'Sullivan
Murray McLaughlin
Shelley Almeida

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Anne Mullin (Co-Chair)
Andrew Retfalvi
Benjamin Rovinski
Eric Pegolo
Ingrid Fung
Jeffrey Graham
Kerry Allerton
Mike Foorer
Pamela McDonald Kuhne
Philip Delistoyanov
Robyn Saccon
Ryan Wiley
Sean McBride
William Dempster

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Anne Woods (Co-Chair)
Bogdan Szybalski
Danny Ladouceur
Jamie Barron
Jennifer Andrews
Jodi Garner
Montse Sanzole

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Esther Wiltshire (Co-Chair)
Bogdan Szybalski
Bruno Maruzzo
Daniel Lacey
Howard Zach
Jackie O'Connor
Parneet Dehl
Will Gehring

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Alex Muggah
Alex Wellstead
Amelia Swanson
Andrew Retfalvi
Anie Perrault
Anna Kaminska
Bernard West
Bill Dempster
Brad McCaw
Brian Kelly
Carol Stiff
Christina Cunningham
Christopher Praught
Diane Bigras
Doug Daniell
Eric Pegolo
Evelyn Chea
Farah Jivraj
Forrest Parlee

Gurman Virk
Howard Zach
Hugues Poulin
Jacqueline Dobson
Jason Grier
Jason Locklin
Jeffrey Graham
Jessica McDougall
John Wilkinson
Judy Murray
Kathleen Whelan
Ken Hughes
Kim Hanson
Laura Greer
Laurene Redding
Mark Smithyes
Marko Perovic
Matthew Bureau
Michael Di Tommaso
Michelle Hojjati

Monica Soos
Nadia Yee
Pamela Kanellis
Pamela McDonald Kuhne
Patrick Faubert
Phil Delistoyanov
RJ Kayser
Rob Loney
Robynn Saccon
Rupinder Bagha
Ryan Clarke
Sean McBride
Suchandra Banerjee
Susan MacLean
Tracey Taylor

LIFE SCIENCES ONTARIO
FINANCIAL STATEMENTS
DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members and Board of Directors
Life Sciences Ontario
TORONTO
Ontario

Opinion

We have audited the accompanying financial statements of Life Sciences Ontario which comprise the statement of financial position as at December 31, 2023 and the statement of operations and changes in net assets and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the entity as at December 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- 1 -

PAUL A. SIMPSON, CPA
PAUL W. McMULLEN, CPA
MARK D. POTTER, CPA

MICHAEL J. McNEILL, CPA
PETER A. SIMPSON, CPA
MARC F. CERNELE, CPA

ANTHONY G. DILIBERTO, CPA
JENNIFER A. STALEY, CPA

NORTON McMULLEN LLP

ONE VALLEYWOOD DRIVE SUITE 200 MARKHAM ONTARIO L3R 5L9 T 905-479-7001 F 905-479-0045

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

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

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

Norton McMullen LLP

NORTON McMULLEN LLP

Chartered Professional Accountants, Licensed Public Accountants

MARKHAM, Canada

February 20, 2024

LIFE SCIENCES ONTARIO

STATEMENT OF FINANCIAL POSITION

As at December 31,

2023

2022

ASSETS

Current

Cash and cash equivalents	\$ 144,489	1,037,681
Short-Term Investments (Note 2)	410,263	10,186
Accounts receivable	17,606	2,921
HST refundable	106,863	125,336
Prepaid expenses	55,696	56,627
	<u>\$ 734,917</u>	<u>\$ 1,232,751</u>

Long-Term Investments (Note 2)

400,000 -

Capital Assets (Note 3)

5,063 4,124

\$ 1,139,980 \$ 1,236,875

LIABILITIES

Current

Accounts payable and accrued liabilities	\$ 93,292	\$ 187,234
Deferred revenue (Note 4)	239,395	231,927
CEBA Loan (Note 5)	40,000	40,000
	<u>\$ 372,687</u>	<u>\$ 459,161</u>

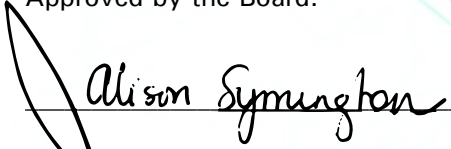
NET ASSETS


767,293 777,714

\$ 1,139,980 \$ 1,236,875

Commitment (Note 6)

Approved by the Board:

 Director

 Director

See accompanying notes

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LIFE SCIENCES ONTARIO

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended December 31,

2023

2022

REVENUES

Membership and general sponsorship	\$ 437,138	\$ 449,542
Events and meetings	676,038	499,820
Special projects	234,294	916,716
Education programs	151,084	156,235
	<u>\$ 1,498,554</u>	<u>\$ 2,022,313</u>

EXPENSES

Office and general	\$ 770,123	\$ 756,306
Special projects	183,251	801,649
Events and meetings	422,166	221,850
Education programs	110,877	122,053
Bank charges	12,520	9,844
Communications	8,917	9,385
Amortization	1,121	1,208
	<u>\$ 1,508,975</u>	<u>\$ 1,922,295</u>

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES

\$ (10,421) \$ 100,018

NET ASSETS - Beginning

777,714 677,696

NET ASSETS - Ending

\$ 767,293 \$ 777,714

See accompanying notes

- 4 -

LIFE SCIENCES ONTARIO

STATEMENT OF CASH FLOWS

For the year ended December 31,

2023

2022

CASH AND CASH EQUIVALENTS WERE PROVIDED BY (USED IN):

OPERATING ACTIVITIES

Excess (deficiency) of revenues over expenses	\$ (10,421)	\$ 100,018
Items not affecting cash and cash equivalents:		
Amortization	<u>1,121</u>	<u>1,208</u>
	\$ (9,300)	\$ 101,226

Net change in non-cash working capital balances:

Accounts receivable	(14,685)	(1,046)
HST refundable	18,473	(63,595)
Prepaid expenses	931	(30,823)
Accounts payable and accrued liabilities	(93,942)	114,494
Deferred revenue	<u>7,468</u>	<u>(100,128)</u>
	\$ (91,055)	\$ 20,128

INVESTING ACTIVITIES

Purchases of capital assets	\$ (2,060)	\$ (1,643)
Purchase of investments	<u>(800,076)</u>	<u>(11)</u>
	\$ (802,136)	\$ (1,654)

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

\$ (893,191) \$ 18,474

CASH AND CASH EQUIVALENTS - Beginning

1,037,680 1,019,206

CASH AND CASH EQUIVALENTS - Ending

\$ 144,489 \$ 1,037,680

See accompanying notes

- 5 -

LIFE SCIENCES ONTARIO

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

NATURE OF OPERATIONS

Life Sciences Ontario (the "Organization" or "LSO") was incorporated on January 1, 2012 under the provisions of the Canada Corporations Act and commenced operations shortly thereafter. The Organization is a not-for-profit corporation and is therefore exempt from income taxes.

The Organization represents and promotes Ontario's vibrant and diverse life sciences sector. The Organization collaborates with governments, academia, industry and other life science organizations in Ontario, across Canada, and globally to promote and encourage commercial success throughout this diverse sector.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

a) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from the estimates used.

Significant estimates include the estimated useful life of capital assets.

b) Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in a bank account.

c) Capital Assets

Capital assets are recorded at cost. Amortization is being provided over the estimated useful life of the assets using the following annual rates and method:

	<u>Rate</u>	<u>Method</u>
Computer	30%	declining balance
Furniture and fixtures	20%	declining balance

LIFE SCIENCES ONTARIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

d) **Revenue Recognition**

Special projects and events revenue consists of funding to undertake specific projects and events. Special projects and events revenue is recognized as expenses are incurred. Membership fees, sponsorships, events and meetings and education programs are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Fees and sponsorships received pertaining to the subsequent period are deferred and recognized as revenue in the appropriate period. Government assistance is recognized when received and the underlying conditions for recognition of revenue have been fulfilled.

e) **Financial Instruments**

Measurement of Financial Instruments

The Organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value and subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash and cash equivalents, investments and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities and the CEBA loan.

The Organization has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

Impairment

Financial assets measured at amortized cost are tested for impairment when events or circumstances indicate possible impairment. Write-downs, if any, are recognized in the excess of revenues over expenses and may be subsequently reversed to the extent that the net effect after the reversals is the same as if there had been no write-down. There are no impairment indicators in the current year.

LIFE SCIENCES ONTARIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

2. INVESTMENTS

Investments consist of the following:

	2023	2022
1 year term deposit - 1.75%, maturing June 07, 2024	\$ 10,263	\$ 10,186
30 day non-redeemable GIC - 3.90%, maturing January 26, 2024	100,000	-
120 day non-redeemable GIC - 3.90%, maturing April 25, 2024	100,000	-
270 day non-redeemable GIC - 5.22%, maturing May 24, 2024	100,000	-
1 year cashable GIC - 4.00%, maturing August 28, 2024	100,000	-
2 year non-redeemable GIC - 4.25%, maturing August 28, 2025	100,000	-
3 year non-redeemable GIC - 4.00%, maturing August 28, 2026	100,000	-
4 year non-redeemable GIC - 4.00%, maturing August 30, 2027	100,000	-
5 year non-redeemable GIC - 3.95%, maturing August 28, 2028	100,000	-
	<u>\$ 810,263</u>	<u>\$ 10,186</u>
Less: Current portion	<u>(410,263)</u>	<u>(10,186)</u>
	<u>\$ 400,000</u>	<u>\$ -</u>

An investment committee has been established and meets periodically to review and assess the Organization's investment strategy.

3. CAPITAL ASSETS

Capital assets consist of the following:

	2023			2022
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer	\$ 16,475	\$ 12,341	\$ 4,134	\$ 2,962
Furniture and fixtures	3,151	2,222	929	1,162
	<u>\$ 19,626</u>	<u>\$ 14,563</u>	<u>\$ 5,063</u>	<u>\$ 4,124</u>

LIFE SCIENCES ONTARIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

4. DEFERRED REVENUE

Deferred revenue consists of the following:

	2023	2022
Membership and general sponsorship	\$ 183,195	\$ 88,525
Special projects	50,000	122,452
Events and meetings	6,200	8,200
Education programs	-	12,750
	<u>\$ 239,395</u>	<u>\$ 231,927</u>

5. CEBA LOAN PAYABLE

The Organization received access to a \$60,000 Canada Emergency Business Account (CEBA) loan as part of the Federal government's response to COVID-19. The loan is non-interest bearing and is due January 18, 2024. \$20,000 is forgivable if the \$40,000 is repaid on or before January 18, 2024. The forgivable portion has been included in government assistance revenue in the prior years.

On January 8, 2024, the Organization repaid \$40,000 on the CEBA loan and received confirmation, on January 18, 2024, that the remaining forgivable portion of \$20,000 had been forgiven.

6. COMMITMENT

The Organization is committed to an office lease agreement for its premises ending August 31, 2026. Future minimum rental payments are as follows:

2024	\$ 46,200
2025	46,200
2026	<u>30,800</u>
	<u>\$ 123,200</u>

LIFE SCIENCES ONTARIO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

7. FINANCIAL INSTRUMENTS

Risks and Concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a summary of the Organization's exposure to and concentrations of risk at December 31, 2023:

a) **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause loss for the other party by failing to discharge an obligation. The Organization's main credit risks relate to its accounts receivable. The Organization provides credit to its members and clients in the normal course of operations. Actual exposure to credit losses has been minimal in prior years. There is no allowance for doubtful accounts. There has been no change in the assessment of credit risk from the prior year.

b) **Liquidity Risk**

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly with respect to its accounts payable and accrued liabilities. The Organization expects to meet its obligations by managing its working capital and by generating sufficient cash flows from operations. There has been no change in the assessment of liquidity risk from the prior year.

c) **Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. The Organization is not exposed to significant market risk.



To become a member or for information about LSO's activities, please contact:

LSO Office

162 Cumberland Street, Suite 310
Toronto Ontario M5R 3N5

admin@lifesciencesontario.ca

www.lifesciencesontario.ca

[@LifeSciencesON](https://twitter.com/LifeSciencesON)

www.linkedin.com/company/life-sciences-ontario