



**BREAKTHROUGH  
VICTORIA**

# **CATALYST FOR GROWTH**

FREQUENTLY  
ASKED QUESTIONS



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## FREQUENTLY ASKED QUESTIONS

### What type of businesses or ideas is the Catalyst for Growth investment stream looking to invest in?

The Catalyst for Growth investment stream will make significant and long-term investments in established and well-performing companies. Companies will have a product, be generating revenue, and typically be seeking to scale up to meet regional or global demand.

The company or entity's proposal should have novel and protected intellectual property (IP) with further commercial potential in the priority sectors or other emerging industry sectors.

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### What is the rationale for investing in Catalyst for Growth projects?

The Catalyst for Growth investment stream will ensure that the capability and experience generated from an expanding (in revenue and market) entity will remain in Victoria to uplift other aspiring businesses and innovators, including development of a skilled workforce, increased commercialisation experience, and access to mentors. Ensuring the majority of operations remain in Victoria will generate significant jobs and local economic benefit.

This investment stream will also aim to leverage other co-investors including domestic and international superannuation funds, providing Breakthrough Victoria with an opportunity to significantly leverage a proportion of the capital commitment.

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### What are the priority sectors that Breakthrough Victoria is focussing on?

Breakthrough Victoria will target investments across five priority industry sectors:

HEALTH AND LIFE SCIENCES

AGRI-FOOD

CLEAN ECONOMY

ADVANCED MANUFACTURING

DIGITAL TECHNOLOGIES

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### Will Breakthrough Victoria consider a proposal not related to these sectors?

Novel proposals from other emerging industry sectors are welcomed. All proposals need to be a potentially unique, innovative solution to a substantial societal or economic challenge.

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### Does the commercial entity have to be based in Victoria?

Proponents must either be based in Victoria or be willing to relocate to Victoria.

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### Who can apply for funding?

- Companies of any size, at the pre-revenue or revenue stage
- Joint ventures, consortia, special purpose vehicles, comprised of either industry or research organisations, or a combination.

## How much is Breakthrough Victoria likely to invest in a company or entity that is successful in its application to the Catalyst for Growth investment stream?

Investments for this stream will typically attract \$30 million per investment.

Proponents will need to have 1:1 co-contribution for the investment they are seeking from the Catalyst for Growth stream. Breakthrough Victoria may also work with private and institutional investors for co-investment.

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## What form could the investment take?

Breakthrough Victoria has a great deal of flexibility with the types of investment that might best suit a project. In the Catalyst for Growth investment stream, for example, direct investment could be by way of equity, commercial support, convertible loan or debt, or have institutional co-investors alongside Breakthrough Victoria.

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## Does attracting an investment in the Catalyst for Growth investment stream guarantee or prevent a company or entity from receiving further investments from Breakthrough Victoria?

Companies or entities that secure a Catalyst for Growth investment can apply for follow-on investments from other Breakthrough Victoria investment streams, which will be assessed based on the funding criteria specific to those streams.

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## How does a company or entity seek investment by Breakthrough Victoria?

Proponents must submit an investment proposal to Breakthrough Victoria at [www.breakthroughvictoria.com](http://www.breakthroughvictoria.com) and:

- Describe its proposal, including the key benefits it would bring to Victoria, the problems it would solve and opportunities it would create.
- Say what is stopping it from progressing its proposal.
- Explain how partnering with Breakthrough Victoria will progress the proposal.
- Estimate the cost of its proposal and the investment type and amount sought from Breakthrough Victoria.
- State what funding it has already secured, including any industry partnerships or commercial agreements.

**The expression of interest must include a business case with:**

- A budget.
- A validated target market, or area of need.
- A demonstrated path to market for the investment.
- Solid projections for market traction, revenue and returns.
- A plan to scale operations.
- A contribution to broader environmental, sustainability or social well-being goals.
- Economic benefits to Victoria including job creation, investment attraction, reduced public spend, or delivery of a social good.
- A future pipeline for technology or capability development.
- An IP portfolio management plan.
- Demonstrated regulatory compliance.
- An impact assessment.
- The development of sovereign manufacturing capability of critical products.
- Broader economic benefits such as workforce or skills uplift or opportunities.
- Any partners pertinent to the project and evidence of financial and in-kind commitment.
- The leveraging of existing investments or catalysing of other funds for investment.

### **Will a company or entity's investment proposal be disqualified if it nominates the wrong stream?**

No. In that situation, Breakthrough Victoria will assess the investment proposal and, if it looks commercially viable, suggest a different investment stream.

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### **If Breakthrough Victoria seeks to progress discussions towards investment, what is the next step?**

Breakthrough Victoria will contact proponents if further information is required or to progress discussions.

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### **Could Breakthrough Victoria also suggest other investors or partners in a proposal?**

Yes. Breakthrough Victoria encourages private and institutional investors to co-invest in Victorian innovations. Potential investors can email [contact@breakthroughvictoria.com](mailto:contact@breakthroughvictoria.com).

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### **Will Breakthrough Victoria investments always succeed?**

There are no guarantees that co-investors will get a return, nor that commercial entities invested in will make a profit.

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### **How can potential investors contact Breakthrough Victoria?**

From 23 November 2021, potential investors will be able to register their interest in partnering or co-investing with Breakthrough Victoria via our website [www.breakthroughvictoria.com](http://www.breakthroughvictoria.com).

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### **How closely will Breakthrough Victoria monitor the companies or entities that it invests in?**

Breakthrough Victoria will be an advocate for the company or entity, without being actively involved daily or maintaining stewardship. A successful company or entity will be legally obliged to report back to Breakthrough Victoria on a quarterly basis and as key milestones are met.

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### **Is the Breakthrough Victoria business model like any successful investment schemes overseas?**

Like other successful investment schemes overseas, Breakthrough Victoria has adapted world best practice to tailor its business model to the unique challenges and opportunities in Victoria.

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### **How closely will the investments by Breakthrough Victoria be monitored for the reassurance of Victorian taxpayers?**

Breakthrough Victoria answers to an independent board and has a constitution and statement of principles including target sectors and expected outcomes. It reports regularly on the progress of each company or entity invested in.

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### **Why should a company or entity seek investment from Breakthrough Victoria?**

Through its investment streams, Breakthrough Victoria empowers the mobilisation of intellectual property from readiness to outcomes and aims to ensure that new products, technologies and innovations are commercialised and manufactured in Victoria to create the jobs of the future.

Breakthrough Victoria is on the journey to find the next medical breakthroughs that will improve and save lives, the next digital technologies that will transform the way we live, new ways to feed the world sustainably and affordably, and innovations that will lead the way on climate change and waste reduction.

Importantly, Breakthrough Victoria will invest in such projects with the objective of also producing a commercial return to the government and people of Victoria. Breakthrough Victoria aims to be a sustainable and patient investor delivering social, economic and financial outcomes to the state over the long term.