BREAKTHROUGH VICTORIA



Five years of investing for Victorians

ANNUAL REPORT 2026

Investing in innovation for Victoria's economic future

Breakthrough Victoria's vision centres on transforming the Victorian economy by investing in and supporting successful IP and research commercialisation.

We deliver this vision by investing in innovation and technology commercialisation and catalysing private investment to deliver economic growth, job creation and impact for Victoria.

Breakthrough Victoria activities shape the future of Victoria's economy, investing in companies, funds and platforms that transform the Victorian economy. Breakthrough Victoria operates beyond traditional venture capital. We build the industries of tomorrow.

We deliver:

- Financial returns for Victoria from our investments
- Economic growth
- Job creation for Victoria



About this report

The Breakthrough Victoria 2026 Annual Report highlights the Company's work and achievements in the 2025–26 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 2025 to 30 June 2026.

* Consequent to the Victorian Government announcement on 15 May 2026, Breakthrough Victoria changed its entity and trading name to Innovation Victoria effective 1 July 2026.

All activities and performance statements in this 2026 Annual Report relate to the company trading as Breakthrough Victoria Pty Ltd to 30 June 2026.

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 Victoria's Aboriginal communities 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.

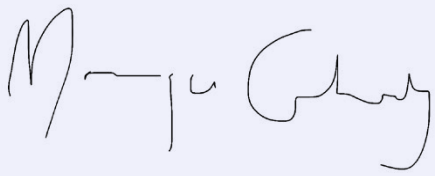
Letter to the Minister

The Honourable Anthony Carbines MP
Minister for Economic Development
121 Exhibition Street
Melbourne VIC 3000

Dear Minister,

I am pleased to submit the 2025–26 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,



Monique Conheady
Director

11 September 2026

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Five years of Breakthrough Victoria

103
Number of investments and funding commitments

$529.3m
Total capital committed

>$1.8b
Total leverage: private and public funds crowded into our investments

11
Average number of co-investors per funding round

Return on investment

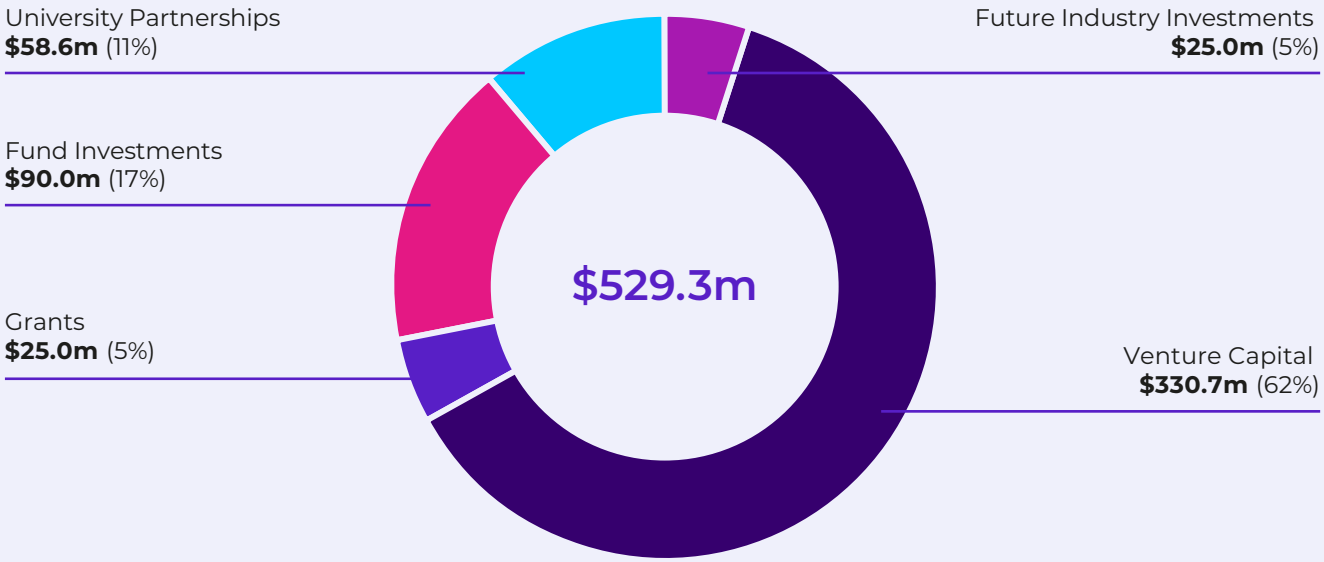
1.49x
Total Value to Paid-In Capital (TVPI) multiple

0.24x
Distributed to Paid-In Capital (DPI) multiple



Committed capital

Investments, partnerships and ecosystem-building platforms for Victoria





Message from the Chair

Five years ago, Breakthrough Victoria started as a bold idea – to back the ideas, research and companies that would shape Victoria's economic future. Today, it is doing exactly that.

In a global market where AI is fundamentally changing the way venture capital is allocated, Breakthrough Victoria remains a patient capital investor – investing with discipline, conviction and a long-term view. That model is proving its value. We've built one of the most active venture platforms in the country, focused on areas where private markets alone won't step in.

This year, we made 22 investments and committed $50 million into new opportunities. Our portfolio now spans direct investment, university partnerships, venture funds and ecosystem infrastructure – each designed to strengthen Victoria's position as a place where innovation can start, scale and stay.

Since 2021, Breakthrough Victoria has committed more than half a billion dollars – helping translate ideas into real businesses, jobs and capability for Victoria.

Importantly, our capital is not acting alone. Breakthrough Victoria has helped attract more than $1.8 billion in co-investment – bringing global capital, expertise and networks into Victoria.

That is the role we were set up to fulfil: not just to invest, but to stimulate and grow the Victorian economy.

Now we are taking the next step in the evolution of Victoria's innovation ecosystem with the establishment of Innovation Victoria: a new, integrated entity bringing together the strengths of Breakthrough Victoria and LaunchVic into a single front door for innovation.

The move reflects a maturing ecosystem – one that builds on strong foundations, strengthens what already works and makes it easier for founders, researchers and investors to navigate support from early idea through to scale, impact and exit.



Breakthrough Victoria was always conceived as a long-term institution, and I'm proud of what has been built in its establishment phase. As we bring the strengths of Breakthrough Victoria and LaunchVic together, I'm confident this next chapter will expand pathways from early ideas through to commercialisation.

After five years, it is important to acknowledge all those who have contributed to the success of Breakthrough Victoria – the Victorian Government for its leadership in establishing and supporting Breakthrough Victoria; our Board Directors of Breakthrough Victoria, both past and present; our CEO Rod Bristow and the Executive team; and of course, the many leaders, contributors and members of Victoria's thriving investment, innovation and university ecosystems who have never wavered in their support for Breakthrough Victoria.

Breakthrough Victoria was not created for short-term return. It was designed to shift the system – to change how innovation is funded and how new industries are built.

Five years in, that shift is underway – with growing momentum, real impact and strong financial returns.

The Hon John Brumby AO
Chair

Message from the CEO

Breakthrough Victoria was created to do what traditional venture capital often can't: invest patiently, back complex ideas and build capability that lasts. What began as a bold investment mandate has, over five years, evolved into a substantial and maturing portfolio with a growing record of financial and non-financial impact.

Since commencing operations in 2021, Breakthrough Victoria has committed over $500 million in capital across 100+ investments, alongside a landmark $25 million grant to establish the Jumar Bioincubator. Every dollar Breakthrough Victoria invests attracts significant private sector capital co-investment: bringing not just capital, but expertise and partnerships that validate and showcase Victoria's talent, expertise and innovation to the world.

This year the Company delivered a positive net financial result of $165.8 million, while continuing to increase assets under management and reduce expenses. Together, these results demonstrate the strategic discipline Breakthrough Victoria has built over time: growing the portfolio, strengthening performance and maintaining an efficient operating model.

During the year, Breakthrough Victoria recorded its first cumulative capital returns of $83.7 million, realising tangible value and cash inflows from the portfolio. This was a significant step forward and evidence that the portfolio is not only growing in unrealised (book) value, but is also beginning to convert that value into cash returns able to be recycled to leverage greater impact for research and IP commercialisation and innovation ecosystem support in Victoria.

As at 30 June 2026, Breakthrough Victoria's Total Value to Paid-In Capital (TVPI) multiple was 1.49x, up from 1.02x in 2024–25 and 0.98x in 2022–23. The Distributed to Paid-In Capital (DPI) ratio of 0.24x reflects the first capital returned during the year and already places the Company above the 75th percentile of several global peer cohorts.



Notably, Breakthrough Victoria's Internal Rate of Return (IRR) of 21.9 per cent sits in line with global top quartile and well above the median for Australian, US, European and global 2021 vintage funds – strong validation of both investment selection and the Company's long-term value creation strategy that is delivering tangible benefits for all Victorians.

Following two government reviews during 2025–26 that analysed and made recommendations on Victoria's innovation policy interventions, Breakthrough Victoria is now moving into its next phase, which together with the strengths of LaunchVic will form Innovation Victoria.

This is an exciting moment for Victoria's innovation ecosystem. By integrating ecosystem development, entrepreneurship and research translation with capital investment across all stages of startup development and growth, we're evolving commercialisation pathways that are easier to navigate and better positioned to support ideas through to global scale.

I'd like to thank the Board of Breakthrough Victoria for their support, and the Breakthrough Victoria Executive and team for their hard work in this challenging year. In particular I'd like to thank our outgoing Chair, the Hon John Brumby AO, for his vision and tireless work as a driving force behind the success of Breakthrough Victoria, providing the platform for Innovation Victoria to make a significant positive impact for all Victorians well into the future.

Rod Bristow
Chief Executive Officer

Five years of investment

35 Portfolio companies innovating across 5 priority sectors

48%
Portfolio companies progressing to further financing rounds

2
Exits

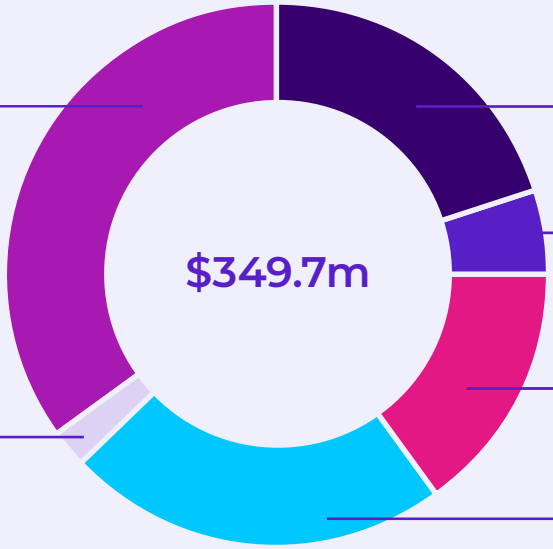
$3.72
Capital attracted for every $1 Breakthrough Victoria invested

2,128
Investment proposals assessed in Breakthrough Victoria's pipeline



Asset allocation by sector and category

Paid investment capital by sector



Digital Technologies **$123.7m** (35%)

Health and Life Sciences **$68.9m** (20%)

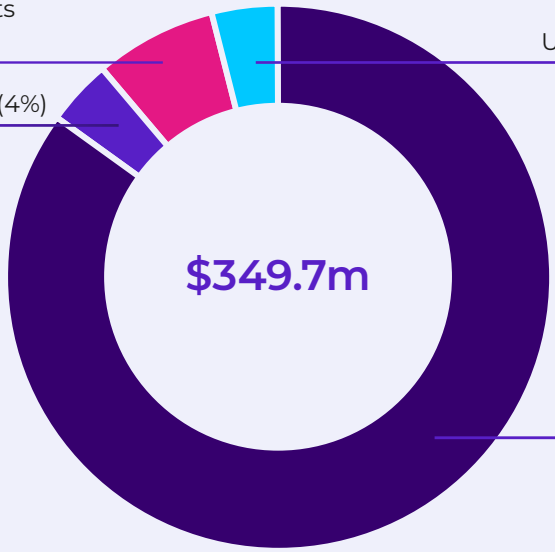
AgriFood **$16.6m** (5%)

Advanced Manufacturing **$53.7m** (15%)

Multisector **$8.1m** (2%)

Clean Economy **$78.7m** (23%)

Paid investment capital by category



Future Industry Investments **$25.0m** (7%)

University Partnerships **$13.7m** (4%)

Fund Investments **$12.2m** (4%)

Venture Capital **$298.8m** (85%)

Infleqtion

Infleqtion develops advanced quantum hardware and software that deliver ultra-precise sensing, resilient timing, and scalable quantum computing capabilities, enabling performance beyond the limits of classical technologies. Since Breakthrough Victoria's investment, the company has evolved into a global quantum technology leader with operations across Australia, the US and the UK. In 2026, Infleqtion became the first neutral-atom quantum company to list on the NYSE, marking a significant milestone in the commercialisation of quantum capabilities. Infleqtion's platforms are being applied across mission-critical sectors and it continues to anchor Victoria as Australia's sovereign hub for the development, integration and deployment of quantum technologies.

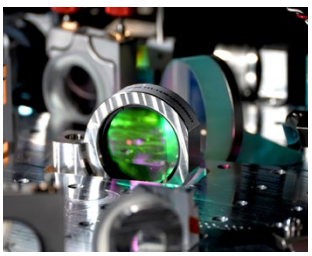
The Investment

Sector	Breakthrough Victoria Investment	Uplift since 2022
Digital Technologies	$45m	5X (as at the day of listing on the NYSE)

2022

September

Breakthrough Victoria invests $29.4m as part of the company's US$110 million capital raise with LCP Quantum Partners (lead), In-Q-Tel, Global Frontier Investments, Maverick Ventures.



2023

February

Established Australian office in Melbourne anchoring Asia Pacific regional operations with CoLabs in Notting Hill.



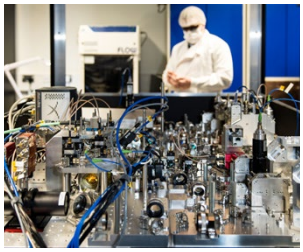
2024

April

Breakthrough Victoria invests $15.6m as part of a US$100m capital raise with Glynn Capital, Counterpoint Global (Morgan Stanley), S32 and SAIC.

July

Key industry partner in Australian Research Council Industrial Transformation Training Centres (ITTCs) – building a pipeline of industrially trained quantum talent in Victoria.



September

Awarded a Phase II Quantum Technology Exploit contract with the Australian Army as part of the Quantum Technology Challenge (QTC) – showcased at Land Forces in Melbourne.



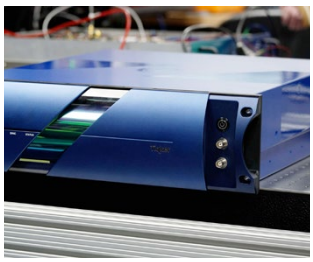
2025

August

Commences hosting monthly Quantum Networking Sessions at Melbourne Connect.

September

Actively partnering with Swinburne University, University of Melbourne, RMIT University and CSIRO on quantum sensing and navigation R&D.



2026

February

Listed on the New York Stock Exchange.



March

Delivers the UK's only 100-qubit quantum computing system to the UK's National Quantum Computing Centre.



May

Reports record quarterly revenue, driven by stronger customer activity.

Expands UK ops with new Quantum Innovation Centre and Manufacturing Hub in Oxford.

Five years of innovation support

7 Pre-seed investment partnerships with Victorian universities via the University Innovation Platform (UIP)

$119m
Total value of UIP, including Breakthrough Victoria's contribution of $59.5m

18
Number of university startups invested in under the UIP since its launch in 2023

7 Fellowships awarded to develop talent and support commercial translation from Victorian universities

5
Cornerstone investments in leading venture capital funds

$90m
Total commitment to fund investments

1 Ecosystem grant to support Jumar Bioincubator and Victoria's next generation of biotech companies

JUMAR BIOINCUBATOR



Building Victoria's next generation of biotech companies

Victoria has long been recognised for world-class biomedical research, but translating discoveries from the laboratory into commercial outcomes has remained a challenge. Jumar Bioincubator was created to bridge that gap – providing the infrastructure, expertise and connections needed to help emerging biotech companies turn breakthrough science into real-world impact.

Established through a landmark partnership between CSL Limited, Walter and Eliza Hall Institute of Medical Research and University of Melbourne, with initial investment from Breakthrough Victoria, Jumar Bioincubator is Australia's first and only biotech incubator co-located within a global biopharmaceutical company.

Located within Melbourne's Biomedical Precinct at CSL's global headquarters, Jumar Bioincubator provides early-stage biotech ventures with access to purpose-built laboratory facilities, industry expertise, research infrastructure and commercialisation support.

Since opening in April 2024, Jumar Bioincubator has welcomed nearly 40 resident ventures working across pharmaceuticals, diagnostics, medical devices, bioinformatics and health-related artificial intelligence.

Residents include companies developing new approaches to some of healthcare's most complex challenges – from periodontal disease and neurodegenerative conditions to fertility monitoring and precision therapeutics.

Jumar Bioincubator represents the power of collaboration across Victoria's innovation ecosystem. By bringing together research institutions, industry expertise, infrastructure and capital, it is creating the foundations for the next generation of globally competitive biotech companies.

Excelligent



Detecting neurodegenerative disease earlier through breakthrough blood diagnostics

More than 55 million people globally live with dementia, yet many neurodegenerative diseases remain difficult to diagnose until symptoms have already progressed. Excelligent is developing a new generation of blood-based diagnostics designed to enable earlier detection of diseases including Alzheimer's and Parkinson's.

A spin-out from La Trobe University, Excelligent is developing a scalable, non-invasive diagnostic platform that identifies disease-associated biomarkers through a simple blood test.

Current diagnostic pathways for neurodegenerative disease can involve invasive procedures, expensive imaging and lengthy delays. Earlier and more accessible diagnosis could help clinicians intervene sooner, improve patient management and support the development of more effective treatments.

Through La Trobe University's Eagle Fund, a pre-seed partnership established under the UIP, Excelligent received a $1 million investment, co-funded by Breakthrough Victoria and the university, as it advances its technology towards clinical application.

By commercialising Australian research into a practical diagnostic solution, Excelligent represents the potential of Victorian innovation to address major global health challenges.

Excelligent is among the more than 40 per cent of University Innovation Platform investments with at least one female in the founding team.

"Because a lot of our research is done, the Eagle Fund, and its partnership with Breakthrough Victoria, has really allowed us to take ourselves from outside the research lab and into a company."

– Lesley Cheng, Co-Founder, Excelligent

2025–26 activities and achievements

22 New investments approved

10 Follow-on investments ($36.2m)

2 New direct investments ($14.0m)

10 Co-investments under the University Innovation Platform

4 New Breakthrough Victoria Fellowships awarded

Budget performance measure

Breakthrough Victoria had a State Budget performance measure of supporting 10 companies or consortia over the 2025–26 financial year. Breakthrough Victoria exceeded this target with 22 new commitments made (220 per cent of target), including 10 follow-on investment commitments.





Investments announced*

LIQUID INSTRUMENTS

Consolidating multiple test instruments into a single, reconfigurable, AI-enabled device for aerospace, defence, semiconductor and quantum research and engineering.

navi MEDICAL TECHNOLOGIES

Medical device for accurate placement of central venous catheters, improving safety and hospital care for critically ill newborn babies and children.

number8bio

Advanced feed supplements developed from metabolic engineering, synthetic biology and chemistry to reduce methane emissions and enhance animal productivity.

TYPE ONE ENERGY

Scaling stellarator fusion technology for clean, safe fusion energy and building Victorian expertise to support Australia's role in the global energy transition.

* A further 18 investments approved in 2025–26 are yet to close and/or have not been announced at the time of reporting. Further information on our announced investments can be found on the Breakthrough Victoria website.

The 2025–26 results mark a defining milestone in Breakthrough Victoria's five-year journey, a shift from capital deployment to value realisation, and from early-stage validation to commercial scale. During this time, Breakthrough Victoria has become one of the most active venture capital platforms in Australia, committing over half a billion dollars in capital to more than 100 investments, and crowding in over $1.8 billion, including private sector capital from around the world.

Since 2021, Breakthrough Victoria has sustained an increase in assets under management alongside a reduction in costs. During 2025–26, Breakthrough Victoria recorded its first returns of capital from the portfolio, providing reinvestment capacity to commercialise more innovation in Victoria. These outcomes reflect the increasing value of a maturing investment portfolio and validate the Company's long-term, patient-capital investment strategy.

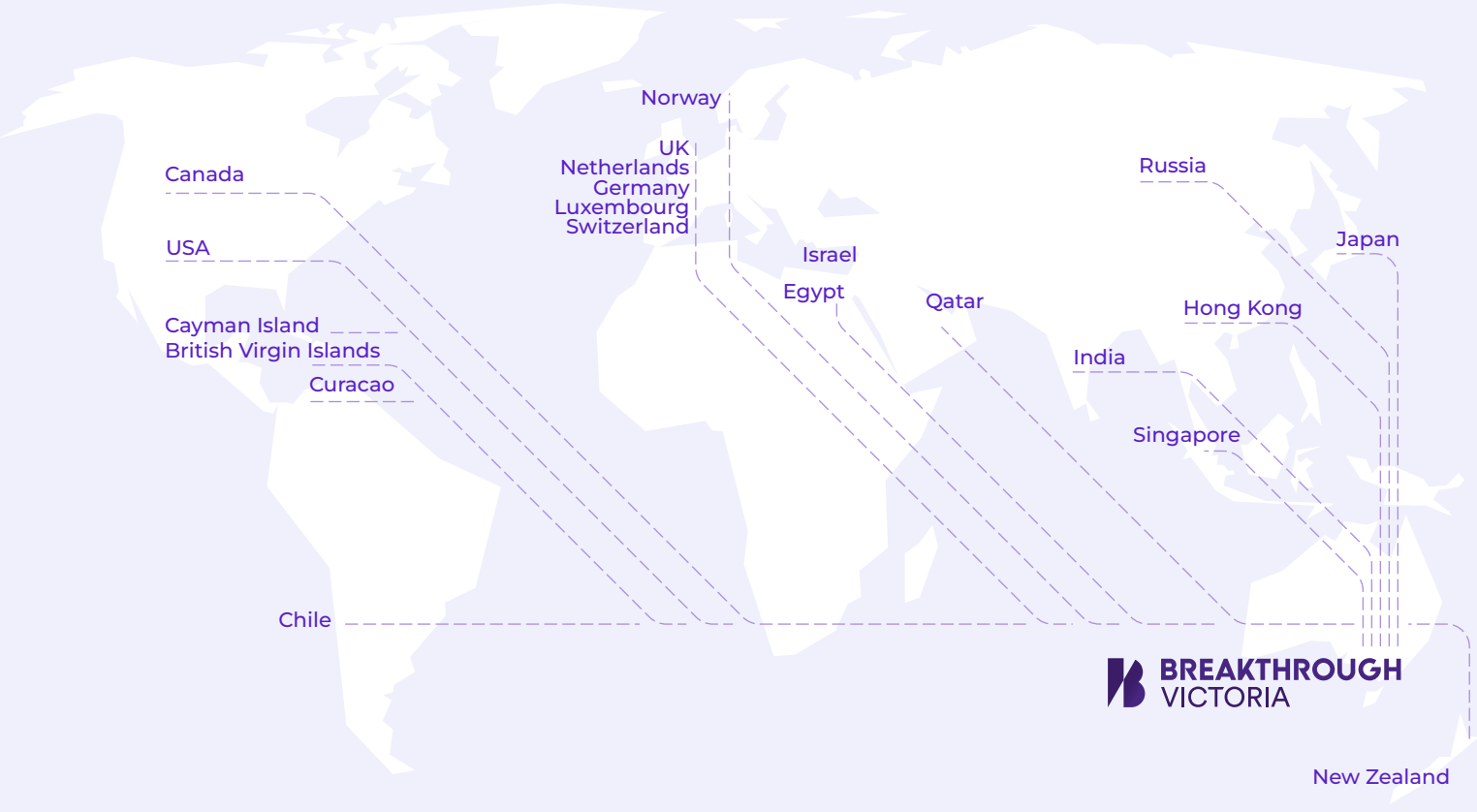
These results in 2025–26 are the product of disciplined investment over successive years and a value creation framework that extends beyond the initial deployment of capital to ensure Victorian impact. Breakthrough Victoria has maintained active engagement with its portfolio companies, providing strategic, operational and governance support, facilitating follow-on funding, and connecting investees to Victorian, national and international networks and markets, in order to translate early-stage potential into commercial and financial value.

Breakthrough Victoria's portfolio in 2025–26 highlights the intentional breadth and depth of its operations, spanning direct company investments, university-linked pre-seed commercialisation, founder fellowships and cornerstone commitments to specialist managed funds to bring capability and capital into the state.

Breakthrough Victoria is proud to support a founder community dedicated to improving lives through better health outcomes, more sustainable systems and generating the next wave of innovative technologies. Through our support, Breakthrough Victoria is rapidly growing Victoria's capacity to develop, manufacture and commercialise high-value innovations, translating ideas into real businesses and jobs of the future.



Co-investment of $1.8 billion from around the world



deftbiotech



Tackling fungal disease

Deftbiotech is a Melbourne-based biotechnology startup developing next-generation antifungal treatments to combat onychomycosis, a persistent fungal nail infection affecting up to 500 million people globally.

Founded by leading researchers from La Trobe University and the University of Melbourne, the company is advancing its novel peptide therapy, Pezadeftide, which has shown strong promise in early clinical trials.

Unlike existing therapies, Pezadeftide targets fungal infections in a new way, improving efficacy while reducing toxicity.

Backed by a $1 million co-investment from Breakthrough Victoria and La Trobe University's Eagle Fund as part of the University Innovation Platform, Deftbiotech is progressing to Phase 2 trials and exploring broader applications across fungal diseases.

"Breakthrough Victoria plays a very important role in getting early-stage ventures, especially those originating from university research, onto a commercial path. Deftbiotech is one of the many university-based companies that has benefited in this way."

– Emeritus Professor Adrienne Clarke AC, Co-founder, Deftbiotech

AlleSense

Advancing cancer detection

AlleSense is developing next-generation diagnostic technology to improve the early detection of cancer and support more accurate pathology assessment.

Spun out from La Trobe University, the company's NanoMslide™ technology enhances the visibility of abnormal cells, helping address one of the key challenges in cancer diagnosis – identifying disease at its earliest stages when treatment can have the greatest impact.

Breakthrough Victoria invested to support AlleSense's journey from research innovation to commercial application. By enabling more consistent and reliable diagnostic outcomes, AlleSense has the potential to strengthen clinical decision-making, reduce delays in diagnosis and improve pathways to treatment for cancer patients.

"AlleSense's technology has the potential to transform cancer diagnostics and strengthen Victoria's position as a leader in health and life sciences."

– Rod Bristow, CEO, Breakthrough Victoria



Creating value and building connections

In 2025–26, Breakthrough Victoria brought renewed energy to its value creation activities focused on three core levers: capital introductions, connections with potential revenue opportunities and support in developing and finding required team capabilities.

Value creation activities have given portfolio companies clearer pathways to specialist expertise, commercial opportunities, strategic partners and future investors, while strengthening the relationships between Breakthrough Victoria and company founders.

Through portfolio communications channels, Founders Day sessions and targeted introductions, Breakthrough Victoria focused on building trust, sharing knowledge and creating practical connections across the portfolio to help companies navigate the commercial, technical and market challenges that determine whether innovation can scale.

A key part of this activity has been connecting companies to the broader innovation and investment ecosystem. Breakthrough Victoria actively engaged with government, top-tier global investors and capital partners, universities, commercialisation and industry-capability platforms, and startup networks to help portfolio companies access new channels for growth locally and globally.

Breakthrough Victoria's activities with NVIDIA during the year demonstrate the power of connections to open access to capability and platforms that may otherwise be difficult for early-stage companies to reach. Breakthrough Victoria worked with NVIDIA to support portfolio company awareness and adoption of AI infrastructure, technical resources and the NVIDIA Inception Program, enabling some portfolio companies to progress to direct technical engagement, global conference exposure and investor conversations.

Breakthrough Victoria's wider engagement activity also strengthened its role in the ecosystem. Team members represented Breakthrough Victoria at global innovation events including NVIDIA GTC, COMPUTEX, InnoVEX and SparkLabs in Taiwan, strengthening international relationships and showcasing Victoria's innovation ecosystem. Participation in investor forums, commercialisation programs and university initiatives has helped Breakthrough Victoria strengthen relationships that can translate into future capital, customers, talent and strategic opportunities for the portfolio.



Portfolio and value creation highlights

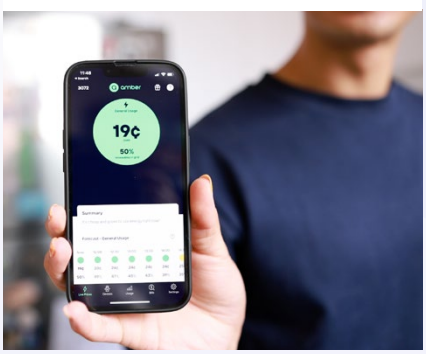
Across 2025–26, Breakthrough Victoria's portfolio showed a strong pattern of progress from validation and recognition through to commercialisation, scale-up and market expansion. Highlights for our portfolio companies included new capital raises and strategic partnerships within Australia and globally, achievement of research and technical milestones, and industry awards recognising their innovation excellence. The year was also notable for several portfolio companies achieving their first international licensing and sales and extending their manufacturing capability.

Portfolio company developments

amber

Energy optimisation platform helping households take control of their energy use and earn from the grid.

- Energy flexibility platform live with UK energy retailer E.ON Next (first international licensing)
- Partnered with largest EV vehicle company in the world, BYD, to trial vehicle-to-grid (V2G) technology



atmo BIOSCIENCES

Gas-sensing capsule for improved gut-health diagnostics.

- First US sales following FDA clearance
- American College of Gastroenterology awards



BYGEN

Converting agricultural waste to activated carbon to clean up the environment.

- Completed pre-commissioning production run at a USA partner site while scaling distribution from Thomastown facility
- Expanded operations in Southeast Asia



QUANTUM BRILLIANCE

Making portable quantum computing a reality with synthetic diamond technology.

- Officially opened world-first commercial Quantum Diamond Foundry in Victoria
- Three quantum processor units installed at Oak Ridge National Laboratory (USA), their first on-site commercial quantum computer deployment



samsara eco

Enzymatic technology supporting infinite plastics recycling.

- Partnership announced with The LYCRA Company to address spandex recycling



YIELDX

Sustainable farming solutions to transform food production and food security.

- Launch of first production greenhouse in Victoria and advanced export plans



Helping clinicians deliver safer care for the world's smallest patients

For critically ill newborn babies and children, central venous catheters provide essential access for delivering medication, nutrients and fluids. However, placing these catheters accurately can be challenging, with current procedures relying on post-placement X-rays to confirm positioning.

Melbourne-based Navi Medical Technologies is changing this with the Neonav® ECG Tip Location System – a breakthrough medical device designed to guide clinicians in real time during catheter placement.

The device connects to an existing catheter and uses electrocardiogram (ECG) signals from the patient's heart to provide immediate feedback, helping clinicians position catheters more safely and monitor movement over time.

Breakthrough Victoria invested $700,000 in August 2023 as part of Navi Medical Technologies' funding round to support product development, clinical trials and regulatory approval.

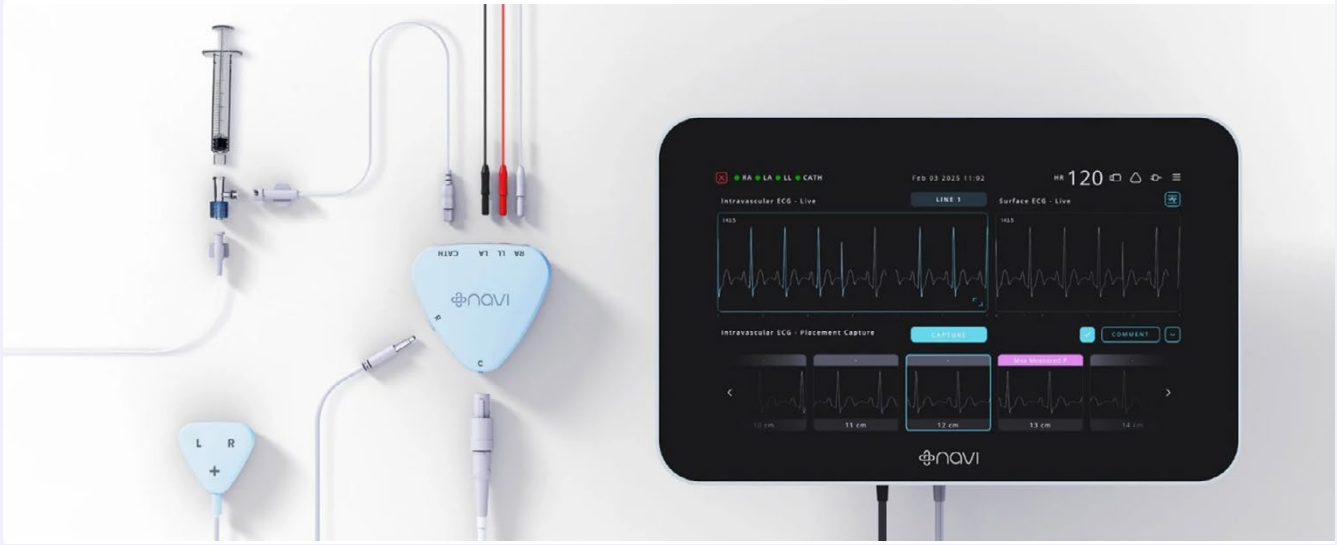
In February 2025, Navi Medical Technologies achieved a major commercial milestone when the Neonav® system received 510(k) clearance from the U.S. Food and Drug Administration (FDA), opening the pathway to commercialisation in one of the world's largest healthcare markets.

And soon after the close of 2025–26, Navi Medical Technologies closed a $A6.8 million capital raise to commercialise its breakthrough technology in the United States.

The technology developed by Navi Medical Technologies demonstrates how Victorian innovation can deliver global healthcare impact – improving safety for some of the most vulnerable patients while building a future medical technology company locally.

"This innovation represents an important step forward in improving the care of paediatric patients, made possible by the support and investment from investors like Breakthrough Victoria and the dedication of our exceptional team. Together, we are shaping a brighter future for the tiniest and most vulnerable among us and improving healthcare outcomes."

– Alex Newton, CEO and co-founder, Navi Medical Technologies



number8bio

Number 8 Bio is developing next-generation agricultural biotechnology to address one of the biggest challenges facing sustainable food production: methane emissions from livestock. Its Performance Digestion technology uses synthetic biology to create a feed additive for grazing livestock that increases animal feed efficiency and weight gain whilst decreasing methane emissions.

Since Breakthrough Victoria's investment in 2024, Number 8 Bio has advanced product development, progressed livestock trials and expanded collaborations with research and industry partners to accelerate commercialisation.

In 2025, the company raised $11m with follow-on participation from Breakthrough Victoria to support large-scale trials, regulatory approvals and preparation for global market entry. Number 8 Bio is positioning Australia at the forefront of sustainable agriculture innovation, delivering solutions that support farmers, reduce emissions and improve the resilience of future food production.

2022

Founded by Dr Tom Williams and Dr Alex Carpenter with a mission to develop scalable solutions to reduce methane emissions while improving agricultural productivity.

2024

Breakthrough Victoria invests $1.7m, joining $7m seed investment round led by Main Sequence Ventures alongside The March Group.

Progresses trials with Agriculture Victoria at Ellinbank SmartFarm and strengthens research collaborations.

2025

Breakthrough Victoria follows on, as part of an $11m series A raise, led by Icehouse Ventures, to support large-scale animal trials, regulatory approvals and preparation for commercial release.



conflux



Conflux Technology transforms the way high performance heat exchangers are designed and produced for data centres. By combining cutting edge engineering with metal additive manufacturing (3D printing), Conflux Technology creates ultra efficient, lightweight heat exchangers with internal geometries that were previously impossible to manufacture. These next generation components dramatically improve thermal management across industries such as aerospace, automotive, defence, industrial machinery and energy systems.

The Investment

Sector	Breakthrough Victoria Investment
Advanced Manufacturing	$5m

2015

January

First 3D printed heat exchanger is developed and patented.

2017

March

Officially launches after securing investment from AM Ventures.

2018

July

Opens HQ in Geelong after raising $1.7m seed round.

Signs its first customer contracts.

2021

October

Raises $8.5m Series A round to expand its team and customer base.

2023

May

Conflux Technology achieves AS9100D certification for both design and manufacturing – a standard held by only a handful of Australian organisations.



2024

October

Breakthrough Victoria invests $5m as part of $11m Series B round.

Team expands to over 30.

2025

March

Opens UK facility in Sheffield, establishing its first European base.

September

Joins Honeywell-led consortium on Hydrogen Aircraft Thermal Management, comprising 28 partners and 10 European countries, to support cooling demands in next-generation hydrogen fuel cell propulsion systems.

2026

February

Approved as AUKUS Authorized User, enabling streamlined defence trade and collaboration.



LIQUID INSTRUMENTS



Liquid Instruments is transforming scientific and engineering workflows through software-defined test and measurement technology that replaces multiple traditional laboratory instruments with a single, flexible platform. Its Moku range enables researchers and engineers across sectors including quantum computing, aerospace, semiconductors and advanced manufacturing to design, test and validate complex systems faster and more efficiently.

Since Breakthrough Victoria's investment in 2024, Liquid Instruments has expanded its Victorian footprint, establishing a Melbourne innovation hub at Melbourne Connect and scaling local manufacturing of its flagship Moku platforms. In 2025, the company began manufacturing its Moku:Delta product in Victoria, shipping advanced instrumentation to customers across the US, Europe and Asia.

The Investment

Sector	Breakthrough Victoria Investment
Digital Technologies	$15.2m (plus 2026 follow-on investment)

2014

Spin-out from Australian National University research led by Professor Daniel Shaddock.



2024

June

Breakthrough Victoria invests $15m to support growth and help anchor advanced manufacturing capability in Victoria.

2025

February

Establishes new office at Melbourne Connect, creating an innovation hub for artificial intelligence research and development.

August

The Moku:Delta begins manufacturing in Victoria, with products shipped globally.

2026

April

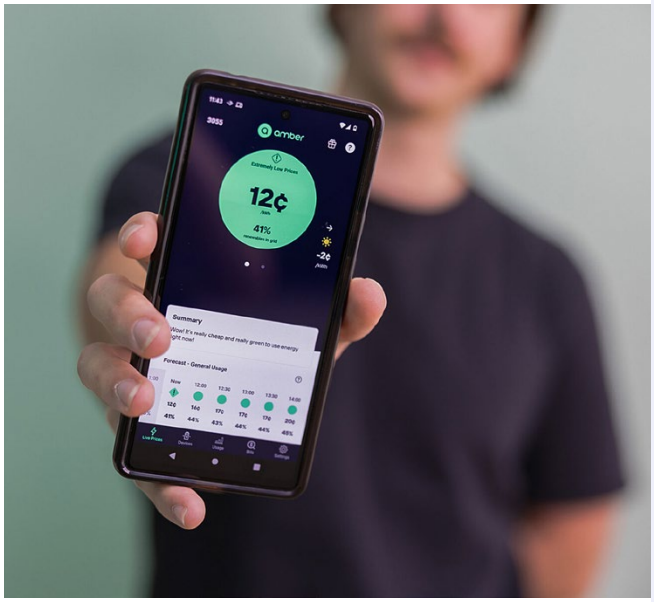
Breakthrough Victoria follows on as part of a $70 million Series C round, led by Keysight Technologies, including $28.45m from the National Reconstruction Fund Corporation. Other investors include Acorn Capital, Significant Capital Ventures and Tribeca.

July

Launches Generative Instrumentation, an AI-enabled capability, powered by the Moku:Delta platform. This is a high-performance test device capable of supporting more than two billion possible instrument combinations.

Amber Electric helps households make smarter use of energy in a rapidly changing electricity system. Its real-time energy optimisation platform automates residential batteries, solar systems and electric vehicles, using wholesale energy prices, grid conditions and renewable energy forecasts to determine when to charge, store or export power. This gives households greater control over their energy use, lowers costs and creates new opportunities to earn from the grid, while helping improve the efficiency and reliability of the broader energy system.

Since Breakthrough Victoria's first investment, Amber Electric has become Australia's largest residential battery automation provider, with around 40 per cent of newly automated home batteries using its platform.



The Investment

Sector	Breakthrough Victoria Investment
Clean Economy/Digital Technologies	$14.5m

2024

July

Breakthrough Victoria invests $4.5m.

Expands team from 80 to 140 people.

September

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 ChargeHQ to expand charging capabilities.

March

Founders recognised in Business News Australia's Young Entrepreneur of the Year list.

June

Closes $45m round led by UK/Europe-based impact investor ETF Partners, with Square Peg, Gentrack, Rubio Impact Ventures, including $10m follow-on from Breakthrough Victoria.

October

Secures $10m in international funding from E.ON Next and Virescent Ventures – a Breakthrough Victoria backed climate investment firm.

Chinese auto giant BYD agrees to warranty Amber Electric's EV batteries as part of landmark trial for vehicle-to-grid technology.

2026

May

Receives additional $13.6m in ARENA funding to expand vehicle-to-grid program from 50 to 1,000 households.



Future industry investments

Building the infrastructure to accelerate medical innovation

Breakthrough Victoria is investing in the platforms and capabilities that allow Victorian innovators to move ideas from research environments into real-world applications. Together with Jumar Bioincubator, the Breakthrough Victoria platform industry investments, Cerulea Clinical Trials and Neo-Bionica strengthen Victoria's medical innovation ecosystem by addressing two critical stages of the commercialisation pathway: clinical testing and advanced medical device development.

Cerulea Clinical Trials
CENTRE FOR EYE RESEARCH AUSTRALIA

Based in Melbourne, Cerulea Clinical Trials specialises in ophthalmology research, supporting clinical trials that aim to prevent blindness and improve outcomes for patients with eye diseases.

Since launching in 2024, Cerulea Clinical Trials has supported trials across conditions including rare inherited retinal diseases and glaucoma, helping researchers bring new treatments and technologies closer to patients.

Ophthalmology trials are now more focused on quality of life, independence and real-world outcomes, not just vision measurements on a chart. Scientists, clinicians, and trial teams are listening more closely to the lived experience of people with vision loss, and that is improving both treatments and care.

Cerulea Clinical Trials' work strengthens Victoria's capability in clinical research by connecting researchers, clinicians and participants through high-quality trial delivery.

"Our goal is to attract new trials locally and internationally, giving people living with eye disease access to cutting-edge treatments and improving outcomes."

Dr Michelle Bradney, CEO,
Cerulea Clinical Trials

neo-bionica

Established in 2021 as a partnership between the Bionics Institute and the University of Melbourne, Neo-Bionica provides specialised prototyping, manufacturing and commercialisation support for neurotechnology and medical device innovators.

Based at St Vincent's Hospital Melbourne, the facility enables innovators to design, manufacture and test complex medical devices locally, reducing reliance on overseas capability.

Neo-Bionica has supported the development of over 40 neurotechnology and bioelectronic prototypes, for companies such as Nirtek, Spinally and Neurotech Startup, with applications spanning epilepsy, stroke recovery, diabetes management, pain treatment and cardiology.

"We want to build more than just prototypes – we are committed to building Australia's capacity for MedTech manufacturing and exporting this globally... Our goal is to drive the development of new technologies that create meaningful clinical impact and improve lives worldwide."

Dr Ludovic Labat, CEO,
Neo-Bionica

Fund investments

In October 2025, Breakthrough Victoria announced cornerstone investments in a series of emerging and leading Venture Capital funds. These investments support emerging fund managers and bring dedicated investment management expertise into Victoria to support founders that are currently being left behind in capital markets.

Among the recipients are Australia's largest climate-tech capital firm, a fund led by a renowned oncology researcher and entrepreneur, a fund supporting under-represented female and diverse founders and a fund investing in emerging high-growth technology businesses including AI.

All four new funds have committed to allocating 25 per cent of the total capital in their fund to Victorian companies.

This initiative adds to Breakthrough Victoria's existing fund investment portfolio of Tin Alley Ventures, and our seven University Innovation Platform partnerships. Private co-investment alongside Breakthrough Victoria's cornerstone investment in the funds will continue to add to the more than $1.8 billion in private co-investment capital Breakthrough Victoria has already leveraged.

Tin Alley Ventures

Tin Alley Ventures is the largest university-dedicated venture capital fund ($125 million) in Australia, investing in exceptional University-affiliated startups, including startups founded by alumni.

Tin Alley Ventures primarily invests in biotech, hardware and software innovations that have the potential to deliver venture returns. It provides investment from $500,000 to several millions of dollars from seed stage through to pre-initial public offering (IPO).

Since Breakthrough Victoria's cornerstone investment in 2022, Tin Alley Ventures has completed nine investments and realised one exit: Apromore.

In November 2025, Salesforce acquired Apromore, a University of Melbourne-linked process intelligence company built on more than a decade of research led by the University of Melbourne and the University of Tartu, Estonia. Apromore's platform helps organisations use data science and artificial intelligence to analyse and improve business processes, and Salesforce said the acquisition would support its agentic automation strategy.

Virescent Ventures

Virescent Ventures is Australia's largest and most active dedicated climate technology investor. Born out of the Clean Energy Finance Corporation (CEFC), Virescent Ventures manages more than $500 million across two funds and has made 40 investments to date. Its portfolio spans clean energy, sustainable agriculture, circular economy and smart cities.

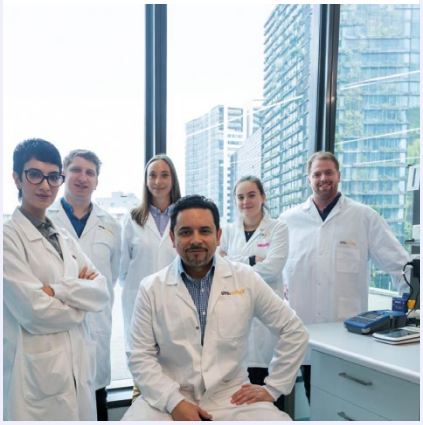
Virescent Ventures' Fund II is continuing to build on the successful track record of Fund I, raising $156 million. Virescent Ventures' Fund II, to which Breakthrough Victoria is contributing, invests from seed through to growth stages, with an average cheque size of $4 million initial investment and $8 million total per company.

The Fund's focus is on maximising both emissions reduction and commercial outcomes. It has already invested in a number of innovative companies, including Victorian-headquartered company Relectrify which has developed a world-leading battery solution, and Breakthrough Victoria portfolio company Amber Electric which helps energy users maximise the value of their solar, batteries and EVs.

SYNthesis BioVentures was established in Victoria by Professor Andrew Wilks, a renowned researcher and entrepreneur in the fields of oncology and haematology.

The overall theme is to identify a high-potential, scientifically robust pipeline of therapeutic assets, from early discovery through pre-clinical proof of concept and into clinical studies, leveraging the team's expertise in immunology, immuno-oncology and inflammatory diseases across multiple modalities and indications. Over 80 per cent of SYNthesis BioVentures' investments are expected to be in Victoria, leveraging its extensive networks with the Victorian Medical Research Institutes.

SYNthesis BioVentures' Fund 1 has invested in Aculeus Therapeutics, Catalyst Therapeutics, Anaxis Pharma, Skin2Neuron, Qubigen Intelligent Drug Design and Melbridge Therapeutics.





Scale Investors investment thesis is built on a compelling opportunity in the venture capital landscape: backing female founders. Although the number of women-led startups is increasing, just 3 per cent of venture capital goes to all-women founding teams, and under 20 per cent to startups with at least one woman co-founder.

Scale Investors was founded in Victoria 12 years ago as an angel syndicate operating on a deal-by-deal basis. This unique foundation gave the team deep, hands-on experience in sourcing, backing and supporting female founders – particularly those who are underrepresented and face unique challenges in accessing capital and networks.

The Scale Ventures Fund 1 achieved its first close with total commitments of $34.2 million in November 2025. As at March 2026, Scale Ventures Fund 1 has deployed $2.5 million across three startups in Medtech, Health Tech and Bio Tech.

Galileo Ventures is a pre-seed and seed Venture Capital firm backing exceptional emerging founders building new technology. Galileo Ventures' Fund I is a top decile fund with investments in leading Australian companies like Relevance AI, Andromeda and Tixel.

Galileo Ventures backs its portfolio to expand globally with deep operational support. The firm believes in equitable access to partner-level feedback through a unique no-introductions-needed funding process. The portfolio has attracted investment from leading global funds, including Andreessen Horowitz, Insight Partners and Peak XV, alongside top local VCs.

Galileo Ventures' Fund II, in which Breakthrough Victoria is investing, is a multi-sector, technology-focused fund investing $250,000 – $1 million into startups at their first rounds. Galileo Ventures' investors include leading institutions, family offices, founders and operators from Australia and the U.S.



Breakthrough Victoria Fellows

Breakthrough Victoria's 2025 Fellows marked off important milestones in their development, gaining experience in growing a startup team, building market presence and attracting funding. A new cohort of four fellows were selected in 2025–26 who will continue our ambition of nurturing and supporting the next generation of entrepreneurial talent from Victoria's university ecosystem.

Highlights for Breakthrough Victoria's fellows:



Dr Noor E Karishma Shaik

University of Melbourne Research Fellow

Noor, founder of **DeepDerm**, is developing an AI tool, DermAI that can detect skin cancer non-invasively through high-resolution images for frontline healthcare, especially rural communities.

This past year marked DeepDerm's transition from a research project into a company, allowing Noor to step into the role of founder and director to build both the team and advisory board for the next phase of growth.

In partnership with clinical and academic partners at the Peter MacCallum Cancer Centre and the University of Melbourne, Noor was successful in attracting grant funding for non-invasive imaging pathology, along with significant non-dilutive funding to accelerate AI deployment in early skin cancer detection.

"Becoming a founder forced me to rediscover my ability to take risks. That mindset shift – being okay with failing at times – enabled us to transform from a niche imaging tool into a comprehensive dermatology care system."

– Noor E. Karishma Shaik



Dr Michelle Chen

RMIT University PhD graduate

Michelle, founder of **Mental Jam**, is developing mobile video games co-created with people who have lived experience of mental health challenges. These games, like Bobarista, use storytelling, visuals, music and interactive minigames to foster emotional literacy and coping strategies.

During the first six months of the Fellowship, Michelle leant heavily on her support network, giving her the time to be the founder that people had invested in.

Since receiving the Breakthrough Victoria Fellowship, Michelle's innovation has received additional grant funding and startup support from organisations locally and in the U.S.

Michelle has learnt to draw on her team to support broader engagement, pitching Mental Jam at many startup events and launched a crowdfunding campaign.

"Last year during PAX (a gaming convention), we ran a panel and had no idea who would show up. More than 200 people attended, and 60 people joined our workshop. At that sort of gaming convention – where people have endless entertainment options – choosing to hear us was incredibly validating."

– Michelle Chen



Mohammad Haft Tananian

Monash University researcher

Mohammad, founder of **InnovaIVF** is developing a new technology that sits at the crossroads of physics, optics and biology. This revolutionary technology has applications in healthcare and related life-science settings.

Over the past year, InnovaIVF made strong progress in translating its research-led platform, sharpening the commercial strategy and focussing the platform on miniature vision systems for clinically sensitive environments where few solutions exist.

Mohammad has learnt the importance of choosing the right people to work with. With his team, Mohammad has conducted well over 200 conversations since the Fellowship began, strengthening engagement with specialist surgeons and industry partners in Australia and internationally to validate the move toward prototype development the vision for the platform.

"Breakthrough Victoria provided structure, guidance and discipline. That discipline shifted us from exploring interesting applications to deliberately building toward scalable, defensible market opportunities."

– Mohammad Haft Tananian

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 Development has portfolio responsibility for Breakthrough Victoria as the Relevant Minister. The Relevant Minister for Breakthrough Victoria in 2025–26 was the Hon Danny Pearson MP (to 13 April 2026) and the Hon Steve Dimopoulos MP (from 15 April 2026). At the time of reporting, the Hon Anthony Carbines MP was the Relevant Minister.

Breakthrough Victoria is subject to the *Financial Management Act 1994* and the *Public Administration Act 2004*. Governed by a Constitution, the purpose of the Company is to achieve the objectives outlined in the Statement of Principles issued by the Relevant Minister. As required by the 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 forward four-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 which have portfolio responsibilities for Breakthrough Victoria, and the Department of Treasury and Finance regarding the state government's shareholding in the Company.

The Company has an independent Board of Directors. Each director is appointed for a term not exceeding three years and is eligible to be reappointed for two further three-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 Victorian International Education Advisory Council, BioCurate Pty Ltd, the Melbourne Convention and Exhibition Trust and In2science. John became the 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, a Graduate (Advanced) of the Australian Institute of Superannuation Trustees and the author of a number of books on public policy.



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 in organisations that balance commercial return with purpose, spanning the private, government and not-for-profit sectors.

With broad expertise in health and life sciences, insurance and arts and culture, she has held senior executive roles and has worked effectively in complex environments, balancing commercial return and sustainability with a values-based approach.

Deirdre currently chairs the Audit and Risk Committee at four organisations: Breakthrough Victoria, Queen Victoria Market, Greater Western Water and the Department of Premier and Cabinet. Her other current appointments include Cell Therapies and Melbourne Recital Centre. Previous board appointments include Peter MacCallum Cancer Centre, Ansvar Insurance and BUPA.

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



Ms Monique Conheady

Director

Monique Conheady is a seasoned sustainability leader, entrepreneur, and engineer, known for her strategic influence across the clean economy sector. She was a co-founder of Flexicar and DC Power Co and now works as a mentor, advisor and non-executive director.

She is currently supporting several clean economy startups and scale-ups; JET Charge, Hysata, Phantm and MetroElectro. She also advises investors in the sector, with roles including Venture Advisor at Wavemaker Impact and Investment Committee Member at The Planet Fund.

Monique also has extensive advisory and governance experience with government. She is currently Deputy Chair of Melbourne Water and Chair Commissioner of Energy Safe Victoria. She has previously held governance roles with EPA Victoria and Commercial Passenger Vehicles Victoria and was an expert advisor to Victoria's Zero Emissions Vehicle Strategy.

Monique holds a degree in environmental engineering from the University of Melbourne.



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. 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. He is a winner of the AVCAL early-stage investment award.

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 an experienced executive, investor and board director with more than 25 years building and backing technology companies across the U.S., Europe and Asia-Pacific. Having worked on both sides of the table, as a venture investor and as an operator from startup chief executive to leadership roles within a global technology company, he brings a practical understanding of what it takes to scale companies, alongside the private capital discipline and judgment that investment oversight requires.

Mark was CEO of SkyPilot Networks, which he led through a turnaround, and earlier directed worldwide product strategy at Preview Systems through a merger and IPO. At Apple, he directed key aspects of developer relations through major platform transitions internationally. As an Associate Partner at Mobius Venture Capital (SoftBank), Mark focused on deep tech investments, with successful exits including Danger, acquired by Microsoft.

For more than a decade Mark has worked closely with Australia's entrepreneurial ecosystem, helping companies and their founders scale into the U.S. and international markets.

Mark holds a Bachelor of Arts 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 at Boston Scientific guiding decisions for the company's US $1.0 billion internal Venture Capital fund, Ian specialises in life science asset evaluation, diligence, asset management, governance and M&A. Over 35 years, he has merged patient care, clinical research and life science technology to create transformative healthcare solutions.

In 2003 he conceived and led 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 and currently serves as a non-executive director for several international and national medtech companies.

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.

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

- Appointing the Chief Executive Officer (with approval of the Relevant Minister)
- Setting strategic direction, 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.

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

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 24 FTE as at 30 June 2026) 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

Board Member	Investment Committee	Nominations and Remuneration Committee	Risk, Audit and Finance Committee
Hon John Brumby AO (Chair)		Chair	Member
Ms Deirdre Blythe		Member	Chair
Ms Monique Conheady	Member	Member	
Dr Joshua Funder	Member		Member
Mr Mark Johnson	Chair	Member	
Prof Ian Meredith AM	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, recommends 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 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.

Indemnification and insurance of officers and auditors

The Directors' and Officers' liability insurance provides cover against costs and expenses involved in defending legal actions and any resulting payments arising from a liability to persons (other than the Company or a related body corporate) incurred by that person in their position as a Director or Officer of the Company unless the conduct involves deliberately dishonest or fraudulent acts or omissions, intentional breach of the law, or gain of personal profit or advantage.

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.

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.

Directors' meetings

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

Board and Board Committee Attendance

1 July 2025 – 30 June 2026

Board	Original Appointment Date	No. of Meetings Eligible to Attend	No. of Meetings Attended by Director
Hon John Brumby AO (Chair)	16/03/2021	9	9
Ms Deirdre Blythe	01/08/2024	9	9
Ms Monique Conheady	01/08/2024	9	8
Dr Joshua Funder	01/02/2022	9	8
Mr Mark Johnson	01/02/2022	9	9
Prof Ian Meredith AM	01/08/2024	9	9

Committee	No. of Meetings Eligible to Attend	No. of Meetings Attended by Director
Investment Committee		
Mr Mark Johnson (Chair)	6	6
Ms Deirdre Blythe*	–	5
Hon John Brumby AO*	–	1
Ms Monique Conheady	6	5
Dr Joshua Funder	6	5
Prof Ian Meredith AM	6	6
Risk, Audit and Finance Committee		
Ms Deirdre Blythe (Chair)	6	6
Hon John Brumby AO	6	5
Ms Monique Conheady*	–	2
Dr Joshua Funder	6	2
Mr Mark Johnson*	–	6
Prof Ian Meredith AM	6	4
Nominations and Remuneration Committee		
Hon John Brumby AO (Chair)	4	4
Ms Deirdre Blythe	4	3
Ms Monique Conheady	4	4
Mr Mark Johnson	4	4

* Director attended Committee meeting as an observer.

Executive Team



Rod Bristow
Chief Executive Officer

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

His previous roles have included 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 co-founded a business in the environmental management and carbon offsets space, delivering Queensland's first carbon trade in 2001.

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



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, startup and government sectors to ensure 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 new opportunities and for overseeing the investment approach and portfolio. He brings 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 two 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.



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 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 Graduate of the Australian Institute of Company Directors (GAICD).

Organisational profile

Workplace developments 2025–26

During 2025–26, Breakthrough Victoria strengthened its organisational foundations and continued to mature its operating model to support future growth.

The Company continued to invest in the systems, processes and internal capability required to operate efficiently at greater scale and with increased discipline. These initiatives enhanced organisational capability and positioned the Company for future upside performance from the portfolio. The Company implemented Value Creation and Accountability Frameworks and introduced 90-day planning cycles to improve clarity, alignment and delivery across the organisation.

Alongside these changes, Breakthrough Victoria maintained a deliberate focus on engagement and wellbeing to support a high-performing, healthy and sustainable workplace culture. Employee feedback was monitored through a range of surveys, including pulse surveys, Breakthrough Victoria's internal engagement survey, and the Victorian Public Sector People Matters Survey, providing valuable insights into staff experience and informing practical actions to support performance, wellbeing and psychosocial safety.

Workforce profile

The organisational structure established in the previous financial year was consolidated further in 2025–26, with company resources organised under four key positions: the Chief Executive Officer, Chief Investment Officer, Chief Operating Officer and General Counsel.



Of the 24 employees at 30 June 2026, Breakthrough Victoria had 10 female and 14 male employees.
Of members who sit on the Executive Leadership Team, there are 2 females and 2 males.

Part time	3
Full time	21

Occupational Health and Safety

Measures	Number in the Reporting Period
Hazards identified	0
Incidents reported	0
Workers Compensation claims	0



Financial Summary

Over the past five years, Breakthrough Victoria has built a strong track record as a patient capital investor, backing Victoria's most ambitious founders, companies and ideas while steadily building a portfolio of scale, quality and long-term value.

Since commencing operations in 2021, Breakthrough Victoria has committed more than $500 million in capital across 100+ investments, alongside a landmark $25 million grant to establish the Jumar Bioincubator (a total commitment of over $525 million). What began as a bold investment mandate has, over five years, evolved into a substantial and maturing portfolio with a growing record of commercial, financial and strategic impact.

That trajectory is clearly reflected in the Company's financial performance and balance sheet. Over the period, Breakthrough Victoria grew total assets to $826.7 million, with net assets and total equity reaching $824.2 million by 30 June 2026 (2025: $605.4 million). This growth has been underpinned by disciplined capital deployment, active portfolio management and a long-term value creation approach that extends beyond the initial investment.

The 2026 financial year marked a particularly important milestone in that journey – a genuine inflection point in the maturity of the portfolio and a landmark year for the Company. Breakthrough Victoria delivered a net result of $165.8 million (2025: net loss $5.7 million), while continuing to increase assets under management and reduce expenses.

During the year, Breakthrough Victoria recorded its first cumulative capital returns of $83.7 million, demonstrating the transition of early-stage investments into realised value and cash inflows. This was a significant step forward: evidence that the portfolio is not only growing in unrealised value but is also beginning to convert that value into tangible returns.

The fair value of investments increased to $448.9 million (2025: $321.5 million), representing a total value to paid in capital (TVPI) multiple of 1.49x (2025: 1.02x) and an increase in value of $127.4 million in the year despite the capital returns made. This represents $164.4 million of gains on financial instruments in the year after allowing for exchange movements (2025: $5.4 million loss).

This performance has been driven by more than capital alone. Across the five-year period, Breakthrough Victoria has taken an active approach to portfolio management – supporting investee companies with strategic, operational and governance expertise; helping unlock follow-on funding; and connecting founders and businesses with networks, markets and opportunities. That hands-on engagement has helped translate early potential into commercial progress and financial value.

Independent benchmarking reinforces this story. Breakthrough Victoria's performance sits in the upper tier of peer venture capital funds tracked by PitchBook across all three of its headline metrics, highlighting the quality of returns being generated and the strength of the portfolio that has been built in a relatively short period.

Total expenses fell 32 per cent to $12.2 million (2025: $17.8 million), the first decline in absolute terms since inception, and the management expense ratio improved to 1.6 per cent. Together, these results demonstrate the strategic discipline Breakthrough Victoria has built over time: growing the portfolio, strengthening performance and maintaining an efficient operating model.

Taken together, these results tell a compelling five-year story. In just half a decade, Breakthrough Victoria has moved from establishment to scale; from capital deployment to value creation; and, in 2026, from unrealised portfolio growth to its first realised returns of capital. It has built a stronger balance sheet, matured a high-quality investment portfolio which has created value to date of $171.8 million for Victoria and has done so while maintaining cost discipline and an active, high-value model of portfolio support.

This is the record of a company that has not only delivered on its mandate but has helped shape the future of Victoria's innovation economy – backing breakthrough companies, building capability and creating enduring value over the long term.



KEY HIGHLIGHTS	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Operating Performance (Figures in $'m)	**2025–26**	**2024–25**	**2023–24**	**2022–23**	**Mar 2021 – Jun 2022**
Grant Income	–	–	–	75.0	60.0
Interest from Investments	1.6	7.5	4.1	0.9	–
Interest from Bank Deposits	11.5	10.5	9.3	7.6	0.1
Grant Expenses	–	–	–	(5.0)	(20.0)
Management Expenses	(12.2)	(17.8)	(17.7)	(17.2)	(9.7)
Net Gain/(Loss) on Financial Instruments	168.7	(7.4)	2.6	(3.3)	–
Foreign Exchange Gain/(Loss) on Financial Instruments	(4.3)	2.0	(1.3)	0.7	–
Foreign Exchange Gain/(Loss) on Other Transactions	0.5	–	–	–	–
Net Operating Profit/(Loss)	**165.8**	**(5.2)**	**(3.0)**	**58.7**	**30.4**
Other Non-Operating Gain/(Loss)	–	(0.5)	–	–	–
Net Result	**165.8**	**(5.7)**	**(3.0)**	**58.7**	**30.4**

KEY HIGHLIGHTS (AS AT)	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Financial Position (Figures in $'m)	**Jun 2026**	**Jun 2025**	**Jun 2024**	**Jun 2023**	**Jun 2022**
Cost of Investments	349.7	315.7	258.1	104.2	–
Add/(Less) inception to date:					
Interest from Investments	14.1	12.5	5.0	0.9	–
Net Gain/(Loss) on Financial Instruments	160.6	(8.1)	(0.7)	(3.3)	–
Foreign Exchange Gain/(Loss) on Financial Instruments	(2.9)	1.4	(0.6)	0.7	–
Capital Returned *	(72.7)	–	–	–	–
Fair Value of Investments	**448.9**	**321.5**	**261.8**	**102.5**	**–**
Capital Funds Held for Commitments	301.0	209.3	191.9	170.8	50.0
Total Assets under Management	**749.9**	**530.8**	**453.7**	**273.3**	**50.0**
Other Cash and Cash Equivalents	75.2	82.6	82.3	90.3	53.5
Other Assets	1.6	2.3	2.2	3.0	3.6
Total Assets	**826.7**	**615.7**	**538.2**	**366.6**	**107.1**
Total Liabilities	2.5	10.3	2.1	2.5	26.7
Net Assets	**824.2**	**605.4**	**536.1**	**364.1**	**80.4**
Contributed Capital	578.0	525.0	450.0	275.0	50.0
Retained Earnings	246.2	80.4	86.1	89.1	30.4
Total Equity	**824.2**	**605.4**	**536.1**	**364.1**	**80.4**

KEY RATIOS					
Growth in Assets Under Management	41%	17%	66%	447%	–
Growth in Expenses	(32%)	1%	3%	78%	–
Management Expense Ratio (MER)	1.6%	3.4%	3.9%	6.3%	19.4%
TVPI	1.49x	1.02x	1.01x	0.98x	–
DPI**	0.24x	–	–	–	–

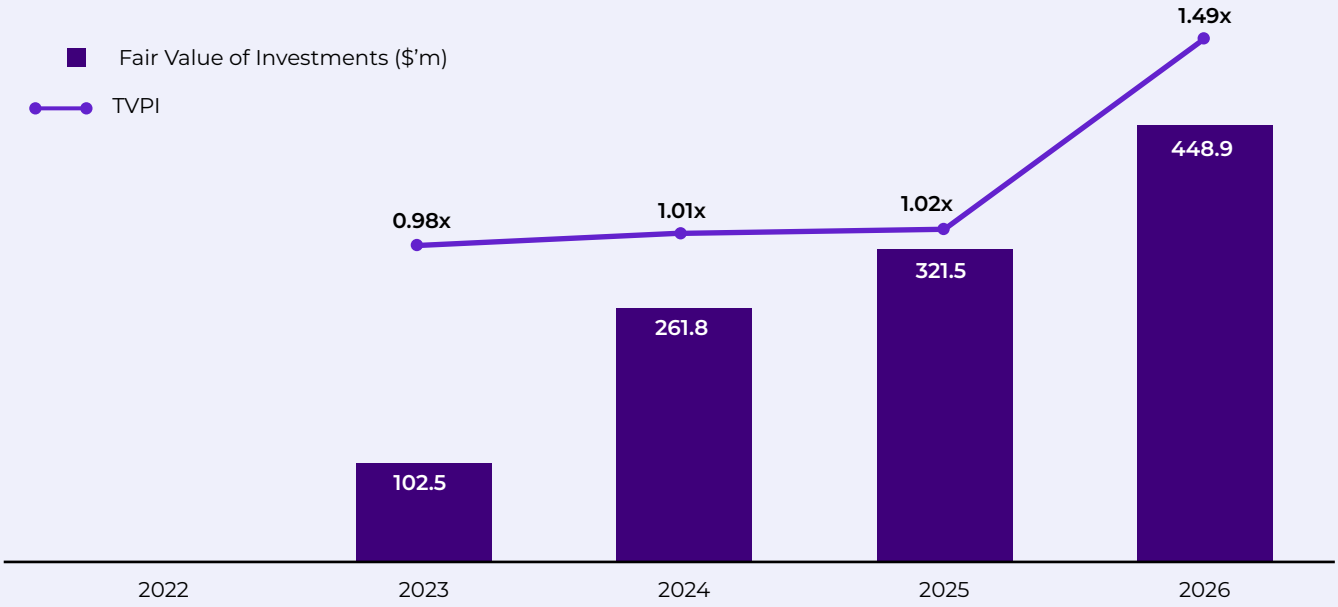
* Capital Returned is net of $11.0m being shares received in lieu of cash.

** DPI is calculated as gross distribution proceeds including shares received in lieu of cash, as a ratio of capital invested.

Totals may not add up due to rounding.

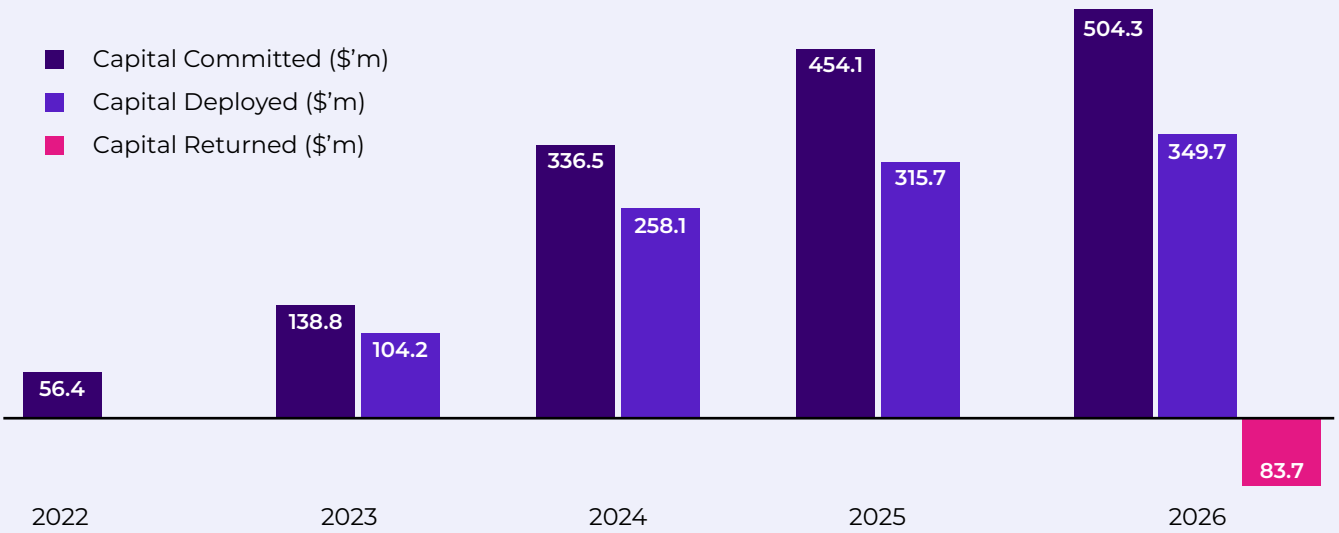
Investment performance

Investment performance



As the portfolio has matured, the fair value of investments on Balance Sheet as of 30 June 2026, rose 40 per cent to $448.9 million, lifting the TVPI multiple to 1.49x, up from 1.02x in 2025. The portfolio's valuation now stands materially above the cost of capital invested, with additional value created to date of $171.8 million. As is inherent to Venture Capital investing, these valuations remain subject to the long-term performance and viability of portfolio companies, subsequent funding requirements, currency movements and evolving market conditions.

Cumulative investment performance



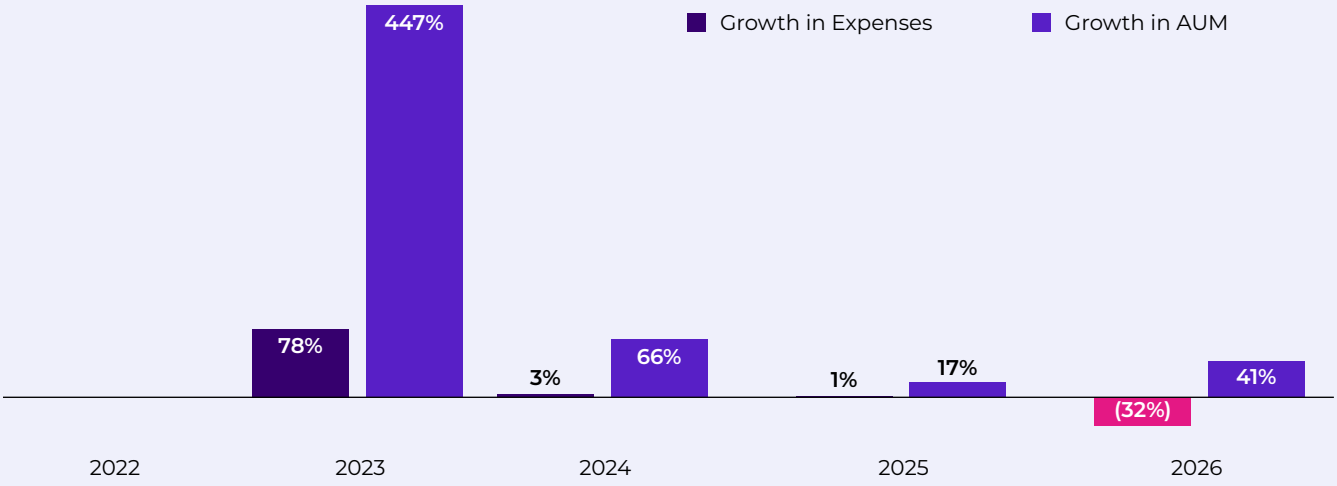
* Capital Returned includes $11.0m being shares received in lieu of cash.

The 2025–26 financial year represented an important inflection point in the portfolio's maturity, with Breakthrough Victoria realising its first cumulative capital returns of $83.7 million. This evidenced the transition of early-stage investments into realised value and cash inflows, complementing the broader unrealised appreciation across the portfolio.

Operating efficiency

The 2026 financial year marked the first year in which total expenses declined in absolute terms, falling 32 per cent to $12.2 million even as assets under management continued to grow. This reduced the management expense ratio from 3.4 per cent in 2025 to 1.6 per cent in 2026. Expense growth has remained consistently below the Consumer Price Index throughout the lifetime of the company, reflecting the continued focus on efficiency and responsible financial stewardship.

Growth in expenses vs investment performance



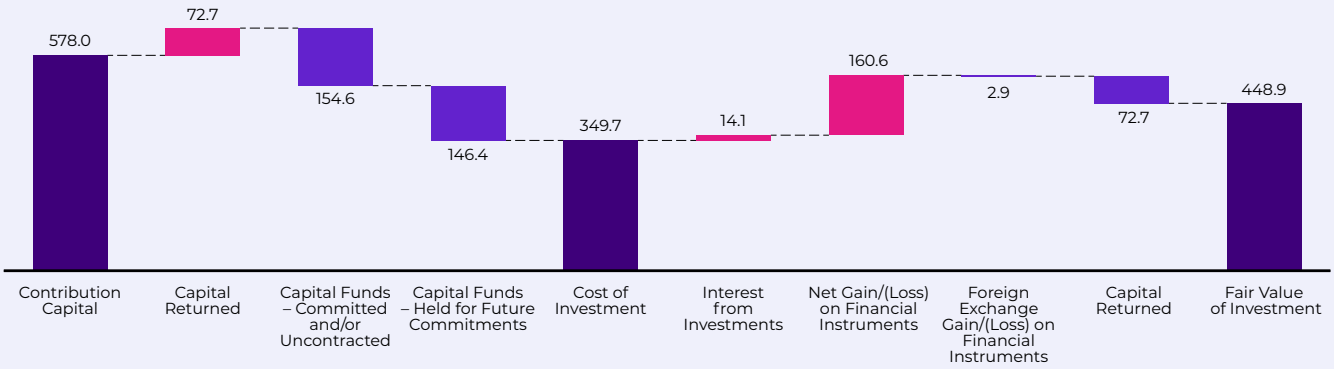
In every year since establishment, expense growth has trailed the growth in assets under management, and in 2026 the two diverged decisively. Following the rapid portfolio build-out of earlier years, when assets under management expanded by 447 per cent, 66 per cent and 17 per cent respectively, the Company has reached a scale at which it can continue to grow its asset base while managing the absolute cost base. This widening gap between cost discipline and asset growth demonstrates the operating leverage embedded in the business and its positioning as a maturing, efficiently run fund.

Financial position

Breakthrough Victoria's financial position as at 30 June 2026 reflects strong and sustained growth. Net assets grew 36 per cent to $824.2 million, supported by robust investment performance, a healthy cash position and continued backing from the State.

During the year, the company received $53 million in new capital funding from the State, lifting contributed capital to $578 million. Cumulative capital committed reached $504.3 million and capital deployed reached $349.7 million, with $83.7 million of uncalled commitments and a further $70.9 million approved but not yet contracted, providing a strong pipeline for new and follow-on investment.

Investment performance snapshot (inception to June 2026) – $'m



Across the lifetime of the company, additional value of $171.8 million for the State has been created from investment gains and interest on investments, creating a portfolio with a fair value of $448.9 million at 30 June 2026 and the expectation of further growth to come in future years.

The company's cash continues to be carefully managed to ensure stability and support future growth and comprises:

- $75.2 million in unutilised operating funds from prior years, repurposed to support ongoing operational expenditures in the future;
- $154.6 million in capital funds for investments already approved by the Board, including uncalled capital of $83.7 million, which will be deployed in future years; and
- $146.4 million held for future commitments in new and follow-on opportunities. This primarily relates to $53.0 million in new capital funding received from the State plus proceeds from the realisation of successful portfolio exits, both received late in the financial year.

The combination of a landmark net result, further gains in cost efficiency and the first returns of capital, positions Breakthrough Victoria strongly for sustainable growth and long-term impact. While the company's international exposure means it is not immune to global market fluctuations, its core financial health remains robust, with day-to-day operations and cost management unaffected by these unrealised fluctuations.

Subsequent events

During the 2026 financial year, following the recommendations of the Independent Review of the Victorian Public Service, the Government undertook a further Innovation and Commercialisation Review that recommended structural changes to state investment, including consolidating the functions of LaunchVic and Breakthrough Victoria into one entity.

Subsequent to 30 June 2026, the Company entered into an arrangement to assume the assets and liabilities of LaunchVic and other investment assets of InvestVic under a new entity and trading name (Innovation Victoria Pty Ltd).

Subsequent events continued

As part of this arrangement, the contracts, commitments and other obligations of LaunchVic and its subsidiaries are novated to the Company, the staff of those entities recontracted to the Company with transfer of respective employee entitlements, and consequential changes have been made to the composition of the Company's Board and directors.

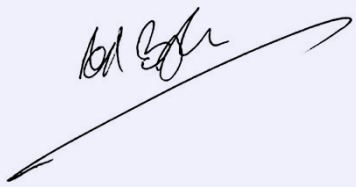
The Honourable Anthony Carbines MP, Minister for Economic Development, assumed the role of Responsible Minister for Innovation Victoria Pty Ltd (previously Breakthrough Victoria Pty Ltd) following the announcement by the Premier of Victoria of a new Cabinet on 4 August 2026.

The events are non-adjusting in nature after the reporting period, and accordingly no adjustment has been made to the financial statements as at 30 June 2026.

Financial Management Compliance Attestation

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

Annual Financial Report

For the reporting period 1 July 2025 to 30 June 2026

Directors' declaration

Breakthrough Victoria Pty Ltd has presented its audited general purpose annual financial report for the reporting period 1 July 2025 to 30 June 2026 in the following structure to provide users with information about Breakthrough Victoria's stewardship of resources entrusted to it.

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 2026 and of its performance for the financial year ended 30 June 2026, 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 11 September 2026.

Monique Conheady
Director

11 September 2026

Deirdre Blythe
Director

11 September 2026

Independent Auditor's Report

Victorian Auditor-General's Office

To the Directors of Breakthrough Victoria Pty Ltd (trading as Innovation Victoria)

Opinion	I have audited the financial report of Breakthrough Victoria Pty Ltd (the company) which comprises the: • balance sheet as at 30 June 2026 • 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 • Directors' declaration. 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 2026 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.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

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
18 September 2026

Roberta Skliros
as delegate for the Auditor-General of Victoria

VAGO
Victorian Auditor-General's Office

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 2026, 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
18 September 2026

Roberta Skliros
as delegate for the Auditor-General of Victoria

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Financial Statements

Breakthrough Victoria presents its audited general purpose financial statements for the year ended 30 June 2026 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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Note: Totals in the Financial Statements may not add up to due to rounding.

Comprehensive Operating Statement

For the financial year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Continuing operations			
Income			
Grant income	2.1	–	–
Investment income	2.2	13,095	18,027
Total income		**13,095**	**18,027**
Expenses			
Employee benefit expenses	3.3	7,525	11,718
Administration expense	3.1	4,192	5,444
Depreciation and amortisation		451	633
Grant expenses	3.2	–	–
Total expenses		**12,168**	**17,795**
Net gain/(loss) on financial instruments			
Net fair value gain/(loss) on financial instruments	7.1	168,682	(7,378)
Net foreign exchange gain/(loss) arising from financial instruments	7.2	(3,769)	1,969
Total net gain/(loss) on financial instruments		**164,913**	**(5,409)**
Net operating profit/(loss)		**165,840**	**(5,177)**
Other non-operating activities			
Net gain/(loss) on non-financial assets	7.3	–	(508)
Total other non-operating activities		**–**	**(508)**
Net result		**165,840**	**(5,685)**
Comprehensive result		**165,840**	**(5,685)**

Breakthrough Victoria has no other comprehensive income to report for the period ended 30 June 2026.

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

Balance Sheet

As at 30 June 2026

	Note	2026 $'000	2025 $'000
Assets			
Financial assets			
Cash and cash equivalents	4.1	376,189	291,948
Investments	4.2	448,876	321,510
Statutory receivables and other assets		328	612
Total financial assets		**825,393**	**614,070**
Non-financial assets			
Furniture, fittings and equipment	4.3	272	390
Right-of-use assets	4.4	962	1,181
Intangible assets		60	138
Total non-financial assets		**1,294**	**1,709**
Total assets		**826,687**	**615,779**
Liabilities			
Payables	5.1	1,110	8,750
Provision for employee benefits	3.3	326	440
Lease liability	5.2	1,024	1,202
Total liabilities		**2,460**	**10,392**
Net assets		**824,227**	**605,387**
Equity			
Contributed capital		578,015	525,015
Retained earnings		246,212	80,372
Net worth		**824,227**	**605,387**

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 2026

	Contributed capital $'000	Accumulated surplus $'000	Total $'000
Opening balance at start of period	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**
Net result for the year	–	165,840	165,840
Contributed capital	53,000	–	53,000
Balance at 30 June 2026	**578,015**	**246,212**	**824,227**

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 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Grant income	2.1	–	–
Interest received	2.2	11,470	10,518
Goods and services tax recovered from the ATO		446	576
Payments to suppliers and employees		(12,082)	(17,778)
Overpayment by Government related entity		(7,500)	7,500
Payment of grants	3.2	–	–
Interest and other finance costs		(52)	(29)
Net cash inflows/(outflows) from operating activities	4.1(a)	**(7,718)**	**787**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(5)	(197)
Acquisition of investments		(34,022)	(57,611)
Proceeds on disposal of investments		72,668	–
Foreign exchange gains on conversion of bank deposits		527	–
Net cash inflows/(outflows) from investing activities		**39,168**	**(57,808)**
Cash flows from financing activities			
Contributed capital		53,000	75,000
Repayment of principal portion of lease liabilities		(209)	(264)
Net cash inflows from financing activities		**52,791**	**74,736**
Increase in cash and cash equivalents		**84,241**	**17,715**
Cash and cash equivalents at beginning of year		291,948	274,233
Cash and cash equivalents at end of year	4.1	**376,189**	**291,948**

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 the 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 2026, with the comparative year end 30 June 2025.

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 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 the 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 Minister for Finance 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 requirements. The financial report also complies with relevant Financial Reporting Directions approved by the Minister for Finance.

The financial report was authorised for issue by the Board of Directors on 11 September 2026.

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 has 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 2026 (2025: Nil).

Notes to the Financial Statements (continued)

2.2 Investment income

	2026 $'000	2025 $'000
Investment income		
Interest from investments	1,625	7,509
Interest from bank deposits	11,470	10,518
Total investment income	**13,095**	**18,027**

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 net gain/(loss) on financial instruments through net result and are disclosed at Note 7.1 and 7.2.

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.

	2026 $'000	2025 $'000
Professional services	427	1,417
Information services	708	1,018
Communication expenses	319	191
Insurance	470	387
Investment expenses	1,332	1,504
Interest expense	52	29
Victorian Auditor-General's financial audit fees	138	132
Other operating	746	766
Total administration expenses	**4,192**	**5,444**

No remuneration was paid to the Victorian Auditor-General's Office for any other services (2025: 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 2026 (2025: Nil).

3.3 Employee benefit expenses

(a) Employee benefits in the Comprehensive Operating Statement

	2026 $'000	2025 $'000
Employee benefits		
Salaries and on-costs	6,389	9,289
Defined contribution superannuation expenses	685	929
Leave entitlements	451	664
Termination benefits	–	836
Total employee benefit expenses	**7,525**	**11,718**

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 2026 (2025: 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.

	2026 $'000	2025 $'000
Current provisions		
Annual leave and on-costs		
Unconditional and expected to be settled within 12 months	326	440
Total provision for employee benefits	**326**	**440**

(c) Reconciliation of movement in provision

	2026 $'000	2025 $'000
Opening balance	**440**	**460**
Additional provisions recognised	452	662
Reductions arising from payments/other sacrifices of future economic benefits	(566)	(682)
Closing balance	**326**	**440**
Current	326	440
Non-current	-	–
Total provision	**326**	**440**

Wages and salaries, annual leave and on-costs are recognised as current liabilities as the Company does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages is 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 (2025: 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 five years or less (2025: five year or less).

4. Key assets available to support our delivery

Introduction to this section

This section details the key assets utilised in fulfilling Breakthrough Victoria's objectives and conducting its operations.

This section contains the following disclosure:

4.1 Cash and cash equivalents

4.2 Investments

4.3 Furniture, fittings and equipment

4.4 Right-of-use assets

4.1 Cash and cash equivalents

	2026 $'000	2025 $'000
Current		
Operating Funds[a]	75,205	75,110
Capital Funds – committed and/or uncontracted[b]	154,612	138,931
Capital Funds – held for future commitments[c]	146,372	70,407
Cash and cash equivalents available to the Company	**376,189**	**284,448**
Overpayment from Government related entities[d]	–	7,500
Total cash and cash equivalents	**376,189**	**291,948**

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 $83.7 million (2025: $54.9 million) and Board approved investments of $70.9 million (2025: $84.0 million) which had not been contracted as at 30 June 2026 and were still subject to further due diligence processes.

(c) Capital Funds – held for future commitments represent the balance of capital contributions and disposal proceeds from realisation of investments of $146.4 million received to-date and to be deployed towards new and follow-on commitments.

(d) As at 30 June 2026, Cash and cash equivalents available to the Company were $376.2 million (2025: $284.4 million net of repayment of $7.5 million relating to GST on capital funding from the Department of Jobs, Skills, Industry and Regions).

Notes to the Financial Statements (continued)

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

	2026 $'000	2025 $'000
Net result	165,840	(5,685)
Depreciation on furniture, fittings and equipment and right-of-use assets	373	555
Amortisation on intangibles	77	78
Loss on disposal of furniture, fittings and equipment	–	508
Accrued investment income	(1,625)	(7,510)
Changes in fair values of investments through the comprehensive operating statement	(147,484)	5,409
Gain on disposal of investments	(17,429)	–
Changes in operating assets and liabilities		
(Increase)/decrease in receivables	4	18
(Increase)/decrease in prepayments	280	(133)
Increase/(decrease) in payables	(7,640)	7,747
Increase/(decrease) in provisions	(114)	(200)
Net cash inflows/(outflows) from operating activities	**(7,718)**	**787**

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

	2026 $'000	2025 $'000
Convertible notes	27,846	68,969
Equities and units in trusts	403,510	241,108
Investments accounted for using the equity method	17,520	11,433
Total investments	**448,876**	**321,510**
Current	–	–
Non-current	448,876	321,510
Total investments	**448,876**	**321,510**

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

	2026		2025	
	Investment $'000	**Ownership %**	**Investment $'000**	**Ownership %**
Flaim Systems Pty Ltd[(a)]	634	21.4	3,826	21.4
Evolution Trustees Limited as trustee for Genesis Pre-Seed Fund	7,009	50.0	7,607	50.0
Seer Australia	9,877	25.0	–	–
Total investments accounted for using the equity method	**17,520**		**11,433**	

Notes:

(a) Breakthrough Victoria's share of post-acquisition losses includes an impairment loss recognised in respect of its investment in Flaim Systems Pty Ltd. During the year ended 30 June 2026, indicators of impairment were identified for Flaim Systems Pty Ltd, including sustained operating losses resulting in significant drop in Net Assets and prolonged decline in the fair value of an investment. An impairment test was performed resulting in recognition of an impairment loss of $ 2.7 million (2025: $nil), reflected under Note 7.1 – Net fair value gain/(loss) on financial instruments.

Notes to the Financial Statements (continued)

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. In accordance with the DOCA terms, a new company Seer Australia Pty Ltd acquired the assets from Seer Medical Pty Ltd in July 2025, with Breakthrough Victoria retaining 25 per cent equity on a diluted basis. Seer Australia Pty Ltd did not have any financial performance for the year ending 30 June 2025.

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 'Net Gain/(Loss) on Financial Instruments'.

	2026 $'000	2025 $'000
Flaim Systems Pty Ltd		
Summarised balance sheet		
Current assets	504	959
Non-current assets	291	434
Current liabilities	(740)	(770)
Non-current liabilities	4	(44)
Net Assets	**59**	**579**
Summarised statement of comprehensive income		
Revenue	1,280	1,275
Net surplus/(deficit)	(503)	(622)
Other comprehensive income	–	–
Total comprehensive result[a]	**(503)**	**(622)**

Notes:

(a) Flaim Systems Pty Ltd financial information represents 12 months to 31 March 2026 (2025: 10 months to 31 March 2025). Reliable financial information was not available for quarter ended 30 June 2026, and the audit adjustments for year ending 30 June 2025 are reported in financial year ending 30 June 2026.

	2026 $'000	2025 $'000
Evolution Trustees Limited as trustee for Genesis Pre-Seed Fund		
Summarised balance sheet		
Current assets	3,764	5,809
Non-current assets	3,369	1,945
Current liabilities	(125)	(147)
Non-current liabilities	–	–
Net Assets	**7,009**	**7,607**
Summarised statement of comprehensive income		
Revenue	168	211
Net surplus/(deficit)	(598)	(135)
Other comprehensive income	–	–
Total comprehensive income[a]	**(598)**	**(135)**

Notes:

(a) Evolution Trustees Limited as a trustee for Genesis Pre-Seed Fund financial information represents 12 months to 31 March 2026 (2025: 9 months to 31 March 2025). Reliable financial information was not available for quarter ended 30 June 2026, and the audit adjustments for year ending 31 December 2025 are reported in financial year ending 30 June 2026.

	2026 $'000	2025 $'000
Seer Australia Pty Ltd		
Summarised balance sheet		
Current assets	1,843	–
Non-current assets	931	–
Current liabilities	(399)	–
Non-current liabilities	(4,236)	–
Net Assets	**(1,861)**	**–**
Summarised statement of comprehensive income		
Revenue	–	–
Net surplus/(deficit)	(1,123)	–
Other comprehensive income	–	–
Total comprehensive income[(a)]	**(1,123)**	**–**

Notes:

(a) Breakthrough Victoria retained 25% investment in Seer Australia Pty Ltd since July 2025 and the financial information represents 9 months to 31 March 2026 (2025: nil). Reliable financial information was not available for quarter ended 30 June 2026.

4.3 Furniture, fittings and equipment

	2026 $'000	2025 $'000
Computer equipment	316	311
Accumulated depreciation	(264)	(185)
	52	**126**
Furniture and fittings	252	252
Accumulated depreciation	(105)	(79)
	147	**173**
Leasehold improvement	93	93
Accumulated depreciation	(20)	(2)
	73	**91**
Net carrying amount	**272**	**390**

Notes to the Financial Statements (continued)

	Computer equipment $'000	Furniture and fittings $'000	Leasehold improvements $'000	Total $'000
Movement in carrying amounts				
Carrying amount at 1 July 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**
Additions	5	–	–	5
Disposals	–	–	–	–
Depreciation expense	(79)	(26)	(18)	(123)
Carrying amount at 30 June 2026	**52**	**147**	**73**	**272**

Furniture, fittings and equipment

At initial recognition, furniture, fittings, and equipment are measured initially at cost 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

	2026 $'000	2025 $'000
Right-of-use buildings	1,206	1,206
Accumulated depreciation	(302)	(61)
Net carrying amount	**904**	**1,145**
Right-of-use motor vehicles	60	54
Accumulated depreciation	(2)	(18)
	58	**36**
Net carrying amount	**962**	**1,181**

	Right-of-use Buildings $'000	Right-of-use Motor Vehicles $'000	Total $'000
Movement in carrying amounts			
Carrying amount at 1 July 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**
Additions	–	60	60
Disposals	–	(29)	(29)
Lease modification	–	–	–
Depreciation expense	(241)	(9)	(250)
Carrying amount at 30 June 2026	**904**	**58**	**962**

The Company recognises a right-of-use asset and a lease liability at the lease commencement date.
The right-of-use asset is 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. 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.

Notes to the Financial Statements (continued)

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

	Note	2026 $'000	2025 $'000
Current			
Contractual			
Supplies and services		112	9
Other payables and accrued expenses		949	8,672
Statutory			
Goods and Services Tax and other taxes		49	69
Total payables		**1,110**	**8,750**

Payables comprise of:

- Contractual payables (such as accounts payable) are classified as financial instruments and are measured at amortised cost which equates to 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

	2026 $'000	2025 $'000
Lease liability – buildings	966	1,166
Lease liability – motor vehicles	58	36
Total lease liabilities	**1,024**	**1,202**
Current	177	153
Non-current	847	1,049
Total lease liabilities	**1,024**	**1,202**

The Company leases premises for the use of office space. The 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 recognised in the Cash Flow Statement during the year. There were no defaults and breaches of any leases.

Notes to the Financial Statements (continued)

(b) Amounts recognised in the Comprehensive Operating Statement

	2026 $'000	2025 $'000
Interest expense on lease liability – buildings	51	28
Interest expense on lease liability – motor vehicle	1	1
Total amount recognised in the Comprehensive Operating Statement	**52**	**29**

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 2026 amounted to $0.3 million (2025: $0.3 million).

6. Risk 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 interest.

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).

(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 net gain/(loss) on financial instruments.

The Company recognises listed and 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)

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
2026			
Contractual financial assets			
Cash and deposits	376,189	–	376,189
Investments	–	431,356	431,356
Receivables[(a)]	71	–	71
Total contractual financial assets	**376,260**	**431,356**	**807,616**
Contractual financial liabilities			
Payables[(a)]	1,061	–	1,061
Lease liabilities	1,024	–	1,024
Total contractual financial liabilities	**2,085**	**–**	**2,085**

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
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.

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 Executive Management 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 for impairment of 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 (2025: 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 (2025: 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.

(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 per cent 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 $39.3 million (2025: $23.9 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:

	2026			2025		
	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	3.99	–	376,189	4.38	–	291,948
Investments	6.52	–	27,846	10.65	–	68,969
Total financial assets		**–**	**404,035**		**–**	**360,917**
Financial liabilities						
Lease liabilities	5.03	1,024	–	5.03	1,202	–
Total financial liabilities		**1,024**	**–**		**1,202**	**–**

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

	2026		2025	
	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	(3,762)	3,762	(2,919)	2,919
Investments	(278)	278	(690)	690
Total impact	**(4,040)**	**4,040**	**(3,609)**	**3,609**

(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 have exposure to the currency markets.

	2026 $'000	2025 $'000
Impact on comprehensive result and equity from a movement in foreign exchange rates		
10% decrease	11,573	13,875
10% increase	(9,469)	(11,352)

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	• For supplies and services
• Accrued investment income	• Other payables
• Other receivables	Borrowings
• Other financial assets	• 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
2026					
Financial assets					
Cash and deposits	4.1	376,189	–	–	376,189
Investments	4.2	196,019	–	235,337	431,356
Receivables[(a)]		–	71	–	71
Total financial assets		**572,208**	**71**	**235,337**	**807,616**
Financial liabilities					
Payables[(a)]	5.1	–	1,061	–	1,061
Lease liabilities	5.2	–	–	1,024	1,024
Total financial liabilities		**–**	**1,061**	**1,024**	**2,085**

Notes:

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

	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	4.2	–	–	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.

Notes to the Financial Statements (continued)

Reconciliation of Level 3 fair value measurements of financial assets

During the current reporting period, two investments in Breakthrough Victoria's portfolio transferred from Level 3 to Level 1 (2025: nil) as the investees became listed on an active market on 17 February 2026 and quoted prices became available for listed instruments. The transfer amount was $92.6 million (2025: $nil).

	2026 $'000	2025 $'000
Level 3 fair value hierarchy reconciliation of investments		
Balance at the start of period	**310,077**	**249,609**
Acquisitions	34,022	57,611
Transfer to Level 1[(a)]	(92,604)	–
Disposals	(24,510)	–
Gains/(losses) credited/(debited) to income	1,625	7,509
Gains/(losses) on changes in fair value	6,727	(4,652)
Balance at the end of period	**235,337**	**310,077**

Notes:

(a) During the current reporting period, there were no other transfers between the levels 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: nil).

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: • 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 • Fund reporting date and subsequent capital calls, contributions and distributions
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, recent secondary transactions, option pricing models, probability-weighted scenarios and other market accepted methodologies.	• 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 • Capital structure and rights and preferences of each share class • Volatility and expected time to liquidity • Transaction recency, cash runway and future funding requirements • Foreign exchange rates, where applicable

Notes to the Financial Statements (continued)

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.	• 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 • Valuation caps and qualifying financing thresholds • Probability and timing of conversion or repayment

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 Net fair value gain/(loss) on financial instruments
7.2 Net foreign exchange gain/(loss) arising from financial instruments
7.3 Other non-operating activities
7.4 Commitments and contingencies
7.5 Subsequent events
7.6 Responsible persons
7.7 Remuneration of executive officers
7.8 Related parties
7.9 Other accounting policies
7.10 New accounting standards and interpretations

7.1 Net fair value gain/(loss) on financial instruments

Net gain/(loss) on financial instruments comprises realised and unrealised movements in the fair value of financial assets measured at fair value through profit or loss, together with impairment losses and reversals of impairment recognised in respect of financial assets and investments in associates that are not measured at fair value through profit or loss.

Realised gain/(loss) represents the difference between the net proceeds received on disposal of an investment and the fair value of that investment (Note 4.2) at the immediately preceding reporting date, or its acquisition cost where the investment was acquired and disposed of within the same reporting period. Net proceeds comprise the consideration received, net of costs directly attributable to the disposal.

The comparative amounts have been represented on a consistent basis. The representation affects the classification and sub-totals presented on the face of the Comprehensive Operating Statement only, with no effect on the net result, the comprehensive result, total assets, total liabilities or equity for either the current or the comparative period.

	2026 $'000	2025 $'000
Net gain/(loss) on financial instruments		
Unrealised gain/(loss) on financial instruments held at balance date	153,943	(7,378)
Realised net gain/(loss) on disposal of investments	17,429	–
Total net gain/(loss) on financial instruments at fair value through profit or loss	**171,372**	**(7,378)**
Impairment loss on associates[(a)]	(2,690)	–
Total net gain/(loss) on financial instruments[(b)]	**168,682**	**(7,378)**

Notes:

(a) During the year ended 30 June 2026, indicators of impairment were identified for Flaim Systems Pty Ltd, including sustained operating losses resulting in significant drop in Net Assets and prolonged decline in the fair value of an investment. An impairment test was performed resulting in recognition of an impairment loss of $2.7 million (2025: $nil).

(b) '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.

7.2 Net foreign exchange gain/(loss) arising from financial instruments

The financial transactions denominated in a foreign currency are translated into Australian dollars at the exchange rates prevailing at the dates of the respective transactions. Foreign currency denominated monetary assets and liabilities held at the end of the reporting period are translated at the exchange rate applying at the Balance Sheet date.

Exchange differences arising on the settlement of foreign currency transactions, and on the translation of foreign currency monetary items at the Balance Sheet date, are recognised in the net result in the period in which they arise and are disclosed in this note.

	2026 $'000	2025 $'000
Net foreign exchange gain/(loss) arising from financial instruments		
Realised foreign exchange gain/(loss) on settlement of financial instruments	527	–
Unrealised foreign exchange gain/(loss) on financial instruments	(4,296)	1,969
Total net foreign exchange gain/(loss) arising from financial instruments	**(3,769)**	**1,969**

7.3 Other non-operating activities

Other non-operating activities include 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.

	2026 $'000	2025 $'000
Net gain/(loss) on non-financial assets		
Net gain/(loss) on non-financial assets	–	(508)
Total net gain/(loss) on non-financial assets	**–**	**(508)**

7.4 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 $83.7 million uncalled capital commitments as at 30 June 2026 (2025: $54.9 million).

Due to the process of its investment operations, the Company had Board approved investments which had not been contracted as at 30 June 2026 in the amount of $70.9 million, and which were still subject to further due diligence processes (2025: $84.0 million).

(b) Operating commitments

The Company has no uncalled operating commitments as at 30 June 2026 (2025: 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 (2025: $0.2 million) 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 2026, 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.

As at 30 June 2026, the Company has contingent assets up to the recoverable value of $3.8 million (2025: Nil) arising from the disposal of two investments during the reporting period that cannot be reliably estimated as at 30 June 2026. The contingent amounts comprise:

- Proceeds receivable in respect of an investment that was listed on a stock exchange, contingent upon the finalisation and reconciliation of the transaction's completion costs
- Deferred consideration contingent upon the successful grant of intellectual property rights in relation to a separate disposed investment, which is expected to be determined within four years of the reporting date.

Realisation of these amounts is dependent upon the satisfaction of the respective conditions and, accordingly, they have not been recognised as assets in the Balance Sheet.

7.5 Subsequent events

During financial year 2025-26 following the recommendations of the Independent Review of the Victorian Public Service, the Government undertook a further Innovation and Commercialisation Review that recommended structural changes to state investment, including consolidating the functions of LaunchVic and its subsidiaries, and Breakthrough Victoria into one entity. Subsequent to 30 June 2026, the Company has entered into an arrangement to assume the assets and liabilities of LaunchVic and its subsidiaries, and continue the operations under a new entity and trading name i.e., Innovation Victoria Pty Ltd.

As part of this arrangement, the contracts, commitments and other obligations of LaunchVic and its subsidiaries are novated to the Company, the staff of those entities recontracted to the Company with transfer of respective employee entitlements, and consequential changes have been made to the composition of the Company's Board and directors.

Consequently, the Company's mandate was formally broadened under a revised Statement of Principles, given effect through its transition from Breakthrough Victoria to Innovation Victoria. The expanded scope includes the provision of Grants, Loans and Investments while extending the Company's remit to strengthen Victoria's innovation ecosystem more broadly. In this capacity, the Company will act as a unified 'front door' for innovation and commercialisation support while providing streamlined and integrated access to programs, promoting Victoria as the 'ideas capital', and undertaking market intelligence, research and ecosystem-development activities.

The Honourable Anthony Carbines MP, Minister for Economic Development, assumed the role of Responsible Minister for Innovation Victoria Pty Ltd (previously Breakthrough Victoria Pty Ltd) following the announcement by the Premier of Victoria of a new Cabinet on 4 August 2026.

The events are non-adjusting in nature after the reporting period, and accordingly no adjustment has been made to the financial statements as at 30 June 2026.

As at the date of the preparation of the financial statements there are no material impacts on Breakthrough Victoria's 2025-26 accounts and disclosures.

Notes to the Financial Statements (continued)

7.6 Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance 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 Danny Pearson MP (until 13 April 2026)
	Minister for Economic Growth and Jobs
	Minister for Finance
	Minister for WorkSafe and the TAC
	Minister for Transport Infrastructure
	Minister for the Suburban Rail Loop
	The Hon Steve Dimopoulos (from 15 April 2026)
	Minister for Economic Growth and Jobs
	Minister for Sport and Major Events
Accountable Officer	Mr Rodney Bristow
Chairperson	The Hon John Brumby AO
Board Member	Ms Deirdre Blythe
Board Member	Ms Monique Conheady
Board Member	Mr Joshua Funder
Board Member	Mr Mark Johnson
Board Member	Prof Ian Meredith AM

(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.

	2026	2025
Directors		
$0 – $9,999	1	2
$30,000 – $39,999	–	–
$40,000 – $49,999	–	–
$50,000 – $59,999	–	3
$60,000 – $69,999	4	1
$140,000 – $149,999	1	1
Accountable Officers		
$240,000 – $249,999	–	1
$430,000 – $439,999	–	1
$610,000 – $619,999	1	–
Total	**7**	**9**

The remuneration, including the superannuation guarantee contribution, received or receivable by responsible persons of the Company amounted to $1,015,378 (2025: $1,064,434).

There was no remuneration paid by the Company to one director as the services were provided on a pro bono basis (2025: one director).

The Directors' remuneration shown in the above table is as determined by the Minister for Finance.

(c) Remuneration of responsible Minister

The Responsible Ministers, Danny Pearson MP and Steve Dimopoulos 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.

7.7 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 provide 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.

	2026 $'000	2025 $'000
Remuneration of executive officers		
Short-term employee benefits[a]	2,385	2,884
Post-employment benefits	203	210
Termination benefits	–	151
Total remuneration	**2,588**	**3,245**
Total number of executives[b]	**7**	**8**
Total annualised employee equivalents[c]	**7.0**	**7.0**

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 7.8).

(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 no Breakthrough Victoria executive officer acted in the Accountable Officer role for part of the reporting period (2025: one).

7.8 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.

	2026 $'000	2025 $'000
Remuneration of key management personnel		
Short-term employee benefits	2,244	2,857
Post-employment benefits	163	188
Termination benefits	–	151
Total remuneration[a]	**2,407**	**3,196**

Notes:

(a) There was no remuneration paid by the Company to one director as the services were on a pro bono basis (2025: one director).

Remuneration of the Company's officers with executive responsibility, other than the Chief Executive Officer, is reported in Note 7.7.

For information pertaining to related party transactions of ministers, the register of members' interests is publicly available from: https://www.vic.gov.au/ministerial-register-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 (2025: 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. Any related party interests are managed through the Company's conflict of interest framework. All income and expense transactions exclude GST.

Notes to the Financial Statements (continued)

Key management person	Related party	Key management person's relationship with related party	Comments
2026			
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	Breakthrough Victoria has made an investment of $0.5 million in the university's Yield X (formerly Gaia Project Australia). Breakthrough Victoria has made an investment of $0.5 million in AlleSense, founded by La Trobe University in collaboration with Peter MacCallum Centre. Breakthrough Victoria has made an investment of $18.0 million in Quantum Brilliance, wherein the investee is currently having its diamond foundry at La Trobe University.
Rodney Bristow	Quantum Brilliance	Beneficial shareholder (via self-managed superannuation fund)	Breakthrough Victoria has made an investment of $18.0 million in Quantum Brilliance.
Brett Mitsch	Seer Australia	Nominee Director	Breakthrough Victoria has made an investment of $11.0 million in Seer Australia.
Lauren Morrey	University of Melbourne	Nominee Director	Breakthrough Victoria has made an investment of $9.0 million in the university's Genesis Fund.
	Culture Amp	Option holder	Breakthrough Victoria engages Culture Amp for People and Culture services, at an annual cost of less than $15,000.
Muhammad Zahid Hussain	Financial Institutions Remuneration Group (FIRG)	Director	Breakthrough Victoria engages FIRG for salary benchmarking and related payroll indicators, at an annual cost of less than $20,000. The directorship is held by virtue of Breakthrough Victoria's membership of FIRG.

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	Breakthrough Victoria has made an investment of $0.5 million in the university's Yield X (formerly Gaia Project Australia).
Ian Meredith	Wavewise Analytics	Consultant	Breakthrough Victoria has made an investment of $4.0 million in Wavewise Analytics (formerly Cyban Pty Ltd).
	Seer Medical	Consultant[(a)]	Breakthrough Victoria has made an investment of $40.0 million in Seer Medical.
Rodney Bristow	Quantum Brilliance	Beneficial shareholder (via self-managed superannuation fund)	Breakthrough Victoria has made an investment of $18.0 million in Quantum Brilliance.
Lauren Morrey	University of Melbourne	Nominee Director	Breakthrough Victoria has made an investment of $9.0 million in the university's Genesis Fund.
	Culture Amp	Option holder	Breakthrough Victoria engages Culture Amp for People and Culture services, at an annual cost of less than $15,000.

Notes:

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

(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 $53.0 million (2025: $75.0 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 in 2025 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.

Notes to the Financial Statements (continued)

7.9 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.

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.

7.10 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 are 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 included within 'total expenses' and, accordingly, increases the net operating loss or reduces the net operating profit for the period.

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 included within 'total expenses' and, accordingly, increases the net operating loss or reduces the net operating profit for the period.

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.

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.

Notes to the Financial Statements (continued)

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

Other non-operating activities – 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 include short and long-term trade debt and accounts payable, taxes and interest payable.

Prepayments represent 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.

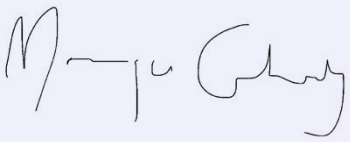
Declaration by Director, Chief Executive Officer and Chief Financial Officer

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 Minister for Finance 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.

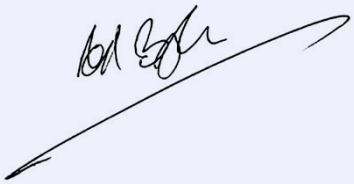
We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and accompanying notes, gives a true and fair view of the financial transactions for the year ended 30 June 2026 and the financial position of Breakthrough Victoria Pty Ltd at 30 June 2026.

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 11 September 2026.



Monique Conheady
Director



Rodney Bristow
Chief Executive Officer



Muhammad Zahid Hussain
Chief Financial Officer

Melbourne
11 September 2026

Corporate Compliance

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*.

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.

Freedom of Information Act 1982

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

Local Jobs First Act 2003

During 2025-26, no contracts commenced to which the *Local Jobs First Act 2003* applied.

Modern Slavery Act 2018

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.

Public Interest Disclosures 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

Consultancy expenditure

In the reporting period, there was one consultancy where the total fees paid or payable were $10,000 or greater, excluding GST. The total expenditure was $109,000, excluding GST. Details of the consultancy are outlined below.

Consultant	Purpose of consultancy	Total approved project fee $ (excl. GST)	Expenditure 2024-25 $ (excl. GST)	Expenditure 2025-26 $ (excl. GST)	Future Expenditure $ (excl. GST)
We Are Charlotte Pty Ltd	Engagement for people and culture advice, and consolidation of entities into Innovation Victoria	210,000	50,000	109,000	51,000

For the reporting period, there were no (2025: 1) consultancies where the total fees paid or payable were less than $10,000, excluding GST.

Environmental reporting

Breakthrough Victoria has 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.

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 total information and communication technology expenditure of $712,615 excluding GST.

Business as usual expenditure $ (excl. GST)	Non-business as usual expenditure $ (excl. GST)	Operational expenditure $ (excl. GST)	Capital expenditure $ (excl. GST)
712,615	–	–	–

Notes:

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 information and communication technology capability. It is the sum of operational expenditure and capital expenditure.

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.

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 is also 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.

Compliance Index

The Breakthrough Victoria annual report is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of Breakthrough Victoria's compliance with statutory disclosure requirements.

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Directors and Staff

Breakthrough Victoria thanks and recognises the contributions and commitment of all current and past directors and staff.

Directors		
Dr Amanda Caples	Andrew Bassat	Deirdre Blythe*
Prof Ian Meredith AM*	Prof Jane Den Hollander AO	The Hon John Brumby AO*
Dr Joshua Funder*	Kee Wong	Mark Johnson*
Monique Conheady*	Sandra Andersen	Susanne Dahn
Staff		
Abdur Raheem Bulbuliya	Aden Capaul*	Adrian Pawar
Adrian Waters	Andrea Tsui	Andrew Disseldorp
Andrew Wilkie*	Ann Ip	Annie Lawson
Ashwini Rajeshirke	Asma Safdar	Belinda Newbery
Ben Kaplan	Bienna Chow	Brett Mitsch*
Callum Corry	Cameron Harrison	Cameron Rowe
Charlie Nave	Colin Atkin	Courtney Askew
Dani Thomson*	Daniel Hoy*	Daniel Mottau
David Latina	David Lee	Dean Okunniyi
Dean Steinberg	Deanne Nye	Dev Pillai
Effie Kanellos*	Eleanor Smith-Waters	Elizabeth Joldeski
Emma Ferguson	Eric Lloyd*	Eva Rodriguez Rodriguez*
Filip Stojcevski*	Gabe Denemark	Grace Bird
Grant Dooley	Gusti Angligan*	Hannah Studley
Hoang Anh Cat	James Davern*	James Leos
Jan Peric	Jason Coonan	Jen Chow
Jerome Wielens	Joel Dorman	Jonathan Goodrich
Julie Gray	Justin Perkov*	Kanva Patel*
Kara Douglas	Karen Clarke	Katerina Aleksoska
Kim Freeman	Kim Lim*	Kimberley Fang
Kirsten Smith	Lauren Morrey*	Laxmi Pun
Liam Rollo	Madeline Mitchell	Mani Sfatantes
Mary Harney	Mat Fitzgerald	Matthew Leung*
Matthew McKiernan	Melanie Thomas*	Melissa Toh
Michael Macrides	Michael Montagnese	Muhammad Zahid Hussain*
Narelle Van Vledder	Natalie Raine*	Nathan Rolph
Nazieh Fazli*	Neil Stanford	Noah Chen
Noel Paul	Olga Hogan*	Oliver Burston
Parwan Malik	Peter Sargison	Phil Gurney
Priyankur Sharma	Prue Lester*	Raeana Connell
Rebecca Jennings	Reza Morshed	Richard James
Richard Johnson	Rod Bristow*	Rosaria Aloi
Rosemary Peavey*	Sabina Curatolo	Sabina Rais Ahmed
Sally McCutchan	Scott Briant	Sheetal Shah
Simon Rabl*	Steve Connors	Stuart Kells
Susanne Ech	Tamara Brawn*	Tania Reaburn
Viranga De Silva	Xavier Csar	Yoshimasa Matsumoto
Yusra Aden	Zoe Meadows	

* At 30 June 2026.


BREAKTHROUGH
VICTORIA