

Growing the bioeconomy. From science to impact.



Annual Report 2025

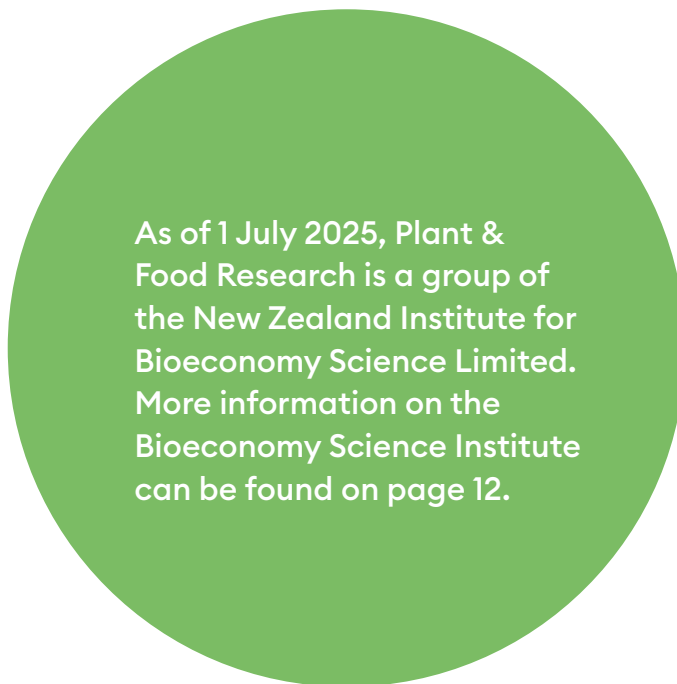
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Annual Report**

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This annual report presents operating results for The New Zealand Institute for Plant and Food Research Limited (Plant & Food Research) for the financial year ending 30 June 2025.

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 2024/25, 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.



plantandfood.co.nz

More information can be found on our website and our social media channels.

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Our Core Purpose

To enhance the value and productivity of New Zealand's horticultural, arable, seafood and food and beverage industries to contribute to economic growth and the environmental and social prosperity of New Zealand.



About us

At Plant & Food Research, we believe science can create a better future. By finding smarter, greener options today, we're helping secure the world we want to live in tomorrow. With our partners, we use world-leading science to improve the way they grow, fish, harvest and share food. Every day, we have close to 1,000 people working across Aotearoa New Zealand and the world to help deliver healthy food from the world's most sustainable systems.

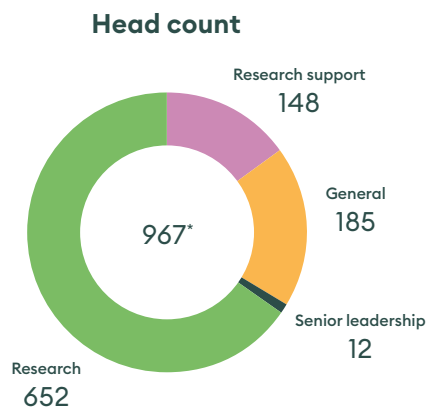
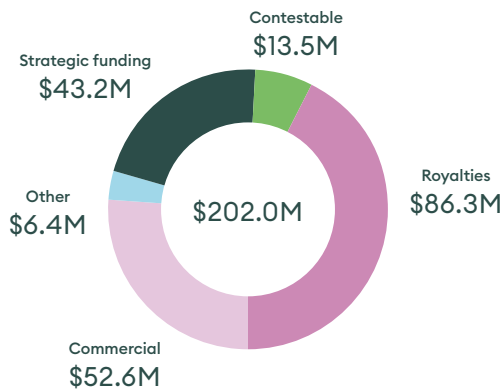
As of 1 July 2025, Plant & Food Research is a group of the Bioeconomy Science Institute.

The Institute brings together more than 90 years of research supporting the primary industries.

- 1926** The Department of Scientific and Industrial Research (DSIR) formed
- 1928** DSIR joined with the Department of Agriculture in establishing a Plant Research Station
- 1936** Plant Research Station transferred entirely to the DSIR. The DSIR began doing its own research rather than coordinating those of other institutions
- 1980** The Fish Research Unit established at DSIR
- 1987** Ministry of Agriculture and Forestry (MAF) Technology division formed
- 1992** Ten Crown Research Institutes (CRIs) established out of former government departments, including DSIR and MAF Technology
- 2008** Plant & Food Research formed following the merger of former CRIs HortResearch and Crop & Food Research
- 2025** Plant & Food Research merges with AgResearch, Manaaki Whenua – Landcare Research and Scion to form the Bioeconomy Science Institute.

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

We have staff based at 14 sites across New Zealand, as well as offices in Australia and the USA.

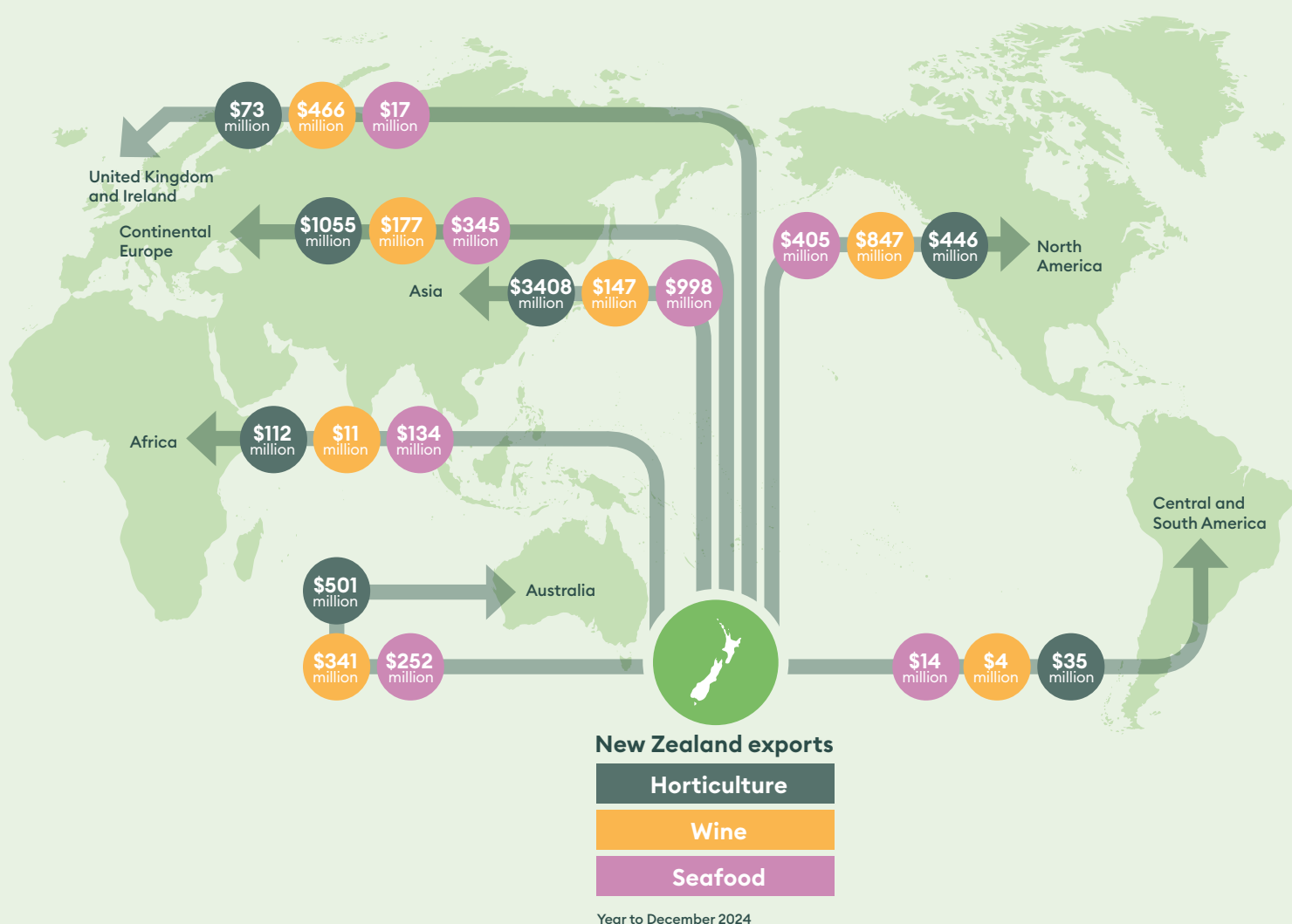


Strategic funding – Government investment allocated directly to each CRI
 Contestable – Government investment allocated through competitive bidding
 Royalties – Commercial return from plant varieties and IP
 Commercial – Direct investment by customers
 Other – All other income sources

*Parent and 100% owned subsidiaries.

Our science plays a vital role in the success of our sectors

	Horticulture	Wine	Seafood	Other food and beverage	Total food & beverage
2024 Export market value (\$NZB)	5.7	2.0	2.2	39.5	49.4



Statistics source: Ministry for Primary Industries

Our locations



New Zealand



Australia



USA

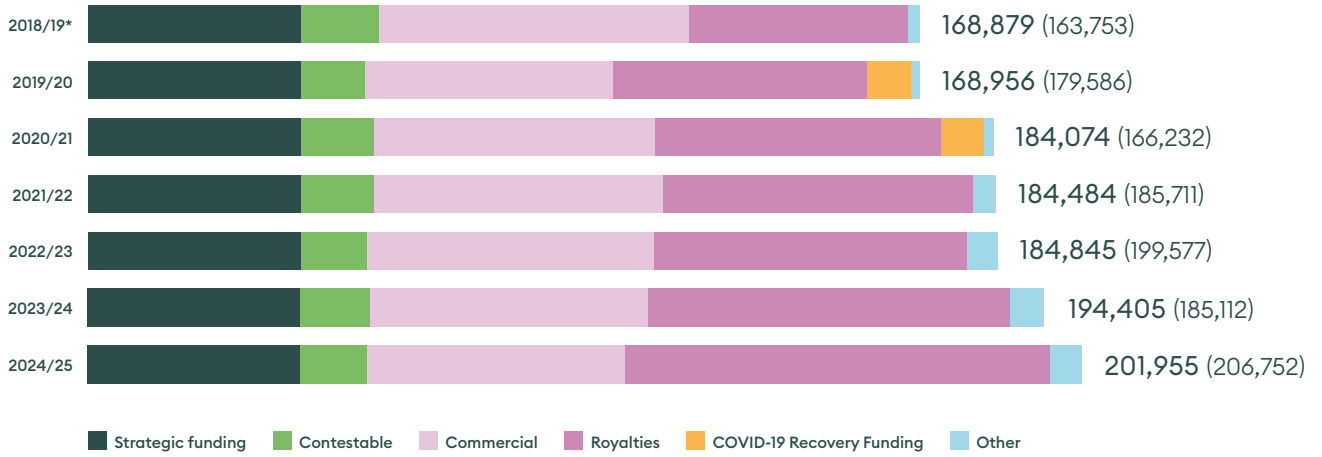
Key

-  Avocado
-  Berryfruit
-  Brassica
-  Cereal
-  Citrus
-  Hop
-  Kiwifruit
-  Pipfruit
-  Potato
-  Onion
-  Seafood
-  Summerfruit
-  Tropicals
-  Vegetable
-  Wine grape

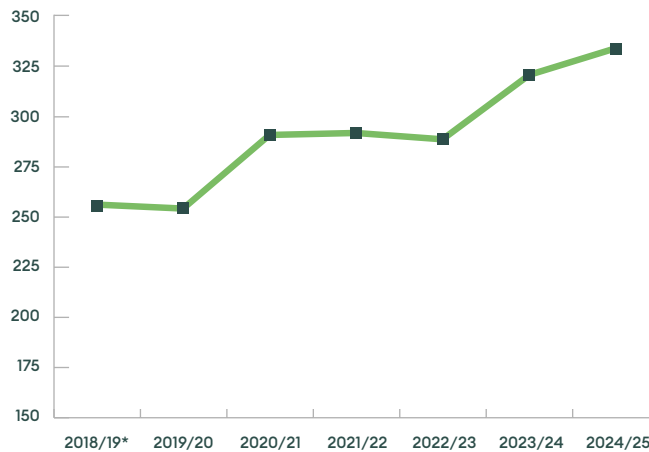
1/ Kerikeri				2/ Auckland				3/ Pukekohe				4/ Ruakura			
SITE AREA (ha)	Total	Research farm		SITE AREA (ha)	Total	Research farm		SITE AREA (ha)	Total	Research farm		SITE AREA (ha)	Total	Research farm	
	52	46			7	-			3	2			6	1	
RESEARCH PLANTINGS				RESEARCH PLANTINGS				RESEARCH PLANTINGS				RESEARCH PLANTINGS			
STAFF	Research	General	Total	STAFF	Research	General	Total	STAFF	Research	General	Total	STAFF	Research	General	Total
	6	8	14		161	148	309		2	-	2		59	15	74
5/ Te Puke				6/ Hawke's Bay				7/ Palmerston North				8/ Wellington			
SITE AREA (ha)	Total	Research farm		SITE AREA (ha)	Total	Research farm		SITE AREA (ha)	Total	Research farm		Co-located at Science New Zealand			
	51	47			52.5	48.5			9	6					
RESEARCH PLANTINGS				RESEARCH PLANTINGS				RESEARCH PLANTINGS							
STAFF	Research	General	Total	STAFF	Research	General	Total	STAFF	Research	General	Total	STAFF	Research	General	Total
	26	16	42		49	26	75		92	23	115		-	2	2
9/ Motueka				10/ Nelson				11/ Marlborough				12/ Lincoln			
SITE AREA (ha)	Total	Research farm		SITE AREA (ha)	Total	Research farm		Co-located at Marlborough Research Centre. Includes 10ha of research farm				SITE AREA (ha)	Total	Research farm	
	55	52			1	-							186	176	
RESEARCH PLANTINGS				FINFISH FACILITY 590,600L				RESEARCH PLANTINGS				RESEARCH PLANTINGS			
STAFF	Research	General	Total	STAFF	Research	General	Total	STAFF	Research	General	Total	STAFF	Research	General	Total
	42	12	54		55	6	61		12	3	15		130	49	179
13/ Clyde				14/ Dunedin				15/ 16/ Australia				17/ USA			
SITE AREA (ha)	Total	Research farm		Co-located at University of Otago				15. South Australia 16. Queensland				17. Oregon			
	58	52													
RESEARCH PLANTINGS															
STAFF	Research	General	Total	STAFF	Research	General	Total	STAFF	Research	General	Total	STAFF	Research	General	Total
	8	4	12		4	1	5		4	1	5		-	1	1

Our performance

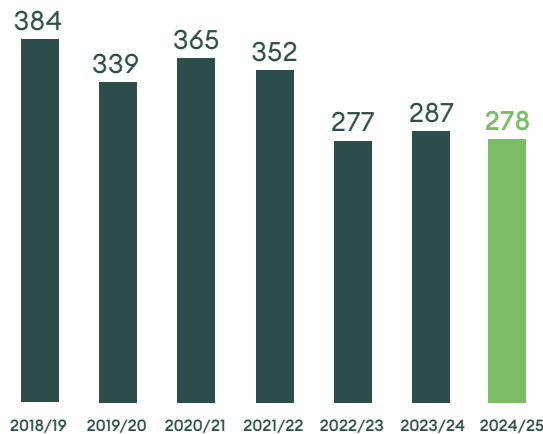
Revenue (\$000) Budgeted figure in brackets



Annual revenue / science FTE (\$000)



Peer-reviewed publications



* Revenue as reported in the 2018/19 financial year reflects the impact of adoption of New Zealand Equivalents to International Financial Reporting Standards 15 (NZ IFRS 15).

Highlights



Releasing one pear and two apple cultivars to growers worldwide through commercialisation joint venture Prevar™. GoodnessMe® ('PremA133'), an apple with improved disease resistance, has been licensed by Wouters Fruit for commercialisation by European growers; FIZZ™ ('PremA021'), an apple with pink-red flesh, has been licensed by Snazzy Fruit in New Zealand; and Ruby Roo™ ('PremP058') is a red-skinned pear licensed by Seeka in Australia.

Releasing a new apple cultivar specifically bred for a warming climate. STELLAR™ ('HOT81A1') is the second variety released from the Hot Climate Partnership and commercialised globally by VentureFruit.

Te Whenua Tupu, Living Lab experimental facility

Opening Te Whenua Tupu, the Living Lab, an experimental facility to support futureproofing of perennial crop sectors. The new facility, owned by the Marlborough Research Centre, based at the Nelson Marlborough Institute of Technology and operated by Plant & Food Research, will further research and teaching in above and below-ground production ecosystems.
[For more, go to page 63](#)

Publishing, with iwi partners, the first genome sequence with a Te Reo Māori name. The sequencing of the swamp maire genome, in collaboration with Rangitāne o Manawatū and Victoria University of Wellington, will support conservation of the taonga.

**GoodnessMe®
 new apple cultivar
 with improved
 disease resistance**



Supporting the proposed changes in gene technology regulations.

The changes in regulations are hoped to enable innovation in both fundamental and applied science and support more efficient and faster development of new plant varieties.

[For more, go to page 39](#)

Identifying a molecule in New Zealand-grown blackcurrants that plays a key role in mood and mental performance.

The identification of the compound sarmenosin will support marketing of Alphagen NZ Ltd's Ārepa range of drinks and supplements.

Signing a new agreement that affirms commitment to the Joint Graduate School of Plant and Food Science with the University of Auckland.

The Joint Graduate School provides postgraduate students with access to applied research projects of direct relevance to the food and fibre sector.

Launching trials of an ocean aquaculture prototype system with snapper.

The new aquaculture prototype, based in Tasman Bay, is the first time a native New Zealand finfish species will be grown in an open-water aquaculture setting.

[For more, go to page 30](#)

Entering into an agreement, via joint venture Prevar, to explore gene technologies for apple and pear breeding. The partnership between Prevar and Okanagan Speciality Fruits will develop our capability and support for the horticulture sector in future decision-making.

Launching, with industry partners, the Sustainable Vegetable Systems Tool.

The tool allows vegetable growers to make decisions supporting optimised nitrogen management practices for improved production, profitability and environmental outcomes.

[For more, go to page 28](#)

Identifying a native plant with potential health benefits. Research with iwi partners has shown that the liverwort wairuakohu (*Radula marginata*) contains compounds similar to Cannabis that could have beneficial properties.

Sarmenosin – mood & brain booster molecule in New Zealand blackcurrants

**Receiving \$13.6M investment from the Ministry for Business, Innovation and Employment Endeavour Fund.**

Our scientists will lead a five-year research programme to develop new fish cell production systems, as well as four Smart Ideas looking at soil health, grapevine leafroll disease, managing pāua stocks, and developing lures from kiwifruit species. We will also support a University of Waikato-led research programme to develop new plant protectants from seaweed.

Launching a new biofertiliser concept product made from invasive seaweed.

The new product, developed and being trialled in the Caribbean, uses the seaweed Sargassum, which has caused negative environmental and social effects.

[For more, go to page 47](#)



Open ocean aquaculture prototype with snapper

Celebrating our people



Dr Susan Marshall (above) has been made a Fellow of the Royal Society Te Apārangi, in recognition of her work to develop industrial processing technologies for marine molecules.

Dr Andrew Allan was awarded the Hutton Medal, in recognition of his world-leading career in plant genomics.

Dr Brent Clothier was presented a Chinese Government Friendship Award, for his contribution to the country's economic and social progress.

Dr Soonie Chng (left) was recognised for her research into cereal diseases with the Innovation Award at the Arable Awards of New Zealand.

Dr Andrew Allan and Dr Richard Espley were named in the 2024 Clarivate Highly Cited Researchers list – the researchers whose work ranks in the top 1% of cited research.

Dr Ian McIvor was recognised for his work on use of poplar and willow for soil stabilisation with the Alliance Significant Contribution Award by New Zealand Beef and Lamb.

Dr Brendon Malcolm, Shane Maley and Steven Dellow, together with collaborators at AgResearch, were recognised with the 2024 PGG Wrightson Significant Achievement Award for their contribution to advancing sustainable farming practices.

Dr Luke Luo was recognised with the Michael McManus Award for Best Student Paper by the NZ Society of Plant Biologists.

Dr David Chagné (below) was awarded the Roger Slack Award in Plant Biology by the NZ Society of Plant Biologists, in recognition of his outstanding contribution to plant biology.

Roger Slack Award



Arable Innovation Award

ISHS medal and Lester Burgess Award



Dr Kerry Everett (above) was awarded the ISHS medal by the International Society of Horticultural Science for leading the organisation of the VII International Symposium on Postharvest Pathology. She was also awarded the Lester Burgess Award for Research Communication by the Australasian Plant Pathology Society for her contributions to the field.

Dr Trish Fraser was named a Fellow of the New Zealand Institute of Agricultural and Horticultural Sciences (NZIAHS).

Dr Jean Bettoni was the first author on the most-cited article of 2024 in the *Phytopathology Journal*.

Chair Awards (CONTINUED)

Dr Vern Collette, for his role supporting teams involved in the research bidding process.

Dr Melissa Broussard, for her research into pollination and strengthening industry partnerships in this space.

The Te Ao Māori and Kia Haukaha Cultural Capability Framework Team, for their work leading cultural education at Plant & Food Research.

The Science Publications Office team, for their work ensuring Plant & Food Research's activities are presented to the world with accuracy and clarity.

Science New Zealand Awards

Celebrating, with other CRIs, the Science New Zealand Awards. Joint winner of the Early Career Researcher Award was plant geneticist **Dr Hilary Ireland** (below). Other Plant & Food Research finalists were **Dr John Monro** (Lifetime Achievement); the **Hot Climate Partnership** (Success in Innovation/Commercialisation); the **New Premium Variety Development** project (Collaboration for Impact); and the relationship with **Rangitāne o Manawatū** (Te Tohu Tūhura: Charter a Course for Impact through Partnering with Māori).

Early Career Researcher Award



Internal awards

Chair Awards

Chair awards, recognising exceptional contributions to Plant & Food Research, were presented to:

Dr Revel Drummond, (right) for his work in and insights on gene technology regulatory frameworks, policy and public engagement.



Our research is delivering healthy foods from sustainable, resilient production systems.





Our Strategy

Introducing the Bioeconomy Science Institute

As of 1 July 2025, Plant & Food Research joins with AgResearch, Manaaki Whenua – Landcare Research and Scion to form the Bioeconomy Science Institute.

Through world-leading research, the Bioeconomy Science Institute is supporting the growth and resilience of the bioeconomy in New Zealand and beyond. By developing new products, processes and technologies, our science is optimising the use of biological resources to deliver food and materials from a resilient supply chain, while protecting the natural environment. We translate science into real-world outcomes, impact and commercial success.

The Bioeconomy Science Institute brings together more than 2,300 people, including more than 1,500 scientists and researchers, located across New Zealand and around the world.

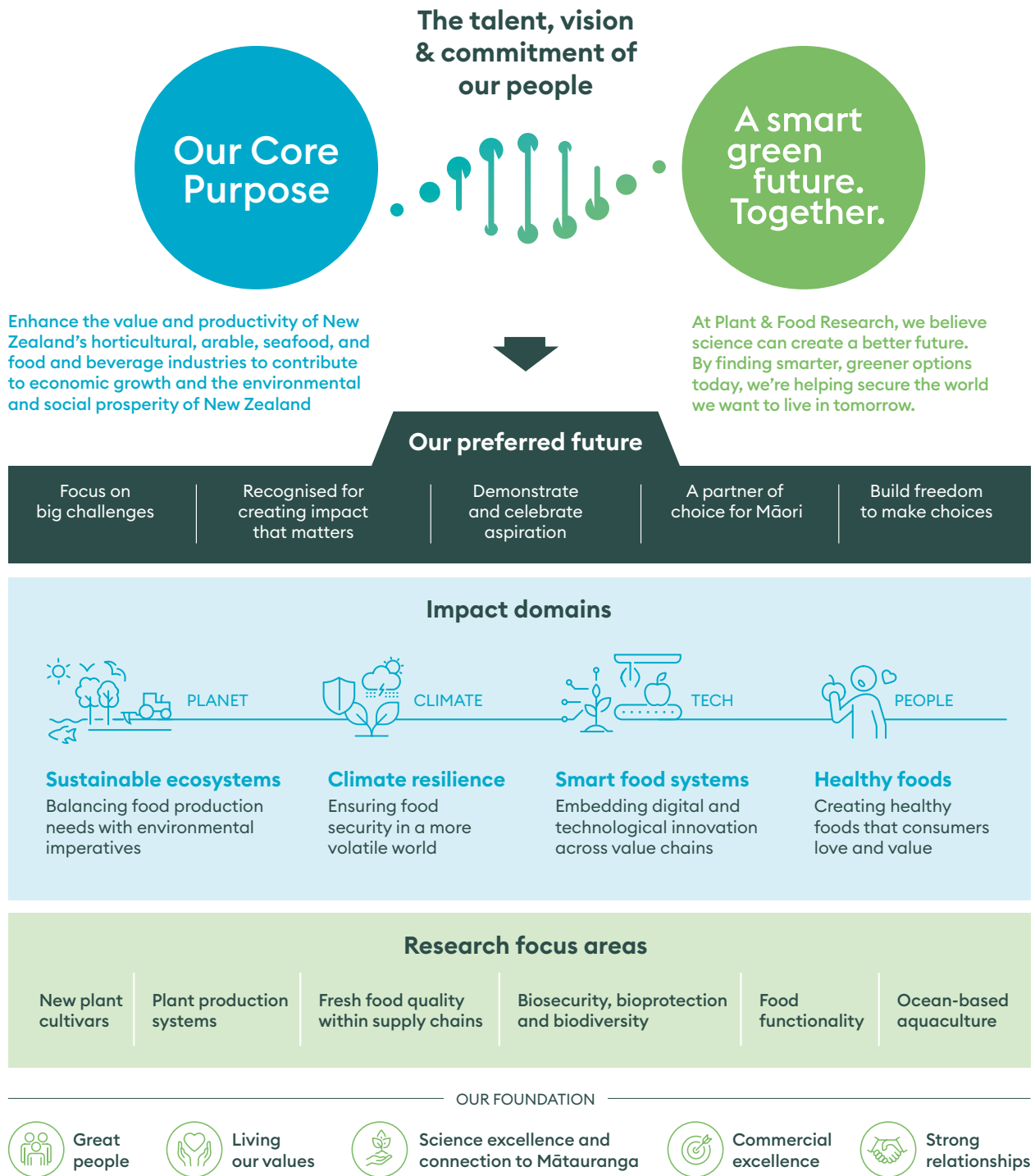
Together, we will advance innovation in agriculture, horticulture, forestry, aquaculture, biotechnology and manufacturing; protect and enhance ecosystems from biosecurity threats and climate risks; and develop new bio-based technologies and products.

As we transition into our new amalgamated organisation, Plant & Food Research will operate as a Group of the Bioeconomy Science Institute.

OUR CORE PURPOSE:

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.

Plant & Food Research Group strategy





Report from the Chair and CEO

New Zealand's science, innovation and technology system is undergoing a one-in-a-generation transformation.

For Plant & Food Research, the past year has been one of significant change. The organisation began implementation of its new strategy, moving from a business model-based strategy to one focused on outcomes and impact for our sectors and Aotearoa New Zealand. With the announcement of the science sector reforms, the organisation refocused its efforts, not only in the initiatives required for establishing the new Institute but also in strengthening and forging new connections with members of the other CRIs. Significant effort has also been put into the delivery of science for, and ongoing relationships with, partners and customers, ensuring they feel supported and valued throughout the merger process.

This focus on science delivery and the management of operational costs has resulted in a good financial position at the end of the year. Strong royalty returns and our ongoing cost-saving initiatives have resulted in a \$3.5M profit, much stronger than budgeted and ahead of the result in the prior year. This is a tribute to the commitment of the Plant & Food Research team at all levels.

Forming the Bioeconomy Science Institute

It is an exciting time to be part of the New Zealand science system. While not without its challenges, the formation of the Bioeconomy Science Institute has tremendous potential to make a step-change in how New Zealand manages and optimises the use of its biological resources. Since they were formed in 1992, the Crown Research Institutes have delivered on their remit to support strategic research and economic growth. This next step will supercharge how research can and will deliver impacts for New Zealand and the world.

Since the announcement in January 2025 that four new Public Research Organisations would be formed from the Crown Research Institutes, those at the CRIs that now form the Bioeconomy Science Institute have worked tirelessly to implement the changes required. Huge effort has been and is being put into establishing the Bioeconomy Science Institute while maintaining delivery of our ongoing science and business operations.

As of 1 July, we – the Board and Transition CEO – took up the official mantle of leading the transition of the Bioeconomy Science Institute into a single functional research organisation. The hard work is still to come – aligning the suite of technologies and processes that

will make us one integrated organisation that will have meaningful impact for New Zealand's bioeconomy. We have no doubt that the team is up for the challenge of building on the success of the legacy organisations to deliver something truly transformational.

Bringing together more than 2300 people, with a wide range of skills, capabilities and experiences, is not easy. But the formation of the Bioeconomy Science Institute is a genuine opportunity to change the status quo, not only by supporting New Zealand's critical bioeconomy with research for today but also in planning for the future. The collective focus on impact, not just in terms of dollars but also for the environment and communities, will see New Zealand maintain its reputation for innovation and protect the financial, physical and cultural health of our nation.

Many thanks

We thank our Chair, Nicola Shadbolt, and our outgoing Directors, Nadine Tunley, Paul Connell, Justine Daw, Candace Kinser and Dean Moana for their governance, advice and support of Plant & Food Research. We would also like to acknowledge the members of the transitional governance group for initiating the merger process.

As we start our journey as the Bioeconomy Science Institute, we acknowledge Kim Wallace, previously Chair of AgResearch, Gray Baldwin, Candace Kinser and Andrew Morrison, all previously Directors at the legacy organisations, for joining our new Board. Their institutional and sector knowledge will provide a strong foundation for the new organisation in future. We are also grateful to the Group CEOs for their leadership and support as we continue on this journey to a single organisation.

To all the staff at the Bioeconomy Science Institute – we thank you for your patience and dedication during what we know is a very unsettling time. Now more than ever the Māori proverb resonates: He aha te mea nui o te ao? He tangata, he tangata, he tangata. What is the most important thing in the world? It is people, it is people, it is people.



Barry Harris
CHAIR



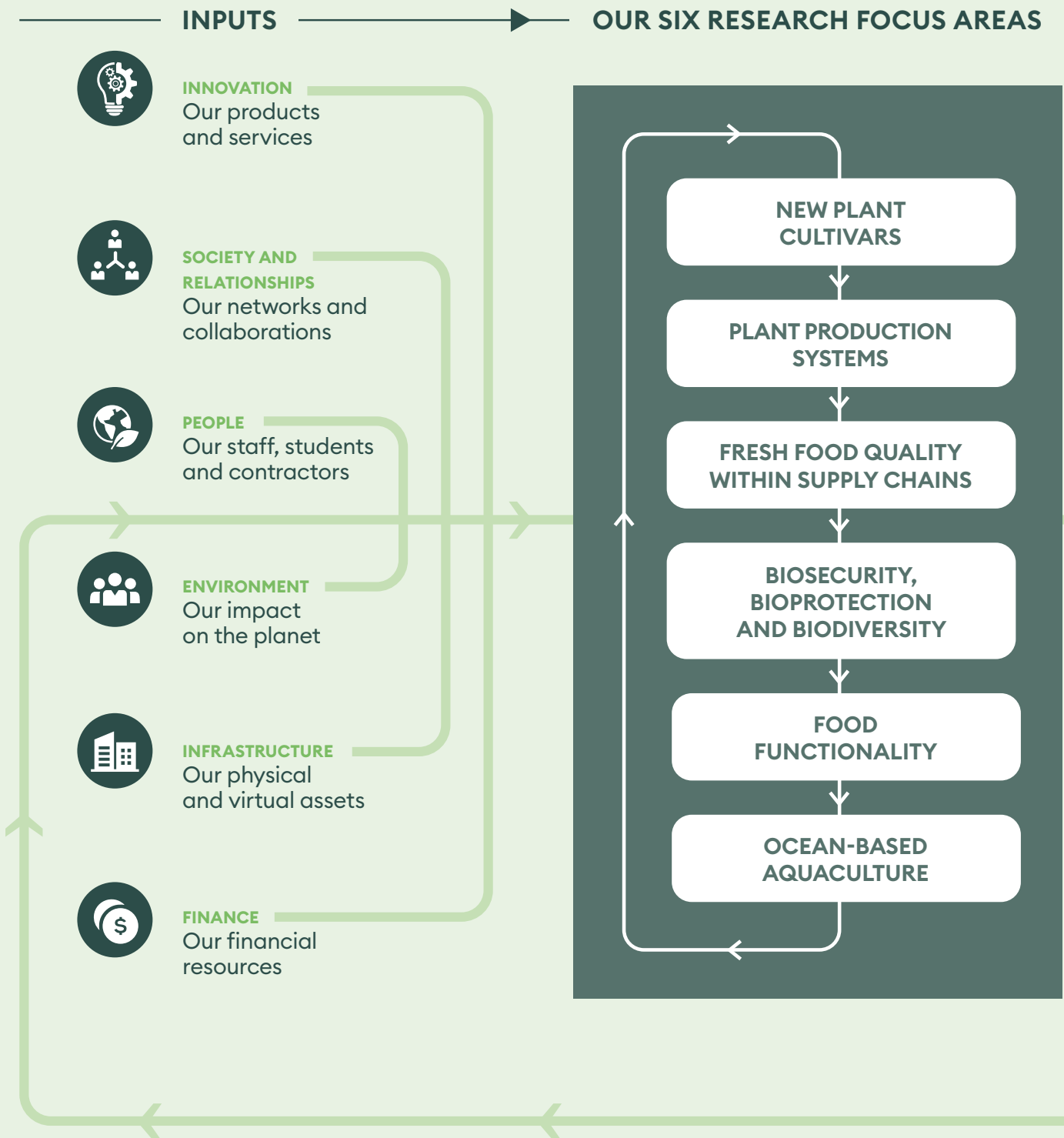
Mark Piper
CEO



Jolon Dyer
GROUP CEO

How we define and create value

Value creation over time



IMPACT DOMAINS

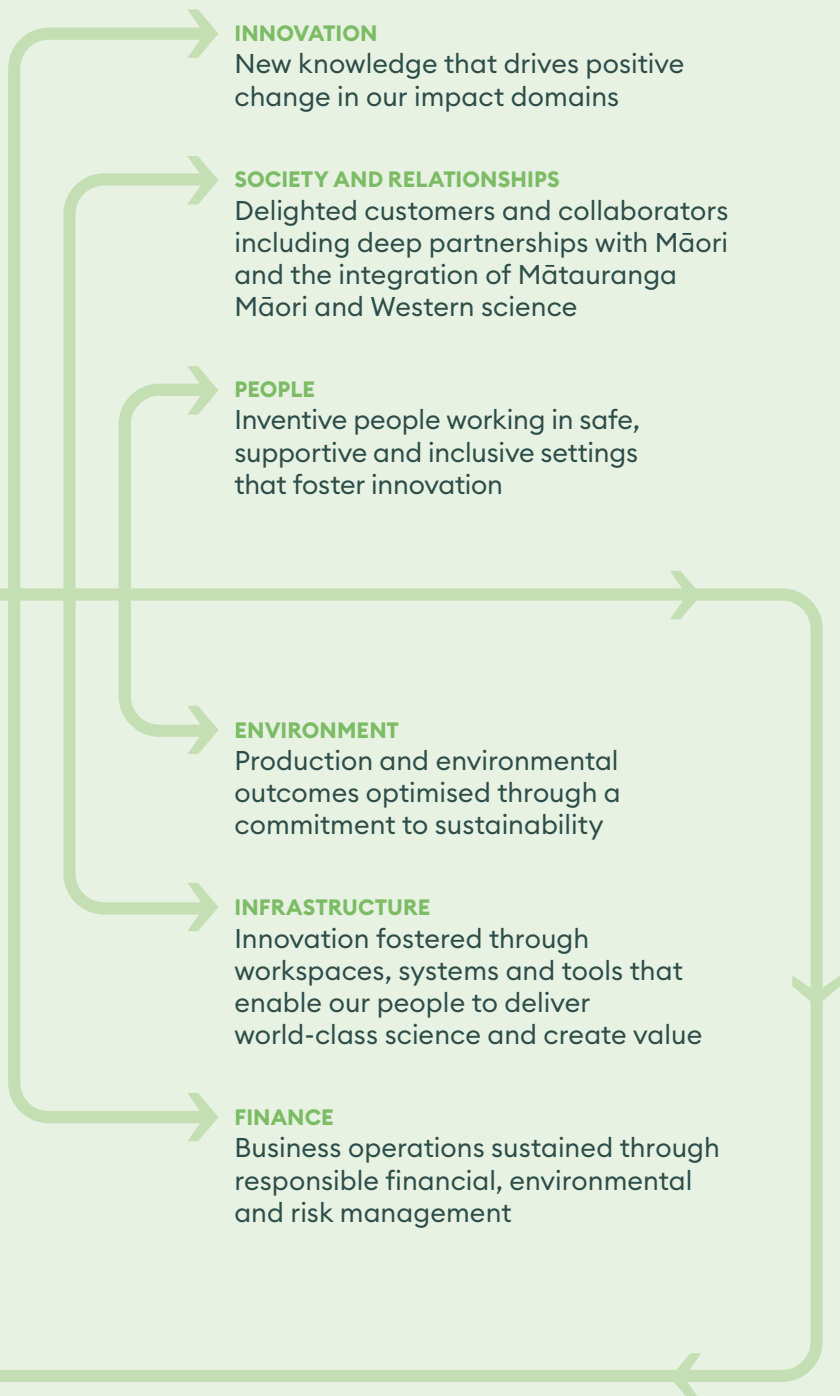
OUTCOMES

Sustainable ecosystems
Balancing food production needs with environmental imperatives

Climate resilience
Ensuring food security in a more volatile world

Smart food systems
Embedding digital and technological innovation across value chains

Healthy foods
Creating healthy foods that consumers love and value



We're developing new technologies for more and better food production, such as aquaculture systems for the open ocean (see page 30).





Our Impact

Our legacy



Plant & Food Research was formed on 1 December 2008. In its 6055 days of existence, we've achieved a great deal of which we are very proud.

10 impact highlights

Zespri kiwifruit are eaten in more than 100 million homes, including Scott Base in Antarctica. In 2025, kiwifruit sales exceeded \$5 billion, and 75% of the value comes from Plant & Food Research-bred cultivars marketed as Zespri™ SunGold and more recently Zespri Red™.

When the kiwifruit disease Psa was discovered in New Zealand, our scientists were on the ground helping growers to slow the initial spread of the disease, and are still developing new surveillance and control methods. This extensive programme of research was recognised with the 2017 Prime Minister's Science Prize.

15 Plant & Food Research apple varieties have been released to growers in New Zealand including 'Scilate' (branded as Envy™), 'PremA96' (Rockit™) and 'PremA17' (Smitten®). Our cultivars make up around 32% of New Zealand's apple exports and are grown in more than 13 countries, providing year-round supply and increased brand recognition with consumers.

New Zealand's apples are exported to more than 80 countries around the world, including those with the highest phytosanitary standards. New Zealand fruit have no detectable residues, and the sector has reduced its chemical usage by 70% in the last 10 years, thanks to a toolbox of surveillance and control methods, largely developed by Plant & Food Research.





98% of New Zealand’s vineyard area is certified under Sustainable Winegrowing New Zealand, incorporating Plant & Food Research science into strategies for pest and disease controls and vineyard management.

We’ve changed the way New Zealand fishes by creating new trawl gear that improves quality and reduces by-catch by keeping the fish swimming until they hit the deck. Our Modular Harvesting System, branded as FloMo®, has been approved for use in inshore and offshore fisheries, and currently accounts for 30% of total snapper catch. It is also being trialled in Europe and the USA.

Our research supported the first pre-emptive approval for a biocontrol - the Samurai wasp, a natural predator of the Brown Marmorated Stink Bug. Around 40 live Brown Marmorated Stink Bugs are found in cargo vessels arriving in New Zealand each year, and establishment of the pest would potentially cost New Zealand horticulture up to \$2 billion a year in crop losses.

Using integrated pest management strategies developed in collaboration with Plant & Food Research, vegetable growers have reduced synthetic applications by up to 60% and potato growers have reduced pesticide input costs by 30%.

Our international development unit has helped more than 40,000 apple growers in northern India adopt new orchard practices; doubled the income of vegetable growers in Cambodia; doubled yields of dragon fruit in Viet Nam; helped increase the income of 30,000 families in Myanmar by 7%; and significantly reduced pesticide use by growers across Southeast Asia.

Plant & Food Research varieties currently make up approximately a third of the New Zealand blackcurrant market. Our research found that New Zealand-grown blackcurrants can support exercise performance and recovery. This research formed the basis for our venture, 2Before Performance Limited, which was spun out of Plant & Food Research in 2019 and exited in 2024.



Our innovation outputs

5508
Scientific publications

7116
Customer reports

175
Plant cultivars developed in 29 crops

543
Plant variety rights granted in 23 territories

462
Patent applications in 50 countries for 63 technologies

4th
Plant & Food Research commercial revenue ranking in Australasia, despite being 26th in staff size

Building the pipeline

741
Summer students, including 126 Māori students

700+
Postgraduate students hosted, including 400+ from New Zealand



Our science is creating new technologies, like lab-cultured fish cells, to support the future of food production.

Innovation

We believe science can create a better future. By finding smarter, greener options today, we're helping secure the world we want to live in tomorrow. With our partners, we use world-leading science to improve the way they grow, fish, harvest, prepare and share food. Our science is helping to create the world's best food production systems, addressing challenges including food and nutrition security, environmental sustainability, and changing consumer and technology trends, in the present and for future generations.

Government funding received 2024/25

- MBIE Endeavour Research Programme
 - Fish Cell Production Systems for Sustainable Seafood and Marine Innovation
- MBIE Endeavour Smart Ideas
 - Redefining soil structure vulnerability to enhance ecosystem services in a changing world
 - Microbiome engineered grapevines – a novel solution for healthy future vineyards
 - How old are pāua? An epigenetic clock to sustainably manage a taonga
 - Silvervine: a natural lure to improve control of NZ's feral cat problem
 - On-tree storage for NZs highly perishable fruit crops
 - Bryophyte biochemistry: New frontiers in controlling plant growth
 - On-demand stress mitigation: A climate-change adaptation proof of concept
 - Rapid unlocking of resistance proteins to activate and harness plant defence networks
- MPI Sustainable Food and Fibres Futures
 - Bronze beetle – sustainable control for pipfruit crops (led by New Zealand Apples and Pears Incorporated)
- Catalyst Fund
 - Seeding: Dr Esther Kim – Food texture matters - improving nutrition for older adults through texture preference and consumption insights
 - Seeding: Dr Maren Wellenreuther – Advancing rock lobster aquaculture: Harnessing global innovation for New Zealand farming
- Te Pūnaha Hihiko: Vision Mātauranga Capability Fund
 - Developing natural alternatives to chemical pesticides in mono-cultural cropping systems: Ngā Tamariki o Tāne, e mahi ora ana



We look at crop production above and below ground to develop fit-for-purpose growing technologies.

5.09 (4.0–5.0)
Impact of science publications (SciMago)

53 (≥ 30)
Members of international committees, research consortia, editorial boards and invited plenaries

BRACKETS INDICATE TARGETS

New Zealand barley growers are recognised as some of the most productive globally, but the rise of the plant disease ramularia leaf spot (RLS) posed a serious threat to grain production, with standard fungicides proving increasingly ineffective, resulting in yield losses of up to 30%.

RLS, caused by the fungus *Ramularia collo-cygni*, is a late-season disease that affects. In 2016, Plant & Food Research began a programme of work in response to the arable industry's concerns. Effective ramularia leaf spot management strategies developed for both spring and autumn-sown barley reduced disease severity by 80% and seedborne *Ramularia* DNA by 76%, while increasing grain yield by up to 30%.

The approach was practical and actively adopted by growers – focusing on profit, reducing fungicide use, managing other diseases, and using effective active ingredients strategically to avoid development of fungicide resistance. Additionally, the research laid the groundwork for plant breeding strategies to incorporate RLS resistance into new barley varieties.

The RLS management strategy project was funded through the Ministry for Primary Industries Sustainable Farming Fund (SFF) and undertaken in partnership with the Foundation for Arable Research.

Boosting barley production



Effective ramularia leaf spot management strategies reduced disease severity by 80%.

Next-generation potato crisp cultivars

Potato varieties developed by Plant & Food Research are becoming more widely used by the potato crisp industry, as processors look for new cultivars that store well, are suited to New Zealand's climatic conditions and deliver a good eating experience.

Griffin's Snacks, a long-standing innovator in the New Zealand snack food industry, is one of New Zealand's largest potato crisp processors and owns the SnackaChangi™, Kettle™, Proper® and Eta™ crisp brands. In recent years Griffin's has signed exclusive licences for a selection of Plant & Food Research's potato cultivars, chosen for their suitability in crisp production. The New Zealand-bred varieties from Plant & Food Research's potato breeding programme have been selected by Griffin's for their superior storage characteristics, yield, size, and their high dry matter and cold-induced sweetening characteristics, which help deliver a top-quality crunchy crisp.

These new crisping cultivars are having commercial success. Starting from trials around five years ago, confidence in these varieties across the supply chain, including amongst growers and in the factory, has resulted in them now playing an important role in the company's crisp production, being phased in alongside other well-known cultivars.

Griffin's has worked closely with Plant & Food Research and New Zealand growers throughout the trial and commercialisation process to ensure strong alignment between cultivar performance in the field and processing performance in its factories. This close collaboration has enabled Griffin's to drive improvements in chip quality, reduce wastage, and improve overall efficiency.

Griffin's Snacks has supply agreements with a network of experienced New Zealand potato growers and plans to continue working with these farmers to scale-up use of these cultivars in the coming years. The company sees this as a key step in future-proofing its supply chain and continuing to meet growing consumer demand for locally grown, high-quality snacks. Griffin's Australian sister company, Snackbrands, has also been trialling some of the same cultivars, with a view to mirroring the success seen in New Zealand

New Zealand's potato industry is valued at around \$1.3B annually, with crisps accounting for about a quarter of earnings.

Irrigation tools for Marlborough grape growers

Marlborough has transformed from pastoral farmland into New Zealand's largest wine-growing region, expanding from 2,000 to over 30,000 hectares of vineyards since 1990. This growth, coupled with the region's hot dry climate, has made sustainable water use a key focus for the wine industry.

Plant & Food Research, in collaboration with the industry and local and central government partners, has played a leading role in developing smart irrigation solutions for Marlborough. This includes early research in 2001 that showed that Marlborough Sauvignon blanc vines require only 60% of their potential water uptake to maintain yield and quality.

New tools allow winegrape growers to optimise water usage.

Plant & Food Research scientists later developed and validated methods for measuring plant water demand, while research partner Fruition Horticulture rolled out a network of soil moisture sensors, now over 1,000 probes strong across the region. Researchers also assessed the risk of groundwater contamination from vineyard sprays and developed the GROWSAFE® Calculator, a decision-support tool that models pesticide movement in different soils.

This science has formed the basis of the irrigation scheduling programmes in use today. These tools support irrigation-scheduling and help growers apply the right amount of water at the right time. Marlborough vineyards use just 57% of their allocated water in an average season, increasing awareness around water use and changes to allocations, although future climate pressures may drive demand higher.

Our science and the GROWSAFE® calculator has formed the basis of the irrigation scheduling programmes in use today.





The Soft Fruit Tester is a portable device to quickly and accurately estimate fruit firmness in the field.

Non-destructive fruit testing

Firmness testing is a key quality control step in the kiwifruit industry, helping determine the best time to harvest and how fruit should be handled and stored. Most of the existing methods of testing are either destructive, time-consuming, or can't be done in the field.

In response to the industry's need for a better tool, scientists at Plant & Food Research developed a portable device that uses a small probe to delicately tap the fruit and quickly and accurately estimate its firmness, using the resulting impact response characteristics.

In 2021 the technology was licensed to horticultural electronic equipment company, Willowbank Electronics, which further refined the device and

created a commercial product known as The Soft Fruit Tester (SFT). Willowbank Electronics is working with Zespri to provide a new firmness testing tool for New Zealand's \$5 billion kiwifruit industry.

Following extensive trials, Zespri has been gradually introducing the SFT technology, which it says will enable more extensive testing of fruit. Zespri has rolled out the device for arrival quality checks in Europe and is looking to extend this technology to their other major markets as well as to New Zealand postharvest operators in the future.

Future uses and markets for the SFT are being explored, with additional research planned to understand the device's suitability for other fruits. There are also potential uses for other food products, with Dutch research organisation Wageningen Food & Biobased Research using the SFT device to trial cheese maturity testing.

Sustainable Vegetable Systems

A lack of data around how nitrogen moves through crop rotations has been a missing piece for New Zealand's vegetable industry, presenting an opportunity to improve both sustainability and profitability.

To help address this, the Sustainable Vegetable Systems (SVS) project was launched in 2019. This was a sector-led project supported by Plant & Food Research, industry group partners and farm and environmental science experts. Over four years, detailed data were collected on nitrogen flows across a range of vegetable crops and fertiliser types and regimes. Field trials were conducted at Plant & Food Research's research sites in Lincoln and Hawke's Bay, along with nine regional monitoring sites on growers' properties across the country.

A tool to optimise fertiliser use, reduce environmental impacts, and improve efficiency

This research informed the development of the SVS Tool – a nitrogen budgeting tool that provides a real-time decision support system which helps vegetable growers and their advisers manage nitrogen more effectively across nearly all vegetable crops. Combining soil testing, crop modelling, and user-friendly digital tools, it provides tailored guidance to optimise fertiliser use, reduce environmental impacts, and improve efficiency. With the tool available to industry, focus is now shifting to driving awareness and encouraging use across the sector. Feedback from industry will support further refinement of the tool, with opportunity to expand its capabilities and incorporate more crops.

An agronomist group in Pukekohe, a key vegetable-growing region, are putting the SVS Tool through its paces. Early reports include 40% reduction in nitrogen application with no significant performance differences in a barley crop trial, and identification of potential reductions for lettuce crops.

The development of the SVS Tool was supported by funding from the Ministry for Primary Industries Productive & Sustainable Land Use fund. Key partners include Potatoes New Zealand, Vegetable Research & Innovation Board, Vegetables New Zealand, Process Vegetables New Zealand, Onions New Zealand and Horticulture New Zealand.



Sassy™ is an apple with personality to match its name: crisp, juicy, and full of flavour, with an eye-catching block red skin and a satisfyingly zesty crunch. Bred naturally over more than a decade, Sassy was launched in 2022 and has already been exported to more than 10 international markets.

'PremA093', marketed as Sassy brand apples, is one of the newest apple cultivars to be introduced to the market through a collaboration between Plant & Food Research and their commercialisation partner, Prevar. The global licence is held by Next Generation Apples™ (NGA), a joint venture between long-standing family growers Golden Bay Fruit and Taylor Corp, who are working together to bring Sassy to consumers worldwide.

Growing demand for a bold new apple

Sassy™ is an apple with personality to match its name: crisp, juicy, and full of flavour, with an eye-catching block red skin and a satisfyingly zesty crunch.

The apple variety has been developed to meet both consumer desires and grower needs: vibrant colour, a crisp bite, excellent flavour, early ripening, long storage and shelf life, and natural resilience in the orchard.

Exports are set to climb steadily. Starting at just 2,600 carton equivalents (TCE), equivalent to two shipping containers, in 2022, exports rose to nearly 57,000 TCE in 2024. By the end of 2025, Sassy is forecast to approach 100,000 TCEs—which would fill nearly 40 shipping containers.

NGA has signed strategic agreements with key regional partners, with Sassy apples now being trialled by growers in South Africa, China, Europe, and the UK.

In the UK, leading fruit supplier Mansfields has entered into an exclusive licensing agreement and commenced commercial planting of Sassy trees.

New Zealand-grown Sassy is already on shelves at major UK retailers, including Tesco and Marks & Spencer.



Investing in research

The world is changing, with more people, shifting diets, and a greater awareness of the impact humans are having on the planet. We are investing in areas of science in which we believe Aotearoa New Zealand can lead the way – our four Ngā Pou Rangahau Growing Futures™ Directions. We also invest in biosecurity research through the Better Border Biosecurity (B3) collaboration, a research and industry partnership vital to keeping New Zealand’s flora and fauna safe from invasive pests and diseases.

Open ocean aquaculture

Our Ngā Pou Rangahau Growing Futures™ Direction *Ngā Tai Hōhonu Open Ocean Aquaculture* will develop aquaculture systems that work with nature to grow fish in captivity in the ocean. We’re also building other parts of the complex stack of technologies and knowledge needed to be able to produce a diverse range of fish species with the lightest environmental footprint possible. That includes breeding the right fish to survive in an aquaculture system, creating new nutritious feeds and mechanisms to feed the fish, finding ways to ensure fish are healthy, monitoring their performance, and understanding how to keep structures clean.

Launch of prototype system

In March 2025, Plant & Food Research deployed their first prototype open ocean aquaculture system. Comprising the pen, a feeder buoy, mooring and supporting technology, the system is the first of its kind. The team also transferred approximately 2,000 tāmure (snapper) to the pen, the first time a new finfish species has been trialled in New Zealand away from the sheltered coastline. Chinook salmon, currently New Zealand’s only farmed finfish, will be introduced to the pen later in the year.

Whilst the development of the pen was funded through the MBIE Endeavour Fund programme Reimagining Aquaculture, the Growing Futures Direction provides supporting research, including aquafeed development and technologies to reduce biofouling.

Our scientists, like Bouche Jacques-Joseph, are developing new ways to grow plants in covered environments close to urban areas.



Horticultural production goes urban

Our Ngā Pou Rangahau Growing Futures™ Direction *Hua ki te Ao Horticultural Production goes Urban* is looking at how we can grow perennial fruit crops in compact, covered environments to produce food continuously in urban environments. Once we have the right crops, we’ll need to figure out the best way to grow them – the right light source, temperature, and water and nutrient requirements – and build new technologies to look after the plants for us.

Insects for indoor pollination

Pollination is a key process that triggers the development of fruit. Strategies used for pollination in outdoor environments, primarily using honey bees, may not be suitable for covered and indoor growing systems. The research is studying seven species of insects known to be effective pollinators of outdoor crops, to determine their effectiveness in controlled environments, including whether introducing different lighting scenarios improve pollination success.

Drone flies have been found to be effective pollinators of strawberries, performing as well as or better than bumble bees, which are currently used in covered strawberry production, and reducing fruit malformation commonly found with poor pollination.

Designing plants for indoors

To be able to grow fruit sustainably in controlled environments, such as vertical systems, the structure of the plants must be optimised for production indoors. Our scientists are developing plants with key characteristics such as defined size and shape, flowering and fruit production on demand, and faster fruit development. The research takes a genetics and molecular biology approach to identify key genes that can be manipulated in crop plants to control these characteristics as well as developing methods to understand the effects of combining multiple edited genes in a single plant.

Digital horticultural systems

Our Ngā Pou Rangahau Growing Futures™ Direction Digital Horticultural Systems will create digital production system simulators, which will allow researchers and producers to test and optimise systems before even planting crops. Using the big data generated by monitoring and analysing existing orchards and supply chains, digital twins will be built that can be used to understand the impacts of decisions on food production under different future scenarios, including different production and management systems.

Building a digital environment

Building a digital twin of an apple orchard relies on several factors: the collection of data from various equipment, including sensing and imaging devices; the development of models that take these measurements and simulate the corresponding biophysical phenomena; and a software architecture that can integrate models from potentially different frameworks and programming languages. Our team is developing a proof-of-concept system that connects all these elements to simulate what-if scenarios, and ultimately to assist in making orchard management decisions.

Predicting fruit quality

Decisions made throughout the supply chain, from orchard to storage, affect fruit quality. By understanding and tracking how on-orchard environment and postharvest management practices influence characteristics of fruit quality along the supply chain, a digital model can be developed to predict quality outcomes under different growing environment and storage regimes. The research is integrating multi-omics data and applying machine-learning approaches to identify predictive biomarkers using both historical and



We're taking thousands of photos of apple trees, to build a digital orchard that can be used to predict future scenarios.

newly generated datasets from Plant & Food Research and partners. The resulting models will support real-time management decisions in orchard and storage facilities, and provide a scalable platform applicable to a range of apple cultivars, and potentially to other crops as well.

Authentic taonga foods

Through our Ngā Pou Rangahau Growing Futures™ Direction Authentic Taonga Foods, we work in partnership with Māori to create a taonga foods and bio-based product innovation system for Aotearoa New Zealand. Through the research, a new sector will be developed offering foods for wellness based on indigenous biology and Mātauranga Māori. New products will create a unique position in the global marketplace, with benefits for Māori and for Aotearoa New Zealand.

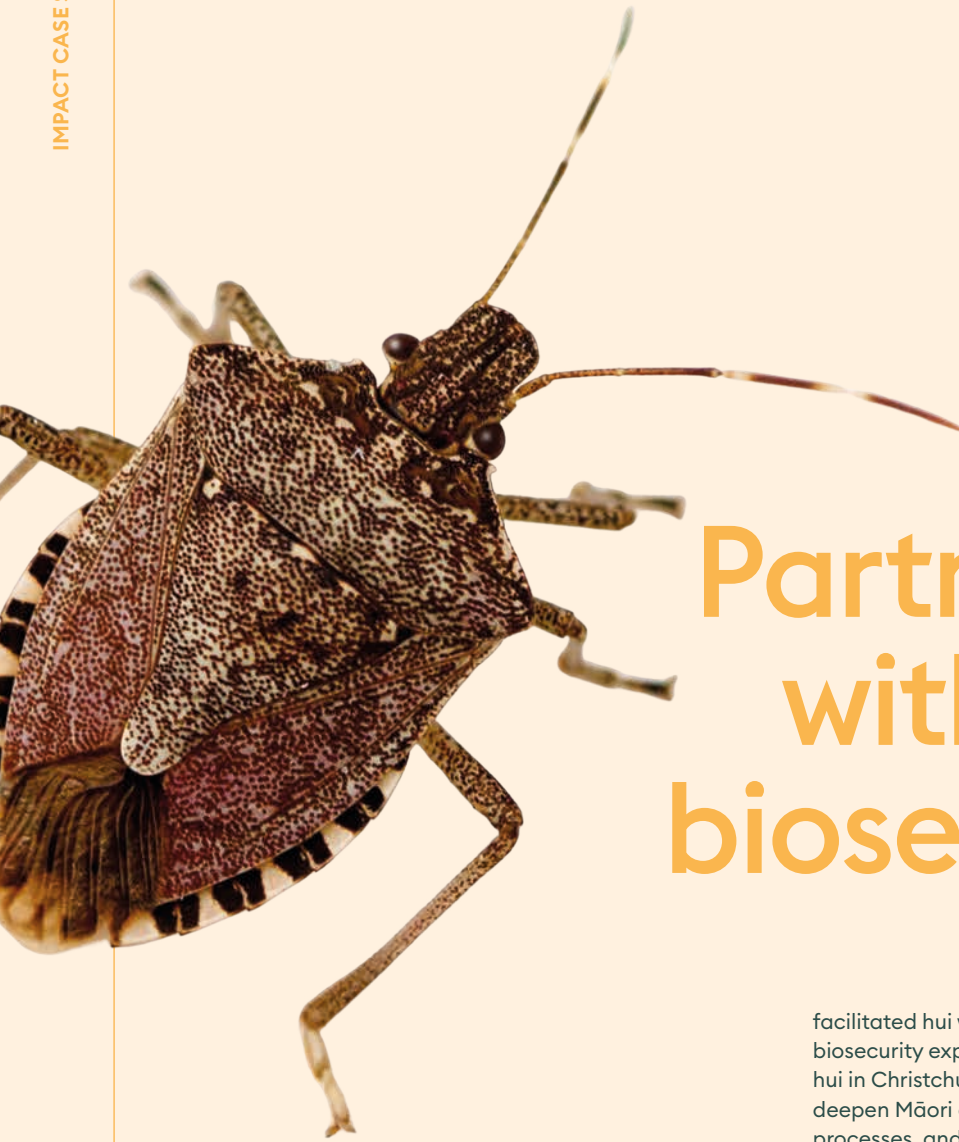
Protecting taonga data

Recognising and incorporating indigenous knowledge in scientific research requires new thinking not just in the co-development of research programmes, but also in terms of practical and legal activities, such as data management and ownership. Work on Māori data sovereignty has informed the development of pan-CRI principles to help organisations develop guidelines for working with taonga data that address partner concerns around controlled access and data security. The team has also developed approaches for identification and cataloguing of taonga and Māori data and is actively incorporating data repatriation as a goal of research projects.

The chemistry of wairuakohu

A consortium of three iwi, Te Kawerau a Maki, Ngāti Hauā and Ngāti Hinerangi, in collaboration with Rua Bioscience Limited, Plant & Food Research, and IO Limited, has identified that the indigenous bryophyte known as wairuakohu, or *Radula marginata*, produces compounds similar to THC (tetrahydrocannabinol) and CBD (cannabidiol) found in *Cannabis*. Chemical analysis identified significant concentrations of perrottetinene (PET), a compound structurally similar to THC and previously identified in *Radula* specimens, as well as a compound previously undiscovered in nature, perrottetinene diol (PTD), a molecule almost identical to CBD.

The consortium has begun research to understand the pharmacology of the compounds, the first step in developing new products based on PET and PTD.



Partnering with iwi for biosecurity

Better Border Biosecurity (B3)'s Māori strategy outlines a firm commitment to working with Te Tiriti partners on matters relating to biosecurity. This includes engaging mana whenua on research to help inform decisions around the introduction of new organisms to address biosecurity threats to Aotearoa New Zealand.

An example of this collaboration in action is the response to the Brown Marmorated Stink Bug (BMSB), a pest that causes widespread damage to horticultural crops. To prepare for a potential incursion, the Samurai wasp (*Trissolcus japonicus*) has been approved for release in Aotearoa New Zealand as a biocontrol agent if BMSB should establish. This tiny wasp targets and kills up to 70% of BMSB eggs.

As part of the Environmental Protection Authority's (EPA) risk assessment, B3 researchers provided data on the Samurai wasp's potential impacts on non-target species. To strengthen iwi Māori involvement, B3, with support from the EPA and the BMSB Council,

facilitated hui with mana whenua and Māori biosecurity experts in Tauranga and Auckland, with hui in Christchurch planned for 2025. The aim is to deepen Māori engagement with biosecurity science processes, and increase awareness among researchers and agencies of Māori views and concerns, especially regarding effects on taonga species.

This collaborative process is contributing to the implementation of the EPA's mātauranga framework launched in 2020, which aims to incorporate mātauranga and Māori perspectives into environmental decision-making.

Samurai wasp targets and kills up to 70% of Brown Marmorated Stink Bug eggs.

Better Border Biosecurity (B3)

The Better Border Biosecurity (B3) collaboration creates new knowledge and technologies to protect the New Zealand border from plant pests and diseases. This science is used to understand how new pests and diseases could affect New Zealand flora and fauna, as well as to find new ways for border agencies to detect and respond to pests and diseases that reach or cross our borders.

B3 restructured its research programmes in November 2024 to focus on four main themes:

- Understanding risk (led by John Kean, AgResearch)
- Pathway risk management (Nicolas Meurisse, Scion)
- Readiness and response (Jessica Vereijssen, Plant & Food Research)
- Te Ao Māori (Alby Marsh, Plant & Food Research).



Beccy Ganley, Principal Scientist at Plant & Food Research, was appointed Kaihautū Tiriti at B3, alongside Alby Marsh, Kaihautū Māori.

New Zealand-INRAE linkages

Plant & Food Research invested in six projects, facilitated by Science New Zealand, to build linkages with scientists based at INRAE in France. These projects provided opportunities to share research methods and data, build capability, undertake collaborative research and investigate future funding opportunities.

Projects were undertaken on:

- Sharing and improving crop and soil models for climate change adaptation and mitigation
- Optimising apple fruit quality using multi-omics and modelling across the supply chain
- Unravelling the evolution of insect odorant receptors and exploring their potential as targeted solutions for crop pest management strategies
- Genomic analysis of population responses to future climates
- Modelling apple production and environmental impacts in sustainable fruit orchards
- Exploring sugar transport in kiwifruit.

Use of animals in research

Plant & Food Research is an active signatory to the Openness Agreement on Animal Research and Teaching in New Zealand. We endeavour to reduce or replace animals in research where possible and practicable, and refine husbandry methods to reduce negative impacts on and increase positive welfare for research animals.

Animal numbers by type 2024



*Includes rats

**Includes salmon, snapper, trevally



Our scientists, like Andrew Allan, are helping New Zealanders understand how gene technologies could be used in food production, including speaking at the Parliamentary Science Forum.

Society & Relationships

Our community is broad, and we value our relationships with our partners, customers, investment agencies, and science organisations. Our global network of research collaborations allows us to draw on the best teams for any project, whether at home or in overseas markets. We work alongside our partners and customers to create research plans and deliver the science that helps their businesses grow. We recognise the importance of Te Ao Māori and weave concepts such as taiao (the interconnection between all living things) and huatahi (authentic relationships) into all our mahi.

Investing for commercialisation success

To support commercialisation of research, Plant & Food Research explores different business models that provide partners and ourselves a fair share of the risk and the return. This includes spinning out companies for further private investment, as well as undertaking research-for-equity to support innovative early-stage companies. Plant & Food Research now has a strong portfolio of companies in which it holds equity (see page 95 in financials).

Biopolymer Network Limited (BPN) (42.7%)

BPN is a partnership with Scion and AgResearch, formed in 2005 to develop new bio-based materials. BPN has a 18.7% shareholding in ZealaFoam Holdings Limited, spun out in 2024 to focus on commercial opportunities.

The ZealaFoam product won the PwC Breakthrough Project Award at the 2024 KiwiNet Research Commercialisation Awards.

www.biopolymernetwork.com



11

(10)

Projects focused on outcomes for communities

\$85.8M

(\$83.2M)

Royalty revenue through cultivars

12

(10)

New licences granted for PVR and technologies

3

(3)

Active strategic research partnerships

\$52.6K

(\$62K)

Revenue per FTE from commercial sources

BRACKETS INDICATE TARGETS

Calocurb Holdings Limited (4.9%)

Calocurb was founded in 2017 to commercialise Amarasate™, an extract from New Zealand-grown hops identified by Plant & Food Research scientists as having potential for controlling appetite.

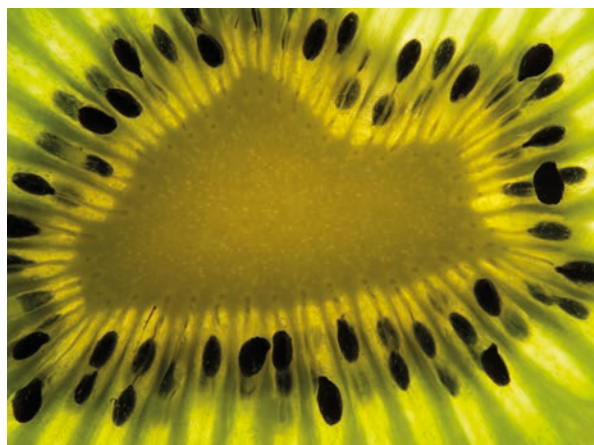
Calocurb was a finalist in the NZ Hi-Tech Awards 2025, highly commended in the Hi-Tech Emerging Company of the Year category. Calocurb won the Product of the Year: Botanical at the NutraIngredients-Asia Awards 2024 and at the NutraIngredients USA Awards 2024.

www.calocurb.com



Forage Innovations Limited (FIL) (49%)

FIL is a partnership with PGG Wrightson Seeds, formed in 2009, to commercialise forage brassicas bred by Plant & Food Research, including varieties resistant to the herbicide Telar®, under the Cleancrop™ banner. Since its inception, FIL has commercialised 31 cultivars, primarily in New Zealand but also in Australia, Canada, the USA, Europe and South America.



Kiwifruit Breeding Centre (KBC) (50%)

The KBC was formed in 2021 as a joint venture between Plant & Food Research and Zespri International to deliver new kiwifruit cultivars for commercialisation by Zespri.

www.kiwifruitbreeding.com

Miruku Ltd (0.9%)

Miruku is a technology company, established in 2022, which is developing plants that produce dairy proteins and fats. Plant & Food Research has supported Miruku on a research-for-equity basis.

www.miruku.com

Pacific Berries LLC (50%)

Pacific Berries was established in 2008 as a joint venture with Northwest Plant Company, a berry nursery in Washington, USA, to breed and commercialise new berry varieties, with the joint venture company Pacific Berries LLC formed in 2012.





Precision Seafood Harvesting Limited (PSH) (25%)

PSH was formed in 2012 to commercialise technology that replaces the traditional mesh lengthener and cod-end of the trawl net, branded FloMo®. PSH is a partnership between Plant & Food Research and three of New Zealand's leading seafood companies – Moana New Zealand, Sanford Limited and Sealord.

FloMo won the 2024 Tesco Agri T-Jam competition which secures fast-track introduction to Tesco's supplier network.

www.flomo.co.nz

91% (75–85%)

Publications co-authored with collaborators

0.57 (0.70)

Client reports per scientist FTE

BRACKETS INDICATE TARGETS

Prevar Limited (27.1%)

Prevar was formed in 2004 to commercialise apples and pears from the Plant & Food Research breeding programme. A partnership with NZ Apples and Pears Inc. and Apple and Pears Australia Ltd, Prevar has commercialised 18 new cultivars, including Smitten®, Dazzle™ and Rockit® brand apples, and Piqa® brand pears (above).

'PremA133', marketed as GoodnessMe™, a new apple with double gene scab resistance, was released to growers in Europe through licensee Wouters Fruit. Sassy™ apple ('PremA093'), licensed to Next Generation Apples, won the Primary Sector Award at the NZ Food Awards 2024.

www.prevar.co.nz

Scentian Bio Limited (29.4%)

Scentian Bio is developing novel biosensors based on insect odorant receptors and was spun out of Plant & Food Research in 2021.

In 2025, Scentian Bio received funding from the Zespri Innovation Fund. The company also won the Start-up competition at IFT FIRST 2024, the global food science and innovation trade show; and was a finalist at the NZ Hi-Tech Awards 2025 in the Most Innovative Deep Tech Solution and Most Innovative Hi-Tech Agritech Solution categories.

www.scentianbio.com

Technology for sensitive sensing



Spin-out venture Scentian Bio are using synthetic insect sensors for sensitive detection of organic volatile compounds in a range of applications.

A powerful new biosensor technology often referred to as an “insect nose on a chip”.

At Plant & Food Research, years of scientific work have uncovered how insects use highly evolved smell receptors to navigate their environment. This led to the idea of mimicking nature by synthetically producing these receptors and integrating them with electronics, creating a powerful new biosensor technology often referred to as an “insect nose on a chip.”

This innovation became the basis for Scentian Bio, a spin-out company developing cutting-edge sensors that detect volatile organic compounds with remarkable sensitivity. These sensors can analyse complex aroma and taste profiles, enabling applications such as food and flavour quality control, food pathogen detection, non-invasive rapid disease diagnosis, sustainable farming, and environmental and wellness monitoring.

What started in the labs of Plant & Food Research has become a commercial venture targeting a \$US8 billion global market. In the food industry, Scentian Bio is already working on pilots with five global companies. One of these pilot projects, with kiwifruit marketer Zespri, focuses on developing real-time, in-orchard testing tools that use volatile organic compound profiles to pinpoint the optimal harvest time for kiwifruit. The work, backed by the Zespri ZAG Innovation Fund, aims to replace less-precise, lab-based soluble solids content (°Brix) and dry matter testing.

Scentian Bio’s technology was commercialised through the support of Sprout Agritech’s Accelerator, with initial pre-seed funding from Sprout. The subsequent seed funding round, led by dydx Capital and Toyota Ventures, with participation from Icehouse Ventures, Booster, KIWI, OurCrowd, and others, have brought total funding to \$7.2 million, including grant support from the Gates Foundation.



Prime Minister Christopher Luxon (right) announced new changes to gene technology regulations at our Mt Albert Research Centre, and learnt about our research from scientists such as Andrew Allan (left).

In anticipation of changes to gene technology regulations in Aotearoa New Zealand, Plant & Food Research has been helping its sectors, and the wider public, better understand the technology and the potential opportunities it could deliver for the agri-food industry.

Over the past two years, a library of information has been developed for the plantandfood.co.nz website that talks about the technology, the current research, the potential benefits and the people involved. This includes articles, case studies, podcasts and video content to improve understanding and trust in the science. This information has also been shared with partners and customers to support their own communications activities.

Talking gene technologies

Plant & Food Research made a written submission on the Gene Technology Bill and presented to the Select Committee during its public consultation period. Our submission highlighted the need for regulation to be flexible enough to incorporate future technologies while managing risk appropriately.

A community of practice, including representatives from Plant & Food Research, AgResearch and Scion, was established in 2021. This was subsequently extended to include representatives from connected organisations including the Kiwifruit Breeding Centre, Science New Zealand, Biotech NZ, and Te Puna Whakaaronui. The group meets regularly to discuss media, sector and government activities and how to coordinate engagement with key audiences to reduce confusion. Members of the group have also worked collaboratively on presentations delivered to a wide range of audiences, including government, biotechnology professionals, science communicators and primary sector stakeholders.

Harmonising perspectives through horticultural systems

Haumako and Plant & Food Research are working in partnership to support the growth of horticultural systems in Wairoa—integrating indigenous knowledge and science to support healthier ecosystems and reduce chemical inputs. Together, they want to explore how non-crop species and traditional practices can enhance resilience and restore balance in orchard environments. This is important as Haumako desires to have spray-free production systems by 2050.

This work began under the internally-funded He Kākanō Whakatipu initiative, which supports early-stage Māori research partnerships. The project has enabled Plant & Food Research to understand Haumako's vision for a resilient horticultural future in Wairoa grounded in mātauranga, regenerative land stewardship, and future career pathways for whānau.

Senior managers and cadets from Haumako have visited Plant & Food Research's Kerikeri and Hawke's Bay sites to learn about orchard management practices, current research on pest ecology and systems-based approaches to sustainable production. In return, Plant & Food scientists visited Wairoa to better understand the whenua, the whakapapa of place, and how research can reflect mana whenua priorities. This programme also supported the identification of potential pathogens and the implementation of best practices for orchard hygiene during and between growing seasons—especially for apple production.

Building from these exchanges, the team is now looking at co-developing a research kaupapa that focuses on the role of indigenous plant species in attracting beneficial insects to horticultural systems. This work aims to improve crop resilience and support biological control of orchard pests and diseases through enhanced biodiversity.

This partnership is not only about new tools, but also about developing new methodologies. Together, Haumako and Plant & Food Research want to develop a research approach that respects Mātauranga Māori while maintaining scientific integrity, offering a model for co-governed innovation. This work embodies the vision of He Kākanō Whakatipu of empowering Māori-led innovation, unlocking local economies, and transforming food and fibre systems through kaupapa Māori research.

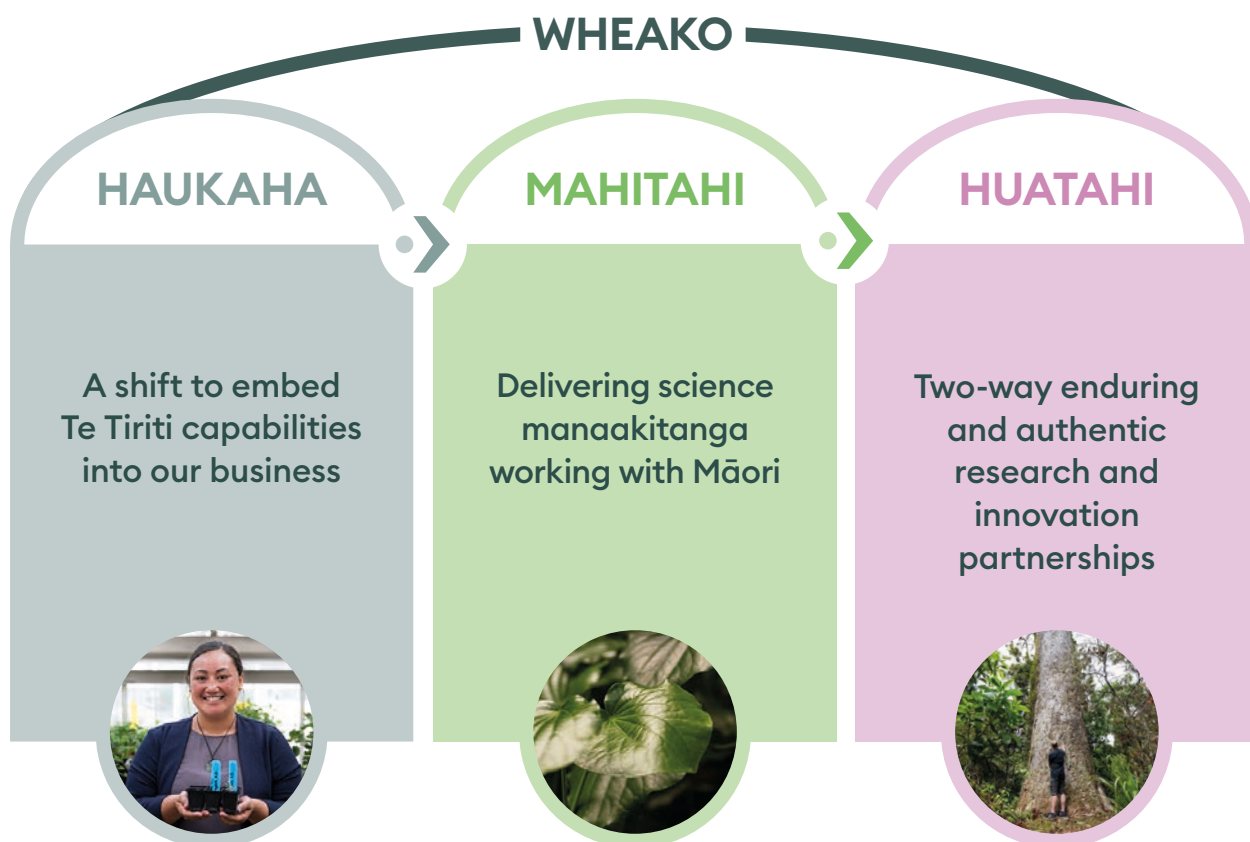


TONO: a 10-year strategy

Plant & Food Research partners with Māori as tangata whenua. Mātauranga Māori (knowledge) and taonga Māori (treasures) are inherited and trusted to the current generation to care for, to contribute to, and to evolve for future generations.

Plant & Food Research recognises the importance of Te Ao Māori (the Māori world view), concepts such as taiao – the interconnectedness of all living things – and huatahi – mutually reciprocal relationships, delivered through a bespoke partnership approach – and we are weaving these into our everyday mahi. These values and perspectives support us in developing and sustaining better food systems in the world, starting in Aotearoa New Zealand.

Our TONO strategy takes a long-term view on how we can incorporate Te Ao Māori into our organisation so our work can support Māori in meeting their aspirations now and for future generations. Initiated in 2020, we are now in phase 2, Wheako.



Wheako (realise/experience) is the second phase of our strategy to build stronger relationships with Māori.

New ornamental hybrids from taonga species

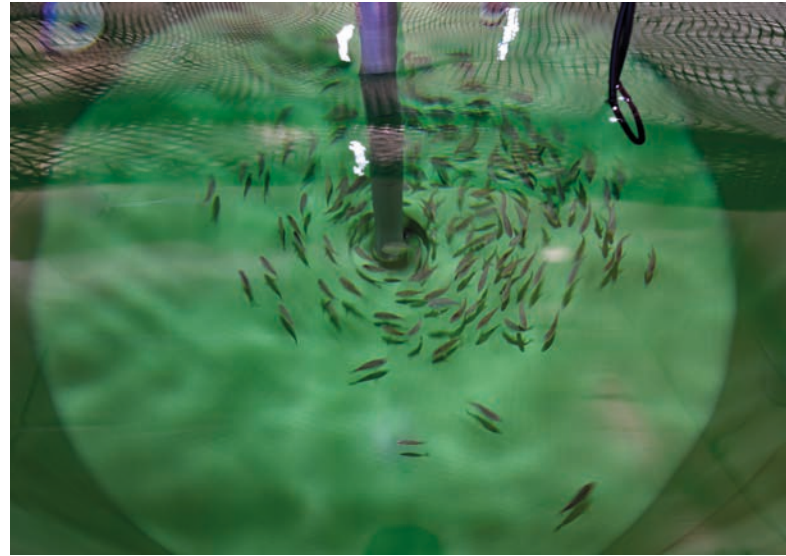
A breeding programme, which has been running since 2015, focuses on the taonga species *Gentianella*, with the aim of developing hybrids suitable for the international ornamental plant market. Ngai Tahu’s Hokonui Rūnanga, as part of their role as kaitiaki of the sub-Antarctic islands, have collected more than 270 samples of *Gentianella*, and have been shared with the Plant & Food Research Palmerston North team as trusted custodians.

The plants will be used to generate hybrid plants with potential for commercial licensing and sales. This has the potential to unlock economic returns through international royalty earnings. The mahi also helps to preserve taonga biodiversity and support cultural revitalisation, aiding the collation of Mātauranga Māori (Māori knowledge) associated with *Gentianella* by Hokonui elders.

In the 2024/25 summer, members of Hokonui Rūnanga joined a two-week expedition on the Royal New Zealand Navy’s HMNZS Canterbury deployment to the sub-Antarctic. A total of 81 samples of pollen and seed from the rare and endemic *Gentianella cerina*, *G. antarctica* and *G. concinna* were collected under strict collection protocols, including documentation of field conditions, flowering states, and GPS coordinates. These were then added to the Palmerston North Research Centre’s collection.



We are trusted custodians of *Gentianella* plants collected by Hokonui Rūnanga from the sub-Antarctic islands.



We’re working with scientists at the Cawthron Institute to breed tāmure (snapper) with improved climate resilience.

Collaborating to understand tāmure

As part of the MBIE-funded Climate Adapted Finfish programme, Plant & Food Research and the Cawthron Institute undertook the first-ever transfer of the taonga species tāmure (snapper) from Plant & Food Research’s Nelson research facility to Cawthron’s finfish research centre.

Cawthron’s finfish research centre has housed only salmon to date, making this the first time another species – especially a culturally significant taonga species – will be housed at the facility. Plant & Food Research and Cawthron staff have been trained to ensure they are fully prepared to care for the fish, reflecting a deep commitment to knowledge-sharing and scientific collaboration. Plant & Food Research staff are also conducting regular visits to Cawthron to help oversee the well-being of the fish throughout the trials.

Plant & Food Research and Cawthron staff worked alongside the local iwi in Te Tau Ihu to ensure the transfer was conducted with respect to recognising the cultural importance of this taonga species. The transfer included a farewell ceremony when the tāmure left the Plant & Food Research facility, as well as a welcoming ceremony upon their arrival at the Cawthron facility.

The project is a significant step in Aotearoa New Zealand’s efforts to develop climate-resilient aquaculture. Understanding how different genotypes respond to environmental pressures will help inform breeding programmes that support sustainable fisheries and climate-resilient aquaculture, ensuring fish stocks thrive in a changing climate.

Naming a genome sequence

Scientists have sequenced the critically threatened native plant, swamp maire, to support conservation efforts. The genome is the first to be given a Te Reo Māori name by mana whenua.

Researchers from Rangitāne o Manawatū, Plant & Food Research and the Victoria University of Wellington have collected and sequenced the DNA of swamp maire in the Palmerston North region as part of a campaign to conserve and manage declining populations of the taonga.

The resulting genome sequence has been named 'Ngā Hua o te ia Whenua', translating to 'the fruits of the land' and is believed to be the first genome to be given a Te Reo Māori name. The assembled chromosomes were named with the prefix IW for 'ia whenua', followed by the chromosome number.

The genome, described in the journal *Tree Genetics & Genomes*, is around 400 million bases long, with 32,307 genes and organised into 11 chromosomes. The project had financial support from Rangitāne o Manawatū, the Biological Heritage National Science Challenge and Genomics Aotearoa.

\$13.5M (\$10M)
 Revenue from
 research
 co-designed with
 Māori

BRACKETS INDICATE TARGETS



We co-design research with Māori through a bespoke partnering approach.



Our research partnership with Rangitāne o Manawatū is helping to protect and conserve native swamp maire.

Resilient horticulture in Myanmar

In Myanmar, thousands of small-scale vegetable growers are gaining new tools and knowledge to improve crop quality and household incomes. In partnership with Proximity Designs (a Myanmar-based social enterprise), as part of a New Zealand Ministry of Foreign Affairs and Trade funded project, Plant & Food Research is sharing knowledge from New Zealand's horticulture industry, contributing to the country's food security.

Myanmar's local supply chains currently face several challenges including inefficient production practices, low availability of irrigation technology, and costly postharvest losses. Through the seven-year project, 40,000 smallholder farms are receiving assistance.

In 2024 Plant & Food Research produced a comprehensive onion pest and disease diagnostics guide. This has been integrated into Proximity Design's Integrated Pest Management approach and is being used in the field by crop advisors. This year Proximity

Designs launched "Introduction to general field diagnostic guidelines" on its online learning platform, with input from Plant & Food Research.

Through the project, hydroponic farming techniques are also being adopted. As part of a pilot, 11 tunnel houses have been built for mostly women farmers growing iceberg lettuces for produce company Fresco. Data collected showed a significant increase in their income, rising on average by 382%. Meanwhile in broccoli-growing trials, two successful varieties have been identified for year-round cultivation, unlocking opportunities to grow the higher-value crop in the hot season.

A new Fresco Myanmar packhouse facility opened in 2024, with technical support provided by Plant & Food Research. It's capable of processing 8000 kg of vegetables daily and is expected to reduce postharvest losses by 30–40%.

In Myanmar, thousands of small-scale vegetable growers are gaining new tools and knowledge to improve crop quality and household incomes.



Our research is helping 40,000 smallholder farmers in Myanmar improve vegetable growing practices.

International Development

Our International Development Unit (IDU) enables Plant & Food Research to provide a tailored approach to our work in developing countries – building our reputation for partnering to develop and implement projects across the value chain that deliver sustainable impact, reduce poverty and improve lives.

Our current portfolio of projects focuses on the horticultural and seafood sectors, with projects in the Pacific, Asia, Africa and the Caribbean. 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 brand profile in new markets.



Vanilla sector development in Tonga

Focused on the island of Vava'u where a significant proportion of Tonga's vanilla is grown, our team worked with the Tongan Ministry of Agriculture, Forests and Food (MAFF), Heilala Vanilla Limited and farmers to address challenges facing the vanilla sector. This New Zealand International Development Cooperation Programme-funded project's goal was to grow the Tongan vanilla sector through better agronomic practice and postharvest management to improve vanilla yield and quality. Farmer groups were established to share knowledge and enable co-learning opportunities. Farmers received extension support and applied research was conducted to strengthen the resilience of farmers and MAFF.

2019–2024

Myanmar resilient horticulture

The Myanmar Resilient Horticulture (MRH) project aims to increase the incomes and food security of rural farmers in Myanmar. In partnership with Proximity Designs (a Myanmar-based social enterprise), as part of a New Zealand Ministry of Foreign Affairs and Trade funded project, Plant & Food Research is sharing knowledge from New Zealand's horticulture industry, contributing to the country's food security. The seven-year project is assisting 40,000 smallholder farms. In 2024, Plant & Food Research produced a comprehensive onion pest and disease diagnostics guide. Through the project, hydroponic farming techniques are also being adopted. As part of a pilot, 11 small greenhouses have been built for mostly women farmers growing iceberg lettuces for produce company Fresco. Data collected showed a significant increase in their income, rising on average by more than 380%.

2019–2026

Passionfruit value chains in Viet Nam

The NZ\$6.24 million ‘Viet Nam Climate-Smart Passionfruit Value Chain project’, known as VietFruit, was launched by the Prime Ministers of Viet Nam and New Zealand in Wellington in March 2024. It is focused on major passionfruit production regions in the Gia Lai and Son La Provinces and aims to help Viet Nam build a more lucrative passionfruit export industry. The five-year project has Plant & Food Research working with the Southern Horticulture Research Institute (SOFRI) and the Northern Mountainous Agriculture & Forestry Science Institute (NOMASFI), along with officials from Ministry of Agriculture and Environment (MAE), the provincial Department of Agriculture & Rural Development (DARD) and district Agricultural Extension Centres.

VietFruit is a value chain development project and as such works with private sector partners, from small-medium enterprises at district and provincial level, through to the largest processors of passionfruit in Viet Nam. The overall goal of the project is to enhance the contribution of passionfruit in Viet Nam to economic returns and climate change resilience. The project aims to deliver increased productivity and resilience of the passionfruit production system, and improved postharvest and processing technologies. The project has recently commenced the extension rollout phase. Smallholder farmer innovation groups are meeting throughout the growing season for pragmatic training targeted to address group priorities and demonstrate new technologies in local settings.

2024–2028



The Cambodia Quality Horticulture project ended in 2025, and has delivered transformative food safety improvements in vegetable supply chains.

High quality horticulture in Cambodia

The recently completed Cambodia Quality Horticulture (CQH) programme successfully delivered transformative improvements across Cambodia’s vegetable value chains. Over 8 years, CQH contributed to significant gains in food safety, sustainable production, market access, farmer incomes, and institutional capacity. Key achievements included establishing CamGAP as a nationally recognised certification system, with 1,357 certified farmers in Good Agricultural Practice by the end of the project. This New Zealand International Development Cooperation Programme-funded project also eliminated Salmonella and dramatically reduced *E. coli* contamination across partner supply chains, and enabled climate-resilient production through innovative rain shelter systems.

2017–2024

Mango exporting from the Philippines

Plant & Food Research is working in the region of Mindanao in The Philippines to address a significant decline in the export of fresh mangoes, resulting mainly from violations of maximum pesticide residue limits in their key markets of Japan and South Korea. Our scientists are developing high-quality crop protection programmes to increase export mango pack-out rates and improve compliance with importing country requirements.

2023–2025

Sargassum seaweed in the Caribbean

In the Caribbean, a New Zealand Government-funded activity by Plant & Food Research is focused on the problem of Sargassum seaweed inundations and their impacts on tourism, fisheries, human health and on the environment, such as beach erosion. In partnership with the Caribbean Regional Fisheries Mechanism (CRFM) possible products to develop were identified, and a viability analysis was completed to identify the most promising option. This analysis considered the high arsenic residue levels found in Sargassum, as well as commercial viability and local infrastructure constraints. It was identified that a liquid plant enhancer/biostimulant was the best product to develop first. The project has since developed and trialled the efficacy of a novel liquid biostimulant product developed from Sargassum, as well as conducting safety testing to ensure there are no negative impacts on the environment/consumers. In January 2025, a commercial partnership was established with Caribbean Chemicals to create a pilot plant as a first step to take the product to market.

2020–2024



Sargassum, an invasive seaweed, is now being processed into a liquid plant enhancer/biostimulant in the Caribbean.

8 (5)

International Development projects

BRACKETS INDICATE TARGETS

The Climate-Smart Pacific Food Systems programme will build resilience of communities living in the Pacific, including Papua New Guinea.



Two new projects in the Philippines

We are working with the Asian Development Bank to develop market access guidelines for Philippine mango exporters and to provide advice on supply chain best practice. Through this technical guidance project, we are also recommending infrastructure and capability requirements for improved sector performance. Secondly, we are working with Quezon City, the largest city in Metropolitan Manila, to build safe food supply chains by linking farmers directly with city institutions and market vendors. Through our engagement with supply chain actors and stakeholders, we are developing safe food systems and designing business scenarios and implementation strategies for a more resilient, secure, food system in Quezon City.

2024–2025

Pacific climate-smart agriculture project design

Plant & Food Research, together with our Pacific partners are implementing the New Zealand Ministry of Foreign Affairs & Trade-funded four-year Climate-Smart Pacific Food Systems Programme in Fiji, Papua New Guinea, Samoa, the Solomon Islands and Tonga. The Programme’s goal is to build the wellbeing and the resilience of communities to the impacts of climate change through Pacific-led, climate-smart food systems. The programme is founded on a Participatory Action Approach, using iterative cycles of planning action and reflection to build climate resilience and community partnership, and integrating indigenous, local and scientific knowledge to address challenges.

2024–2028

Our research is looking at building production systems resilient to global challenges, such as climate change and increased pressure from pests and diseases.





Our Organisation



We have 1000 people working across Aotearoa New Zealand and the world, including PhD student Nishadi Liyanage.

People

Ehara taku toa i te toa takitahi, engari he toa takitini. Success is not the work of an individual, but the work of many.

At Plant & Food Research we recognise that our organisation's success and reputation are determined by the collective contribution of all our people, together, living our values and creating a culture where every individual truly belongs, thrives and goes home safe and well every day.

Our values

A smart green future. Together.

Mana tangata

We contribute our unique talents and perspectives

We value each other's differences and potential.

We step up to support each other and the people, businesses and communities we interact with.

Manaakitanga

We show respect, generosity and care for others

The future we want requires work from us all and the best future is one where the success we achieve is shared by all those who help shape it.

We're approachable, we listen, we help and we grow together.

Whai māramatanga

We always look for a better way

We seek out and respect the knowledge and ideas of others.

We discover, understand, innovate and apply knowledge with integrity to enable positive impact for our partners, Aotearoa New Zealand and the planet.

Ehara taku toa i te toa takitahi, engari he toa takitini.
Success is not the work of an individual, but the work of many.

A great staff experience

Over the past year Plant & Food Research has refreshed its strategic framework and progressively identified the core focus areas and actions that would secure both the organisation’s success, as well as those of our sectors and the partners we serve. Actively engaging with our staff in this strategy development has provided greater understanding on what are the right capabilities, facilities and frameworks to truly enable and empower what we can achieve. Together with several initiatives we have implemented over the past year, we have further enhanced the working experience for our staff, strengthening their engagement and commitment as we now transition into the Bioeconomy Science Institute.

Staff engagement

At Plant & Food Research we have continued our strong focus on listening to our people through regular, pulsed, engagement surveys. For leadership, this has been vital in monitoring and understanding how change, in particular, is affecting our people.

Our most recent survey results tell us a story of positive intent and strength from our people, with an engagement index of 71.5% (rolling 12-month average of strongly agree, agree, somewhat agree) as at 30 April 2025. If we look at three of our key engagement questions, we see a striking uplift in comparison to the previous year, reflecting that even through challenging change, it is possible to hold engagement:

Question	Q3 24/25 comp. with Q3 23/24	Rolling 12-month avg.*
I am proud to work for Plant & Food Research	+12%	82%
I would recommend Plant & Food Research as a great place to work	+12%	88.75%
Employees are encouraged to offer ideas and suggestions on how to improve safety	+11%	86%
Engagement Favourability/ Index	+2%	71.5%

* (Strongly Agree, Agree, Somewhat Agree)

73% (≥50%)
Staff Engagement

BRACKETS INDICATE TARGETS

Together with our Bioeconomy Science Institute peers we have commenced a staff engagement/change survey that will be delivered every 3–4 months as we advance on our change journey into our new Public Research Organisations (PRO) organisation. We had a response rate of 74% and as reflected in the three questions below, the same positive engagement is evident for our amalgamation with AgResearch, Manaaki Whenua – Landcare Research and Scion.

Questions where Plant & Food Research scored the highest included	% Agreeing or Strongly Agreeing	PRO benchmark
I feel able to talk to my manager about my health and wellbeing if the need arises	84%	84%
Senior leadership has demonstrated a commitment to supporting employees through changes	72%	64%
I feel there is a future for me at the PRO	71%	66%

Where responses indicate opportunity for improvement, this aligns with where we would expect staff to be at this stage of the change journey. The commentary aligned to the questions and responses below will be invaluable in developing initiatives that address understanding of the change and opportunities for our future organisation. Much of this development will be able to come together in a Bioeconomy Science Institute Change Management Plan, which will aim to bring our people on the journey, together as one organisation.

Lowest-rated questions included	% Agreeing or Strongly Agreeing	PRO benchmark
I understand what is required of me to help deliver the PRO changes	30%	34%
I have the tools and resources I need to adapt to the changes	45%	47%
I believe the PRO changes will have a positive impact on our work	45%	44%



We are actively and regularly engaging with our staff, and will monitor their responses throughout the merger process.

Engaging with the Union

Our employee value proposition at Plant & Food Research recognises that it is important that our terms and conditions of employment are not only attractive for new talent, but importantly, meaningful and reflective of the value of our current staff. For this reason, we strongly value our relationship with the PSA (Public Sector Association) union. We easily and regularly engage with union delegates and organisers, valuing their representation of members so we can develop initiatives and improvements in support of our organisation strategy.

In the past year, we implemented the Remuneration Framework Programme in co-leadership with the PSA, focusing on establishing a framework for remuneration progression for both science and general staff that is fit for purpose, fair, transparent and fiscally responsible.

Furthermore, our positive relationship has been invaluable during the amalgamation formation, enabling developments, often at pace, to conclude bargaining early for the Plant & Food Research Collective Agreement, and to establish a pathway for an agreement for the Bioeconomy Science Institute (recognising the current four collectives from AgResearch, Manaaki Whenua – Landcare Research, Plant & Food Research and Scion).

Kia Toipoto

In 2023 Plant & Food Research completed their first Kia Toipoto Pay Gender Gap Analysis. This identified an average remuneration gap of 12.6% between women and men of comparable roles. This gap was decreased by 2.3% in 2024 and following further remuneration adjustments in 2025, has further decreased to 9.8%.

We look forward to continuing to reduce this gap in upcoming years and advancing our work on analysis for ethnicity. This work has yet to be fully assessed, whilst we work on integrity developments to ensure improved accuracy in our data.

82% ($\geq 55\%$)
Employees are proud to work for Plant & Food Research (agree or strongly agree)

86% ($\geq 75\%$)
Employees are encouraged to offer ideas on safety improvements

BRACKETS INDICATE TARGETS

A speak-up culture

One of our most significant deliverables to support our speak-up culture, has been the implementation of ART – Achieving Respect Together. At Plant & Food Research we believe that a work environment that allows everyone to be the best form of themselves, to fully engage with their work and colleagues, and to use all their personal and professional experience, will deliver a great experience for people and ensure that Plant & Food Research continues to be a successful organisation.

ART sets out our commitment to providing people with a safe and inclusive workplace that upholds fairness, respect and dignity. It includes a policy to promote an inclusive, equitable and respectful environment; training and development to support awareness, understanding and inclusivity; and a range of options for resolving incidences of behaviour that do not reflect our shared values, so that we can all enjoy a safe and supportive workplace.

This programme is designed so staff can choose from several different channels to share matters of concern, be they matters of potentially significant harm or more simple, uncomfortable but not upsetting matters. Our goal is that if you are left ‘wondering’ after an uncomfortable interaction, then there is an option available to you, whether that is a formal complaint, or a coaching opportunity to assist you with addressing this, or similar, future issues.

Feedback from our staff has been overwhelmingly supportive and appreciative of this approach. It has a development focus at the heart of it, rather than punitive, although accountability can and will be sought when necessary.

Leadership development

At Plant & Food Research we have 300 leaders who each month sign into our online leadership development – known as Leadership Boost. From future leaders, new leaders and right up to senior leaders, including our Chief Executive, Leadership Boost provides for 90 minutes each month to engage in topical developments that give us time for pause, reflection and shared kōrero on how we can improve as leaders, continually add to our toolkit, and refresh our connection with our staff. Over the past year, we have covered topics to reflect that our people ‘matter’, are valued, belonging and then, as leaders, how we can recognise, support and care for our people as the organisation goes through change.

A culture of safety and wellbeing

In November 2022, Plant & Food Research completed the Health, Safety and Wellbeing (HSW) Global audit that assessed the organisation at a safety maturity of ‘developing’ (first scale before Performing and then Leading). This culminated in a new HSW Strategic Plan launched in 2023 that reset the organisation’s HSW focus and commitment to enabling a safety leadership culture. For the past two years, Plant & Food Research has made significant progress, and in 2024, a self-audit demonstrated to the Board that all aspects were at least Performing, with consideration of Leading in several. There was consideration of completing the HSW Global audit again in 2025 to confirm progress, as well as progressive opportunities, but this has currently been put on hold for future leadership to determine following the amalgamation.

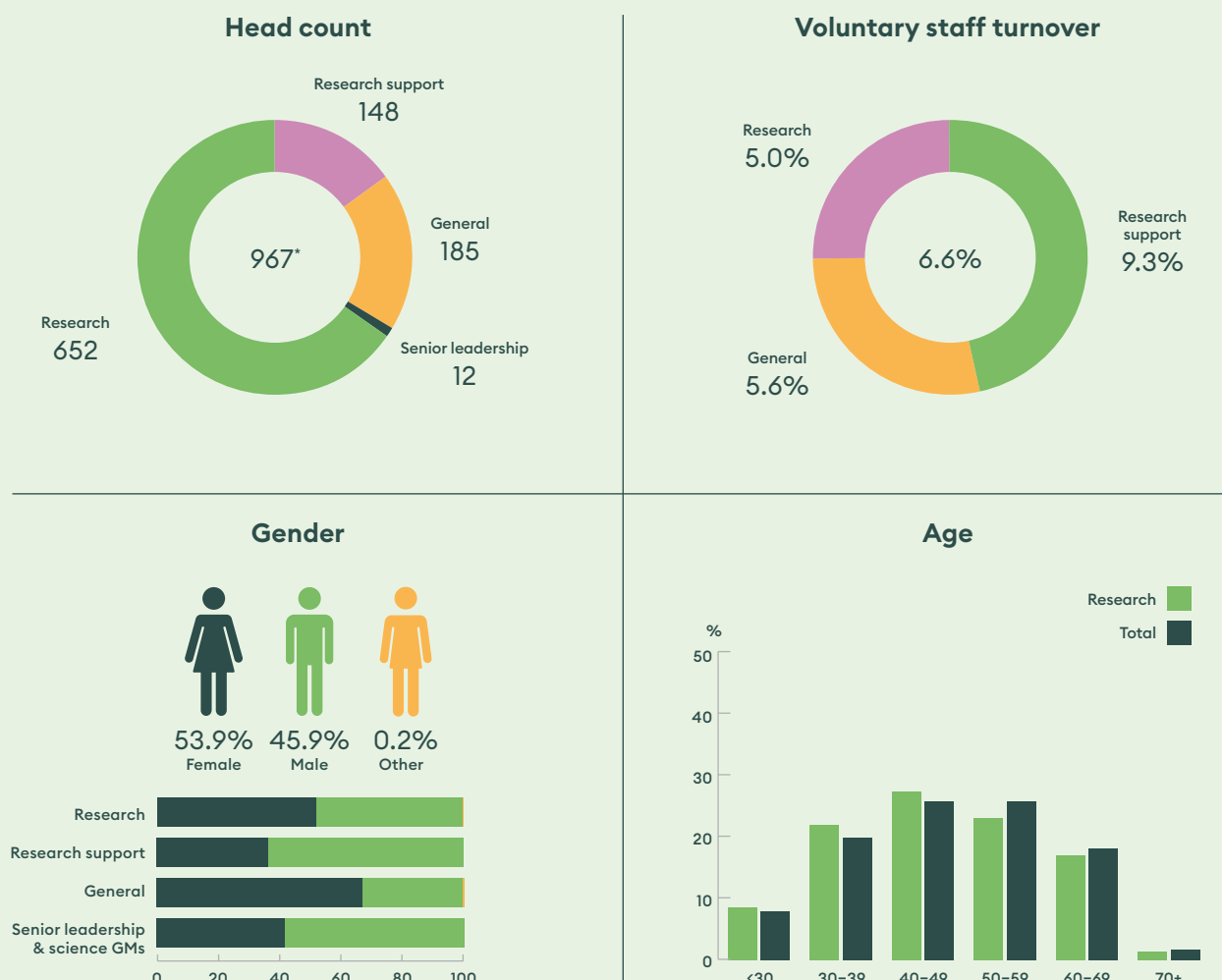


More than 300 leaders have engaged in our Leadership Boost programme through online and in-person forums.

National/ethnic origin of new recruits as at 30 June 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
African	0	1	1	0	0	0	0	0	0	1
Asian	22	24	22	22	9	20	30	15	11	12
Latin American	4	1	6	4	0	2	7	2	5	7
Māori	1	2	7	1	6	9	6	6	0	3
Middle Eastern	5	4	1	5	1	1	1	2	0	2
New Zealand European	46	53	53	47	37	40	58	69	23	35
Other	1	0	2	1	2	4	5	8	4	6
Other European	22	23	23	23	16	13	22	17	9	8
Pacific Peoples	0	1	1	0	0	0	1	1	1	1
Unknown	0	0	0	0	0	0	0	6	5	1
Total	101	109	116	103	71	89	130	126	58	76

Workforce profile* as at 30 June 2025



*Parent and 100% owned subsidiaries.



We work with partners and customers in developing sustainable food production systems with minimal environmental impact.

Environment

At Plant & Food Research, we want to enable the production of safe, healthy and nutritious food in ways that do not harm people or planet. We want not only to help our partners and customers improve the sustainability of their businesses, but also to lead by example.

Our sustainability agenda

We aim to enable others to grow and share healthy and affordable food within the carrying capacity of our planet's life supporting systems (the Planetary Boundaries). We recognise the challenging global markets in which our partners operate, balancing consumer demand and government regulations with demands for a resilient business acting sustainably for profit, people and planet. We work with our partners, customers and sectors to support their aspirations, and aim to operate our own organisation in the most sustainable ways.

Our sustainability agenda has three strands:

Thought leadership – sharing with others our knowledge and insights of ways to be a sustainable business, to create new conversations about the future of food

Innovation leadership – making sure our customers and partners understand how our science can help their businesses be more sustainable

Authentic leadership – making sure Plant & Food Research embeds sustainability in its own business decisions.

Switching fuel sources

One of the most important steps any organisation can take to reduce its greenhouse gas emissions is to switch from using fossil fuels to electricity for space and water heating. Doing so can also significantly reduce energy costs as the price of fossil fuels increases and the availability of gas decreases.

Our Palmerston North Research Centre currently uses gas for space and water heating. The Energy Efficiency and Conservation Authority has provided co-investment in a feasibility study to identify the most appropriate alternatives, including electrification. AgResearch is also interested in fuel switching at Palmerston North so we have coordinated feasibility studies to help identify opportunities for collaboration.

The findings of these feasibility studies are expected in the first quarter of the 2025/26 financial year and will inform capital expenditure planning. We hope to commence the replacement of gas-fired infrastructure as soon as possible.

5787t (<7800t)
Gross greenhouse gas emissions below target

BRACKETS INDICATE TARGETS



Contributing to our national climate target

The government has set a national target of reducing greenhouse gas emissions by 51–55% compared with 2005 levels, by 2035. To make sure we’re doing everything we can to help achieve this target, we are Toitū carbonreduce certified and we are investing in fuel switching and roof-top solar generation to decrease Scope 2 emissions from our infrastructure.

We have adopted a target aligned to the international Science-Based Targets initiative. Relative to our baseline year of 2018/19, we are aiming for a 42% reduction in Scope 1 and 2 gross emissions by 2030. These arise mainly from the combustion of fossil fuels in our infrastructure and vehicle fleet, and from purchased electricity. Additionally, we are aiming for a 42% reduction in two thirds of Scope 3 gross emissions (all other emissions sources combined, the main contributors being air travel and commuting) by 2030.

We are on track to achieve this, with an estimated 5,787 tonnes equivalent Scope 1, 2 and 3 gross emissions (target <7,800 tCO₂e) in 2024/25*. Although this estimate remains on track for achieving our 2030 target, it represents an increase relative to our most recent Toitū verified emissions figures of just over 4,000 tCO₂e in 2022/23. This is mainly due to an increase in air travel. We will continue to monitor this to ensure we remain confident of meeting our 2030 target.

* Forecast annual emissions in 2024/25 are based on (a) actual air travel emissions for the financial year plus (b) the annual average emissions from all sources other than air travel for the most recent 3 years for which we have verified, audited data (2020/21, 2021/22 and 2022/23).

Greenhouse gas emissions types:

Scope 1: from the combustion of fossil fuels in our infrastructure and vehicle fleet

Scope 2: from purchased electricity

Scope 3: other sources, in our case mainly air travel and commuting to work

Towards future-fitness

While action on climate change is essential, the multiple bottom line for a sustainable business includes delivering profit, contributing to a thriving society, and avoiding all forms of environmental harm. That’s why we have adopted the Future-Fit Business Benchmark to evaluate our own sustainability and to prioritise action where we find any shortfalls (across the 23 ‘Break-even Goals’). We’re committed not just to talking about sustainability but also to making real efforts towards becoming a more sustainable organisation, and this Benchmark is used around the world as a way of assessing how organisations contribute to a flourishing society.

Our much greater contribution to sustainability arises indirectly from the science we deliver to our partners to help them reduce any negative impacts they may have on people or the planet and to amplify their positive impacts (across the 24 ‘Positive Pursuits’ of the Future-Fit Business Benchmark). In addition, we have delivered a range of direct positive impacts ourselves (see Sustainability Highlights).

Our Future-Fit Implementation Team, drawn from across all facets of our organisation, helps prioritise sustainability initiatives and ensure their implementation. Our nationwide network of Site Sustainability Liaisons champions grassroots activities to improve our future-fitness as an organisation. We’re committed to making sure we are working in the most sustainable ways in our own organisation. This means learning from others and we are active members of the Sustainable Business Council. Additionally, since 2019 we have convened a forum for sustainability professionals from across all the CRIs,ASUREQuality and Callaghan Innovation. This forum shares best practices and regularly hosts webinars to share relevant sustainability insights from other organisations in Aotearoa New Zealand and overseas.

Future-Fit Break-Even Goal	Baseline score (%)	Current score (%)
BE01 – Renewable Energy	62	72
BE02 – Water Use	100	100
BE03 – Natural Resources	100	100
BE04 – Procurement	Pending	Pending
BE05 – Operational Emissions – Gaseous	0	0
BE05 – Operational Emissions – Liquid	100	100
BE05 – Operational Emissions – Solid	100	100
BE06 – Operational GHGs – Fitness	0	60
BE07 – Operational Waste	0	48
BE08 – Operational Encroachment	0	0
BE09 – Community Health	0	0
BE10 – Employee Health	90	90
BE11 – Living Wage	91	100
BE12 – Fair Employment Terms	100	100
BE13 – Employee Discrimination	50	100
BE14 – Employee Concerns	80	100
BE15 – Product Communications	99	99
BE16 – Product Concerns	69	69
BE17 – Product Harm	99	99
BE18 – Product GHGs	100	100
BE19 – Product Repurposed	0	0
BE20 – Business Ethics	100	100
BE21 – Right Tax	100	100
BE22 – Lobbying & Corporate Influence	100	100
BE23 – Financial Assets – Energy	0	36
BE23 – Financial Assets – Water	0	56
BE23 – Financial Assets – Natural Resources	0	36
BE23 – Financial Assets – Pollution (GHG)	0	55
BE23 – Financial Assets – Pollution (Harmful Emissions)	0	55
BE23 – Financial Assets – Waste	0	55
BE23 – Financial Assets – Physical Presence	0	36
BE23 – Financial Assets – People	0	100
BE23 – Financial Assets – Drivers	0	100

The six elements of integrated reporting



INNOVATION
Our products and services



SOCIETY AND RELATIONSHIPS
Our networks and collaborations



PEOPLE
Our staff, students and contractors



ENVIRONMENT
Our impact on the planet



INFRASTRUCTURE
Our physical and virtual assets



FINANCE
Our financial resources

We will measure our progress using the Future-Fit Business Benchmark and report on our progress using Integrated Reporting (IR).


Sustainability highlights

We have adopted the Future-Fit Business Benchmark tool. This allows us to benchmark against 23 science-based ‘break-even’ (or cause-no-harm) goals and 24 ‘positive pursuits’ to assess how our activities contribute to a future-fit society.

For more information and the full list of Future-Fit Business Benchmark Goals, visit futurefitbusiness.org.

 Break-Even Goals

 Positive Pursuits


 INNOVATION

Piloting insect bioconversion of food waste from the tearoom to produce mealworm larvae for chicken feed.

21 Infrastructure is strengthened

Hosting 12 episodes of People|Planet|Food, taking a wide boundary view with of what it would take to create a healthier, fairer, and more environmentally restorative food system. During 2024/25 there were more than 4,200 episode downloads.

17 People's capabilities are strengthened

 SOCIETY AND RELATIONSHIPS

Exploring the kaupapa of the two interlinked knowledge systems of mātauranga Māori and putāio (science, in this case chemistry) by supporting the preparation of a booklet on Harakeke at the University of Otago.

20 Social cohesion is strengthened

Donating 51 crates of ‘Scifresh’/JAZZ™ apples to KiwiHarvest to distribute to local communities and food banks in the Otago/Southland region and almost 4 tonnes of kiwifruit fruit to The Hub, Te Puke.

16 More people are healthy and safe from harm

We're initiating staff-led environmental programmes at our research sites, such as insect conversion of food waste for chicken feed



Our staff are restoring areas of our research sites with native plantings.




 PEOPLE

Establishing a sustainability group jointly with KBC and supporting KBC in beginning its own Future-Fit journey and emissions-reduction target setting.

17 People's capabilities are strengthened


Hosting webinars open to staff from all the CRIs, AsureQuality, and Callaghan Innovation on opportunities for roof-top solar energy across our organisations and on the international 'My Green Lab' initiative to improving the sustainability of laboratory operations.

17 People's capabilities are strengthened

 FINANCE

Received \$125,000 co-funding over the past three years through EECA to assist with energy efficiency and fuel switching projects.

01 Energy is from renewable sources

 ENVIRONMENT

Setting up and managing waste and recycling stations across our sites, initiating soft plastic and Tetrapak recycling, reinstating polystyrene recycling, looking after worm farms composting tearoom waste, recycling >100kg of batteries, and organising courier bag recycling and eco light bulb recycling stations.

11 Waste is reclaimed and repurposed

Planting 150 eco-sourced natives at the Lincoln Research Centre including kānuka, mānuka, tōtara, and kahikatea, chosen to reflect the pre-European landscape.

13 Ecosystems are restored

Holding a lunchtime working bee and collecting ten fish bins of rubbish from a cycleway adjacent to our Hawke's Bay site.

13 Ecosystems are restored

Co-ordinating a weed pull with AgResearch and planting two kohekohe to celebrate the native bush at the Ruakura Research Centre.

13 Ecosystems are restored

Cleaning up around rātā moehau (two rare plants on site) and relocating the Three Kings tī kōuka at our Mount Albert campus.

13 Ecosystems are restored

 INFRASTRUCTURE

Undertaking a study of the feasibility of fuel switching space and water heating at Palmerston North from gas to electricity, with co-investment from EECA.

01 Energy is from renewable sources



Our new Te Whenua Tupu Living Lab will support scientists in developing new production technologies adapted to changes in climate and growing areas.

Infrastructure

Providing the right tools, equipment, technology and resources is the best way we can help our staff do what they do to the best of their abilities. We have long-term plans to make sure our infrastructure is fit-for-purpose, and we have the specialist facilities, leading-edge equipment and information management systems we need to deliver world-class science.

Upgrading shade houses

Growing plants under cover offers protection from extreme weather conditions and is increasingly being used by growers. Using more covered space to provide a more controlled environment allows our breeders to work year-round to raise seed and propagate plants.

Five shade houses have been designed and commissioned, in collaboration with Winter Gardenz, in recognition of the likelihood of moving the structures as sites are developed. Two of these shade houses, removed from the Mt Albert Research Centre to support the construction of new MPI facilities, are being repurposed as propagation houses at our Motueka Research Centre. One of these has been installed, reclad with inflated twin-skinned impermeable sides and will be fitted out with tables, irrigation, temperature control, ventilation and utilities. Rubus and blueberry plants will be grown in the structure, primarily to support the berryfruit breeding programme. The second is awaiting transportation.

The other three shade houses are installed at the Mt Albert Research Centre, primarily for the kiwifruit collection, and at our Pukekohe site.

New controlled environment facility

A new experimental facility in Blenheim will help growers of winegrapes and other perennial crops adapt to the changing climate.

Through a system of sensor technologies, Te Whenua Tupu, the Living Lab, allows scientists to conduct research that not only monitors the plants themselves but also the soil to understand what's happening from the roots through to the canopy. Based within a 600m² shelter, the climate, light, water and nutrients are all tightly controlled to determine the impacts of any changes on the productive system.

The facility is owned by the Marlborough Research Centre Trust and based at the Nelson Marlborough Institute of Technology (NMIT)'s Blenheim campus. Plant & Food Research manages the experimental facilities, while the teaching annex is used for industry workshops and for teaching students at NMIT studying viticulture and horticultural production. Development of the new \$3.3 million facility was supported by the Ministry of Business Innovation and Employment's Provincial Growth Fund.

Te Whenua Tupu, the Living Lab, was officially launched in July 2024 by Associate Minister for Agriculture Mark Patterson, at an event attended by local government officials, representatives from the wine and horticulture industries, and staff from the three collaborating organisations.

Completion of digital upgrade

A major programme of work to upgrade digital services to Microsoft® 365, initiated in 2020, is nearing completion.

Adopting Microsoft 365 has supported mobility of the workforce, using cloud-based services for more resilience and accessibility. The final phase of the project, rolled out over the past year, has been the migration of approximately 1200 collaboration sites into the SharePoint Online/Teams environment, and rebuilding more than 100 intranet sites with associated automation. This has also included a redesigned secure solution for storing staff performance reviews.

Meeting rooms across the country are also being transitioned to Microsoft Teams Rooms as the equipment is upgraded, which will improve the user experience.

Change to referencing software

Reference library software allows scientists to manage personal reference collections, share reference libraries with colleagues, collaborate in online document writing, and easily cite references in manuscripts. Plant & Food Research science teams use reference software when writing a range of materials, including scientific publications, client reports, funding bids, and science posters.

Owing to inefficiencies with existing software, a Reference Management Software Review project looked at options to identify the best solution for Plant & Food Research. A decision was made to move to Zotero, an open-source reference manager that also allows organisation templates to be integrated for ease of use. Scientists have been offered training and support to migrate existing libraries into Zotero, with more than half already making the move.

Protecting our data

Cybersecurity is a key concern for protecting our data and systems, with an increase in attacks predicted during times of organisational change. Our training in collaboration with Phriendly Phishing, which began in 2023, has now delivered 15 courses to staff, with close to 70% completion.

The delivery of this training has resulted in a reduction in click through rate - the percentage of staff who click on links in simulated phishing emails - from 9.2% in June 2024 to 3.65% in June 2025.



A close-up photograph of green leaves, likely from a plant like lettuce or spinach, with several water droplets on their surfaces. The lighting is soft, highlighting the texture of the leaves and the clarity of the water droplets. The background is blurred, creating a shallow depth of field.

Our Governance

Corporate governance

The Plant & Food Research Board, appointed by the Minister of Science & Innovation, sets the Institute's strategic direction and delegates responsibility for the management of the Institute to the Chief Executive Officer.

Statement of Core Purpose

The Statement of Core Purpose (SCP) outlines the clear, explicit and enduring strategic role for Plant & Food Research 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 on a four-year rolling basis.

Plant & Food Research's SCP can be found online at plantandfood.com/scp

Statement of Corporate Intent

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.

Plant & Food Research's SCI 2023/24 to 2025/26 can be found online at <https://www.plantandfood.com/en-nz/article/statement-of-corporate-intent-2024-25-26-27>

Legal obligations

Plant & Food Research is subject to (amongst others):

- Crown Research Institutes Act 1992
- Commerce Act 1986
- Crown Entities Act 2004
- Health and Safety at Work Act 2015
- Official Information Act 1982
- Public Audit Act 2001

Board of Directors

The Board of Directors, appointed by the Minister of Science & Innovation according to the Crown Research Institutes Act, sets the Institute's strategic direction and delegates responsibility for the management of the Institute to the Chief Executive Officer.

The Board acts under a Charter which formalises and sets out the manner in which the Board's powers and responsibilities will be exercised and discharged, adopting principles of good corporate governance and practices that accord with best practice and the application of laws in the jurisdictions in which the company operates. In line with best practice, the Board completes an annual Board performance evaluation.

The Board regularly reviews key policies across the Institute. 'Deep-dive' reviews are also periodically undertaken, including most recently a review of the organisational risk framework and supporting risk registers.

For the 2024/25 year

Number of meetings held: 12

Meetings held at: Te Puke, Mt Albert, Clyde, Brisbane (Australia), Ruakura and online.

- Nicola Shadbolt, Chair (11)
- Nadine Tunley, Deputy Chair (11)
- Paul Connell (12)
- Justine Daw (10)
- Candice Kinser (12)
- Dean Moana (9)

(number in brackets indicates number of meetings attended during the 2024/25 year)

Remuneration details for the Directors can be found on page 75.

Committees

In 2024/25, Plant & Food Research had two standing Committees operating under the direction of the Board Chair:

Audit & Risk Committee

Paul Connell (Chair), Justine Daw, Dean Moana, Nicola Shadbolt

Number of meetings in 2024/25: 4

The Audit & Risk Management Committee acted 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.

Remuneration Committee

Nadine Tunley (Chair), Nicola Shadbolt, Candace Kinser
Number of meetings in 2024/25: 2

The Remuneration Committee oversaw 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.

Science Advisory Panel

The Science Advisory Panel provides objective strategic advice to the Board to promote its decisions on research strategies, future science activities and development associated with achieving Plant & Food Research's Core Purpose.

Members of the Science Advisory Panel are:

- Professor Gillian Dobbie (University of Auckland)
- Professor Ernst van den Ende (Wageningen University & Research Centre, The Netherlands)
- Professor Selina Stead (Leeds University, UK)
- Professor Weibiao Zhou (National University of Singapore).

Profiles of the Science Advisory Panel members can be found on page 69 or on the plantandfood.co.nz website.

Managing risk effectively

Plant & Food Research has an established framework for managing risk in an effective, efficient and consistent manner, to inform strategic and business planning processes, optimise allocation of resources and allow Plant & Food Research to effectively recognise, prioritise and respond to risks. The Risk Management Framework adopts processes consistent with those established in the ISO 31000:2009 Standard: Risk Management – Principles & Guidelines.

Plant & Food Research has a Business Continuity Plan (BCP) which acts as a framework for organisational preparedness, emergency response and recovery after disruption by a significant natural or man-made incident. The BCP focuses on the response and recovery of critical assets and operations to mitigate the potential impact of an incident to the Institute's ability to deliver on its business and strategic plan and to protect Institute staff and the wider community. The BCP also includes a framework for site-specific Emergency Response Plans.

Code of Conduct & Ethics

Plant & Food Research's reputation is determined to a large degree by perceptions of the conduct and performance of its staff. The Code of Conduct & Ethics is intended to inform and guide the Institute's staff on the standards of conduct, decision-making and ethical behaviour that are important at Plant & Food Research.

The Code of Conduct & Ethics includes guidelines on:

- Acting with honesty and integrity
- Consistently demonstrating professionalism
- Respecting and acting within the law
- Maintaining confidentiality
- Avoiding conflicts of interest
- Being socially responsible.

Plant & Food Research operates its scientific research activities in accordance with national legislation, including ethics approvals for all human and animal studies (coordinated by the Institute's Biosafety Advisory Committee).

Board of Directors

Bioeconomy Science Institute

Formed 1 July 2025



Barry Harris, Chair



Kim Wallace, Deputy Chair



Gray Baldwin



Candace Kinser



Andrew Morrison

Plant & Food Research

Retired 30 June 2025



Nicola Shadbolt, Chair



Nadine Tunley, Deputy Chair



Paul Connell



Justine Daw



Candace Kinser



Dean Moana

For the 2024/25 year

Number of meetings: 12

Meetings held at: Te Puke, Mt Albert, Brisbane (Australia), Ruakura and online

Science Advisory Panel

Our Science Advisory Panel is an important part of ensuring our science continues to have a focus on high quality, and is open to new international developments and ideas. The panel provides our Board with their insights on Plant & Food Research's science quality, strategy, and involvement in and uptake of new international developments.

Professor Gillian Dobbie

Department of Computer Science
University of Auckland, New Zealand



Gillian Dobbie is a Professor of Computer Science at the University of Auckland with over 20 years experience in Artificial Intelligence. Her main research interests are artificial intelligence, data stream mining, machine learning, ethics, data management, and software engineering, having published over 170 international peer reviewed papers across these areas. She has extensive experience in the application of technology in healthcare, environmental science and horticulture. She co-directs the Centre of Machine Learning for Social Good (MS4SG) and the Natural, Artificial, and Organisation Intelligence Institute (NAOInstitute). Gill has been elected a Fellow of the New Zealand Royal Society Te Apārangi, and chairs the Marsden Fund Council.

Professor Ernst van den Ende

Managing Director,
Plant Sciences Group (PSG),
Wageningen University, The Netherlands



Professor Ernst van den Ende has an extensive international background in agricultural science, particularly in management of urban green areas, plant diseases, plant pathogenic fungi and plant and crop protection. He has responsibility of the Plant Sciences Group at Wageningen, which conducts plant-related research and teaching programmes from the molecular through to the population level. Prof van den Ende has particular experience in the Wageningen University/PRI structure which provides a relevant model for University/Research Institute collaboration and interaction. This is seen in the cluster of the Plant Sciences Group (PSG) which embodies applied research (Applied Plant Research), strategic research (Plant Research International), fundamental research and education of (Wageningen University).

Professor van den Ende brings to the panel particular understanding of research collaboration and development of interacting research structures. He also provides an important link with European organisations of interest to Plant & Food Research and international perspective of sustainable plant production.

Professor Selina Stead

CEO Australian Institute
of Marine Science

Professor of Marine Governance
& Environmental Science,
Newcastle University



Professor Selina Stead is Chief Executive Officer of the Australian Institute of Marine Science. She is a marine biologist and environmental scientist with expertise in coral reef ecosystems, aquaculture, fisheries, environmental governance and science policy. She has enjoyed an active dual career in academia and government.

Selina's last roles have been as Executive Dean for the Faculty of Environment at the University of Leeds and the UK Government's Chief Scientific Adviser for the Marine Management Organisation. Her research focuses on biodiversity conservation, climate change, food insecurity and sustainability, which spans the Caribbean, East Africa, Europe, Middle East, SE Asia and the UK.

She has a Personal Professorship of Marine Governance and Environmental Science from Newcastle University where she acted as Dean of Research and is a Fellow of the Alan Turing Institute.

Previously she has served as Chair and Non-Executive Director of the Scottish Government's Science Advisory Board and Ministerial Appointed Scientific Fisheries Advisor. Selina was President of European Aquaculture Society and her research on climate-smart seafood and conservation was recognised with their highest honour, the Distinguished Services Award.

Professor Weibiao Zhou

Head of Department of Food Science
& Technology,
National University of Singapore



Weibiao is Head of the Department of Food Science & Technology at the National University of Singapore. He has previously worked in Australia and is familiar with New Zealand. He has been elected a Fellow of the International Academy of Food Science and Technology (IAFoST) and several other learned & professional societies. His research interests are in the food engineering and food processing areas. Weibiao's food interests match naturally with our research. He has a good understanding of the landscape in New Zealand, has links into a research centre in China, and has chaired Government level committees and been on Boards in Singapore. He was part of the group that originally recommended Singapore move towards being partially food self-sufficient through building up the national agri-food industry's capability and capacity ('30 by 30' initiative).

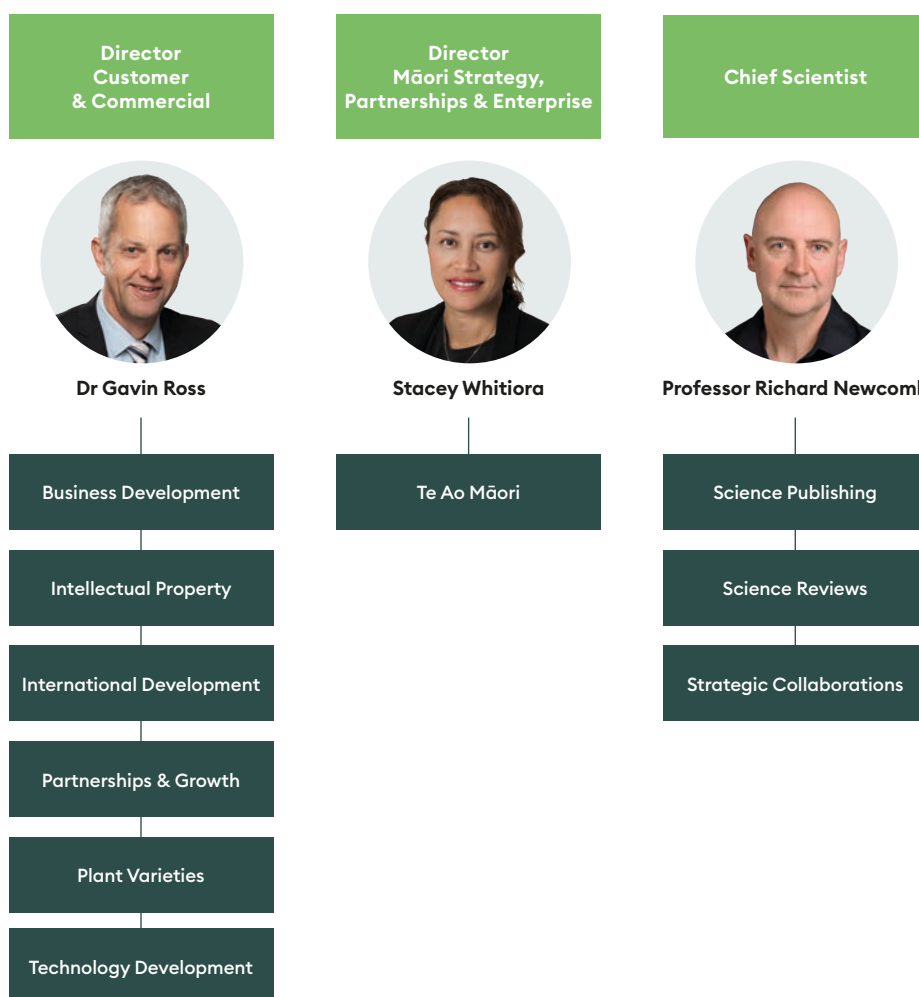
Senior Leadership Team and areas of responsibility

(as of 1 September 2025)



On 1 July 2025, Plant & Food Research merged with AgResearch, Manaaki Whenua – Landcare Research and Scion to form the Bioeconomy Science Institute. Each of the four groups within the Bioeconomy Science Institute is led by a Group CEO.

Our Senior Leadership Team oversees all aspects of Plant & Food Research and is accountable to the Transition Chief Executive Officer and Board of the Bioeconomy Science Institute, via our Group CEO. Collectively the team ensure the delivery of all research activities, finance and legal requirements, assets and services, human resources, commercial functions and science quality.



Our research is delivering healthy foods from the world's most sustainable production systems.





Financial Statements

Financial performance

During the year ended 30 June 2025, Plant & Food Research made solid progress in its financial recovery, posting record revenue and a return to profitability.

Total revenue for the year of \$202.0M was down on budget by \$4.8M but up on the prior year by \$7.6M. The growth in total revenue was largely driven by record royalty revenues of \$86.3M, up 17% on the prior year. This was underpinned by significantly stronger domestic harvest outcomes in 2025 and growing contributions from offshore production of our royalty-bearing cultivars.

As part of the ongoing financial recovery plan originally enacted by Plant & Food Research in the 2023 financial year, the implementation of cost-saving initiatives continued throughout the financial year. This significantly moderated the growth in operating expenditure that would have otherwise been expected because of inflationary pressures. The financial result was also bolstered by gain on sale income of \$4.6M, reflecting the liquidation of non-strategic assets that were surplus to operational requirements.

The combination of strong total revenue growth, robust controls around expenditure, and unbudgeted gain on sale income resulted in a pre-tax profit of \$3.5M, much stronger than budgeted (\$6.6M loss) and also ahead of the result recorded in the prior year (\$0.9M loss).

Plant & Food Research held a solid balance sheet as at 30 June 2025, with year-end net assets of \$161.5M (including Cash and short-term deposits of \$12.4M).

On 1 July 2025 Plant & Food Research merged with AgResearch Limited, Landcare Research New Zealand Limited and New Zealand Forest Research Institute Limited to become the New Zealand Institute for Bioeconomy Science Limited. This merger occurred by way of short-form amalgamation in accordance with the New Zealand Companies Act 1993.

Following the merger, Plant & Food Research's expertise in enhancing the value and prosperity of New Zealand's horticulture, arable, seafood and food and beverage industries will now contribute to a larger focus on advancing innovation in New Zealand's wider bioeconomy. In this regard, the outlook remains very positive. Significant impact is forecast from the ongoing delivery of world-class science focused on protecting ecosystems and developing new technologies, processes and products.

\$226K (\$222K)
Revenue per FTE

\$202.0M (\$206.8M)
Total revenue

\$16.8M (\$11.5M)
EBITDA

BRACKETS INDICATE TARGETS

Directors' report

THE DIRECTORS ARE PLEASED TO PRESENT THE FINANCIAL STATEMENTS OF THE NEW ZEALAND INSTITUTE FOR PLANT & FOOD RESEARCH LIMITED FOR THE YEAR ENDED 30 JUNE 2025.

	2025 Actual \$000	2025 Budget \$000	2024 Actual \$000
RESULTS OF GROUP OPERATIONS			
Revenue	201,955	206,752	194,405
Profit / (loss) before taxation	3,549	(6,648)	(918)
Less taxation expense / (credit)	1,001	(1,782)	(5,175)
Profit / (loss) after taxation attributable to Owners	2,548	(4,866)	(6,093)

PRINCIPAL ACTIVITY OF THE GROUP

The Group's principal activity is to provide scientific research that benefits New Zealand, within the horticulture, arable, seafood and processed food industries; 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. The Company is a company limited by shares and incorporated in accordance with the Companies Act 1993.

REVIEW OF OPERATIONS

A review of the operations accompany this report on page 15.

SHARE DEALINGS

The Directors have not, and are unable to, trade in shares of the Company as all shares of the Company 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 Company.

DIRECTORS' INSURANCE

Directors' and Officers' liability insurance was effected for the Directors and certain employees of the Company. 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 Company.

The Company has indemnified Directors and certain employees of the Company 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 Company. The indemnity for liabilities incurred does not extend to criminal liability or liability for breach of a fiduciary duty owed to the Company.

AUDITORS

Troy Florence, with the assistance of PricewaterhouseCoopers, is the appointed auditor on behalf of the Auditor-General. The Auditor-General is the statutory auditor pursuant to section 14 of the Public Audit Act 2001 and section 21 of the Crown Research Institutes Act 1992.

SIGNIFICANT CHANGES

There were no significant changes to the business of the Company during the year.

DIRECTORS' REMUNERATION

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

	Group \$	
N Shadbolt	162,001	(resigned 30 June 2025)
N Tunley	65,565	(resigned 30 June 2025)
P Connell	57,181	(resigned 30 June 2025)
D Moana	56,515	(resigned 30 June 2025)
J Daw	56,348	(resigned 30 June 2025)
C Kinser	56,348	

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 bands in \$000	Number of employees	Remuneration bands in \$000	Number of employees
100 – 109	107	230 – 239	2
110 – 119	100	240 – 249	2
120 – 129	76	250 – 259	1
130 – 139	52	260 – 269	6
140 – 149	44	280 – 289	4
150 – 159	38	290 – 299	1
160 – 169	32	300 – 309	1
170 – 179	26	310 – 319	1
180 – 189	18	320 – 329	1
190 – 199	9	380 – 389	1
200 – 209	7	410 – 419	1
210 – 219	6	440 – 449	1
220 – 229	1	540 – 549	1

For and on behalf of the Board of Directors:



Barry Harris, Chair
11 September 2025

Independent Auditor's Report

TO THE READERS OF THE NEW ZEALAND INSTITUTE FOR
PLANT AND FOOD RESEARCH LIMITED'S GROUP FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

The Auditor-General is the auditor of The New Zealand Institute for Plant and Food Research Limited Group (the Group). The Auditor-General has appointed me, Troy Florence, using the staff and resources of PricewaterhouseCoopers, 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 on pages 78 to 101, that comprise the balance sheet as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion, the financial statements of the Group:

- present fairly, in all material respects:
 - its financial position as at 30 June 2025; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards)

Our audit was completed on 11 September 2025. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

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 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 audit opinion.

EMPHASIS OF MATTER

Without modifying our opinion, we draw attention to note 2 on page 82 about the financial statements being prepared on a disestablishment basis due to the Company's short-form amalgamation with AgResearch Limited, Landcare Research New Zealand Limited and New Zealand Forest Research Institute Limited under the Companies Act 1993, effective after 30 June 2025. As a result, the Company will no longer operate as a separate legal entity. This change does not affect the value of assets and liabilities as at 30 June 2025. We consider the disestablishment basis of preparation of the financial statements and the related disclosures to be appropriate to the Company's circumstances.

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 that comply with generally accepted accounting practice in New Zealand.

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 the 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 has 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 Group's statement of corporate intent.

We did not evaluate the security and controls over the electronic publication of the financial statements.

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.
- 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 financial statements. We are responsible for the direction, supervision and review of 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 the Annual Report, but does not include 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 independence requirements of 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)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Group.



Troy Florence
PricewaterhouseCoopers

On behalf of the Auditor-General
Auckland, New Zealand
11 September 2025



Statement of comprehensive income

for the year ended 30 June 2025

	Note	GROUP		
		2025 Actual \$000	2025 Budget Unaudited \$000	2024 Actual \$000
PROFIT AND LOSS				
Revenue				
Strategic funding		43,162	43,428	43,162
Crown-funded research contracts		13,525	15,050	14,257
Commercial science research contracts	(4)	138,894	142,698	130,010
Other income		6,374	5,576	6,976
		201,955	206,752	194,405
Less operating costs				
Personnel costs	(4a)	117,255	117,167	114,411
Depreciation expense	(5)	14,896	14,678	15,056
Amortisation expense	(5)	3,007	2,875	2,587
(Gain) on sale of assets		(4,601)	-	(540)
Other operating expenses	(6)	67,864	78,083	63,804
		198,421	212,803	195,318
Profit / (loss) before interest & taxation		3,534	(6,051)	(913)
Finance income		1,130	528	1,118
Finance costs		(1,505)	(1,230)	(1,374)
Share of profit of associates and joint ventures	(15)	390	105	251
Profit / (loss) before taxation		3,549	(6,648)	(918)
Taxation expense/(credit)	(7)	1,001	(1,782)	(5,175)
Profit / (loss) after taxation attributable to owners		2,548	(4,866)	(6,093)
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences		(18)	-	28
Cash flow hedges	(18)	10	-	42
Other comprehensive income		(8)	-	70
Total comprehensive income attributable to owners		2,540	(4,866)	(6,023)

The accompanying notes form part of these financial statements.

Statement of changes in equity

for the year ended 30 June 2025

	Note	ATTRIBUTABLE TO OWNERS OF THE GROUP				Total Equity \$000
		Share capital \$000	Retained earnings \$000	Foreign currency translation \$000	Cash flow hedge \$000	
Balance as at 01 July 2023		28,436	119,502	23	20	147,981
Changes in equity for						
Issue of shares	(17)	17,000				17,000
Loss for the year			(6,093)			(6,093)
Other comprehensive income, net of taxes						
Currency translation				28		28
Revaluation of cash flow hedges	(18)				42	42
Balance as at 30 June 2024		45,436	113,409	51	62	158,958
Changes in equity for						
Profit for the year			2,548			2,548
Other comprehensive income, net of taxes						
Currency translation				(18)		(18)
Revaluation of cash flow hedges	(18)				10	10
Balance as at 30 June 2025		45,436	115,957	33	72	161,498

The accompanying notes form part of these financial statements.

Balance sheet

as at 30 June 2025

	Note	GROUP		
		2025 Actual \$000	2025 Budget Unaudited \$000	2024 Actual \$000
Current assets				
Cash and short-term deposits	(8)	12,383	3,068	20,826
Receivables and prepayments	(9)	54,306	49,361	50,499
Inventories		337	273	294
Total current assets		67,026	52,702	71,619
Current liabilities				
Accounts payable and accruals	(10)	25,423	30,104	32,193
Employee entitlements	(11)	16,399	15,086	14,765
Current borrowings	(8)	-	3,200	-
Lease liabilities	(13)	1,250	1,386	1,414
Taxation payable		(32)	-	(23)
Total current liabilities		43,040	49,776	48,349
Working capital		23,986	2,926	23,270
Non-current assets				
Property, plant and equipment	(12)	124,842	127,569	121,582
Investment property	(12a)	804	804	804
Right-of-use assets	(13)	23,323	20,242	24,449
Intangible assets	(14)	6,632	4,748	6,411
Investments – associates	(15)	3,080	5,596	4,331
Investments – other		743	750	744
Other assets		891	891	891
Deferred tax asset	(16)	3,520	12,964	3,220
Total non-current assets		163,835	173,564	162,432
Non-current liabilities				
Lease liabilities	(13)	24,263	20,892	24,810
Employee entitlements	(11)	2,060	1,760	1,934
Total non-current liabilities		26,323	22,652	26,744
NET ASSETS		161,498	153,838	158,958
Represented by:				
Equity				
Share capital	(17)	45,436	45,436	45,436
Retained earnings		115,957	108,352	113,409
Foreign currency translation reserve		33	50	51
Cash flow hedge reserve	(18)	72	-	62
TOTAL SHAREHOLDERS EQUITY		161,498	153,838	158,958

For and on behalf of the Board of Directors:



Barry Harris, Chair
11 September 2025



Kim Wallace, Deputy Chair
11 September 2025

The accompanying notes form part of these financial statements.

Cash flow statement

for the year ended 30 June 2025

	Note	GROUP		
		2025 Actual \$000	2025 Budget Unaudited \$000	2024 Actual \$000
Cash flows from/(applied to) operating activities				
Receipts from customers		193,139	207,268	189,692
Interest and dividends received		1,821	528	1,675
Payments to employees and suppliers		(184,623)	(195,279)	(180,221)
Interest paid		(1,433)	(1,160)	(1,305)
Tax paid		(206)	-	(245)
Net cash flows from operating activities	(20)	8,698	11,357	9,596
Cash flows from/(applied to) investing activities				
Sale of property, plant and equipment		327	-	78
Sale of intangible assets		4,392	-	-
Sale of investments		-	-	500
Purchase of property, plant and equipment		(17,065)	(17,850)	(12,927)
Purchase of intangible assets	(14)	(3,228)	(3,650)	(3,353)
Purchase of investments		(139)	(1,300)	(452)
Net cash flows (applied to) investing activities		(15,713)	(22,800)	(16,154)
Cash flows from/(applied to) financing activities				
Proceeds from issue of shares		-	-	17,000
Proceeds from long-term borrowings		-	3,200	-
Lease principal repayments		(1,413)	(1,237)	(1,374)
Net cash flows from/(applied to) financing activities		(1,413)	1,963	15,626
Net cash flow		(8,428)	(9,480)	9,068
Effect of foreign currency translation adjustment		(15)	-	12
Opening cash and cash equivalents		20,826	12,548	11,746
Closing cash and cash equivalents	(8)	12,383	3,068	20,826

The accompanying notes form part of these financial statements.

Notes to the financial statements

for the year ended 30 June 2025

1. REPORTING ENTITIES

The New Zealand Institute for Plant & Food Research Limited (the “Company” or “Plant & Food Research”) and its subsidiaries (the “Group”) 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. The whole of the share capital is held by Ministers of the Crown on behalf of the New Zealand Government. The Company’s registered office is 120 Mt Albert Road, Mt Albert, Auckland 1025.

The Group is primarily involved in research services.

The Group is designated as a profit-oriented entity for financial reporting purposes.

These financial statements have been approved for issue by the Board of Directors on 11 September 2025.

2. BASIS OF PREPARATION

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 (\$000).

The Group’s financial statements are prepared on a disestablishment basis due to the New Zealand Institute for Bioeconomy Science Limited short-form amalgamation which occurred on 1 July 2025 as disclosed in Note 26. This change does not affect the value of assets and liabilities as at 30 June 2025.

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.

(A) STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the requirements of the Crown Research Institutes Act 1992, the Public Finance Act 1989, the Companies Act 1993 and the Financial Reporting Act 2013.

The financial statements have also been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). They comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS), and other Financial Reporting Standards, as appropriate for profit-oriented entities. They comply with International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards).

The Group is a Tier 1 entity.

(B) USE OF ESTIMATES

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(G).

(C) 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.

(D) STANDARDS AND INTERPRETATIONS ISSUED AND NOT YET ADOPTED

There are no new standards or amendments to standards that have been issued but are not yet effective that have been early adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

This note provides details of the material accounting policies adopted in the preparation of these consolidated 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

(i) Subsidiaries

The consolidated financial statements of the Group include the parent entity, Plant & Food Research, and its controlled entities. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date which the Group obtains control and until such time as the Group ceases to control the entity.

The Group measures the cost of a business combination as the aggregate of fair values, at the date of exchange, of assets given, liabilities incurred or assumed, in exchange for control of the subsidiary plus any costs directly attributable to the business combination.

The purchase method of accounting is used to prepare the consolidated financial statements of the Group. 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. The Group's investment in its subsidiaries are initially carried at cost in the Parent's financial statements subject to any write down arising from an annual impairment review.

(ii) Associates

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

Investments in associate companies have been accounted for using the equity method of accounting and are 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 after the date of acquisition. The Group's share of the surplus or deficit of the associate is recognised in the Group's Statement of Comprehensive Income. Distributions received from an associate reduce the carrying amount of the investment.

(iii) 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 consolidated 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. Revenue is shown net of GST, returns and discounts and after eliminating sales within the Group. The following specific recognition criteria must be met before revenue is recognised:

(i) Government grants – Strategic funding

Strategic funding, from the Crown, was established 1 July 2011 and 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.

Government grants relating to costs are deferred and recognised in the Statement of Comprehensive Income over the period necessary to match them with the costs that they are intended to compensate.

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

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

(ii) Crown-funded research contracts

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. The input method is based on the Company's efforts to satisfy the performance obligation with revenue recognised by reference to the stage of completion of the performance obligation, assessed on the basis of the actual service provided as a proportion of the total services to be provided.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(iii) Commercial science research contracts

Sale of research services

Research services are provided on a fixed-price contract, with contract terms generally ranging from less than a year to five years.

Commercial research contracts have one performance obligation and therefore the full transaction price is allocated to that one performance obligation. Commercial science revenue is recognised over time using the input method. The input method is based on the Company's efforts to satisfy the performance obligation with revenue recognised by reference to the stage of completion of the performance obligation, assessed on the basis of the actual service provided as a proportion of the total services to be provided.

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 by management.

Royalties

Royalty revenue is recognised when the performance obligation to which the sales-based royalty has been allocated has been satisfied.

(iv) Other income

Rental income receipts under an operating lease are recognised as revenue on a straight-line basis over the lease term. Orchard management services are recognised as revenue on a monthly basis in accordance with the contractual agreement.

(v) Interest revenue

Interest revenue is recognised on a time-proportion basis using the effective interest method.

(C) IMPAIRMENT

Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note G details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by NZ IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impairment of Non-financial Assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Judgement is applied in determining whether events or conditions are sufficiently significant and adverse to trigger an impairment test. Such assessment includes a view of the events or conditions and whether they are likely to indicate a permanent change, or whether they are expected to be temporary.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units (CGU)). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

The Group has applied judgement in determining that there is one CGU within the Group (apart from investments in joint ventures, associates and other investments) as all parts of the Group operate together and do not generate independent cash flows. As a result, impairment indicators are assessed from a Group perspective and for individual assets.

(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 not recognised for future operating losses. 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. The increase in the provision due to the passage of time is recognised as an interest expense.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(E) DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions (cash flow hedges).

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

(F) 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 in accordance with NZ IFRS, using accounting policies that are consistent with those adopted by the Group for the preparation of these financial statements. The budget figures are unaudited.

(G) CRITICAL 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

In determining the revenue to be recognised from a contract to provide services judgement is required in respect of assessing the percentage of completion of the project. In making this judgement the actual service provided as a proportion of the total services to be provided is reviewed. If circumstances arise that may change the extent of the progress the estimates are revised.

(ii) Impairment provisions

The impairment provisions for financial assets disclosed in Note 9 are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(iii) 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.

(iv) Retirement and long service leave

The present value of the retirement and long service leave obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will impact on the carrying amount of the liability.

In determining the appropriate discount rate the Company considered the interest rates on NZ government bonds which have terms to maturity that match, as closely as possible, the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation patterns. A weighted average discount rate of 4.6% and a salary inflation factor of 4.8% were used.

If the discount rate were to differ by 1% from the Company's estimates, with all other factors held constant, the carrying amount of the liability would be an estimated \$62,000 higher/lower.

If the salary inflation factor were to differ by 1% from the Company's estimates, with all other factors held constant, the carrying amount of the liability would be an estimated \$20,000 higher/lower.

The carrying amount of employee entitlements are disclosed in the Balance Sheet.

(v) Holiday pay remediation provision

The Company provisioned for holiday pay remediation payments in 2022. The Company used judgement in determining the level of provisioning made based on variance calculations up to 31 March 2021 and an estimate for variances from this date to 30 June 2025.

The related provision is included in Note 10.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

4. COMMERCIAL SCIENCE RESEARCH CONTRACTS

	Note	GROUP	
		2025 \$000	2024 \$000
Royalties		86,308	73,556
Other commercial science research contracts		52,586	56,454
Total commercial science research contracts		138,894	130,010

The table below details how much of the revenue recognised in the current reporting period relates to carried-forward revenue-in-advance.

Revenue recognised that was included in revenue-in-advance at the beginning of the period

Commercial science research contracts	5,556	4,608
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4A. OPERATING COSTS

Includes:

Auditors' remuneration

Audit fees for financial statement audit	– Parent (PwC)	223	203
	– Parent (PwC) – related to prior year	–	11
	– Joint operation (KPMG)	15	15
Severance payments*		297	457
Directors fees	– Parent	454	328
	– Joint operation	111	109
Employer contributions to defined contribution plans		1,662	1,678
Unrealised foreign exchange (gains)		211	(212)

* Payments were made to 5 employees in 2025 (2024: 7 employees).

Defined contribution plan

The Group operates a defined contribution superannuation plan. A defined contribution plan is a pension plan under which the Group pays fixed contributions to a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group's contributions made to defined contribution superannuation plans are recognised as an expense in the Statement of Comprehensive Income when they are due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

5. DEPRECIATION AND AMORTISATION

	Note	GROUP	
		2025 \$000	2024 \$000
Depreciation			
Buildings		4,580	4,464
Plant and equipment		8,154	8,274
Motor vehicles		335	546
Total depreciation on property, plant and equipment	(12)	13,069	13,284
Total depreciation on right-of-use assets	(13)	1,827	1,772
Amortisation			
Software and databases		3,007	2,587
Patents, trademarks and licences		-	-
Total amortisation of intangible assets	(14)	3,007	2,587

Depreciation on assets, except land, 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	10 – 100 years
Plant and equipment	3 – 10 years
Motor vehicles	3 – 10 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.

6. OTHER OPERATING EXPENSES

Other operating expenses			
Materials		5,513	5,536
Research & services contracts		24,302	24,219
Property expenses		9,935	8,854
Travel		5,218	4,531
Other general operating costs		22,896	20,664
Total other operating expenses		67,864	63,804

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

7. TAXATION

	Note	GROUP	
		2025 \$000	2024 \$000
Profit / (loss) before taxation		3,549	(918)
Prima facie taxation @ 28%		994	(257)
Plus/(less) taxation effect:			
Non-assessable income		(1,226)	-
Non-deductible expenditure		477	174
Prior period adjustment		47	40
Imputation credits on dividends received		(11)	(14)
Deferred tax change on buildings*		-	4,154
Overseas taxes not utilizable		1,110	1,181
Tax losses not previously recognised		(239)	-
Utilisation of tax losses		(151)	(103)
		1,001	5,175
The taxation charge is represented by:			
Current taxation		1,301	1,387
Deferred tax benefit	(16)	(300)	3,788
		1,001	5,175

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

* The Government announced, and subsequently enacted, legislation to effectively remove the tax depreciation deduction on buildings with expected lives of 50 years or more. As the Group's balance date was after the 28 March 2024 announcement the increase in our deferred tax liability was required to be reflected in 2024.

8. CASH AND BORROWINGS

Cash on hand and at bank	12,383	20,826
Short-term deposits	-	-
Cash and short-term deposits	12,383	20,826

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

Current portion of borrowings	-	-
Borrowings	-	-

The Group has the following borrowing facilities at 30 June 2025:

	Expiry	Facility	Drawdown
Multi option credit facility No. 1	30 November 2025	6,000	-
Multi option credit facility No. 2	30 June 2027	9,000	-

The borrowings are secured by a first ranking general security agreement over the Group's assets and subject to two financial covenants. The general security agreement means that the Group may not grant a security interest greater than 5% of total tangible assets to another party or dispose of assets greater than \$1,000,000 without the consent of the bank.

The Group is required to ensure that the following financial ratios are met:

- Shareholder funds of not less than 50% of adjusted tangible assets; and
- Earnings for the year not less than 3.00 times its consolidated funding costs.

The Group complied with these ratios during the year ended 30 June 2025 (2024: complied).

As at 30 June 2025 and 2024 there were no facilities drawn down.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

9. RECEIVABLES AND PREPAYMENTS

	GROUP	
	2025 \$000	2024 \$000
Trade receivables	34,526	33,578
Loss allowance	(353)	(353)
	34,173	33,225
Accrued income	13,059	11,532
Prepayments and other receivables	7,074	5,742
	54,306	50,499

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

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off when identified. A provision for loss allowance has been calculated using the simplified approach allowed under NZ IFRS 9 (refer below).

ACCRUED INCOME (CONTRACT ASSET)

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

The carrying value of receivables approximates their fair value. The carrying amount of receivables that would otherwise be past due, but not impaired, whose terms have been renegotiated is \$1,715,000 (2024: \$1,072,000).

The Group applies the NZ IFRS 9 simplified approach to providing for expected credit losses, which uses the lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses trade receivables have been grouped based on days past due. The expected loss rates are based on our historical credit losses since 2010, adjusted for any significant known amounts that are not receivable. Forward looking information has also been incorporated as appropriate.

On this basis, the loss allowance at 30 June 2025 is as follows:

	Expected loss rate	Gross carrying amount	Loss allowance provision
Not past due	0.22%	32,531	(73)
Past due 1 – 30 days	0.75%	1,367	(10)
Past due 31 – 60 days	1.50%	340	(5)
Past due 61 – 90 days	5.00%	24	(1)
Past due > 91 days	100.0%	264	(264)
Total		34,526	(353)

Movements in the loss allowance provision for receivables are as follows:

	GROUP	
	2025 \$000	2024 \$000
Balance at 01 July	(353)	(353)
Additional provisions during the year	-	-
Receivables written-off during the year	-	-
Balance at end of year	(353)	(353)

When a trade receivable is uncollectible, it is written off against the provision if it has been provided for or immediately recognised in the Statement of Comprehensive Income, within other operating expenses, if not. Any recoveries of trade receivables written off are credited against bad debts in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

10. ACCOUNTS PAYABLE AND ACCRUALS

	GROUP	
	2025 \$000	2024 \$000
Trade payables	9,161	12,998
Other payables and accruals	5,968	6,052
Revenue in advance	10,294	13,143
	25,423	32,193

Accounts payable and accruals are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of accounts payable and accruals approximates their fair value.

Trade payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

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.

11. EMPLOYEE ENTITLEMENTS

	GROUP	
	2025 \$000	2024 \$000
Annual leave	8,523	7,715
Retirement leave	4,188	3,899
Service leave	1,259	1,161
Other leave and accruals	4,489	3,924
Total employee entitlements	18,459	16,699
Comprising:		
Current	16,399	14,765
Non-current	2,060	1,934
	18,459	16,699

WAGES AND SALARIES, ANNUAL LEAVE, SICK LEAVE AND OTHER BENEFITS

Provision is made for employee benefits accumulated as a result of employees rendering services up to balance date including related on-costs. The benefits include wages and salaries, annual leave, sick leave, incentives and other benefits. The provision for employee benefits is measured at the remuneration rates expected to be paid when the liability is settled.

LONG SERVICE LEAVE AND RETIREMENT LEAVE

Service leave and retirement leave entitlements are calculated based on the employee's entitlement and their current pay rate. The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Long term benefits expected to be settled within 12 months are classified as employee entitlements under current liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

12. PROPERTY, PLANT AND EQUIPMENT

	GROUP				
	Land \$000	Buildings \$000	Plant and Equipment \$000	Motor Vehicles \$000	Total \$000
Cost					
Opening balance 01 July 23	13,763	120,786	167,661	7,641	309,851
Additions	-	6,417	7,766	-	14,183
Disposals	-	-	(1,477)	(175)	(1,652)
Transfers	(804)	(102)	108	(6)	(804)
Foreign exchange movement	-	-	(2)	-	(2)
Closing balance 30 June 24	12,959	127,101	174,056	7,460	321,576
Accumulated depreciation					
Opening balance 01 July 23	-	52,085	130,985	5,160	188,230
Depreciation	-	4,464	8,274	546	13,284
Disposals	-	-	(1,377)	(143)	(1,520)
Transfers	-	-	-	-	-
Closing balance 30 June 24	-	56,549	137,882	5,563	199,994
Net book value	12,959	70,552	36,174	1,897	121,582

	GROUP				
	Land \$000	Buildings \$000	Plant and Equipment \$000	Motor Vehicles \$000	Total \$000
Cost					
Opening balance 01 July 24	12,959	127,101	174,056	7,460	321,576
Additions	-	3,626	11,640	934	16,200
Disposals	-	(51)	(1,691)	(352)	(2,094)
Transfers	-	(521)	521	-	-
Foreign exchange movement	-	-	(2)	-	(2)
Closing balance 30 June 25	12,959	130,155	184,524	8,042	335,680
Accumulated depreciation					
Opening balance 01 July 24	-	56,549	137,882	5,563	199,994
Depreciation	-	4,580	8,154	335	13,069
Disposals	-	(39)	(1,899)	(287)	(2,225)
Transfers	-	(2)	2	-	-
Closing balance 30 June 25	-	61,088	144,139	5,611	210,838
Net book value	12,959	69,067	40,385	2,431	124,842

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Group has four classes of property, plant and equipment:

- Land
- Buildings
- Plant and equipment
- Motor vehicles

Land is recorded at cost. All other property, plant and equipment is shown at cost, less accumulated depreciation and any accumulated impairment losses, except for assets transferred from the Crown.

Property, plant and equipment transferred from the Crown has been included in the accounts at values established by independent valuers which is the deemed cost. All subsequent expenditure has been initially recorded at 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 Statement of Comprehensive Income when the expense is incurred.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition. The Group constructs some items of plant for use in research. These have been brought into the accounts at the cost of direct labour and materials plus an appropriate proportion of direct overheads.

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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the Statement of Comprehensive Income.

The Company holds numerous germplasm collections of horticultural material 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 Company's research.

12A. 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.

	GROUP	
	2025 \$000	2024 \$000
Non-current asset – at cost		
Opening balance	804	-
Transfer	-	804
Capitalised subsequent expenditure	-	-
Closing balance at 30 June	804	804

The fair value of the investment property at 30 June 2025 is \$10.7M (2024: \$10.7M).

Rental income of \$421,000 was received during the year (2024: \$105,000). Minimum lease payments receivable on leases of investment properties are as follows:

Less than one year	421	494
Two to five years	1,684	1,976
More than five years	18,423	22,107
Total	20,528	24,577

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

13. LEASES

The Group leases various land, offices and research facilities. The terms of the leases vary, with land and buildings leases ranging from 2 – 23 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.

Contracts may contain both lease and non-lease components. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interest in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. 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 net present value of fixed payments.

Lease payments include any renewal periods that are likely to be exercised. The lease payments are discounted using the Group's incremental borrowing rate which ranges from 3% to 8% and is the rate the Group would borrow the funds required to purchase an asset of a similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

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 Statement of Comprehensive Income.

The following table details leases where the Group is a lessee:

	GROUP	
	2025 \$000	2024 \$000
Right-of-use lease assets		
Opening balance	24,449	19,853
Additions and modifications	701	6,368
Depreciation	(1,827)	(1,772)
Closing balance	23,323	24,449
<i>Represented by:</i>		
Cost	32,071	31,370
Accumulated depreciation	(8,748)	(6,921)
	23,323	24,449
Lease liabilities		
Current	1,250	1,414
Non-current	24,263	24,810
	25,513	26,224
<i>The movements for the year are as follows:</i>		
Opening balance	26,224	21,230
Additions and modifications	701	6,368
Lease payments	(2,754)	(2,597)
Interest on leases	1,342	1,223
Closing balance	25,513	26,224
Amounts payable under leases		
Less than one year	1,250	1,414
Two to five years	4,923	4,588
More than five years	19,340	20,222
Total	25,513	26,224

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

14. INTANGIBLE ASSETS

	GROUP			
	Software, Databases \$000	Patents, Trademarks \$000	Goodwill \$000	Total \$000
Cost				
Opening balance 01 July 23	23,330	467	19	23,816
Additions	3,353	-	-	3,353
Closing balance 30 June 24	26,683	467	19	27,169
Accumulated amortisation				
Opening balance 01 July 23	17,685	467	19	18,171
Amortisation	2,587	-	-	2,587
Closing balance 30 June 24	20,272	467	19	20,758
Net book value	6,411	-	-	6,411

	GROUP			
	Software, Databases \$000	Patents, Trademarks \$000	Goodwill \$000	Total \$000
Cost				
Opening balance 01 July 24	26,683	467	19	27,169
Additions	3,228	-	-	3,228
Closing balance 30 June 25	29,911	467	19	30,397
Accumulated amortisation				
Opening balance 01 July 24	20,272	467	19	20,758
Amortisation	3,007	-	-	3,007
Closing balance 30 June 25	23,279	467	19	23,765
Net book value	6,632	-	-	6,632

SOFTWARE

The cost of software, databases and related items, either acquired or internally generated, which are unique and controlled by the Group, and that will probably generate measurable economic benefits exceeding costs beyond one year is capitalised as intangible assets.

Costs associated with maintaining computer software are recognised as an expense when incurred.

The carrying value of software is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the Statement of Comprehensive Income.

The useful lives and associated amortisation rates have been estimated as follows:

- Software 3 – 5 years

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

15. INVESTMENTS

(I) SUBSIDIARIES	Principal Activity	Balance Date	Interest Held %
CropSeed Limited	Seed growing services	30 June	100
Berryfruit Holdings Limited	IP holding company	30 June	100
Plant & Food Research (USA) Corporation	Marketing and consultancy services in the USA	30 June	100
Plant & Food Research Australia Pty Limited	Science, marketing and consultancy services in Australia	30 June	100

Plant & Food Research Australia Pty Limited is incorporated in Australia. Plant & Food Research (USA) Corporation is incorporated in the USA. All other subsidiaries are incorporated in New Zealand.

(II) JOINT OPERATIONS

Plant & Food Research and Zespri have a 50/50 joint operation The Kiwifruit Breeding Centre Limited, dedicated to breeding new kiwifruit cultivars. The joint operation commenced operations on 1 October 2021 and its principal place of business is Te Puke.

Significant judgement classification of joint arrangements

The joint venture agreements in relation to The Kiwifruit Breeding Centre Limited require unanimous consent from all parties for all relevant activities. The two shareholders have direct rights to the assets of the venture and are jointly and severally liable for the liabilities incurred by the venture.

All output generated is only for the two shareholders, Plant & Food Research and Zespri.

This entity is therefore classified as a joint operation and the Group recognises its direct right to the jointly held assets, liabilities, revenues and expenses.

There was no material impact on the Group financial statements from the formation of the new joint operation.

(III) ASSOCIATES

The Group's share of profit in its associated companies and joint ventures for the year was \$390,000 (2024: \$251,000).

	Principal Activity	Interest Held	Total Assets \$'000	Total Liabilities \$'000	Revenue \$'000	Profit/(Loss) \$'000
30 June 2025						
Pacific Berries LLC	Developing & commercialising IP	50.0%	1,300	42	2,557	1,165
Forage Innovations Limited	Developing & commercialising IP	49.0%	2,193	612	2,500	149
Prevar Limited	Developing & commercialising IP	27.1%	4,064	2,065	7,479	(366)
30 June 2024						
Pacific Berries LLC	Developing & commercialising IP	50.0%	1,465	30	2,308	319
Forage Innovations Limited	Developing & commercialising IP	49.0%	2,604	1,056	2,221	(12)
Prevar Limited	Developing & commercialising IP	29.0%	3,639	1,660	5,675	(332)
Precision Seafood Harvesting Limited	Developing & commercialising IP	25.0%	4,603	254	768	(901)
					GROUP	
					2025 \$'000	2024 \$'000
Prevar Limited					1,376	1,463
Precision Seafood Harvesting Limited					100	1,078
Forage Innovations Limited					817	744
Pacific Berries LLC					541	660
Biopolymer Network Limited					240	380
Other associates & joint ventures					6	6
Total associate and joint venture investments					3,080	4,331

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

16. DEFERRED TAX ASSET / (LIABILITY)

	Property, plant equipment \$000	Investments- associates \$000	Derivative financial instruments \$000	Employee entitlements \$000	Right-of-use assets \$000	Lease liabilities \$000	Other provisions \$000	Tax losses \$000	Total \$000
Group									
Balance at 30 June 2023	2,591	174	6	3,614	(5,559)	5,944	(584)	822	7,008
Charged to statement of comprehensive income	(3,661)	25	11	72	(1,287)	1,399	(705)	358	(3,788)
Balance at 30 June 2024	(1,070)	199	17	3,686	(6,846)	7,343	(1,289)	1,180	3,220
Charged to statement of comprehensive income	(302)	57	3	161	316	(200)	(614)	879	300
Balance at 30 June 2025	(1,372)	256	20	3,847	(6,530)	7,143	(1,903)	2,059	3,520

Deferred tax as at 30 June 2025 includes \$2,059,000 of tax losses which management has assessed as fully recoverable based on the expected future taxable income of New Zealand Institute for Bioeconomy Science Limited. MBIE have advised that both Ministers and Inland Revenue have agreed to change legislation prior to 30 June 2026 which will enable the New Zealand Institute for Bioeconomy Science Limited to utilise these tax losses.

17. SHARE CAPITAL & RESERVES

	GROUP	
	2025 \$000	2024 \$000
Ordinary shares		
On issue opening balance	45,436	28,436
Issued for cash	-	17,000
On issue at closing balance 30 June	45,436	45,436

Share capital consists of 45,436,000 fully paid ordinary shares of \$1 each (2024: 45,436,000 ordinary shares of \$1 each).

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

All shares rank equally with regard to the Company's residual assets.

18. CASH FLOW HEDGE RESERVE

	GROUP	
	2025 \$000	2024 \$000
Opening balance at 01 July	62	20
Transferred to cost of sales	10	42
Revaluations	-	-
Closing balance at 30 June	72	62

The hedge reserve is used to record fair value gains or losses on foreign exchange forward contracts that qualify as cash flow hedges.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

19. COMMITMENTS

The following amounts have been committed to by the Group, but are not recognised in the financial statements:

	GROUP	
	2025 \$'000	2024 \$'000
a) Capital commitments		
Property, plant and equipment	3,867	3,425
b) Operating commitments (excluding leases recognised on the balance sheet)	180	135
c) Operating lease income		
Lease income under non-cancellable operating leases are as follows:		
Not later than one year	1,340	1,357
Later than one year and not later than five years	1,361	1,235
Later than five years	13	23
	2,714	2,615

The Group received rental income of \$1,890,000 during the year (2024: \$1,864,000). Rental income is included within Other income in the Statements of Comprehensive Income.

20. RECONCILIATION OF PROFIT / (LOSS) AFTER TAX WITH CASH FLOW FROM OPERATING ACTIVITIES

	GROUP	
	2025 \$'000	2024 \$'000
Profit / (loss) after tax	2,548	(6,093)
<i>Add/(less) non-cash items:</i>		
Share of retained profit of associates and joint ventures	(390)	(251)
Depreciation and amortisation	17,903	17,643
Other non cash movements	919	(160)
	18,432	17,232
<i>Add/(less) items classified as investing activities:</i>		
(Gain) on sale of property, plant and equipment	(4,601)	(540)
Dividends received from joint venture	712	557
<i>Movements in working capital & other movements:</i>		
(Increase) in receivables and prepayments	(3,792)	(3,878)
(Increase)/decrease in inventory	(43)	122
(Decrease) in trade payables and accruals	(6,009)	(1,800)
(Decrease) in taxation payable	(9)	(65)
(Decrease)/increase in future tax liability	(300)	3,788
Increase in employee entitlements	1,760	273
	(8,393)	(1,560)
Net cash flow from operating activities	8,698	9,596

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

21. RELATED PARTY TRANSACTIONS

The Company 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 than those which it is reasonable to expect the Group would have adopted if dealing with that entity at arm's length in the same circumstances. Such transactions have not been disclosed as related party transactions.

Strategic funding amounting to \$43,162,000 was received from MBIE (a government department) during the year to 30 June 2025 (2024: \$43,162,000). Strategic funding is disclosed on the face of the Statement of Comprehensive Income.

	REVENUE EARNED		DUE FROM	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Transactions with:				
Associates	6,901	6,599	2,925	3,287

For the year ended 30 June 2025, the Group has not impaired any related party receivables (2024: \$0).

EXECUTIVE REMUNERATION

Plant & Food Research's remuneration policy has four objectives:

- Establish and maintain fair and competitive salaries;
- Recognise and reward difference in individual ability and performance;
- Enable positions to be assessed to both internal and external value; and
- Provide appropriate pay ranges for positions requiring different levels of responsibility, experience, skill and knowledge

Executive remuneration is set having regard to:

- Prevailing market and economic conditions
- Organisational performance and individual experience and contribution
- Internal equity and pay parity
- Accurate benchmark position and job size
- Market benchmark survey results

	GROUP	
	2025 \$000	2024 \$000
Salaries and other short term employee benefits of the Chief Executive and other members of the Senior Leadership Team	3,306	3,016

Total executive remuneration detailed above includes other benefits (employer contributions to superannuation and health insurance) totalling \$78,000 (2024: \$85,000).

There were 8 to 9 members of the Senior Leadership Team (including the Chief Executive) during the twelve months ending 30 June 2025 (2024: 8).

Executive remuneration consists of base salary and employer contributions to superannuation and health insurance.

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.

CHIEF EXECUTIVE REMUNERATION

The Chief Executive's remuneration for 2025 and 2024 was:

	Salary	Benefits	Total
2025	543,505	-	\$543,505
2024	543,505	-	\$543,505

The Chief Executive's remuneration is approved by the Board on the recommendation of the Remuneration Committee on an annual basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

22. FINANCIAL INSTRUMENTS

The Group's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. The Group has a series of 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.

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. The Group also holds small balances of AUD, EUR and USD at call in order to settle 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.

Sensitivity analysis

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

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.

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 \$15M with any one institution. The largest credit exposure with any one institution at balance date is \$7.4M (2024: \$11.3M).

The Group's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and short-term deposits (note 8), net receivables (note 9) and derivative financial assets. There is no collateral held as security against these financial instruments.

Management has a credit policy in place under which each new customer is individually analysed for credit worthiness and assigned a credit limit before the standard payment and delivery terms and conditions are offered. Where available the Group reviews external ratings and references are obtained. Credit limits are reviewed on a regular basis.

Net receivables includes two customers who represent 78% (2024: 73%) of the total trade receivables at balance date. The Group is not exposed to any other concentrations of credit risk.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

22. FINANCIAL INSTRUMENTS (CONTINUED)

LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims to maintain flexibility in funding by keeping committed credit lines available. It is the Group's policy to provide credit and liquidity enhancement only to wholly owned subsidiaries.

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.

	GROUP 2025				
	Carrying amount	Contractual cash flow	Up to 12 months	1-2 years	3 years +
Trade and other payables	12,756	12,756	12,756	-	-
Borrowings	-	-	-	-	-
	12,756	12,756	12,756	-	-
Forward exchange contracts					
Inflow	72	5,055	5,055	-	-
Outflow	-	-	-	-	-
	GROUP 2024				
	Carrying amount	Contractual cash flow	Up to 12 months	1-2 years	3 years +
Trade and other payables	16,097	16,097	16,097	-	-
Borrowings	-	-	-	-	-
	16,097	16,097	16,097	-	-
Forward exchange contracts					
Inflow	62	8,846	8,846	-	-
Outflow	-	-	-	-	-

FAIR VALUE ESTIMATION

The group uses various methods in estimating the fair value of a financial instrument.

- The fair value is calculated using quoted prices in active markets (Level 1)
- The fair value is estimated using inputs other than quoted prices included in Level 1 that observable for the asset or liability either directly (as prices) or indirectly (derived from prices) (Level 2); and
- The fair value is estimated using inputs for the asset or liability that are not based on observable market data (Level 3).

The group's derivative financial instruments are all level 2 forward foreign exchange contracts with a fair value of \$72,000 (2024: \$62,000).

These have been fair valued using forward exchange rates that are quoted in an active market.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 30 June 2025

23. CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

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

	Note	GROUP	
		2025 \$000	2024 \$000
Financial assets measured at amortised cost			
Cash and cash equivalents	(8)	12,383	20,826
Trade and other receivables	(9)	47,232	44,757
Total financial assets at amortised cost		59,615	65,583
Financial liabilities measured at amortised cost			
Accounts payable and accruals	(10)	12,756	16,097
Employee entitlements	(11)	16,399	14,765
Borrowings	(8)	-	-
Lease liabilities	(13)	1,250	1,414
Total financial liabilities at amortised cost		30,405	32,276

The fair value of the financial assets and liabilities approximate their carrying value.

24. CAPITAL MANAGEMENT

The Company's capital is its equity, which comprises share capital and accumulated funds. Equity is represented by net assets.

The Company is subject to the financial management and accountability provisions of the Crown Research Institutes Act 1992.

The Company manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities and general financial dealings to ensure the Company effectively achieves its objectives and purpose, whilst remaining a going concern.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

25. CONTINGENCIES

CONTINGENT LIABILITIES

There were no material contingent liabilities known to exist at balance date (2024 \$0).

CONTINGENT ASSETS

There were no material contingent assets known to exist at balance date (2024 \$0).

26. SUBSEQUENT EVENTS

On 1 July 2025 Plant & Food Research amalgamated with AgResearch Limited, Landcare Research New Zealand Limited and New Zealand Forest Research Institute Limited by way of short-form amalgamation in accordance with the New Zealand Companies Act 1993. The amalgamation occurred after the reporting date and is therefore a non-adjusting subsequent event under NZ IAS 10 Events after the Reporting Period.

The amalgamation is part of the reform of New Zealand's science, innovation and technology system, as announced by the Prime Minister on 23 January 2025.

As a result of the amalgamation Plant & Food Research ceased to exist as a separate legal entity. All assets, liabilities, rights and obligations of the Company as well as those of AgResearch Limited and Landcare Research New Zealand Limited were transferred to New Zealand Forest Research Institute Limited, which continues as the amalgamated company under a new name, New Zealand Institute for Bioeconomy Science Limited.

This event does not affect the recognition or measurement of our assets and liabilities as at 30 June 2025.

Performance indicators

for the year ended 30 June 2025

	2025 Actual	2024 Actual
Research Collaboration		
Peer reviewed publications	278	287
Book chapters	2	22
Technology & Knowledge Transfer		
Licences – new	12	8
Client reports	334	352
Plant variety rights		
Granted in NZ	2	–
Granted overseas	2	8
Patents	18	20
Trademarks		
Registered	1	1
Requests for information from databases and collections	12	8
Science Quality		
Science reviews	1	2
International awards	6	7
Invitations for international committees	16	7
Invitations for editorial boards	32	3

Statement of responsibility

for the year ended 30 June 2025

In the financial year ended 30 June 2025, the Board and management of The New Zealand Institute for Plant & Food Research 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 and management of The New Zealand Institute for Plant & Food Research Limited, these financial statements fairly reflect the financial position and operations of The New Zealand Institute for Plant & Food Research Limited for the year ended 30 June 2025.



Barry Harris, Chair
11 September 2025



Kim Wallace, Deputy Chair
11 September 2025

Directory

(as of 1 September 2025)

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Bioeconomy Science Institute

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Kim Wallace
Deputy Chair

Gray Baldwin

Candace Kinser

Andrew Morrison

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Plant & Food Research

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Roger Bourne
Director Strategy, Brand & Impacts

Dr Jolon Dyer
Director Science

Professor Richard Newcomb
Chief Scientist

Dr Gavin Ross
Director Customer & Commercial

Quentin Smith
Chief Financial & Operating Officer

Keri-Anne Tane
Director People & Culture

Stacey Whitiora
Director Māori Strategy, Partnerships & Enterprise

Auditors

PricewaterhouseCoopers on behalf
of the Auditor-General

Bankers

ANZ Bank New Zealand Ltd
Westpac New Zealand Ltd



We're building something new

On 1 July 2025, AgResearch, Manaaki Whenua – Landcare Research, Plant & Food Research and Scion came together to form the Bioeconomy Science Institute. Now, we are more than 2200 people working to support the growth and resilience of the bioeconomy in New Zealand and beyond. Together, our world-class science can do more to 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.

A smart
green
future.
Together.

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