



Backing
Victorian Ideas.
Building Victoria's
Future.

We acknowledge the Traditional Owners of the lands on which we live and work, and pay our respects to their Elders past and present and future Traditional Owners.

We acknowledge the important contribution that Aboriginal and Torres Strait Islander peoples make in creating a thriving Victoria.

We also acknowledge the long and continuing history of Aboriginal innovation, including their sophisticated knowledge of the land and environment, their deep understanding of sustainable practices, and their ingenious approaches to problem-solving and adaptation.

Cover Image: ElectraLith

Letter to the Minister



Liquid Instruments

Hon. Danny Pearson MP
Minister for Economic Growth and Jobs
Level 36, 121 Exhibition Street
Melbourne VIC 3000

Dear Minister,

I am pleased to submit the 2024-2025 Annual Report of Breakthrough Victoria for presentation to Parliament in accordance with the *Financial Management Act 1994* and the *State Owned Enterprises Act 1992*.

Yours sincerely,

The Hon. John Brumby AO
Chair

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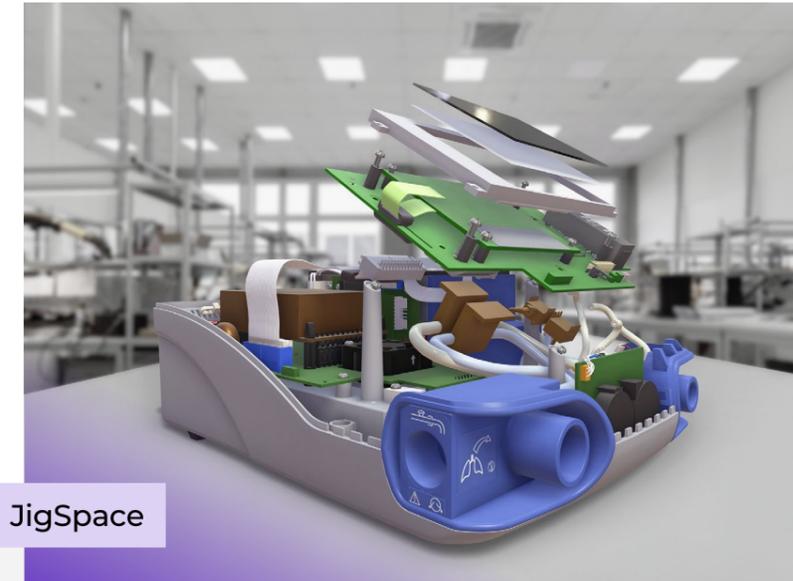
Corporate Compliance

Compliance Index

72
75



Breakthrough Victoria plays a key role in transforming the Victorian economy through investing in and supporting successful intellectual property and research commercialisation.



JigSpace



YieldX

Objectives

Under the *State Owned Enterprises Act 1992*, the principal objective of Breakthrough Victoria is to perform its functions for the public benefit by:

- Operating its business and pursuing its undertaking as efficiently as possible consistent with prudent commercial and risk management practice; and
- Maximising its contribution to the economy and well-being of the State of Victoria.

Breakthrough Victoria:

- Is an investor in funds and companies that are commercialising Victorian innovation and technology.
- Catalyses private investment.

Breakthrough Victoria delivers:

- Economic growth and job creation.
- Environmental and social impact for Victoria.

About this report

The Breakthrough Victoria 2025 Annual Report highlights the company's work and achievements in the 2024-2025 financial year. Breakthrough Victoria Pty Ltd (ACN 647 784 772) is required to provide a report of its operations and financial statements in accordance with the *Financial Management Act 1994* and the *State Owned Enterprises Act 1992*. The period of reporting is 1 July 2024 to 30 June 2025.

Backing Victorian Ideas

Lifetime of the Fund



Investment commitments

69

including
7 University Innovation
Platform Partnerships
6 Funds



\$480.7m

Total committed capital



Total capital leveraged
from direct investments
since inception

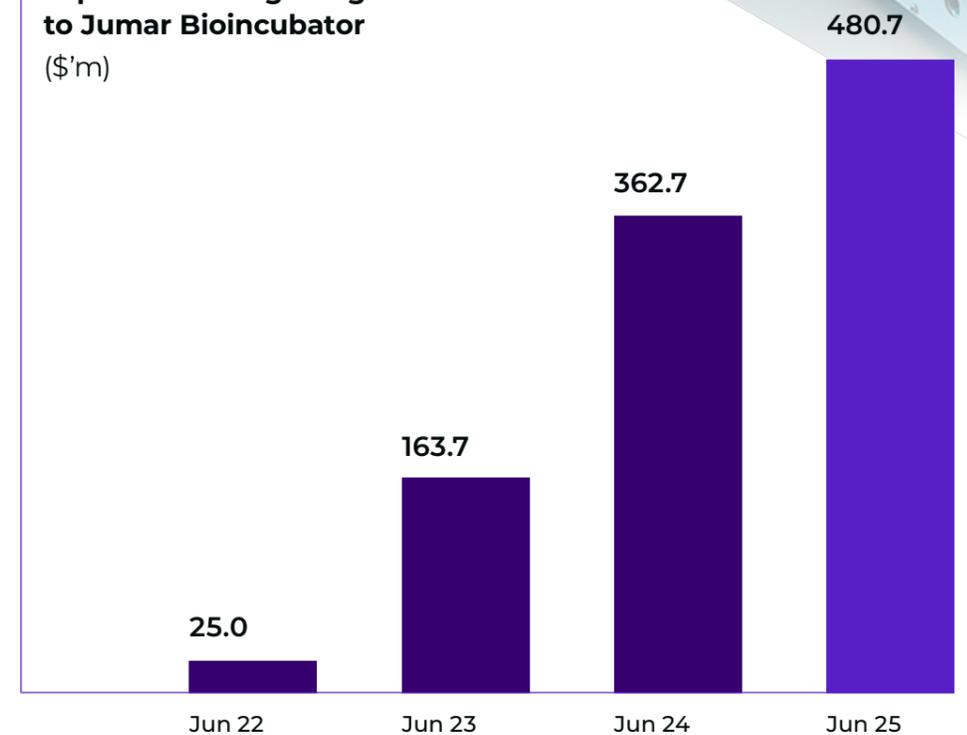
(7.7 co-investors
per investment)

\$1.29b



Growth in committed
capital including the grant
to Jumar Bioincubator

(\$'m)



1:3.21
ratio

Backing Victorian Ideas

2024-2025 Activity



Number of investment opportunities evaluated

436



New investment approvals

22



Value of new investment approvals

\$118m



In 2024, Breakthrough Victoria was responsible for

88%

of Victorian-based investment in early-stage Victorian businesses*

76%

of investment into venture stage businesses*



Fellowship program applicants

59



Fellowship program recipients

3

* EY Parthenon (2025) Fostering the innovation ecosystem: the economic impacts of Breakthrough Victoria's portfolio.

Economic impact of Breakthrough Victoria



Estimated* impact by 2035, contributing up to:

\$5.3b

to the Victorian economy



\$1.7b

in total annual revenue from Breakthrough Victoria's portfolio companies



\$300m

in annual tax revenue across all levels of government



79

patents have been filed by portfolio companies since 2022



83%

of portfolio companies are exporting, or plan to in the next 12 months

* EY Parthenon (2025) Fostering the innovation ecosystem: the economic impacts of Breakthrough Victoria's portfolio.



Message from the Chair

Four years ago, Breakthrough Victoria was an ambitious idea – a bold vision to transform the state’s economy by backing innovation and research commercialisation. Today, it is a fully operational and high-performing Venture Capital investor, delivering on its mission to address market failure in successfully commercialising research and intellectual property, and earning recognition as the largest and most active Venture Capital fund based in Victoria.

In a challenging global environment for Venture Capital – with only 37 per cent of 2019-vintage Venture Capital funds having returned capital – Breakthrough Victoria has emerged as a source of stability and growth. We were designed for the long term, and that’s proving more essential than ever. While traditional capital is retreating from deep tech and other future-focused sectors, Breakthrough Victoria is stepping in with a mission-driven approach and a strategic investment focus aligned with Victoria’s economic priorities.

As we close this financial year, Breakthrough Victoria is proud to report that we have committed just under half a billion dollars in capital and innovation ecosystem investment since our inception in 2021.

This year alone, Breakthrough Victoria has approved 22 investments and committed more than \$118.0 million in new capital – bringing our total investment portfolio to 42 companies; 7 universities within the University Innovation Platform; 6 Funds bringing capital and unique expertise to the Victorian innovation ecosystem; 3 new Fellowships and 1 grant to the Jumar Bioincubator in partnership with CSL, WEHI and the University of Melbourne, alongside operator Cicada Innovations.

Breakthrough Victoria’s investments have attracted over \$1.29 billion in public and private capital alongside our own commitments, which equates to \$3.21 in additional capital for every dollar Breakthrough Victoria commits. These results demonstrate the catalytic role government-backed Venture Capital plays in transforming an economy through investment in innovation.

This year, the Board worked closely with management to refine our strategy and reset our operating model. This work positions Breakthrough Victoria to continue delivering impact and long-term returns for the people of Victoria.

The Board announced refreshed leadership as Breakthrough Victoria entered its next phase – focused on demonstrating and realising the value of the Victorian Government’s foundational role in establishing and supporting Breakthrough Victoria.

We welcomed Rod Bristow as our new CEO in February, bringing global experience in start-ups, Venture Capital and funds management across multiple jurisdictions. This marks a strategic shift toward unlocking the full potential of Breakthrough Victoria’s investment platform and amplifying its impact across Victoria.

We also underwent a period of Board renewal during the year and extend our sincere appreciation to the outgoing Board members whose contributions during Breakthrough Victoria’s formative years helped lay the foundation for a strong and forward-looking organisation. We acknowledge and thank our inaugural CEO Grant Dooley, who through his dedication and leadership was instrumental in shaping Breakthrough Victoria’s early direction.

Finally, I wish to thank my fellow Board Directors for their ongoing commitment and belief in the importance of our mission. With new expertise joining the Board, we are well positioned to build on this momentum – bringing clarity of vision and strategy to deliver meaningful financial and non-financial returns and advancing the government’s goal of transforming the Victorian economy through investment in innovation.



The Hon. John Brumby AO
Chair, Breakthrough Victoria



Message from the CEO

Since inception in 2021, Breakthrough Victoria has committed just under half a billion dollars in capital investment to commercialise research alongside Victoria's leading universities; in specialised Fund Managers bringing unique capability to Victoria; and directly in innovative companies that will over time transform the Victorian economy.

For every dollar Breakthrough Victoria commits, \$3.21 in additional capital is attracted. This is more than financial leverage – it's proof that confidence follows conviction. With an average of 7.7 co-investors per portfolio company, Breakthrough Victoria is crowding in capital from innovative investors at home and abroad, playing a critical role in successfully commercialising intellectual property and building a thriving Victorian innovation ecosystem.

Our approach is already delivering financial and strategic results. Breakthrough Victoria's Internal Rate of Return since inception is tracking ahead of public and private benchmarks – exceeding the ASX Small Ordinaries Index over the same period – and an independent report* found our investments are forecast to contribute up to \$5.3 billion to Victoria's economy by 2035.

These results are underpinned by strong operational performance and disciplined portfolio management, which continued to deliver value despite a year of significant

internal and external change. The financial year delivered a net operating profit of \$0.2 million in a year marked by strategic transformation – including Board renewal, CEO transition and changes in the group funding profile; alongside office relocation, workforce restructuring and IT upgrades.

While non-cash losses from foreign exchange, asset revaluations and disposals reflect temporary market volatility, particularly in the second half of the financial year, they do not impact the company's core financial health and strategic positioning. As of 30 June 2025, 45.5 per cent of the portfolio was held in USD, underscoring Breakthrough Victoria's global investment strategy and exposure to high-growth opportunities.

Despite global fluctuations, the company's fundamentals remain strong:

- Investment value rose 23 per cent to \$321.5 million
- Net assets grew to \$605.2 million, supported by solid performance and healthy reserves.

But Breakthrough Victoria's contribution to Victoria is not just about financial returns. It's about building capability, scaling homegrown ideas and turning research into real-world outcomes. More than 80 per cent of our investee companies are exporting or preparing to export. Nearly 80 patents have been filed in the last 3 years. This is innovation in motion – with Victorian intellectual property at its core. Breakthrough Victoria is catalysing capital, capability and confidence – not just directly into innovative companies, but across the broader innovation ecosystem to achieve its long-term potential.

This year, Breakthrough Victoria has refined its vision and sharpened its investment and management strategy to ensure a clear focus on delivering both financial and non-financial returns. We have strengthened our internal capabilities, matured our systems and deepened our stakeholder relationships. We are building a values-led team, guided by a clear strategy and a long-term view to deliver success.

Breakthrough Victoria is transforming the Victorian economy through investment in innovation and research commercialisation, and we are doing so by backing bold ideas that align with Victorian Government policy priorities. Whether markets are buoyant or uncertain, our investment and operating model is well positioned to continue catalysing and delivering long-term impact for Victoria.

We're proud of the foundation that has been built and the early momentum demonstrated – and energised by the opportunity ahead to realise the value for Victoria of this bold initiative.



Rod Bristow
Chief Executive Officer,
Breakthrough Victoria



* EY Parthenon (2025) Fostering the innovation ecosystem: the economic impacts of Breakthrough Victoria's portfolio.

Our Approach

Harvest B



Our Values

Breakthrough Victoria's values guide every investment decision, ensuring long-term outcomes that align with Victorian Government priorities and benefit the broader community.



Passion

We believe in the importance and potential of Breakthrough Victoria's vision to be a successful investor delivering economic, social and environmental prosperity for Victorians.



Respect

Our culture is built on a foundation of respect, trust and openness. We encourage everyone to demonstrate respect in how they work with one another across the organisation.



Innovation

We take an innovative approach to challenges we face and use this to unlock opportunities.



Integrity

We work with integrity, holding ourselves accountable for our behaviour and helping our co-workers at all times.



Community

We bring people together as part of the Victorian ecosystem of start-ups, companies, investors, researchers and innovators. We work for the good of the community.

Our Portfolio

We back bold, mission-driven companies with breakthrough technologies—providing smart capital and strategic support across the entire investment lifecycle. From early-stage developments to established companies, we support people and innovation with the potential to generate commercial returns and make a positive difference in people’s lives.

Kite Magnetics



Our Portfolio

Priority sectors

Breakthrough Victoria’s investment sectors align with the Victorian Government priorities.



Advanced Manufacturing

Modern manufacturing transforms industries to produce cleaner materials and more efficient processes.



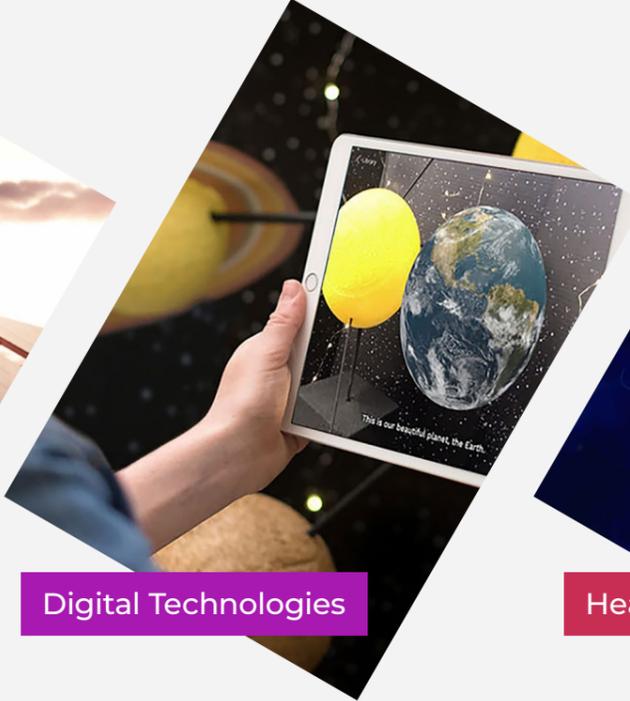
Agri-food

Victoria’s reputation for clean, safe produce helps us to develop, scale and source the next generation of agriculture.



Clean Economy

Our future depends on technologies and innovations that reduce emissions across all sectors.



Digital Technologies

Developments in digital technology support greater innovation, jobs and business growth.



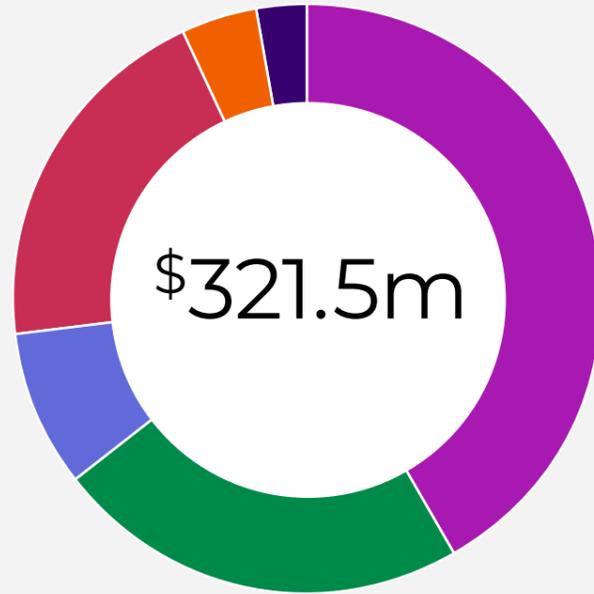
Health & Life Sciences

Victoria is a life sciences hub for research, healthcare and the biotech and medtech sectors.



Our Portfolio

Value of Breakthrough Victoria's paid portfolio by sector*



- Digital Technologies 37.3%
- Clean Economy 20.5%
- Advanced Manufacturing 18.5%
- Health & Life Sciences 17.6%
- Agri-food 3.8%
- Multi-sector 2.4%

* As per Note 4.2b) in the company's Financial Report, the chart represents the value of all investments on the Balance Sheet at 30 June 2025 (taking into account fluctuations in foreign exchange rates).

Our portfolio companies*

 Advanced Manufacturing	Conflux Technology
	EntroMat – with Swinburne University
	Neo-Bionica
	World View
	Xefco
 Agri-food	Eden Brew
	YieldX (formerly Gaia Project Australia) – with La Trobe University Eagle Fund
	Harvest B
	Jupiter Ionics
	Number 8 Bio
	Smart Paddock
	Viridian Renewable Technology
 Clean Economy	Amber Electric
	Bygen
	ElectraLith
	Kite Magnetics
	RayGen Resources
	Samsara Eco
 Digital Technologies	Cadmus
	FLAIM Systems
	Inflection
	JigSpace
	Liquid Instruments
	Millibeam
	Quantum Brilliance
 Health & Life Sciences	Aravax
	Atmo Biosciences
	Cerulea Clinical Trials
	Diag-Nose Medical
	Myostellar – with Monash Ventures Pre-Seed Fund
	Navi Medical Technologies
	Seer Medical**
	Smileyscope
	Umps Health**
	Wavewise Analytics (formerly Cyban)
	Zena Sport

* Companies on the Balance Sheet at 30 June 2025, excluding uncontracted and unpaid investments, and the Jumar Bioincubator grant.

** Portfolio companies across multiple sectors.

Our Portfolio



The following pages list investments announced in 2024-2025, including those that were approved previously.

Cadmus

Announced in 2024-2025 (previously approved)

			\$M
Cadmus (follow-on)		Cadmus is an education software platform used to support learning and assessments, with sophisticated learner analytics that detect the authenticity of students' work, including the use of ChatGPT and other AI platforms.	1.5
Conflux Technology		Conflux Technology combines advanced design capabilities with state-of-the-art manufacturing techniques, offering more efficient and compact solutions for heat exchange challenges across multiple industries. The investment will support new highly skilled jobs in Geelong.	5.0
Number 8 Bio		Number 8 Bio's innovative technology combines cutting-edge metabolic engineering, synthetic biology, and chemistry to develop feed additives that tackle 2 major issues in livestock farming: lowering methane emissions and boosting animal productivity.	1.7
Umps Health		The Umps Health platform uses non-intrusive sensors and AI to monitor older adults at home, providing real-time health insights to care providers and families. This enables early interventions to prevent major health issues.	2.0
Viridian Renewable Technology		Viridian Renewable Technology is a pioneering Melbourne-based company addressing food wastage and creating a circular economy through sustainable insect protein manufacturing.	2.5



Our Portfolio

Approved and announced in 2024-2025

			\$M
Amber Electric (follow-on)		Amber Electric's technology, with application to automated battery systems and electric vehicles, enables customers to optimise electricity usage and reduce costs in real time. The investment will support national and international expansion and additional employment at the company's Melbourne headquarters.	10.0
Bygen (follow-on)		Bygen utilises agricultural waste for the production of activated carbon. Bygen's patented process is a cost-leading (and lower emissions) alternative to energy intensive, coal-powered, steam activation plants. The latest investment supports Bygen's acceleration toward a first-of-a-kind next generation plant to sustain additional manufacturing and market supply.	1.5
Diag-Nose Medical		Diag-Nose Medical is optimising clinical management and drug discovery for chronic respiratory diseases to improve health outcomes for millions of people worldwide. The investment supports new jobs to expand clinical and manufacturing capabilities at the Melbourne facility.	0.8
ElectraLith		ElectraLith is rapidly developing the cleanest, most versatile and cost-effective process to extract and refine lithium, the fundamental element of a sustainable future. Breakthrough Victoria's investment will support rapid scaling of the technology and deployment of 3 pilot plants.	2.0
Harvest B		Harvest B an Australian company pioneering hybrid protein innovation. The investment will support the company's expansion and research and development, creating up to 7 new jobs.	2.0
Quantum Brilliance (follow-on)		Quantum Brilliance's deep tech expertise is building Australia's leadership in deployable quantum diamond devices. Its quantum diamond foundry will accelerate the design and fabrication of quantum diamond devices and support R&D partnerships with Victorian universities. Breakthrough Victoria is investing alongside other experienced deep tech and semiconductor investors.	10.0

Our Portfolio

University Innovation Platform investments approved and announced in 2024-2025

				\$'000
EntroMat			<p>EntroMat creates advanced metal powders with superior mechanical strength, thermal stability, corrosion and wear resistance, and longevity under extreme industrial environments.</p> <p>Breakthrough Victoria is co-investing with Swinburne University.</p>	500
YieldX (formerly GAIA Project Australia)			<p>YieldX specialises in agricultural technology to future-proof food security.</p> <p>Breakthrough Victoria is co-investing with La Trobe University's Eagle Fund.</p>	500
Myostellar			<p>Myostellar has developed a unique macrophage subtype that acts as a muscle stem cell niche through secretion of a key enzyme involved in DNA repair.</p> <p>Breakthrough Victoria is co-investing with Monash Ventures Pre-Seed Fund.</p>	375

Only those new commitments that were paid and announced in 2024-2025 are listed.

A further 5 executed investment commitments from 2024-2025, including follow-on investments in existing portfolio companies, have not yet been announced. Seven of the 2024-2025 commitments are also yet to close. Further information on our announced investments can be found at: [Our Investments | Breakthrough Victoria](#).



Monash Ventures Pre-Seed Fund Launch

Our Portfolio

Budget performance measure

Breakthrough Victoria had a State Budget performance measure of supporting 10 companies or consortia over the 2024-2025 financial year. Breakthrough Victoria exceeded this target with 22 new commitments made, including 5 follow-on investment commitments.

Victorian budget 2024-2025	2024-2025 Outcome	2024-2025 Target	Percent of target achieved
Companies and consortia supported by the Breakthrough Victoria Fund	22	10	220%



Conflux Technology

Investing in Venture Capital funds

Breakthrough Victoria has a pivotal role in transforming the Victorian economy by building the state's capital and innovation ecosystem. Investing in Venture Capital funds allows us to broaden our impact, attracting respected partners to elevate investment in Victoria.

These partnerships bring more than capital, adding vital industry expertise that is needed by early-stage Victorian companies to scale their businesses, target new markets and build skilled workforces.

Consistent with the Victorian Government's 2024 *Economic Growth Statement*, this approach solidifies Breakthrough Victoria as a cornerstone of the Victorian innovation ecosystem, supporting all stakeholders and ensuring innovative companies in Victoria have the capital they need to stay, grow and fuel economic growth for the state.

This initiative adds 5 funds to Breakthrough Victoria's existing fund investment portfolio of Tin Alley Ventures and the University of Melbourne Genesis Pre-Seed Fund aligned with our University Innovation Platform partnerships.



FLAIM Systems

Our Portfolio

University Innovation Platform

The Breakthrough Victoria University Innovation Platform (BV UIP) is an initiative designed to enhance the commercialisation of research from Victorian universities.

BV UIP aims to bridge the gap between academic research and market-ready innovations by establishing 'matched funding' partnerships with Victorian universities.

Our 7 partnerships include:

- Australian Catholic University
- Deakin University
- La Trobe University
- Monash University
- RMIT
- Swinburne University of Technology
- University of Melbourne

Each partnership will invest in start-up companies spun out of research from the university, with typical pre-seed investments of around \$500,000 each.

Under the partnership agreements, universities can utilise a proportion of the funding on capability building measures, which could include hiring people to identify promising research opportunities and nurturing them to pre-seed investment, or hiring investment analysts to prepare companies for investment committee decisions. These strategies are directed to driving change by building and strengthening professional investment capabilities at universities and achieving a mindset shift toward new opportunities via research commercialisation. As a core part of the BV UIP, these strategies are where Breakthrough Victoria can add impact beyond the capital contribution.

In 2024-2025, Breakthrough Victoria directly contributed \$1.4 million to support capability building at the universities.



YieldX



The 2024-2025 financial year marked a significant milestone in the progress of the BV UIP, with 6 direct investments approved:

- EntroMat* with Swinburne University Pre-Seed Fund
- ExCelligent Dx with La Trobe University Eagle Fund
- Fyton Bio with Monash Ventures Pre-Seed Fund
- YieldX (formerly GAIA Project Australia)* with La Trobe University Eagle Fund
- Myostellar* with Monash Ventures Pre-Seed Fund
- Remagine Labs with Monash Ventures Pre-Seed Fund

* Paid in 2024-2025.

\$119m total value of 7 created Pre-Seed partnerships, including BV UIP contribution of \$59.5 million

\$7.0m



\$9.0m



\$9.0m



\$9.0m



\$9.0m



\$7.5m



\$9.0m



Our Portfolio

Breakthrough Victoria Fellowships

The Breakthrough Victoria Fellowship program is a bold new initiative to develop talent and strengthen Victoria's capacity for commercial translation in the long term. It is designed to address the current market failure in providing entrepreneurial career development experience by offering a paid alternative to academia or corporate pathways for recent graduate and postgraduate students.

Breakthrough Victoria has committed up to \$7.5 million for an ongoing competitive application program that will award \$150,000 investments to cover pre-agreed salary for recent university graduates and fund research commercialisation activities.

Co-investments from universities, medical research institutes and industry partners are strongly encouraged through the Fellowship guidelines. Breakthrough Victoria will also leverage partnerships with universities and research institutes to provide Fellows with access to research facilities, networks of experts as well as mentoring from our existing portfolio companies.

Breakthrough Victoria will use this program to generate immediate benefits for Victoria such as job creation and increased local and international awareness about career possibilities in research commercialisation. The Fellowship program will also drive more effective utilisation of the various entrepreneurial programs offered within the Victorian ecosystem.

Victoria will benefit immediately from the Fellowship program through a larger talent pool of entrepreneurs with experience in new, research-intensive companies.

While company successes through this program will clearly generate economic and productivity gains, even failed enterprises will contribute by developing resilient entrepreneurs that have the requisite skills for success in their next endeavours.



 **59**
Number of applicants

 **16**
Shortlisted

 **3**
Awarded



ExCelligent Dx

Our Portfolio

Breakthrough Victoria Fellows



Michelle Chen
RMIT

With Victoria facing a deepening mental health crisis and wait times stretching for months before individuals can access professional support, Michelle Chen is working on a timely solution. She is developing a video gaming platform that uses 'art therapy' principles to address depression, promote mental wellbeing and provide a creative outlet for self-expression.

Combining her video game industry experience and insights from her PhD research, Michelle aims to help bridge the gap for those waiting for care. She is collaborating closely with Victorian mental health councils and has been featured on ABC News and Channel 7 for her innovative approach.



Mohammad Haft Tananian
Monash University

As IVF success rates in Australia remain around 25 per cent per cycle and costs continue to rise beyond \$10,000 per attempt, Mohammad is developing technology that could transform reproductive medicine accessibility.

He is creating a fluorescent imaging device designed to dramatically improve embryo selection during IVF procedures, with the dual goal of reducing treatment costs and increasing embryos' safety while also enhancing success rates for couples.

Mohammad has a detailed understanding of the competitive landscape and has engaged stakeholders both locally and internationally. The commercialisation plan has been informed by customer engagement and feedback from prospective investors (Monash Ventures Pre-Seed Fund and UniSeed).



Noor E Karishma Shaik
University of Melbourne

Australia has the highest rates of skin cancer in the world, with around 2 in 3 Australians expected to be diagnosed during their lifetime.

Noor is developing a new imaging technique that combines spectroscopy and artificial intelligence to improve both the accuracy and early detection of skin cancer.

Her project has received Australia's Economic Accelerator grant funding (Noor is a lead investigator), as well as proof-of-concept support from the University of Melbourne and MoleMap Australia. Noor has outlined a clear go-to-market strategy and is actively collaborating with medical institutes to further refine her business model.

When we speak with leading global universities and investors, we often hear that some of the most successful founders are fresh graduates – both undergrad and postgrad. But after years immersed in study, many struggle to find the time and resources to turn their ideas into ventures. The Breakthrough Victoria Fellowship bridges that gap, giving recent grads the support they need to bring bold ideas to life. We believe it will spark a powerful new wave of start-ups.

Professor Colin McLeod
Professor and Executive Director of the Melbourne Entrepreneurial Centre at the University of Melbourne (retired June 2025)

This Breakthrough Victoria funding is a critical part of the innovation ecosystem needed to support and nurture university research and entrepreneurial ideas. Having government programs specifically for start-ups and founders underpins the success of any future outcomes.

Dr Alastair Hick
Monash University Chief Commercialisation Officer

The Breakthrough Fellowship Program will bolster co-investment and fast-track research with strong commercial potential. Future founders will have the confidence and financial support to embark on the journey to delivering commercialisation outcomes from their research – transforming ideas and ambition into value, faster.

Dr Werner van der Merwe
Vice President Innovation and Enterprise, Swinburne University

Portfolio Snapshot



YieldX



JigSpace is a cutting-edge augmented reality (AR) company founded and developed by a talented team based in Victoria.

Breakthrough Victoria invested \$4.4 million in JigSpace, leading the \$13.0 million round, joined by Aura Ventures and Anorak Ventures, with follow-on from existing investors including Rampersand, Investible, Vulpes and angel investor Hugh Bickerstaff.



The Investment

Sector	Stage	Investment Vehicle	Breakthrough Victoria Investment
Digital Technologies	Venture Capital	Convertible Note	\$4.5 million

Who is JigSpace?

JigSpace's platform revolutionises how complex products, processes and concepts are communicated, enabling users of any technical level to create and share 3D renders and presentations.

JigSpace has already achieved remarkable success, featuring in 4 Apple keynotes, including Vision Pro. JigSpace is also a pre-installed demo app on iPad and Vision Pro at all Apple store locations, worldwide. In November 2024 JigSpace were announced as a finalist in the Apple App Store Awards, recognising the highest levels of user experience, design and innovation.

This recognition underscores the superior capability of JigSpace's product and team, validating its position as a leader in the AR industry. Notably, the JigSpace app has nearly 100,000 downloads and users have spent more than 24,000 hours viewing Jigs.

While conducting media interviews for the Australian release of the Apple Vision Pro, Apple CEO Tim Cook said the Victorian company was "doing incredible things... something you can't really do on a flat, 2D screen".

The Problem

Computer-aided design and similar formats rely on complex, unwieldy files only suitable for engineers and designers – they cannot effectively communicate products to customers for sales, marketing and training purposes.

The Solution

The proprietary JigSpace platform helps users with any level of technical expertise, create and share 3D renders and presentations. Just as Canva simplified the 2D designing landscape, JigSpace aspires to do the same to 3D visualisation.

Public Benefit

The investment by Breakthrough Victoria in the Melbourne-founded company aims to drive growth in the burgeoning AR market and create up to 40 high skilled jobs by 2028. The company expects to grow to 80 staff by 2030, including technology, product development and core leadership roles.

The Progress

JigSpace is poised to democratise 3D visualisation, with a particular focus on training, sales and marketing in the durable manufacturing sector, a market valued at US\$1.5 trillion. The overall global spatial computing market is projected to grow at a compound annual growth rate of 19 per cent to US\$519.0 billion by 2032.





Breakthrough Victoria invested \$2.0 million in Victorian company, Umps Health, who aim to use sensors and AI to shift from reactive care to proactive care for older Australians.

Breakthrough Victoria joined Intervalley Ventures and existing investors Sprint Ventures, 5Point Foundation Pty Ltd, Agnes Investments Pty Ltd and Cerebral Palsy Alliance.



The Investment

Sector	Stage	Investment Vehicle	Breakthrough Victoria Investment
Health and Life Sciences	Venture Capital	Series A Preference Shares	\$2.0 million

Who Is Umps Health?

Umps Health was founded in 2016 following personal experience from the founder in supporting their older relatives to remain safe and independent at home. The Victorian company's mission is to catalyse the shift from reactive to proactive care, 'adding 1 million years of healthy living at home by 2030'.

Crucially, Umps Health's platform is the product of 6 years of research and development into the application of sensors and AI in aged care. During this time, Umps Health has worked closely with some of the largest aged care providers in Victoria, including Mercy Health, Villa Maria Catholic Homes and Uniting AgeWell to design, develop and validate solutions that can be embedded within the current health and aged care system.

The Problem

By 2026, more than 22 per cent of Australia's population will be over 65 – up from 16 per cent in 2020. This cohort is by far the largest consumer of healthcare services and as Australia ages the demand for care services will dramatically increase.

Australia, like many other countries, is already experiencing a shortage in supply. By 2030, there is predicted to be a shortage of more than 100,000 aged care workers in Australia, and over 10 million globally.

A major factor driving this demand is the over 500,000 potentially preventable hospitalisations among older adults each year, which could be avoided with earlier care.

Major health incidents also result in a loss of independence and autonomy and can be a catalyst for someone moving into an aged care home. The recent Royal Commission into aged care highlights the numerous advantages of aging in place, demonstrating that remaining at home for as long as possible allows older adults to maintain a sense of independence and is associated with many social, emotional and economic benefits.

The Solution

The Umps Health platform, Umps Link, uses non-intrusive sensors and AI to monitor older adults at home, providing real-time health insights to care providers and families. This enables early interventions to prevent major health issues. By delivering proactive care at scale, Umps Health aims to improve health outcomes, ease the burden on family carers and increase capacity in the healthcare and aged care systems.

Public Benefit

Umps Health's Head Office is in Carlton, Victoria, where the company undertakes its hardware, software and AI research and development. The company has plans to create up to 40 jobs over the next 2 years, with more than half of these in highly skilled roles across hardware and software development, artificial intelligence and machine learning.

The Progress

Umps Health is currently expanding its national technical, sales, marketing and operations teams and in 2025 announced that one of Australia's largest health insurers, Bupa Health, had made a strategic investment, which is a huge step forward in their mission to help people remain safe and independent at home.



Breakthrough Victoria invested \$2.0 million in ElectraLith, a Victorian company that is rapidly developing the cleanest, most versatile and most cost-effective process to extract and refine lithium, the fundamental element of a sustainable future.

Breakthrough Victoria joined the Series A round alongside a world-class investor syndicate comprising IP Group, Hostplus, Rio Tinto, Chevron Technology Ventures, Fathom Fund Vista Energy, Marathon Petroleum, In-Q-Tel and Monash University. The round was led by Australian deep tech investment fund Main Sequence.



The Investment

Sector	Stage	Investment Vehicle	Breakthrough Victoria Investment
Clean Economy	Venture Capital	Preference Shares	\$2.0 million

Who Is ElectraLith?

ElectraLith is a Victorian company at the forefront of the rapidly emerging and increasingly important lithium extraction and refining industry. The company has developed a next generation lithium extraction and refining process that, unlike other Direct Lithium Extraction (DLE) methods, requires no water or chemicals and is fully scalable using modular, off-the-shelf equipment. Known as DLE-R, ElectraLith's technology can be powered entirely by renewable energy, further positioning it as the most environmentally friendly and cost-efficient method to produce lithium, the fundamental element of a sustainable future.

The Problem

The global lithium market is expected to grow from \$26.0 billion in 2025 to \$37.0 billion by 2027. However, supply is limited by traditional mining methods like evaporation ponds and hard rock mining, which are inefficient, water-intensive, and environmentally harmful. For instance, producing 1 ton of lithium via evaporation ponds can take over 18 months and 2.2 million litres of water. Hard rock mining also generates carbon emissions and chemical waste.

DLE offers a faster, more efficient, and eco-friendlier alternative, as highlighted by Goldman Sachs (April 27, 2023). Still, DLE requires water, chemicals and a carbon-intensive refining process, often completed in countries like China, adding supply chain complexity.

The Solution

ElectraLith's DLE-R process addresses these issues by offering a breakthrough one-step solution for lithium extraction and refining from any brine source using proprietary membrane technology initially developed at Monash University. Unlike other DLE methods, DLE-R requires no water or harmful chemicals and is fully scalable, using modular, off-the-shelf equipment. Additionally, the technology has the potential to be powered entirely by renewable energy, providing a significant cost advantage to lithium miners.

Public Benefit

The investment in ElectraLith is a testament to Victoria's commitment to driving innovation and sustainability in the resources sector. By supporting the commercialisation of a next-generation technology that eliminates the need for water and harmful chemicals, that can run entirely on renewable energy, and that unlocks otherwise unviable resources, ElectraLith positions Victoria as a leader in the global transition to cleaner energy systems.

The Progress

ElectraLith's initial pilot plants will be manufactured in Victoria through a combination of internal and third-party resources.

ElectraLith's team is rapidly growing and as of May 2025 employs 17 permanent staff and interns from Monash University and the University of Melbourne. These roles span chemical engineering, mechanical engineering, materials science, electrochemistry and business administration.



Breakthrough Victoria invested \$800,000 in Diag-Nose Medical, a Melbourne-based company improving research into drug treatments by monitoring chronic respiratory disease progression, which can potentially improve health outcomes for millions of people worldwide.

Additional funding in the oversubscribed raise came from Radar Ventures, Specialty Physician Associates, Biotech Executives and an international syndicate of physicians.



The Investment

Sector	Stage	Investment Vehicle	Breakthrough Victoria Investment
Health and Life Sciences	Seed	Convertible Note	\$800,000

Who Is Diag-Nose Medical?

Diag-Nose Medical is a Melbourne-based company focused on enhancing research into drug treatments for chronic respiratory diseases (CRDs). Founded in 2020, Diag-Nose Medical is pioneering advancements in respiratory healthcare by focusing on the 'unified airway', the biological relationship between the lungs and nasal passages.

The company is particularly known for its flagship product, RhinoMAP, which employs proprietary protein chemistry and artificial intelligence (AI) to analyse biological subtypes of CRDs. This innovative approach allows for faster and more precise treatment decisions, ultimately reducing costs and improving patient outcomes for millions globally.

The Problem

Chronic respiratory diseases are a significant global health challenge, affecting over 450 million people and resulting in approximately 4 million deaths annually. Current treatment methods exhibit high failure rates, exceeding 30 per cent, often leading to trial-and-error approaches that yield limited efficacy and adverse events. Existing methods for measuring treatment efficacy and disease progression heavily rely on subjective data interpretation from imaging techniques such as X-rays and CT scans, as well as breath analysis and lung sounds. This complexity complicates the understanding of patient outcomes and hinders effective research and development of CRD drugs.

The Solution

Diag-Nose Medical addresses these challenges by utilising a patented nasal swab device to collect samples which are then analysed through the RhinoMAP platform. This AI-powered biomarker analytics tool facilitates drug efficacy measurement, prediction, and long-term diagnostic recommendations. Initially targeting research applications, Diag-Nose Medical aims to lower regulatory barriers while generating essential data for broader use cases, including drug development and patient response prediction. The company has established a robust network of key opinion leaders and early adopters, crucial for its growth as an early stage MedTech entity.

Public Benefit

Thanks to Breakthrough Victoria's investment, Diag-Nose Medical expects to bolster local job creation and expand manufacturing capabilities at its Melbourne facility.

This investment not only aims to enhance the product offerings but also positions Victoria as a leader in the MedTech sector. By fostering innovation in respiratory healthcare, Diag-Nose Medical has the potential to significantly improve health outcomes both locally and globally.

The Progress

Post raising its recent round, Diag-Nose Medical has moved into its new facility at Co-Labs Notting Hill, secured FDA Class I approval for its nasal sampler device and has made its first commercial sale to the University of Florida.



Harvest B[®]

Breakthrough Victoria invested \$2.0 million in Harvest B, an Australian company pioneering hybrid protein innovation. This investment supports the development of clean-label, nutritionally enhanced protein products that are affordable, scalable and better for the environment.

The raise was led by Mandalay VC with support from Alberts Impact Fund and Investible. Other existing investors include Aura Ventures, Woolworths' W23 and Sequoia Capital.



The Investment

Sector	Stage	Investment Vehicle	Breakthrough Victoria Investment
Agri-Food	Venture Capital	Convertible Note	\$2.0 million

Who Is Harvest B?

Harvest B is developing a flexible protein platform that enables a variety of applications – from ingredient solutions to the next generation of high-protein meal components. The company's core product is a patented multi-protein low-moisture extrusion (LME) system that creates textured plant-based proteins which replicate the taste and functionality of traditional meat.

Their proteins, made from Australian plants, enable high-quality, cost-effective and nutritionally enhanced protein options – meeting the evolving demands of food service, manufacturers and consumers alike.

The Problem

Global demand for protein is rising rapidly, but traditional meat production is a leading contributor to greenhouse gas emissions, deforestation and resource depletion. At the same time, food manufacturers and food service providers face increasing pressure to deliver affordable, high-quality and nutritionally balanced protein options. Existing plant-based and alternative protein offerings often fall short – either on taste, functionality or scalability – leaving a significant gap in meeting both industry needs and consumer expectations.

The Solution

Harvest B is building a flexible protein platform designed for wide application across food manufacturing and institutional food service. Using its patented multi-protein low-moisture extrusion technology, Harvest B produces proteins that deliver superior taste, functionality and nutritional value.

These solutions provide manufacturers and food service operators with versatile, clean-label and cost-effective ingredients that enhance meals while supporting lower-emission food processing and greater supply chain resilience.

By leveraging locally grown Australian crops like faba beans, Harvest B strengthens national supply chains, advances sustainable advanced manufacturing and positions Victoria as a leader in next-generation protein innovation.

Public Benefit

Victoria is a powerhouse in Australia's faba bean industry, producing 180,000 tonnes in the 2024-2025 season – 27 per cent of the nation's total yield. With the Wimmera and Mallee regions providing ideal growing conditions, Harvest B's reliance on locally grown faba beans creates a secure, traceable supply chain for hybrid protein production. The company's expansion into Victoria will also create 5 to 7 full-time jobs, particularly in research and development, as they work alongside their fractionation partner, Essantis Geelong and local pulse growers. Breakthrough Victoria's investment in Harvest B supports regional economic development while reinforcing Victoria's position as a national leader in sustainable food innovation.

How We Invest

Neo-Bionica



How We Invest

Our investment pipeline

During 2024-2025 Breakthrough Victoria implemented an active investment sourcing strategy that complemented Victoria's commercial Venture Capital sector to encourage further co-investment.

Exciting new opportunities have been identified through:

- collaboration with other Venture Capital firms for co-investments
- relationships with academic institutions to understand emerging technologies
- directly engaging companies in our priority sectors
- attending industry events and conferences to solidify our brand within the Victorian ecosystem and build relationships with founders.

This targeted approach maintained the quantity of investment opportunities and ensured that the pipeline included the highest quality opportunities for investment.

Investment strategy overview

By matching internal capabilities and experience with business needs, staff were able to build deeper relationships and apply their expertise to identify and assess new opportunities. As a result, Breakthrough Victoria's collective knowledge and capability in target sectors has strengthened.

The opportunity to diversify and increase market coverage was created with the establishment of a \$75.0 million Fund Investment Initiative. Investment has been allocated across focus areas where the Victorian innovation ecosystem will most benefit from the addition of specific Fund Manager expertise: health and life sciences, climate technology, female-founded investment opportunities and pre-seed/seed venture capital investments, including into AI opportunities.

As a cornerstone investor in these Funds, Breakthrough Victoria's investment will 'crowd in' significant private co-investment, creating additional capital that will be invested into the Victorian innovation ecosystem.



How We Invest

Follow-on investments

As an early-stage investor, Breakthrough Victoria plays a catalytic role in bridging the funding gap that many companies face during the critical “valley of death” between prototype and market. Our involvement signals ‘smart money’ to the broader investment community – giving confidence to other Venture Capital funds and strategic partners that the opportunity has been rigorously assessed and backed by a long-term, committed investor. With the potential for follow-on investment, we provide founders not just with initial capital, but with sustained support through key growth milestones, allowing them to focus on scaling their technology with the assurance of a strategic partner behind them.

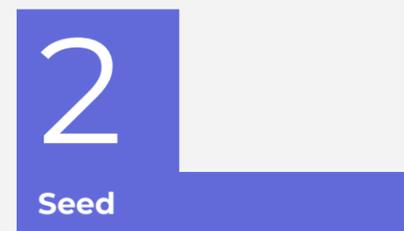
We approach follow-on investments with the same discipline as our initial commitments – reassessing the original investment thesis, reviewing progress against milestones and conducting rigorous financial and commercial due diligence.

Our value goes beyond capital. Breakthrough Victoria actively supports portfolio companies with targeted, high-impact guidance – connecting them to the right technical, regulatory and commercial expertise, both nationally and internationally. We monitor progress closely and work side-by-side with founders to prepare for future funding rounds, with a focus on the 3 Cs: Capital, Capability and Customers.

End-to-end investor lifecycle



R+D, product development and commercial strategy



Early capital raising for initial commercialisation



Launch and start generating revenue in first market



Increase customers and sales while optimising product



Established customer base, add new markets

Valley of Death

Post-launch, many businesses struggle to make a profit

Creating Value

Founders Day 2024



Creating Value

As the most active Venture Capital investor in Victoria in 2024*, we attract other investors to the state. We use this opportunity to share our learnings and engage with investors and capital providers in the innovation ecosystem to join efforts, streamline approaches and ultimately have a greater collective impact.

As a government-backed investor with a mandate to commercialise innovation and drive long-term economic transformation, Breakthrough Victoria brings a unique set of capabilities unmatched by traditional Venture Capital firms in Australia. We are uniquely positioned to offer post-investment support designed to unlock valuation inflection points for our portfolio companies by accelerating access to capital, customers and capabilities.

Where appropriate, our approach extends to supporting portfolio companies with access to experienced Board Members or observers, enabling us to offer strategic input and maintain visibility of key developments.

We also help our companies navigate the broader Victorian innovation ecosystem. This includes connecting with potential partners, co-investors, customers and sector-specific experts to support commercialisation and scale. These post-investment processes are a core part of how we help turn breakthrough ideas into enduring benefit for Victoria.

Breakthrough Victoria's unique approach to creating value within the portfolio extends to our focus on successfully exiting investments. As the portfolio matures, delivering successful exits for the benefit of all Victorians will become an increasingly prevalent part of the Breakthrough Victoria model.

* EY Parthenon (2025) Fostering the innovation ecosystem: the economic impacts of Breakthrough Victoria's portfolio.

Founders Day 2024



Creating Value

Enhancing public benefit

We intentionally seek investments that make positive contributions to Victoria and Victorians. We achieve this by investing in innovations with the potential to increase productivity and competitiveness, create new highly-skilled jobs, and achieve environmental and social outcomes.



Breakthrough Victoria has committed not to invest in organisations with activities known to have a significant negative impact on people and the planet.

Our approach to increasing public benefit is guided by Breakthrough Victoria's Impact Management Framework that leverages global best practice in responsible investment and impact creation. This includes alignment to the United Nations' Sustainable Development Goals (UN SDGs) and upholding the United Nations Principles for Responsible Investment (UN PRI) of which Breakthrough Victoria is a signatory.

UN PRI is the world's leading proponent of responsible investment. The principles act in the long-term interest of its signatories, financial markets, global economies and ultimately, the environment and society. Breakthrough Victoria became a signatory to the PRI in July 2023 and abides by its 6 principles.

100%

of our portfolio companies are aligned to SDGs 8 and 9.



our portfolio companies are contributing to other key goals including Goal 3, Goal 12 and Goal 13.

Alignment with SDGs is a growing trend for Venture Capital and Private Equity seeking to optimise the impact of their investments towards sustainable and socially beneficial outcomes.

Breakthrough Victoria actively works with our portfolio companies to understand, map and measure their impact, including their contribution to SDGs.

At Breakthrough Victoria, environmental, social and governance (ESG) benefits to Victoria are a key consideration, alongside financial returns, in our investment cycle.

And there are significant commercial benefits for companies to embed sustainability considerations across their operations and product design.

A 2024 survey involving investors globally highlighted that 55 per cent of investors would pay a premium for companies with high ESG maturity and that 80 per cent consider ESG in their mergers and acquisitions (M&A) agenda*.

* KPMG International (2024) Global ESG due diligence+ study 2024. Available at: <https://kpmg.com/xx/en/our-insights/esg/global-esg-due-diligence-study-2024.html> (accessed: 9 February 2025).

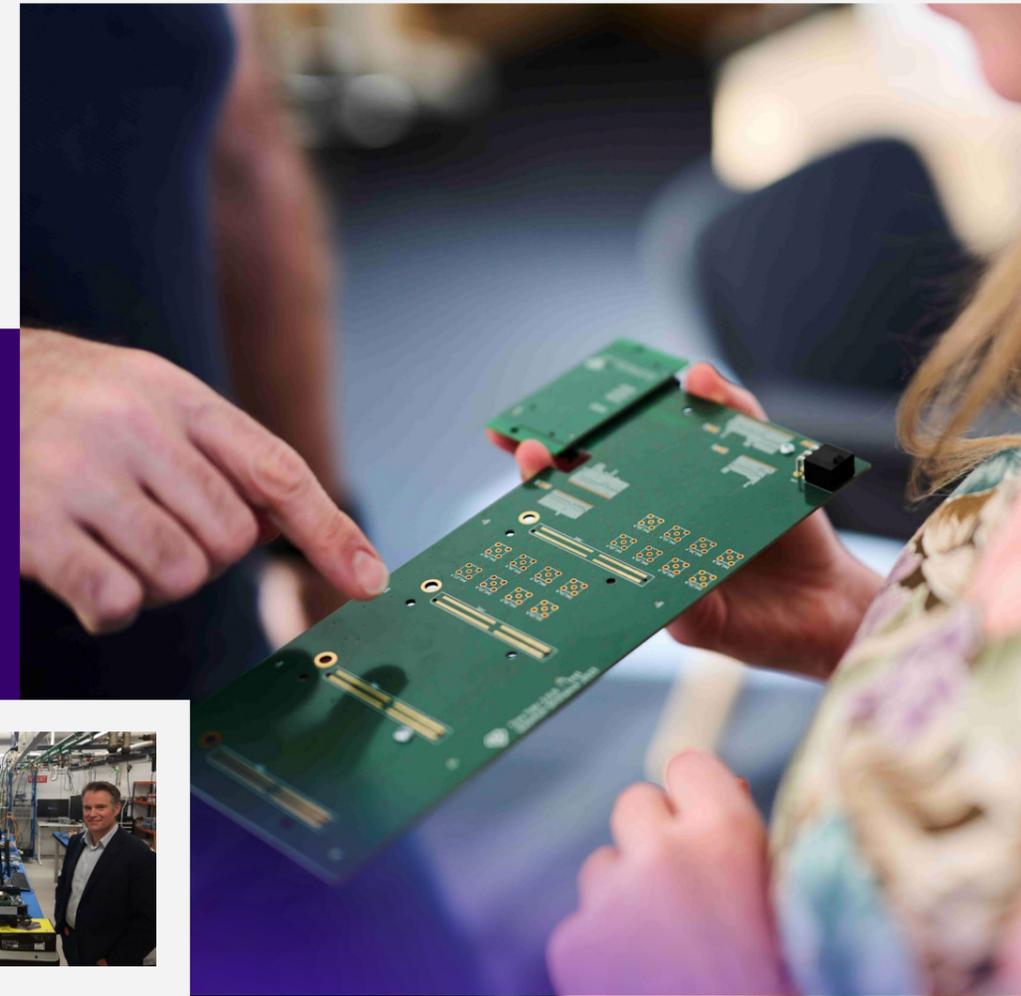


Portfolio Progress

Harvest B



A follow-on investment from Breakthrough Victoria in quantum technology company Quantum Brilliance (QB) will see Victoria become a global hub, positioning Australia as the world leader in mass deployable quantum diamond devices enabled by the creation of the world's leading quantum diamond foundry.



The Investment

Sector	Stage	Investment Vehicle	Value
Digital Technologies	Venture Capital	Preference Shares	\$10.0 million

September

- Awarded \$20.0m German contract to build a mobile quantum computer by 2027.
- Partners with Oak Ridge National Laboratory.



2023

March

- Breakthrough Victoria announces an initial investment in QB.



November

- Partners with the UK-based Science and Technology Facilities Council.



2024

November

- Announces first purchase of a room-temperature Quantum Accelerator in Europe, powered by NVIDIA CUDA-Q.



December

- Breakthrough Victoria invests \$10.0m follow-on in Series A round alongside the National Reconstruction Fund to establish the world's leading diamond quantum foundry.



Mass-deployable.

2025

May

- Took up residence at CoLabs offices in Notting Hill.
- Selected for the Tokyo Metropolitan Government's "Program to Attract Overseas Companies to Japan in Collaboration with Financial Institutions" with the support of Kiraboshi Bank.



Amber Electric is a Victorian technology company that has developed proprietary software and advanced algorithms allowing Australians to optimise their energy usage and lower household bills.

Since Breakthrough Victoria's first investment Amber Electric has become the largest residential battery automation product in the market. With 40 per cent of Australia's new automated home batteries now taking advantage of Amber Electric's service, the company is showing how everyday households can take charge of their energy use and make money in the process.



The Investment

Sector	Stage	Investment Vehicle	Value
Clean Economy/Digital Technologies	Growth Capital	Preference Shares	\$10.0 million

2024

July

- Breakthrough Victoria invests \$4.5 million in Amber Electric.
- Expands its team from 80 to 140 people.



August

- Partners with E.ON NEXT to revolutionise energy use in the UK.
- Listed in The Australian's 2024 Top 100 Innovators List.



2025

January

- Acquires Charge HQ to expand EV charging capabilities.



March

- Founders Dan Adams and Christopher Thompson recognised in Business News Australia's Young Entrepreneur of the Year list.



June

- Closes a \$45.0 million funding round led by UK/Europe-based impact investor ETF Partners (The Environmental Technologies Fund), with participation from Square Peg, Gentrack, Rubio Impact Ventures, and Breakthrough Victoria.





RayGen was founded in 2010 consisting of 3 people and a big idea to develop the world's lowest-cost, highest-efficiency solar technology.

By focusing sunlight onto a small area, RayGen's approach to solar captures almost all of the sun's energy as electricity (via high-efficiency solar cells) and heat (via water used to actively cool the solar cells).

By 2019, the market needed bulk storage that could soak up low-value, excess renewable energy. Work began on integrating RayGen's photovoltaic technology with an electro-thermal energy storage solution that would cater to customers day and night.



Completion of Series D

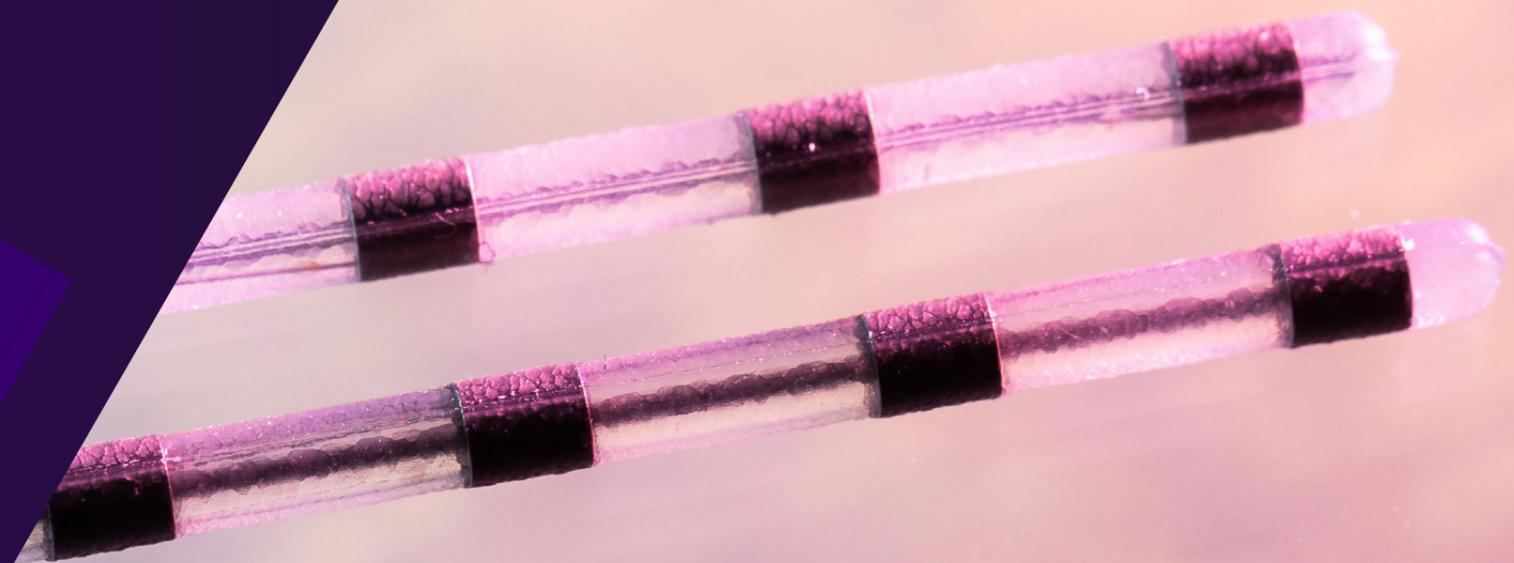
- Completed the \$127.0 million Series D funding round, one of the largest clean energy capital raises in Australian history.

The Investment

Sector	Stage	Investment Vehicle	Value
Clean Economy	Series D	Preference shares	\$20.0 million



Corporate Governance



Neo-Bionica

Corporate Governance

Breakthrough Victoria is a proprietary company limited by shares and incorporated under the *Corporations Act 2001*. The Treasurer of Victoria is the sole shareholder on behalf of the State of Victoria. Breakthrough Victoria is declared a State owned company under the *State Owned Enterprises Act 1992*. The Minister for Economic Growth and Jobs has portfolio responsibility for Breakthrough Victoria as the Relevant Minister.

Breakthrough Victoria is subject to the *Financial Management Act 1994* and the *Public Administration Act 2004*. We are governed by our Constitution. Our purpose is to achieve the objectives outlined in the Statement of Principles issued by the Relevant Minister. As required by our Constitution, a Corporate and Investment Plan is prepared in consultation with the Premier and Treasurer that guides Breakthrough Victoria's investment and corporate activities over a 4-year period.

Breakthrough Victoria interacts with a wide range of government entities, particularly the Departments of Jobs, Skills, Industry and Regions, and Premier and Cabinet on portfolio matters, and the Department of Treasury and Finance regarding the state government's shareholding in the company.

The company has an independent Board of Directors (appointed by the shareholder after receiving prior written approval by the Relevant Minister). Each director is appointed for a term not exceeding 3 years and is eligible to be reappointed for 2 further 3-year terms.



Board of Directors



The Hon. John Brumby AO
Chair

The Hon. John Brumby AO is an experienced company and not-for-profit Board Director and is well known from his former roles as Premier of Victoria from 2007 to 2010 and Treasurer from 2000 to 2007.

John is chair of a number of for-profit and not-for-profit organisations including Private Healthcare Australia, the Fred Hollows Foundation (USA and Hong Kong Boards), the Victorian International Education Advisory Council, BioCurate Pty Ltd, the Melbourne Convention and Exhibition Trust and In2science. John was installed as Chancellor of La Trobe University in March 2019 and is also a Professor (Honorary) in the Faculty of Business and Economics at the University of Melbourne.

John was awarded an Order of Australia in 2017 for distinguished service to the Parliament of Victoria, to economic management and medical biotechnology innovation, to improved rural and regional infrastructure, and to the community. John is a Fellow of the Australian Institute of Company Directors and a Graduate (Advanced) of the Australian Institute of Superannuation Trustees.



Ms Deirdre Blythe
Director

Deirdre Blythe is an experienced non-executive director, Audit and Risk Committee chair and executive with over 35 years of experience driving performance improvement and effective risk management across the government, commercial and not-for-profit sectors.

With broad expertise in health and life sciences, insurance, and arts and culture she has held executive roles including CEO, COO, CFO, and CRO as well as non-executive roles. A strategic thinker, Deirdre has worked effectively with multiple stakeholders in complex environments, balancing commercial return and sustainability with a values-based approach.

Deirdre has served on boards since 2003. Her current non-executive appointments include the board of Cell Therapies and the Audit & Risk Committee of Melbourne Recital Centre. Previous appointments include the boards of Peter MacCallum Cancer Centre, where she also chaired the Audit & Risk Committee, Ansvr Insurance & BUPA. Deirdre was also a member of the Audit & Risk Committee of the Victorian Department of Jobs, Skills, Industries and Regions (DJSIR).

Deirdre holds a BSc (Hons) in Management Science and is a Fellow of the Institute of Chartered Accountants (FCA) and a Fellow of the Australian Institute of Company Directors (FAICD).



Ms Monique Conheady
Director

Monique Conheady is an accomplished leader in the Clean Economy sector with a degree in environmental engineering from the University of Melbourne and success as a sustainability entrepreneur. Monique has held leadership positions in organisations such as Melbourne Water, Energy Safe Victoria and EPA Victoria, startups like Hysata, JET Charge, Phantm, DC Power Co and Flexicar and investment companies Wavemaker Impact and the Planet Fund.

Monique excels in developing and implementing long-term strategies as she did serving on the Expert Advisory Panel for the Victorian Government's Zero Emissions Vehicle Strategy. She has also contributed to waste reduction and recycling efforts with KeepCup and EPA Victoria.

With experience on numerous board committees, Monique understands the importance of risk management and compliance, setting appropriate risk appetite and implementing mitigation strategies.

In capital markets, Monique has worked on long-term investments and regulatory requirements in the clean economy sector.

Currently she is serving on the boards of Hysata, Melbourne Water, Energy Safe Victoria and JET Charge, with previous experience at EPA Victoria and Commercial Passenger Vehicles.



Dr Joshua Funder
Director

Dr Joshua Funder is founder, CEO and Managing Director of Household Capital. Joshua was a director of Celladon Inc. (NASDAQ: CLDN) and spent over a decade as partner at GBS Ventures Partners and is a longstanding member of the New Zealand national Return on Science biopharmaceutical investment committee.

Joshua has served as chairman and director of US and Australian companies, including Peplin Inc. (ASX: PLI) and Spinifex Pharmaceuticals Inc. and is a winner of the AVCAL early-stage investment award. Joshua previously worked at Infinity Pharmaceuticals Inc. (NASDAQ: INFI) in Boston and at the Boston Consulting Group in San Francisco. Working with the Clinton Foundation HIV/AIDS Initiative, Joshua helped successfully negotiate reduced prices for anti-retroviral medicines and initiate pharmaceutical supplies across eastern and southern Africa.

Joshua is a co-founder and former chairman of Per Capita, an independent progressive policy think tank. Joshua is also author of the novel *Watson's Pier* (MUP 2015) and has a D.Phil in intellectual property for biotechnology from Oxford University where he studied as a Rhodes Scholar.



Mr Mark Johnson
Director

Mark Johnson is a seasoned executive, investor and board director who works at the intersection of strategy, capital and execution. With CEO leadership experience and decades in Venture Capital, he partners with innovative teams and companies to scale across global markets.

Mark has spent the past 2 decades working in and with the Venture Capital community in Silicon Valley, delivering results across startups to Fortune 500 companies in the United States, Europe and Asia Pacific. He has served in both operating and board roles for technology companies from pre-funding stages through IPO and acquisition.

Mark was CEO of SkyPilot Networks (acquired by Trilliant), a provider of carrier-class wireless broadband systems, and an Associate Partner at Mobius Venture Capital (SOFTBANK). Earlier in his career, he directed product strategy at Preview Systems, a pioneer in digital rights management and content distribution, and spent a decade at Apple in technical, marketing and international management roles. He has also served as a Venture Partner with Skalata Ventures and Global Entrepreneur in Residence with the University of Melbourne (Melbourne Accelerator Program).

Mark holds a Bachelor's degree from the University of Notre Dame.



Professor Ian Meredith AM
Director

Prof. Ian Meredith is a globally recognised interventional cardiologist, professor of medicine and executive leader in the medtech industry. With more than 6 years on the executive leadership team guiding decisions for the US \$1.0b Boston Scientific internal Venture Capital fund, Ian specialises in life science asset evaluation, diligence, asset management, governance and M&A. Over 30 years, he has merged patient care, clinical research and life science technology to create transformative healthcare solutions.

In 2003 he conceived and lead the development of the Victorian Heart Hospital, Australia's first advanced heart hospital, until joining Boston Scientific Corporation (BSC) in 2017. As a chief or principal investigator on 30+ major international trials, Ian has pioneered numerous cardiovascular treatment paradigms.

In 2023 he retired from the role of Executive Vice President and Global Chief Medical Officer at BSC, a global Fortune 100 company. In that role he led clinical innovation and medical affairs, overseeing 17,000 medical devices, impacting 33 million patients in 130 countries. Currently he serves as a non-executive director for several international and national medtech companies.

Mr Kee Wong
Until 4 July 2024

The Breakthrough Victoria Board

The Breakthrough Victoria Board is responsible for management of the affairs of the company. The Board's role is to provide overall strategic guidance for the company and effective oversight of management. It must ensure that the company fulfils its objectives, functions and activities under the *State Owned Enterprises Act 1992*, the *Financial Management Act 1994*, the *Public Administration Act 2004*, the Constitution and the Statement of Principles.

The directors of Breakthrough Victoria during the reporting period were:

- The Hon. John Brumby AO
- Ms Deirdre Blythe (from 1 August 2024)
- Ms Monique Conheady (from 1 August 2024)
- Dr Joshua Funder
- Mr Mark Johnson
- Prof Ian Meredith AM (from 1 August 2024)
- Mr Kee Wong (until 4 July 2024)

In practice and in accordance with legislation, including as outlined in the Constitution, the Board discharges its responsibilities in several ways, including:

- Appointing the CEO (with approval of the Relevant Minister)
- Setting strategic directions, including through the annual Corporate and Investment Plan which is recommended to the Relevant Minister, Treasurer and Premier
- Oversight of Breakthrough Victoria, including control and accountability systems
- Supervising business and investment performance
- Meeting its reporting obligations to the State of Victoria and reporting on matters requiring the approval of the Relevant Minister, Treasurer or Premier.

The Board has delegated authority to the CEO to manage the business, achieve the company's objectives and perform its functions.

The CEO oversees a team of staff (equal to 30.9 FTE as at 30 June 2025) that work across a range of functions to ensure that Breakthrough Victoria can deliver on its mandate to make Victoria a global leader in innovation.

Director roles on the Board and Board Committees are reported in the table below.

Board Member	Investment Committee	Nominations and Remuneration Committee	Risk, Audit and Finance Committee
The Hon. John Brumby AO (Chair)		Chair	Member
Deirdre Blythe		Member	Chair
Monique Conheady	Member	Member	
Dr Joshua Funder	Member		Member
Mark Johnson	Chair	Member	
Prof Ian Meredith AM	Member		Member
Kee Wong (until 4 July 2024)	Member	Member	

Board Committees

Investment Committee

This Committee assists the Board in fulfilling its responsibilities for investment and divestment decisions, ensuring alignment with the company's Statement of Principles and approved Corporate and Investment Plan. The Committee reviews investment processes and recommendations, provides oversight on investment and divestment decisions, and, where appropriate, refers matters with its advice to the Board for decision.

Risk, Audit and Finance Committee

The role of this Committee is to oversee and review the company's system of reporting regarding all financial information with a view to safeguarding the company's integrity. The Committee oversees and reviews the company's financial and risk management compliance and internal control frameworks. The Committee also monitors the activities and the performance of the external audit function and the internal audit function.

Breakthrough Victoria maintains a robust Risk Management Framework designed to ensure appropriate risk identification, evaluation, treatment, reporting and governance consistent with its risk exposure and Board Risk Appetite.

The Framework and all components within are approved by the Risk, Audit and Finance Committee and the Board, and are aligned with the Victorian Government Risk Management Framework and relevant Australian Standards. The Risk, Audit and Finance Committee considers key risk indicators and strategic risks at each committee meeting.

Nominations and Remuneration Committee

This Committee assists the Board in fulfilling its responsibilities in relation to the size and composition of the Board, reviewing Board performance and making recommendations in relation to Chief Executive Officer (CEO) appointment and succession planning. The Committee assists the Board in fulfilling its responsibilities in overseeing the company's remuneration practices and policies. The Committee also reports to the Board on issues relating to human resource management and the culture of the company.



Directors' Meetings

The number of directors' meetings (including meetings of Board committees of directors) and the number of meetings attended by each of the directors of Breakthrough Victoria during the reporting period are detailed below.

In addition to attending formal board and committee meetings, directors participated in workshops with management to discuss and consider strategic issues. Directors also attended organised visits to portfolio companies.

Board and Board Committee Membership and Attendance 1 July 2024 – 30 June 2025

Board	Appointment date	No. of meetings eligible to attend	No. of meetings attended by director
Hon. John Brumby AO (Chair)	16/03/2021	14	14
Deirdre Blythe	01/08/2024	12	11
Monique Conheady	01/08/2024	12	9
Dr Joshua Funder	01/02/2022	14	13
Mark Johnson	01/02/2022	14	14
Prof Ian Meredith AM	01/08/2024	12	12
Kee Wong*	01/10/2022	1	1

* Ceased as a director 4 July 2024.

Committee title	No. of meetings eligible to attend	No. of meetings attended by director
Investment Committee		
Mark Johnson (Chair)	12	12
Prof Ian Meredith AM [^]	9	8
Monique Conheady [^]	9	7
Dr. Joshua Funder	12	12
Hon. John Brumby AO*	–	9
Deirdre Blythe*	–	4
Kee Wong (until 4 July 2025)	1	–
Risk, Audit and Finance Committee		
Deirdre Blythe (Chair)	4	4
Hon. John Brumby AO	4	3
Prof Ian Meredith AM [^]	4	3
Dr. Joshua Funder	4	4
Mark Johnson*	–	3
Nominations and Remuneration Committee		
Hon. John Brumby AO (Chair)	6	5
Monique Conheady [^]	4	3
Deirdre Blythe [^]	4	4
Mark Johnson	6	6
Kee Wong (until 4 July 2025)	–	–

* Attended the Committee meetings as observers.

[^] Committee membership effective 22 August 2024.

Our Leadership Team



Rod Bristow

Chief Executive Officer

Rod has over 30 years' experience encompassing stockbroking, asset management, wealth management, agribusiness and not-for-profit sectors.

His previous roles include CEO of Sydney and Singapore-based Venture Capital firm Investible, CEO of ASX-listed Clime Investment Management Limited, MD of Infocus Wealth Management Ltd, CEO of environmental NGO Greening Australia and Chief Operating Officer and alternate MD of Australia's largest retail stockbroker, CommSec. He also cofounded a business in the environmental management and carbon offsets space, delivering Queensland's first carbon trade in 2001.

Rod holds a BSc (Forestry) from the ANU and has completed post-graduate studies at the Australian Graduate School of Management and INSEAD.



Lauren Morrey

Chief Operating Officer

Lauren is an accomplished executive, responsible for corporate business functions including finance, corporate risk and compliance, IT systems and services, and people and culture.

She has a successful track record of commercialisation of innovation from her time in the innovation labs of National Australia Bank and Australia and New Zealand Banking Group Limited, and brings extensive leadership experience from across the innovation, banking, start-up and government sectors to ensure our processes, systems and procedures meet the needs of the company's growing and changing operational environment.

Lauren holds a Master of Business Administration (MBA) from Melbourne Business School, an undergraduate degree in applied social science and is a graduate of the Australian Institute of Company Directors (GAICD).



Brett Mitsch

Chief Investment Officer

Brett is responsible for sourcing and investing in later stage investment opportunities, bringing over 30 years' experience in funds management, mergers and acquisitions, sustainability and civil engineering. Having worked in multiple top tier investment banks across the USA and Australia, Brett has also previously set up and run his own consulting firm advising on sustainability and corporate finance.

Brett is the holder of 2 master's degrees (MBA in finance from Melbourne Business School and Engineering Science from Monash University) and an undergraduate honours degree in civil engineering from Monash University.

He is also a Member of the Institution of Engineers, Australia and Australian Institute of Company Directors (GAICD).



Sally McCutchan

Chief Asset Management Officer
Until 13 June 2025

Sally was responsible for Breakthrough Victoria's portfolio management across all 5 priority sectors. Prior to joining Breakthrough Victoria, Sally was a founding partner and the inaugural CEO of Bridges Australia, an affiliate of a global leader in impact investing, Bridges Fund Management.

With extensive experience in finance, funds management and strategy, Sally spent many years working in and understanding Asia Pacific markets in senior roles at Accenture, JP Morgan Investment Management and SBC Warburg (now UBS).

Sally holds a Bachelor of Economics and a Graduate Diploma in Accounting and Finance from Monash University and was recognised in 2020 with an Order of Australia award for her work in ethical investment. She is also a Certified Practising Accountant (CPA) and a member of the Australian Institute of Company Directors (GAICD).



Rosemary Peavey

General Counsel
& Company Secretary

Rosemary is a senior legal and governance executive, predominantly working in the private sector in professional services, engineering and agricultural companies. She has extensive experience in advising the C Suite, boards and board chairs across a broad range of legal, commercial and governance issues. Rosemary graduated in law at Monash University with honours, is a Fellow of the Governance Institute and a Member of the Australian Institute of Company Directors (GAICD).

Grant Dooley

Chief Executive Officer
Until 29 November 2024

Grant commenced as CEO in November 2021 following leadership roles in ARA Infrastructure and Hastings Funds Management.

David Latina

Executive Director,
Strategic Initiatives
Until 10 January 2025

David was the Executive Director, Strategic Initiatives on secondment from the Department of Jobs, Skills, Industry and Regions.

Organisational Structure

The company's transition towards the management of its growing portfolio of assets and deepening its focus and services to support founders and investments in their growth, was delivered through changes to the organisational structure in 2024-2025.

The structure aligns resources under 5 key positions: the Chief Executive Officer, the Chief Investment Officer, the Chief Asset Management Officer, the General Counsel and the Chief Operating Officer.



Diversity, Equity and Inclusion

As part of our existing commitment to gender and diversity measures and practices, our Diversity, Equity and Inclusion (DEI) Action Plan targets 4 key areas: leadership and governance, workplace and culture, gender responsive investment processes, and industry-leading commitment.

Breakthrough Victoria prioritises the health, safety and wellbeing of its people. In 2024-2025, the company looked to existing and new workforce data collected through staff surveys and feedback to identify targeted interventions and actions in building a truly inclusive culture.

Key actions achieved under the Action Plan in 2024-2025 include:

- Appointment of a Convener; new Executive Leadership KPIs relating to DEI; and development of organisational reporting indicators and benchmarks to effectively implement and communicate the Action Plan.
- Expanded demographic data from employees, establishing a baseline of diversity and inclusion from which to build.
- Reviewed position descriptions and job advertisements to identify and remove 'gendered' language to access a wider, more diverse talent pool.
- Commitment to flexibility and hybrid working practices for all roles, along with services and support offered to candidates requiring adjustments during the recruitment and onboarding process.
- Engagement with education partners and search firms committed to building and accessing diverse candidate pools, specifically in the promotion and elevation of women in STEM.

Equity – I am provided the information I need to do my job well	70%
Inclusion – I feel respected at Breakthrough Victoria	70%
Diversity – Breakthrough Victoria values diversity	70%

Workforce Profile

Of the 31 employees at 30 June 2025, Breakthrough Victoria had 12 female and 19 male employees. Of members who sit on the Executive Leadership Team, there are 3 females and 2 males. There was 1 short term contractor at 30 June 2025.

Part time	1
Full time	36
Requested adjustments to work	14 (with 100% satisfaction on subsequent adjustments)

Occupational Health and Safety

Measures	Number over reporting period
Hazards identified	0
Incidents reported	2
Workers' Compensation claims	0

Financial Management Compliance Attestation Statement

Financial Management Compliance Attestation Statement

I, Rod Bristow, on behalf of Breakthrough Victoria Pty Ltd, certify that Breakthrough Victoria Pty Ltd has no Material Compliance Deficiency with respect to the applicable Standing Directions made under the *Financial Management Act 1994* and Instructions.



Rod Bristow
Chief Executive Officer

Financial Summary

Summary of financial performance since inception

Figures in \$'m	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22*
Grant Income	–	–	75.0	60.0
Investment Income	18.0	13.4	8.5	0.1
Grant Expenses**	–	–	(5.0)	(20.0)
Investment Expenses	(1.5)	(1.2)	(1.1)	(0.4)
Other Expenses	(16.3)	(16.5)	(16.1)	(9.3)
Net Result from Operations	0.2	(4.3)	61.3	30.4
Other Economic Flows	(5.9)	1.3	(2.6)	–
Net Result	(5.7)	(3.0)	58.7	30.4
Investments	321.5	261.8	102.5	–
Cash and Cash Equivalents	291.9	274.2	261.1	103.5
Other Assets	2.3	2.2	3.0	3.6
Total Assets	615.7	538.2	366.6	107.1
Total Liabilities	10.3	2.1	2.5	26.7
Net Assets	605.4	536.1	364.1	80.4
Contributed Capital	525.0	450.0	275.0	50.0
Retained Earnings	80.4	86.1	89.1	30.4
Total Equity	605.4	536.1	364.1	80.4
Capital Commitments				
Uncalled	54.9	54.3	25.9	N/A
Approved but not contracted	84.0	24.4	9.2	55.0

* Includes the establishment period of Breakthrough Victoria 1 March 2021 to 30 June 2022.

** Grant Expenses reflect the grants disbursed to Jumar Bioincubator during FY 2021-2022 and FY 2022-2023.

The financial results highlight the strong momentum and strategic progress achieved since the company's inception. Breakthrough Victoria has now committed over \$480 million since 2021, with direct investment commitments to 42 companies; partnerships with 7 universities; 6 Fund investments; 3 Fellowships; and 1 grant to the Jumar Bioincubator.

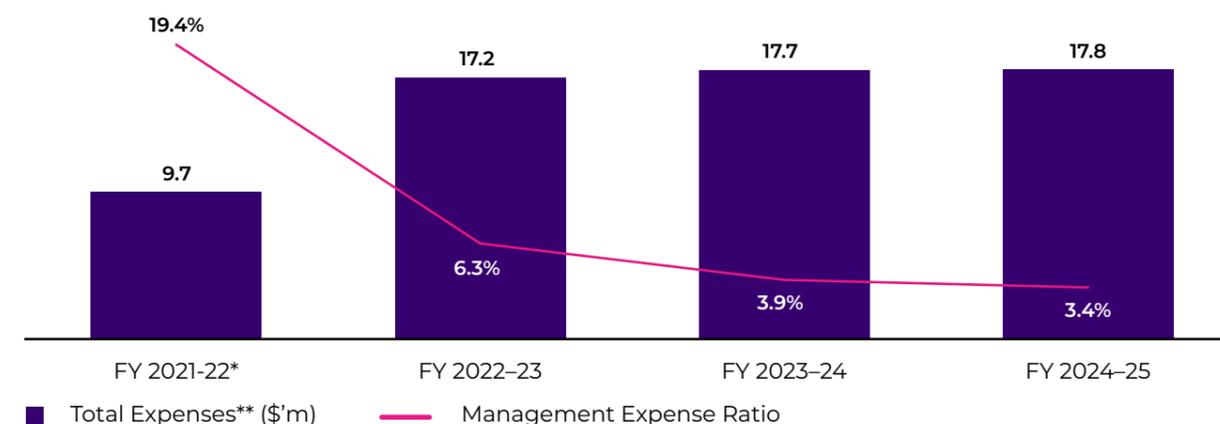
Building on this momentum, the 2024-2025 financial year marked a pivotal year for Breakthrough Victoria, demonstrating the company's resilience and strategic capability in the face of considerable internal and external changes. The company delivered a net operating profit of \$0.2 million. This stands in contrast to the \$4.3 million operating loss in the previous year, highlighting the benefits of a diverse portfolio of investments in Funds and direct investments delivering financial and non-financial benefits for Victoria.

This success was underpinned by:

- Strategic deployment of investment capital
- A commitment to operational excellence
- Disciplined expense management.

These management approaches reflect the effective and forward-thinking use of the initial operating grant, which was strategically invested in building a capable investment and management team, strong operating systems, critical digital infrastructure and sound financial management practices. Importantly, unspent grant funds from earlier periods will continue to be deployed wisely as required to support ongoing operations – ensuring continuity, stability and confidence in the company's long-term sustainability.

Management Expense Ratio



* Includes the establishment period of Breakthrough Victoria 1 March 2021 to 30 June 2022.

** Total Expenses include Investment and Other Expenses, excluding Grant Expenses to Jumar Bioincubator.

Management Expense Ratio is defined as the Total Expenses as a percentage of Assets under Management (i.e., fair value of investments and capital funding available for deployment).

Notably, expense growth continued its downward trend and remained below the Consumer Price Index. Breakthrough Victoria's management expense ratio improved significantly – from 19.4 per cent during the initial setup phase (March 2021 to June 2022), which included all foundational and establishment costs, to just 3.4 per cent in the 2024-2025 financial year. These metrics reflect the company's unwavering focus on efficiency and responsible financial stewardship.

An independent report by EY Parthenon* found that Breakthrough Victoria's investment operations are more efficient than those of other government-backed Venture Capital funds globally. The report highlighted that Breakthrough Victoria's costs – covering due diligence, investment decisions, strategic asset allocation and overheads – indicate a notably lean operational model for a government-supported Venture Capital fund.

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. In the 2024-2025 financial year, these stem from:

- Unrealised changes in the value of investments
- Fluctuations in foreign exchange rates
- The removal of surplus assets following the relocation of office premises.

* EY Parthenon (2025) Fostering the innovation ecosystem: the economic impacts of Breakthrough Victoria's portfolio.

Financial Summary

The foreign exchange gains/(losses), unrealised changes in the value of investments, and gains/(losses) on disposal of assets are non-cash in nature. During the 2024-2025 financial year, Breakthrough Victoria matured its investment operations to record both increases and decreases in the valuation of portfolio investments, consistent with the inherent characteristics of Venture Capital investing. These valuations remain unrealised and are influenced by several dynamic factors, including long-term performance and viability of portfolio companies, subsequent funding requirements and evolving market conditions. Additionally, as of 30 June 2025, 45.5 per cent of Breakthrough Victoria's total portfolio was held in USD being subject to market volatility and currency movements. This reflects Breakthrough Victoria's global investment outlook and strategic diversification.

While this international exposure offers access to high-growth opportunities, it also means Breakthrough Victoria is not immune to global market fluctuations, including the enhanced currency volatility and macroeconomic shifts observed in the second half of the 2024-2025 financial year. Breakthrough Victoria continues to monitor global markets closely and actively manages its portfolio to mitigate risks and maintain resilience in a dynamic economic environment. As these factors stabilise over time, the associated losses are expected to reverse or diminish. Importantly, the company's core financial health remains strong, with day-to-day operations and cost management unaffected by these transitory accounting effects and fluctuating global market conditions.

The positive net operating result for the 2024-2025 financial year, coupled with improved cost efficiency and strategic execution, positions the company strongly for sustainable growth and long-term impact.

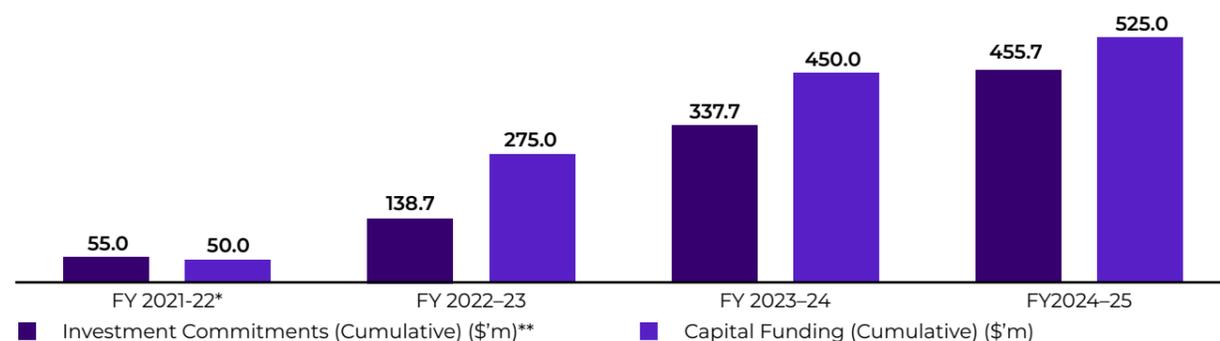
Net assets also grew to \$605.4 million, driven by solid investment performance and a healthy cash reserve.

The company's cash balance of \$291.9 million includes:

- \$75.1 million in unutilised operating grant funds from prior years, designated to support Breakthrough Victoria's ongoing operational expenditures in the future;
- \$138.9 million in capital funds for investments already approved by the Board, including uncalled capital of \$54.9 million, which will be deployed over next few years; and
- \$70.4 million in new capital funding received from the State in 2024-2025. This amount is available for new and follow-on investments.

These funds are carefully managed to ensure stability and support future growth.

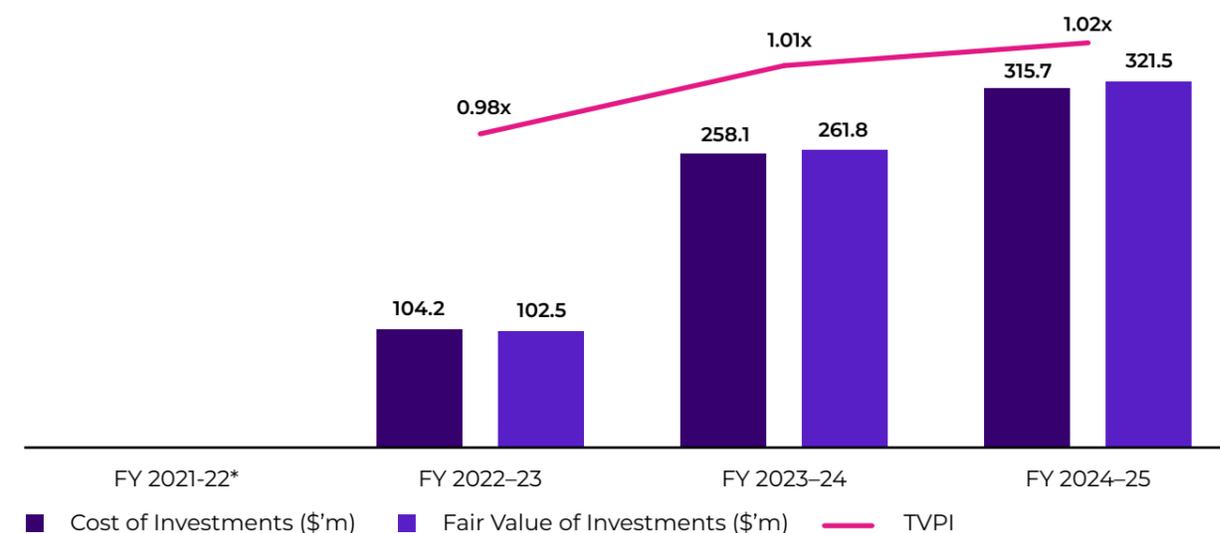
Investment Commitments



* Includes the establishment period of Breakthrough Victoria 1 March 2021 to 30 June 2022.

** Investment commitments represent all Board-approved commitments since inception as of 30 June 2025, including University Innovation Platform funds, Fellowship Program and allocation of investment in Funds, but excluding the \$25.0 million grant to Jumar Bioincubator and conversion of interest on the convertible notes to equity of \$6.8 million in the 2024-2025 financial year.

Investment Performance



* Includes the establishment period of Breakthrough Victoria 1 March 2021 to 30 June 2022.

Breakthrough Victoria's financial position as at 30 June 2025 reflects strong and steady growth, reinforcing confidence in its long-term investment strategy. Over the past year, the value of investments rose by 23 per cent, reaching \$321.5 million. Breakthrough Victoria's investment portfolio valuation is higher than the cost of investments paid, as evidenced by the Total Value to Paid-In (TVPI) capital of 1.02x, increasing from 0.98x in 2022-2023.

Subsequent Events

During the 2024-2025 financial year, Seer Medical Pty Ltd entered voluntary administration following the withdrawal of its product from both the Australian and US markets. A Deed of Company Administration (DOCA) was approved and progressed. Subsequent to 30 June 2025, in accordance with the DOCA terms, a new company Seer Australia Pty Ltd acquired the assets from Seer Medical Pty Ltd. The transfer of assets enabled continuity of the business. Breakthrough Victoria retains 25 per cent equity in the new company on a fully diluted basis.

A temporary increase in assets and liabilities was recorded due to a \$7.5 million GST payment by the Department of Jobs, Skills, Industry and Regions on 30 June 2025. This amount was promptly repaid after the financial year ended and had no lasting impact on the company's financial health.

Directors' Report

The directors present their report together with the annual financial report of Breakthrough Victoria for the period 1 July 2024 to 30 June 2025 and the independent auditor's report.

Principal activities

The principal activities during the reporting period of Breakthrough Victoria were to:

- Invest in innovation to generate jobs, increase the rate of commercialisation, deliver financial returns, and generate economic growth and prosperity in Victoria.
- Develop the commercial potential of innovations across 5 priority sectors of advanced manufacturing, agri-food, clean economy, digital technology, and health and life sciences.
- Forge partnerships with investors, companies, start-ups, research institutions and governments to commercialise and accelerate ideas and innovations to market.

Financial performance

A detailed review of financial results is provided in the Financial Report. The net result for Breakthrough Victoria for the reporting period was a loss of \$5.685 million.

Operational performance

A comprehensive review of operations is provided in the preceding sections of the Annual Report.

Dividends

The directors have neither declared nor recommended a dividend and no dividend has been paid for the reporting period ended 30 June 2025.

Impact of legislation and other external requirements

In addition to the *Corporations Act 2001*, Breakthrough Victoria is required to comply with additional legislation, detailed in the Corporate Compliance section of the Annual Report. This legislative framework reflects Breakthrough Victoria as a State owned entity of Victoria.

Directors' interests

No director holds an interest in any shares in Breakthrough Victoria. The sole beneficial shareholder is the Treasurer of the State of Victoria.

Indemnification and insurance of officers and auditors

The company has not, during or since the reporting period, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of Breakthrough Victoria against a liability incurred.

Non-audit services

As required, the Victorian Auditor-General's Office has not performed any services for the company other than the audit and review of the annual financial report.

Proceedings on behalf of the company

No person has applied to the Court under Section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's independence declaration

The auditor's independence declaration is included in the Financial Report.

This Directors' Report is made out in accordance with a resolution of the directors.



The Hon. John Brumby AO
Director

21 August 2025



Deirdre Blythe
Director

21 August 2025

Annual Financial Report

For the reporting period 1 July 2024 to 30 June 2025

Breakthrough Victoria Pty Ltd has presented its audited general purpose annual financial report for the reporting period 1 July 2024 to 30 June 2025 in the following structure to provide users with information about Breakthrough Victoria's stewardship of resources entrusted to it.

Directors' declaration

In the opinion of the directors of Breakthrough Victoria Pty Ltd (the company):

1. The annual financial report and notes are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its performance for the financial year ended 30 June 2025, and
 - (b) complying with the Australian Accounting Standards (including the Australian Standards of Interpretations) and the *Corporations Regulations 2001*.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. At the time of signing, we are not aware of any circumstance which would make any particulars included in the annual financial report misleading or inaccurate.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

We authorise the attached annual financial report for issue on 21 August 2025.



The Hon. John Brumby AO

Director

21 August 2025



Deirdre Blythe

Director

21 August 2025



Auditor-General's Independence Declaration

To the Directors, Breakthrough Victoria Pty Ltd

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

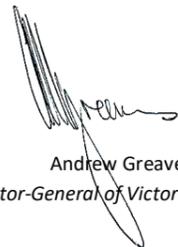
Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for Breakthrough Victoria Pty Ltd for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit.
- no contraventions of any applicable code of professional conduct in relation to the audit.

MELBOURNE
26 August 2025



Andrew Greaves
Auditor-General of Victoria

Independent Auditor's Report

To the Directors of Breakthrough Victoria Pty Ltd



Opinion I have audited the financial report of Breakthrough Victoria Pty Ltd (the company) which comprises the:

- balance sheet as at 30 June 2025
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including material accounting policy information
- declaration by the Chairperson, Chief Executive Officer and Chief Financial Officer.

In my opinion, the financial report is in accordance with Part 7 of the *Financial Management Act 1994* and the *Corporations Act 2001* including:

- giving a true and fair view of the financial position of the company as at 30 June 2025 and its financial performance and cash flows for the year then ended
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Directors' responsibilities for the financial report The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Financial Management Act 1994* and the *Corporations Act 2001*, and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the company'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 it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian 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 decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, 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 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 company's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors
- conclude on the appropriateness of the Directors' 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 company'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 financial report 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 company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Directors 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 the Directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

MELBOURNE
 26 August 2025



Andrew Greaves
 Auditor-General of Victoria

Financial Report Contents

Breakthrough Victoria presents its audited general purpose financial statements for the year ended 30 June 2025 and provides users with the information about the organisation's stewardship of resources entrusted to it. It is presented in the following structure:

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Comprehensive Operating Statement

For the financial year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Continuing operations			
Income from transactions			
Grant income	2.1	–	–
Investment income	2.2	18,027	13,369
Total income from transactions		18,027	13,369
Expenses from transactions			
Employee expenses	3.3	11,718	12,201
Administration expense	3.1	5,444	4,928
Depreciation and amortisation		633	610
Grant expenses	3.2	–	–
Total expenses from transactions		17,795	17,739
Net result from transactions		232	(4,370)
Other economic flows included in net result			
Net gain/(loss) on financial instruments	7.1	(5,409)	1,328
Net gain/(loss) on non-financial assets	7.1	(508)	–
Total other economic flows included in net result		(5,917)	1,328
Net result		(5,685)	(3,042)
Comprehensive result		(5,685)	(3,042)

Breakthrough Victoria has no other comprehensive income to report for the period ended 30 June 2025.

The Comprehensive Operating Statement should be read in conjunction with the accompanying Notes to the Financial Statements.

Balance Sheet

As at 30 June 2025

	Note	2025 \$'000	2024 \$'000
Assets			
Financial assets			
Cash and cash equivalents	4.1	291,948	274,233
Investments	4.2	321,510	261,799
Statutory receivables and other assets		612	496
Total financial assets		614,070	536,528
Non-financial assets			
Furniture, fittings and equipment	4.3	390	1,076
Right-of-use assets	4.4	1,181	367
Intangible assets		138	215
Total non-financial assets		1,709	1,658
Total assets		615,779	538,186
Liabilities			
Payables	5.1	8,750	1,003
Provisions	3.3	440	460
Lease liability	5.2	1,202	471
Other liabilities		–	180
Total liabilities		10,392	2,114
Net assets		605,387	536,072
Equity			
Contributed capital		525,015	450,015
Retained earnings		80,372	86,057
Net worth		605,387	536,072

The Balance Sheet should be read in conjunction with the accompanying Notes to the Financial Statements.

Statement of Changes in Equity

For the financial year ended 30 June 2025

	Contributed capital \$'000	Accumulated surplus \$'000	Total \$'000
Opening balance at start of period	275,000	89,099	364,099
Net result for the year	–	(3,042)	(3,042)
Contributed capital	175,015	–	175,015
Balance at 30 June 2024	450,015	86,057	536,072
Net result for the year	–	(5,685)	(5,685)
Contributed capital	75,000	–	75,000
Balance at 30 June 2025	525,015	80,372	605,387

The Statement of Changes in Equity should be read in conjunction with the accompanying Notes to the Financial Statements.

Cash Flow Statement

For the financial year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Grant income	2.1	–	–
Interest received	2.2	10,518	9,289
Goods and services tax recovered from the ATO		576	1,040
Payments to suppliers and employees		(17,778)	(17,854)
Overpayment by Government related entity		7,500	–
Payment of grants		–	–
Interest and other finance costs		–	–
Net cash inflows/(outflows) from operating activities	4.1(a)	816	(7,525)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(197)	(71)
Acquisition of intangibles		–	–
Acquisition of investments		(57,611)	(153,850)
Net cash outflows from investing activities		(57,808)	(153,921)
Cash flows from financing activities			
Contributed capital		75,000	175,015
Repayment of principal portion of lease liabilities		(293)	(428)
Net cash inflows from financing activities		74,707	174,587
Increase in cash and cash equivalents			
Cash and cash equivalents at beginning of year		17,715	13,141
		274,233	261,092
Cash and equivalents at end of year	4.1	291,948	274,233

The Cash Flow Statement should be read in conjunction with the accompanying Notes to the Financial Statements.

Notes to the Financial Statements

1. About this report

Breakthrough Victoria Pty Ltd was established to commercialise and accelerate ideas, research and innovations from lab to market. On behalf of Victorian Government, Breakthrough Victoria has a mandate to invest for impact to deliver commercial returns, jobs and economic growth to the State.

Pursuant to section 3, of the *Financial Management Act 1994* (FMA), the Treasurer of Victoria declared that Breakthrough Victoria is a body to which Part 7 of the FMA applies and came into effect on 22 April 2021.

The financial report covers Breakthrough Victoria (the Company) as an individual reporting entity. The company was established on 16 March 2021 under the provisions of the *Corporations Act 2001* and is a State owned company under Part 5 of the *State Owned Enterprises Act 1992*. This financial report is for the financial year ended 30 June 2025, with the comparative year end 30 June 2024.

The company's principal address is Level 2, 31 Queen Street, Melbourne, Victoria, 3000.

1.1 Basis of preparation

The financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money values, except for employee benefits liabilities which are included at present value, and investments and furniture, fittings and equipment which are included at fair value. Historical cost is based on the fair value of the consideration given in exchange for assets.

Accounting policies are selected and applied to the annual financial report in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions and financial consequences of events are reported.

The functional and presentation currency of the Company is the Australian dollar. Amounts are rounded and expressed to the nearest thousand dollars in accordance with Ministerial Directions under the *Financial Management Act 1994*, unless otherwise stated.

In the application of Australian Accounting Standards, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results in future reporting periods may differ from the estimates and assumptions made in this financial report.

Revisions to accounting estimates are recognised in the reporting period in which the estimates are revised and also in future periods that are affected by the revision. Significant judgements, estimates and assumptions made by management are disclosed elsewhere in this financial report.

The Company is exempt from Federal income taxation under section 24AM of the *Income Tax Assessment Act 1936* and is not subject to the National Tax Equivalent Regime (NTER). The Company is liable to pay Fringe Benefits Taxation (FBT) and Goods and Services Taxation (GST). Revenue and expenses are brought to account exclusive of GST. Receivables and payables are stated inclusive of GST. The amounts of GST recoverable from or payable to the Australian Taxation Office are included as part of non-trade receivables and statutory payables. Cash flows which include GST are included in the Cash Flow Statement on a gross basis in accordance with AASB 107 *Statement of Cash Flows*.

1.2 Statement of compliance

The financial report is a general purpose financial report (**Tier 1**) prepared on an accrual basis in accordance with the *Corporations Act 2001*, *Financial Management Act 1994* and applicable Australian Accounting Standards (AAS), which include Interpretations, issued by the Australian Accounting Standards Board (AASB).

For the purposes of compliance with the accounting standards, the Assistant Treasurer has determined that the Company is a not-for-profit entity. The Australian Accounting Standards include requirements that apply specifically to not-for-profit entities that are not consistent with the International Financial Reporting Standard requirements. Consequently, where appropriate, the Company applies those paragraphs. The financial report also complies with relevant Financial Reporting Directions approved by the Assistant Treasurer.

The financial report was authorised for issue by the Board of Directors on 21 August 2025.

Notes to the Financial Statements (continued)

2. Summary of income that funds the delivery of our services

Introduction to this section

Breakthrough Victoria was established to invest for impact and develop commercial potential of innovations.

The Company forges long-term partnerships with investors, companies, start-ups and research organisations to commercialise innovations, create jobs in emerging industries and generate economic growth in Victoria.

This section analyses the financial performance of the Company in delivering on its mandate and the income it receives to fund its operations.

This section contains the following disclosure:

- 2.1 Grant income
- 2.2 Investment income

2.1 Grant income

Income is recognised to the extent it is probable the economic benefits will flow to the Company and the income can be reliably measured. Where applicable, amounts disclosed as income are net of duties and taxes.

Breakthrough Victoria has accounted for funding received from Department of Jobs, Skills, Industry and Regions as either contributed capital or grant income in its financial statements.

The Company's grant income is recognised in accordance with AASB 1058 *Income of Not-for-Profit Entities*. Income from grants have been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants is recognised when the Company has an unconditional right to receive cash which usually coincides with the receipt of cash. No grant income was received during the financial year ending 30 June 2025 (2024: Nil).

2.2 Investment income

	2025 \$'000	2024 \$'000
Investment income		
Interest from investments	7,509	4,080
Interest from bank deposits	10,518	9,289
Total investment income	18,027	13,369

Net investment income

Interest income is recognised on an accrual basis using the effective interest method, which allocates the interest over the relevant period. Fair value movement on investments, both realised and unrealised, are recognised as other economic flows through net result and are disclosed at Note 7.1.

3. The cost of delivering our services

Introduction to this section

This section provides details of expenses incurred by Breakthrough Victoria to support its day-to-day operating activities.

This section contains the following disclosure:

- 3.1 Administration expenses
- 3.2 Grant expenses
- 3.3 Employee benefit expenses

3.1 Administration expenses

Administration expenses generally represent the day-to-day running costs incurred in normal operations and are recognised as an expense in the reporting period in which they are incurred.

	2025 \$'000	2024 \$'000
Professional services	1,417	1,323
Information services	1,018	750
Communication expenses	191	230
Insurance	387	256
Investment expenses	1,504	1,153
Interest expense	29	15
Victorian Auditor-General's financial audit fees	132	127
Other operating	766	1,074
Total administration expenses	5,444	4,928

No remuneration was paid to the Victorian Auditor-General's Office for any other services (2024: Nil).

3.2 Grant expenses

Grants paid as specific purpose grants are paid for a particular purpose and/or have conditions attached regarding their use. Grant expenses are recognised in the reporting period in which they are paid or payable. No specific purpose grants were paid during the financial year ending 30 June 2025 (2024: Nil).

Notes to the Financial Statements (continued)

3.3 Employee benefit expenses

(a) Employee benefits in the Comprehensive Operating Statement

	2025 \$'000	2024 \$'000
Employee benefits		
Salaries and on-costs	9,289	9,820
Defined contribution superannuation expenses	929	968
Leave entitlements	664	790
Termination benefits	836	623
Total employee benefit expenses	11,718	12,201

Employee benefit expenses include all costs related to employment including wages and salaries, superannuation, fringe benefits tax, leave entitlements and WorkCover premiums.

Employees of the Company are entitled to receive superannuation benefits. Breakthrough Victoria contributes superannuation to defined contribution plans and is obligated to pay superannuation contributions as they fall due.

There were no superannuation contributions outstanding at 30 June 2025 (2024: Nil).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Company is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

(b) Employee benefits in the Balance Sheet

A provision is made for employee benefits accruing in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2025 \$'000	2024 \$'000
Current provisions		
Annual Leave and on-costs		
Unconditional and expected to be settled within 12 months	440	460
Total provision for employee benefits	440	460

(c) Reconciliation of movement in provision

	2025 \$'000	2024 \$'000
Opening balance	460	342
Additional provisions recognised	662	793
Reductions arising from payments/other sacrifices of future economic benefits	(682)	(675)
Closing balance	440	460
Current	440	460
Non-current	-	-
Total provision	440	460

Wages and salaries, annual leave and oncosts are recognised as part of the employee benefit provision as current liabilities as the Company does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the Balance Sheet at remuneration rates which are current at the reporting date. As the Company expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts. The annual leave liability is classified as an unconditional current liability and measured at the undiscounted amount expected to be paid, as the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Comprehensive Operating Statement as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

No provision has been made for long service leave in the reporting period (2024: Nil), due to there being a low probability of any employees becoming entitled to long service leave as employment tenures at the end of the reporting period were three years or less (2024: two year or less).

Notes to the Financial Statements (continued)

4. Key assets available to support our delivery

Introduction to this section	This section contains the following disclosure:
This section details the key assets utilised in fulfilling Breakthrough Victoria's objectives and conducting its operations.	<p>4.1 Cash and cash equivalents</p> <p>4.2 Investments</p> <p>4.3 Furniture, fittings and equipment</p> <p>4.4 Right-of-use assets</p>

4.1 Cash and cash equivalents

	2025 \$'000	2024 \$'000
Current		
Operating Funds ^(a)	75,110	82,284
Capital Funds – committed and/or uncontracted ^(b)	138,931	78,688
Capital Funds – available for new and follow-on commitments ^(c)	70,407	113,261
Cash and cash equivalents available to the Company	284,448	274,233
Overpayment from Government related entities ^(d)	7,500	–
Total cash and cash equivalents	291,948	274,233

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less that are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Notes:

- (a) Operating Funds consist of the unspent portion of grant income totalling \$135.0 million received from the Department of Premier and Cabinet during the prior financial periods. These funds are allocated to support the ongoing operating activities of the Company.
- (b) Capital Funds – committed and/or uncontracted comprise uncalled capital commitments of \$54.9 million (2024: \$54.3 million) and Board approved investments of \$84.0 million (2024: \$24.2 million) which had not been contracted as at 30 June 2025 and were still subject to further due diligence processes.
- (c) Capital Funds – available for new and follow-on commitments represent the balance of capital contributions of \$525.0 million received to-date and to be deployed towards new and follow-on commitments.
- (d) As at 30 June 2025, the Company had received overpayment of \$7.5 million relating to GST on capital funding from the Department of Jobs, Skills, Industry and Regions. This overpayment was promptly repaid in July 2025 and therefore Cash and cash equivalents available to the Company net of the repayment were \$284.4 million (2024: \$274.2 million).

(a) Reconciliation of net result to the cash flow from operating activities

	2025 \$'000	2024 \$'000
Net result	(5,685)	(3,042)
Depreciation on furniture, fittings and equipment and right-of-use assets	555	533
Amortisation on intangibles	78	78
Loss on disposal of furniture, fittings and equipment	508	4
Accrued interest expense	29	15
Accrued investment income	(7,510)	(4,080)
Changes in fair values of investments through the Comprehensive Operating Statement	5,409	(1,328)
Changes in operating assets and liabilities		
(Increase)/decrease in receivables	18	502
(Increase)/decrease in prepayments	(133)	(186)
Increase/(decrease) in payables	7,747	(140)
Increase/(decrease) in provisions	(200)	119
Net cash inflows/(outflows) from operating activities	816	(7,525)

4.2 Investments

(a) Investment framework

Breakthrough Victoria's investment activity is undertaken pursuant to the commercial and ethical standards and principles described in the Company's Constitution and Statement of Principles.

Breakthrough Victoria is responsible for setting its investment objectives after considering such matters as capital needs, income and expenditure requirements, future projections of assets and liabilities and risk preferences. The investment strategy is documented in a detailed Investment Plan which is submitted to the Responsible Minister, Treasurer and Premier.

(b) Breakthrough Victoria's investment portfolio

	2025 \$'000	2024 \$'000
Convertible notes	68,969	115,315
Equities and units in trusts	241,108	134,294
Investments accounted for using the equity method	11,433	12,190
Total investments	321,510	261,799
Current	–	–
Non-current	321,510	261,799
Total investments	321,510	261,799

Notes to the Financial Statements (continued)

4.2 Investments (continued)

Breakthrough Victoria has determined that all assets, except for prepaid expenses, statutory receivables and furniture, fittings and equipment, right-of-use assets and intangible assets, are financial assets and are valued at fair value in the Balance Sheet.

Details of the different types of Breakthrough Victoria's investment assets are listed below:

- Equities and unit trusts listed on an organised financial market are initially recognised at cost and subsequently fair value is taken as the quoted bid price of the instrument at the Balance Sheet date.
- Unlisted investments are initially recognised at cost and the subsequent fair value is recorded based on a valuation. Valuations are undertaken consistent with the APRA Prudential Practice Guide SPG531 *Valuations and International Private Equity and Venture Capital Valuation Guidelines* recommended by the Australian Investment Council. Judgement is applied by selecting some of the variables applied in arriving at a valuation. The Company's investments in convertible notes, and equities and unit trusts fall within this asset category.
- Investments accounted for using the equity method are initially recognised at cost in the Balance Sheet and subsequently adjusted for Breakthrough Victoria's share of post-acquisition changes in the net assets of the investee. Distributions received from an investee reduce the carrying amount of the investment. After the application of the equity method, Breakthrough Victoria determines whether it is necessary to recognise any impairment loss with respect to the net investment in associates.

Refer to Note 6.3 for fair value details of the financial instruments.

All purchases and sales of financial assets that require delivery of the asset within the timeframe established by regulation, market convention or contractual agreement are recognised at trade date or the contractually agreed milestone date, being the date on which the Company commits to buy or sell the asset.

Investments are derecognised when the rights to receive future cash flows from the assets have expired, or have been transferred, and the Company has transferred substantially all the risks and rewards of ownership.

Investments are classified as current and non-current in accordance with maturity dates. Investments that are due to mature, expire or be realised within 12 months of the Balance Sheet date are classified as current investments. All equities and units in unit trusts are classified as non-current.

(c) Details of material associates accounted for using equity method

	2025		2024	
	Investment \$'000	Ownership %	Investment \$'000	Ownership %
FLAIM Systems Pty Ltd	3,826	21.4	4,448	21.4
Evolution Trustees Limited as trustee for Genesis Pre-Seed Fund	7,607	50.0	7,742	50.0
Total investments accounted for using the equity method	11,433		12,190	

The following table summarises Breakthrough Victoria's share of the aggregated financial information of the above equity accounted investments. Breakthrough Victoria's share of post-acquisition losses recognised during the reporting period is shown in the Comprehensive Operating Statement as 'Other Economic Flows'.

	2025 \$'000	2024 \$'000
FLAIM Systems Pty Ltd		
Summarised Balance Sheet		
Current assets	959	1,394
Non-current assets	434	788
Current liabilities	(770)	(885)
Non-current liabilities	(44)	(78)
Net Assets	579	1,219
Summarised Statement of Comprehensive Income		
Revenue	1,275	1,160
Net surplus/(deficit)	(622)	(410)
Other comprehensive income	–	–
Total comprehensive result^(a)	(622)	(410)

Notes:

- (a) FLAIM Systems Pty Ltd financial information represents 10 months to 30 March 2025 (2024: 11 months to 31 May 2024). Reliable financial information was not available for quarter ended 30 June 2025, and the audit adjustments for year ending 30 June 2024 are reported in financial year ending 30 June 2025.

	2025 \$'000	2024 \$'000
Evolution Trustees Limited as trustee for Genesis Pre-Seed Fund		
Summarised Balance Sheet		
Current assets	5,809	7,882
Non-current assets	1,945	500
Current liabilities	(147)	(640)
Non-current liabilities	–	–
Net Assets	7,607	7,742
Summarised Statement of Comprehensive Income		
Revenue	211	332
Net surplus/(deficit)	(135)	(308)
Other comprehensive income	–	–
Total comprehensive income^(a)	(135)	(308)

Notes:

- (a) Evolution Trustees Limited as a trustee for Genesis Pre-Seed Fund financial information represents 9 months to 30 March 2025 (2024: incorporation date of 08 June 2023 to 30 June 2024). Reliable financial information was not available for quarter ended 30 June 2025, and the audit adjustments for year ending 31 December 2024 are reported in financial year ending 30 June 2025.

Notes to the Financial Statements (continued)

4.3 Furniture, fittings and equipment

	2025 \$'000	2024 \$'000
Computer equipment	311	383
Accumulated depreciation	(185)	(275)
	126	108
Furniture and fittings	252	260
Accumulated depreciation	(79)	(56)
	173	204
Leasehold improvement	93	1,214
Accumulated depreciation	(2)	(450)
	91	764
Net carrying amount	390	1,076

	Computer equipment \$'000	Furniture and fittings \$'000	Leasehold improve- ments \$'000	Total \$'000
Movement in carrying amounts				
Carrying amount at 1 July 2023	145	232	999	1,376
Additions	68	–	3	71
Disposals	(4)	–	–	(4)
Depreciation expense	(101)	(28)	(238)	(367)
Carrying amount at 30 June 2024	108	204	764	1,076
Additions	104	–	93	197
Disposals	(1)	(5)	(546)	(552)
Depreciation expense	(85)	(26)	(220)	(331)
Carrying amount at 30 June 2025	126	173	91	390

Furniture, fittings and equipment

At initial recognition, furniture, fittings, and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or its estimated useful lives.

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

Typical estimated useful lives for the different asset classes for the reporting periods are below:

Asset class	Useful life
Computer equipment	2 to 4 years
Furniture and fittings	10 years
Leasehold improvements	5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

4.4 Right-of-use assets

	2025 \$'000	2024 \$'000
Right-of-use buildings	1,206	786
Accumulated depreciation	(61)	(463)
Net carrying amount	1,145	323
Right-of-use motor vehicles	54	54
Accumulated depreciation	(18)	(10)
	36	44
Net carrying amount	1,181	367

	Right- of-use buildings \$'000	Right-of- use motor vehicles \$'000	Total \$'000
Movement in carrying amounts			
Carrying amount at 1 July 2023	508	52	560
Additions	–	–	–
Disposals	–	–	–
Lease modification	(27)	–	(27)
Depreciation expense	(158)	(8)	(166)
Carrying amount at 30 June 2024	323	44	367
Additions	1,206	–	1,206
Disposals	(168)	–	(168)
Lease modification	–	–	–
Depreciation expense	(216)	(8)	(224)
Carrying amount at 30 June 2025	1,145	36	1,181

Notes to the Financial Statements (continued)

4.4 Right-of-use assets (continued)

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received
- any initial direct costs incurred
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use assets depreciate on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. Refer to Note 5.2 for further lease details.

5. Other assets and liabilities

Introduction to this section

This section includes other assets and liabilities that are employed by Breakthrough Victoria to support its day-to-day operating activities.

This section contains the following disclosure:

- 5.1 Payables
- 5.2 Lease liability

5.1 Payables

	2025 \$'000	2024 \$'000
Current		
Contractual		
Supplies and services	9	85
Other payables and accrued expenses	8,672	571
Statutory		
Goods and Services Tax and other taxes	69	347
Total payables	8,750	1,003

Payables comprise of:

- Contractual payables (such as accounts payable) are classified as financial instruments and are measured at amortised cost which equates as fair value. Accounts payable represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid
- Statutory payables (such as goods and services tax and fringe benefits tax payable) are recognised and measured similarly to contractual payables but are not classified as financial instruments and are not included in the category of financial liabilities because they do not arise from contracts.

No valuation techniques were used in the fair value measurement of payables. The inputs include the undisputed amounts between counterparties.

Refer to Note 6.2 for the nature and extent of risks arising from contractual payables.

5.2 Lease liability

(a) Lease liabilities for right-of-use assets

	2025 \$'000	2024 \$'000
Lease liability – buildings	1,166	427
Lease liability – motor vehicles	36	44
Total lease liabilities	1,202	471
Current	153	224
Non-current	1,049	247
Total lease liabilities	1,202	471

The Company leased premises for the use of office space. During the year, the Company relocated its principal office resulting in termination of the previous lease contract and agreeing to a new contract. The new lease contract is for a fixed 5-year period subject to further extension based on the agreement between the lessor and tenant. The lease contract specifies base rent of \$352,926 per annum, with an annual incremental increase on each anniversary of the commencement date.

The lease liability is initially measured at the present value of the lease payments at the commencement date, discounted using the Department of Treasury and Finance incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments (including in-substance fixed payments) less any lease incentive receivable
- Variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable under a residual value guarantee
- Payments arising from purchase and termination options reasonably certain to be exercised.

At subsequent measurement, the lease liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Leases are classified as financial instruments. All interest-bearing leases are initially recognised at fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised costs using the effective interest method.

Cash repayments were made during the reporting period as agreed with the lessor, with the amounts were recognised in the Cash Flow Statement during the year. There were no defaults and breaches of any leases.

Notes to the Financial Statements (continued)

5.2 Lease liability (continued)

(b) Amounts recognised in the Comprehensive Operating Statement

	2025 \$'000	2024 \$'000
Interest expense on lease liability – buildings	28	14
Interest expense on lease liability – motor vehicle	1	1
Total amount recognised in the Comprehensive Operating Statement	29	15

Interest expense represents costs incurred in connection with borrowings. It includes the interest component of finance lease repayments. Interest expense is recognised in the period in which it is incurred.

Amounts recognised in the Cash Flow Statement during 30 June 2025 amounted to \$0.3 million (2024: \$0.4 million).

6. Risks and valuation judgements

Introduction to this section

This section provides information on the sources and risks Breakthrough Victoria is exposed to in its operations, including disclosure of balances that are financial instruments and fair values or require valuation judgements.

This section contains the following disclosure:

- 6.1 Financial instruments
- 6.2 Financial risk management
- 6.3 Fair values

Breakthrough Victoria is exposed to risk from its activities and from outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, including exposures to financial risks, and those items that are contingent in nature or require a higher level of judgement to be applied, which for the Company relate mainly to fair value determination.

6.1 Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Company's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

(a) Categories of financial instruments

(i) Financial assets at amortised cost

Financial assets are measured at amortised cost if both of the following criteria are met, and the assets are not designated as fair value through net result:

- The assets are held by the Company to collect the contractual cash flows
- The assets' contractual terms give rise to cash flows that are solely payments of principal and interests

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The Company recognises the following assets in this category:

- Cash and deposits
- Receivables (excluding statutory receivables)
- Certain debt securities

(ii) Financial liabilities at amortised cost

Financial liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

The Company recognises the following liabilities in this category:

- Payables (excluding statutory payables)
- Lease liabilities

(iii) Financial assets and financial liabilities at fair value through net result

Financial assets and liabilities at fair value through net result are categorised as such at trade date, or the contractually agreed milestone date, being the date on which the Company commits to buy or sell the asset, or if they are classified as held for trading or designated as such upon initial recognition.

Financial assets are designated at fair value through net result on the basis that the financial assets form part of a group of financial assets that are managed based on their fair values and have their performance evaluated in accordance with risk management and investment strategies.

Financial liabilities at fair value through net result are initially measured at fair value; attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as other economic flows.

The Company recognises certain unlisted equity instruments and debt securities as fair value through net result in this category.

(iv) Derecognition

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or have been transferred or the Company has transferred substantially all the risks and rewards of ownership.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Notes to the Financial Statements (continued)

6.1 Financial instruments (continued)

The below table shows the categorisation of the Company's financial assets and financial liabilities:

	Financial assets/ (liabilities) at amortised cost \$'000	Financial assets/ (liabilities) at fair value through profit/loss \$'000	Total \$'000
2025			
Contractual financial assets			
Cash and deposits	291,948	–	291,948
Investments	–	310,077	310,077
Receivables ^(a)	26	–	26
Total contractual financial assets	291,974	310,077	602,051
Contractual financial liabilities			
Payables ^(a)	8,681	–	8,681
Lease liabilities	1,202	–	1,202
Total contractual financial liabilities	9,883	–	9,883

Notes:

(a) The carrying amounts disclosed here exclude statutory amounts.

	Financial assets/ (liabilities) at amortised cost \$'000	Financial assets/ (liabilities) at fair value through profit/loss \$'000	Total \$'000
2024			
Contractual financial assets			
Cash and deposits	274,233	–	274,233
Investments	–	249,609	249,609
Receivables ^(a)	15	–	15
Total contractual financial assets	274,248	249,609	523,857
Contractual financial liabilities			
Payables ^(a)	656	–	656
Lease liabilities	471	–	471
Total contractual financial liabilities	1,127	–	1,127

Notes:

(a) The carrying amounts disclosed here exclude statutory amounts.

6.2 Financial risk management

The Company's operating activities expose it to a variety of financial risks including credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed in Note 6.3.

(a) Financial instruments: Credit risk

Credit risk refers to the possibility that a customer or borrower will default on their financial obligations as and when they fall due. The Company's exposure to credit risk arises from the potential default of a counterparty on their contractual obligations resulting in financial loss to the Company. Credit risk is measured at fair value and is monitored on a regular basis.

The Company manages its credit risk by conducting due diligence such as background and credit checks prior to transacting with counterparties. Agreements with counterparties may also provide provisions for an agreement to be reviewed or rescinded upon the occurrence of specified events relating to counterparty credit or liquidity.

In addition, the Company has policies and assessment processes in place to ensure that well-defined documentation underpins each transaction. Exposure is measured on a multi-tiered basis according to factors such as the individual transaction and counterparty total and is monitored by personnel separated from the dealing function. The Company's Asset Management Committee has responsibility for the oversight and management of credit risk of the investment portfolio.

Cash and cash equivalents are held with authorised deposit-taking institutions in Australia.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Company will not be able to collect a receivable, loan or debt instrument. Objective evidence includes financial difficulties of the debtor, default payments, and changes in debtor credit ratings.

At balance date the Company's entire investment portfolio is considered 'Not-Rated' as they are not formally rated with Standard & Poor's credit ratings (2024: Not-Rated).

(b) Financial instruments: Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution (2024: 30 days).

The Company is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the Balance Sheet. The Company manages its liquidity risk through monitoring future cash flows, maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations, careful maturity planning of its financial obligations based on forecasts of future cash flows.

The Company's exposure to liquidity risk is deemed insignificant based on a current assessment of risk and the level of cash available. Cash for unexpected events is generally sourced from cash and cash equivalents.

Notes to the Financial Statements (continued)

6.2 Financial risk management (continued)

(c) Financial instruments: Market risk

The Company's exposures to market risk are primarily through equity price risk, interest rate risk and foreign currency risk. Objectives, policies and processes used to manage each of these risks are disclosed below:

(i) Equity price risk

Exposure to equity price risk arises from investments held at fair value through profit and loss.

At reporting date, if equity valuation prices had been 10% higher or lower and assuming that the change takes place at the beginning of the financial year and remains constant to the Balance Sheet date, the Company's net profit and equity would increase or decrease by \$23.9 million (2024: \$13.3 million).

(ii) Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company does not hold any interest-bearing financial instruments that are measured at fair value and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has minimal exposure to cash flow interest rate risks through cash and deposits that are held at floating rates.

Management has concluded for cash at bank, it is appropriate for this to be left at a floating rate without necessarily exposing the Company to significant risk.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the Company's sensitivity to interest rate risk are set out as follows:

	2025			2024		
	Weighted average interest rate %	Fixed rate \$'000	Variable rate \$'000	Weighted average interest rate %	Fixed rate \$'000	Variable rate \$'000
Financial assets						
Cash at bank	4.38	–	291,948	4.43	–	274,233
Investments	10.65	–	68,969	6.56	–	115,315
Total financial assets			360,917			389,548
Financial liabilities						
Lease liabilities	5.03	1,202	–	3.80	471	–
Total financial liabilities		1,202	–		471	–

Interest rate risk sensitivity of a 1.0% movement in interest rates with all other variables held constant on the Company's net result.

	2025		2024	
	1% decrease \$'000	1% increase \$'000	1% decrease \$'000	1% increase \$'000
Impact on net result and equity from a movement in interest rates				
Financial assets				
Cash and deposits	(2,919)	2,919	(2,742)	2,742
Investments	(690)	690	(1,153)	1,153
Total impact	(3,609)	3,609	(3,895)	3,895

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange rate risk through its investments which are denominated in foreign currencies.

The foreign currency risk disclosure has been prepared on the basis of the Company's direct investments and not on a look through basis for investments held indirectly through unit trusts. Consequently, the disclosure of currency risk may not represent the true currency risk profile of Breakthrough Victoria where the unit trust has significant investments which has exposure to the currency markets.

	2025 \$'000	2024 \$'000
Impact on comprehensive result and equity from a movement in foreign exchange rates		
10% decrease	13,875	12,796
10% increase	(11,352)	(10,469)

Foreign currency translation

Transactions denominated in foreign currency are converted at exchange rates on the dates of the respective transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities measured at fair value are recognised in the Comprehensive Operating Statement net result.

Foreign monetary assets and liabilities existing at the end of the reporting period are translated at exchange rates at the Balance Sheet date. Unrealised gains and losses are reflected in the Comprehensive Operating Statement in the year in which they are earned or incurred.

Notes to the Financial Statements (continued)

6.3 Fair values

Fair value determination requires judgement and the use of assumptions. Changes to assumptions could have a material impact on the results and financial position of the Company.

(a) Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes. The Company's accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities in accordance with the requirements of AASB 13 *Fair Value Measurement*.

In determining fair value, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – valuation techniques for which the input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – valuation techniques for which the input that is significant to the fair value measurement is unobservable.

The Company currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value, due to their short-term nature or with the expectation that they will be paid in full by the end of the reporting period. These financial instruments include:

Financial assets	Financial liabilities
Cash and deposits	Payables
Receivables	<ul style="list-style-type: none"> • For supplies and services • Other payables
<ul style="list-style-type: none"> • Accrued investment income • Other receivables • Other financial assets 	Borrowings <ul style="list-style-type: none"> • Lease liabilities

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, the Company determines whether transfers have occurred between the different levels in the fair value hierarchy by reviewing the categorisation at the end of each financial year.

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2025					
Financial assets					
Cash and deposits	4.1	291,948	–	–	291,948
Investments		–	–	310,077	310,077
Receivables ^(a)		–	26	–	26
Total financial assets		291,948	26	310,077	602,051
Financial liabilities					
Payables ^(a)	5.1	–	8,681	–	8,681
Lease liabilities	5.2	–	–	1,202	1,202
Total financial liabilities		–	8,681	1,202	9,883

Notes:

(a) The carrying amounts disclosed here exclude statutory amounts.

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2024					
Financial assets					
Cash and deposits	4.1	274,233	–	–	274,233
Investments		–	–	249,609	249,609
Receivables ^(a)		–	15	–	15
Total financial assets		274,233	15	249,609	523,857
Financial liabilities					
Payables ^(a)	5.1	–	656	–	656
Lease liabilities	5.2	–	–	471	471
Total financial liabilities		–	656	471	1,127

Notes:

(a) The carrying amounts disclosed here exclude statutory amounts.

Reconciliation of Level 3 fair value measurements of financial assets

During the current reporting period there were no (2024: Nil) transfers from Level 2 to Level 3 based on management's reassessment of the significance of unobservable valuation inputs that had been used to derive the fair value of those investments.

	2025 \$'000	2024 \$'000
Level 3 fair value hierarchy reconciliation of investments		
Balance at the start of period	249,609	89,490
Acquisitions	57,611	153,850
Gains/(losses) credited/(debited) to income	7,509	4,080
Gains/(losses) on changes in fair value	(4,652)	2,189
Balance at the end of period	310,077	249,609

Notes to the Financial Statements (continued)

6.3 Fair values (continued)

Key inputs and assumptions subject to estimation uncertainty

Where valuation techniques including discounted cash flows, analysis based on multiples, comparison with similar transactions and other appropriate valuation techniques have been employed in valuing investments, the valuations are inherently subject to estimation uncertainty. Given this inherent uncertainty, the underlying inputs and assumptions are reviewed on an ongoing basis to ensure that the valuations reflect the best estimates of the economic conditions at the Balance Sheet date.

It is possible that the outcomes in subsequent financial years could be different due to changes in the inputs and assumptions used in the current valuation models and could require a material adjustment to the carrying amount of these financial instruments.

The Company also has investments in not traded third party managed investment funds, where fair values at Balance Sheet date are based on prices advised by the external fund managers as well as valuations determined by appropriately skilled independent third parties.

The disclosure below provides details of the inputs and assumptions used in the current valuation models. Where investments are held via third party pooled investment vehicles, Breakthrough Victoria is not privy to the detailed inputs and assumptions used to value the underlying assets and is therefore not in a position to provide sensitivity analysis pertaining to the fair value measurement due to changes in unobservable inputs.

An example of the key inputs and assumptions typically considered is shown below:

Investment class	Valuation methodologies	Key inputs and assumptions
Unit trusts and limited partnerships	Prices quoted on an exchange or traded in a dealer market. Where quoted prices as observable inputs are not available, either a cost, income or market approach, or a combination of these, is adopted. This can include review of net assets, unit pricing, third party pricing servicers, and other market accepted methodologies.	Used by third party pricing providers/fund managers: <ul style="list-style-type: none"> • Risk free discount rate • Risk premium • Beta • Appropriate credit spread • Estimated future cash flows • Estimated future profits • Identification of appropriate comparable • Future economic and regulatory conditions
Equities	Prices quoted on an exchange or traded in a dealer market. Where quoted prices as observable inputs are not available, either a cost, income or market approach, or a combination of these, is adopted. This can include review of multiples of earnings, discounted cash flow, net assets, most recent capital raise, milestones achieved, and other market accepted methodologies.	<ul style="list-style-type: none"> • Risk free discount rate • Risk premium • Beta • Appropriate credit spread • Estimated future cash flows • Estimated future profits • Identification of appropriate comparable • Future economic and regulatory conditions

Investment class	Valuation methodologies	Key inputs and assumptions
Convertible notes	Face value plus accrued interest. Where observable inputs are not available, either a cost, income or market approach, or a combination of these, is adopted. Late in the term of an instrument, an option pricing model may be used to price the value of the option to convert. Credit risk may be considered, along with other market accepted methodologies.	<ul style="list-style-type: none"> • Coupon embedded in convertible note • Prevailing risk-free rate • Prevailing market credit spread to coupon rate • Term to maturity • Terms of conversion – conversion exercise date, discounts upon conversion, and the presence of a fixed or floating conversion rate • Share price/value of the underlying equity instrument • Volatility derived from listed peers

7. Other disclosures

Introduction to this section

This section includes additional material disclosures required by accounting standards for the understanding of this financial report.

This section contains the following disclosure:

- 7.1 Other economic flows included in net result
- 7.2 Commitments and contingencies
- 7.3 Subsequent events
- 7.4 Responsible persons
- 7.5 Remuneration of executive officers
- 7.6 Related parties
- 7.7 Other accounting policies
- 7.8 New accounting standards and interpretations

7.1 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include:

- Revaluation of financial instruments held at balance date
- Transfer of amounts from reserves to accumulated surplus or net result due to a disposal, derecognition or reclassification
- Reversal of an asset impairment
- The revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

Notes to the Financial Statements (continued)

7.1 Other economic flows included in net result (continued)

	2025 \$'000	2024 \$'000
Net gain/(loss) on financial instruments		
Net gain/(loss) on financial instruments at fair value through profit or loss	(7,378)	2,635
Net foreign exchange gain/(loss) arising from foreign transactions	1,969	(1,307)
Total net gain/(loss) on financial instruments^(a)	(5,409)	1,328
Net gain/(loss) on non-financial assets		
Net gain/(loss) on non-financial assets	(508)	-
Total net gain/(loss) on non-financial assets^(b)	(508)	-

Notes:

(a) 'Net gain/(loss) on financial instruments' includes unrealised and realised gains/(losses) from revaluations, impairments and reversals of impairment, and gains/(losses) from disposals of financial instruments, except when these are taken through the financial assets available for sale revaluation surplus.

(b) Net gain/(loss) on non-financial assets includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.

7.2 Commitments and contingencies

Commitments include operating and capital commitments and are disclosed at their nominal value and are inclusive of GST.

(a) Capital commitments

The Company has \$54.9 million uncalled capital commitments as at 30 June 2025 (2024: \$54.3 million).

Due to the process of its investment operations, the Company had Board approved investments which had not been contracted as at 30 June 2025 in the amount of \$84.0 million, and which were still subject to further due diligence processes (2024: \$24.4 million).

(b) Operating commitments

The Company has no uncalled operating commitments as at 30 June 2025 (2024: Nil).

(c) Contingencies

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and contingent liabilities are presented inclusive of GST.

The Company has issued a bank guarantee of \$0.2 million (2024: Nil) in favour of the lessor of its leased office premises, as required under the lease agreement. The bank guarantee represents a contingent liability, as it is only expected to be called upon should the Company fail to meet its obligations as specified in the lease. As of 30 June 2025, the Company is not aware of any circumstances that would lead to a claim under this guarantee and therefore no material liability is to be recognised.

The Company has no known contingent assets as at 30 June 2025 (2024: Nil).

7.3 Subsequent events

During financial year 2024-25 Seer Medical Pty Ltd entered voluntary administration following the withdrawal of its product from both the Australian and US markets. A Deed of Company Administration (DOCA) was approved and progressed. Subsequent to 30 June 2025 in accordance with the DOCA terms, a new company Seer Australia Pty Ltd acquired the assets from Seer Medical Pty Ltd. The transfer of assets enabled continuity of the business. Breakthrough Victoria retains 25 per cent equity in the new company on diluted basis.

As of 30 June 2025, a temporary increase in assets and liabilities was recorded due to a \$7.5 million GST payment made in error by the Department of Jobs, Skills, Industry and Regions. This amount was promptly repaid in July 2025 and had no lasting impact on the company's financial health.

As at the date of the preparation of the financial statements there are no material impacts on Breakthrough Victoria's 2024-25 accounts and disclosures.

7.4 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made with regard to responsible persons for the reporting period.

(a) Responsible persons

The names of persons who were responsible persons at any time during the financial year are as follows:

Position	Responsible Person	
Responsible Ministers	The Hon. Tim Pallas MP (until December 2024) Treasurer of Victoria Minister for Industrial Relations Minister for Economic Growth (from October 2023) Minister for Trade and Investment (until October 2023)	
	The Hon. Danny Pearson MP (from 16 December 2024) Minister for Economic Growth and Jobs (from December 2024) Minister for Finance (from December 2024) Assistant Treasurer (until December 2024) Minister for WorkSafe and the TAC (until December 2024) Minister for Transport Infrastructure (until December 2024) Minister for the Suburban Rail Loop (until December 2024)	
	Accountable Officer	Mr Grant Dooley (until 29 November 2024)
		Ms Lauren Morrey (acting from 29 November 2024 to 10 February 2025)
		Mr Rod Bristow (from 10 February 2025)
	Chairperson	The Hon. John Brumby AO
Board Member	Ms Deirdre Blythe (from 1 August 2024)	
Board Member	Ms Monique Conheady (from 1 August 2024)	
Board Member	Mr Joshua Funder	
Board Member	Mr Mark Johnson	

Notes to the Financial Statements (continued)

7.4 Responsible persons (continued)

Position	Responsible Person
Board Member	Dr Ian Meredith AM (from 1 August 2024)
Board Member	Mr Kee Wong (until 4 July 2024)

(b) Remuneration of responsible persons

Remuneration received or receivable by each director of the Board in connection with the management of the Company during the reporting period is shown below in their relevant total income ranges.

	2025	2024
Directors		
\$0 – \$9,999	2	2
\$30,000 – \$39,999	–	2
\$40,000 – \$49,999	–	1
\$50,000 – \$59,999	3	–
\$60,000 – \$69,999	1	2
\$140,000 – \$149,999	1	1
Accountable Officers		
\$240,000 – \$249,999	1	–
\$430,000 – \$439,999	1	–
\$550,000 – \$559,999	–	1
Total	9	9

The remuneration, including the superannuation guarantee contribution, received or receivable by responsible persons of the Company amounted to \$1,064,434 (2024: \$946,815).

There was no remuneration paid by the Company to one director as the services were provided on a pro bono basis (2024: one director).

The directors' remuneration shown in the above table is as determined by the Assistant Treasurer.

(c) Remuneration of responsible Minister

The Responsible Ministers, Tim Pallas MP and Danny Pearson MP, did not receive any remuneration from the Company. The Ministers' remuneration and allowances are set in accordance with the *Parliamentary Salaries and Superannuation Act 1968* and reported in the State's Annual Financial Report.

7.5 Remuneration of executive officers

The number of executive officers, other than Ministers and responsible persons, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 *Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, or in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis, and is disclosed in the following categories:

- **Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services
- **Post-employment benefits** include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased
- **Other long-term benefits** include long service leave, other long service benefits or deferred compensation
- **Termination benefits** include termination of employment payments, such as severance packages.

	2025 \$'000	2024 \$'000
Remuneration of executive officers		
Short-term employee benefits ^(a)	2,884	3,173
Post-employment benefits	210	226
Termination benefits	151	283
Total remuneration	3,245	3,682
Total number of executives^(b)	8	9
Total annualised employee equivalents^(c)	7.0	8.7

Notes:

- (a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 7.6).
- (b) Total remuneration paid to KMPs employed as a contractor during the reporting period through an external service provider has been reported under short-term employee benefits.
- (c) Annualised employee equivalent is based on the time fraction worked over the reporting period.

During the reporting period one Breakthrough Victoria executive officer acted in the Accountable Officer role for part of the reporting period (2024: Nil).

7.6 Related parties

(a) Key management personnel and related parties

The key management personnel of the Company include the responsible Minister, the members of the Company's Board of Directors, the Chief Executive Officer and officers with executive responsibility.

The related parties of the Company include:

- All key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- All cabinet ministers and their close family members; and
- All departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

Notes to the Financial Statements (continued)

7.6 Related parties (continued)

	2025 \$'000	2024 \$'000
Remuneration of key management personnel		
Short-term employee benefits	2,857	3,196
Post-employment benefits	188	219
Termination benefits	151	283
Total remuneration^(a)	3,196	3,698

Notes:

(a) There was no remuneration paid by the Company to one director as the services were on a pro bono basis (2024: one director).

Remuneration of the Company's officers with executive responsibility, other than the Chief Executive Officer, is reported in Note 7.4.

For information pertaining to related party transactions of ministers, the register of members' interests is publicly available from: www.parliament.vic.gov.au/publications/register-of-interests.

(b) Other transactions and balances with key management personnel and other related parties

The Company's employment processes are based on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes are based on terms and conditions consistent with the Victorian Government Procurement Board requirements.

During the reporting period no key management personnel received or became entitled to receive any benefit from the Company, other than remuneration disclosed in the financial report, from a contract between the Company and that key management person or firm, or company of which that key management person is a member or has a substantial interest (2024: Nil).

Any transactions or issues that involve related parties are dealt with on normal commercial terms and conditions and without reference to the key management personnel concerned. All income and expense transactions exclude GST.

Key management person	Related party	Key management person's relationship with related party	Comments
2025			
John Brumby	University of Melbourne	Member, Faculty of Business and Economics Board	Breakthrough Victoria has made an investment of \$9.0 million in the university's Genesis Fund. Spouse is a Professor
	La Trobe University	Chancellor	
Prof. Ian Meredith	Seer Medical	Consultant ^(a)	Breakthrough Victoria has made an investment of \$40.0 million in Seer Medical.

Notes:

(a) The consultancy engagement ceased on 30 December 2024.

Key management person	Related party	Key management person's relationship with related party	Comments
2024			
John Brumby	University of Melbourne	Member, Faculty of Business and Economics Board Spouse is a Professor	Breakthrough Victoria has made an investment of \$9.0 million in the university's Genesis Fund. In addition, as part of a co-investment into the Jumar Bioincubator with CSL, University of Melbourne and WEHI, Breakthrough Victoria was contracted to provide a specific purpose grant.

(c) Significant transactions with government-related entities

While the Company is a *Corporations Act 2001* entity, it is beneficially owned by the State of Victoria and therefore significant transactions with the State are provided in this note for improved disclosure purposes.

During the reporting period the Company had the following government related entity transactions:

- The Company received funding from the Department of Jobs, Skills, Industry and Regions of \$75.0 million (2024: \$175.015 million) during the reporting period as Contributed Capital shown as equity within the Balance Sheet. In addition, a temporary increase in assets and liabilities was recorded due to a \$7.5 million GST payment made in error by the Department of Jobs, Skills, Industry and Regions. This amount was promptly repaid in July 2025 and had no lasting impact on the company's financial health.

7.7 Other accounting policies

(a) Contributions by owners

Consistent with the requirements of AASB 1004 *Contributions* and FRD 119 *Transfers through Contributed Capital*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Company.

Notes to the Financial Statements (continued)

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

7.8 New accounting standards and interpretations

Certain new and revised accounting standards have been issued but are not effective for this reporting period. These accounting standards have not been applied in the preparation of this financial report. The Company is reviewing its existing policies and assessing the potential implications of these accounting standards on the Company's future annual financial reports. The standards which are not yet effective are:

- *AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments*

This Standard amends AASB 7 *Financial Instruments: Disclosures* and AASB 9 *Financial Instruments* for requirements relating to settling financial liabilities using an electronic payment system, assessing contractual cash flow characteristics of financial assets with environmental, social and corporate governance (ESG) and similar features and disclosure requirements for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs. This amendment applies to annual reporting periods beginning on or after 1 January 2026.

The Company will not early adopt the Standard and is in the process of analysing the impacts of this standard.

- *AASB 18 Presentation and Disclosure of Financial Statements*

This Standard replaces AASB 101 *Presentation of Financial Statements* to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss. The key presentation and disclosure requirements established by AASB 18 is the presentation of newly defined subtotals in the statement of profit or loss. This standard applies to annual reporting periods beginning on or after 1 January 2027 for for-profit entities and applies to annual reporting periods beginning on or after 1 January 2028 for not-for-profit entities.

The Company will not early adopt the Standard and is in the process of analysing the impacts of this standard.

In addition to the accounting standards listed above, the Australian Accounting Standards Board has also released a number of other Australian Accounting Standards and Interpretations. These Australian Accounting Standards and Interpretations are either not applicable or will have a minimal impact on the Company's financial report and therefore have not been specifically identified above.

8. Glossary of technical terms

8.1 Glossary of technical terms

The following is a summary of the major technical terms used in this financial report.

Amortisation is the expense that results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

Borrowings refers to interest bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, finance leases and other interest bearing arrangements. Borrowings also include non-interest bearing advances from government that are acquired for policy purposes.

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive result is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual right:
 - To receive cash or another financial asset from another entity; or
 - To exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Notes to the Financial Statements (continued)

8.1 Glossary of technical terms (continued)

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial liability is any liability that is:

(a) a contractual obligation:

- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or

(b) a contract that will or may be settled in the entity's own equity instruments and is:

- a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

The annual financial report comprises:

- (a) A comprehensive operating statement for the period;
- (b) Balance sheet as at the end of the period;
- (c) A statement of changes in equity for the period;
- (d) A cash flow statement for the period;
- (e) Notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) Comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *Presentation of Financial Statements*.

Interest expense represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings.

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

Net worth is calculated as assets less liabilities, which is an economic measure of wealth.

Non-financial assets are all assets that are not financial assets. It includes plant and equipment, intangibles assets.

Operating result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also 'net result'.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal.

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus, share of net movements in revaluation surplus of associates and joint ventures, and gains and losses on remeasuring available-for-sale financial assets.

Payables includes short and long-term trade debt and accounts payable, taxes and interest payable.

Prepayments represents other non financial assets and includes prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Produced assets include plant and equipment and certain intangible assets. Intangible produced assets may include computer software and research and development costs (which does not include the start-up costs associated with capital projects).

Receivables include amounts owing through short and long-term trade credit and accounts receivable, accrued investment income and interest receivable.

Supplies and services generally represent the day to day running costs, including maintenance costs, incurred in the normal operations of the Group.

Declaration by Chairperson, Chief Executive Officer and Chief Financial Officer

We certify that the financial report for Breakthrough Victoria Pty Ltd has been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, *Corporations Act 2001*, *Corporations Regulations 2001*, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and accompanying notes, gives a true and fair view of the financial transactions for the year ended 30 June 2025 and the financial position of Breakthrough Victoria Pty Ltd at 30 June 2025.

At the time of signing, we are not aware of any circumstances which would render any particulars included in the financial report to be misleading or inaccurate.

We authorise the financial report for issue on 21 August 2025.



The Hon. John Brumby AO
Chairperson

Melbourne
21 August 2025



Rod Bristow
Chief Executive Officer



Muhammad Zahid Hussain
Chief Financial Officer

Corporate Compliance

Compliance with the *Local Jobs First Act 2003*

The *Local Jobs First Act 2003* requires Victorian Government departments and public sector bodies to report on the implementation of the Local Jobs First Policy. Departments and other public sector bodies are required to apply the Local Jobs First Policy for all procurement activities valued at \$3.0 million or more in metropolitan Melbourne and for state-wide projects, and \$1.0 million or more for procurement activities based in regional Victoria. Breakthrough Victoria did not commence or complete any new Local Jobs First applicable projects during the reporting period.

Government advertising expenditure

Breakthrough Victoria did not undertake any government advertising campaigns during the reporting period.

Information and communication technology expenditure

For the reporting period, Breakthrough Victoria had a total information and communication technology spend of \$1.1 million excluding GST. Details are shown below.

Business as usual expenditure (excl. GST)	Non-business as usual expenditure (excl. GST)	Operational expenditure (excl. GST)	Capital expenditure (excl. GST)
\$1,122,651	\$6,048	\$6,048	-

Note: Business as usual expenditure relates to ongoing activities to operate and maintain current information and communication technology capacity.

Non-business as usual expenditure relates to extending and enhancing the Company's current capability. It is the sum of operational expenditure and capital expenditure.

Corporate Compliance (continued)

Compliance with the National Competition Policy and the Competitive Neutrality Policy

Breakthrough Victoria operates in accordance with the requirements of the National Competition Policy and the Competitive Neutrality Policy Victoria.

Competitive neutrality requires government businesses to ensure where government businesses compete, or potentially compete, with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned.

Currently the Competitive Neutrality Policy is applied to the investments made by the company.

Freedom of Information

The *Freedom of Information Act 1982* is not applicable to Breakthrough Victoria, and there are no reporting requirements associated with this Act.

Compliance with the Public Interest Disclosure Act 2012

Breakthrough Victoria does not tolerate improper conduct by employees, nor taking of detrimental action against those who come forward to disclose such conduct.

Breakthrough Victoria's Public Interest Disclosure Policy outlines our commitment to ensuring transparency and accountability in our administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to the public health and safety or the environment.

Reporting procedures

Disclosures of improper conduct or detrimental action by Breakthrough Victoria or any of its employees and/or officers may be made directly to:

The Independent Broad-based Anti-Corruption Commission

Phone: 1300 735 135

Email: info@ibac.vic.gov.au

Compliance with the Carers Recognition Act 2012

Breakthrough Victoria has taken all practical measures to comply with our obligations under the *Carers Recognition Act 2012*. These include considering the carer relationship principles set out in the Act when setting policies. These principles are reflected in Breakthrough Victoria's Flexible Work and Leave Policies.

Environmental reporting

Breakthrough Victoria had a Service Level Agreement in place with the Department of Jobs, Skills, Industry and Regions via Apprenticeships Victoria for the provision of office accommodation and electricity until 16 March 2025. Data on environmental impacts for that period is included in the Department's annual report.

From 17 March 2025 Breakthrough Victoria entered a lease for office accommodation and electricity in a building with a National Australian Built Environment Rating System (NABERS) rating of 4.5. The lease includes provision to ensure tenants commit to not undertaking activities that would reduce the rating.

For the entire reporting period fleet services were provided by VicFleet who are responsible for reporting relevant environmental impacts.

Breakthrough Victoria is committed to proactively contributing to a sustainable environment and continues to minimise its office-based environmental impact through:

- Separating office waste into organic, commingled recyclable and landfill streams
- Reducing paper and printer toner use with the widespread adoption by staff of laptops, tablets, smartphones and other digital devices.

Compliance with the Building Act 1993

Breakthrough Victoria does not own or control any government buildings and is consequently exempt from notifying its compliance with the building and maintenance provisions of the *Building Act 1993*.

Modern Slavery

The Australian Government enacted the *Modern Slavery Act 2018* (MS Act) to address modern slavery risks within supply chains. The MS Act covers a range of offences including forced labour, deceptive recruiting, slavery, servitude, debt bondage, human trafficking and offences involving non-citizens working in Australia without the correct visa.

Breakthrough Victoria has committed to the principles of the MS Act through provisions in supplier contracts requiring suppliers to comply with the MS Act (where applicable), report to Breakthrough Victoria on their supply chain monitoring and to include a right for Breakthrough Victoria to make enquiries of suppliers about their compliance with the MS Act.

Corporate Compliance (continued)

Consultancy expenditure

In the reporting period, there were 11 consultancies where the total fees paid or payable were \$10,000 or greater, excluding GST. The total expenditure was \$579,616, excluding GST. Details of individual consultancies are outlined below.

Consultant	Purpose of consultancy	Total approved project fee (\$ excl. GST)	Expenditure 2023/2024 (\$ excl. GST)	Expenditure 2024/2025 (\$ excl. GST)	Future Expenditure (\$ excl. GST)
Acutus Pty Ltd	Engagement for market research	44,000	–	44,000	–
Adeleante Group	Engagement for strategic advice	16,500	–	16,500	–
Ashurst Australia Pty Ltd	Engagement for legal services	50,000	–	31,622	18,378
BDO Services Pty Ltd	Engagement to strategic advice	19,600	–	19,600	–
Brooke Institute Pty Ltd	Implementation of CRM	250,120	180,920	6,048	63,152
Buchan Consulting Pty Ltd	Engagement for media services	19,828	–	19,828	–
CBRE (V) Pty Ltd	Engagement for commercial real estate services	45,250	–	45,250	–
Ernst & Young	Engagement for economic impact assessment	130,068	–	130,068	–
Expert 360 Pty Ltd	Engagement for financial advisory services	151,700	–	151,700	–
Mercer Consulting (Australia) Pty Ltd	Industry benchmarking review	90,000	25,000	65,000	–
We Are Charlotte Pty Ltd	Engagement for people and culture advice	50,000	–	50,000	–

For the reporting period, there were 2025:1 (2024: 2) consultancies where the total fees paid or payable were less than \$10,000, excluding GST.

Negative screening criteria

Breakthrough Victoria does not invest in organisations involved in the production, distribution, advocacy, trade or sale of the following activities:

- tobacco or tobacco-related products
- weapons and munitions
- thermal coal
- gambling
- logging of old growth forests
- radioactive materials, including uranium*
- unregulated animal testing
- live cattle and/or sheep exports
- fracking
- pornography
- alcohol
- fossil fuels**

Australian-focused norms-based screening will also be performed for sanctioned organisations and individuals under Australian law and included in the Consolidated List of the Department of Foreign Affairs and Trade, and for organisations and individuals operating from sanctioned regimes.

Organisations involved in the production, distribution, advocacy or sale of 'dual-use' non-offensive applications (defence and civilian) are excluded from the negative screen list.

* Exemptions: manufacture and purchase of medical equipment, quality control (measurement) equipment and any equipment where Breakthrough Victoria considers the radioactive source to be trivial and/or adequately shielded.

** Exemptions: technology that supports the energy transition.

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The Breakthrough Victoria Annual Report is prepared in accordance with all relevant legislation and pronouncements.

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