



**KiwiNet**

Kiwi Innovation Network

2022

**ANNUAL REPORT**

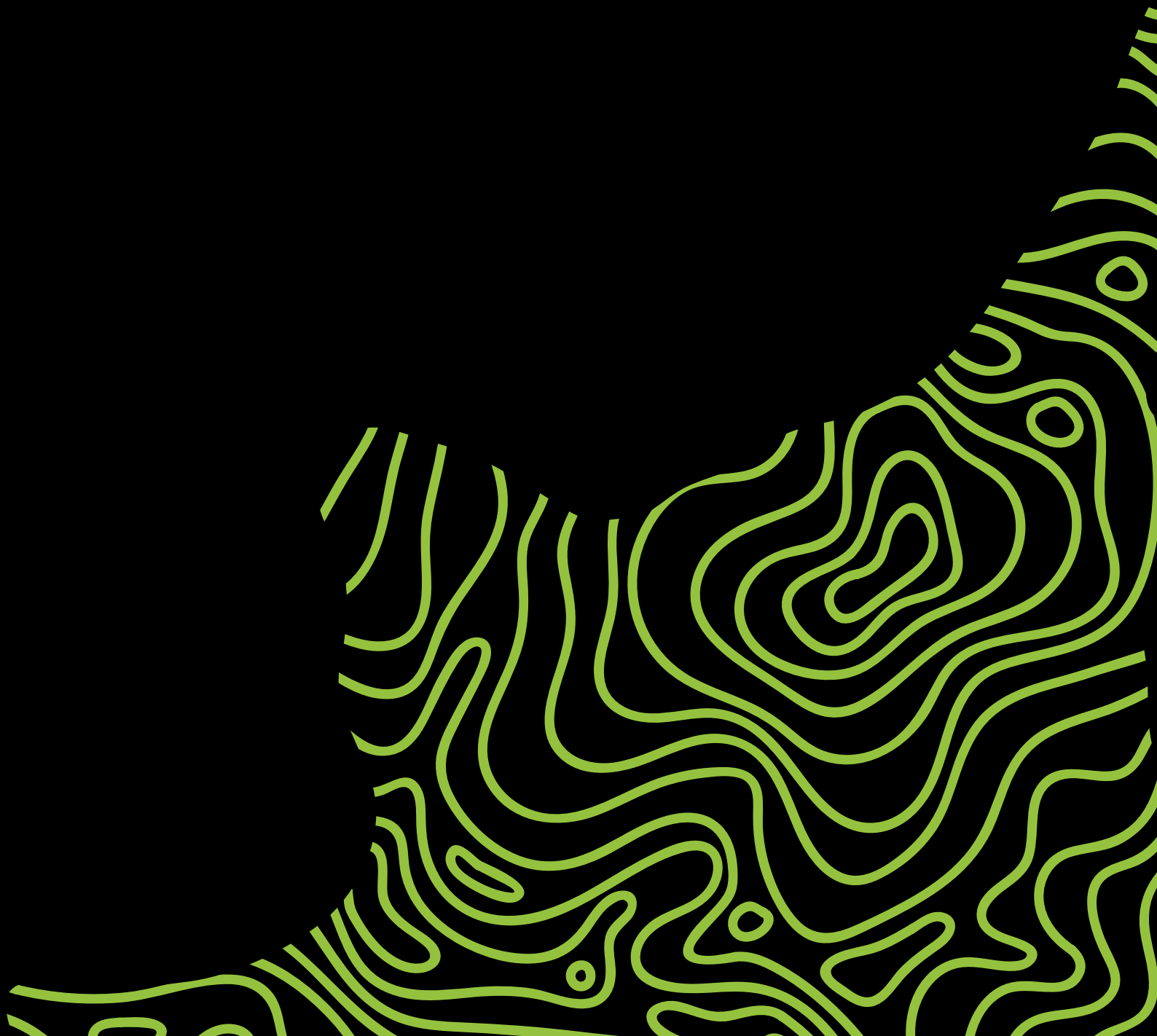
[www.kiwinet.org.nz](http://www.kiwinet.org.nz)



**COVER IMAGE**

The Rākau, or tree, adorning the cover page of our Annual Report represents key elements of KiwiNet's cultural narrative.

WE BELIEVE IN THE **POWER**  
**OF NEW ZEALAND SCIENCE**  
TO TRANSFORM LIVES AND  
CHANGE THE WORLD





# Accelerating scientific discoveries towards real-world impact



## ABOUT KIWINET

KiwiNet is the combined power of New Zealand's Universities, Crown Research Institutes and other research organisations who receive public funding. Together these research organisations represent a total combined research expenditure of over \$800 million and represent 80% of the publicly funded researchers in New Zealand.

Through KiwiNet, the commercialisation offices of these organisations are pooling knowledge and resources to support and accelerate research commercialisation. This support means that Aotearoa New Zealand's clever scientific discoveries can be developed further, ready for private investment, so they can ultimately become the new products, services and clever start-up companies that are transforming lives and changing the world.

## FUNDING

KiwiNet is funded from the shareholder research organisations, corporate partners, and the Ministry of Business, Innovation and Employment.

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A map of New Zealand is the central focus, with several logos of research and innovation partners placed around it. The logos include:

- AUT VENTURES** (top left)
- Plant & Food Research** (top right, Rangahau Ahumāra Kai)
- agresearch** (middle left, āta mātai, mātai whetū)
- waikatolink** (middle right, University of Waikato Commercialisation)
- CallaghanInnovation** (middle left)
- SCION** (middle right, FORESTS • PRODUCTS • INNOVATION)
- CAWTHRON** (bottom left, The power of science®)
- WELLINGTON UNIVENTURES** (bottom right)
- LINCOLN UNIVERSITY** (bottom left, TE WHARE WĀNAKA O AORAKI)
- GNS SCIENCE** (bottom right, TE PŪ AO)
- E/S/R** (bottom right, Science for Communities)
- UC UNIVERSITY OF CANTERBURY** (bottom center, Te Whare Wānanga o Waitaha CHRISTCHURCH NEW ZEALAND)
- Manaaki Whenua Landcare Research** (bottom center)
- Massey Ventures** (bottom right, Supporting Research Innovation)
- OTAGO INNOVATION** (bottom center, A UNIVERSITY OF OTAGO COMPANY)

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Shareholders (Universities, Crown Research Institutes, Entities and independent research organisations) as at 30 June 2021.

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KiwiNet supports publicly funded research discoveries on their path to market, so they can create longstanding social, environmental, and economic impact for Aotearoa New Zealand.

# Look to the Future

## Chairperson's Report



*"It has been a great pleasure to work with such talented people who care deeply about what science has to offer and strive to turn ideas into reality."*

This year my time at KiwiNet comes to an end, after seven years on the board and four as chair. It has been inspiring to look back at what we have built together over that time. In seven years KiwiNet has grown exponentially, from a grafting maverick to an established, widely recognised leader in our space, now sought out for advice and support across the ecosystem.

We've seen a further six pooling partners join our network for a total of 19 who, together, have scaled the pipeline with more than 830 projects, launched 35 start-up companies, and created a further \$255M in financial returns for New Zealand.

We now have a truly phenomenal team of shareholder partners who overcome challenges every day in their pursuit of taking science to the world. It has been a great pleasure to form relationships with the extraordinary people within Aotearoa's public research organisations who care deeply about what science has to offer and strive to turn ideas into reality.

The KiwiNet team, ably led by James Hutchinson, has grown from 5 to 11 – a hive of thought, energy, and activity. They continue to build strong relationships with researchers, shareholders, tech incubators and investors to help drive the commercialisation of science and create meaningful impact.

Our shareholders have also felt the effects of the global pandemic. They lost PhD students to their home countries, saw labs closed, and research projects halted or cancelled. While the long-term impact on this sector is yet to be calculated, there is already plenty of work to be done to rebuild the pipeline of world-changing projects. This will largely fall to our shareholders, supported wherever possible by the KiwiNet team and board. Even so we are seeing an increased appetite for deep tech innovation in the investor space – a credit to the hard work and exciting

technologies that have come out of our research institutes in recent years.

I am passing the baton to the new KiwiNet Chair, Dr Will Barker. His expertise in the deep tech and start-up space as founder and CEO of Mint Innovation and partner of Outset Ventures, combined with his tenure on the KiwiNet board, will see him successfully steer KiwiNet through this next stage.

During my time as chair, KiwiNet has inspired researchers, investors, industry partners, and other talented individuals who have united on their respective commercialisation journeys. There are many people to thank for this. Thank you to all the shareholders who have worked so actively and positively, for your direct, open communication, and for your utter commitment to the role of commercialising science. Thank you to our corporate partners who enable us to run our programmes and build capability in the eco-system. Thank you to the KiwiNet board – Will, Debra, Vignesh, Mark, and Steve – for your wisdom, guidance for the team, and good humour.

And a special thank you to the small, incredibly hardworking KiwiNet team – for your warmth and care towards everyone, for pushing hard for excellence, for adapting to changing circumstances and for being yourselves, always.

It has been a humbling, exciting, and educational journey. I'm proud of our connected and passionate community and the space we have built for our collective ambitions to be realised.

Hei konā mai,

Ngaio Merrick / June 2022  
Chair, KiwiNet

# A year of reflection and preservation

## CEO's Report



*“The KiwiNet rākau now stands stronger, wiser, and even more ambitious to help scientific discoveries seed across Aotearoa.”*

Growth is not the only path to success. Our planet and its yearly seasons show us that with growth there also needs to be time for replenishment, preservation, cultivation. We have indeed seen some exciting growth this year, but as we emerge from a tumultuous period of weathering a global pandemic it is the tending to and reimagining of our foundations that has been most valuable.

The conversations and debate stimulated by the Government's Te Ara Paerangi | Future Pathways reform of the science sector has provided an invaluable opportunity for the KiwiNet whānau to reconnect with our whakapapa and founding mission. This has energised our thinking and aspirations for the future. Not only how we approach commercialisation and the opportunities it provides to generate impact for NZ and the planet, but also how we can reimagine our roles as kaitiaki guardians of research outputs to create new impact models.

Alongside this, we recognise that the pandemic has been tough for New Zealand's public research organisations, not only financially, but also through access to critical talent. It has become ever-clearer how important people are to the success of the commercialisation sector and our ability to scale. Whether that be international researchers and students coming to our shores to contribute towards technology development, entrepreneurs with the skills to lead new deep-tech spin-out companies to success, or commercialisation professionals who play a crucial role in progressing innovations from our research organisations to investor readiness.

The opportunities to harness the momentum building in our deep-tech sector are exciting. But they can't be realised without people. It is capable and inspired people that enable

our sector to thrive. And it is our collaborative Commercialisation Partner Network (CPN) model that enables KiwiNet and its partners to deliver huge benefit to Aotearoa New Zealand. With economic storm clouds on the horizon, we will continue to focus our efforts on empowering and supporting this workforce, so that we are ready to accelerate again when the seasons change.

This coming year, in another season change, we bid our inspirational Chair Ngaio Merrick a fond haere rā. Ngaio has overseen a period of significant growth at KiwiNet, not just in the scale and impact of our activities but also in our mana and confidence as an organisation. Her challenge to us to be bold, authentic, and have empathy in what we do will have a lasting positive impact.

The KiwiNet rākau now stands stronger, wiser, and even more ambitious to help scientific discoveries seed across Aotearoa, sprouting from the rich soil of our research institutes and propagated by the many talented entrepreneurs, commercialisation professionals and investors in our space. For if we can harness our collective power, New Zealand has a genuine opportunity to become a nursery for deep tech start-ups and spinouts with global ambitions.

We are ready to dig in and are excited for what the future holds. We look forward to working with our friends and whānau from across the research, science, and innovation space to get there.

Dr James Hutchinson / June 2022  
CEO, KiwiNet

# THE YEAR IN HIGHLIGHTS



## KIWINET AWARDS

This year was a first for KiwiNet, with the 9th annual KiwiNet Research Commercialisation Awards held online due to Covid-19 restrictions. Research commercialisation teams gathered at work and home to watch the online pitch day and celebrate the 16 finalists at the virtual Awards event, hosted by Madeleine Sami and with speakers including Economist Shamubeel Eaqub.

Over 400 people tuned in to the evening event, which reinforces the significance of these Awards to our community and their value in recognising research commercialisation's contribution to the innovation system and Aotearoa New Zealand.



## KIWINET 10TH BIRTHDAY CELEBRATIONS

In July 2021 KiwiNet celebrated its 10th anniversary of bringing New Zealand's research institutes together under the Commercialisation Partner Network. The milestone was marked with a cake-cutting ceremony at the Beehive, attended by our Investment Committee representatives.

Launched in 2011, KiwiNet was originally a consortium of 10 Universities and Crown Research Institutes, with a goal to increase collaboration across the system. Since then, the CPN model has maintained its world-leading approach to publicly-funded research commercialisation, and remains the only place in the world where public research organisations voluntarily join forces and pool funding, to get their best discoveries investor ready. KiwiNet is now the combined power of 19 of New Zealand's Universities, Crown Research Institutes, and other research organisations, contributing to the creation of over 66 start-ups, 523 commercial deals, and a combined known revenue to NZ of \$443.7M.



## KIWINET SPIN-OUT PROGRAMME

Launched in 2021 as a pilot, the Spin-Out Programme provides a fast-track for commercially viable discoveries from KiwiNet's partner research organisations to become fully formed investor-ready spin-out companies. Inventors and research organisations are given the necessary tools and knowledge to become founders, attract investment, and accelerate the growth of their spin-out companies. KiwiNet's corporate partners, BNZ, MinterEllisonRuddWatts, AJ Park, and PwC provide invaluable guidance and advice to the projects, alongside a KiwiNet commercial mentor.



AUT researcher, Dr Sandra Grau-Bartual was selected as the first participant in this programme. Dr. Grau-Bartual's compact and elegant "smart fabric" technology humidifies the air breathed by patients, removing the need for bulky external water supplies, tubing and sensors. This technology is the first new medical airway humidification technology in decades, with huge potential to be a market disruptor. As part of the programme, KiwiNet placed Paul Dyson as the commercial mentor to support Dr. Grau-Bartual and AUT Ventures through the technology transfer and establishment of the company. Named RespirAq, the team successfully spun-out their technology through KiwiNet's Spin-Out Programme, and secured \$1.5M of investment from Outset Ventures, Icehouse Ventures, and Cure Kids Ventures.

## KIWINET EMERGING INNOVATOR PROGRAMME & PLEDGEME

The Emerging Innovator Programme continues to strengthen the entrepreneurial culture and success of budding researchers across New Zealand, with a total of 70 innovators having progressed through the programme to date. KiwiNet can currently support 15 Emerging Innovators each year, and in 2021 it successfully trialed a PledgeMe campaign initiative to accelerate even more entrepreneurial scientists through the programme. The 'Scientists into Superheroes' campaign raised \$50,000 from the wider innovation community, to support a further two researchers in their entrepreneurial endeavours.

## TE ARA PAERANGI - FUTURE PATHWAYS

In October 2021 MBIE announced Te Ara Paerangi - Future Pathways Programme, which aims to build a modern, future-focussed research system for New Zealand. This in-depth review presents an exciting opportunity for the innovation sector. KiwiNet provided a comprehensive and forward-looking submission to the Te Ara Paerangi Green Paper, as well as supporting a submission from our Emerging Innovator collective. KiwiNet will continue to work alongside Shareholder partners, MBIE, and wider industry to help shape the future of the sector over the next four years.

## KIWINET MANAGEMENT TEAM

KiwiNet has 11 FTE staff to enable delivery of its mission and strategic objectives, working in partnership with research organisations and commercialisation professionals across New Zealand. In 2021 we farewelled our dedicated and long-standing Marketing Manager and welcomed two new staff to the team, including a Commercialisation Manager based in Wellington, and a Marketing and Communications Specialist. Alongside running the Investment and Pipeline Committees, KiwiNet staff run nationwide events and workshops to connect the community and upskill researchers; create capability initiatives for commercialisation teams and assist with PreSeed business plans; advocate to Government; and make connections with the private sector for research teams to take their innovations to the next level.



# STRATEGY

## OUR PURPOSE

KiwiNet exists to create benefit to Aotearoa New Zealand from science and innovation.



# STRATEGY

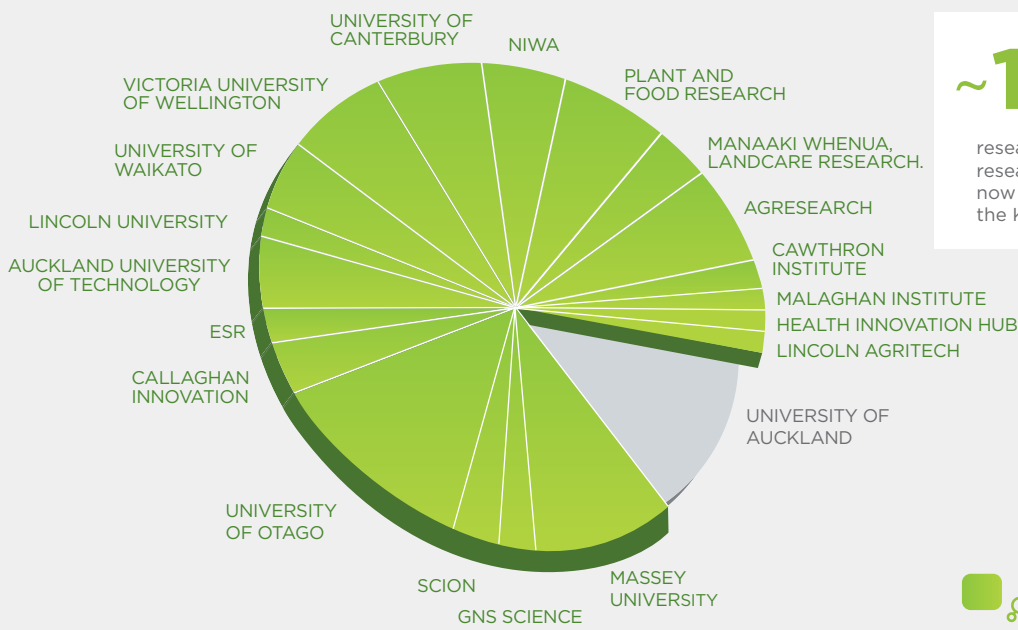
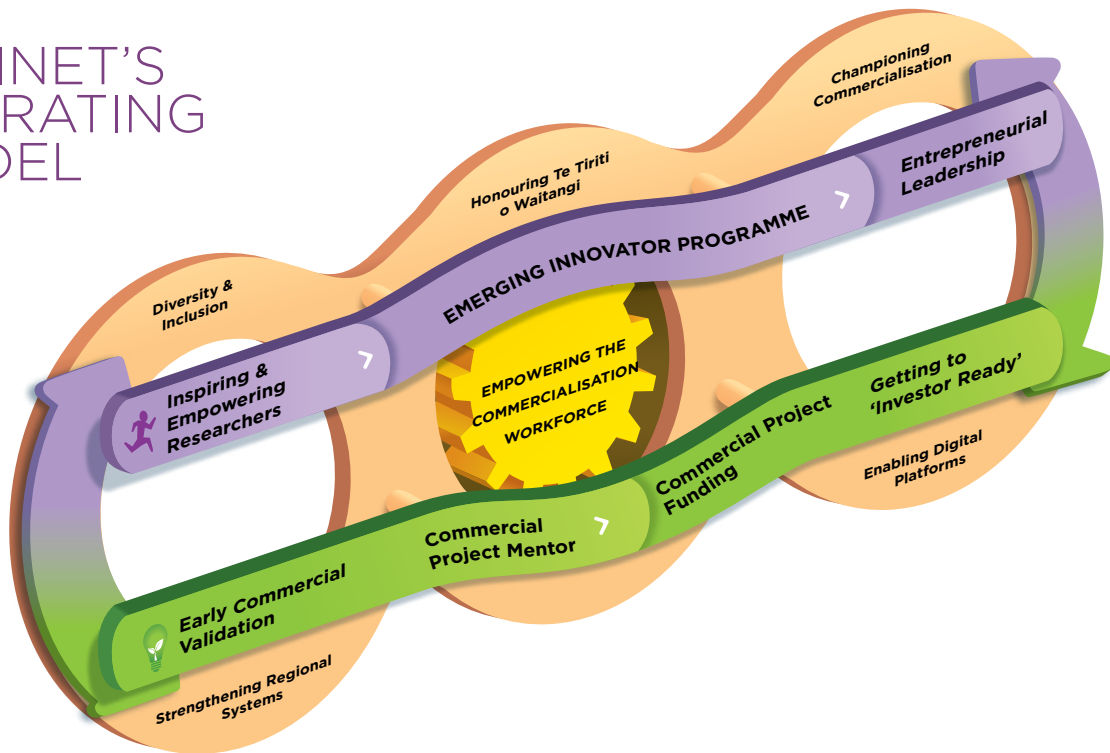
## OUR VISION

A globally competitive technology sector, creating impact for New Zealand and reflecting the diversity of Aotearoa.

## OUR PASSION

We believe in the power of New Zealand science to transform lives and change the world.

## KIWINET'S OPERATING MODEL



**~10,000**  
 researchers from NZ's public research organisations are now represented around the KiwiNet consortium.

# KIWINET INVESTMENT AND PIPELINE COMMITTEES

A thriving commercialisation community and PreSeed pipeline, delivering massive impact for Aotearoa New Zealand.



# KIWINET INVESTMENT COMMITTEE HIGHLIGHTS

## PRESEED INVESTMENT

PreSeed funding is a vital mechanism for transforming discoveries from New Zealand's top research organisations into investable propositions, where they can become the impactful deep tech products and services of tomorrow. In November 2020, the Ministry of Business Innovation and Employment (MBIE) announced an extension to PreSeed Accelerator Funding (PreSeed) allocation of an additional \$8.7M through to July 2023.

## INVESTMENT COMMITTEE IN ACTION

Since 1 July 2021, 97 projects have been presented to the Investment and Pipeline Committees. A total of 368 projects have been presented since the beginning of the contract starting 1 July 2019. Overall, 19 research organisations collaborate through the KiwiNet Investment Committee, representing approximately 80% of researchers in public research organisations in New Zealand. With the continued challenges of Covid-19 and the normalisation of new ways of working this year, Committee meetings were successfully held in-person and in hybrid formats.

## DRIVING DIVERSITY INITIATIVES

This year KiwiNet implemented a diversity of thought initiative for IC and PC members, which over time will foster intrinsically diverse ways of thinking, decision-making and problem-solving. Diversity of thought creates greater potential for innovation by coming up with alternative approaches to complex opportunities and challenges and avoids 'group-think'. Additionally, this year the IC and PC have successfully taken part in workshops and discussions on Te Tiriti o Waitangi – The Treaty of Waitangi, and Te Ao Māori – the Māori world view, to explore new approaches and opportunities for how the Committees can operate into the future.

"Despite many challenges thrown at us this year, the Investment Committee has continued to deliver on our mission of getting science out into the world to benefit our communities and country. As the project pipeline shrank - a consequence of border closures and lockdowns - we redoubled our efforts to build an army of researchers committed to creating impact through our Emerging Innovator Programme. I am particularly grateful to the early-stage investor community, who helped us build a collective understanding of 'investor-readiness' and were generous in donating funds to our quest to create more Kiwi science superheroes. Chairing the KiwiNet IC is a great privilege, and I am buoyed every day by the smart and dedicated people we have in our research community, and the commercialisation teams who support their ambition to change the world."



**Debra Hall** / Chair of the KiwiNet Investment Committee

# 1520

PROJECTS REVIEWED BY KIWINET INVESTMENT COMMITTEE

\*(and its predecessor UniCom, since July 2003)



# \$54M

PRESEED INVESTMENT RESULTING IN (SINCE 2003)



# 523

COMMERCIAL DEALS SINCE 2003 AND



# \$443.7M

IN KNOWN FINANCIAL RETURNS TO NEW ZEALAND INCLUDING EXPORTS



# 600+

FTE JOB OPPORTUNITIES SUSTAINED IN NEW ZEALAND.



# 66

NZ START-UP COMPANIES FORMED



THESE FIGURES REPRESENT A RETURN TO NEW ZEALAND OF EIGHT-TIMES GREATER THAN THE PRESEED INVESTED.



97

Proposals, project previews and Emerging Innovators presented to the Investment and Pipeline Committees. (SINCE 1 JULY 2021)



17

Public organisations pooling PreSeed investment.



12

Different research organisations presented projects to the Investment and Pipeline Committees. (SINCE 1 JULY 2021)



Investment Committee Meeting - 11 August 2021



The KiwiNet Pipeline Committee (PC) is an invaluable complementary mechanism to the KiwiNet Investment Committee to advance partner projects, and Committee members are passionate about collectively accelerating deep tech opportunities. It is now in its eighth year and with 15 representatives from KiwiNet's pooling partner organisations. The Pipeline Committee met six times in the past year to review projects, provide advice, and undertake workshops and discussions to improve the commercialisation process and increase members' knowledge and skills. The Committee is also an important forum for strengthening the connection between commercialisation professionals and growing the next generation of IC members.



"This year has seen a real maturity developing in KiwiNet. It's long been a force for change in the Aotearoa innovation ecosystem but this year I realised that many of the Investment Committee members have come to their roles through the Pipeline Committee. To me this shows that we've got a mature, self-sustaining system going here, where collaboration is modelled and grown, and the hard work of commercialisation is grappled with. It's one I'm proud to have been associated with."

**Dr Andrew Kelly** / Chair of the KiwiNet Pipeline Committee, Independent member of the Investment Committee and Executive Director of BioPacific Partners.

ACTIVITIES

**INVESTMENT COMMITTEE PARTNERSHIPS**

With 19 research organisations collaborating through the KiwiNet Investment Committee, it now represents approximately 80% of researchers in public research organisations in New Zealand.

**PIPELINE COMMITTEE**

A joint committee of commercialisation professionals from research organisations, who review and support commercialisation projects and design initiatives to strengthen commercialisation.

OUTCOMES

Since 1 July 2021, 97 projects have been presented to the Investment and Pipeline Committees from 12 different research organisations. Since the beginning of the contract starting 1 July 2019, 368 projects have been presented to the Investment and Pipeline Committees.

Over the year to July 2022, six Pipeline meetings were held with an average of 20 attendees at each. The Pipeline Committee is committed to encouraging and supporting uptake of commercialisation and researcher entrepreneurship that delivers impact for New Zealand and building a sense of collegiality and collaboration in the New Zealand commercialisation ecosystem.

**\$19.9m**  
PRESEED TO INVEST\*

NIWA | Massey Ventures | Plant & Food Research | waikatolink | OTAGO INNOVATION | SCION | LINCOLN UNIVERSITY | health | WELINGTON UNIVENTURES | Manaaki Whenua Landcare Research | E/S/R | AUT VENTURES | MALAGHAN INSTITUTE | GNS SCIENCE | CAWTHRON | CallaghanInnovation | LINCOLN AGRITECH | agresearch

\*To be invested by June 2023

“We view KiwiNet as an essential part of the commercialisation ecosystem; the forum that they provide and the funding that is made available through their various programmes, significantly contribute to the early-stage deep technology landscape, and help ideas and founders reach their potential. Pipeline opportunities that result from the work of the KiwiNet team and the Investment Committee are always of a high quality which provides a high degree of confidence to investors like us.”

**John Robson**, General Manager, Bridgewest Ventures



# ACHIEVING IMPACT

A world-first in pest control for a more prosperous Aotearoa



Maanaki Whenua – Landcare Research’s world-leading toxin for rat control is going global while protecting our nation’s native taonga species, thanks to a clever partnership strategy.



Rats are a major problem across the world. They threaten food supply, transmit disease, and contribute to the endangerment of rare species – particularly in New Zealand. Currently available toxins to control these rodents provide broad-spectrum activity and persistence, but at a cost to the environment, human health, and harm to other animals.

In a huge step forward for pest control, Maanaki Whenua – Landcare Research (MWLR) has developed DR8, a rat-selective toxin that can control rat populations in a significantly more humane way than current options, with little-to-no toxicity to other animal species, and low environmental impact. This makes it particularly ideal for use in the food supply chain, and in conservation.

Originally receiving KiwiNet PreSeed funding in 2018, DR8 is now accelerating its commercialisation globally while maintaining maximum benefit to Aotearoa New Zealand. The MWLR team has cultivated a long-running partnership with Orillion, a New Zealand-owned bait manufacturer and supplier. Over the years Orillion has brought much value to DR8’s development including skills in bait formulation and expertise in commercial development, marketing and distribution. This year Orillion is set to license the DR8 technology to manufacture and sell the bait here and overseas, in a move that will take the product global but ensures the majority of profit and job creation remains on New Zealand shores.

The relationships that Orillion has brokered for DR8 means the innovation is now scaling at pace, with market development activities in South-East Asia alongside NZTE and its subsidiary G2G, use of DR8 across Australia in intensive food farming facilities, and in international wildlife conservation. Orillion has also connected MWLR with the United States Department of Agriculture, to help gain Federal regulatory approval and fast-track full commercial registration in the US where the market for rodenticides is currently US\$1.2 billion.

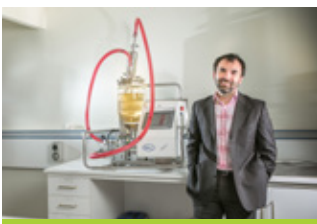
Crucially, DR8 is set to have huge environmental and cultural impact for New Zealand, playing a key role in helping NZ become predator free by 2050 – a goal that is unachievable with the pest control methods currently available – and protecting taonga species to help enhance kaitiakitanga and biodiversity for Aotearoa.

# ACHIEVING IMPACT

## Pioneering molecular extraction at scale



After 10 years of building on its science Ligar is making big moves, launching three products for three major global markets.



Can you imagine drinking a decaf coffee that tastes as good as the real deal? This is one of many remarkable outputs becoming a reality with Ligar's transformative nanotechnology, which is revolutionising the food manufacturing industry.

The science behind Ligar originated from Dr. Miruna Petcu, a Wintec-based chemist, who developed commercial applications for Molecularly Imprinted Polymers (MIPs) which help extract desirable or unwanted molecules from various liquids.

With commercialisation support from WaikatoLink at the University of Waikato and investment support from KiwiNet's PreSeed Accelerator Fund, the MIPs were developed to proof-of-concept stage. In 2012 Ligar became a successful spinout company led by its founding CEO Nigel Slaughter - now Chief Exploration Officer of Ligar and originally General Manager of Commercialisation at WaikatoLink. It is proudly based in Kirikiriroa Hamilton. Now in 2022, after over a decade of developing their MIP-based systems, Ligar's immense potential is being realised. The company is about to launch three regulatory-compliant products alongside their industry partners situated across the globe.

First, Jackson Family Wines, an industry leading family-owned wine company with celebrated wineries including Kendall-Jackson, La Crema and Cambria, has signed a multi-territory license for Ligar's MIP technology for the remediation of wines affected by wildfire smoke. Ligar and Jackson Family Wines are also working together to explore new MIPs for taint remediation to preserve the integrity and quality of fruit in wine.

Ligar is also developing a large-scale MIP-based caffeine capture system that will enable the production of decaffeinated coffee that tastes like a real cup of joe.

And most recently Ligar joined forces with Maratek, a Canadian-based engineering company, to launch a revolutionary cannabis purification system into the global cannabinoid extraction and purification market - a market that's worth USD \$25B and growing at pace. The cannabis MIP system will enable extract manufacturers to bypass several traditional cannabis processing steps to produce large volumes of cannabis extract at a higher quality and reduced cost.

Every step of the way, the Ligar team has focused on building a platform that enables a complex science to be easily used at scale and maintaining close relationships with commercial partners to steer development. They have also continued to work alongside research partners to enhance their R&D results, including the University of Waikato, University of Adelaide, Callaghan Innovation, AUT University, Riddet Institute and Scion. With its 25-strong team, Ligar is going from strength to strength, developing a wide range of applications with commercial partners at an industrial scale, improving process, creating value for end-customers, and taking New Zealand science to the world.



# ACHIEVING IMPACT

Turning a global pandemic into an opportunity for disruption



AUT Ventures' latest spin-out RespirAq has created a safer, more effective solution for patients requiring respiratory support – a pertinent issue in a Covid-19 world.

RespirAq



RespirAq is on its way to disrupting a \$2B segment of the global medical device industry with its high-performance medical airway humidification – the first fundamentally new technology of its kind in decades. The ground-breaking technology is set to make a real difference to hospital patients requiring respiratory support.

The core component of RespirAq is a chemically activated 'smart fabric', invented by AUT PhD student Dr Sandra Grau Bartual and AUT Professor Ahmed Al-Jumaily. The smart fabric changes state from capturing moisture on the out-breath to releasing moisture on the in-breath in a rapid 100-millisecond timeframe. RespirAq's humidification device prevents damage to patients' lungs and airways when they are on a ventilator or other respiratory support, and is more effective, simpler, and safer than other currently available devices. And this innovation comes with an inspiring commercialisation journey. In just four years, AUT Ventures has taken RespirAq from filing its first patent to securing successful investment and spin-out. KiwiNet provided much of the fuel for this journey, awarding AUT Ventures \$450,000 of PreSeed funding in December 2019 – its largest and perhaps most ambitious funding commitment to date.

When it became clear that their initial target market of home CPAP devices would require multiple complex commercial partnerships, the team needed to pivot fast. They refocused their efforts on the hospital market, aligning with the growing demand for respiratory treatment due to Covid-19, and sought and won \$169,000-worth of Covid-19 innovation funding from MBIE.

The team at AUT Ventures also placed significant effort into best practice IP protection, filing additional patents and a trademark to build an insurmountable wall of IP rights. At the same time, they built an investible team around Sandra and developed her leadership potential and business skills. The KiwiNet Spin-Out Programme helped accelerate Sandra's development as RespirAq's CEO, with the support of mentor Paul Dyson who was heavily involved in securing investment.

The successful deep-tech spinout company launched in December 2021 with an oversubscribed \$1.5M Seed capital raise led by Outset Ventures and joined by Icehouse Ventures and NZ Growth Capital Partners. RespirAq is now led by Sandra – its inventor, CEO, and founder – with a growing team of eight and world-class business and clinical advisors on their side.

RespirAq is the first deep-tech spin-out for AUT Ventures, and its success has transformed the way the University views commercialisation, creating an inspiring legacy for future entrepreneurial researchers.

## RESEARCHER ENTREPRENEURSHIP

Championing Kiwi researchers on their journey to commercialise their discoveries and make a difference in the world.



Photo credit:  
Wellington UniVentures

# EMERGING INNOVATOR PROGRAMME

Empowering entrepreneurial Kiwi scientists to transform their discoveries into world-changing new businesses.

Over the past six years, the Emerging Innovator programme has helped more than 70 Kiwi scientists to see the value of their research in a new light, fast-tracking them to success. The Emerging Innovator programme challenges researchers to think differently and supports them in developing their idea through a business-lens, to take it into the world where it can make a difference. It provides initiatives and resources to support participants on their commercialisation journey, including commercial mentors, coaching in media engagement, and training in pitching for investment. We continue to see a direct impact on deal flow from the programme, as well as the creation of a strong and engaged alumni, who can powerfully influence other researchers to help grow a culture of entrepreneurship.

In the year to June 2022, 19 new Emerging Innovators progressed through the programme and a further 4 formed new start-up companies. Since the programme began, Emerging Innovator graduates have accessed over \$3M in PreSeed accelerator funding to take their technologies further.



## Emerging Innovator Graduation 2022

In February 2022 KiwiNet held an in-person graduation event at The Generator in Auckland, to recognise 10 Emerging Innovators who had recently completed the programme. Taking part in this programme requires dedication and a combined effort from the researcher, their commercialisation teams, and mentor. The event was a celebration of these inspiring scientists and engineers, alongside their mentors and teams, and their collective success to date.



### Turning Scientists into Superheroes

KiwiNet can currently support up to 15 Emerging Innovators each year, with the ambition to extend this further. In 2021 KiwiNet trialed a PledgeMe campaign initiative to garner altruistic support and raise funds from the wider community and general public. The goal - to accelerate even more entrepreneurial scientists through this transformative programme, so they can realise the social, environmental, cultural and economic potential of their research. With generous contributions from many supporters including GD1 and Nuance Connected Capital, the 'Scientists into Superheroes' campaign successfully reached its target, raising just over \$50,000. These funds will go towards supporting a further two Emerging Innovators through the programme.



*A key part of KiwiNet's contribution to its community is the Emerging Innovator programme. It has been so encouraging to see an increasingly clear desire, a movement even, in research scientists who want to grow both personally and professionally, into the realms of creating impactful commercial offerings. We're in a time where innovation is such a key currency, and a predictor of economic wellbeing. It really feels like there's a collective desire to level up, and there has been particularly strong incubation within the stakeholder organisations in the venture ecosystem this year, it has been so good to see!*

**NATHAN BRYANT-TAUKIRI, INDEPENDENT MEMBER OF THE KIWINET INVESTMENT COMMITTEE**



*It is always an honour to be involved in KiwiNet's Emerging Innovator Programme and mentor such a talented scientist. This programme gives talented career scientists a unique opportunity to learn about how to turn their innovative ideas into businesses and take them to the global market which is a critical step for the continued growth of the New Zealand technology export sector.*

JANE EVANS, INDEPENDENT CONSULTANT, AND KIWINET COMMERCIAL MENTOR.

Programme supported by:



# RESEARCHER ENTREPRENEURSHIP

KiwiNet is proud to champion researchers across New Zealand, to find a more effective pathway for their science discoveries to be recognised and make a difference in the world.

## ACTIVITIES

### COMMERCIALISATION TRAINING

KiwiNet provides a range of training programmes including partner-led workshops for researchers to help develop practical commercialisation skills.



### REWA AKE PROGRAMME

In partnership with the Science for Technological Innovation National Science Challenge, Rewa Ake is a free online workshop series focusing on end user/customer engagement and discovery for entrepreneurial researchers. This three-day course held over three weeks aims to elevate ideas, support researchers to find their market and help them to get more out of their industry-engagement.

### EMERGING INNOVATOR PROGRAMME

The KiwiNet Emerging Innovator programme aims to discover, inspire, and nurture Kiwi scientists with entrepreneurial DNA and fast-track them to commercial success.



### WORKING WITH THE COMMUNITY

KiwiNet continues to offer capability opportunities delivered by the growing innovation community. Organisations such as MacDiarmid Institute, the Angel Association, Science for Technological Innovation National Science Challenge, CreativeHQ, PledgeMe, Ministry of Awesome, and Return On Science all offer excellent and cooperative events that the researcher community can learn from.

## OUTCOMES

More than 500 researchers took part in KiwiNet commercialisation training initiatives last year, as well as events led by our partners.

Researcher open events included GetFUNDED with CreativeHQ to help define their idea's unique value proposition for investment, and the Market Validation workshops with WNT Ventures for Emerging Innovators looking to commercialise their innovations.

Piloted in 2021/22 Rewa Ake has proven both effective and engaging for the researchers. Due to restrictions caused by Covid-19, the programme was delivered online, which allowed for a more diverse cohort across 11 institutions. Participants received training on framing customer-centric conversations, developing searching questions, active listening, language and positioning, customer discovery, segmentation, and feedback.

Overall the participants took part in nine mentor sessions and undertook 104 customer conversations. Participants engaged with over 200 industry partners, 48 government agencies, 19 Maori partners, 61 supply chain partners and 78 research collaborators.

The programme has continued to scale and grow its reputation as a leading entrepreneurial programme in New Zealand. It has been generously supported by the Norman Barry Foundation, KIWI1, and more recently Outset Ventures and Callaghan Innovation, as well as PledgeMe supporters, including GD1, Nuance Connected Capital, and numerous generous individuals.

87 Emerging Innovators have participated in the programme since its inception, with over 16 start-up companies established. 19 new EIs were funded in the year to June 2022, from 10 different research organisations including Wellington UniVentures, ESR, Otago Innovation, University of Canterbury, Plant & Food Research, Malaghan Institute, Cawthron Institute, Lincoln University, Massey Ventures, and AgResearch.

This provides a broader breath of topics and skills that can be accessed by the researcher community. Working with our partners in the ecosystem allows us to reduce duplication and focus our efforts on continually improving the events that we produce.

## MEET THE EMERGING INNOVATORS

# Dr Fraser Hughson

Putting the super into supercapacitors for a more sustainable future

**Allegro Energy is revolutionising energy storage with a greener alternative, and Emerging Innovator Dr Fraser Hughson is now Co-Founder and CTO of this exciting new spin-out company.**

Renewable energy technologies are part of a fast-growing market in the race to find solutions that can combat climate change. Supercapacitors are one such technology gaining global prominence, however they are often better suited to delivering short bursts of power than storing large amounts of energy.

While undertaking his PhD at Te Herenga Waka—Victoria University of Wellington, Dr Fraser Hughson worked alongside Dr Rohan Borah and Professor Thomas Nann to tackle this problem, creating a water-based electrolyte system for use in supercapacitors and redox batteries which is high-performing, but is 90% cheaper to produce and has no safety issues compared to its toxic counterpart.

Armed with this research Fraser joined the Emerging Innovator Programme in 2019. Funding from the programme helped Fraser carry out important market validation research with manufacturers for the electrolyte system, which gave him a clearer view of the potential paths to market. But he found the most significant benefit to be support from his mentor, who was able to impart their vast experience and provide invaluable introductions to industry partners.

In just four years Fraser and his team, along with the support of Wellington UniVentures, have developed the research into a spin out company. Allegro Energy was established in late 2021 to provide clean and green energy storage solutions for a renewable energy economy. Its technology also opens the



door to new uses in transport and electricity networks where quick storage and release could help ensure consistency of supply and could even lead to the deployment of solutions in which supercapacitors and lithium-ion batteries – currently the gold standard in rechargeable portable batteries – work side by side.

*“The way in which you approach commercial problems and set up a business—even the way you approach conversations—is very different from science. My mentor in the Emerging Innovator Programme was exactly the person I needed to talk to make sure I was positioning my research to suit the needs of the end-users.”*

**DR FRASER HUGHSON, CO-FOUNDER AND CTO,  
ALLEGRO ENERGY**



Dr Kar  
Mun  
Chooi

Vineyards in New Zealand and overseas are susceptible to a contagious disease that can cost grape growers up to \$75,000 per hectare. It's called Grapevine Leafroll Disease and Dr Kar Mun Chooi, scientist at Plant & Food Research, developed a 'precision horticulture' technology for its early detection.

## Disease detection for the New Zealand wine industry and beyond

When Kar Mun Chooi was accepted into the Emerging Innovator Programme in 2019, she and her team already had their product VinEye well underway. But they sought to fast-track their hard work by effectively delivering VinEye to growers for further trials and explore opportunities in overseas markets. Plus, Kar Mun's ambitious entrepreneurialism meant she wanted to further develop her commercialisation skills to create impact.

It was during Kar Mun Chooi's PhD at the University of Auckland that she became interested in Grapevine Leafroll Disease (GLD) and its effect on wine production. Very quickly Kar Mun aspired to provide a solution to GLD, and the solution she later created with her team at Plant & Food Research was VinEye - a web app and digital pipeline that uses machine-learning algorithms to provide rapid and accurate detection of GLD from smart phone images. VinEye provides 95% accuracy of detection at the laboratory level.

In 2019 Kar Mun took part in the Sprout Accelerator Programme and was granted Tier 1 PreSeed funding from KiwiNet. It became clear VinEye had strong market need, after just one advertisement and attendance at a wine industry conference saw six growers sign up for the product trials including two of the largest wine companies in New Zealand.

The support and funding Kar Mun received during the Emerging Innovator Programme allowed her to dive into her customer-driven approach. Kar Mun was actively involved in user trials and maintained dialogue with growers to build trust and ensure the product fit

their needs. Additionally, the team was able to continue algorithm development, and R&D of other applications for the software.

R&D undertaken during the programme helped determine how VinEye could also extend to the visual monitoring of other destructive diseases and provide growth stage assessments to growers, such as flowering and ripening. There is also potential for the software to help inform logistics management decisions.

VinEye has since been awarded Tier 2 PreSeed funding from the KiwiNet Investment Committee, to validate the efficacy of the solution with end-users in New Zealand and the United States.

Results from commercial trials in California have generated early interest from three potential partners in NZ, Australia and the US to license the technology for integration into their existing software offerings. It is Kar Mun's long-term vision to advance VinEye into a Software as a Service (SaaS) platform that can benefit the New Zealand wine industry, and then scale to international wine industries and other horticulture crops, to provide a global, reliable, and effective vineyard management system.



University of Canterbury (UC) researcher Sean Feast is leading the growth of Precision Chroma, a spinout that's pioneering technology poised to transform the bio-separations industry.

## Changing the game for manufacturing biological pharmaceuticals

Dr Sean Feast emerged from the realm of academia straight onto the fast-track to commercialisation, set to disrupt the global bio-separations industry, projected to be worth \$14B USD by 2026, with UC's 3D-printed chromatography columns.

Sean was awarded a place in KiwiNet's Emerging Innovator (EI) Programme to help expedite his journey to commercialise the 3D-printed chromatography columns. The EI Programme and mentoring he received armed him with the commercialisation capability and skills to lead Precision Chroma, a spinout company from the University of Canterbury.

Precision Chroma separates biological material from solutions through 3D printed porous columns. Their columns can be applied to anti-bodies, proteins, DNA, and viruses, which can be used in vaccines and cell and gene therapies, from insulin to treat diabetes to genetic diseases such as muscular dystrophy.

This revolutionary technology is the brainchild of Sean's tutor and mentor, Professor Conan Fee, who passed the baton to Sean to further develop the science to the point of commercialisation.

As an Emerging Innovator, Sean mastered important skills in the commercialisation toolkit, such as engagement with venture capital companies and potential clients, market validation, and leadership. He found the mentorship process particularly valuable in helping strengthen his resolve when discussing milestones, realistic goal setting, and planning future prospects for Precision Chroma.

Precision Chroma's technology addresses a major pain-point for the biotech industry, reducing a historically lengthy and expensive manufacturing process for biological pharmaceuticals. With the rising demand for purified biologicals from the pharmaceutical industry, this technology will be a game changer.

University of Canterbury's relationship with New Zealand-based deep-tech incubator Bridgewest Ventures, has seen them launch Precision Chroma together to scale the technology. The phenomenal pace that Precision Chroma is moving to market is illustrative of the technology's potential impact in the biotech space.

Sean is now CEO of Precision Chroma. With two staff onboard, he aims to first release the technology into Australia and New Zealand markets and have a minimum viable product ready within the next 12 months.

*"I am now in a position where I feel confident leading the commercial development of Precision Chroma and I'm on the journey to deliver on my dreams for the technology."*

**DR SEAN FEAST, FOUNDER AND CEO,  
PRECISION CHROMA**



## CELEBRATING SUCCESS

Showcasing the impact of outstanding research commercialisation and its contribution to New Zealand's collective prosperity.



# NEW ZEALAND'S 9TH ANNUAL RESEARCH COMMERCIALISATION AWARDS

01 // When

Tuesday 30th November 2021

The KiwiNet Awards are one-of-a-kind celebration which aim to honour the diversity of ideas and talent across the sector, and celebrate the entrepreneurial spirit of those successfully commercialising research to better our world.



This year due to the Covid-19 pandemic the highly anticipated in-person event was successfully converted into a virtual pitching day and live-streamed evening awards showcase. Teams came together across the country to virtually celebrate our finalists and winners.

 **400+**

Award Evening online viewers

 **700+**

YouTube views

 **115**

Virtual Pitch Day online viewers

 **16**

Finalists

 **5**

Winners

 **1**

Commercial Icon awarded

# 2021 KIWINET AWARDS WINNERS

## 01 // COMMERCIAL ICON

KiwiNet's highest honour, given to a quintessential champion of New Zealand's research commercialisation community. This individual demonstrates unwavering commitment to substantially advancing the commercialisation of publicly funded research within New Zealand. Their body of work has made an outstanding impact on the research commercialisation ecosystem.



WINNER

INAUGURAL  
WINNER

**DAVID HUGHES**  
CEO, PLANT & FOOD  
RESEARCH



### A visionary leader for research commercialisation

David Hughes has had significant impact on research commercialisation for Plant & Food Research and for New Zealand. His visionary leadership and calm, considered communication style provide wisdom and inspiration. When he started as Group General Manager Commercial in 2009, Plant & Food Research had a royalty stream of \$13M p/a from kiwifruit and apples. David had a dream to build Plant & Food Research's commercialisation capacity and decrease the reliance on government funding.

Through championing his vision, he inspired the necessary culture change to increase the commercialisation of research and diversify the royalty stream to provide security and growth for the organisation. Plant & Food Research now receives a royalty stream from a much wider array of crops, technologies, and new commercialisation models – such as the Pacific Berries joint venture for raspberry commercialisation in the northwest USA. Royalties grew to \$52M in 2020 and now make up 30% of Plant & Food Research's annual revenue.

In 2018, David won over the Plant & Food Research Board with his vision and was appointed CEO. In this role, David initiated a change in company strategy to focus more on research commercialisation. He established a new business model to re-invest Plant & Food Research royalties in technology development, specifically aimed at developing science for commercialisation. David is recognised for being a strong advocate and supporter of research commercialisation in New Zealand. He has sat as Director on the board of multiple early stage companies and commercialisation ventures, as well as on the Board of KiwiNet for eight years.



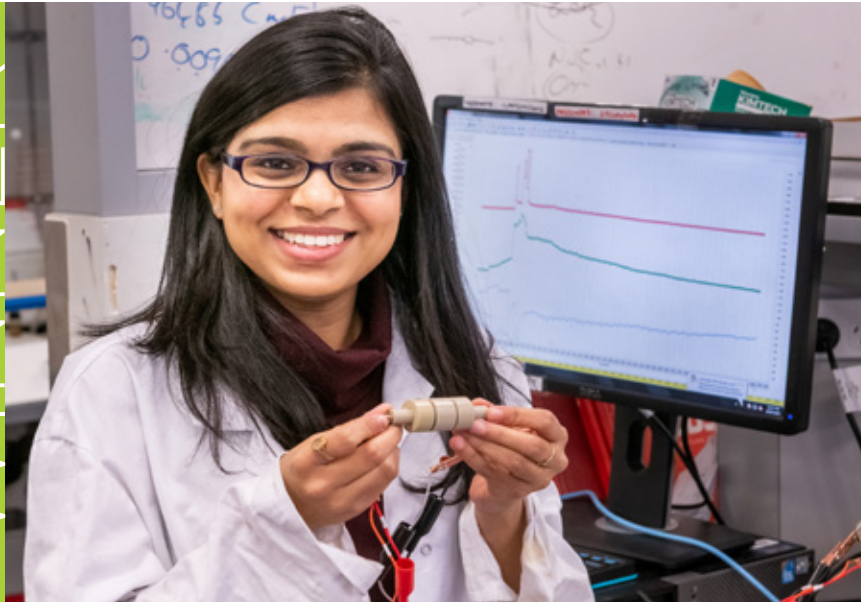
## 02 // BREAKTHROUGH INNOVATOR AWARD

This award recognises an upcoming entrepreneurial researcher who is making outstanding contributions to business innovation or is creating innovative businesses in New Zealand through technology licensing, start-up creation or by providing expertise to support business innovation.



WINNER

**DR SHALINI DIVYA**  
TASMANION



**A new aluminium-ion battery technology, offering a safer, sustainable, cost-effective alternative for grid storage and portable applications**

Born and raised in India, the fourth-largest energy consumer globally, Dr Shalini Divya's work into more sustainable battery technology stemmed from her energy poverty awareness. Energy poverty affects more than 400 million people across the globe.

Shalini's research breakthrough came while undertaking her PhD, as part of her Victoria University of Wellington Doctoral Scholarship. She discovered a new cathode material for aluminium-ion batteries that outperforms most other energy storage materials. In addition, aluminium is the most abundant metal in the Earth's crust, non-toxic, and easily recyclable.

With a growing demand for more sustainable technologies the commercial potential of Shalini's discoveries was clear. Shalini worked with Wellington UniVentures and the MacDiarmid Institute to get the technology investor ready, establishing a new spin-out company, Tasmanlon. Shalini also secured a place on KiwiNet's Emerging Innovator Programme to accelerate her commercialisation journey.

Shalini is determined to create an entirely new battery class that does not rely on lithium. Tasmanlon has the impetus to compete against the cutting-edge incumbent and integrate into large markets already established, allowing for rapid, sustainable growth.

WELLINGTON  
UNIVENTURES



**CHRIS SMITH**  
MANAAKI WHENUA -  
LANDCARE RESEARCH



JUDGES SPECIAL MENTION



The judges also made special mention of Chris Smith, Manaaki Whenua - Landcare Research, in his project: **The Mushroom Smith, commercial-scale production of traditional Māori fungi.**

JUDGES COMMENTS:

*"Chris is a shining example of how to commercialise in partnership with iwi, building new knowledge alongside Matauranga Maori, recognising the indigenous ownership of taonga, while also enabling iwi to build added value opportunities in partnership with Western science. Chris is a beacon on the path to future partnership approaches."*

### 03 //

## RESEARCHER ENTREPRENEUR AWARD

This award recognises an entrepreneurial researcher who has made outstanding contributions to business innovation or has created innovative businesses in New Zealand through technology licencing, start-up creation or by providing expertise to support business innovation.



WINNER

**PROFESSOR  
JOHAN POTGIETER**  
MASSEY UNIVERSITY



### Inspiring entrepreneurial insurgency by creating a technology pipeline

Professor Johan Potgieter is at the centre of almost everything at Massey AgriFood Digital Lab. Johan has created a hub for some of the most outstanding innovation, robotics, IOT (Internet of Things) and 3D printing in the Southern Hemisphere. You can find him guiding and advising students and staff, directing projects, and sharing his knowledge with the aspiring innovators of the future.

Prof. Johan Potgieter has developed a significant commercialisation portfolio with a strong drive to improve the New Zealand research and commercialisation landscape through strong business partnerships and end-users:

- Remote monitoring substation robotic platform for Transpower Ltd
- Within the New Zealand Product Accelerator engaging with and providing commercial technology solutions to a variety of companies within New Zealand
- FMCG product development for Zuru Ltd
- Developed a confectionary manufacturing process for a \$500M revenue product
- Start-ups - MA Innovations Ltd, ISM Ventures Pty Ltd, Compress Tech Ltd

Johan has a well-established reputation for his work in educational robotics and has been inducted into the World Robotics Education and Competition (REC) Foundation Hall of Fame. Johan is being sought out by large companies that are looking to implement technology into their processes and framework.



#### JUDGES COMMENTS:

*“Johan’s energy and passion for entrepreneurship and collaboration is palpable. Johan is infectiously positive, and he has broad and diverse influence. He is creating significant culture change, building a successful ecosystem, and setting a precedent for the next generation.”*

## 04 // COMMERCIALISATION PROFESSIONAL AWARD

This award recognises a commercialisation professional working within a New Zealand research organisation who has made an outstanding contribution to the commercialisation of publicly-funded research.



WINNER

**DARJA PAVLOVIC-NELSON**  
PLANT & FOOD RESEARCH



### Sensing opportunities – capturing value from Plant & Food Research IP

Darja Pavlovic-Nelson has been a commercialisation manager for less than two years and has already achieved a successful \$1M capital raise to spin out Scentian Bio, securing the deal within just 15 months. Darja's passion, tenacity and excellent commercial acumen provide a great foundation for her future as an outstanding commercialisation professional.

Darja demonstrated excellent commercial acumen from the time she started in an IP role at Plant & Food Research, and working as an IP advisor Darja supported a number of projects through to commercialisation.

She started providing business support to the science team behind Scentian Bio as a 'stretch' development project. Darja's entrepreneurial approach soon led to her being promoted to a commercialisation manager role taking a leadership role in the development of the Scentian Bio strategy.

Scentian Bio's technology is a platform that uses insect odorant receptors to provide rapid and ultrasensitive detection of target volatile organic compounds. It has broad application across multiple markets with the global opportunity estimated to be worth more than \$1B.

Darja also had to rapidly upskill herself in capital raising, and engage with the investment community. She developed the business model and documentation, and conducted all the negotiations that led to acceptance of the deal.



#### JUDGES COMMENTS:

*"Darja has developed her career in commercialisation with intent, not only to build her own career but to draw up others and be part of their road to success. We are impressed by her courage to step out of an institution and into a start-up, to 'do the doing' of commercialisation – and this is an approach which will enrich the ecosystem as a whole."*

05 //  
COMMERCIAL IMPACT  
AWARD

This award celebrates excellence in research commercialisation delivering outstanding innovation performance and the potential for generating significant economic impact for New Zealand.



WINNER



**AUREO®GOLD**  
PLANT & FOOD RESEARCH,  
ZESPRI AND UPL

Aureo®Gold a new biocontrol product combating plant disease

Aureo®Gold is a new biocontrol product, developed by Plant & Food Research and its commercial partner UPL, with the support of Zespri and Kiwifruit Vine Health (KVH).

Its launch by UPL in late November 2018 marked an important milestone in the New Zealand kiwifruit industry’s ongoing efforts to better manage the kiwifruit disease *Pseudomonas syringae* pv. *actinidiae* (‘Psa’).

A more environmentally friendly product that is safe for bees, Aureo®Gold meets low residue requirements for export kiwifruit. It is already providing kiwifruit growers in New Zealand, especially organic growers, with an important tool in their Psa management toolbox and demand for the product has been consistently high since launch.

Plant & Food Research and UPL have begun commercialisation offshore to meet the demands of kiwifruit growers globally, where kiwifruit is grown on more than 400,000 hectares, most of which are affected by the Psa disease.

UPL is now exploring expanding Aureo®Gold to other territories and for other disease targets through complementary trials in several countries, with a commitment to register the product accordingly.



## 06 // MOMENTUM STUDENT ENTREPRENEUR AWARD

The award recognises highly motivated New Zealand university students who have made significant progress developing an idea that can change the world. These students are making outstanding contributions to commercialisation and innovation or have created an innovative business in New Zealand through technology licensing, start-up creation or by providing expertise to support innovation.



WINNER

**LUKE CAMPBELL**  
UNIVERSITY OF  
CANTERBURY



### Millions of calls made smarter with Vxt

Luke Campbell, co-founder and CEO of call and voicemail platform Vxt, is studying toward a bachelor degree in Physics and Economics at the University of Canterbury. Luke started the business with co-founder, long-time partner and computer scientist Lucy Turner in November 2018. Since launching the company, Luke and the now 17-strong Vxt team have rapidly grown the Vxt business. Luke also dedicates time to encouraging other students to launch their ventures and assists with start-up challenges and hackathons.

Vxt is replacing traditional phone systems with a smart calling and voicemail platform for lawyers, recruiters and professional services. Vxt boasts over 10,000 platform users across the United States, United Kingdom, Canada, Australia, and New Zealand - and has helped customers manage over two million phone calls since launching their first service in October 2019. Vxt's customers use the flexible software platform to make calls with business numbers from anywhere whilst automating administrative tasks associated with phone calls, often saving multiple hours per staff member per week.

Vxt is part of the Google Cloud for Startups Programme, the Vodafone Xone Partner Series Programme with BNZ and the prestigious Startmate accelerator programme. The fast-growing company has raised close to one million dollars to date and is currently raising additional funds to enable continued growth. Counting Microsoft, Zoom, Cisco, and many more amongst their competitors - Luke and the team at Vxt are a great example of what a small group of dedicated Kiwis can achieve on the global stage.



#### JUDGES COMMENTS:

*"Luke is a standout inspirational leader of people. He is an active entrepreneur who is relentless in his mission. He is understated and has achieved incredible success to date. We are excited to see a future with his niche B2B SaaS technology driving innovation and growing high-value jobs."*



# ADVOCACY

## ACTIVITIES

### GOVERNMENT AGENCY ENGAGEMENT

KiwiNet engages with government departments and agencies who are working in similar and complementary areas to promote and realise the value of investment into research commercialisation as a key mechanism for supporting intergenerational sustainability and prosperity for New Zealand.

#### Professor Dame Juliet Gerrard

In July 2021, Wellington UniVentures and KiwiNet met with Professor Dame Juliet Gerrard, the Prime Minister’s Chief Science Advisor, to showcase recent Emerging Innovators and their world-leading science. Shalini Divya, Richard Roberts, and Jamal Olatunji spoke about their projects, strengthening the case for ongoing investment in this space.



#### Judith Collins

KiwiNet also had an introductory discussion with the recently appointed National Party spokesperson for Research, Science, Innovation and Technology, Judith Collins, in April 2022. In particular signalling KiwiNet’s vision and ambition for the commercialisation and research space into the future.

#### Hon James Shaw

In April 2022, KiwiNet and Hot Lime Labs hosted Hon James Shaw, Minister for Climate Change and Associate Minister for the Environment, at an exclusive showcase in Wellington. Minister Shaw was given insights into early-stage projects, products and companies which have the potential to move the scales of global climate justice for Aotearoa. He met with the team at Hot Lime Labs, as well as with Dr Franck Natali from Liquium, Dr Mark Cleaver and Dr Sean McKay at Massey University, and Chris Bumby and Rob Badcock from Robinson Research Institute. Relevant past Emerging Innovators with complementary tech were also in attendance.

### COMMERCIALISATION PARTNER NETWORK ENGAGEMENT

KiwiNet is collaborating with our Commercialisation Partner Network (CPN) partner Return On Science (ROS) to accelerate our common goal of achieving better economic outcomes from the commercialisation of publicly funded research in New Zealand.

### PARTNERING WITH MĀORI

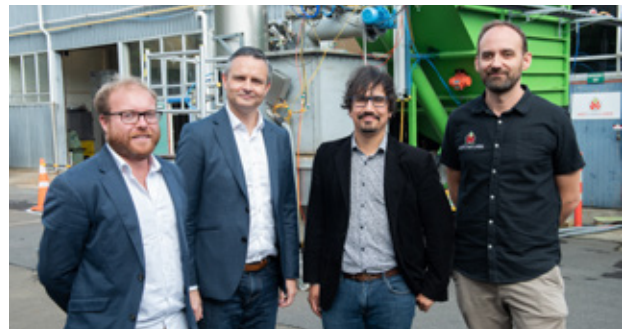
We aim to build meaningful and longstanding relationships with Māori and upskill both our member organisations and Māori stakeholders to scale the partnership between the research commercialisation world and *Te Ao Māori*.

## OUTCOMES

KiwiNet works closely with the Ministry of Business Innovation and Employment (MBIE), to provide a clear picture of research commercialisation activities in New Zealand. Reports provided to MBIE include:

- An annual report on KiwiNet’s PreSeed portfolio
- An annual report on Commercialisation Partner Network outcomes

MBIE’s ongoing support demonstrates a strong commitment to realising the value that can be created from publicly funded research. It is a clear acknowledgement of the success that has been generated since KiwiNet’s inception in 2008



- Return On Science is supporting KiwiNet in celebrating the 2022 KiwiNet Research Commercialisation Awards with the very popular Momentum Student Entrepreneur category

- KiwiNet continues to support the Return On Science Manawatu, Wellington and Christchurch Momentum Committees, by providing committee members with knowledge, connections and advocacy

- In the last year we have facilitated access to Huatau, a learning platform that provides courses on Te Tiriti o Waitangi and communication, to our Board, management and partners

- Our Board, IC and management have completed four learning modules on Te Tiriti o Waitangi on the Huatau platform

- We held three separate wānanga and hui for our Board, IC and management to discuss how to incorporate the principles of the Te Tiriti o Waitangi into our mahi going forward

## STRENGTHENING THE ECOSYSTEM

Collaborating with the research community, government stakeholders, Callaghan Innovation, CPN partners, investors, and private sector stakeholders, to create the best supportive environment for research commercialisation.



# ADVANCING DIVERSITY AND INCLUSION

This past year has seen KiwiNet implement several diversity and inclusion initiatives aimed at improving the capabilities of our Investment and Pipeline Committee members, and commercialisation professionals across the country. We represent a diverse and talented sector within a county that has a rich cultural legacy. It is our goal to ensure this diversity is acknowledged, celebrated and supported.



*In recent years I have struggled to see how I could progress in my career as a leader, without sacrificing time with my family. I felt like I had hit a glass ceiling. Then the WILD programme came along. It has helped me identify the skills and experience I have that can be of real value to a board, given me access to knowledge and networks, and a taste of the world of governance.*

*Programmes like WILD are so important for improving diversity in leadership because they offer an alternative view to the traditional paths to success. I am now confident knowing that I can contribute as a leader, but in a way that is aligned with my life priorities. I am excited by the future opportunities that will come from this experience.*

**AMANDA DAVIES, INNOVATION MANAGER AT SCION, KIWINET INVESTMENT COMMITTEE MEMBER, AND PARTICIPANT IN THE 2021 WILD PROGRAMME.**



## WOMEN IN LEADERSHIP DEVELOPMENT

The second cohort of the Women in Leadership Development programme (WILD) was completed in May 2022. This programme aims to enhance the governance and leadership capabilities of the next wave of STEM superstars. Ten participants were selected to take part in a year-long governance course tailored to shape directorship and decision-making, supported by mentors and experience as board observers.



## INVESTMENT AND PIPELINE COMMITTEE CAPABILITY

This year the IC and PC have successfully taken part in workshops and discussions on Te Tiriti o Waitangi (The Treaty of Waitangi) and Te Ao Māori (the Māori world view), to explore alternative approaches and opportunities to the Committees' work, processes, and ways of thinking. These workshops will also continue into the next business cycle. Additionally, KiwiNet implemented a diversity of thought initiative for IC and PC members, which over time will foster intrinsically diverse ways of thinking, decision-making and problem-solving. Diversity of thought creates greater potential for innovation by producing alternative approaches to complex opportunities and challenges.

## KIWINET BOARD OBSERVER PLACEMENTS

This year KiwiNet welcomed Zoe Murphy to its board of directors as a mentored observer, providing an opportunity to grow her skills in governance and directorship, as one of our country's upcoming leaders in research, science and entrepreneurship.



*"I saw the KiwiNet Board Observer opportunity as a way to learn from experienced, well-respected board directors and avoid the usual barriers to entering governance positions. It was certainly that. Actively participating in all board activities and discussions was the best teacher of all to really understand the mechanics and roles of boards. It was a wonderful experience and it certainly gave me more confidence and self-belief in what I can bring to the board table, in a really safe and supportive environment."*

**ZOE MURPHY, PROGRAMME MANAGER AT PROCARE, AND KIWINET BOARD OBSERVER**

# EMPOWERING THE COMMERCIALISATION WORKFORCE

KiwiNet is proud to champion research commercialisation professionals, who work tirelessly behind the scenes to find a more effective pathway for science discoveries to make an impact. Together we're building a community of capable and driven commercialisation professionals, delivering a robust pipeline of investable research propositions.

## ACTIVITIES

### KNOWLEDGE COMMERCIALISATION AUSTRALASIA (KCA)

KiwiNet supports KCA to deliver their annual conference and facilitate events for New Zealand members. KCA events provide a valuable opportunity to bring together technology transfer professionals virtually and in-person from across New Zealand and Australia to learn from each other and drive best practice.



### COMMERCIALISATION PROFESSIONAL DEVELOPMENT

KiwiNet provides a range of in-house and partner-led training solutions to help develop core commercialisation skills.

#### Online Learning Platform - LinkedIn Learning

KiwiNet has created "Learning Pathways" – a series of online learning content that enables Commercialisation Professionals to upskill, at a time and place that suits them.

#### Commercialisation Internships

KiwiNet Interns work on real technology commercialisation projects, gaining early experience in commercialisation. They work with local commercialisation teams to develop business plans, cases to support the development of new technologies, and impact analysis of emerging science technologies.

#### Women in Leadership Development (WILD) Programme

Delivered in partnership with Brandon Capital, this six-month programme offers a range of initiatives to boost leadership and governance capabilities of STEM based women.



## OUTCOMES

- KiwiNet's Operations Manager, May Low, is part of the KCA 2022 organising committee for the next annual conference, of which KiwiNet is also a main sponsor
- KiwiNet's Commercialisation Manager, Alexandra Stuthridge, has been the NZ KCA Network Chair for two years and has held four events – Christchurch 2020 – 50 attendees, Wellington 2021 – 54 attendees, Auckland 2021 – 82 attendees and (coming soon July 2022 – 56 attendees registered)
- The NZ KCA Network has been the most active across the KCA Australasian network. With the recent resignation of Alexandra Stuthridge (spinning out a clean technology - Cetogenix), Alan Hucks has taken over as NZKCA Chair and as Conference representative for NZ

150 people within our partner organisations have access to KiwiNet's LinkedIn Learning platform (over 14,000 certified online courses) e.g. market validation, pitching and financial analysis and many more. Activity has been growing at a rapid pace. Over the past year, 1,584 videos have been viewed and 1,351 video courses completed.

Eight interns have been placed within four KiwiNet partner organisations: Scion, AUT Ventures, AgResearch, and Wellington UniVentures. Internships are for six months. 15 potential interns have also applied for placement, via KiwiNet's new "Talent Pipe" as of 30 June 2021.

10 participants were chosen for the 2021/22 cohort, to take part in a governance course tailored to shape directorship and decision-making skills. Key topics include discussion, debate, and review of boardroom dynamics; finance concepts; risk; strategy; culture; and developing a foundation for greater inclusion and impact. They also attend and participate in board meetings as unpaid non-voting observers. Personal mentors help guide and progress their development throughout the programme.

# STRENGTHENING REGIONAL ECOSYSTEMS

KiwiNet relies on core ecosystem building blocks to provide commercialisation projects and teams a secure base from which to grow. This includes supporting regional ecosystem activity to raise our profile and to connect our members across the wider innovation ecosystem and its change agents, providing access to digital systems to facilitate access to funding, resources, support and opportunities to collaborate on projects.

## ACTIVITIES

### REGIONAL SUPPORT

KiwiNet continues to develop a strong partnership with ChristchurchNZ and its regional innovation ecosystem partners - delivering key innovation sector cluster initiatives in Canterbury. KiwiNet has actively driven strategy, engagement and provided critical pipeline-enabling tools to support these clusters to streamline commercialisation activities and better connect our partner organisations across the wider innovation ecosystem.

Dovetailing off the 2020 HealthTech and the highly successful Food, Fibre, Agritech (FFA) challenges launched by KiwiNet and ChristchurchNZ. KiwiNet has successfully supported the 2022 FFA Challenge and the Aerospace Challenge.

KiwiNet has also been active in a number of wider ecosystem initiatives:

- KiwiNet is a member of the NZ Cleantech Partnership with Callaghan Innovation, Ara Ake, Auckland NZ, UniServices, NZTE and others
- MacDiarmid Deep Tech CEO, CTO, Research entrepreneur breakfast
- KCA Networking events - co-sponsored with KCA and ecosystem partners (Chapman Tripp, Brandon Capital, and others)



### Wellington creative media centre

In 2021 KiwiNet took part in a Creative Technology showcase at Massey College of Creative Arts (CoCA) with industry and Victoria University of Wellington (VUW) researchers presenting their creative technology IP.

### AUAHA PLATFORM

Launched in June 2021, Te Tūāpapa Auaha Innovation Platform is designed to create more connectivity across the whole ecosystem.

Auaha is a secure modular-based, collaborative portal environment to help support and drive KiwiNet partner organisations' project pipelines. Auaha enables wider ecosystem partners to better manage the commercial pipeline for project development and delivery. People can submit ideas and proposals, and track and report on project lifecycles. Auaha also provides tools, resources, expertise and funding and funding pathways and an "open innovation" community-based environment, enabling a collective and collaborative approach to manage commercialisable projects.

## OUTCOMES

KiwiNet continues to see Tier 1 and 2 applications presented to the IC, as a result of these ecosystem driven innovation challenges. 2022's challenges are no exception with 10 researcher projects identified that are eligible for both Tier 1 and Tier 2 PreSeed funding support through their commercial offices.

KiwiNet is well known in the South Island and is highly-regarded for supporting researchers and connecting them with the wider innovation ecosystem.

### FFA Challenge 2022

- Overall winner, SuperPro - highly soluble and nutritional pea protein for the growing plant-based foods market - (\$10,000)
- Grand prize: SuperPro - (\$15,000)
- Runner up: Winealyse - a tool to enable winemakers to analyse wine quality fast and cost effectively, removing the need for lab tests (\$10,000)
- 4 Researcher projects were in the finals - top 12
- All 9 Researcher projects were selected for stage 2 (Accelerator stage)

### Aerospace Challenge

- Overall winner - UAS & Woods - University of Canterbury (\$30,000 award)



This has led to a collaboration project proposal for a regional creative media centre between CoCa and VUW, supported by UniVentures and Massey Ventures. The goal is to advance unique IP in content production and Creative Technology R&D and innovation for the future of screen content and Web 3.0.

In the past year, Auaha has been used as the host platform for over 9 initiatives in 2022, including The Food Fibre and Agritech Challenge, the Christchurch Aerospace Challenge, Space for Planet Earth Challenge, WILD 2021 applications, UC Innovation Jumpstart 2021, KiwiNet OnBoard applications, and the 2022 KiwiNet Award entries.

- Auaha houses over 50 commercialisation resources for researchers and entrepreneurs covering topics from pitching to best practice, funding, and training
- Auaha has over 937 registered users and is becoming the key platform for innovation competitions
- 9 projects have entered the KiwiNet pipeline and were identified by using the Auaha platform both for partner-led and ecosystem-led initiatives
- 3 challenges are also planned for later in 2022

# PRIVATE SECTOR ENGAGEMENT

An engaged and supportive investment and business community working alongside research organisations creates new successful deep-tech ventures and licensing arrangements. Engaging early and often, with the private sector builds the best possible expertise around technologies to maximise chances of success.

## ACTIVITIES

### SPIN-OUT PROGRAMME

KiwiNet trialled a successful pilot of this programme in 2021 and is continuing to run the programme into 2022. The programme fast-tracks commercially viable discoveries, from KiwiNet's partner research organisations, into fully formed investor-ready spin-out companies. It enhances the rigour of the project and spin-out by providing the inventors and research organisations with the necessary tools and knowledge to become founders, attract investment and accelerate the growth of their spin-out companies. KiwiNet's corporate partners, BNZ, MinterEllisonRuddWatts, AJ Park and PwC provide invaluable guidance and advice to projects.



### INCUBATOR ENGAGEMENT

KiwiNet works closely with each of the four Callaghan Innovation Technology-focused Incubators as a key provider and facilitator of potential deal flow.

### INVESTOR CONNECTIONS

KiwiNet engages with the investor community to help transform scientific discoveries into investor ready opportunities.



### COMMERCIAL MENTORS

KiwiNet commercial mentors support researchers and organisations with everything from identifying new commercial opportunities to mentoring high potential projects. Commercial mentors are driving significant pipeline growth while helping research organisations overcome limited commercialisation resources.

## OUTCOMES

The comprehensive programme leverages KiwiNet's commercial mentors and corporate partners to achieve key objectives through a rigorous four-stage process, from securing internal organisational support to preparing for a capital raise.

AUT Ventures and Dr Sandra Grau-Bartual were the first participants of the 2021 programme, where they were supported to successfully spin-out their smart humidification technology RespirAq. This technology secured \$1.5M in private investment and is on its way to disrupting a \$2B segment of the global medical device industry.

Our engagement with the technology incubators continues to develop, with strong interest in the KiwiNet pipeline. KiwiNet has presented opportunities which have resulted in pre-incubation interest for several technologies. This includes Bridgewest Ventures who partnered with University Canterbury to form a spin-out called Precision Chroma, led by KiwiNet Emerging Innovator Sean Feast.

KiwiNet actively engages with the Angel, High Net Worth, and investment fund communities. This included sponsorship of the Angel Summit, on 8 February 2022, and KiwiNet CEO James Hutchinson taking part in a panel discussion on finding and scaling deep tech ventures.

Through our regular Pipeline Post emails to the investor community, KiwiNet has attracted 180+ enquiries into projects to date. Through these enquiries, KiwiNet has facilitated engagement between research organisations and investment funds and angels across New Zealand.

KiwiNet has placed 27 commercial mentors to support researchers and provide commercial direction for projects over the last year alone. We continue to encourage experienced and skilled individuals in New Zealand and overseas to join our mentor programme.

The mentor programme is highly valuable in the commercialisation process. For example, Paul Dyson is one of KiwiNet's most successful commercial mentors. Paul has mentored several researchers through the Emerging Innovator Programme where he supported the growth of their entrepreneurial journeys. More recently, KiwiNet contracted Paul as a mentor to RespirAq where he was critical in supporting Sandra and AUT through the technology transfer, company formation and capital raising process. Currently, Paul is Chair of RespirAq, demonstrating the importance of the mentor programme in commercialising research.

# Financial Statements

For the year ended 31 March 2022.

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# Company Particulars

For the year ended 31 March 2022.

State of Affairs	The Company was incorporated on the 25 January 2011 and commenced trading in August 2011.
Company Number	3245229
Authorised Capital	270 Ordinary shares
Registered Office	TSR Building, University of Waikato Gate 5, Hillcrest Road Hamilton
Shareholders	WaikatoLink Limited AUT Ventures Limited Lincoln University Victoria Link Limited Otago Innovation Limited AgResearch Limited The New Zealand Institute for Plant and Food Research Limited University of Canterbury Landcare Research New Zealand Limited Callaghan Innovation Institute of Environmental Science and Research Limited New Zealand Forest Research Institute Limited Institute of Geological and Nuclear Sciences Limited Cawthron Institute Limited Massey Ventures Limited
Directors	Ngaio Cooper Merrick Debra Hall Mark William Cleaver Stephen David Lorimer Vignesh Balaji Ashok Kumar Will David Barker
Auditor	Audit New Zealand, on behalf of the Auditor General.



# Directors' Report

For the year ended 31 March 2022.

## The Board of Directors present their annual report.

As required by section 211 of the Companies Act 1993, we disclose the following information:

- + Kiwi Innovation Network (KiwiNet) is a consortium of Universities and Crown Research Institutes working together to increase the scale and impact of scientific and technology based innovation in New Zealand.
- + There are no Directors' interests to declare.
- + The shareholders have agreed that the Annual Report need not disclose employees remuneration over \$100,000 in accordance with section 211(1) of the Companies Act 1993.
- + No donations were made by the Company during the year.
- + The following Directors held office as directors in the Company at the end of the year:  
Ngaio Cooper Merrick  
Debra Hall  
Mark William Cleaver  
Stephen David Lorimer  
Vignesh Balaji Ashok Kumar  
Will David Barker

# Statement of Management Responsibility

For the year ended 31 March 2022.

The Board of Directors of Kiwi Innovation Network Limited (the Company) accept responsibility for the preparation of the financial statements and the judgements used in these statements.

The Board is responsible for any end-of-year performance information provided by the Company under section 19A of the Public Finance Act 1989.

The Board accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the Company's financial reporting.

In the opinion of the Board, the annual financial statements fairly reflect the financial position and operations of the Company for the year ended 31 March 2022.

Signed on behalf of the Board:



Director  
Ngaio Merrick

6 July 2022

Date



Director  
Will Barker

6 July 2022

Date

# Statement of Comprehensive Revenue and Expense

For the year ended 31 March 2022.

	Note	2022	2021
		\$	\$
<b>Revenue</b>			
Funding from the Crown	1	5,424,510	7,235,751
Interest		106	87
Other Revenue	2	67,111	147,705
<b>Total Revenue</b>		<b>5,491,727</b>	<b>7,383,543</b>
<b>Expenditure</b>			
Contractor Costs	3	1,815,609	1,651,641
Other Expenses	4	3,659,583	5,715,895
Depreciation	9	1,877	1,183
<b>Total Expenditure</b>		<b>5,477,069</b>	<b>7,368,719</b>
<b>Surplus/(Deficit) before Tax</b>		<b>14,658</b>	<b>14,824</b>
<b>Income Tax Expense</b>	5	<b>8,846</b>	<b>3,425</b>
<b>Surplus/(Deficit) after Tax</b>		<b>5,812</b>	<b>11,399</b>
<b>Other Comprehensive Revenue and Expense</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Revenue and Expense</b>		<b>5,812</b>	<b>11,399</b>

The accompanying policies and notes on pages 47-52 form part of these financial statements.

# Statement of Financial Position

As at 31 March 2022.	Note	2022	2021
		\$	\$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents		502,154	699,045
Receivables	7	1,086,099	1,533,105
Income tax paid		89	41
Prepayments		79,454	90,406
<b>Total Current Assets</b>		<b>1,667,796</b>	<b>2,322,597</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	9	5,543	701
<b>Total Non-Current Assets</b>		<b>5,543</b>	<b>701</b>
<b>Total Assets</b>		<b>1,673,339</b>	<b>2,323,298</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Income in Advance		72,416	-
Payables	8	1,129,107	1,859,854
Income Tax Payable	5	5,985	3,425
<b>Total Current Liabilities</b>		<b>1,207,508</b>	<b>1,863,279</b>
<b>Non-Current Liabilities</b>			
		-	-
<b>Total Liabilities</b>		<b>1,207,508</b>	<b>1,863,279</b>
<b>Net Assets</b>		<b>465,831</b>	<b>460,019</b>
<b>Equity</b>			
Accumulated Surplus/(Deficit)		456	(5,356)
Share Capital	6	465,375	465,375
<b>Total Equity</b>		<b>465,831</b>	<b>460,019</b>

The accompanying policies and notes on pages 47-52 form part of these financial statements.

# Statement of Changes in Equity

For the year ended 31 March 2022.

	Share Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 1 April 2020	465,375	(16,755)	448,620
<b>Total Comprehensive Revenue and Expense for the Year</b>			
Surplus/(Deficit) after Tax	-	11,399	11,399
Other Comprehensive Revenue and Expense	-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>	<b>-</b>	<b>11,399</b>	<b>11,399</b>
<b>Transactions with Owners Recorded Directly in Equity</b>			
Shares Issued	-	-	-
Shares Repurchased	-	-	-
<b>Balance at 31 March 2021</b>	<b>465,375</b>	<b>(5,356)</b>	<b>460,019</b>
<b>Total Comprehensive Revenue and Expense for the Year</b>			
Surplus/(Deficit) after Tax	-	5,812	5,812
Other Comprehensive Revenue and Expense	-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>	<b>-</b>	<b>5,812</b>	<b>5,812</b>
<b>Transactions with Owners Recorded Directly in Equity</b>			
Shares Issued	-	-	-
Shares Repurchased	-	-	-
<b>Balance at 31 March 2022</b>	<b>465,375</b>	<b>456</b>	<b>465,831</b>

The accompanying policies and notes on pages 47-52 form part of these financial statements.

# Statement of Cash Flows

For the year ended 31 March 2022.

	2022	2021
	\$	\$
<b>Cashflow from Operating Activities</b>		
Receipts from the Crown	5,885,543	7,730,494
Receipts from Other Revenue	125,501	109,739
Interest Received	106	87
Income tax refund/ (paid)	(6,334)	13
Payments to Suppliers	(841,431)	(435,730)
PreSeed Payments	(3,435,990)	(5,926,196)
Payments to Contractors	(1,827,254)	(1,723,978)
GST (net)	(90,313)	98,731
<b>Net cash flow from Operating Activities</b>	<b>(190,172)</b>	<b>(146,840)</b>
<b>Cashflow from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(6,719)	-
<b>Net cash flow from Investing Activities</b>	<b>(6,719)</b>	<b>-</b>
<b>Cashflow from Financing Activities</b>		
Capital Contribution	-	-
<b>Net cash flow from Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(196,891)</b>	<b>(146,840)</b>
Cash and cash equivalents at beginning of the year	699,045	845,885
<b>Cash and cash equivalents at end of the year</b>	<b>502,154</b>	<b>699,045</b>

The accompanying policies and notes on pages 47-52 form part of these financial statements.

# Statement of Accounting Policies

For the year ended 31 March 2022.

## Reporting entity

Kiwi Innovation Network Limited (the "Company") is a consortium of Universities and Crown Research Institutes who are dedicated to taking a collaborative approach to research commercialisation. The Company's role is to empower people who are involved in research commercialisation by helping them to access the tools, connections, investment and support they need.

The Company has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements of the Company are for the year ended 31 March 2022. The financial statements have been approved for issue by the Board of Directors on 6 July 2022.

## Basis of preparation

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the year.

## Statement of Compliance

These financial statements have been prepared in accordance with the Crown Entities Act 2004 which includes the requirement to comply with Generally Accepted Accounting Practice in New Zealand (NZ GAAP).

The Company is a Tier 2 entity and the financial statements have been prepared in accordance with the PBE Standards Reduced Disclosure Regime because the Company does not have public accountability, and is not large (total expenses are less than \$30 million but greater than \$2 million). The Company has elected to be in Tier 2. These financial statements comply with the PBE Standards Reduced Disclosure Regime.

## Presentation currency and rounding

The financial statements are presented in New Zealand dollars (\$) and all values are rounded to the nearest dollar. There has been no change in the functional currency of the Company during the year.

## Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

## Revenue

### Funding from the Crown (Service Fee)

The Company is primarily funded from the Crown. This funding is restricted in its use for the purpose of the Company meeting its objectives. Funding that is receivable as compensation for expenses or losses already incurred are recognised in surplus or deficit in the period in which they become receivable. The Company considers there are no further conditions attached to the funding and it is recognised as revenue at the point of entitlement.

The fair value of revenue from the Crown has been determined to be equivalent to the amount due in the funding arrangements.

### Funding from the Crown (PreSeed Accelerator Funds)

PreSeed Accelerator Funds received are not recognised as revenue until there is reasonable assurance that the Company will comply with the conditions attached to them and that the funds will be received.

PreSeed Accelerator Funds are recognised as revenue over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

## Interest Revenue

Interest revenue is recognised using the effective interest method.

## Provision of Services

Services provided to third parties on commercial terms are exchange transactions. Revenue from these services is recognised in proportion to the stage of completion at balance date.

## Expenditure

### PreSeed Accelerator Funds Expenditure

The Company has no obligation to award payment of PreSeed Accelerator Funds on receipt of a project application. PreSeed Accelerator Fund expenditure is only recognised when approval by the Investment Committee has been obtained and specific expenditure criteria has been met.

## Foreign Currency Transactions

Foreign currency transactions (including those for which forward foreign exchange contracts are held) are translated into NZ\$ (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

## Taxation

Income tax expense includes components relating to current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, and any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

Current tax and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

## Receivables

Short term receivables are recorded at the amount due less any provision for uncollectability.

A receivable is considered uncollectable when there is evidence that the Company will not be able to collect the amount due. The amount that is uncollectable is the difference between the amount due and the present value of the amounts expected to be collected.

## Payables

Short term payables are recorded at the amount payable.

## Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

-Share Capital  
-Accumulated Surplus/(Deficit)

## Share Capital

Ordinary shares are classified as equity, transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instrument. Transaction costs are the costs arising on the issue of equity instruments, incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

## Goods and Services Tax

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from, the IRD including the GST relating to investing and financing activities, is classified as a net operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

## Property, Plant and Equipment

Property, plant and equipment consists of office equipment. This is measured at cost, less accumulated depreciation and impairment losses.

## Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Company and the cost of the item can be measured reliably.

## Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant and equipment have been estimated as follows:

Office Equipment	5 years	20%
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## Critical Judgements in Applying Accounting Policies

Management has exercised the following critical judgements in applying accounting policies:

### Grant Expenditure

The Company must exercise judgement when recognising grant expenditure to determine if conditions of the grant have been satisfied by subcontractors.

# Notes to the Financial Statements

For the year ended 31 March 2022.

	2022	2021
<b>1 Funding from the Crown (Non Exchange)</b>	<b>\$</b>	<b>\$</b>
Service Fee	2,180,978	1,857,347
PreSeed Accelerator Fund	3,243,532	5,378,404
<b>Total Funding from the Crown</b>	<b>5,424,510</b>	<b>7,235,751</b>
There are no unfulfilled conditions and other contingencies attached to PreSeed Accelerator funds recognised.		
<b>2 Other Revenue</b>		
Other Revenue (Exchange)	12,111	116,928
Other Revenue (Non Exchange)	55,000	30,778
<b>Total Other Revenue</b>	<b>67,111</b>	<b>147,705</b>
<b>3 Contractor Costs</b>		
Directors' Fees	105,000	96,667
Investment Committee Independent Fees	167,916	134,582
Management Service Fees, and Consultancy Fees	1,542,693	1,420,392
<b>Total Contractor Costs</b>	<b>1,815,609</b>	<b>1,651,641</b>
<b>4 Other Expenses</b>		
Auditor's Remuneration	20,000	13,294
Accounting Services	3,377	2,195
Travel Expenses	66,663	64,958
PreSeed Accelerator Fund	2,849,025	5,088,382
Foreign Currency Exchange Loss	1,670	5,667
Other	718,848	541,399
<b>Total Other Expenses</b>	<b>3,659,583</b>	<b>5,715,895</b>
<b>5 Taxation</b>		
Profit/(loss) before income tax	14,658	14,824
<i>Income tax using the Company tax rate</i>	<i>4,104</i>	<i>4,151</i>
Plus/(less) tax effect of:		
Non-deductible expenses	1,881	1,467
Unrecognised Tax Losses	-	(2,193)
Prior period adjustment	2,861	-
<b>Tax Expense</b>	<b>8,846</b>	<b>3,425</b>
Current tax expense	5,985	3,425
Deferred tax expense	Nil	Nil



# Notes to the Financial Statements

## 6 Share Capital

Fully paid ordinary shares	Number of shares	Share Capital
<b>Balance as at 1 April 2020</b>	270	465,375
Issue of shares	-	-
<b>Balance as at 31 March 2021</b>	270	465,375
Issue of shares	-	-
<b>Balance as at 31 March 2022</b>	270	465,375

Fully paid ordinary shares carry one vote per share, carry a right to dividends and a pro rata share of net assets on wind up. All ordinary shares have no par value.

	2022	2021
	\$	\$
<b>7 Receivables</b>		
Receivables (Non Exchange)	1,084,348	1,531,380
Receivables (Exchange)	1,751	1,725
	<b>1,086,099</b>	<b>1,533,105</b>
<b>8 Payables</b>		
Trade Payables (Exchange)	148,281	193,583
GST Payable	40,786	131,100
Other Accruals (Exchange)	91,722	36,243
Other Accruals (Non Exchange)	362,000	437,000
Payables to Shareholders - PreSeed (Non Exchange)	464,130	1,051,095
Payables to Directors	22,187	10,833
	<b>1,129,107</b>	<b>1,859,855</b>

# Notes to the Financial Statements

## 9 Property, Plant and Equipment

Cost	Office Equipment \$
Balance at 1 April 2020	5,701
Additions	-
Disposals	-
<b>Balance at 31 March 2021</b>	<b>5,701</b>
Balance at 1 April 2021	5,701
Additions	6,719
Disposals	-
<b>Balance at 31 March 2022</b>	<b>12,420</b>
<b>Accumulated Depreciation</b>	
Balance at 1 April 2020	3,817
Depreciation Expense	1,183
<b>Balance at 31 March 2021</b>	<b>5,000</b>
Balance at 1 April 2021	5,000
Depreciation Expense	1,877
<b>Balance at 31 March 2022</b>	<b>6,877</b>
<b>Carrying amounts</b>	
At 1 April 2020	1,884
At 31 March 2021 and 1 April 2021	701
<b>At 31 March 2022</b>	<b>5,543</b>

No property, plant and equipment is pledged as security for liabilities and no assets have restricted titles.

## 10 Related Party Transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the Company would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

# Notes to the Financial Statements

## Related Party Transactions Required to be Disclosed

Directors fees of \$105,000 were incurred during the year (2021: \$96,667).

One of the Directors were also independent members of the Investment Committee and received \$30,000 (2021: \$30,000) as remuneration.

At year end the following amounts were owing to the directors:

- Directors Fees	\$22,187	(2021: \$10,833)
- Investment Committee Fees	\$37,270	(2021: \$20,000)

## 11 Disclosure of Payments in Respect of Board Members and Committee Members

The following information is disclosed in accordance with Section 152 of the Crown Entities Act 2004:

Remuneration paid or payable to each Board member during the year was:

	2022	2021
Ngaio Cooper Merrick	\$30,000	\$30,000
Debra Hall	\$25,000	\$25,000
Stephen David Lorimer	\$-	\$-
Will David Barker	\$25,000	\$25,000
Mark William Cleaver	\$-	\$-
Vignesh Balaji Ashok Kumar	\$25,000	\$6,250
Andrew Turnbull (ceased August 2020)	\$-	\$10,417
	<b>\$105,000</b>	<b>\$96,667</b>

Remuneration paid/payable to investment committee members during the year

	2022	2021
Debra Hall	\$30,000	\$30,000
Andrew Kelly	\$40,000	\$40,000
Dana McKenzie	\$25,000	\$25,000
Nick Willis	\$25,000	\$25,000
Brigitte Smith	\$25,000	\$12,500
Nathan Bryant-Taukiri	\$22,917	\$2,083
	<b>\$167,917</b>	<b>\$134,583</b>

No board members received compensation or other benefits in relation to cessation (2021: \$nil)

# Notes to the Financial Statements

## 12 Commitments

The Company has no commitments at 31 March 2022 (2021: \$nil).

## 13 Contingent Liabilities and Assets

The Company has no contingent liabilities at 31 March 2022 (2021: \$nil).

The Company has no contingent assets at 31 March 2022 (2021: \$nil).

## 14 Subsequent Events

There were no subsequent events after balance date.

## 15 Financial instruments classification

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	2022	2021
	\$	\$
<b>FINANCIAL ASSETS</b>		
<b>Loans and receivables</b>		
Cash and cash equivalents	502,154	699,045
Receivables	1,086,099	1,533,105
<b>Total loans and receivables</b>	<b>1,588,253</b>	<b>2,232,150</b>

	2022	2021
<b>FINANCIAL LIABILITIES</b>		
<b>Financial liabilities at amortised costs</b>		
Payables (excluding any taxes payable)	1,088,321	1,728,754
<b>Total financial liabilities at amortised costs</b>	<b>1,088,321</b>	<b>1,728,754</b>

## 16 Future Funding

We have secured \$4,358,638 Commercialisation Partner Network funding (GST exclusive) up to 30 June 2023 with the Ministry of Business, Innovation and Employment (MBIE). The agreement was signed in July 2019. It is always the Company's intention to obtain a new service agreement with MBIE before the current contract expires.

## 17 Accountability Requirements

Kiwi Innovation Network Limited is a multi-parent subsidiary as defined in the Crown Entities Act 2004 (the Act).

# Independent Auditor's Report

To the readers of Kiwi Innovation Network Limited's financial statements for the year ended 31 March 2022.

The Auditor-General is the auditor of Kiwi Innovation Network Limited (the company). The Auditor-General has appointed me, Clarence Susan, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the company on his behalf.

## Opinion

We have audited the financial statements of the company on pages 43 to 52, that comprise the statement of financial position as at 31 March 2022, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows 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 company on pages 43 to 52:

- present fairly, in all material respects:
  - its financial position as at 31 March 2022; 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 Public Benefit Entity Reporting Standards Reduced Disclosure Regime.

Our audit was completed on 6 July 2022. 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 opinion.

## **Responsibilities of the Board of Directors for the financial statements**

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

## **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 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.

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 company'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 company'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 company 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 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 information included on pages 4 to 42, 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 company 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 issued by the New Zealand Auditing and Assurance Standards Board.

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



Clarence Susan  
Audit New Zealand  
On behalf of the Auditor-General  
Tauranga, New Zealand







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