

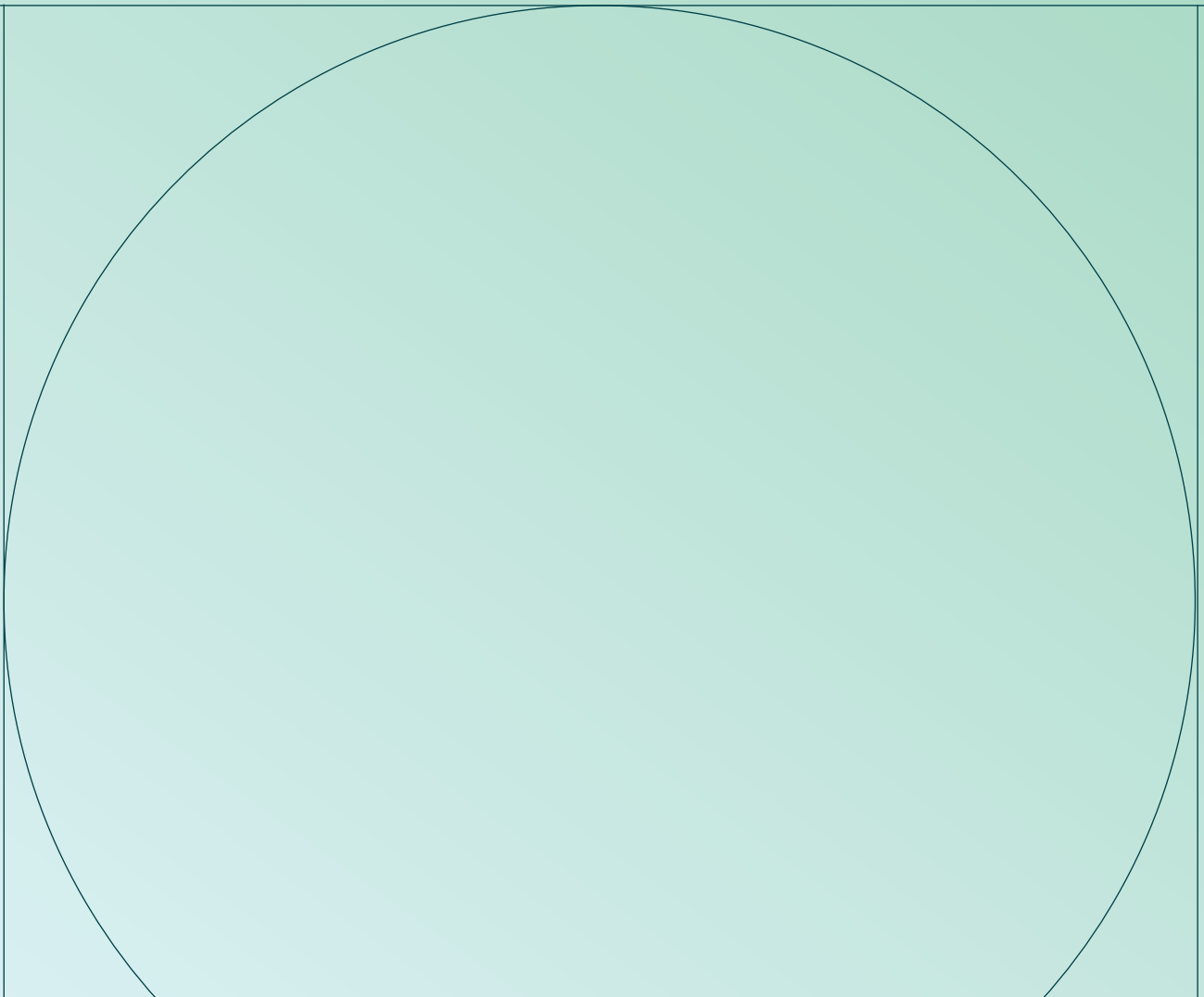


**Bioeconomy
Science Institute™**
Maiangi Taiao

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Impact for New Zealand's Bioeconomy

**Annual Report
2026**



Presented to the House of Representatives pursuant to Section 39 of the Public Finance Act 1989.

This Annual Report presents operating results for the New Zealand Institute for Bioeconomy Science Limited (Bioeconomy Science Institute Maiangi Taiao) for the financial year ending 30 June 2026.

It meets our reporting requirements for the Acts of Parliament under which we are governed. Unless otherwise stated, all figures are in New Zealand dollars (\$).

This report also demonstrates how we are supporting our Core Purpose industries in meeting their targets for economic and environmental sustainability. It provides easy-to-read information outlining our performance and strategy against our *Statement of Corporate Intent 2025/26*, as well as case studies that demonstrate a cross-section of our research and outreach activities. This information is presented for the interest of our key stakeholders, including shareholders, staff, commercial partners, customers and research collaborators.

Our Core Purpose

To drive innovation and commercial outcomes in the bioeconomy, using research and technology to support enduring economic growth and resilience, a healthy environment and beneficial social outcomes for New Zealand

● bioeconomyscience.co.nz



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GUIDE TO READING THIS DOCUMENT

We recognise that different audiences reading our Annual Report have different interests, so please use this guide to identify the information most relevant to you.

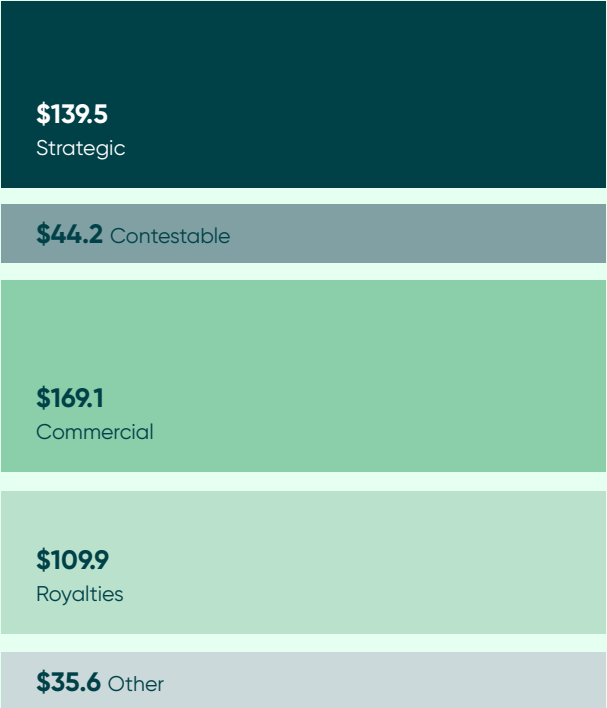
If you are interested in	Then read these pages
The purpose of the Bioeconomy Science Institute	12-15
How the merger is progressing	14-17, 19-21, 34, 44-46, 48, 54, 58-60, 62-63
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Our financial position	From page 70

The Bioeconomy Science Institute Maiangi Taiao brings together more than 2,000 people, including more than 1,400 scientists and researchers, located across Aotearoa New Zealand and around the world, into a single research institute.

Together, our world-class science can advance innovation in agriculture, horticulture, forestry, aquaculture, biotechnology and manufacturing; protect and enhance ecosystems from biosecurity threats and climate risks; and develop new bio-based technologies and products.

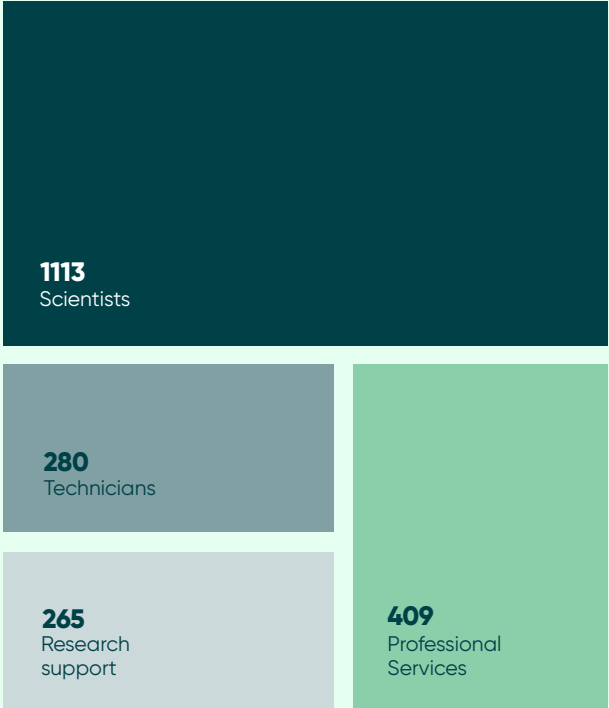
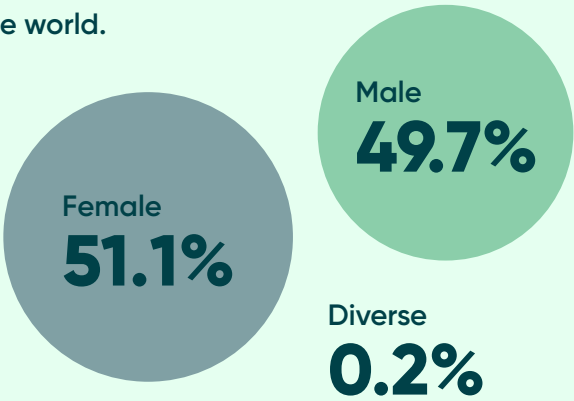
Our activities are funded through direct commercial research for our partners and customers, the reinvestment of royalties, and the New Zealand Government's investment in science and research.

Total investment and funding
\$498.3 million



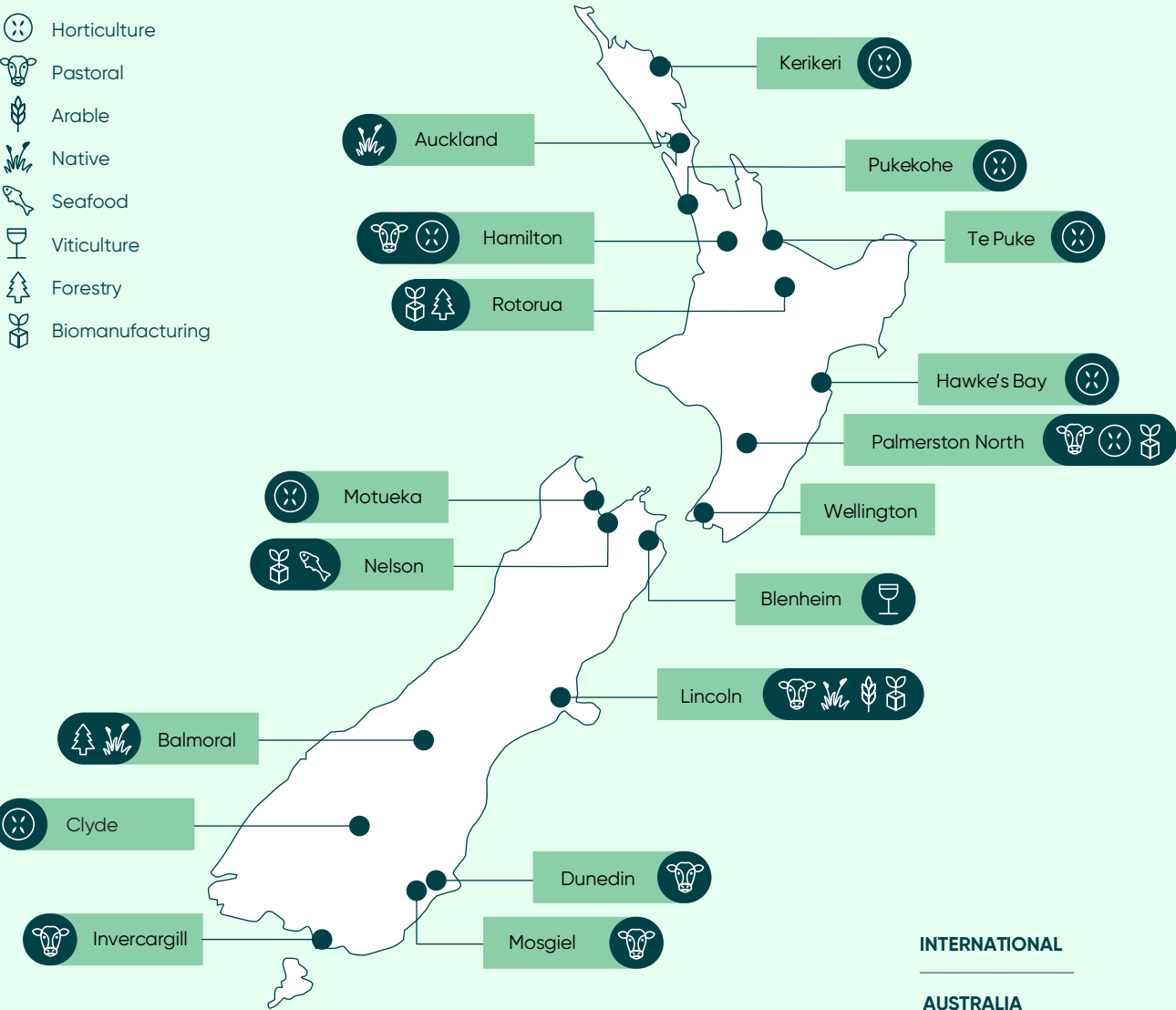
Figures in millions

We have
2,000+
staff at sites across
New Zealand and
the world.



RESEARCH FARMS
& KEY FACILITIES

-  Horticulture
-  Pastoral
-  Arable
-  Native
-  Seafood
-  Viticulture
-  Forestry
-  Biomanufacturing

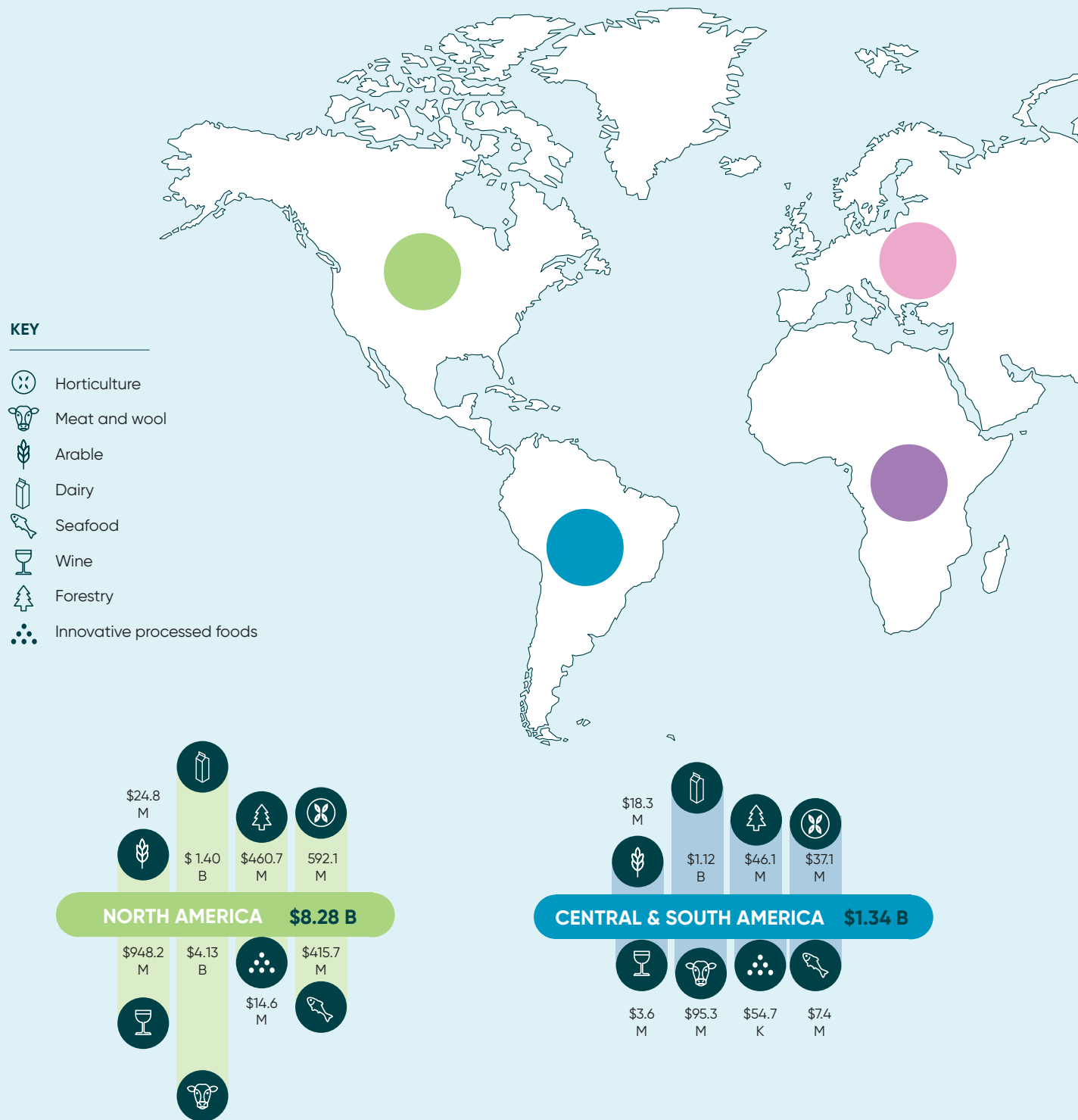


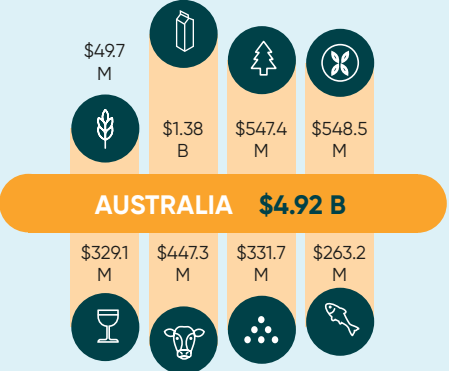
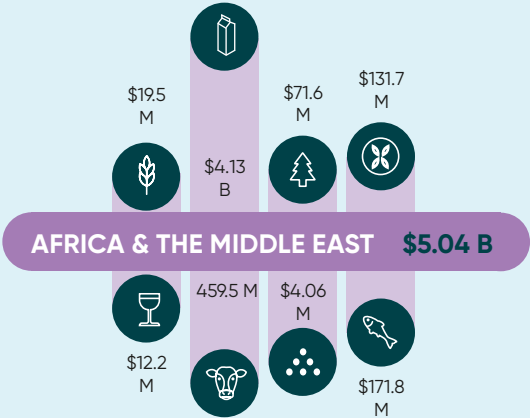
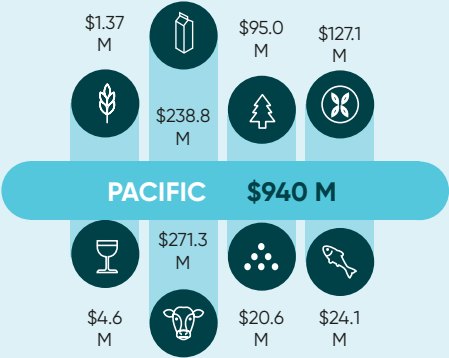
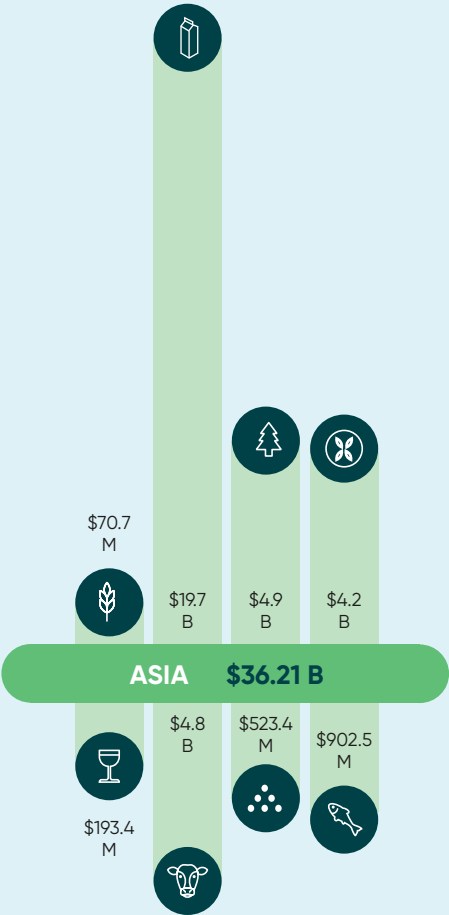
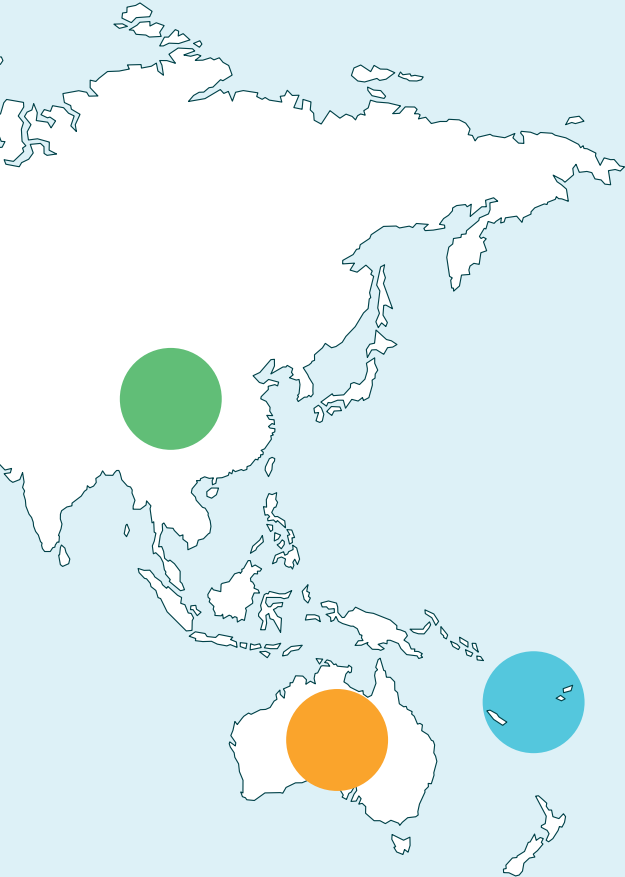
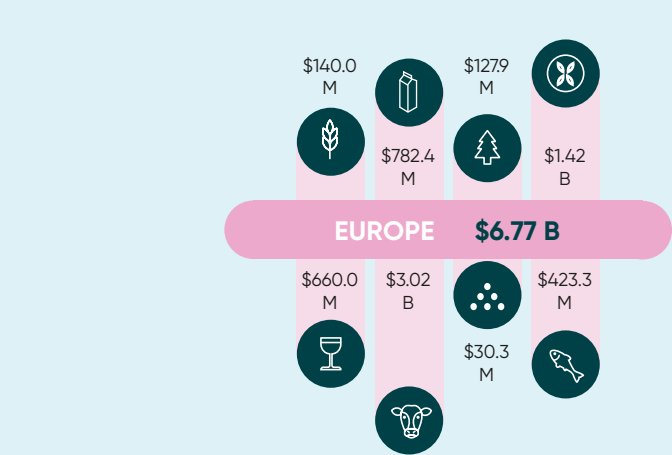
INTERNATIONAL

- AUSTRALIA**
Brisbane, QLD
Urrbrae, SA
- UNITED STATES OF AMERICA**
Portland, OR

In 2025, Aotearoa New Zealand's bioeconomy employed 360,000 people and generated \$63.5 billion of exports.

Source: Statistics New Zealand Overseas Merchandise Trade (via MPI), exports for year ended 31 December 2025.





The year in highlights



Supporting the yellow-legged hornet biosecurity response. Working in collaboration with Biosecurity New Zealand, scientists have supported the response team with expert advice, as well as undertaking new research that models future scenarios and supports ongoing biosecurity preparedness.



Establishing the National Biodiscovery Platform to support development of new products. The \$42.8 million investment by the Government will underpin ethical and sustainable approaches to development of pharmaceuticals, cosmetics, functional foods and advanced materials sourced from New Zealand's indigenous flora and fauna.



Publishing new national-scale data to inform wildfire planning. The new data models will help councils, communities and businesses better understand high-risk conditions and support response management.



Celebrating the 100-year anniversary of the Department of Scientific and Industrial Research. Through media, social media and advertising, the anniversary provided an opportunity for all the Public Research Organisations and associated organisations to share stories of how science had, and continues to have, impact for New Zealand. (See page 55 for more).



Receiving \$38.2 million funding to enable research to benefit New Zealand. Through MBIE's Endeavour Fund, new Research Programmes will look at converting pine forestry waste into high-value proteins and extending the storage life of perishable fruits, while six Research Programmes and six Smart Idea projects received 12-month funding extensions.



Launching a new tool for on-farm emissions reporting. Developed in collaboration with MPI, the new On-Farm Emissions Calculator applies government-mandated standards and enables farmers and growers to estimate emissions using internationally recognised methodology.

Initiating seven projects with Māori partners to support research capability development. Through MBIE's He Ara Whakahirihiko Capability Fund, new research will focus on developing products and production systems as well as land use diversification.

Receiving more than **\$6 million for five new fundamental research projects**. Through the Marsden Fund, new projects are investigating climate change adaptation in plants and fish, fruit structure genetics, mātauranga Māori, and the benefits of endemic microorganisms.



Signing an agreement to further the development of fish monitoring technology.

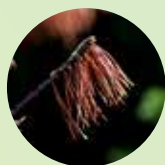
The agreement with Seaweave Limited will support commercial development of AI imaging applications for the aquaculture sector. (See page 42 for more).



Celebrating the commercialisation of a new hop cultivar. Clayton Hops launched NZ Rhapsody™, a hop bred by the Institute with intense tropical and citrus notes targeted at the craft brewing sector.



Launching a new tool to help forest growers manage red needle cast (RNC). The new online RNC Regional Risk Forecasting tool, developed in collaboration with Forest Growers Research, helps foresters make decisions through better understanding of when environmental conditions are becoming favourable for disease development. (See page 25 for more).



Initiating research to develop a sustainable, resilient kiwifruit sector in India. Working with Indian government horticultural staff, the Kiwifruit Cooperation Programme will develop kiwifruit production, quality and supply chains for Indian conditions, supporting the New Zealand-India Free Trade Agreement and associated Kiwifruit Action Plan. (See page 37 for more)



Receiving new funding to support methane reduction on farms. New investment of \$6.5 million by AgriZeroNZ and the Ag Emissions Centre will support ongoing research towards the commercialisation of cost-effective methane inhibitors to help farmers reduce emissions without compromising productivity.



Supporting the establishment of three new start-up companies to commercialise research. Biofuel venture Biowave, cellular horticulture start-up Forever Harvest, and animal diagnostic start-up RWP were spun out of the Institute. (See page 39 for more).



Celebrating success



Paul Peterson

New Zealand Biosecurity Institute Dave Galloway Innovation Award



Dr Jessica Prebble

Royal Society Te Āparangi Mana Tūāpapa Future Leader Fellowship



Dr Linda Johnson

Women in Agribusiness Awards Innovation & Technology Award



Tono Regional Hubs

HR Awards New Zealand Mana Tangata Award – Leader Māori HR



Bruce Warburton

Australasian Wildlife Management Society Caughley Medal



Dr Tony Conner

New Zealand Association of Scientists Marsden Medal



Dr Cecile De Klein

Elected a Fellow of the Royal Society Te Apārangi



Endophyte research technicians team

New Zealand Association of Scientists Scientific Workers Medal



Dr Yvette Dickinson

Elected to International Union of Forest Research Organisations' International Council



Dr Shannon Clarke

New Zealand Society of Animal Production McMeekan Memorial Award



Dr Andy Allan

Named in the Clarivate Highly Cited Researcher list for 2025

SCIENCE NEW ZEALAND AWARDS



GenomNZ

Supreme Winner, winner of the Commercialisation category



Partnership with Ngāti Kuri Trust Board

Te Tohu Tūhura category winner

BEEF+LAMB NZ AWARDS



Dr Gale Brightwell and the Food Integrity team

Alliance Agri-Nutrients Science and Research Award



GenomNZ

Datamars Livestock Technology Award



Dr Stewart Ledgard

Alliance Significant Contribution Award

KING'S HONOURS



Dr Robyn Dynes

Member of the New Zealand Order of Merit in the New Year's Honours



Dr Ron Beatson

Officer of the New Zealand Order of Merit in the King's Birthday Honours



Dr Russell Lowe

Officer of the New Zealand Order of Merit in the King's Birthday Honours

KIWINET RESEARCH COMMERCIALISATION AWARDS



'Crop78'

AJ Park Commercial Impact Award



Sue Muggleston

KCA Commercialisation Professional Award

Report from the Chair

It is a time of significant transformation at the Bioeconomy Science Institute Maiangi Taiao and across the science, innovation and technology sector, to create a new system focused on making a difference for Aotearoa New Zealand.

It is a time of significant transformation at the Bioeconomy Science Institute Maiangi Taiao and across the science, innovation and technology sector, to create a new system focused on making a difference for Aotearoa New Zealand.

Bringing the four legacy organisations together into the Bioeconomy Science Institute on 1 July 2025 was the first step in a complex transformation. Over the past year, Board and leadership have been working together to build an organisation that can transform our bioeconomy.

There is a real opportunity for science to support New Zealand's bioeconomy sector in achieving economic growth and resilience in a changing world. Our sectors recognise that research and innovation can help them grow productivity, protect the environment they rely on, and maintain New Zealand's reputation for high-quality export products, while navigating challenges such as climate volatility and geopolitical risk. Ensuring the Bioeconomy Science Institute is well positioned to support their ambitions is critical.

We have aligned our new organisation with the priorities identified by the New Zealand Government through the reforms of the science, innovation and technology system. The new Missions-led Science Framework (see page 13) reflects the pillar framework of the new Science Investment Plan developed by the Prime Minister's Science, Innovation and Technology Advisory Council (PMSITAC), with the research undertaken by the Bioeconomy Science Institute aligning well with all four pillars.

It seems appropriate that we are establishing our new Institute as we celebrate the 100-year legacy of government-funded science institutes that started with the Department of Scientific and Industrial Research (DSIR). The work being done to establish the Bioeconomy Science Institute will position New Zealand well for the next 100 years, with research that will build the economy and change the lives of people, both at home and globally.

I wish to relay my and the Board's thanks to the legacy leadership and the Transition CEO, Mark Piper, for all their work in establishing the new organisation. To the new CEO, Leadership Team and my fellow Directors, I thank you for the continued support through the remaining stages of the transition to a single, highly effective Institute.



Barry Harris
CHAIR

CEO review

As I begin my tenure as CEO of the Bioeconomy Science Institute Maiangi Taiao, I'm deeply honoured to be given the opportunity to help realise the potential for research to deliver transformational impact for Aotearoa New Zealand.

With four of New Zealand's leading bioeconomy research organisations now brought together, an organisation of remarkable scale and capability is in place. To be returning to New Zealand and joining a globally recognised team with such depth of expertise and knowledge is a powerful platform to be operating off. Across our organisation are scientists who are leaders in their fields, technical specialists with decades of practical knowledge, and professional teams who understand how to turn great science into outcomes. Our challenge – and our opportunity – is to bring that capability together so it can deliver for Aotearoa New Zealand.

There are foundations we must get right. The Bioeconomy Science Institute will be best placed to succeed when our people are connected by a clear purpose, supported by the right structures, and enabled by a culture that encourages collaboration, innovation, accountability and ambition. Alongside this, our systems and infrastructure need to support our people to do their best work, while giving our customers and partners confidence that our organisation can deliver the advice and technologies they need.

Over the past year our new organisation has made solid progress in establishing the foundations needed for success. Our new Missions-led Science Framework (see page 13) will allow us to focus on our science, as well as on our investment and our partnerships in areas where we can make the greatest difference. Future research decisions are underway using the six identified Missions as a guide, as we build the detail in collaboration with our team and our stakeholders. Our organisational values (see page 44) help guide our culture, bringing the four parts of our organisation into one. And our digital, infrastructure and operations teams are building new processes that enable our researchers to work effectively and efficiently as one team.

We cannot create impact alone. Science matters most when it creates real benefit for people, for communities and for the environment. The future of New Zealand's bioeconomy will

be shaped through enduring relationships with partners and customers who understand the opportunities and challenges of their markets, and can provide the pathway for our science to make a difference. With the support of government and external investment and revenue; side by side with Māori organisations, iwi and communities, as they seek long term benefit for their people and their whenua; and with universities, research organisations and like-minded science institutions in New Zealand and around the world, we truly have the potential to deliver a world-leading bioeconomy.

The Bioeconomy Science Institute is a team of people who are passionate about what they do and the difference they can make to the world, with the connections needed to turn their innovative thinking into something that delivers sustainable impact.

I would like to thank Transition CEO Mark Piper for his role in building the merged organisation and establishing the foundations of our new Institute. I would also like to acknowledge Barry Harris and the Board for their continued support of the journey we're on, and our Leadership Team for their diligence and enthusiasm. Most importantly, to the wider team at Maiangi Taiao, I want to acknowledge your commitment and contribution through what has been, for many, a demanding and at times challenging year of change – the professionalism, resilience and generosity you have shown have been critical in bringing the Institute together.



Angus Haslett
Chief Executive Officer

Our purpose and expected outcomes

Purpose

Our purpose is to drive innovation and commercial outcomes in the bioeconomy, using research and technology to support enduring economic growth and resilience, a healthy environment, and beneficial social outcomes for New Zealand.

The Bioeconomy Science Institute will pursue opportunities to lift innovation, commercial outcomes, and the adoption of advanced technologies to drive economic growth across New Zealand.



- We conduct science across the research pipeline, including lab-based fundamental science, that supports the growth and resilience of the bioeconomy.

Outcomes

The Bioeconomy Science Institute will fulfil its purpose through leadership in global science and innovation, the provision of research that benefits the economy, and the transfer of data, technology and knowledge in partnership with Government, Māori, industry and communities to:

- **Grow New Zealand's bioeconomy** by supporting New Zealand's primary sectors and industries, including agriculture, horticulture, aquaculture, forestry, biotechnology and manufacturing, and Māori enterprises, with research to boost their productivity and profitability, support their growth and maintain their market access, and thereby help to create and maintain high-value jobs in the regions and the development of high-value export products
- **Safeguard New Zealand's economic and biological resilience** by helping measure, manage, mitigate and respond to the risks and threats to New Zealand's productive and natural ecosystems from pests and diseases; build climate resilience through informed land use, mitigation and adaptation options; enable ways to build and maintain economic growth and resilience and ensure ecosystem services across catchments and sectors
- **Drive innovation with advanced technologies** to support bioeconomy solutions, including future food systems, novel food and bio-based products, waste, tools and technologies, and integration of digital- and gene-technologies
- **Enable a thriving economy, resilient environment and society** by supporting sustainable bio-based production systems alongside terrestrial ecosystem management that protect and enhance our biological heritage through important stewardship research
- **Enable science-informed policy, decision-making and reporting across the economy** by delivering science services and innovation that address national priorities, drive sustainable economic growth, and enable the Treaty of Waitangi/Te Tiriti, while simultaneously supporting regulatory and governance priorities at international, national and local levels
- **Contribute to creating a more dynamic, effective and efficient Science, Innovation and Technology (SIT) system for New Zealand** by seeking out opportunities to increase collaboration with other Crown Research Institutes (CRIs), Public Research Organisations (PROs) (once they are established) and universities.

Our Six Mission Impact Areas



Bio-Based Exports

Grow the value of bio-based exports from and for Aotearoa New Zealand



Climate-Resilient Landscapes and Bioeconomy

Build resilient and adaptable natural and production systems that can thrive in a changing climate



Biosecurity and Bioprotection

Safeguard Aotearoa New Zealand from pest and disease impacts in our natural and built environments



Transformational Technologies

Create and utilise new technologies to enhance economic, environmental and societal outcomes



Thriving Ecosystems and Biodiscovery

Protect our unique whenua (land), wai (water), flora and fauna while advancing biodiscovery



Bio-Based Industries

Deliver increased value from new and novel biological products and processes

Our Transformation and Integration



- Our network of facilities, including research orchards in key growing areas, supports our scientific endeavours.

The first year of the Bioeconomy Science Institute Maiangi Taiao transformation focused on bringing together four legacy organisations while maintaining continuity of science delivery and business operations. The priority was to successfully amalgamate, integrate and stabilise the new organisation, creating a strong platform for future transformation.

Delivery of our Government-approved Integration Plan was supported by dedicated transformation capability. By coordinating integration activities, managing dependencies and supporting consistent implementation across the Institute, the capability helped ensure that the Institute remained on track and delivered the foundations required for it to operate as a single organisation.

Throughout the year, we have maintained science delivery, established new leadership arrangements, progressed post-amalgamation work programmes, and progressed key elements of its Missions-led Science Framework.

The Integration Plan, provided to Government in 2025, set out the approach for establishing the Bioeconomy Science Institute as a single organisation following the merger. Its focus was on maintaining operational continuity, supporting Day One readiness, reducing integration risk, and establishing the governance, systems, processes and organisational arrangements required for the new Institute to operate effectively.

During the year, we have implemented the key elements of the Integration Plan while progressing strategic initiatives to support its longer-term operating model. This has included establishing some of the organisational and operational structures and advancing work across business systems, strategy, partnerships, digital capability and infrastructure to support the Institute's future direction.

Activities were organised around three pillars:

- **Sustain and strengthen:** maintaining and improving business-as-usual operations
- **Establish and enable:** creating alignment across the organisation
- **Transform and lead:** building the foundations for long-term impact and value

SUSTAIN AND STRENGTHEN

The first priority of the Integration Plan was to maintain continuity of operations while four organisations were brought together. Throughout the year, we continued to deliver research, support customers and meet our statutory and operational obligations while progressively adopting common business practices and governance arrangements.

This work strengthened the organisational foundations needed to operate as a single Institute. Enterprise-wide policy and risk management arrangements were established, financial reporting and commercial pricing approaches were aligned, and common business processes were introduced to support more consistent decision-making. The changes improve organisational coherence while creating the platform for future systems integration through the Enterprise Resource Planning (ERP) programme, an initiative to adopt a single unified platform for many of our operational functions.

ESTABLISH AND ENABLE

The second priority was to establish the organisational capability required for the Institute to operate as a unified Public Research Organisation. During the year, organisational structures were implemented, common capability planning progressed, and strategic foundations were developed to support the Institute's future operating model.

Key enabling investments also advanced. Our ERP programme completed discovery and readiness activities and progressed to an Indicative Business Case, while work to consolidate capability, infrastructure, digital platforms and organisational planning established the foundations for future transformation. Together, these initiatives improved alignment across the Institute and reduced fragmentation inherited from the legacy organisations.

TRANSFORM AND LEAD

While the first year focused on integration, we also established strategic foundations for longer-term transformation.

The Leadership Team confirmed a Missions-led Science Framework that will guide future investment, organisational capability and research priorities. Work also commenced to translate this strategic direction into the future operating model through the development of our Missions-led Science Framework, strategic domain planning, capital investment priorities and an impact-focused investment framework.

WORKSTREAMS

Delivery of the Integration Plan was supported through an enterprise-wide governance approach that coordinated implementation across core business and science functions. Workstreams from across the legacy organisations met regularly to identify dependencies, maintain delivery momentum, and support consistent implementation of organisational priorities. This approach enabled integration activities to be coordinated across science, finance, commercial, digital and data, infrastructure, legal, communications, Māori partnerships, and people and culture. It also provided a mechanism for monitoring progress, sharing lessons, managing risks and resolving issues as the organisation transitioned to operating as a single institute.

LOOKING AHEAD: FROM INTEGRATION TO TRANSFORMATION

Completion of the Integration Plan marks the end of the establishment phase and the beginning of a longer-term programme of organisational transformation. The Transformation Plan provides the strategic framework for this next stage by setting out the priority changes required to embed our Missions-led Science Framework, strengthen organisational capability, improve productivity, and ensure the Institute is well positioned to deliver greater scientific, economic and public value for New Zealand.

As the Institute transitions from integration to transformation, responsibility for many initiatives will transfer into normal business operations under Leadership Team accountability. Organisation-wide priorities that require sustained coordination and oversight will continue to be managed as strategic transformation initiatives. This next phase of work will focus on embedding the organisational, operational and strategic changes required to realise the long-term benefits of the merger and strengthen the Institute's contribution to New Zealand's science system and bioeconomy.

Key Achievements

SCIENCE

- Embedding science considerations at the heart of transformation decisions
- Strengthening collaboration and alignment across legacy institutes
- Shaping the Institute's approach to the 2027 MBIE Endeavour Fund and Phase Two of the BioAI proposal
- Completing a comprehensive stocktake of science collections and databases
- Improving focus on safe, reliable laboratories, facilities and digital platforms
- Mapping organisational science strengths, structures and ways of working

FINANCE

- Consolidated financial reporting across the Institute
- Delivery and Board approval of the Budget and Statement of Corporate Intent
- Completion of due diligence activities for Callaghan Innovation Biotechnologies Group and New Zealand Food Innovation Network
- ERP scoping, design workshops, and benefits and cost analysis
- Agreement on a harmonised pricing framework

LEGAL

- Supporting work associated with the Research, Science, Innovation and Technology Bill
- Preparing for the future transfer of Callaghan Innovation entities

COMMUNICATIONS AND ENGAGEMENT

- Establishment and operationalisation of internal communications channels
- Successful external communications and profile-building activity
- Development of a new logo and visual identity

COMMERCIAL

- Alignment of pricing approaches in coordination with the Finance workstream
- Agreement on key clauses within standard contracting arrangements
- Improved revenue reporting and visibility

DATA & DIGITAL

- Establishment of the ERP programme and progression through to business case development
- Advancement of the Digital Workplace programme, including funding, tenant build, testing and migration planning
- Implementation of enhanced cyber security protocols

INFRASTRUCTURE

- Development of consolidated long-term capital plans
- Fleet rationalisation and trial implementation of a fleet management system
- Prioritisation of the FY27 capital expenditure programme

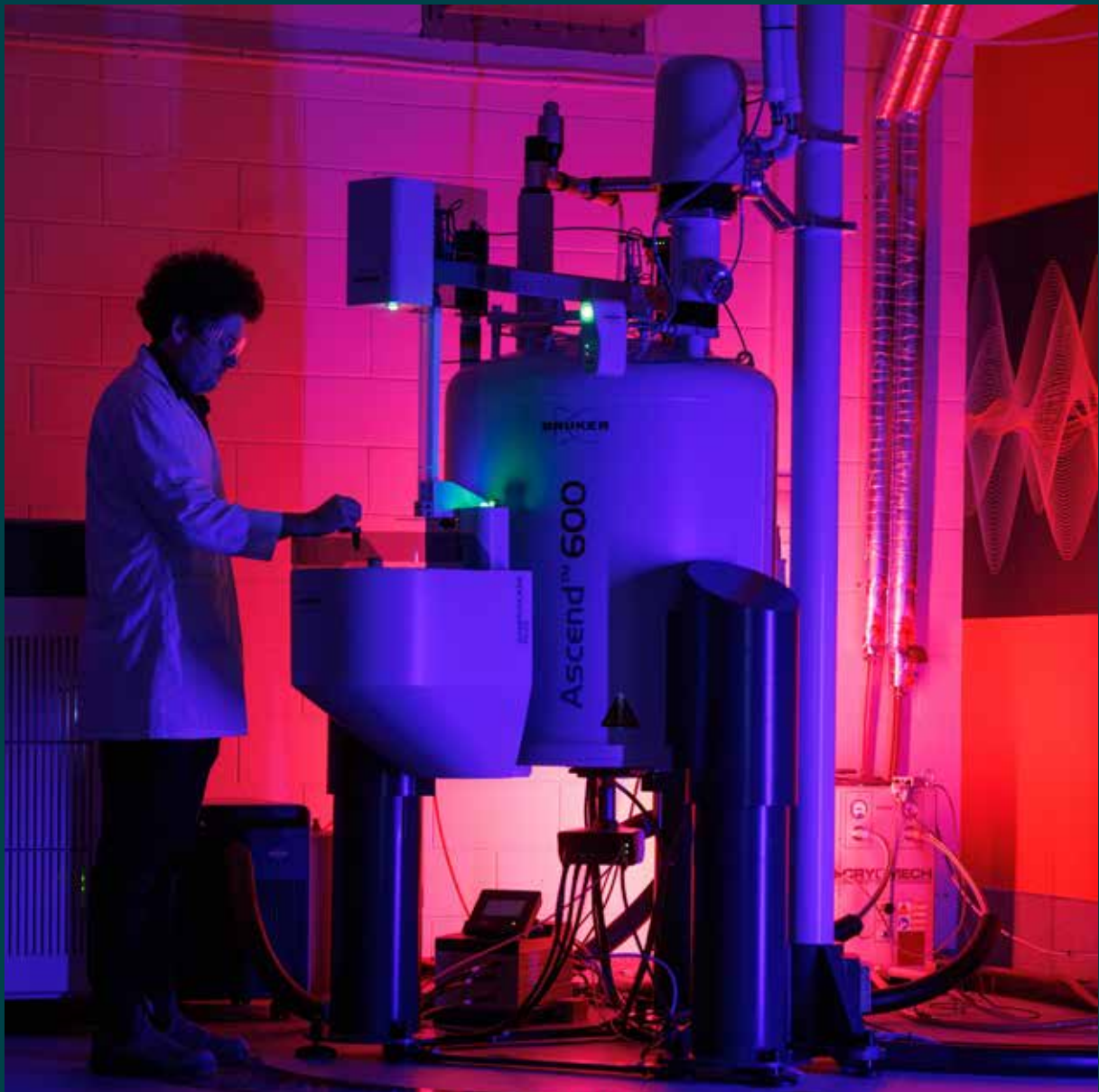
MĀORI GROWTH AGENDA

- Board endorsement of a Te Tiriti framework and Ingoa Māori
- Recognition of Bioeconomy Science Institute Maiangi Taiao expertise and leadership as host of the National Biodiscovery Platform
- Strengthened collaboration across the legacy organisations to enable a deeper understanding of more than 250 Māori partners and enterprises

PEOPLE, CULTURE AND WELLBEING

- Design and implementation of the new professional services organisational structure
- Launch of Health, Safety and Wellbeing induction modules
- Preparation for the future transfer of Callaghan Innovation staff

Delivering Impact



- We're ensuring our infrastructure, including high-performance superconducting nuclear magnetic resonance (NMR), is fit-for-purpose and optimised to support scientists like Hayden Thomas.

Our science and innovation

KEY PERFORMANCE INDICATORS

Measure	Indicator	Target	Actual
Publication co-authorship	Research collaboration	> 80%	87%
Impact of scientific publications (Scimago)	Science quality	> 4.0	5.07

BRINGING SCIENTISTS TOGETHER

Post-merger, it has been important to support people in getting to know others working in complementary areas of science; strengthening alignment of research activities; and beginning to build collaborative teams.

In the first six months of the new Institute, more than 120 activities were recorded that brought scientists from across the Bioeconomy Science Institute Maiangi Taiao together. These ranged from one-off meetings and single-day workshops to the establishment of ongoing communities of practice and knowledge sharing seminar series.

These activities brought together science leaders and researchers to explore shared opportunities, align thinking and begin building the networks required to support our Missions-led Science Framework. Preparations for science workstream workshops, capability mapping discussions and cross-workstream collaboration sessions all contributed to a stronger sense of collective purpose.

The workshops helped inform development of our emerging science operating model and six mission impact areas, ensuring future investment and capability development can be directed toward the challenges where New Zealand needs science most.

UNDERSTANDING AND STRENGTHENING OUR SCIENTIFIC INFRASTRUCTURE

Alongside people and capability, the Institute has made significant progress in understanding the infrastructure that underpins our science.

Over the past year we have built a consolidated view of assets, facilities, equipment, collections and specialist infrastructure across the Institute. This work has informed infrastructure planning, capital prioritisation and future investment decisions.

A key milestone has been the development of infrastructure master planning and a prioritised Capital Investment Plan aligned with the future needs of our science. Work has also progressed through Kitmap and wider infrastructure mapping initiatives, helping identify opportunities for co-location, asset sharing and infrastructure optimisation both within the Institute and across the wider research sector.

Greater visibility of facilities and equipment will shed light on underutilised capacity, improve collaboration and create opportunities to maximise the value of previous investments. The benefits of coordinated capital expenditure planning across the entire organisation will ensure infrastructure investment delivers greater impact at an organisational level rather than within individual sites or teams.

New government investment

In the 2025/26 financial year, the Bioeconomy Science Institute received significant investment from government contestable funding to support research and capability development.

MBIE ENDEAVOUR FUND (NEW RESEARCH PROGRAMMES)

- Turning pine waste into premium proteins
- Super-storing: extending the life of New Zealand's perishable fruits

MBIE ENDEAVOUR FUND (SMART IDEA EXTENSIONS)

- Superior protein biocomposites through tailored gradients of nature-inspired microstructure
- A new era for biocontrol: artificial eggs for *in vitro* parasitoid rearing
- Application of cold-plasma, hyperspectral-imaging and machine-learning to advance New Zealand's cell-based protein industries
- Developing a pheromone tool for the eradication of Australian redback spiders
- Novel multisensory push-pull insect pest control system: combining ultrasound repellents and pheromone/kairomone attractants
- Smart, adaptive grapevine rootstocks for a changing world

MBIE ENDEAVOUR FUND (RESEARCH PROGRAMME EXTENSIONS)

- Extreme wildfire: our new reality, are we ready?
- Moving the middle: empowering land managers to act in complex rural landscapes
- Seeing the forest for the trees: transforming tree phenotyping for future forests
- Te Weu o te Kaitiaki: indigenous regeneration pathways
- The Flowering Crisis: confronting a changing climate's threat to New Zealand's tree crops
- Vive la résistance: achieving long-term success in managing wilding conifer invasions

MBIE HE ARA WHAKAHIHIKO CAPABILITY FUND

- Relocatable harakeke processing platform for rural economic transformation
- From farming to bioactives: diversifying wharekauri land use opportunities
- Economic opportunity and climate resilience in Te Puuaha
- Understanding how the lunar cycle can shape improved horticulture production systems
- Following Māori traditions: a pathway to high-value, zero-waste food products from karaka
- Tohe te Tohe: using water sensor networks to inform toheroa management practice
- Enhancing the consistency, quality and effectiveness of high-value indigenous bioactive products

MBIE ENVIROLINK

- Naturally uncommon ecosystems
- Mapping advice and verification of dynamic wetlands in the coastal marine zone
- Ranking soil risk for contaminants of emerging concern

CATALYST

- Seeding: Future-proofing forestry: a coordinated response to the conifer biosecurity threat *Lecanosticta acicola*
- Seeding: Unlocking the potential of forests: advancing sustainable chemical production
- Strategic New Zealand-China joint research partnerships: Optimising methane mitigation in ruminant through bromoform microemulsion
- Strategic New Zealand-Singapore Biotech in Future Foods: Sustainable food processing: Black soldier fly valorisation or organic waste for high-value products

PRIMARY SECTOR GROWTH FUND

- Forest hydrology toolbox: Effective user-friendly tools (with Forest Growers Research Ltd, Otago Regional Council, Waikato Regional Council, Horizons Regional Council, Tararua District Council, City Forests, Port Blakely, Rayonier Matariki)

MARSDEN FUND

- Living on the edge: epigenetic adaptation and remodelling at species range margins
- Turning red: repeated evolution of pigment pathways for stress tolerance in land plants
- The genetic make-up of a composite trait: what shaped complex fruits?
- Biotic homogenisation within plant-pollinator networks
- FAST START: Putting endemic plants under the microscope to understand how their microbiomes can enhance crop production
- COUNCIL AWARD: Reverse engineering the tikanga, Mātauranga, and historical context of Māori rock art

HORIZON EUROPE

Horizon Europe is the European Union's key funding programme for research and innovation and the world's largest multilateral research and innovation programme. New Zealand is an associated country, supported by MBIE.

- The AGROECONOMY Partnership
- DIVERSIFY4FUTURE
- GRASS CONNECT
- RELATE4NATURE
- StrongBioNet
- OCEOMICS

CASE STUDY

Ragwort biological control brings relief for farmers

Biological control has reduced ragwort populations by 90–100% across many regions of Aotearoa New Zealand, delivering annual savings of more than \$46 million to dairy farmers while reducing reliance on herbicides.



- Our science is developing biological controls to reduce plants pests, such as ragwort (*Jacobaea vulgaris*).

Ragwort (*Jacobaea vulgaris*) is a toxic weed that reduces pasture productivity and poses significant risks to livestock health, particularly cattle. Its ability to produce large numbers of wind-dispersed seeds made it difficult and costly to control, creating a persistent challenge for farmers throughout much of the twentieth century. Traditional management relied heavily on herbicide applications and manual removal, requiring ongoing expenditure and raising concerns about environmental impacts.

Bioeconomy Science Institute researchers identified and tested two highly specific natural enemies of ragwort, the ragwort flea beetle and ragwort plume moth, confirming they could safely target the weed without affecting other plants. Following their introduction and establishment, ragwort populations have declined dramatically across many parts of New Zealand.

The programme has generated an estimated \$3 billion in value over its lifetime, returning at least \$16.25 for every dollar invested. By reducing weed pressure, lowering herbicide use and improving pasture productivity, ragwort biocontrol continues to deliver lasting benefits for New Zealand farmers and the environment.

The success and ongoing relevance of this work has been recognised through the release of a major technical report on ragwort management and an appearance before Parliament's Primary Production Committee to share our scientific expertise and success. These contributions drew on decades of research and demonstrated the Institute's continuing role as a trusted source of scientific expertise on invasive weeds and biological control.

CASE STUDY

Next-generation pasture for reducing emissions

Modelling suggests that pasture species with enhanced traits could reduce annual emissions from affected urine patches by up to 45%, with an economic benefit of \$590 million.

Scientists at the Bioeconomy Science Institute are investigating naturally occurring plant traits that can suppress soil processes responsible for the formation of nitrous oxide (N_2O), a potent greenhouse gas that accounts for nearly 9% of New Zealand's emissions and is generated primarily from livestock urine patches.

The work focuses on biological nitrification inhibition (BNI), a natural mechanism through which some plants release compounds into the soil that slow the conversion of ammonium to nitrate, reducing the production of N_2O .

Researchers have identified significant genetic variation for BNI traits in ryegrass and demonstrated through field experiments that high-BNI plants can reliably reduce N_2O emissions under simulated urine patch conditions.

Modelling suggests that pasture species with enhanced BNI traits could reduce annual emissions by up to 0.74 Mt CO_2 -e by 2055. This represents a 45% reduction in emissions from affected urine patches and an estimated economic benefit of \$590 million.

Ryegrass is the foundation of New Zealand's pastoral farming sector, and offers significant potential to reduce agricultural emissions at scale. These findings provide a pathway for breeding improved cultivars with enhanced environmental performance. Four seed companies have provided elite cultivars for testing, helping accelerate future adoption through existing pasture renewal systems. The work has gained international recognition, bringing together more than 50 scientists from 15 countries and helping establish a global research network focused on BNI in temperate pasture species.



● Introducing new varieties of pasture crops can reduce annual emissions of the greenhouse gas nitrous oxide (N_2O).

CASE STUDY

Improving lamb survival

Research has shown that managing pregnant ewes on higher pasture covers can almost halve mortality in triplet-born lambs, delivering significant benefits for farm productivity, profitability and animal welfare.

One of New Zealand's most persistent livestock production challenges is lamb mortality, with losses of around 15%. Triplet mortality is high, with average survival around 60%, significantly lower than that of singles or twins.

The study involved 456 commercial ewes and more than 900 lambs and focused on the critical period spanning late pregnancy and early lactation, when nutritional demands are at their highest. Triplet-born lambs in a higher pasture-cover

system achieved survival rates similar to twin-born lambs managed under current recommendations. Researchers also observed improved ewe survival, fewer difficult lambings and reduced need for human intervention. Overall ewe efficiency, measured as kilograms of lamb weaned per ewe, increased by around 22%.

Beyond the production gains, the research is challenging long-held assumptions about animal nutrition and resilience and may determine that modern sheep flocks have outgrown feeding guidelines developed decades ago. Although ewes in both treatment groups maintained similar body condition, survival outcomes differed markedly, suggesting important biological processes are influencing animal performance.

The research programme is one of the country's largest and most comprehensive sheep studies. The programme is now investigating the mechanisms underlying these effects using advanced immunology, metabolomics and systems biology tools. By following the next generation of animals through their productive lives, researchers aim to understand how early-life nutrition shapes resilience, productivity and health.



● Research has found that improved animal nutrition can support lamb survival.

CASE STUDY

Helping foresters manage growing disease threat

New tools are helping New Zealand forest managers better understand, predict and manage red needle cast (RNC), a disease estimated to reduce radiata pine growth by up to 30% over four years.

Caused by the *Phytophthora pluvialis* pathogen and discovered in New Zealand in the early 2000s, RNC can lead to needle loss, reduced growth and significant economic impacts for forest growers. To reduce the impact of the disease on productivity, the forestry sector needs reliable information to understand where outbreaks are likely to occur, the severity of the impacts, and what management actions can be taken to reduce risk.

Bioeconomy Science Institute scientists have worked with Forest Growers Research and industry partners to build scientific foundations that support informed decision-making. This work has included improving understanding of the disease, developing tools to predict infection risk and quantifying the effect of repeated outbreaks on forest growth and productivity. These insights have helped fill critical knowledge gaps, supported the development of management tools, and provided the first robust evidence of the disease's economic impact on forest performance.



● New tools are helping foresters manage the tree disease red needle cast (RNC).

Foresters now have access to practical management resources including an RNC manual, enabling them to assess disease risk and make more informed management decisions. These tools are being adopted across the sector, helping growers identify periods of heightened risk and target interventions more effectively.

By reducing uncertainty and improving preparedness, the RNC programme supports the resilience of New Zealand's forestry sector, which contributes billions of dollars to the economy each year and plays a critical role in carbon storage and other ecosystem services, as well as regional employment.

CASE STUDY

Turning lower-value logs into higher-value timber products

Research has supported the certification of a new timber production line that adds value to engineered pine products.

The Bioeconomy Science Institute is helping unlock new value from New Zealand's forests through a long-standing partnership with Wood Engineering Technology (WET), the developer of Optimised Engineered Lumber (OEL™), an innovative structural timber product made from lower value radiata pine logs.

We have worked alongside WET to address technical challenges associated with wood processing, product performance, and future feedstock options. This collaboration has helped advance OEL from concept toward commercial scale while opening new opportunities for engineered timber manufacturing in New Zealand.

A key focus has been extending the technology to other species. We have evaluated eucalyptus for use in OEL, investigating wood quality, processing performance and structural characteristics. This work is laying the foundation for future planted forest systems that combine climate resilience with higher-value wood products.

The partnership reached an important milestone in 2025 when WET received certification confirmation for its new OEL production line. Capable of producing around 25,000 m³ of OEL annually, the technology has the potential to increase domestic wood processing, create higher-value domestic and export products from New Zealand-grown timber, and support the transition to a more innovative and resilient bioeconomy.



● Our scientists have supported the development of a new structural timber product.

CASE STUDY

A new national nectar map for optimum beehive management

New research has created time-series maps of nectar production for Aotearoa New Zealand, enabling smarter positioning of hives for timely crop pollination, nectar collection and hive health.

The introduced honey bee (*Apis mellifera*) is an essential pollinator of a long list of economically important crops, from pipfruit and stonefruit to seed crops such as onions, carrots and brassicas, and other food crops such as tomatoes and citrus. And of course, bees are also vital to the honey industry. But where are the best floral resources for the bees, when do they appear, and how many hives can a particular location support?

Farmers and honey producers often use specialist pollination services to truck honey bee hives around the country, giving the bees optimum access to floral resources. In a world first, scientists at the Bioeconomy Science Institute have used powerful digital land cover mapping tools – the newly-updated national Land Cover Database (LCDB) and the Land Environments of New Zealand (LENZ) environmental classification – supplemented by on-the-ground vegetation survey data, to produce month-by-month maps of potential nectar production, including beech-forest honeydew secreted by scale insects, and potential pollen production for the whole of New Zealand.



- New mapping tools are allowing apiarists to manage hive positioning to support bee health and honey production.

Helping to ensure optimum foraging for bees across the country, the new nectar maps show that public conservation land produces over half the national floral resource, and Māori land with regenerating mānuka and kānuka contributes more floral resource per hectare than non-Māori land, whereas landscapes historically cleared of forest for farming are much less productive of pollen or nectar.

The honey sector generated \$426 million in exports in 2025, with a goal of \$1 billion exports by 2030.

CASE STUDY

Research to eliminate the last 1% of predators

Research to eliminate trap-evasive possums has found that baiting with strongly preferred foods can significantly increase the chances of trapping even the most trap-shy individuals and help strengthen pest management strategies for local, regional and national end-users, including New Zealand's Predator Free 2050.



- Research has found that high-reward foods can help trap trap-shy possums.

To achieve Predator Free 2050, every individual predator in a population needs to be eliminated – and the final 1%, the most trap- and bait-shy animals, are the hardest, and therefore the most expensive to remove.

But animals that evade traps and toxins are not random. They are survivors, shaped by experience and personality. And it is difficult to study their behaviours and bait preferences in captivity because, by definition, they aren't trappable.

Lateral thinking is often involved. Research tested whether central nervous system stimulants added to bait might boost reward-seeking behaviour in the most naturally cautious animals, but results were inconclusive. The researchers then tested whether high-sugar, high-fat foods were better at coaxing shy predators into traps.

Field trials were run in native forest, with Oreo® cookies as the incentive food. By chance, a limited-edition chocolate cinnamon flavour Oreo was on supermarket shelves at the time. Cinnamon is a highly preferred lure for possums, and chocolate is favoured by ship rats.

In the nine days before the incentive food was used, only one possum was caught. When researchers placed the cinnamon Oreo cookies leading up to, and inside, a trap, 15 possums were caught in just 20 days. The final, most trap-shy possum was caught with an especially open trap design, plus the Oreos.

This suggests pre-feeding with high-reward foods can incentivise some of the most trap-shy animals, which is an important finding in the journey to achieving 100% predator freedom.

CASE STUDY

Monitoring and measuring carbon in forest landscapes

Scientists are establishing national baselines for soil carbon in agricultural soils as well as new ways to measure carbon storage in ecosystems such as native forests and high-country grasslands, to support Aotearoa New Zealand's carbon monitoring and accounting initiatives.

Under the Paris Agreement, New Zealand is obliged to measure and manage its carbon stocks in natural and planted forests. Many of our trading partners also expect that we are not deforesting land, especially from native forests.

Bioeconomy Science Institute scientists have investigated the likely carbon consequences of “transition forestry” to gradually change land from exotic forests to native forests. Such forests transition from exotic to native over time, beginning with faster-growing, short-lived exotic species that can provide canopy closure to suppress weeds.

Through a research project commissioned by the Parliamentary Commissioner for the Environment, scientists used advanced forest growth modelling to assess how different transition forestry management scenarios might affect carbon storage over 100 years across diverse sites and climates.

The research provides the first comprehensive quantification of long-term carbon outcomes when transitioning from fast-growing exotic forests to native forests, identifying critical trade-offs between carbon sequestration, biodiversity gains, and restoration objectives. This work fills a major evidence gap and supports policymakers, landowners, and regulators to design transition forestry and Emissions Trading Scheme settings that better balance carbon sequestration, biodiversity outcomes, and restoration goals.



● New baselines will help New Zealand meet its carbon sequestration and restoration goals.

CASE STUDY

Reducing the fruit fly threat

Research is helping to optimise trapping for the detection of fruit flies that make it across Aotearoa New Zealand's border, preventing establishment of a major pest group that could cost the horticulture sector more than \$1 billion a year.

Fruit flies are one of the most serious threats to Aotearoa New Zealand's horticultural sector. Fruit fly species establishing in New Zealand would cause damage to fruits and vegetables and reduce access to markets for our primary exports. Researchers at the Bioeconomy Science Institute, through the Better Border Biosecurity (B3) collaboration, contribute scientific knowledge to support the National Fruit Fly Surveillance Programme, ensuring fruit fly incursions are detected early to provide the best chance to eradicate any populations before they can establish.

Working with MPI and the Government Industry Agreement Fruit Fly Council, our research ensures that surveillance and trapping systems are underpinned by current science and best practice. This has supported MPI in keeping New Zealand fruit fly free, despite increasing risk from global travel and trade movements as well as changes to the climate that make New Zealand's environment better able to sustain fruit fly populations.

Scientists at the Bioeconomy Science Institute also contribute their expertise to support MPI's incursion responses, most recently in January 2026 in Auckland. This was the eleventh fruit fly detection since 2012.

It is estimated that, if allowed to establish and spread, the cost of fruit flies would be about \$1.5 billion in control costs and produce loss over three years.



- Our science is supporting surveillance and trapping of biosecurity threats like fruit flies.

CASE STUDY

Using AI to transform weed risk assessments

A new digital tool, which combines artificial intelligence, climate modelling and global biodiversity data, has been shared with key stakeholders. The new algorithmic model enables faster, more consistent identification and assessment of potential weed hazards, and helps regulators and land managers stay ahead of emerging biosecurity risks.



- A new weed assessment tool is helping regional biosecurity planning and management.

Invasive weeds are a major driver of biodiversity loss and agricultural damage. In New Zealand, they have contributed to the decline of nearly a third of threatened plant species and are estimated to cost the pastoral, arable and forestry sectors \$2.2 billion annually in lost production value. Traditional paper-based weed risk assessments can take many hours to complete for a single species and often depend on extensive expert input and incomplete information.

To address this challenge, Bioeconomy Science Institute researchers developed a new automated assessment tool that combines climatic suitability, global spread and scientific evidence to generate an objective weed hazard score. Artificial intelligence is used to analyse thousands of scientific publications, creating a rapid, scalable and reproducible approach to hazard screening.

Validation studies in New Zealand and California demonstrated strong alignment between the tool rankings and expert assessments, with an accuracy of 88% in identifying weed risk. The model has since been applied to more than 20,000 exotic plant species present in New Zealand, helping identify potential “sleepers weeds” that may become invasive under current or future climate conditions.

Environment Canterbury has been an early adopter, using the model to support regional biosecurity planning and identify species that warrant further investigation. Interest is now growing across New Zealand and internationally, with enquiries from regional councils, government agencies and overseas organisations.

FIND OUT MORE

Big data and AI turbocharge weed risk research at Bioeconomy Science Institute



Our Nationally Significant Collections and Databases

The Bioeconomy Science Institute Maiangi Taiao is the custodian of 12 Nationally Significant Collections and Databases held on behalf of New Zealand. These collections have been identified as critical for New Zealand science to deliver public benefit, and their maintenance is funded through the MBIE Strategic Science Investment Fund.

DATABASES

Land Resource Information Systems

Repository of national environmental datasets and information

Size: 100% of New Zealand land. Includes 39,000 physical samples

Uses: Land management; land regulations

Key users: Ministry for Primary Industries, Ministry for Cities, Environment, Regions and Transport, regional councils, primary sector

National Vegetation Survey Databank

National repository for plot-based vegetation survey data

Size: 104,000+ survey plots

Uses: Biodiversity monitoring; land-use and carbon storage reporting to international bodies

Key users: Department of Conservation, New Zealand Government

Ngā Rauropi Whakaoranga Ethnobiology Database

Database of Māori names and cultural uses of native plants, fungi and algae

Size: 2,050+ referenced records

Uses: Preservation of mātauranga Māori

Key users: Māori trusts, Te Wānanga o Aotearoa

PHYSICAL COLLECTIONS

Allan Herbarium

National collection of preserved algae, lichen, liverworts, mosses, ferns and seed plant specimens

Size: 640,000+ objects collected

Uses: Reference for new and emerging weed invasions; species recovery and ecosystem management

Key users: Ministry for Primary Industries, Department of Conservation

Arable and Vegetable Crop Germplasm

National collection of arable and vegetable germplasm

Size: 133+ accessions*

Uses: Conservation of genetic diversity; breeding and discovery

Key users: Research, breeding, supply to New Zealand growers and propagators

* Note: Our fruit, arable and vegetable collections are currently under review to better align with international best practice for collection management. These numbers reflect the accessions that have already been reviewed.

PHYSICAL COLLECTIONS CONT.

Fruit Crop Germplasm**National collection of fruit germplasm****Size:** 395+ accessions***Uses:** Conservation of genetic diversity; breeding and discovery**Key users:** Research, breeding, supply to New Zealand growers and propagators**International Collection of Microorganisms from Plants****International collection of living cultures of plant and soil bacteria and fungi****Size:** 25,000+ cultures**Uses:** Biosecurity diagnostics and risk analysis**Key users:** Ministry for Primary Industries**Margot Forde Genebank****World's largest grassland germplasm collection****Size:** 180,000+ seed samples**Uses:** Conservation of genetic diversity; breeding and discovery**Key users:** Research**National Forestry Herbarium****National collection of forest plant and wood specimens****Size:** 35,000 plants and 8,000 wood blocks**Uses:** Pest surveillance**Key users:** New Zealand Forest Owners Association**National New Zealand Flax Collection – Te Kohinga Harakeke o Aotearoa****Living collection of *Phormium* flax****Size:** 249 selections**Uses:** Weaving and education**Key users:** Māori trusts, Māori weaving community, Te Wānanga o Aotearoa**New Zealand Arthropod Collection – Ko te Aitanga Pepeke o Aotearoa****National collection of land invertebrate specimens****Size:** ~ 1.6 million objects**Uses:** Biosecurity diagnostics and incursion responses; species recovery and ecosystem management**Key users:** Ministry for Primary Industries, Department of Conservation**New Zealand Fungarium – Te Kohinga Hekaheka o Aotearoa****Collection of New Zealand and Pacific fungi specimens****Size:** 116,000+ specimens**Uses:** Biosecurity diagnostics and risk analysis**Key users:** Ministry for Primary Industries, Environmental Protection Authority

Our commercialisation and partnerships

KEY PERFORMANCE INDICATORS

Measure	Indicator	Target	Actual
Private, public contestable and royalty Revenue per FTE	End-user collaboration	\$140 K	\$130.8 K
Revenue per FTE	Operational efficiency	\$225 K	\$245 K
Client reports per science FTE	Tech and knowledge transfer	0.5	0.89

SCIENCE WITH IMPACT

The Bioeconomy Science Institute Maiangi Taiao is strengthening the pathway from scientific discovery to market, accelerating the development of intellectual property (IP) and translating this into new products, technologies and start-ups that deliver real world outcomes and compete on a global stage.

By combining world-class research with commercial expertise and industry partnerships, we are delivering economic, environmental, and societal impact. We are enhancing New Zealand's reputation as an innovation hub, attracting international investment and contributing to the growth of new ventures, skilled jobs, and high-value industries.

Scaling science-based innovation is a key source of sustainable economic growth, driving the development of high-value food, fibre, and biomaterial products across the primary, advanced manufacturing, biotechnology, and agritech sectors.

ULTRASONIC KNIFE AGREEMENT SIGNED

An IP licensing agreement for a powered knife technology was signed with Southern Engineering Solutions (SES) during the financial year. The IP is jointly owned by the Bioeconomy Science Institute and the Meat Industry Association Innovation Limited (MIA). The technology can be used in meat plants and offers health and safety advantages and significant reductions in operating costs. A commercial prototype is currently being developed, supported by the Australian Meat Processor Corporation (AMPC), SES, MIA and the Bioeconomy Science Institute.

RAPID MILK POWER QUALITY TESTING TECHNOLOGY LICENSED

We have successfully concluded an intellectual property licensing agreement with a dairy manufacturer for a novel Near-infrared (NIR) spectroscopy technology that enables rapid, non-invasive prediction of key milk powder quality attributes. Developed using proprietary algorithms and extensive datasets across infant formula, skim and whole milk powders, and alternative proteins, the technology provides instantaneous results and removes the need for additional laboratory testing. It delivers greater product consistency across each batch without the need for destructive sampling, with the additional benefit of real-time quality testing. The solution has been successfully deployed within the manufacturer's operations.

LASER-BASED TECH THE FUTURE OF POSTHARVEST ASSESSMENTS

A rapid, laser-based technology capable of non-destructively detecting internal changes associated with postharvest spoilage in fruits and vegetables is progressing toward commercial deployment through New Zealand venture studio Edison Darby. Building on foundational science developed by the Bioeconomy Science Institute, Edison Darby has been redeveloping the technology into a commercially scalable, in-line scanning system designed for use across New Zealand's horticultural export industries. Initially under an option, Edison Darby has activated a global commercial license integrating the technology into CAILU™, its advanced vision-based post-harvest quality assessment platform, enabling real-time assessment of both internal and external produce quality.

JAZZ™ AND ENVY™ APPLES CELEBRATE 40 YEARS

It has been 40 years since the beginning of two of Aotearoa New Zealand's most successful apple cultivars, 'Scifresh' and 'Scilate', marketed as JAZZ™ and ENVY™ brand apples respectively. Development started in 1985 by scientists at the Bioeconomy Science Institute (then part of DSIR), with the cultivars exclusively commercialised globally by T&G Global (then ENZA). The two apples have become international success stories, showcasing New Zealand's strength in developing new apple varieties and building global brands which meet consumer and grower needs. As the exclusive global licence holder of both varieties, T&G launched 'Scifresh' as JAZZ™ brand apples in 2004 and 'Scilate' as ENVY™ in 2008, and established them as premium global apple brands, grown in both hemispheres and loved by consumers in over 50 countries. In 2026 the ENVY™ apple brand has surpassed \$1 billion in global retail sales, becoming the first apple brand from New Zealand to reach this milestone.

HOT CLIMATE PARTNERSHIP VARIETIES EARN BACK-TO-BACK GLOBAL RECOGNITION

The Hot Climate Partnership (HCP), a collaboration between Bioeconomy Science Institute, Catalonia's Institute of Agrifood Research and Technology (IRTA), Fruit Futur, and VentureFruit Global Limited, reached a significant milestone this year, with both of the programme's first two commercial releases receiving international awards within months of each other.

TUTTI™ ('HOT84A1'), the first apple in the world bred specifically for a hot climate, won first place in the Fresh Produce category at the Innovation Hub Awards at Fruit Attraction 2025 in Madrid, Spain. Meanwhile STELLAR™ ('HOT81A1') was recognised with a Silver Award in the SIVAL Varietal Innovation Competition for 2026 in Angers, France. The SIVAL Innovation Competition recognises new varieties that demonstrate tangible benefits to meet sector challenges across sustainability, grower economics, production performance and market relevance.

The varieties marketed as TUTTI™ and STELLAR™ are the result of more than 20 years of research and development through the HCP. The partnership focuses on breeding apple and pear varieties designed to withstand the increasing pressures of climate change, including rising temperatures and water scarcity, while delivering exceptional eating quality.

A SPOTLIGHT ON: PACIFIC BERRIES

Since 2012, our joint venture with the Washington state nursery Northwest Plant Company (NWP) has been quietly reshaping the raspberry market – and its global footprint keeps growing.

Pacific Berries LLC breeds and commercialises high-performing raspberry varieties for commercial growers and home gardeners alike. At the top of the range sits the Wake® family – premium raspberries, bred to deliver benefits right across the value chain: strong yields and machine-harvestability for growers, and consistently high-quality individually quick frozen berries for consumers. 'Wakefield', marketed as Wake®Field, released in the USA in 2009, is now grown in six countries including New Zealand, Australia, Chile and across Europe. 'NN08002', marketed as Wake®Haven, followed as the second release in the Wake® series – with a third Wake variety on track for launch later this year.

Alongside the Wake family sits 'N1237057', marketed as EarlyBell™ – a variety that doesn't carry the full excellence of the Wake brand but still gives growers a genuinely superior option to many of the other varieties on the market. This gives growers a range of options to engage with proprietary varieties. Pacific Berries licensees continue to grow their plantings each year, with royalties and licence fees flowing back into the joint venture and, ultimately, to the Bioeconomy Science Institute through annual dividends.

NEXT-GENERATION HOP VARIETY LAUNCHED FOR BREWING INDUSTRY

The country's largest hop grower has commercialised a new variety, bred by Bioeconomy Science Institute. Tasman-based Clayton Hops has been working with the Bioeconomy Science Institute's hop breeding team to bring new and exciting hop varieties to market exclusively as part of a joint initiative called the Clayton Innovation Project (CIP). NZ Rhapzody™ ('CIP014') underwent more than five years of trialling and sensory testing and became the first exclusive hop variety to come from the CIP, following its launch in February 2026.

International development

The Bioeconomy Science Institute Maiangi Taiao works with international funding agencies and local governments to deliver international development projects that create sustainable impact, reduce poverty and improve lives. These projects contribute to and support the priorities of the New Zealand Government and the United Nations' Sustainable Development Goals (SDGs); expand the experience-base and worldliness of our scientific capability; create opportunities for New Zealand industries in rapidly developing economies; and expand our profile in new markets.

CLIMATE-SMART PACIFIC FOOD SYSTEMS (2024–2029)

This year, Ministry for Foreign Affairs and Trade (MFAT)-funded Climate-Smart Pacific Food Systems programme moved from establishment to implementation across Papua New Guinea (PNG), the Autonomous Region of Bougainville, Solomon Islands, Fiji, Tonga and Samoa. Diverse food system challenges addressed included declining soil health, new and emerging pests and diseases, seasonal unpredictability, labour shortages, increasing cost and limited availability of input supplies, water management, agrichemical use and declining yields.

The programme engaged with almost 800 participants, made possible by strong collaboration with government ministries, NGOs, research institutions, the private sector and communities. The programme delivered 46 trainings, workshops or field visits. Examples of progress include postharvest innovations in PNG, trials of green manure in the Autonomous Region of Bougainville, soil sampling and analyses in Solomon Islands, covered cropping trials in Fiji, mulching and irrigation watermelon trials in Tonga and weed control and intercropping trials in Samoa. The programme secured an additional \$2 million in funding (now total \$17.3 million) and has been extended to 2029.

QUEZON CITY MARKETS (2024–2026)

The Bioeconomy Science Institute is working with local partners to create a safer, more efficient farm-to-market-to-consumer supply chain across the eight public markets in Quezon, the most populous city in the Philippines. With New Zealand Trade and Enterprise (NZTE) and Quezon City funding, we have created food safety guidelines for suppliers and vendors and piloted a shorter and safer fresh food supply chain. Continuing activity includes the provision of food safety training through the Quezon City Vendor Business School.

MYANMAR RESILIENT HORTICULTURE (2019–2026)

Now in its final year, this MFAT-funded programme has worked with implementing partner Proximity Designs to strengthen farm advisory services and regenerative farming practices. It has reached over 300,000 farm families through frontline staff and an AI-powered digital extension channel. Ongoing conflict and fuel and fertiliser shortages linked to the Strait of Hormuz crisis made field delivery harder this year. However, farmers continued adopting practices such as no-burn rice farming and biological inputs as cheaper alternatives to imported chemicals. At Fresco's Heho packhouse, women farmers expanded their tunnel house production from lettuce and broccoli into flowers. They have adapted to flooding events by building raised bamboo growing tables from local materials. A Pest and Disease Identification Guide for tomato and chilli crops, developed with Proximity Designs to support field diagnosis by their crop advisors, was completed.

ARMENIA SCOPING STUDY (2025)

Funded by the Asian Development Bank (ADB), four Bioeconomy Science Institute staff completed a scoping mission to assess drivers that can strengthen Armenia's horticulture, livestock and agricultural innovation systems. The team also reviewed agricultural research, innovation and extension systems and identified capacity gaps and opportunities for collaboration with New Zealand research institutions. This places the Institute in a good position for project design contract work if the Government of Armenia decides to take an ADB loan to regenerate and modernise their agricultural sector.

NEPAL SCOPING STUDY (2025–2026)

In August 2025, two Bioeconomy Science Institute staff were part of an ADB mission to Nepal to provide technical expertise and capacity evaluation of in-country partners and stakeholders as part of a nuts and fruits in hilly areas project. We provided technical input for propagation and production, improved practices of avocado and macadamia and assessed government research stations and private sector nurseries. We made recommendations for future priorities and options for project activities and the capacity of the research station. Further contracting for technical extension support is under discussion.

VIETFRUIT (2024–2028)

The MFAT-funded \$6.24 million 'Viet Nam Climate-Smart Passionfruit Value Chain project', known as VietFruit, is focused on major passion fruit production regions in the Gia Lai and Son La Provinces. It is helping enhance Viet Nam's economic growth and climate change resilience and working to support ethnic minorities and improve gender equality. Highlights in the past year include the development and trialling of 16 different production and postharvest practices/technologies, and the delivery of over 60 training sessions with farmers, research staff, private sector stakeholders, and government officials. The training spanned the whole supply chain from nursery production of seedlings, production of passion fruit through to transportation of fruit and primary processing. The practical and co-development of training sessions have led to all farmers recently surveyed reporting increased confidence in their production practices, and the adoption of at least one new production practice.

TWO MANGO PROJECTS IN THE PHILIPPINES (2023–2025)

Through NZTE and Midsayap funding, the Bioeconomy Science Institute has helped revive Mindanao's mango export industry by improving production standards, food safety and export compliance. The project developed maximum residue limit spray programmes to ensure correct application of chemicals and support food safety certification, fruit quality and premium branding.

In a second project funded by the ADB, we have created market access guidelines to strengthen the Philippine mango export value chain. It identified improvements in food safety, production standards, quality management and export compliance and is expected to be taken up by the Philippines Department of Agriculture as a farmer educational resource for horticultural projects.

CLIMATE SMART AGRICULTURE AND SUSTAINABLE LAND MANAGEMENT (2025–2029)

The first year of this MFAT-funded six-country programme established country partner agreements, confirmed scope of work and achieved early targets aligned with priorities in Fiji, Vanuatu, Samoa, Tonga, Cook Islands and Niue. Highlights included work towards renovation of soil laboratories, soil technician training, installation of specialist plant equipment, mobilisation of technical staff, national soil strategy development in two countries, and two active communities of practice across participating countries. Ten Bioeconomy Science Institute staff delivered 524 days of support for the programme. Cross-country themes include crop resilience trials, soil laboratory assessments and training, Gender Equality, Disability, and Social Inclusion (GEDSI) assessments, new country inclusion in Pacific Soils Portal, land use and spatial planning work.

KIWIFRUIT COOPERATION PROJECT (2026–2032)

The Bioeconomy Science Institute is leading implementation of the Kiwifruit Cooperation Project (KCP) (supported through the India-New Zealand Free Trade Agreement). Through the KCP, the Bioeconomy Science Institute is supporting Indian kiwifruit sector partners to enhance production of green kiwifruit and fruit quality. A key goal is increased incomes for Indian smallholder kiwifruit growers through a targeted package of industry support. The Bioeconomy Science Institute has completed the design of two of four planned kiwifruit Centres of Excellence in northeast and northern India. Field extension activities are underway with horticulture development officers and farmers in the target regions, along with postharvest and supply chain scoping assessments.



● Our scientists are working with Indian kiwifruit growers to improve production.

WORLD BANK AFRICA DIAGNOSTICS (2025–2026)

In late 2025 the Bioeconomy Science Institute and the World Bank Group (WBG) collaborated to bring 12 African agricultural research leaders on a New Zealand study tour to learn about research commercialisation. The group spent time in Auckland, Te Puke and Lincoln and met with MFAT, MBIE and MPI officials as well as then-Minister of Science, Innovation and Technology Hon. Dr Shane Reti in Wellington. The success of the visit led to the Bioeconomy Science Institute securing a WBG consultancy contract to support research commercialisation in Tanzania, Cote d'Ivoire and Niger and run a pan-African workshop in Tanzania, co-funded by WBG and the African Union.



- Our scientists are helping to manage coconut rhinoceros beetle, a major palm pest in the Pacific.

SARGASSUM PRODUCTS FOR CLIMATE RESILIENCE IN THE CARIBBEAN (2020–2025)

This project considered innovative ways to turn invasive *Sargassum* seaweed into valuable products while reducing its environmental and economic harm in the Caribbean, specifically Barbados, Jamaica, and Trinidad and Tobago. Arsenic and cadmium levels in *Sargassum* prevent its direct use in food systems. Our scientists identified an opportunity to develop a biofertiliser product from the seaweed, and laboratory and field trials produced a biostimulant that improves crop growth and yields. Pilot-scale production has been established in Jamaica and preparations are underway for commercialisation.

RESTORING ISLAND RESILIENCE (2023–2026)

The Bioeconomy Science Institute is leading a programme tackling some of the worst weed invaders across ten Pacific countries. The Natural Enemies – Natural Solutions programme has seen the Institute working closely with regional partners. A team of nineteen scientists, technicians, informaticians and programmers developed biological agents for target weeds through careful selection, host range testing, importation, multiplication and release via country partner teams. Almost 1,000 days were spent delivering five natural enemies for four weed targets in seven countries, and 11 training workshops were held.

COCONUT RHINOCEROS BEETLE PROJECT (2025–2027)

This MFAT-funded project is improving the targeted use and availability of biocontrol agents that can manage the most significant pest of coconut and other palms in PNG and Vanuatu. In PNG's Central Province, for instance, almost all coconuts have been damaged by beetles, making importation of drinking coconuts mandatory. This year's achievements include partnership development, setting up field trial sites and starting a biocontrol agent control release programme. Early establishment and spread of two agents in Vanuatu have been seen. In PNG, there are early indications that the biocontrol virus is stabilising palm damage in at least one PNG region.

IMPROVING BEEF PASTURE THROUGH WEED MANAGEMENT IN VANUATU (2018–2026)

The final year of this project saw six additional natural enemies available to improve the quality of weed-infested pasture in Vanuatu. The Bioeconomy Science Institute worked closely with a network of international partners to source, test and ship natural enemies. Biosecurity Vanuatu and the Vanuatu Agricultural Research Technical Centre assisted with rearing, release, and monitoring for effectiveness. Infestations of pico (*Solanum torvum*), one of the worst invaders, have declined by 96% in the past 18 months following the release of the pico beetle (*Leptinotarsa undecimlineata*). Noticeable improvements have occurred in pastures that had become unfit or poor for cattle production.

CASE STUDY

Two new start-ups taking research to market

Two companies founded on Bioeconomy Science Institute research have collectively secured more than \$2.2 million in pre-seed investment this financial year, advancing the commercialisation of technologies with the potential to transform food production and animal health diagnostics.

Founded by Dr Jan Grant and Mick Riley, Forever Harvest Technologies Limited was established to commercialise cellular horticulture technology developed with support from the Institute's internal research funding. Based in Canterbury, the company is working with global food and flavour businesses to create reliable, year-round ingredient supply chains that are less vulnerable to climate impacts, disease pressure, and seasonal variability. By producing high-value plant ingredients through cellular horticulture, Forever Harvest

aims to help customers manage increasing risks to crop quality and supply while reducing price instability.

A \$1.2 million pre-seed investment has enabled the company to expand development of commercially relevant fruit and nut cell lines and deepen engagement with customers exploring alternative supply solutions.

RWP Technologies, founded by Bioeconomy Science Institute scientists Dr Debbie Berg and Shane Leath, has developed a portable diagnostic platform that combines safe radio-wave technology with artificial intelligence to assess health conditions in animals quickly, safely and affordably. The technology analyses unique tissue signatures, or "tissue fingerprints", to identify potential health issues, with the potential to improve access to fast, cost-effective diagnostic tools. A \$1 million pre-seed investment secured in April 2026 is helping advance the technology towards commercial deployment.

Forever Harvest and RWP Technologies were both supported in their commercialisation through Sprout Agritech's Accelerator programme before securing investment from Sprout Agritech and funding from Callaghan Innovation's Deep Tech Incubator programme, with support from the Bioeconomy Science Institute.



● Start-up Forever Harvest is developing cultured fruit cells as a food ingredient.

CASE STUDY

New quality assurance framework for land mapping and management

New Zealand's Land Use Capability (LUC) system informs critical decisions by stakeholders about how land is managed, protected and regulated. Its mapping now comes quality-assured for use by commercial foresters

Part of the Bioeconomy Science Institute's online Land Resources Portal, the LUC system underpins the New Zealand Land Resource Inventory (NZLRI) and is used across regulatory settings to categorise land according to its suitability for different uses, including for the National Environmental Standards for Commercial Forestry (NES-CF).

Under the NES-CF, commercial forestry operators may need property-scale LUC mapping when seeking changes to an area's Erosion Susceptibility Classification (ESC). The ESC tool is used to assess whether commercial forestry is permitted on a piece of land, or requires resource consent, depending on environmental risks. But until recently, no nationally consistent quality-assurance framework existed for property-scale mapping. Inconsistent methods risked producing different assessments of the same land, weakening confidence in regulatory decisions and potentially contributing to inappropriate land management.

In 2025 and 2026, Bioeconomy Science Institute scientists developed and tested a comprehensive quality-assured framework for property-scale LUC mapping, drawing on the science and methods underpinning the NZLRI. Tested against real ESC-change applications across several regions, the framework establishes clear standards for producing and assessing mapping intended for regulatory use.

The framework has now moved into national implementation. MPI requires relevant NES-CF property-scale LUC mapping to meet the new quality standards, which can also help to evaluate independently produced mapping before incorporation into nationally significant datasets such as NZLRI and S-Map (the online soils map of New Zealand).

By translating decades of specialist land-resource science into a practical national standard, our science is helping to ensure regulatory decisions are supported by consistent, scientifically defensible land information, and defining how nationally important land data are produced, evaluated and trusted.



- The Land Use Capability system is being used by government agencies to support regulatory decisions.



FIND OUT MORE
Land Resources Portal

CASE STUDY

Creating a world-first seaweed biomaterials industry

Our partnership with AgriSea is transforming seaweed residue into a high-value biomaterial, creating a new manufacturing opportunity for New Zealand and positioning the country at the forefront of sustainable nanocellulose production.

For more than 30 years, AgriSea NZ Seaweed Limited has produced seaweed-based biostimulants that support soil and plant health. This process generates significant quantities of seaweed biomass that, while rich in potential, has limited uses and represents an untapped resource.

Since 2017 we have worked with AgriSea to explore how this biomass could be converted into a valuable new product. Drawing on advanced biomaterials expertise, our researchers have adapted wood-processing technologies to seaweed, developing a novel extraction process that produces nanocellulose – a lightweight, high-strength biomaterial with applications across composites, cosmetics, electronics, agriculture, and wound care applications – using milder chemicals and less energy than conventional methods.

The work led to the establishment of the world's first commercial seaweed nanocellulose biorefinery in Paeroa. This facility can produce up to 1600kg of nanocellulose each week with significant environmental and economic benefits. It creates a product with a lower environmental footprint than conventional nanocellulose, offers skilled employment, and has strengthened regional economic development and opened opportunities in growing international markets for sustainable biomaterials.



- Our research has helped establish a new nanocellulose biorefinery for AgriSea.

FIND OUT MORE
New biorefinery will create
global impact using seaweed



CASE STUDY

Advancing AI technology for aquaculture

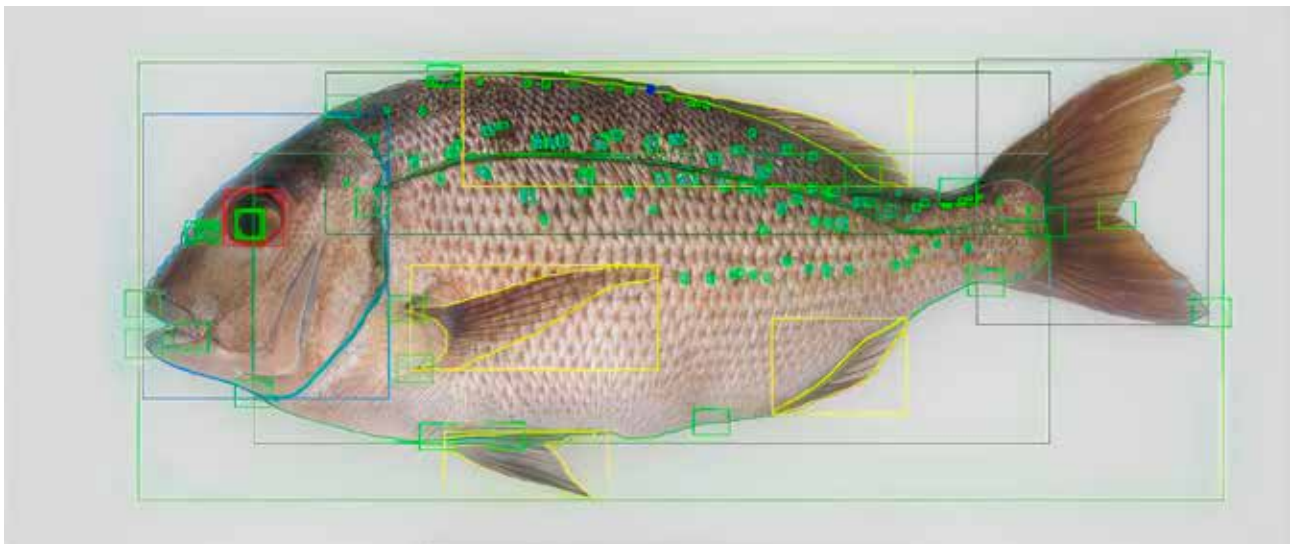
The Bioeconomy Science Institute and New Zealand technology company Seaweave Limited are working together to bring AI-powered aquaculture technologies to market.

Developed through nearly a decade of multidisciplinary research, the technology developed by the Bioeconomy Science Institute uses machine vision and artificial intelligence, alongside Seaweave's complementary hardware and capabilities, to provide insights into aquaculture and fisheries productivity and health metrics. By increasing the availability of data from aquatic environments and the information available for decision making, aquaculture

producers have the opportunity to make data-driven advances in productivity while supporting sustainable seafood production.

To take this technology to market, in 2025 the Bioeconomy Science Institute signed licensing and science services agreements with commercial partner Seaweave, a company established by the Nelson-based group SnapCore. The group specialises in AI-enabled cameras and monitoring systems for harsh environments. With a team of more than 40 staff and multiple business lines, SnapCore provides an excellent pathway to impact, with market opportunities in aquaculture identified in multiple global markets and across Aotearoa New Zealand.

Together with the Bioeconomy Science Institute, Seaweave has also been exploring the application of the technology in augmenting the process of stock assessments for rock lobster, a high-value species generating more than \$200 million in export revenue each year.



● A new collaboration with Seaweave is developing fish monitoring technology for the aquaculture sector.

CASE STUDY

Turning geothermal emissions into a valuable resource

Geothermal gas emissions are being turned into protein for use in human and animal foods or as industrial compounds, creating new commercial opportunities for Aotearoa New Zealand.



- Our science is helping to turn geothermal gas emissions to protein-rich biomass.

Technology development supported by the Bioeconomy Science Institute, Tauhara North No.2 Trust (TN2T) and Upflow is transforming geothermal emissions into premium biomass, demonstrating how scientific research and mātauranga Māori can work together to create environmental, economic and regional benefits.

The technology harnesses naturally occurring micro-organisms found in Taupō's geothermal environments that consume methane and carbon dioxide. Researchers from the Bioeconomy Science Institute, University of Canterbury and TN2T have jointly developed an industrial biotechnology process that uses these micro-organisms to capture emissions from geothermal energy production and convert them into a protein-rich biomass.

This biomass has potential applications in food ingredients, animal feed or high-value products such as nutraceuticals or pigments.

Geothermal consultancy Upflow is now leading a \$5 million project, co-funded by TN2T and MPI, to scale the technology from laboratory research to a regional pilot plant. Construction of a 500-litre bioreactor was initiated in 2026, adjacent to a geothermal plant at Rotokawa, in the central North Island.

With potential for adoption in geothermal regions around the world, the project positions New Zealand as a leader in methane-to-protein technology and shows how emissions can be transformed into valuable products while improving the sustainability of geothermal energy production. The technology also supports Māori enterprise, builds regional capability and creates opportunities for economic growth.

FIND OUT MORE
 Making livestock feed from greenhouse
 gases in world-first research



Our people, culture and wellbeing

Hāpaitia ngā kāwai koiora, kia maiangi tangata, maiangi taiao, maiangi ake te makuru o te ao tūroa.

Nurture living systems, so that people and the environment flourish together, creating abundance for an enduring world.

This whakatauaiki (proverb), developed by our people, reflects our values and our te reo Māori name, Maiangi Taiao. It recognises that to uplift nature, we must also uplift people. Our people are at the heart of everything we do, alongside the customers, partners and communities we work with to create enduring benefit for Aotearoa New Zealand and beyond.

Since the formation of the Bioeconomy Science Institute Maiangi Taiao in July 2025, we have focused on supporting our people through a period of significant change. Our priority has been to help our people feel aligned, supported and empowered as we bring together the strengths, capabilities and cultures of our legacy organisations.

Throughout our transformation journey, we have continued to learn that together, we are stronger. We have designed and embedded people practices that support wellbeing, trust, clarity and belonging, creating the conditions for our people to contribute confidently and perform at their best.

OUR VALUES AND CULTURE

Our te reo name, Maiangi Taiao, speaks to our commitment to uplift nature in its fullest sense: land, water, people and knowledge. Our values connect deeply with this ingoa (name) and are represented by three pou (pillars), each essential to uplifting taiao (nature).

Our people played an important role in shaping these values. Through engagement, they told us that values unique to the Bioeconomy Science Institute would create a stronger sense of shared identity than values inherited from our legacy organisations. The result is a values framework that reflects who we are becoming and supports our commitments to our Te Tiriti o Waitangi framework.

We are now integrating these values across our organisation, so they are visible in the way we lead, collaborate, make decisions and support one another. This foundation places people at the centre and reinforces a culture of wellbeing, trust and belonging as we continue to shape the Bioeconomy Science Institute.



ENDURING IMPACT

Grounded in our collective responsibilities, we create lasting impact for our customers and partners while upholding the wellbeing of the Taiao.



UPLIFTING PEOPLE

People are at the heart of what we do. This calls on us to manaaki, elevate, inspire, and to create an environment where people can be at their very best.



ELEVATING INGENUITY

We are aspirational, bringing creativity, innovation and courage to build prosperous and enduring opportunities for future generations.

● Our values are represented by three pou (pillars)

LEADERSHIP DEVELOPMENT

Strong leadership is critical as we establish a new organisation and culture. Over the past year, we have supported new and newly formed leadership teams through a range of initiatives, including the establishment of a leadership development programme.

The programme brings leaders together to build connection, strengthen shared ways of working, and clarify how they support their people, customers and stakeholders. It is helping leaders create the culture we want to see: one that is collaborative, inclusive, accountable and focused on impact.

STAFF ENGAGEMENT

As we build a new culture together, we are committed to listening to our people. Regular pulse engagement surveys have provided valuable insight into the experience of change and the support our people need.

Our most recent survey, in March 2026, achieved a 74% participation rate, our highest to date, signalling a willingness to be involved in the change programme. Overall results across the 15 core questions were slightly less favourable than the previous survey in September 2025, reflecting the scale of change and uncertainty underway at the time.

The most positive responses related to people feeling able to talk to their manager about health and wellbeing if needed, at 84%, and understanding the need for change, at 69%. Open-ended feedback highlighted the need for greater clarity on future organisational structures, clearer timelines for pending change processes, and reassurance about future funding and job security.

In response, we have focused on providing clearer information about timeframes and processes. We have also progressed development of the Missions-led Science Framework and confirmed the science leadership structure, giving our people greater visibility of how the organisation will operate in future.

CREATING AN EQUITABLE CULTURE

Our aspiration is to be an organisation where every person has equitable opportunity to contribute, develop and belong. We recognise that diversity of backgrounds, experiences and perspectives strengthens our scientific capability, supports innovation, enhances the way we work with researchers and stakeholders, and increases the impact we deliver for Aotearoa New Zealand.

As we transition from legacy group policies and procedures, we have taken a practical and integrated approach to equity, inclusion and belonging. This has included embedding these principles in organisational design and change programmes, with a focus on fair, transparent and people-centred decision making. We are also developing our people policies to support consistent and equitable employment practices across the new Institute.

This approach is informing negotiations towards a new amalgamated collective agreement, which identifies diversity, equity and inclusion as guiding principles for a shared employee experience.

A strong focus on Te Tiriti o Waitangi and cultural capability is also central to this work. We have developed a Te Tiriti framework that articulates our commitments to Te Tiriti, strengthens partnership approaches, and provides a foundation for embedding te ao Māori across the organisation. We are continuing to build cultural capability through te reo Māori learning opportunities and recognition of Matariki and other culturally significant events.

We are designing a future talent and workforce planning framework that embeds diversity, equity, inclusion and belonging, te ao Māori and workforce wellbeing to support equitable career pathways, leadership development, workforce sustainability and capability planning.

To strengthen our approach, we have maintained membership of Te Uru Tangata Centre for Workplace Inclusion, a national entity providing trusted workplace inclusion advice across all diversity dimensions. We are also supporting transparent internal promotion processes as part of our commitment to fair and equitable opportunities for our people.

BEING A GOOD EMPLOYER

To attract and retain leading experts, we strive to go beyond legislative requirements and provide an employment experience that supports people to do meaningful work in ways that fit their lives and careers.

We have a committed relationship with the Public Services Association (PSA) and welcome regular engagements with union delegates and organisers when developing initiatives and improvements that support our organisation's strategy.

We understand flexibility is an important part of a modern and inclusive workforce. We support people at different life stages, including returning parents, employees transitioning into retirement, and people recruited from overseas.

HEALTH, SAFETY AND WELLBEING

We are strongly committed to providing a safe and healthy work environment that supports the physical, psychological and cultural wellbeing of all our people. This commitment underpins the way we deliver high-quality research and innovation, and how we care for our people, partners and communities.

Over the past year, we have had an active engagement programme with our Board of Directors to support the continual improvement of our health and safety management system and strengthen risk management across the organisation.

In response to three serious work-related incidents reported to WorkSafe New Zealand, we applied a learning approach to review our ways of working, health and safety risk assessments, and our incident management processes to improve on how we keep our people safe.

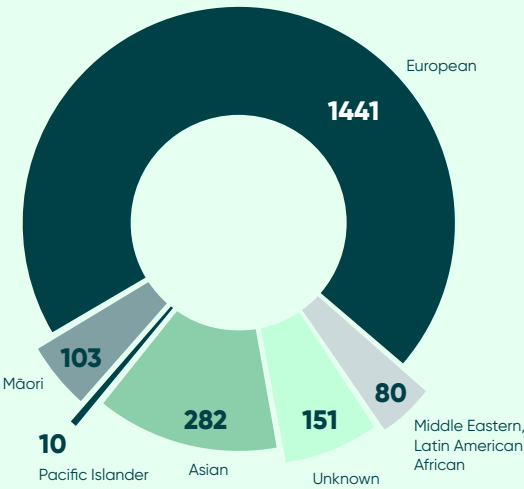
Our Health, Safety and Wellbeing Workplan has been a key priority for our leadership team and Board throughout the year. Our Health, Safety and Wellbeing Policy was the first of our organisational policies, reflecting the importance we place on protecting, supporting and enabling our people to thrive.



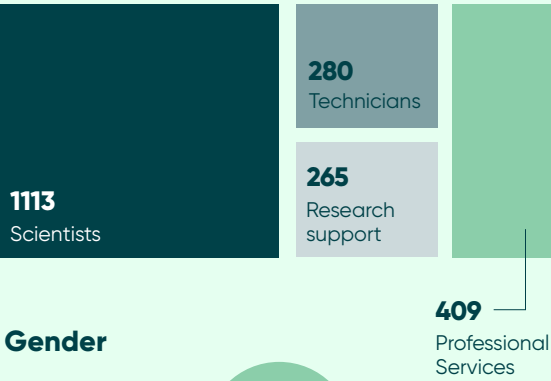
● We're committed to ensuring the health and safety of our team, whether in the lab or field.

Ethnicity

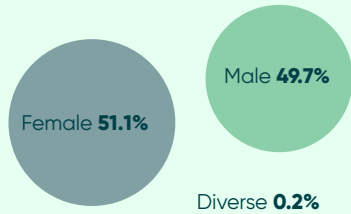
Our people are diverse, originating from all corners of the globe. Primary ethnicity is not required information and is provided voluntarily by employees.



Workforce demographics



Gender



Gender pay gap

The average remuneration gap between women and men in comparable roles.

We are committed to continuing to reduce this gap over time through fair and transparent people practices, and to strengthening our workforce analysis by extending our focus to ethnicity as data maturity improves.

10.6%
gender
pay gap

Employee turnover

Voluntary turnover for our permanent workforce.

8%
turnover

Age profile



Our indigenous partnerships

MAIANGI TAIAO: UPLIFTING NATURE THROUGH SCIENCE

This year marked an important milestone with the launch of our ingoa Māori, Maiangi Taiao. Developed through a collaborative process involving kaimahi Māori and Te Ao Māori advisors and kaumatua, the name reflects both who we aspire to become and the contribution we want to make through science.

Maiangi Taiao brings together the concepts of maiangi (to uplift, elevate and give voice) and taiao (the natural world and living environment). Together, these concepts express our commitment to science that strengthens ecosystems, supports sustainable production, and creates enduring benefits for future generations.

More than a name, Maiangi Taiao is a statement of intent. It recognises the value of te ao Māori and reflects our commitment to deliver meaningful impact with Māori, to honouring Te Tiriti o Waitangi, and to delivering science and innovation that benefits both people and the environment.

EMBEDDING OUR COMMITMENT THROUGH A TE TIRITI FRAMEWORK

This year we also introduced our Te Tiriti Framework, providing a clear foundation for how we work with Māori entities, iwi and hapū, and how we engage with taonga and mātauranga Māori. The framework harmonises our legacy approaches and formalises our commitment to building trusted, enduring relationships and delivering outcomes consistent with our responsibilities under Te Tiriti o Waitangi.

The framework is built on four foundational commitments: Partnership, Participation, Active Protection and Equity. These commitments guide our approach to relationship-building, shared decision-making, Māori leadership and participation, protection of Māori rights and interests, and equitable access to opportunities and resources.

It also includes practical principles for working with taonga species, mātauranga Māori and Māori data, emphasising informed consent, benefit sharing, and trusted custodianship. Through this framework, we are strengthening our ability to support Māori aspirations while ensuring our research and innovation create positive cultural, social, environmental and economic outcomes for Aotearoa New Zealand and its future generations.

BUILDING PATHWAYS INTO SCIENCE: TURNING LEARNING INTO IMPACT

For Curtis Williams, engineering is about more than theory, it's about creating solutions that work in the real world. Nearing the completion of his honours degree in electronics engineering at the University of Waikato, Curtis spent his summer developing advanced imaging technology to support horticultural research. The work is hands-on and multi-disciplinary, drawing on mechanical design, software engineering, networking, and automation, and brought his university learning to life during his summer internship.

Curtis' pathway into science began with us years earlier while attending Te Puke High School. He took part in a two-week holiday programme exploring science applications in the kiwifruit industry. The experience opened his eyes to career possibilities he hadn't previously considered. When a summer internship opportunity later became available, applying felt like a natural next step.

"I wanted the hands-on experience," Curtis says. "At university you sometimes only touch on the basics. When you're in a real workplace and have to make something function, the learning really sinks in."

Curtis shows what is possible when intentional pathways support rangatahi success in science and research.



- We provide internships that support rangatahi, like Curtis Williams, in developing their practical skills and their understanding of science career opportunities.



- Our 11 pou at our Rotorua site celebrate our partnership with local iwi.

UNVEILING POU THAT HONOUR PARTNERSHIP AND INNOVATION

A special ceremony at our Rotorua campus brought together approximately 100 people to unveil 11 significant pou that celebrate the enduring partnership between Bioeconomy Science Institute Maiangi Taiao, Ngāti Hurungaterangi, Ngāti Taeotu, Ngāti Te Kahu and the growing relationships with Te Taonga Ltd and the New Zealand Māori Arts & Crafts Institute (NZMACI).

Unveiled were Ngā Rākau Manene, nine new tekoteko carved by Grant Marunui, Kawana Waititi, Shannon Wafer and students from NZMACI through a science and mātauranga Māori project exploring the use of exotic timber species in whakairo (traditional Māori carving). A 3D-printed replica of Tuteata (the waharoa and the ancestor of Ngāti Hurungaterangi, Ngāti Taeotu, Ngāti Te Kahu), created using tōtara chips from the carving, highlights how research can support and innovate Māori cultural practices for future generations.

The event also marked the reinstatement of He Pou Mārama – pou depicting the separation of Ranginui and Papatūānuku by Tāne Mahuta – originally carved by NZMACI graduates of the time, Lionel Grant, Mark Kahu and Joseph Epapara, and erected in 1982. The pou were restored by master carver Grant Marunui and now stand within Te Whare Nui o Tuteata as a lasting connection to our history.



- Our scientists are working with Hokonui Runanga to enhance understanding of kanakana.

RESTORING KANAKANA CONNECTIONS THROUGH SCIENCE

Once abundant in the Maitara River, kanakana (pouched lamprey) have long been treasured by Ngāi Tahu as a vital mahinga kai species. As river health declined and migration pathways were disrupted, access to kanakana diminished, along with the cultural practices and knowledge connected to them.

Hokonui Rūnanga (Riki Parata and Luka Finn) is helping to reverse that trend. Through the Authentic Taonga Food programme led by Dr Matthew Wylie, the collaboration combines mātauranga Māori with scientific expertise to better understand kanakana husbandry, captive breeding and restoration opportunities. Guided by Hokonui aspirations and tikanga, the project is strengthening knowledge, reconnecting whānau with ancestral stories and supporting iwi-led kaitiakitanga.

Beyond protecting an ancient taonga species, the initiative is creating a foundation for future ecosystem recovery, food sovereignty and cultural revitalisation. It demonstrates how science, when led by community priorities and grounded in whakapapa, can help restore not only species and habitats, but also enduring connections between people, place and future generations.

CASE STUDY

Utakura 7: growing local value from harakeke

Collaboration with Utakura 7 Incorporation has helped turn a community-led vision for harakeke into a practical pathway for local enterprise.



- Our partnership with Utakura 7 is helping to establish a harakeke processing platform. This is an AI generated illustration.

This model demonstrates community-controlled value creation where local capability, technical confidence and participation are the outcomes rather than simply raw materials (harakeke) export. Supported by internal investment, the project built a strong partnership, visualised a micro-enterprise model and explored how distributed, containerised manufacturing could keep processing close to where harakeke is grown.

Building on the initial project, funding from the Bioresource Processing Alliance extended the network and assessed specific micro-enterprise options, producing evidence for how harakeke could support regenerative land use, skills development, cultural transmission, local employment and economic opportunity. This work helped secure further funding from MBIE to co-design and test a relocatable harakeke processing platform in the Utakura Valley, situated in the Northland region, south of Hokianga.

Grounded in mātauranga Māori and our processing expertise, the work has created a foundation for sustainable, locally led micro-enterprise development with potential relevance for other regional and indigenous communities.

CASE STUDY

He Kai Te Rongoā: a framework for indigenous-led research with taonga species

The He Kai Te Rongoā programme is creating lasting impact by demonstrating how scientific research can be undertaken in partnership with Māori while protecting cultural knowledge, strengthening data sovereignty, and upholding kaitiakitanga.

Working alongside Te Hiku Rongoā Collective and Tanenuiārangi Manawātū Charitable Trust (TMCT), the programme co-developed regionally specific research frameworks that combine mātauranga Māori and scientific approaches to investigate the health benefits of rongoā rākau.

Iwi, kaitiaki, and rongoā practitioners are not solely users of research, but also generate knowledge. To ensure a range of perspectives were gathered, Māori partners were involved throughout the research process, including project design, sample collection, cultural protocols, data management, reporting, and knowledge sharing. Guided by WAI 262 Best Practice Principles, the programme established frameworks that enabled shared decision-making and ensured research was conducted in ways that respected cultural values, ownership, and stewardship responsibilities.

This approach has delivered impacts well beyond the individual research projects. The frameworks created trusted pathways for the transfer of taonga plant materials for scientific investigation while giving partners confidence that mātauranga Māori, cultural interests, and data sovereignty would be protected. Research teams adapted laboratory procedures, handling protocols, and data management practices to align with partner expectations, establishing new ways of working that can inform future research involving taonga species.



● With our partners, we're investigating the health benefits of native plants.

The programme has also demonstrated that robust scientific investigation and protection of mātauranga Māori can work together. The research affirmed traditional knowledge from mātauranga Māori and generated new evidence supporting the immune, antiviral, neurological, and metabolic health potential of several rongoā species, with findings returned directly to partners through technical reports, hui, and collaborative discussions about future opportunities.

By embedding Māori values throughout the research process, building trusted relationships, and creating practical models for indigenous-led science, He Kai Te Rongoā has established a foundation for future collaboration, community wellbeing, and the responsible development of rongoā-based innovations that deliver benefits for Māori and Aotearoa.

CASE STUDY

Strengthening Māori relationships: mararī/butterfish aquaculture development research programme

The mararī/butterfish aquaculture development research programme is building the foundations for long-term impact by strengthening relationships with kaitiaki Māori and shaping the pathway towards a culturally aligned future for finfish aquaculture in Aotearoa New Zealand.

Through a partnership with iwi representatives from the Te Taihū Customary Fisheries Forum, the Bioeconomy Science Institute has moved beyond consultation to genuinely co-developing the research programme with Māori partners, embedding their aspirations and research priorities into the aquaculture development of this taonga species. Together, partners have developed a shared vision for how mararī/butterfish, being a generally herbivorous species, could contribute to a more diverse, resilient, and sustainable aquaculture sector in Aotearoa.

A pivotal moment came with the first wānanga held in 2024, where Māori partners articulated aspirations relating to mātauranga Māori, animal welfare, nutrition, husbandry, selective breeding, intergenerational knowledge transfer, and ki uta ki tai systems – an holistic resource management approach that recognises the interconnectedness of landscapes from the mountains, rivers, and estuaries through to the sea. These perspectives directly informed the programme's impact statement and scientific direction, ensuring the research reflects Māori values and long-term aspirations alongside technical and scientific aquaculture objectives.

The partnership has also strengthened the foundations for future impact by influencing approaches to genomic resource management, intellectual property, and kaitiakitanga, including stewardship of mararī/butterfish genomic data. This has built trust, increased the relevance and legitimacy of the research, and strengthened pathways for future uptake and application of programme outcomes.

Importantly, benefits are already extending beyond the current programme. Co-designed hui have opened opportunities to explore future research priorities including conservation and considering how benefits from future mararī/butterfish aquaculture development might be shared. By embedding Māori aspirations from the outset, the programme is creating enduring partnerships and stronger pathways for implementation, helping ensure science delivers meaningful and lasting impact for Māori, the aquaculture sector, and Aotearoa.



● We're working with our partners to explore opportunities for marari/butterfish (*Odax pullus*) aquaculture.

Our communications and engagement



● Hon. Shane Reti, Minister of Science, Innovation and Technology (centre), unveiled our new visual identity during a visit to our head office in Lincoln.

BUILDING SOMETHING NEW

This year, we have laid the foundations for the Bioeconomy Science Institute Maiangi Taiao's identity as a new science organisation with a clear purpose, strong commercial offering and ambition to have impact on a national and an international level.

A cohesive and distinctive brand is essential to ensure visibility and connection with customers and partners, to unite our people and to underpin our positioning as a leading organisation in science and technology, both nationally and internationally.

Our brand is evolving from the strong reputations of the four founding science organisations, whose track records in science excellence, innovation and sustainability combine to provide a powerful platform for credibility, trust and influence in the bioeconomy.

Now, through engagement with customers, partners, stakeholders, and the public we are sharing who we are as a new organisation and making clear that we are open for business. We have focused these efforts on demonstrating our deep capability to work alongside our partners to create impact and grow value for New Zealand, our passion for innovation, and our commitment to supporting a sustainable, resilient, prosperous bioeconomy.

LAUNCHING OUR VISUAL IDENTITY

In September 2025, Hon. Dr Shane Reti, Minister of Science, Innovation and Technology, unveiled the Bioeconomy Science Institute's new visual identity during a visit to our Lincoln campus, marking an important milestone in the establishment of the new organisation.

The visual identity is an essential enabler as the Bioeconomy Science Institute presents and promotes itself across all communications, marketing and engagement channels. It encompasses a distinctive logo, nature-inspired colour palette, typography, imagery and design system that together create a consistent, recognisable and future-focused identity for the organisation.

People are at the heart of the Institute, with our staff working alongside partners across science, industry and communities to deliver impact together. This network is reflected in the logo, where interconnected forms radiate outward to symbolise collaboration, shared knowledge and real-world impact. The colour palette draws inspiration from the natural environment, reflecting the biological systems that underpin our research and the sustainable bioeconomy we are helping to grow.

CONNECTING WITH OUR CUSTOMERS, PARTNERS AND STAKEHOLDERS

In our first year as the Bioeconomy Science Institute, we strengthened our visibility across the bioeconomy sectors through direct connections with industry partners, customers and stakeholders. Together, teams of scientists, business staff and senior leadership ensured strong Institute visibility at more than 50 industry events across New Zealand, including National Fielddays, connecting us directly with the needs of our customers and building market awareness of our science capabilities.

To support our international growth ambitions and to ensure we are well-placed to support an NZ Inc. approach to growing trade opportunities, we also hosted multiple international delegations from across Asia, the Pacific, Europe and Africa. Welcoming government ministers, ambassadors, research leaders and industry groups to our sites created valuable opportunities to strengthen international relationships and foster future collaboration.



- Attending events, like Fruit Logistica in Berlin, keep us connected to our sectors.

CELEBRATING 100 YEARS OF SCIENCE IMPACT

During the year, the Bioeconomy Science Institute led the *Science working for New Zealand – 100 years and counting* campaign, marking a century since the establishment of the Department of Scientific and Industrial Research (DSIR), the first government department created specifically to invest in science to grow New Zealand's economy.

Delivered in collaboration with Earth Sciences New Zealand and PHF Science, and in partnership with Science New Zealand, the public campaign celebrated the enduring contribution of science to New Zealand's prosperity and wellbeing. A series of stories published through the Science New Zealand network highlighted how scientific research has shaped our economy, environment, health and everyday lives over the past 100 years, while showcasing the innovations and discoveries that continue to address the challenges of the future.



FIND OUT MORE
scienceworkingfornz.co.nz



Sustainability

As the Bioeconomy Science Institute continues to integrate its operations, we are looking at how to scale sustainability initiatives across our sites to deliver greater environmental and operational impact. From energy efficiency to more sustainable laboratory practices, we are focused on identifying opportunities to improve performance and create a more coordinated approach to sustainability across the organisation.

MY GREEN LAB CERTIFICATION

In 2025, seven Bioeconomy Science Institute labs across the country piloted the My Green Lab (MGL) programme, culminating in all seven facilities achieving MGL certification. Going through this process has contributed to a reduction in the environmental impact of these labs and delivered cost savings.

MGL advances sustainable practices across science, providing resources and certification standards that help us rethink the “way things have always been done” to identify new approaches that reduce environmental impact.

One example of challenging an established practice has been the management of ultra-low temperature (“minus 80”) freezers. As part of the My Green Lab certification process, the Postharvest Innovation Lab reviewed its ten freezers and increased the operating temperature to -70°C , with no impact on sample integrity. This change is expected to save approximately 7,500 kWh of electricity and more than \$1,500 in annual energy costs. Teams at the Rotorua site have also increased the operating temperature of several ultra-low temperature freezers from -80°C to -70°C , delivering further energy savings.

RENEWABLE ENERGY

As part of our Emissions Reduction Programme, we have been investing in rooftop solar. We now have rooftop solar systems at eight of our sites, including four new installations during the financial year. In May 2026, we achieved our first 100 MWh of power generated from the sun to run science at our Rotorua site.

FUEL SWITCHING

Following detailed investigations into fuel switching options, one of our Palmerston North sites has switched from reticulated fossil gas to electricity. This includes water heating, resulting in the decommissioning of the property's gas connection, with more projects at both Palmerston North and across other sites under consideration. Our Mt Albert site in partnership with PHF Science conducted a detailed options study to enable future work to proceed. Our Rotorua site is also in the process of fuel switching with the nursery, quarantine and facilities buildings changing from gas heating to electrical.

LINCOLN FARM GULLY PLANTING

In August more than 55 Lincoln-based staff from the Bioeconomy Science Institute planted 1,000 eco-sourced native plants in a gully on one of our farm sites. A key aim of the native plantings being established is to support a diverse community of beneficial insects that contribute to crop pollination and natural pest control. This work was undertaken with funding and support from Selwyn District Council and Te Ara Kākāriki Greenway Canterbury Trust (TAK). A restoration plan from TAK was developed in consultation with one of our pollination experts.



- Investing in solar panels at our facilities, such as our Te Puke site, is helping us reduce our emissions.



- Our staff volunteer their time to sustainability initiatives, such as planting native trees at our Lincoln farm.

Sustainability highlights

- Our Te Puke site operated entirely on solar power during sunny, low-demand days, reducing reliance on grid electricity.
- Staff volunteered their time to remove 800kg of litter from public locations around Rotorua, helping protect local waterways and communities.
- We decommissioned the reticulated fossil gas connection at our Palmerston North site, eliminating fossil gas use at the facility.
- A targeted leak detection programme at our Rotorua site saved 8.26 million litres of water, enough to fill an Olympic-sized swimming pool more than three times.

Our data and digital

The formation of the Bioeconomy Science Institute Maiangi Taiao created a significant opportunity to simplify systems, strengthen collaboration and build a shared digital future.

Digital technologies, advanced analytics and data-driven insights continue to evolve. The organisation is well positioned to harness the power of data to address some of New Zealand's most pressing challenges. By combining scientific expertise with advanced digital capability, we are building the knowledge, tools and insights needed to support a more resilient, productive and sustainable bioeconomy.

INTEGRATING DATA AND DIGITAL IN THE NEW ORGANISATION

During the year, enabling organisational integration in the digital space and building the foundations for a connected, secure and future-focused institute has been critical, alongside progressing longer-term transformation initiatives.

Cyber security remained a priority, with external reviews completed and improvements implemented, including enhanced multi-factor authentication and managed detection and response capabilities.

The development of a new data and digital strategy provided a clear roadmap for near-term integration programmes and for future innovation, investment and transformation, while the establishment of a Data and Digital Group created dedicated capability to deliver our strategic priorities.

Our vision is to digitally accelerate discovery and impact. We aim to be a connected organisation where modern research capability and trusted digital innovation enable science to deliver greater impact for New Zealand's bioeconomy – and beyond.

ACCELERATING INNOVATION IN NEW ZEALAND'S PRIMARY INDUSTRIES

The Bioeconomy Science Institute is successfully applying AI. These applications include AI-powered tools that can identify and remove weeds with precision, monitor fish health in aquaculture systems, predict biosecurity risks and help businesses make faster and more informed decisions. By combining biological science with advanced analytics, researchers can identify patterns and opportunities that would be impossible to detect using traditional approaches alone.

We've organised our combined AI initiatives into a single overarching programme that will enable us to provide strong governance and invest in advanced applications to support research impact and the use of AI more broadly across the institute – to support accelerated science and productivity outcomes.

As part of our overall AI programme, our data and digital group partnered with our science leaders to develop the concept for our BioAI platform.

BioAI will be an AI research platform designed to position New Zealand as a global leader in applying artificial intelligence to biological systems. It will connect research projects across the institute, supporting them with critical pipelines and support while developing frontier research in areas that will be critical to AI application in biosystems.

Our BioAI platform will advance three interconnected AI research pillars, representing publishable frontier contributions to fundamental open problems:

- Sovereign AI-ready biosystems data unlock rich biological datasets across New Zealand while respecting Māori data sovereignty and preserving data privacy
- Predictive biosystems modelling and simulation that translates diverse data into causal hybrid models
- Agentic biosystems intelligence that creates biosystems agents that can support safe human-AI teaming and operate under real-world field constraints.

PHENOTYPING PROJECT DELIVERS FRUITFUL OUTCOMES

Visual phenotypes help build understanding of fruit traits that are tied directly to consumer preferences and market value. Traditionally, assessing these characteristics has relied on time-intensive and subjective measurements, placing significant demands on laboratory technicians and limiting the data available for breeding programmes.

Our Rapid Fruit Phenotyping project – one of several in this space – transforms this process using computer vision, capturing high-resolution images and applying bespoke image analysis methods to generate precise physical and colour measurements for each fruit. This project combines in-house hardware and software expertise, enabling scientists to image thousands of fruits using streamlined hardware that complements existing lab workflows. Automated image analysis pipelines then generate phenotypic measurements that support our breeding programmes and commercial partners.

This helps plant breeders, scientists and agronomists better understand how cultivars respond to environmental conditions or genetic changes – and reduces the time needed to isolate, validate and scale climate-resilient crop varieties for New Zealand's export economy. This will allow us to respond faster to the environmental and biosecurity challenges facing New Zealand's primary industries, protecting regional livelihoods and ensure the country remains resilient, profitable and globally competitive.

The Rapid Fruit Phenotyping tools were successfully deployed at two external labs during the commercial kiwifruit season. Partner laboratories submitted fruit images directly, enabling near real-time collection and analysis. About 4,300 images were captured and submitted, covering 65,800 individual fruit samples. Data from these images supported at least six projects run by three external organisations.

By reducing manual workload while dramatically increasing data quality and throughput, rapid phenotyping accelerates the development of climate-resilient, market-ready cultivars. If new traits are designed in the future, they can be retroactively measured for fruit imaged in the past – so imaging work undertaken today can deliver value into the future.

AI-ENABLED BREAKTHROUGH FOR AQUACULTURE

We've developed bespoke technology to address a major bottleneck for butterfish, an emerging species for aquaculture.

By combining high-resolution, low-energy X-ray imaging with machine vision, we've rapidly phenotyped approximately 1,000 juvenile butterfish, delivering insights into skeletal health at unprecedented scale – to enable early detection of spinal deformities and hypomineralisation linked to nutrition.

The ability to quantify deformities in very small fish will support earlier breeding and management decisions, addressing a major problem in several aquaculture fish species and significantly improving production efficiency. Seed-funded through the Digital Capability Initiative, this proof-of-concept is actively being used by our research team.

The platform is also being adapted for other sectors, including seed classification in forestry, highlighting its broader bioeconomy impact. This is an excellent example of collaboration across the organisation, rapid prototyping and technology transfer, with strong potential for industry impact.



- Automated image analysis of plants and plant structures, such as seeds, is speeding up visual phenotyping.

Data and digital highlights

SETTING STRATEGIC DIRECTION

- Developed a data and digital strategy aligned with organisational goals, comprising three main strategic pillars that support our missions:
 - One digital Bioeconomy Science Institute underpins all missions and facilitates collaboration across the organisation and with external partners/customers.
 - Digital science is focused on enabling our researchers, in partnership with the Digital and Data group, to harness advanced digital technologies and data to accelerate discovery and unlock new scientific possibilities across our missions.
 - Digital impact focuses on translating mission-led science into decision-ready insights, digital products and services that support policy, industry and community action across the bioeconomy.

ESTABLISHING FUTURE OPERATIONS AND BUSINESS SYSTEMS

- Delivered Day One digital readiness through a single staff directory, standardised email signatures and cross-group Microsoft 365 collaboration.
- Advanced planning for a single enterprise resource planning solution to the indicative business case stage. Delivery of this well-established programme is scheduled in tranches from June 2027 to December 2028.
- Work to integrate all staff onto a single identity, email and Microsoft tenancy is well advanced. Migration activities are scheduled from September 2026 to March 2027. Planning for more fulsome infrastructure and applications integration is underway.

ENGAGING AND IMPACTING RESEARCH

- Supported expanding the red-fleshed kiwifruit pangenome from six to 35 fully annotated genomes, creating a powerful digital resource for crop breeding and genetic discovery.
- Completed an eResearch discovery project, examining how data, computing, tools, AI, workflows, collaboration and capability come together in research practice.
- Launched the Bioeconomy Science Institute's first organisation-wide Data Science Week, building capability, connection and confidence in data science, AI and digital research tools.

STRENGTHENING CYBER RESILIENCE

- Progressed managed detection and response procurement and implementation.
- Introduced enhancements to multi-factor authentication.
- Implemented security standards into the design and build of our new Microsoft 365 environment.

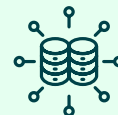
Digital migration

Migrating to a single digital workplace



~8,000

Sharepoint and
Microsoft Teams
Sites



~193TB

Total data to
be migrated

Our digital footprint

We have

3,240

Users

4,737

User Devices



5

Data
Centres



19

Firewalls



226

Physical
Servers



407

Network
Switches



778

Wireless
Access
Points



1,082

Virtual
Servers



7 PB

total storage capacity
(including Cloud)
which is equivalent to

31,000

years of movie
watching!

Our digital tools

The Bioeconomy Science Institute manages online tools used by researchers, government agencies, commercial organisations, and the public, including:



Land Resource Information Systems database

National spatial representation of land and soil.

In 2025/26: **304,838** page views by 33,044 unique visitors.



S-map online

Soil mapping of 11.8+ million hectares of Aotearoa New Zealand.

In 2025/26: **49,216** unique visitors.



National Vegetation Survey Databank

National repository for plot-based vegetation survey data.

In 2025/26: **8,233** dataset requests.



Biota of New Zealand

Taxonomic and nomenclatural data associated with Aotearoa New Zealand native fungi, land invertebrates and plants.

In 2025/26: **225,720** searches.



Food Composition Database

National collection of food nutrient data.

In 2025/26: **133,223** page views by **17,709** users.

Our operations and infrastructure

ENABLING SCIENCE THROUGH STRATEGIC INVESTMENT

The establishment of the Bioeconomy Science Institute Maiangi Taiao has created one of New Zealand's largest and most diverse research infrastructure portfolios, spanning specialist laboratories, research facilities, engineering capability, digital platforms and nationally significant scientific collections.

During our first year, we focused on establishing the governance, planning and operational capability required to support a unified organisation while maintaining uninterrupted delivery of science. We have strengthened strategic oversight of the Institute's national infrastructure portfolio, progressed integrated capital planning and delivery, and commenced the development of long-term master plans that align investment with our emerging science strategy and organisational priorities.

Alongside this work, we have continued to invest in laboratories, specialist research facilities, scientific equipment and site infrastructure that underpin our research capability across New Zealand. These investments improve operational resilience, support collaboration, and ensure our facilities remain safe, sustainable and fit for purpose, providing the infrastructure needed to support high-quality research and maximise the long-term value of New Zealand's investment in research.

STRENGTHENING NEW ZEALAND'S BIOTECHNOLOGY CAPABILITY

Investment in nationally significant research infrastructure is helping strengthen New Zealand's biotechnology capability and supporting the translation of scientific discovery into commercial opportunity.

Development of the Rotorua Biotechnology Suite will create an integrated research, development and pilot-scale manufacturing facility that will enable technologies to progress from laboratory-scale research through to commercial validation within a single location. The facility will provide specialist capability that supports industrial biotechnology research, technology scale-up and collaboration with industry partners.

By investing in advanced research infrastructure, the Bioeconomy Science Institute is helping bridge the gap between scientific discovery and commercial application. The facility will enhance New Zealand's ability to develop new bio-based products, attract industry collaboration and accelerate innovation that contributes to a productive, sustainable and globally competitive bioeconomy.

PROTECTING NATIONALLY SIGNIFICANT SCIENTIFIC ASSETS

Scientific impact relies on long-term investment in the infrastructure that supports research, protects valuable collections and enables future discovery.

During the year, the Bioeconomy Science Institute continued investing in nationally significant facilities that preserve critical scientific assets while providing modern environments for research and collaboration.

A key project is the redevelopment of the Margot Forde Genebank in Palmerston North. As New Zealand's national seed bank for grassland plants and one of the world's largest forage germplasm collections, the Genebank plays an essential role in conserving plant genetic resources that underpin future pasture breeding, agricultural productivity and climate resilience. The redevelopment will strengthen the long-term security of this internationally important collection while improving the facilities that support research and seed distribution.

Across the Institute, continued investment in laboratory upgrades, engineering facilities, irrigation infrastructure, renewable energy and specialist research environments is improving operational resilience, supporting sustainability objectives and ensuring researchers have access to the infrastructure required to deliver science with lasting impact.

Operations and infrastructure highlights

- Established an organisation-wide capital investment governance framework to improve strategic investment decision-making and oversight of the Institute's national infrastructure portfolio.
- Commenced development of an integrated long-term capital plan, creating a coordinated approach to infrastructure and scientific equipment investment across the organisation.
- Commenced initial master planning for key research sites to support future investment decisions, improve asset utilisation and identify opportunities for greater collaboration.
- Continued integrating operational policies, systems and service delivery across the Institute while maintaining uninterrupted research operations.
- Advanced major capital projects across a number of sites, strengthening laboratories, specialist research facilities, digital infrastructure and essential site services.
- Progressed redevelopment of the Margot Forde Genebank in Palmerston North, safeguarding one of the world's largest forage germplasm collections.
- Continued investment in modern genomics laboratories at Lincoln to support molecular biology, genomics and containment research.
- Progressed planning for development of the Rotorua Biotechnology Suite, expanding New Zealand's biotechnology scale-up capability.
- Upgraded infrastructure that improves operational resilience and sustainability, including renewable energy systems, irrigation infrastructure and specialist research facilities.



- We invest in new facilities, such as our Lincoln genomics lab, to provide scientists, like Carina David, with specialist equipment to conduct efficient and effective research.

Corporate Governance



- Our research will ensure a healthy New Zealand environment with enduring economic growth and resilience and beneficial social outcomes.

Board of Directors

The Board of Directors for the New Zealand Institute for Bioeconomy Science Limited (Bioeconomy Science Institute) is responsible to the shareholding Ministers of Science, Innovation and Technology, and Finance. The Board, appointed by the Minister of Science, Innovation and Technology, sets the Institute's strategic direction and delegates responsibility for the management of the Institute to the Chief Executive Officer.

The workings of the Board and that of the Institute are governed by, amongst others, the Companies Act 1993, the Crown Research Institutes Act 1992, the Crown Entities Act 2004, the *Statement of Core Purpose* and the annual *Statement of Corporate Intent*.

The *Statement of Core Purpose* (SCP) outlines the clear, explicit and enduring strategic role for the Bioeconomy Science Institute Maiangi Taiao as determined by the New Zealand Government. The SCP outlines the Institute's roles and responsibilities and how these will benefit New Zealand, and is used by the Crown to evaluate performance.

The *Statement of Corporate Intent* (SCI) outlines the Institute's five-year strategy, including the nature and scope of activities and performance targets. The SCI includes plans to contribute to the outcomes described in the SCP and outlines key performance indicators to support their delivery.

The Bioeconomy Science Institute SCP and SCI 2025/26 can be found online at <https://www.bioeconomyscience.co.nz/about-us/corporate-publications>.

Policies

In the 2025/26 year, a range of policies for the Bioeconomy Science Institute has been developed to coordinate activities of the legacy groups:

- Health, Safety & Wellbeing Policy
- Recruitment Policy
- Treasury Policy
- Delegations Policy
- Information Security Policy
- Travel Insurance Policy
- Procurement Policy.

Committees

In 2025/26, the Bioeconomy Science Institute had two standing Committees operating under the direction of the Board Chair.

AUDIT & RISK COMMITTEE

Number of meetings in 2025/26: 3

Members*: Kim Wallace (Chair) (3), Gray Baldwin (3), Louise Marsden (2). Previously included Candace Kinser (1) and Andrew Morrison (1).

The Audit & Risk Management Committee acts as the main conduit with the company's auditors, to serve as an independent and objective party in reviewing financial information, auditing, accounting, compliance and financial reporting strategies and processes.

PEOPLE & CULTURE COMMITTEE

Number of meetings in 2025/26: 1

Members*: Andrew Morrison (Chair) (1), Bruce Campbell (1), Candace Kinser (1).

The People & Culture Committee oversees the appointment, performance review and remuneration of the Chief Executive Officer and senior executives who report directly to the CEO. In addition, the Committee exercises its governance responsibilities in relation to the Institute's remuneration and people management strategies.

* Number in brackets indicate number of meetings attended during the 2025/26 year

Our Directors



BARRY HARRIS (CHAIR)

Barry was previously Chair of NIWA. He is a company director with extensive governance and executive experience. He has held a number of chief executive roles including Environment Waikato, Greater Wellington Regional Council and Hamilton City Council. He was also a senior executive with Fonterra for 5 years. Barry currently chairs McFall Fuel, Hamilton Airport Company and Wel Networks. Previous boards include DairyNZ, Primary ITO, CentrePort, RD1, AgResearch, International Nutritionals, Hamilton Riverside Hotels, OSPRI, Food Innovation Waikato and Local Authority Shared Services. Barry has a Masters of Agricultural Science (Honours).



KIM WALLACE (DEPUTY CHAIR)

Kim was previously Chair of AgResearch. She is currently the Chair of Te Manawataki o Te Papa and is also serving as a member on the boards of Port Nelson and Origin Capital Partners. Previous governance appointments include Quotable Value. Before pursuing a full-time career in governance in 2017, Kim had a 24-year career in the global dairy industry, which included working in senior executive roles based in New Zealand, the USA, Germany and Australia. She is a Chartered Member of the Institute of Directors and a member of Global Women.



GRAY BALDWIN

Gray was previously on the Board of Manaaki Whenua – Landcare Research. He is currently a director of Trinity Lands, and Farmlands. He has held senior management and executive roles for BNZ Agri, Carter Holt Harvey and Summit Quinphos. His past co-op governance roles include nine years with Ballance, ten years with Livestock Improvement (LIC) and most recently Alliance Group, where he retired in December.



DR BRUCE CAMPBELL CNZM (APPOINTED 22 DECEMBER 2025)

Bruce is a Chartered Director and also holds directorships with PHF Science and the Accreditation Council. Previous governance roles include Horticulture New Zealand, Bragato Research Institute and Predator Free 2050 Limited. Bruce is a recipient of the Companion of the New Zealand Order of Merit, the Prime Minister's Science Prize, the Horticulture New Zealand Industry Service Award and the Royal Society of New Zealand Thomson Medal, and is a Companion of the Royal Society of New Zealand, recognising outstanding leadership in agricultural and horticultural science. He brings extensive experience in developing innovation strategies that link science and business to deliver benefits for prosperity, nature and people.



CANDACE KINSER

Candace was previously a director of Plant & Food Research. She is a seasoned director and business leader with a strong track record in governance, commercialisation, and leadership across science, technology, health and primary industries sectors.

In 2026 she took a leave of absence from the University of Auckland Council of Governors, Kiwifruit Breeding Centre and as President/Chair of the Cancer Society Auckland/Northland. She previously served on the boards of Livestock Improvement Corporation, Eastland Group, Callaghan Innovation and WEL Networks and Chaired Heliix Therapeutics. A former CEO of NZTech, where she launched TechWeek, and earlier led the global growth of successful genetics software firm Biomatters. She has also held senior roles with Palantir in New Zealand and led digital transformation at investment firm Jarden.



LOUISE MARSDEN (APPOINTED 22 DECEMBER 2025)

Louise is a partner with Mafic, providing commercial and financial advice to government and the private sector on infrastructure and energy programmes. Prior experience has included financing, delivering and governing major infrastructure projects in New Zealand and across Europe. Other current governance roles include the Wellington Free Ambulance, and the Wellington Community Housing Provider, Te Toi Mahana. Louise is a Chartered Accountant and Chartered Director with the Institute of Directors.



ANDREW MORRISON

Andrew was previously on the board of AgResearch. He is the Chair of Wool Research Organisation of NZ (WRONZ), Ovis Management Limited, and the Independent Chair of Environment Southlands Investment Subcommittee. He was the former Chair of both Beef + Lamb NZ, and the New Zealand Meat Board. He is a former Director of Ballance Agri Nutrients and has sat on the board of the Pastoral Greenhouse Gas Research Consortium (PGGRC).

FOR THE 2025/26 YEAR

Number of meetings held*: 12

Barry Harris, Chair (12), Kim Wallace, Deputy Chair (12), Gray Baldwin (12), Andrew Morrison (12), Candace Kinser (11), Bruce Campbell (6), Louise Marsden (6)

Meetings held at: Auckland, Hamilton, Kerikeri, Lincoln, Mosgiel, Nelson, Palmerston North, Rotorua, Te Puke, Wellington and online.

Remuneration details for the Directors can be found on page 72.

* Number in brackets indicate number of meetings attended during the 2025/26 year

Our Leadership Team



ANGUS HASLETT CHIEF EXECUTIVE OFFICER

Angus Haslett has over 30 years' experience in agribusiness, most recently as Chief Executive Officer and Chairman of the Executive Board with CRV, a global dairy genetics company. He has a deep understanding of the New Zealand primary sector, data-driven, research-led innovation and international IP commercialisation, and believes that science matters most when it creates real benefit for people, for communities, and for the environment.



YOGESH ANAND CHIEF DIGITAL OFFICER

Yogesh has more than 25 years' experience in digital transformation, technology management, security and governance. He has worked in public and private sector organisations across the globe delivering digital transformation solutions, including the Inland Revenue Department, Bank for International Settlements in Switzerland and the Reserve Bank of New Zealand.



ROGER BOURNE CHIEF COMMUNICATIONS & ENGAGEMENT OFFICER

A career advocate for innovation and the primary sector, Roger began his career as an agribusiness journalist before moving into corporate communications in 2005, first with HortResearch and then with Plant & Food Research. Over the past 17 years he has led teams across communications, marketing, strategy and customer experience, most recently as Director for Strategy Brand and Impacts.



DR MICHELLE COLGRAVE CHIEF MISSIONS & IMPACT OFFICER

Michelle has more than 25 years' experience in the agriscience sector, with extensive experience in research commercialisation, mission-oriented innovation and impact delivery. Most recently, she was the Deputy Director (Impact) at Australia's CSIRO and Professorial Fellow in Food and Agricultural Proteomics at Edith Cowan University.



DR JOLON DYER CHIEF SCIENCE CAPABILITY OFFICER

Jolon was previously Director of Science for Plant & Food Research, a role that saw him lead over 600 science staff. Jolon has more than 18 years' experience in various roles focused on people and science leadership, including Associate Research Director, Capability at AgResearch. Jolon has also gained significant national and international recognition for his science specialising in understanding and controlling protein modification and damage.



DR DAVE HOULBROOKE CHIEF SCIENCE CAPABILITY OFFICER

Dave was previously Director Research Capability for AgResearch, a role that saw him lead over 450 science staff. Dave joined AgResearch in 2004, with research and extension focused on soil and water management of intensive pastoral farming.



DR LINDA JOHNSON CHIEF SCIENTIST

Linda has had an extensive scientific and leadership career in New Zealand's science system, including more than 23 years with AgResearch. Most recently she held the roles of Science Group Manager – Resilient Agriculture, and Principal Scientist, leading multidisciplinary research spanning plant, microbial and animal sciences, and providing strategic leadership across some of New Zealand's most significant agricultural research programmes.



QUENTIN SMITH CHIEF FINANCIAL & OPERATIONS OFFICER

Quentin joined Plant & Food Research in 2018, with responsibility for the finance and legal functions and the management of property and information technology. Prior to this he spent 16 years working at McDonalds Restaurants (New Zealand) Limited in various roles across finance, operations and property.



KERI-ANNE TANE CHIEF PEOPLE OFFICER

Keri-Anne is a values-based, human resource leader who has been part of significant, transformative culture and organisational change over 28 years in organisations including Mercy Hospital, Fletcher Steel, Unilever, OfficeMax, Scion, Te Pūkenga and more recently Plant & Food Research. Keri-Anne has whakapapa to Te Arawa (Ngāti Rangiteaorere, Ngāti Uenukukōpako) and Te Rarawa.



STACEY WHITIORA CHIEF INDIGENOUS INNOVATION & PARTNERSHIPS OFFICER

Stacey (Ngāti Mahuta ki te Hauāuru – Waikato, Kuki Airani) is an executive leader in Māori strategy, partnerships and enterprise, with over 25 years' experience across government, science, governance and Māori enterprise. Her nationally recognised work has focused on embedding Te Tiriti o Waitangi principles to strengthen Māori partnership outcomes. Her leadership connects indigenous knowledge and practice, science and strategy to deliver enduring impact with Māori for Aotearoa New Zealand.



MATT WILSON CHIEF COMMERCIAL OFFICER

Matt is an experienced senior leader who has worked in Europe, Asia and Oceania in both developing and developed markets. He leads commercial strategy, building partnerships, and driving sustainable growth for the Bioeconomy Science Institute.

Financial Statements



Financial Performance

On 1 July 2025, AgResearch Limited, Landcare Research New Zealand Limited, The New Zealand Institute for Plant and Food Research Limited and New Zealand Forest Research Institute Limited merged to become the New Zealand Institute for Bioeconomy Science Limited (Bioeconomy Science Institute Maiangi Taiao).

Financial performance for the year reflected challenging market conditions, with softer demand across key areas of the business resulting in total revenue of \$498.3 million, \$18.1 million below budget.

The decline in commercial revenue was partly offset by record royalty revenues of \$109.9 million, up 12% on the prior year. This was underpinned by stronger domestic harvest outcomes in 2026 and growing contributions from offshore production of our royalty-bearing cultivars.

During the year, management developed and implemented a financial improvement plan to align the Institute's cost base with expected future revenues and targeted levels of profitability and cash generation. The plan incorporated cost-saving initiatives and disciplined expenditure management, which contributed to a stronger financial outcome. The financial result was also supported by gain on sale income of \$5.1 million, reflecting the disposal of non-strategic assets surplus to operational requirements.

Although revenues were below budget, the impact of this shortfall was more than offset by expenditure savings and gain on sale income that exceeded budget expectations. As a result, the Institute reported a pre-tax loss of \$8.6 million, representing an improvement of \$3.1 million on the budgeted pre-tax loss of \$11.8 million.

The Bioeconomy Science Institute maintained a strong balance sheet as at 30 June 2026, with year-end net assets of \$476.3 million, including cash and short-term investments of \$84.5 million.

Looking ahead, the Bioeconomy Science Institute remains focused on delivering sustainable growth through increased science impact, stronger commercial performance, and deeper engagement with industry, government and international partners. These priorities will strengthen the Institute's financial resilience and support continued investment in our people, science and infrastructure, while creating long-term value for New Zealand. A return to profitability is expected in 2027.

KEY PERFORMANCE INDICATOR

Measure	Indicator	Target	Actual
EBITDA	Financial Resilience	\$37.8 M	\$31.4 M

Directors' report

THE DIRECTORS ARE PLEASED TO PRESENT THE FINANCIAL STATEMENTS OF THE NEW ZEALAND INSTITUTE FOR BIOECONOMY SCIENCE LIMITED (INSTITUTE) FOR THE YEAR ENDED 30 JUNE 2026.

In thousands of New Zealand dollars	2026 Actual	2026 Budget	2025 Actual
Results of Group Operations			
Revenue	498,304	516,385	60,310
(Loss) / profit before taxation	(8,637)	(11,755)	2,751
Less taxation (credit)	(4,749)	(2,339)	(98)
(Loss) / Profit after taxation attributable to Owners	(3,888)	(9,416)	2,849

PRINCIPAL ACTIVITY

The Institute's purpose is to drive innovation and commercial outcomes in the bioeconomy, using research and technology to support enduring economic growth and resilience, a healthy environment, and beneficial social outcomes for New Zealand; in accordance with the purpose and principles for the operation of Crown Research Institutes as set out in sections 4 and 5 of the Crown Research Institutes Act 1992.

REVIEW OF OPERATIONS

A review of the operations for the Institute can be found in the Report from the Chair. This can be found on page 10.

SHARE DEALINGS

The Directors have not, and are unable to, trade in shares of the Institute as all shares of the Institute are held by the Shareholding Ministers on behalf of the Crown. Accordingly the Board has received no notices of dealings in relevant interests in shares of the Institute.

DIRECTORS' INSURANCE

Directors' and Officers' liability insurance was effected for the Directors and certain employees of the Institute. The insurance is in respect of certain specified liabilities, not including criminal liability, incurred by a Director or employee in respect of any act or omission in his or her capacity as a Director or employee of the Institute.

The Institute has indemnified Directors and certain employees of the Institute for costs and proceedings and for liabilities incurred by the Director or employee in respect of any act or omission in his or her capacity as a Director or employee of the Institute. The indemnity for liabilities incurred does not extend to criminal liability or liability for breach of a fiduciary duty owed to the Institute.

AUDITOR

Anthony Smith of Deloitte Limited is the appointed auditor of the Institute under contract from the Audit Office and under section 21 of the Crown Research Institutes Act 1992.

DIRECTORS' REMUNERATION

During the year the following remuneration was paid or payable to Directors in accordance with the schedule approved by the Shareholding Ministers:

DIRECTOR

2026

Barry Harris	Chair	\$195,000
Kim Wallace	Deputy and Chair Audit & Risk Committee	\$121,875
Gray Baldwin		\$97,500
Bruce Campbell	Appointed 22 December 2025	\$48,750
Candace Kinser		\$89,375
Louise Marsden	Appointed 22 December 2025	\$48,750
Andrew Morrison	Chair People & Culture Committee	\$97,500

REMUNERATION OF EMPLOYEES

The number of employees and ex-employees whose total remuneration, including benefits and severance payments, on an annualised basis, was in excess of \$100,000 in \$10,000 bands, is:

Remuneration band in \$000	Number of employees	Remuneration band in \$000	Number of employees
\$100 - \$110	232	\$310 - \$320	1
\$110 - \$120	239	\$320 - \$330	5
\$120 - \$130	187	\$330 - \$340	3
\$130 - \$140	138	\$340 - \$350	2
\$140 - \$150	153	\$350 - \$360	3
\$150 - \$160	112	\$360 - \$370	1
\$160 - \$170	74	\$370 - \$380	1
\$170 - \$180	60	\$380 - \$390	4
\$180 - \$190	47	\$390 - \$400	1
\$190 - \$200	29	\$400 - \$410	1
\$200 - \$210	22	\$420 - \$430	1
\$210 - \$220	18	\$440 - \$450	1
\$220 - \$230	7	\$450 - \$460	1
\$230 - \$240	5	\$500 - \$510	1
\$240 - \$250	5	\$510 - \$520	1
\$250 - \$260	4	\$530 - \$540	1
\$260 - \$270	10	\$570 - \$580	1
\$270 - \$280	9	\$590 - \$600	1
\$280 - \$290	7	\$670 - \$680	1
\$290 - \$300	4	\$690 - \$700	1
\$300 - \$310	1		

For and on behalf of the Board of Directors:



Barry Harris, Chair
23 September 2026

Independent Auditor's report



TO THE READERS OF NEW ZEALAND INSTITUTE FOR BIOECONOMY SCIENCE LIMITED'S GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

The Auditor-General is the auditor of New Zealand Institute for Bioeconomy Science Limited (the group). The Auditor-General has appointed me, Anthony Smith, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the group, on his behalf.

OPINION

We have audited the financial statements of the group that comprise the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 30 June 2026 on that date and the notes to the financial statements that include material accounting policy information and other explanatory information on pages 75 to 94.

In our opinion, the financial statements of the group present fairly, in all material respects, its financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended, in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other Financial Reporting Standards, as appropriate for Tier 1.

BASIS FOR OUR OPINION

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor for the audit of the financial statements section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Board of Directors is responsible on behalf of the group for preparing financial statements that are fairly presented and comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS).

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors' responsibilities arise from the Crown Research Institutes Act 1992.

RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the company's statement of corporate intent.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We 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 group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

Independent Auditor's report continued...

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of 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 we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

OTHER INFORMATION

The Board of Directors is responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements, and our auditor's report thereon.

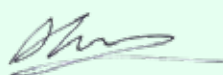
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENCE

We are independent of the group in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners including International Independence Standards (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor and the provision of our taxation compliance services, we have no relationship with, or interests in, the group. These services have not impaired our independence as auditor of the group.



Anthony Smith
Partner

for Deloitte Limited
On behalf of the Auditor-General
Christchurch, New Zealand

23 September 2026

Consolidated Statement of comprehensive income

For the year ended 30 June 2026

In thousands of New Zealand dollars	Note	2026 Actual	2026 Budget	2025 Actual
Revenue				
MBIE – Strategic funding		139,509	138,849	23,786
MBIE – Contestable funding		44,154	47,758	15,159
Commercial revenue	4a	279,016	289,298	20,245
Other income	4b	35,625	40,480	1,120
		498,304	516,385	60,310
Operating Expenditure	5			
Personnel costs		287,446	289,889	34,070
Depreciation and amortisation	6	49,123	49,900	5,622
Other operating expenses	7	179,500	188,715	21,313
		516,069	528,504	61,005
(Loss) / profit before interest and taxation		(17,765)	(12,119)	(695)
Other gains		7,446	572	3,019
Finance income		2,668	2,488	442
Finance costs		(2,522)	(3,096)	(15)
Share of profit of associates and joint ventures	15	1,536	400	–
(Loss) / profit before taxation		(8,637)	(11,755)	2,751
Taxation (credit) / expense	8	(4,749)	(2,339)	(98)
(Loss) / profit after taxation attributable to owners		(3,888)	(9,416)	2,849
OTHER COMPREHENSIVE INCOME				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Other reserves		152	–	150
Other comprehensive income, net of taxes		152	–	150
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Other reserves		(104)	–	–
Other comprehensive income, net of taxes		(104)	–	–
Total comprehensive income attributable to owners		(3,840)	(9,416)	2,999

Consolidated Statement of changes in equity

For the year ended 30 June 2026

In thousands of New Zealand dollars	Note	Share capital	Retained earnings	Other reserves	Total equity
Balance as at 01 July 2024		17,516	31,214	713	49,443
Changes in equity for					
Profit for the year		–	2,849	–	2,849
Other comprehensive income, net of taxes		–	–	150	150
Transfer of revaluation reserve on sale carbon credits		–	903	(903)	–
Balance as at 30 June 2025	16	17,516	34,966	(40)	52,442
Changes in equity for					
Loss for the year		–	(3,888)	–	(3,888)
Other comprehensive income, net of taxes		–	–	48	48
Gain on amalgamation		–	427,005	105	427,110
Gain on assets transferred from Callaghan		–	627	–	627
Balance as at 30 June 2026	16	17,516	458,710	113	476,339

The accompanying notes form part of these financial statements.

Consolidated Statement of financial position

As at 30 June 2026

In thousands of New Zealand dollars	Note	2026 Actual	2026 Budget	2025 Actual
Current assets				
Cash and short-term investments	9	84,486	58,770	12,707
Receivables and prepayments	10	126,003	116,364	8,340
Biological assets – livestock		5,774	3,498	–
Inventories		2,127	2,075	167
Tax receivable		312	1,946	–
Total current assets		218,702	182,653	21,214
Current liabilities				
Payables and accruals	11	122,050	116,010	7,476
Employee entitlements	12	27,587	22,701	4,402
Lease liabilities	14	3,984	3,779	152
Taxation payable		47	477	–
Total current liabilities		153,668	142,967	12,030
Working capital		65,034	39,686	9,184
Non-current assets				
Property, plant and equipment	13	405,709	407,916	43,009
Right-of-use assets	14	48,421	47,639	229
Intangible assets		6,648	7,678	299
Investments – associates and joint ventures	15	7,797	9,430	–
Investments – other		4,144	2,936	86
Biological assets – forestry		2,581	3,705	1,370
Other non-current assets		1,703	804	–
Total non-current assets		477,003	480,108	44,993
Non-current liabilities				
Employee entitlements	12	3,481	3,697	684
Lease liabilities	14	49,306	48,626	125
Other non-current liabilities		9,120	149	–
Deferred tax liability	8	3,791	29,572	926
Total non-current liabilities		65,698	82,044	1,735
NET ASSETS		476,339	437,750	52,442
Represented by:				
Equity	16			
Share capital		17,516	17,516	17,516
Retained earnings		458,710	420,229	34,966
Other reserves		113	5	(40)
TOTAL SHAREHOLDERS EQUITY		476,339	437,750	52,442

For and on behalf of the Board of Directors:



Barry Harris, Chair
23 September 2026



Kim Wallace, Deputy Chair
23 September 2026

The accompanying notes form part of these financial statements.

Consolidated Statement of cash flows

For the year ended 30 June 2026

In thousands of New Zealand dollars	Note	2026 Actual	2026 Budget	2025 Actual
Cash flows from/(applied to) operating activities				
Receipts from customers		531,464	570,995	64,114
Interest and dividends received		3,196	2,227	479
Payments to employees and suppliers		(493,969)	(546,833)	(58,213)
Interest paid		(2,481)	(2,472)	(15)
Tax refund		220	591	–
Net cash flows from operating activities	18	38,430	24,508	6,365
Cash flows from/(applied to) investing activities				
Sale of property, plant and equipment		9,209	572	–
Sale of intangible assets		–	–	904
Sale of investments		1,039	–	–
Proceeds of loan from related party		82	–	–
Purchase of property, plant and equipment		(32,899)	(42,483)	(3,861)
Purchase of intangible assets		(1,389)	(2,610)	–
Purchase of investments		(226)	(488)	–
Net cash flows (applied to) investing activities		(24,184)	(45,009)	(2,957)
Cash flows from/(applied to) financing activities				
Lease principal repayments		(4,160)	(4,325)	(165)
Net cash flows from/(applied to) financing activities		(4,160)	(4,325)	(165)
Net cash flow		10,086	(24,826)	3,243
Effect of foreign currency translation adjustment		61	–	–
Opening cash and cash equivalents		12,707	8,515	9,464
Cash addition from amalgamation		61,632	75,081	–
Closing cash and cash equivalents	9	84,486	58,770	12,707

Notes to the financial statements

for the year ended 30 June 2026

1. Reporting Entity

New Zealand Institute for Bioeconomy Science Limited ("the Group" or "Company") is a Crown Research Institute governed by the Crown Research Institute Act 1992 and is a limited liability company incorporated and domiciled in New Zealand, wholly owned by the Crown.

The consolidated financial statements of the Company and its subsidiaries, associates and joint arrangement interests have been prepared in accordance with the requirements of the Companies Act 1993, the Financial Reporting Act 2013, the Crown Research Institutes Act 1992, the Crown Entities Act 2004 and the Public Finance Act 1989. The Group is designated as a profit-oriented entity for financial reporting purposes.

The Group's principal activity is scientific research and development supporting New Zealand's bioeconomy, including research across agriculture, horticulture, forestry, aquaculture, biotechnology, and manufacturing sectors.

These financial statements have been authorised for issue by the Board of Directors on 23 September 2026.

2. Basis of Preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). For the purpose of complying with NZ GAAP, the Company is a for-profit entity. These financial statements comply with New Zealand Equivalents to IFRS Accounting Standards (NZ IFRS) as issued by the External Reporting Board and IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board.

The financial statements are presented in New Zealand dollars (NZD), which is the Company's functional and presentation currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand dollars. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and financial liabilities (including derivative instruments) at fair value.

On 1 July 2025 the New Zealand Institute for Bioeconomy Science Limited was set up by way of a short-form amalgamation in accordance with the Companies Act 1993. The amalgamation is part of the reforms of New Zealand's science, innovation and technology system, as announced by the Prime Minister on 23 January 2025. As part of these reforms, legislation to officially convert the New Zealand Institute for Bioeconomy Science Limited from a Crown Research Institute into a Public Research Organisation will be introduced to Parliament in due course. As the legislation is still being drafted, there are some uncertainties about the timing of enactment, and whether, once enacted, it will have any effects on the activities of the New Zealand Institute for Bioeconomy Science Limited.

The going concern basis of preparation is considered appropriate.

USE OF ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's knowledge of current events and actions that may be undertaken in the future, actual results may ultimately differ from estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised and in any future periods affected. Use of estimates and assumptions is disclosed further in Note 3 (F).

NEW AND AMENDED STANDARDS AND INTERPRETATIONS ADOPTED BY THE GROUP

There are no new standards or amendments to standards that became effective in the current period.

STANDARDS AND INTERPRETATIONS ISSUED AND NOT YET ADOPTED

In May 2024 the External Reporting Board issued NZ IFRS 18 'Presentation and Disclosure in Financial Statements'. NZ IFRS 18 replaces NZ IAS 1 'Presentation of Financial Statements' and applies for annual reporting periods beginning on or after 1 January 2027.

The new accounting standard introduces key classifications of income and expenses and enhanced guidance on how to aggregate/disaggregate information in the financial statements.

The Group is currently assessing the impact of adopting NZ IFRS 18 on presentation and disclosures in the consolidated financial statements.

3. Summary of Material Accounting Policies

This note provides details of the material accounting policies adopted in the preparation of these financial statements to the extent they have not been disclosed in other notes below. These accounting policies have been applied consistently to all years presented in these financial statements.

(A) BASIS OF CONSOLIDATION

The financial statements of the Group include the parent entity, Bioeconomy Science Institute, and its controlled entities (the Group). The financial statements of subsidiaries are included in the financial statements from the date which the Group obtains control and until such time as the Group ceases to control the entity.

In preparing the consolidated financial statements, the effects of all transactions, balances and unrealised gains and losses on transactions between entities in the Group have been eliminated.

Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses.

Transactions are recognised in the Group's financial statements only to the extent of other parties interest in the joint operation and these have been incorporated in the financial statements under the appropriate headings. Details of the joint operations are set out in Note 15.

(B) REVENUE

Revenue is recognised at the fair value of consideration received or receivable to the extent that it is probable, that economic benefits will flow to the Group and the amount of revenue can be reliably measured. Revenue is shown net of GST, returns and discounts and after eliminating sales within the Group.

(i) MBIE - Strategic funding

Revenue received from the Strategic Science Investment Fund (SSIF) is recognised as a Government grant in accordance with NZ IAS 20. Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grant will be received.

The primary condition is that the Group will undertake science research as defined in the strategic funding contract.

Strategic funding is recognised in the Consolidated Statement of Comprehensive Income on a systematic basis in the year it is received.

Notes to the financial statements continued...

for the year ended 30 June 2026

(ii) MBIE – Contestable funding

Crown-funded research contracts have one performance obligation and therefore the full transaction price is allocated to that one performance obligation. Crown-funded revenue is recognised over time using the input method. Revenue is recognised over time, based on the contractual agreement. The Group recognises revenue on the basis of the cost incurred relative to the total expected cost to complete the contract.

(C) RESEARCH AND DEVELOPMENT

Research and development is the business of the Company. Most work is performed under contract for others, and in most cases intellectual property rights are retained. All research and development costs are expensed in the period they are incurred.

When a project reaches the stage where it will probably generate future measurable economic benefits exceeding development cost, development cost is recognised as an intangible asset. The asset is amortised from the commencement of commercial production of the product to which it relates, on a straight-line basis, over the period of expected benefit.

(D) PROVISIONS

Provisions are recognised when the Group has a present obligation (either legal or constructive), as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date, the discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

(E) BUDGET FIGURES

The budget figures are derived from the Statement of Corporate Intent as approved by the Board, and the Shareholder, at the beginning of the financial year. The budget figures have been prepared using accounting policies that are consistent with those adopted by the Group for the preparation of these financial statements. The budget figures are unaudited.

(F) SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements the Group has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Revenue recognition

Revenue is predominately recognised based on the percentage of work completed on a project basis over time. Percentage of work completed is based on costs incurred from inception of the project as a percentage of total forecast project costs. Management judgement is required in estimating total forecast project costs.

(ii) Leased assets

The valuation of right-of-use assets and lease liabilities requires judgement to determine the incremental borrowing rate and the likelihood of exercising any rights of renewal to extend the lease term. The Group has assumed that all rights of renewal will be exercised consistent with the Group's usual practice.

4a. Commercial Revenue

In thousands of New Zealand dollars	2026	2025
Royalties	109,908	18
Other commercial revenue	169,108	20,227
Total	279,016	20,245

Other commercial revenue includes revenue that was included in revenue in advance (Note 11) at the beginning of the period of \$4,784,000 (2025: \$4,387,000).

Royalties

Royalty revenue is recognised when the performance obligation to which the sales-based royalty has been allocated has been satisfied. In most cases this occurs when the licensee reports the relevant sales or production volumes in accordance with the licence agreement.

Commercial revenue

Research services are provided on a contract basis, with contract terms generally ranging from less than a year to five years. The Group determined that the milestones within each research contract are not distinct and therefore research contracts have one performance obligation and the full transaction price is allocated to that one performance obligation. Commercial revenue is recognised over time or at a point in time using the input method, based on the contractual agreement. The Group recognises revenue on the basis of the cost incurred relative to the total expected cost to complete the contract.

If circumstances arise that may change the extent of the progress toward completion, the estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known.

4b. Other Income

In thousands of New Zealand dollars	2026	2025
Rental income	8,617	1,107
Farm produce	6,732	–
Hosting fees	5,048	–
Carbon credit sales	2,569	–
Other	12,659	13
Total	35,625	1,120

Rental income

Rental income under an operating lease are recognised as revenue on a straight-line basis over the lease term.

Farm produce

Revenue from the sale of goods is recognised when the Group has transferred the control of the goods to the buyers.

Principal vs agent

The Group occasionally enters into contracts with its customers that require a third party to perform the work, on the customer's behalf, with the third party receiving full consideration and autonomy. Under these contracts, the Group provides hosting services (i.e., coordinating the selection of third parties and managing the delivery of the contract). The Group determined that it does not control the service, and it does not obtain benefits from the services performed, therefore it is an agent in these contracts.

Carbon credits

Revenue is recognised upon invoicing when a present right to payment is evident as it has been determined that control is not transferred to the customer over time and therefore point in time revenue recognition is more appropriate.

Notes to the financial statements continued...

for the year ended 30 June 2026

5. Operating Expenditure

In thousands of New Zealand dollars	2026	2025
<i>Included within Personnel costs are:</i>		
Employee related		
Redundancy *	13,537	–
Superannuation contributions	6,773	–
<i>Included within Other operating expenses are:</i>		
Financial		
Auditors' remuneration		
Audit fee for financial statement audit		
– Parent (Deloitte)	1,110	–
– Parent (EY)	–	206
– Joint operation (KPMG)	24	–
Taxation compliance services (Deloitte)	50	–
Director fees		
– Parent	699	427
– Joint operation	113	–
– Subsidiaries	200	–

* Payments were made to 163 employees in 2026 (2025: 0 employees).

6. Depreciation and Amortisation

In thousands of New Zealand dollars	2026	2025
Depreciation of property, plant and equipment	39,910	5,416
Depreciation of right-of-use assets	4,832	164
Amortisation of intangible assets	4,381	42
Total	49,123	5,622

Depreciation on assets, except land and capital work-in progress, is calculated using the straight-line method, at rates calculated to allocate the asset's cost, less estimated residual value, over its estimated useful life. Leasehold improvements are depreciated over the shorter of the unexpired period of the lease and the estimated useful life of improvements.

The useful lives of major asset classes of property, plant and equipment have been estimated as follows:

Buildings	5 – 100 years
Plant and equipment	2 – 50 years
Motor vehicles	3 – 13 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year-end. The assets' carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The useful lives and associated amortisation rates for software have been estimated as 3 – 5 years.

7. Other Operating Expenses

In thousands of New Zealand dollars	2026	2025
Materials	18,331	1,035
Research & services contracts	61,419	13,955
Property expenses	30,937	3,543
Travel	12,770	1,213
Other general operating costs	56,043	1,567
Total	179,500	21,313

Notes to the financial statements continued...

for the year ended 30 June 2026

8. Taxation

In thousands of New Zealand dollars	2026	2025
Profit / (loss) before taxation	(8,637)	2,751
Prima facie taxation @ 28%	(2,418)	770
Plus/(less) taxation effect:		
Non-assessable income and non-deductible expenditure	(847)	7
Prior period adjustment	(1,405)	(55)
Other	(1,313)	(820)
Overseas taxes not utilisable	1,234	–
Total	(4,749)	(98)
The taxation charge is represented by:		
Current taxation	1,278	3
Deferred tax benefit	(6,027)	(101)
Total	(4,749)	(98)

The Company is not required to maintain an Imputation Credit Account pursuant to section OB1(2)(d) of the Income Tax Act 2007.

DEFERRED TAX ASSET / (LIABILITY)

In thousands of New Zealand dollars	Opening Balance	Additions from Amalgamation	Charged to Income	Total 2026
Property, plant and equipment	(1,801)	(19,724)	17	(21,508)
Other assets	(428)	632	(92)	112
Employee entitlements	895	6,008	(441)	6,462
Other provisions	408	(1,052)	(393)	(1,037)
Tax losses	–	5,244	6,936	12,180
Total 30 June 2026	(926)	(8,892)	6,027	(3,791)

In thousands of New Zealand dollars	Opening Balance	Additions from Amalgamation	Charged to Income	Total 2025
Property, plant and equipment	(1,996)	–	195	(1,801)
Other assets	(543)	–	115	(428)
Employee entitlements	907	–	(12)	895
Other provisions	605	–	(197)	408
Total 30 June 2025	(1,027)	–	101	(926)

Notes to the financial statements continued...

for the year ended 30 June 2026

9. Cash and Short-Term Investments

In thousands of New Zealand dollars	2026	2025
Cash and cash equivalents	47,013	6,954
Short-term investments	37,473	5,753
Closing balance*	84,486	12,707

* Cash includes \$9.1M which belongs to NZ Agricultural Greenhouse Gas Trust.

Cash and cash equivalents include cash on hand and deposits held at call with banks.

The carrying value of short-term investments with maturity dates of three months or less approximates their fair value.

10. Receivables and Prepayments

In thousands of New Zealand dollars	2026	2025
Trade receivables		
Not past due	45,105	4,585
Past due 1 to 30 days	31,478	–
Past due more than 30 days	6,033	348
Allowance for impairment loss	(1,244)	(131)
Net receivables	81,372	4,802
Accrued revenue	29,400	2,196
Prepayments and other receivables	15,231	1,342
Closing balance	126,003	8,340

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for impairment loss.

The carrying value of trade and other receivables approximates their fair value. Payment terms vary by customer contract and are generally linked to agreed contractual milestones or invoicing schedules. Payment is generally due on the 20th of the month following invoice.

The carrying amount of receivables that would otherwise be past due, but not impaired, whose terms have been renegotiated is gross \$6,033,000 (2025: \$348,000).

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off when identified.

An allowance for impairment loss has been calculated using the simplified approach allowed under NZ IFRS 9 which uses the lifetime expected loss allowance for all trade receivables.

Accrued revenue (contract asset)

Accrued revenue is the right to consideration in exchange for services transferred to the customer, conditioned on something other than the passage of time. Accrued revenue is recognised for the earned consideration that is conditional. The right to consideration is dependent on acceptance by the customer.

Notes to the financial statements continued...

for the year ended 30 June 2026

11. Payables and Accruals

In thousands of New Zealand dollars	2026	2025
Trade payables	17,391	1,797
Revenue in advance	76,781	4,784
Other payables and accruals	27,878	895
Closing balance	122,050	7,476

Trade and other payables are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services. Trade and other payables are subsequently measured at amortised cost using the effective interest method.

Trade and other payables are non-interest bearing and are normally settled within 30 days, therefore the carrying value approximates their fair value.

Revenue in advance (contract liability)

Revenue in advance is the obligation to transfer services to a customer for which the Group has received consideration from the customer. Revenue in advance is recognised as revenue when the Group performs under the contract.

12. Employee Entitlements

In thousands of New Zealand dollars	2026	2025
Annual leave	18,264	2,061
Retirement leave	3,514	–
Long service leave	2,598	510
Defined benefit plan	266	324
Other leave and accruals	6,426	2,191
Closing balance	31,068	5,086
Comprising:		
Current	27,587	4,402
Non-current	3,481	684
Closing balance	31,068	5,086

Provision is made for entitlements owing to employees in respect of wages and salaries, annual leave, retirement leaves and other benefits. Provisions are recognised when it is probable they will be settled and can be measured reliably.

Retirement and Long service leave

Retirement and long service leave entitlements have been calculated on an actuarial basis by Eriksen and Associates Limited as at 30 June 2026.

The calculations are based on the present value of expected future payments to be made in respect of employee entitlements up to the reporting date. Consideration is given to expected future wage and salary increases, discount rates and experience of employee departures and periods of service.

Notes to the financial statements continued...

for the year ended 30 June 2026

13. Property, Plant and Equipment

In thousands of New Zealand dollars	Land	Buildings	Plant and Equipment	Motor Vehicles	Capital Work-in-Progress	Total
Opening balance 01 July 25	1,248	18,930	19,535	208	3,088	43,009
Additions from amalgamation	22,954	250,356	78,415	3,067	12,015	366,807
Additions	–	5,288	20,266	158	10,531	36,243
Transfers from CWIP	–	2,748	10,696	159	(13,602)	–
Disposals	–	(124)	(241)	(75)	–	(440)
Depreciation	(47)	(15,651)	(23,555)	(658)	–	(39,910)
Net book value 30 June 26	24,155	261,547	105,116	2,859	12,032	405,709
Cost	25,197	292,907	187,576	4,688	12,032	522,400
Accumulated depreciation	(1,042)	(31,360)	(82,460)	(1,829)	–	(116,691)
Net book value 30 June 26	24,155	261,547	105,116	2,859	12,032	405,709

In thousands of New Zealand dollars	Land	Buildings	Plant and Equipment	Motor Vehicles	Capital Work-in-Progress	Total
Opening balance 01 July 24	1,296	19,613	16,936	290	6,452	44,587
Additions	–	–	–	–	3,843	3,843
Transfers from CWIP	–	–	7,155	52	(7,207)	–
Disposals	–	–	(3)	–	–	(3)
Depreciation	(48)	(683)	(4,553)	(134)	–	(5,418)
Net book value 30 June 25	1,248	18,930	19,535	208	3,088	43,009
Cost	2,243	34,639	78,440	1,379	3,088	119,789
Accumulated depreciation	(995)	(15,709)	(58,905)	(1,171)	–	(76,780)
Net book value 30 June 25	1,248	18,930	19,535	208	3,088	43,009

The Group has the following classes of property, plant and equipment:

- Land
- Buildings
- Plant and equipment
- Motor vehicles
- Capital work-in-progress

Land and capital work-in progress are recorded at cost. All other property, plant and equipment are recorded at cost, less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment transferred from the Crown were included in the accounts at values established by independent valuers which is the deemed cost.

Cost includes expenditures that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits or service potential associated with the asset will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the Consolidated Statement of Comprehensive Income when the expense is incurred.

Land transferred to the Group cannot be freely traded. Section 30 of the Crown Research Institutes Act 1992 requires that prior to sale sections 40–42 of the Public Works Act 1981 be complied with. These sections require that land offered for sale must be offered to the original owner of that land or their successors. An arbitration clause is included to establish fair values for such offers.

The Group holds numerous germplasm collections for research purposes. Due to the nature of the collections their value can not be measured reliably for financial purposes, however they have a fundamental importance to the Group's research.

Notes to the financial statements continued...

for the year ended 30 June 2026

14. Leased Assets

In thousands of New Zealand dollars	Property	Vehicles	Total 2026	2025
Right-of-use lease assets				
Opening balance	229	-	229	393
Additions from amalgamation	50,714	161	50,875	-
Additions and modifications	1,960	189	2,149	-
Depreciation	(4,610)	(222)	(4,832)	(164)
Closing balance	48,293	128	48,421	229
<i>Represented by:</i>				
Cost	73,964	1,157	75,121	596
Accumulated depreciation	(25,671)	(1,029)	(26,700)	(367)
Closing balance	48,293	128	48,421	229
<i>Average lease term in years</i>	17.1	5.3		21.4
In thousands of New Zealand dollars	Property	Vehicles	Total 2026	2025
Lease liabilities				
Current	3,863	121	3,984	152
Non-current	49,297	9	49,306	125
Total	53,160	130	53,290	277
<i>The movements for the year are as follows:</i>				
Opening balance	277	-	277	444
Additions from amalgamation	54,850	169	55,019	-
Additions and modifications	1,966	188	2,154	-
Lease payments	(6,401)	(233)	(6,634)	(182)
Interest on leases	2,468	6	2,474	15
Closing balance	53,160	130	53,290	277
Amounts payable under leases				
Within one year	6,089	123	6,212	149
Two to five years	21,835	9	21,844	27
More than five years	46,794	-	46,794	252
Total contractual lease payments	74,718	132	74,850	428
Less: future finance charges	(21,558)	(2)	(21,560)	(151)
Total	53,160	130	53,290	277

The Group leases various land, offices, research facilities and vehicles. The terms of the leases vary, with land and buildings leases ranging from 1 - 78 years. The Group reports all leases on the balance sheet where it has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period, with the exception of low value leases and leases with a duration of less than 12 months.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Extension options are included in a number of leases. In determining the lease term, management has considered all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

Right-of-use assets are measured at cost, comprising the amount of the initial measurement of the lease liability. These assets are subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. Lease liabilities represent the present value of the lease payments, discounted by the rate implicit in the lease. If this rate cannot be readily determined the Group uses its incremental borrowing rate.

The Group is exposed to potential future increases in land and building lease payments based on contractual market rent reviews that are not included in the lease liability until the rent review takes effect.

Lease payments are allocated between principal and lease interest. The lease interest is charged to the profit and loss over the term of the lease.

Payments associated with short-term leases of 12 months or less are recognised as an expense in the Consolidated Statement of Comprehensive Income.

Notes to the financial statements continued...

for the year ended 30 June 2026

15. Investments

Subsidiaries	Principal activity	Balance Date	% Held 2026	% Held 2025
AgResearch (Pastoral Genomics Consortia) Limited	Holding company	30 June	100%	–
AgResearch (PPGR Consortia) Limited	Holding company	30 June	100%	–
AgResearch (USA) Limited	Cultivar development and management in the USA	30 June	100%	–
Berryfruit Holdings Limited	IP holding company	30 June	100%	–
Biopolymer Network Limited	Holding company	30 June	100%	15%
Celentis Limited	Holding company	30 June	100%	–
CropSeed Limited	Seed growing services	30 June	100%	–
Covita Limited	Holding company	30 June	100%	–
Enviro-Mark Solutions Limited	Carbon certification and services	30 June	100%	–
Grasslanz Technology Limited	Cultivar development and management	30 June	100%	–
Grasslanz Technology Australia Pty Limited	Cultivar development and management in Australia	30 June	100%	–
Landcare Research US Limited	Holding company	30 June	100%	–
Phytagro New Zealand Limited	Holding company	30 June	100%	–
Plant & Food Research Australia Pty Limited	Science, marketing and consultancy services in Australia	30 June	100%	–
Plant & Food Research (USA) Corporation	Marketing and consultancy services in the USA	30 June	100%	–
Sala Street Holdings Limited	Investment holding company	30 June	100%	100%
Te Papa Tipu Properties Limited	Property holding company	30 June	100%	100%

Grasslanz Technology Limited is a direct subsidiary of Celentis Limited. AgResearch (USA) Limited and Grasslanz Technology Australia Pty Limited are direct subsidiaries of Grasslanz Technology Limited. Plant & Food Research Australia Pty Limited is incorporated in Australia.

Plant & Food Research (USA) Corporation is incorporated in the USA.

Sala Street Holdings Limited holds the Group's 50% investment in Scion Terax technologies.

Associates	Principal activity	Balance Date	% Held 2026	% Held 2025
Encoate Holdings Limited	Research and development of bacteria and probiotics stabilisation technologies	30 June	50.0%	–
Overseer Limited	Operating entity set up to sublicense the Overseer model to end users	30 June	50.0%	–
Pacific Berries LLC	Developing & commercialising IP	31 December	50.0%	–
Forage Innovations Limited	Developing & commercialising IP	30 June	49.0%	–
Southern Dairy Hub Limited Partnership	Promotion and development of dairy industry good activities	30 June	37.5%	–
SDH GP Limited	General partner	31 May	37.5%	–
Prevar Limited	Developing & commercialising IP	31 March	27.1%	–

Associates are those entities over which the Group has significant influence, but not control, of the financial and operating policies.

Investments in associates are accounted for using the equity method. Under the equity method the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the Group's share of the surplus or deficit of the associate.

Notes to the financial statements continued...

for the year ended 30 June 2026

When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Joint Ventures	Principal activity	Balance Date	% Held 2026	% Held 2025
Pastoral Greenhouse Gas Research Consortium held via AgResearch (PPGR Consortia) Limited	Research into greenhouse gases produced by ruminants and exploit any resulting intellectual property	30 June	22.0%	–

Joint ventures are arrangements in which the Group has contractually agreed joint control and has rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method.

SUMMARISED FINANCIAL INFORMATION FOR ASSOCIATES & JOINT VENTURES

In thousands of New Zealand dollars	2026	2025
Share of profit / (loss) in associated companies & joint ventures	1,536	–
Carrying amount of the Group's interest in Southern Dairy Hub Partnership	4,024	–
Aggregate carrying amount of the Group's interest in other associates & joint ventures	3,773	–

Joint Operations	Principal activity	Balance Date	% Held 2026	% Held 2025
Grasslands Innovation Limited	Identify, develop and exploit opportunities in forage cultivars	30 June	30%	–
The Kiwifruit Breeding Centre Limited	Kiwifruit research and breeding	30 June	50%	–

Joint operations are joint arrangements between the Group and another party in which there is a contractual agreement to undertake a specific business project and in which the joint parties are severally liable in respect of costs and liabilities of the project and share in any resulting output. The Group's share of the assets, liabilities, revenues and expenses of joint operations are incorporated into the Group financial statements on a line-by-line basis. Where the Group transacts with its jointly controlled entities, unrealised profits and losses are eliminated to the extent of the Group's interest in the joint operation.

The 30% interest in Grasslands Innovation Limited is held via Grasslanz Technology Limited, a wholly-owned subsidiary.

Grasslands Innovation Limited and the Kiwifruit Breeding Centre Limited are considered joint operations by virtue of the contractual arrangements that specify the parties' rights to the economic inputs and outputs of the joint arrangement.

Notes to the financial statements continued...

for the year ended 30 June 2026

16. Equity

SHARE CAPITAL

Share capital consists of 17,516,000 fully paid ordinary shares of \$1 each (2025: 17,516,000 fully paid ordinary shares of \$1 each).

All shares have equal rights with respect to voting, dividends and distribution on winding up. There are no restrictions on the distribution of dividends or repayment of capital.

No dividends were declared or paid to shareholders during the year (2025: nil).

RESERVES

The Pension Reserve and Cash Flow Hedge Reserve is used to record fair value gains or losses on the remeasurement of defined benefit plan liabilities and foreign exchange forward contracts that qualify as cash flow hedges.

17. Commitments

In thousands of New Zealand dollars	2026	2025
Capital commitments	5,136	8,425
Non-cancellable operating lease income		
Not later than one year	5,297	528
Later than one year and not later than five years	9,266	896
Later than five years	4,811	1,257
Total	19,374	2,681

The Group has entered into commercial property leases related to land and buildings. The lease terms range between 1 to 25 years. All leases include a clause for periodic rent reviews and / or adjustment to market rates. No lessees have an option to purchase the property at the expiry of the lease period.

Lease income is recognised within Other income in the Consolidated Statement of Comprehensive Income on a straight-line basis over the lease term.

INVESTMENT PROPERTY

Investment property, land, is held for long-term rental yields and are not occupied by the Group. The land is carried at cost. The investment property is leased under an operating lease with rentals payable monthly. Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term.

Minimum lease payments receivable on leases of investment properties are as follows:

In thousands of New Zealand dollars	2026	2025
Less than one year	468	–
Two to five years	1,873	–
More than five years	20,014	–
Total	22,355	–

Notes to the financial statements continued...

for the year ended 30 June 2026

18. Reconciliation of (Loss) / Profit After Tax with Net Cash Flow from Operating Activities

In thousands of New Zealand dollars	2026	2025
(Loss) / profit after tax	(3,888)	2,849
<i>Add / (less) non-cash items:</i>		
Depreciation and amortisation	49,123	4,302
Share of retained profit of associates and joint ventures	(1,536)	–
Fair value movement in biological assets	(1,475)	18
Property, equipment and intangibles impairments	554	–
Other non cash movements	(14)	–
	46,652	4,320
<i>Add / (less) items classified as investing activities:</i>		
(Gain) / loss on sale of property, plant and equipment	(5,249)	1,302
Dividends received from joint venture	778	–
Investment (revaluation) / write down	(644)	–
	(5,115)	1,302
<i>Movements in working capital:</i>		
(Increase) / decrease in trade and other receivables	(5,257)	272
Decrease in inventory	405	9
Increase / (decrease) in trade and other payables	16,094	(2,287)
(Decrease) in taxation payable	(17)	–
(Decrease) in deferred tax	(6,027)	(98)
(Decrease) in employee entitlements	(4,417)	(2)
	781	(2,106)
Net cash flow from operating activities	38,430	6,365

19. Related Party Transactions

The Group is a wholly owned entity of the Crown. The Government significantly influences the role of the Company in addition to being a major source of revenue.

The Group enters into transactions with government departments, state-owned enterprises and other Crown entities. These transactions occur within a normal customer / supplier relationship on terms and conditions no more or less favourable. Such transactions have not been disclosed as related party transactions.

Funding is received from MBIE (a government department) and is disclosed on the face of the Consolidated Statement of Comprehensive Income.

Trading transactions with related parties:

In thousands of New Zealand dollars	2026	2025
Sale of services	6,744	–
Due from	2,638	–
Purchase of services	163	–
Due to	33	–

The amounts outstanding are unsecured, on normal trading terms and will be settled in cash. No guarantees have been given or received. The Group has not impaired any related party receivables.

Notes to the financial statements continued...

for the year ended 30 June 2026

EXECUTIVE REMUNERATION

The compensation of the Chief Executive Officer and members of the Leadership Team, being the key Executive of the Group was:

In thousands of New Zealand dollars	2026	2025
Chief Executive Officer salary	673	640*
Leadership Team salaries and other short term benefits	2,953	1,820
Total	3,626	2,460

* Prior year related to the Chief Executive of Scion and included short term benefits and a discretionary bonus.

Executive remuneration consists of base salary and employer contributions to superannuation and health insurance. There were ten members of the Leadership Team (including the Chief Executive).

A number of key management personnel provide directorship services to subsidiaries and other entities as part of their employment without receiving any additional remuneration.

The Group purchases directors and officers insurance for the benefit of key management personnel in relation to the services they provide to the Group.

20. Financial Instruments

The Group's activities expose it to a variety of financial instrument risks, including credit risk, market risk and liquidity risk. The Group has policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature.

CREDIT RISK

Credit risk is the risk that a third party will default on its obligations to the Group, causing the Group to incur a loss. The financial instruments that potentially subject the Group to credit risk are cash, short-term deposits, trade receivable and derivative financial assets.

Due to the timing of its cash inflows and outflows, the Group invests surplus cash with registered banks with a Standard & Poor's credit rating of A- or above. The Group's investment policy limits the amount of credit exposure to \$50M with any one institution. The largest credit exposure with any one institution at balance date is \$32.6M.

Trade receivables consist of a large number of customers spread across diverse sectors and geographical areas. Credit assessments are undertaken to determine the credit worthiness of the customer, taking into account their financial position, past experience and other relevant factors. Credit limits are granted in accordance with the credit policy and reviewed on a regular basis.

Net receivables includes two customers who represents 56% of the total trade receivables at balance date. The Group is not exposed to any other concentrations of credit risk.

MARKET RISK

Currency risk

Currency risk is the risk that the fair value or future cash flows will fluctuate due to changes in foreign exchange rates. The Group purchases goods and services overseas which require it to enter into transactions denominated in foreign currencies.

As a result of these activities, some limited exposure to currency risk arises. It is the Group's policy to manage foreign currency risks arising from contractual commitments and liabilities by entering into foreign exchange forward contracts to hedge the foreign currency risk exposure. All of the forward exchange contracts have maturities of less than one year at the balance sheet date.

The Group's results are not sensitive to changes in foreign exchange rates.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty raising liquid funds to meet commitments as they fall due. Liquidity risk is managed by maintaining sufficient cash and ensuring the availability of funding through credit facilities as required.

The table below analyses the Group's derivative financial instruments and other financial liabilities that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

In thousands of New Zealand dollars	Less than 1 year	Between 1 to 5 years	Total
2026			
Trade payables	17,391	–	17,391
Forward exchange contracts	4,155	–	4,155
2025			
Trade payables	1,797	–	1,797
Forward exchange contracts	–	–	–

Notes to the financial statements continued...

for the year ended 30 June 2026

21. Fair Values

The carrying amounts of financial assets and liabilities by classification are as follows:

In thousands of New Zealand dollars	Note	2026	2025
<i>Financial assets measured at amortised cost</i>			
Cash and short-term deposits	9	84,486	12,707
Trade receivables	10	81,372	4,802
Total		165,858	17,509
<i>Financial liabilities measured at amortised cost</i>			
Trade payables	11	17,391	1,797
Total		17,391	1,797

The carrying amounts of financial assets and financial liabilities recorded at cost in the financial statements approximate their fair value.

22. Capital Management

The Group's capital is its equity, which comprises share capital, retained earnings and reserves.

The Crown Research Institutes Act 1992 requires the Group to maintain its financial viability in order to undertake research for the benefit of New Zealand.

The Group manages its capital to ensure that entities in the Group will operate in a financially responsible manner. The Group is not subject to any externally imposed capital requirements.

The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

There have been no material changes in the Group's management of capital during the year.

23. Contingencies

CONTINGENT ASSETS

There were no material contingent assets known to exist at balance date.

CONTINGENT LIABILITIES

Two verified Treaty of Waitangi land claims affecting the Group currently exist:

- (i) Ngati Whakaue – covering the whole Rotorua Campus
- (ii) Ngati Wahiao – covering the southern end of the Rotorua Campus

No reliable estimates can be made of the impact of these contingencies.

There were no other material contingent liabilities known to exist at balance date.

Notes to the financial statements continued...

for the year ended 30 June 2026

24. Amalgamation

On 1 July 2025, under Part XIII of the Companies Act 1993, AgResearch Limited (AgResearch), Landcare Research New Zealand Limited (Landcare), New Zealand Forest Research Institute Limited (Scion) and The New Zealand Institute for Plant & Food Research (Plant & Food) amalgamated to form New Zealand Institute for Bioeconomy Science Limited (Bioeconomy Science Institute or BSI).

The AgResearch, Landcare and Plant & Food legal entities were amalgamated into the Scion ongoing legal entity and Scion was renamed as New Zealand Institute for Bioeconomy Science Limited on 1 July 2025.

The amalgamation has been accounted for as a business combination involving entities under common control, as all entities were Crown Institutes, with the same shareholding ministers.

The comparative figures included in these financial statements represent the 12 months trading for Scion only, being the legal entity that existed before the formation of Bioeconomy Science Institute.

Prior year comparatives have been reclassified, where necessary, to ensure consistency with the current year presentation.

The assets and liabilities of the non-continuing companies have been recognised as the carrying amounts as recognised previously in the audited 30 June 2025 balance sheets of AgResearch, Landcare and Plant & Food.

Amalgamation of AgResearch, Landcare, Plant & Food and Scion balance sheets as at 1 July 2025 is as follows:

In thousands of New Zealand dollars	AgResearch	Landcare	Plant & Food	Scion	BSI
Current assets					
Cash and short-term investments	26,153	23,096	12,383	12,707	74,339
Receivables and prepayments	44,672	13,306	54,306	8,340	120,624
Biological assets – livestock	4,300	–	–	–	4,300
Inventories	2,006	22	337	167	2,532
Other current assets	3,117	203	–	–	3,320
Tax receivable	3	180	–	–	183
Total current assets	80,251	36,807	67,026	21,214	205,298
Current liabilities					
Payables and accruals	49,681	22,942	25,423	7,476	105,522
Employee entitlements	6,348	5,108	16,399	4,402	32,257
Lease liabilities	1,989	526	1,250	152	3,917
Taxation payable	–	(33)	(32)	–	(65)
Total current liabilities	58,018	28,543	43,040	12,030	141,631
Working capital	22,233	8,264	23,986	9,184	63,667
Non-current assets					
Property, plant and equipment	197,173	44,792	124,842	43,009	409,816
Right-of-use assets	21,990	5,562	23,323	229	51,104
Intangible assets	2,353	1,003	6,632	299	10,287
Investments – associates and joint ventures	4,343	–	3,080	–	7,423
Investments – other	2,836	82	743	86	3,747
Deferred tax asset	–	–	3,520	–	3,520
Other non-current assets	1,388	–	1,695	1,370	4,453
Total non-current assets	230,084	51,439	163,835	44,993	490,350
Non-current liabilities					
Employee entitlements	–	485	2,060	684	3,229
Lease liabilities	21,487	5,504	24,263	125	51,379
Other non-current liabilities	7,238	–	–	–	7,238
Deferred tax liability	9,933	2,479	–	926	13,338
Total non-current liabilities	38,658	8,468	26,323	1,735	75,184
NET ASSETS	213,659	51,235	161,498	52,442	478,834

Notes to the financial statements continued...

for the year ended 30 June 2026

In thousands of New Zealand dollars

AgResearch

Landcare

Plant & Food

Scion

BSI

Represented by:**Equity**

Share capital	–	–	–	17,516	17,516
Retained earnings	213,659	51,235	161,393	34,966	461,253
Other reserves	–	–	105	(40)	65
TOTAL SHAREHOLDERS EQUITY	213,659	51,235	161,498	52,442	478,834

On 1 July 2025 AgResearch's land and buildings were restated to cost to ensure alignment with BSI accounting policy. This resulted in a reduction in property, plant & equipment of \$128.7M, a reduction in other current assets of \$4.7M and a reduction in deferred tax liability of \$22.9M. This was offset by a reduction in other reserves of \$128.6M (revaluation reserve) and an increase in retained earnings of \$18.1M.

CHANGE IN ACCOUNTING POLICY

During the year, the Group changed its accounting policy for carbon credits from the revaluation model to the cost model. The change was made to align the accounting treatment across the Group following the merger. The change resulted in a \$0.2M reduction in the carrying value of carbon credits (within Intangible assets).

CHANGE IN ACCOUNTING ESTIMATES

During the year, the Group reviewed the estimated useful lives of laptops. As a result of this review the estimated useful live was revised from 3 years to 4 years for a part of the Group. This change has been accounted for prospectively as a change in accounting estimate and resulted in a decrease in depreciation expense of \$0.1M for the year ended 30 June 2026.

Statement of responsibility

For the year ended 30 June 2026

In the financial year ended 30 June 2026, the Board of New Zealand Institute for Bioeconomy Science Limited were responsible for:

- the preparation of the financial statements and the judgements used therein.
- establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial performance reporting.

In the opinion of the Board of New Zealand Institute for Bioeconomy Science Limited, these financial statements fairly reflect the financial position and operations of New Zealand Institute for Bioeconomy Science Limited for the year ended 30 June 2026.



Barry Harris, Chair
23 September 2026



Kim Wallace, Deputy Chair
23 September 2026

Directory

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Contributors to this report

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Craig Robertson, Laura Ward.

Our Directors

Barry Harris
Chair

Kim Wallace
Deputy Chair

Gray Baldwin

Bruce Campbell

Candace Kinser

Louise Marsden

Andrew Morrison

Our Leadership Team

Angus Haslett
Chief Executive Officer

Yogesh Anand
Chief Digital Officer

Roger Bourne
Chief Communications & Engagement Officer

Michelle Colgrave
Chief Missions & Impact Officer

Jolon Dyer
Chief Science Capability Officer

Dave Houlbrooke
Chief Science Capability Officer

Linda Johnson
Chief Scientist

Quentin Smith
Chief Financial & Operations Officer

Keri-Anne Tane
Chief People Officer

Stacey Whitiora
Chief Indigenous Innovation & Partnerships Officer

Matt Wilson
Chief Commercial Officer





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