

The impact-first fund flowing flexible, patient capital to B.C. social enterprises facing barriers to traditional financing; place-based, non-dilutive, and regenerative by design.

Headquarters: Victoria, British Columbia, Canada

AUM: \$9.74

Founded: 2021

Website: thriveimpactfund.ca

Investment area: British Columbia, Canada

Funders: Foundations, credit unions & accredited investors

Themes: Housing Solutions · Food Security · Diverse Entrepreneurs · Climate Solutions · Resilient Communities

CATALYTIC ROLE OF GRANTS

A grant funded Thrive Impact Fund's legal and startup costs, while time-limited grants supported operations, organizational capacity, and market-building during its early years. Recoverable grants capitalize Thrive's first-loss reserve, increasing investor confidence and enabling a greater tolerance for risk. The fund is capitalized with two equity layers: 10% non-redeemable, non-participating equity and 10% redeemable, non-participating equity. This low cost of capital enables Thrive to offer affordable borrower rates while accepting a higher level of risk.

ABOUT

Thrive Impact Fund addresses persistent barriers to capital faced by social enterprises. Thrive operates as a British Columbia Benefit Corporation co-owned by Scale Enterprises Ltd. and Purppl, two organizations with decades of experience supporting social enterprises in B.C and across Canada.

Thrive Impact Fund provides flexible, patient capital to organizations serving British Columbia, working on the most pressing social and environmental problems. It invests in non-profits, co-operatives, and for-profit social enterprises that face barriers in accessing capital. **Every loan comes with wrap-around support: peer cohorts, quarterly check-ins, and access to coaching.**

In addition to measuring impact using the Common Approach to Impact Measurement and the UN Sustainable Development Goals, Thrive's work is guided by six core principles: **abundant, accessible, flexible, public benefit, relational, and regenerative.**

Building the catalytic-capital field in Canada: Beyond its own portfolio, **Thrive helps strengthen Canada's social finance ecosystem through initiatives** such as Thriving Non-Profits, Blended Finance Summit, Connect Money Impact events, Catalyst Community Finance, and Impact Guarantee.

INTEGRATED CAPITAL MODEL

RAISE

Issues tiered preferred shares, permanent Class A equity, redeemable non-interest-bearing Class B, and participating Class C carrying a 3% dividend to foundations, credit unions, and accredited investors. Thrive has a first-loss reserve funded through catalytic capital from investors.

INVEST

Evergreen structure allows capital to be recycled as loans matched to each enterprise's stage: revenue-based financing, bridge, term, and real estate instruments, customized to each investee's needs.

STEWARD

Supports investees through impact-adjusted repayments, regular check-ins and coaching, peer cohorts, and strategic introductions. Thrive reinvests returned capital into the next cohort of enterprises.

THE ECOSYSTEM NEED

British Columbia's social enterprises face a structural financing gap. When Thrive surveyed its 2025 investees, the most frequently cited barrier was lack of access to aligned investors. Other barriers include collateral requirements or organizational structures (such as Indigenous-led co-operatives and non-profits) that do not fit conventional lending criteria. As one founder explained, they are "stuck in the middle: too big for early programs, and not yet at the scale traditional funders look for." The result is a missing middle of capital, where viable enterprises stall for want of "right-fit" financing.

FINANCING APPROACH



Place-based relationships

Thrive underwrites through local knowledge and connected relationships across Vancouver Island, the Lower Mainland, and the Okanagan. Loans are packaged with peer cohorts, coaching, and warm introductions, so founders can gain a network and support to grow.



Right instrument, right time

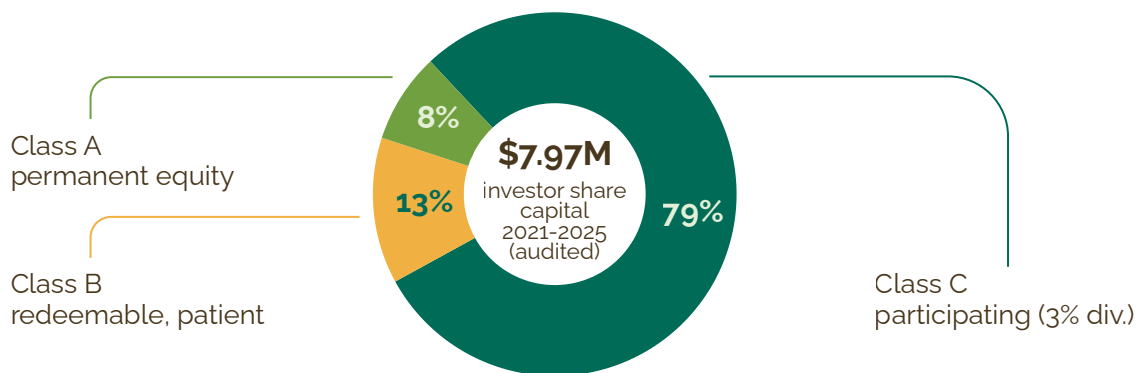
Thrive picks the financial tool that fits the organization's structure and stage: such as revenue-based financing before profitability or due to seasonality, bridge loans against signed agreements, term loans for operations and growth, and quasi-mortgages for community real estate.



The capital it assembles

Investor capital is layered by patience and return: permanent Class A equity and redeemable Class B shares sit beneath participating Class C shares (3% dividend), all underpinned by a \$200K first-loss reserve of recoverable grants that absorbs losses first. **This integrated capital mix lowers the overall cost of capital, allowing for lower lending rates and higher tolerance for risk.**

FINANCIAL PROFILE

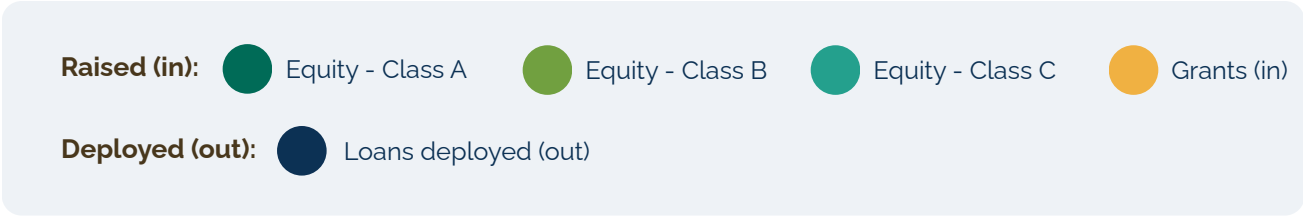


At year-end 2025, the Thrive Investment Fund held \$7.85M in total assets against just \$0.26M in liabilities (loss reserves, accounts payable, and accrued liabilities), for \$7.58M in net assets.

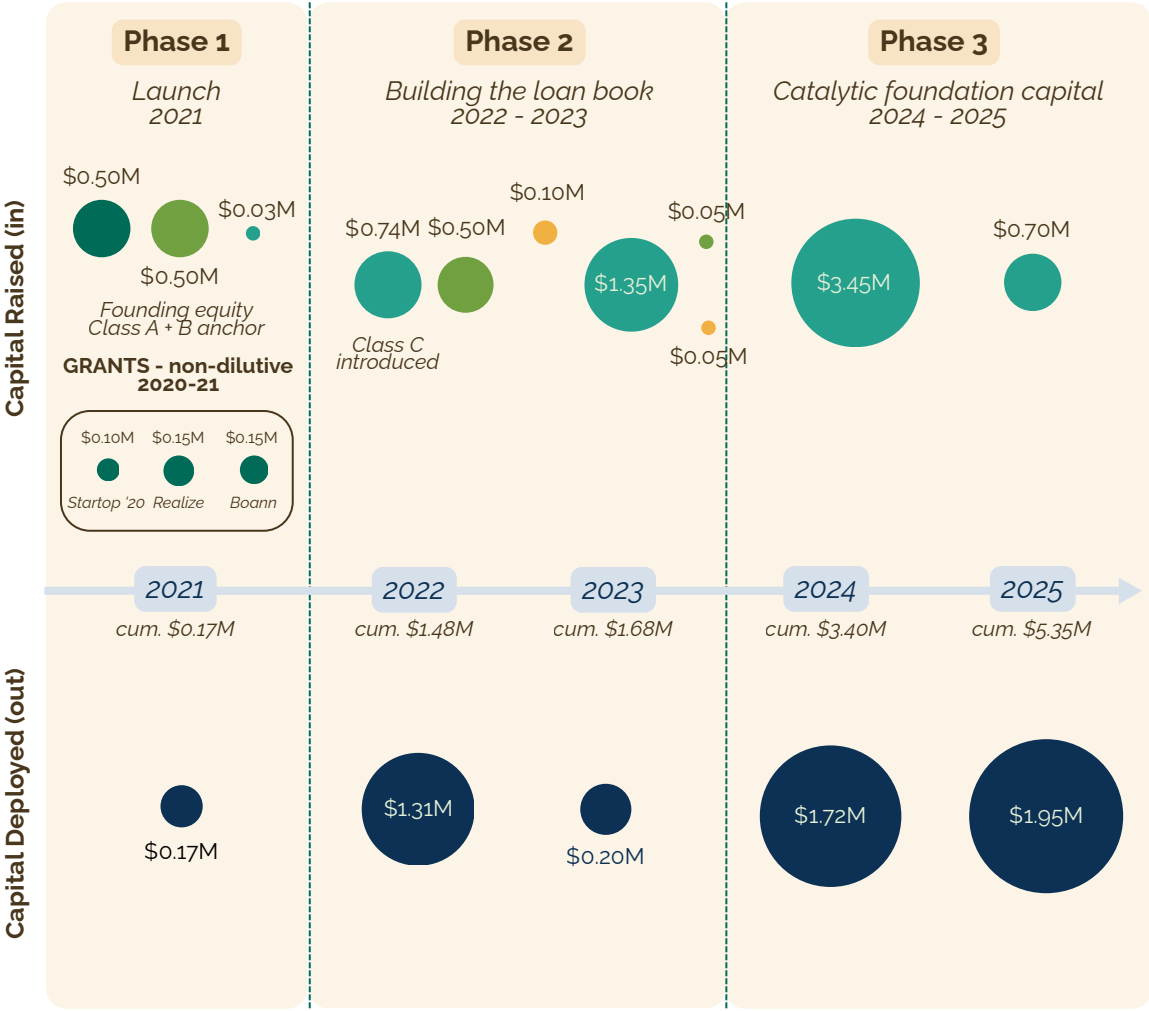
Thrive's loan portfolio stood at \$2.23M, with the balance in cash, short-term investments, and GICs awaiting deployment. Cumulative investor share capital reached \$7.97M, of which participating Class C shares account for 79%, redeemable Class B shares 13%, and permanent Class A equity 8%. In 2025, the fund also set aside a \$200,000 reserve for losses, a first-loss buffer.

*Cumulative investor share capital by class, 2021-2025 (audited).
The 2025 Impact Report's \$9.27M "raised" headline includes grant and other capital beyond audited share capital.*

INTEGRATED CAPITAL PATHWAY & TIMELINE



Cumulative capital raised (by share class) and deployed, 2021–2025 (audited). Annual loan-type detail is not separately disclosed in the audited statements; the cumulative instrument mix is shown below



Bubble area proportional to \$ · Thrive Impact Fund Ltd. audited financial statements (2021 - 2025)

LENDING APPROACH

The capital stack: Thrive lends through four key instruments. Revenue-based financing aligns repayment with an enterprise's sales. Bridge loans provide financing against signed contracts, grants, and receivables. Term loans fund growth, and quasi-mortgages support community real estate. Investments range from \$50K- \$500K, with most loans between \$100-\$300K

Why it matters: Conventional loans are built around fixed repayment schedules and hard collateral. For many social enterprises operated by volunteer boards, founded by diverse entrepreneurs, or in the early revenue stage, fixed terms can drain cash and assets may not be available. Yet, **these enterprises are providing core community services and solving challenging social and environmental problems.**

Flexible financing is right-sized to the enterprise and its timing needs. Repayment can rise and fall with revenue; a bridge loan turns a signed contract into funds required to deliver, and term loans can be flexible to preserve cash. Because the capital is non-dilutive debt, **control stays with the people building the enterprise.** That fit is often what enables social enterprises to keep operating and growing rather than stall: sustaining the jobs, services, and community assets it was created to deliver.

Impact: Since 2021, Thrive has deployed \$5.3M into 23 portfolio organizations, 15 of them active in 2025. In 2025 alone, portfolio enterprises created at least 69 new jobs and paid \$9.8M in wages, with 77% of reporting investees paying a living wage to all staff. Ninety-three percent are led by people from equity-deserving groups, and 80% by women or gender-diverse leaders. Across the portfolio, Thrive maps each enterprise to the UN Sustainable Development Goals: the 2025 cohort concentrates on responsible consumption and production (SDG 12, 46.7% of active investees), decent work and economic growth (SDG 8, 40%), industry, innovation and infrastructure (SDG 9, 33.3%) and sustainable cities and communities (SDG 11, 26.7%), alongside quality education (SDG 4), reduced inequalities (SDG 10) and peace, justice and strong institutions (SDG 16), with further contributions to clean water, clean energy, climate action and life on land.

BORROWER EXAMPLE — LUX BIO

The borrower: Lux Bio is a woman-founded and led British Columbia biotech developing LUME, a bioluminescent technology. LUME is engineered to be a bright, long-lasting, stable, non-toxic replacement for the chemiluminescent chemicals used in glow sticks and industrial safety lighting. Over 1 billion traditional glow sticks are consumed globally every year, resulting in 10.6 million liters of harmful chemicals and 17 million kilograms of plastic waste entering the environment.

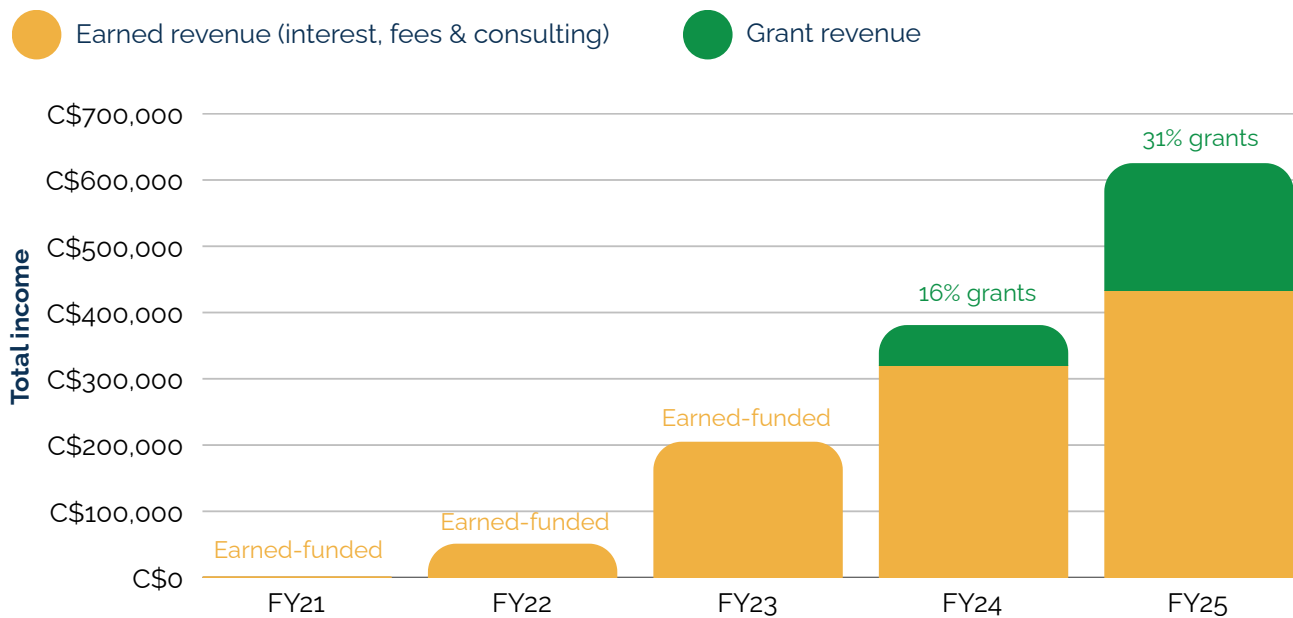
The financing gap: In 2022, the company had customers lined up but needed catalytic capital to scale production against growing demand. The challenge deepened when they won a competitive Canadian Coast Guard contract for a bioluminescent maritime safety marker, government work that requires significant investment upfront.

Thrive's role: A \$99,000 term loan allowed founder and CEO Paige Whitehead to seize the Coast Guard opportunity. Thrive also helped the company build financial models that moved the business from "80% ready" to fully ready. When the Coast Guard contract landed, Thrive followed with bridge financing so Lux Bio could expand production capacity and deliver without straining operations

The outcome: Pairing patient term capital with timely bridge financing turned a promising product into a fulfilled government contract, moving a safer alternative to toxic lighting from prototype toward commercial reality.



BUSINESS MODEL



Total income by source, FY2021 - FY2025 (audited). Grant share shown above each bar

Pre-launch, Thrive received a \$100K grant to build the fund's legal and administrative structure. Thrive's parent companies, Scale Enterprises Ltd. and Purppl, contributed significant pro bono staffing and administrative support. Since launch, Thrive has primarily operated on a 0% operating loan from investors, consulting revenue, fees, and interest earned on its portfolio, which reached \$382K in FY2025. Additional grant revenue was secured starting in 2024 (\$62K) and \$192K in 2025 (31% of income), and used to expand capacity, support market-building activities, and fund legal costs. Total income grew from under \$2K in the 2021 stub year to \$625K in FY2025. Recoverable grants fund a \$200K first-loss reserve to mitigate loss risk.

FUTURE DIRECTIONS

- **Deepen place-based deployment across BC** into food systems, climate and clean tech, the Indigenous economy, democracy, childcare, arts and culture and more while recycling repaid capital into new investments.
- Raise additional grant and catalytic funds to strengthen operations and wrap-around supports, manage risk and losses, and grow the Thrive model.
- Support the Canadian social finance ecosystem through active policy, research, convening and innovation initiatives.

