

Statement of Performance Expectations 2026/27

NZ GROWTH
CAPITAL PARTNERS



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New Zealand Growth Capital Partners Limited ('NZGCP')
Statement of Performance Expectations
For the year ending 30 June 2027

Board Statement of Responsibility

This Statement of Performance Expectations ('SPE') sets out NZGCP's performance expectations for the financial year ending 30 June 2027 ('FY27').

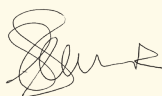
It describes the reportable classes of outputs NZGCP proposes to supply during FY27, what each class of outputs is intended to achieve, how performance will be assessed, and the forecast financial information for the NZGCP Group.

This SPE should be read alongside NZGCP's Statement of Intent ('SOI'), which sets out NZGCP's medium-term strategic intentions. This SPE gives effect to those intentions for FY27 and provides the annual basis against which performance will be assessed and reported.

Signed on behalf of the Board:



Annabel Cotton
NZGCP Chair
28 June 2026



Steve O'Connor
NZGCP Deputy Chair/Director
28 June 2026

Foreword by the Chair

This Statement of Performance Expectations ('SPE') sets out what NZGCP intends to deliver in 2026/27 and how its performance will be assessed. It is the annual expression of the priorities in our Statement of Intent ('SOI') and provides the basis on which our delivery, stewardship and use of public resources can be judged over the year ahead.

NZGCP operates within an environment that is showing encouraging signs of progress, but where important structural gaps remain. Venture capital investment in New Zealand recovered through 2025, with growth in both deal volume and capital deployed. Larger follow-on rounds became more common, indicating that a number of New Zealand companies are progressing from early validation into genuine scale-up stages. That is an important sign of increasing maturity in the market. However, much of the capital deployed continued to flow to companies already known to investors, and the long-term strength of the ecosystem still depends on a steady pipeline of new ventures, new managers and new sources of capability entering the system.

That context matters for NZGCP. Our role is to not only increase the availability of capital, but also improve how the early-stage investment market functions over time. During the period covered by this SPE, we will focus on four strategic priorities: increasing capital in the pre-Series A space, increasing capital in the Series A/B and scale-up space, growing capability and connectivity, and maintaining operational excellence. Through Aspire, Scout, Elevate, Launch, VenturED, ecosystem reporting, and targeted market development activity, we aim to address persistent gaps at different points in the funding pathway and support a stronger, more resilient venture capital ecosystem.

This work sits within a broader policy setting too. The Government's Going for Growth agenda highlights the importance of innovation, technology and science, global trade and investment, talent, business settings and infrastructure in lifting New Zealand's long-term economic performance. NZGCP's contribution is most direct in supporting the conditions for innovative firms to access capital, grow stronger management capability, and build better connections across the investment ecosystem. Our purpose is therefore both economic and institutional: to support firms and investors today, while helping build a market that is deeper, better connected and more durable over time.

The year ahead requires attention at both ends of the system. We need to continue supporting companies and fund managers that are showing the ability to scale, while also strengthening the earliest stages of the pipeline to enable more founders, angel investors and emerging managers to enter and progress through the market. Early-stage experimentation and company formation remain critical to establishing future depth in the ecosystem, even when later-stage rounds attract more attention.

This SPE sets out the activities, measures and forecast financial information that will guide our work in FY27. It reflects the practical steps we will take over the next 12 months to deliver on our mandate, contribute to the priorities in our SOI, and provide clear public accountability for our performance.

1. Introduction

NZGCP exists to strengthen New Zealand’s early-stage investment ecosystem. A healthy venture capital will:

- Have a deep pool of capital and capability, including specialised expertise available to New Zealand start-up companies
- Build strong international connections for the purpose of increasing the expertise available to New Zealand venture capital firms and New Zealand start-ups
- Produce positive risk-adjusted returns and have a trusted reputation for performance, trust and transparency both domestically and internationally
- Have attracted investment from a broad range of institutional and other investors in New Zealand and overseas
- Have a deep market with multiple funds operating at an appropriate fund size and mixed vintages of funds that will ultimately lead to increased competition and efficiency.

NZGCP’s Statement of Intent (‘SOI’) sets out four strategic pillars over the medium term:

- Increasing capital in the pre-Series A space (which it seeks to address through the Aspire and Scout programmes and in the short term through the Launch Emerging Manager Fund of Funds (‘Launch’))
- Increasing capital at the Series A/B and scale-up stage (which it does via Elevate and in the long term via Launch)
- Improve investor capability, connectivity and data insights through its investment activities, the VenturED platform, improved data collection and reporting as well as selected industry sponsorships
- Operational excellence – prudent stewardship of public funds and applying international best practices for direct and fund-of-funds investing.

This SPE translates those priorities into annual output expectations for FY27.

NZGCP’s Annual Report will report against both the annual performance measures in this SPE and the medium-term outcome framework in the SOI, including progress in strengthening economic outcome reporting over time.

The table illustrates how these priorities are linked.

Purpose

To foster a vibrant and sustainable early-stage technology investment market in New Zealand.

Vision

To support New Zealand early-stage technology businesses and investors to be world-class by addressing capital and capability gaps in the market.

Broader ecosystem ambition NZGCP contributes to:

A stronger start-up and venture capital ecosystem in New Zealand, reflected in the five 5's: 5,000 active start-ups, 50,000 high-paid jobs, \$50 billion in economic value, supported by around \$5 billion of capital, representing less than 5% of current KiwiSaver balances. NZGCP contributes to these outcomes, but does not deliver them on its own.

Outcome domain	Medium-term outcome	NZGCP impact sought	NZGCP outputs/delivery	Key measures
Broader ecosystem and economic outcomes NZGCP contributes to	A deeper and more resilient early-stage capital market in New Zealand, contributing to better economic outcomes over time	Increased capital available across pre-Series A and Series A/B stages; more companies progressing through the funding pathway; stronger domestic and offshore participation in venture capital	Aspire, Scout, Launch and Elevate; co-investment and fund-of-funds activity; market development activity that supports capital formation	Number of active start-ups; number of high-paid jobs in start-ups; ecosystem enterprise value; number of \$100m+ revenue companies; capital invested at Series A/B and number of rounds over \$10m
Market development outcomes NZGCP more directly influences	A more capable, connected and better-informed early-stage investment market	Improved investor and fund manager capability; stronger market connectivity; more reliable information flows; greater depth in the domestic manager base; reduced dependence on cornerstone public capital over time	VenturED; Young Company Finance; Dealroom reporting; targeted sponsorships; ecosystem convening; closer collaboration with related government agencies, capability support associated with Launch and Elevate	Active investors and capital deployed in early-stage pathways; number of companies progressing to later rounds; growth and diversity of active venture capital managers; evidence of domestic institutional and offshore participation; capability participation; narrative assessment of connectivity and market maturity
NZGCP organisational effectiveness and stewardship	A well-managed organisation with the capability, discipline and resilience required to deliver NZGCP's mandate over the long term	Prudent stewardship of public funds; strong governance; fit-for-purpose systems and reporting; effective risk, liquidity and balance sheet management; trusted organisational performance	Governance, risk management, financial management, reporting, systems, organisational capability, public accountability and stewardship activity	Clean audit report; good to very good control environment assessment; staff retention above 80%; achievement and maintenance of target conviction rating for Elevate; stakeholder and governance feedback

2. Overview of reportable and other output classes

NZGCP has two reportable output classes in FY27 and two not-reportable classes of outputs:

1. Pre-Series A capital (reportable)
2. Series A/B and scale-up capital (not reportable)
3. Capability, connectivity and data insights (reportable)
4. Operational excellence and stewardship (not reportable).

These output classes are intended to provide a consistent structure across NZGCP's SOI, SPE and Annual Report.

It is recommended that the SPE be read in conjunction with the SOI.

Capability and connectivity outputs are funded through one Crown appropriation line that supports market development.

3. Our funding and performance

Service performance reporting standard

The New Zealand Accounting Standards Board ('XRB') issued a Standard for Service Performance Reporting: Public Benefit Entity Financial Reporting Standard 48 Service Performance Reporting ('PBE FRS 48'), effective for annual reporting on or after 1 January 2022. The Standard provides requirements for selecting and presenting service performance information so that it is appropriate and meaningful to users. We have prepared this statement to align with the Standard.

Our funding and appropriations

NZGCP operates within a mixed funding model that combines Crown appropriations with the use of its own balance sheet to support delivery against its mandate.

The Development of Early-Stage Capital Markets appropriation (M116, A17) is limited to supporting the operations of the Aspire New Zealand Seed Fund and early-stage capital market development programmes. NZGCP delivers and reports this single appropriation through two outputs: market development for early-stage capital markets, which supports capability and connectivity activity (largely third-party spend) that strengthens the functioning of the early-stage investment ecosystem; and Aspire New Zealand Seed Fund operations, which covers the administration and delivery costs of NZGCP's pre-Series A capital activity.

In addition, a fund-of-funds pilot programme is being established, with \$10 million allocated to NZGCP through Budget 2026 over two years under the Investment in the Emerging Managers Programme appropriation (M116, A17) to build the capability of emerging fund managers. The pilot will run over four years with the capital appropriation front loaded. Alongside these appropriations, NZGCP uses its own balance sheet to support Aspire and Scout investment activity.

Selection of performance measures

Measures are selected on the basis that they:

- Reflect NZGCP's statutory functions and strategic intentions
- Provide insight into progress towards five core impact areas: More capital in the pre-Series A investment round stages, increased capital in the Series A/B and beyond investment rounds, improved capability, greater connectivity and operational excellence
- Are comparable year-on-year where possible, to track progress over time
- Include a balanced mix of quantitative and qualitative indicators.

Where measures are discontinued or new measures are introduced, we disclose the reasons and ensure continuity in future reporting.

Reporting on performance targets

We seek to improve our performance year-on-year to deliver long-term benefit for the investment ecosystem. Because of the long-term nature of our vision and strategic outcomes, it may take several years for measurable change or trends to become evident. We closely monitor trends to confirm that our organisation is moving towards achieving the desired results.

3. Our funding and performance

Significant judgements and assumptions

We made the following judgements and assumptions about our performance measures and targets when preparing this document:

- That the performance measures selected best capture the work we deliver to achieve our functions
- That the selected performance measures adequately inform progress towards delivering the strategic outcomes in our SOI 2026–2030
- The performance information in this SPE will meet the expectations of our stakeholders, including industry participants, consumers and related government entities.

The Board has a full understanding of our performance against key outcomes and can clearly demonstrate these in our accountability documents.

We have also applied judgements in measuring, aggregating and presenting performance information. In alignment with PBE FRS 48, judgements and assumptions based on performance measures and results will be disclosed in our Annual Report 2026/27.

Basis for comparability

Comparative information is presented for prior years wherever possible. Where measures are new for FY27, we have clearly identified them and will maintain consistency in future reporting to allow for trend analysis.

Changes from 2025/26

In 2026/27, we made several changes to strengthen our reporting and more easily distinguish between the impact of our actions and the outputs delivered.

3. Our funding and performance

Output 1 – Pre-Series A capital

Pre-Series A capital was previously reported under the output measure “Pipeline”. We have now reframed this as capital raising, as this output class is intended to build a pipeline of early-stage start-ups that venture capital funds can support Series A and later funding rounds. Scout and Launch are both new initiatives; therefore, there is no comparative information available for these measures. The Aspire annual investment cap was increased from \$12 million to \$14 million and Scout investments will be made within those settings, funded from existing reserves. We have also added new impact measures that were not reported previously. The Aspire leverage ratio has been removed, as Aspire’s mandate is to invest in funding rounds where capital gaps exist. The measure “Total capital invested in funding rounds where Aspire participated” has also been removed. In its place, we have introduced a measure showing how much capital was raised in subsequent rounds, which is a more appropriate indicator of increasing capital availability as start-up companies mature.

Output 2 – Series A/B and scale-up capital

Series A/B and scale-up capital was previously reported simply as capital. We now distinguish between two stages of capital raising: earlier rounds, which are more commonly supported by friends and family, angel investors and Aspire; and later rounds, which are more commonly led by venture capital funds, where Elevate supports the market through capital commitments to those funds. We have also added four new impact measures to better show how the venture capital market is maturing over time. For scale-up rounds ([\$40 million-plus rounds]), we would expect international investor participation.

Output 3 – Capability, connectivity and data insights

This output class remains broadly the same, but has been expanded to provide a clearer distinction between capability, connectivity and data insights. During the year, we launched VenturED (a learning and development platform), began consolidating sponsorship activity, and placed greater emphasis on generating ecosystem insights through consolidated data provided by industry participants. As a result of these more deliberate market development activities, several new output and impact measures have been introduced to better demonstrate the value delivered through this work.

Output 4 – Operational excellence

Operational excellence was not previously reported. This output class has been introduced to reflect our stewardship responsibilities in managing the funds under our care.

These changes affect comparability with prior years, although comparative information has been provided where possible.

3.1 Output class 1: Pre-Series A capital (reportable)

Over the SOI period, NZGCP intends to broaden the types of measures it uses in this output class. Alongside the output and delivery measures set out below, we will progressively develop measures that better capture the economic contribution of the companies and funds NZGCP supports. We will begin with what is within reach — including the revenue and employment outcomes of our investee companies — and build out finer breakdowns over time, including export (offshore) revenue distinct from total revenue, and skilled employment distinct from total employment. These finer measures depend on consistent definitions and company-level data that is not yet reliably available, so we will develop them in stages, working with officials and relevant agencies, and expect this to be a progressive effort that may extend across the SOI period. This reflects our intent to report not only on what we deliver, but increasingly on the contribution our investments make to revenue, exports, employment and the wider Going for Growth agenda.

What this class of outputs is intended to achieve

This output class is intended to increase the availability of very early-stage risk capital in the pre-Series A investment rounds, crowd-in private capital, and strengthen the pipeline of companies progressing towards later funding stages.

NZGCP delivers this output class primarily through:

- **Aspire**, its early-stage equity co-investment vehicle
- **Scout**, a related initiative that matches angel investor capital for very early-stage venture backing
- **Launch**, an emerging manager fund of funds which aims to provide capital and operational support to emerging managers. These funds are expected (due to their fund sizes) to invest predominantly in companies that are pre-Series A, although the design of the programme is that these funds could graduate into the Series A/B space as they develop over time.

Together, these interventions are intended to address persistent financing gaps at the earliest stages of the start-up life cycle and support a more effective funding pathway from angel and pre-Series A capital into later-stage venture investment.

How performance will be assessed

Performance in this output class will be assessed through a mix of quantitative and narrative measures that reflect both direct delivery and broader market development effects.

3. Our funding and performance

3.1 Output class 1: Pre-Series A capital (reportable)

Measures

SPE measures	FY27 target/ expectation	FY26 target	Measure type
Number of Scout-supported investments or matched commitments	Between 15 and 25	New initiative	Output
Value of capital deployed through Scout	Between \$1.5 million and \$2.0 million	New initiative	Output
Number of Aspire investment opportunities reviewed	More than 300	More than 200	Output plus a narrative assessment of pipeline of start-ups coming through
Number of Aspire investment opportunities taken into due diligence	More than 40	N/A, new measure	Output plus a narrative assessment of quality of pipeline
Number of new Aspire investments completed	7 – 12 new	7 – 12 new	Output
Number of follow-on Aspire investments completed	8 – 15 follow-on	8 – 15 follow-on	Output
Value of capital deployed through Aspire	Between \$10 million and \$12 million	Between \$8 million and \$12 million	Output
Total proceeds from divestment of investments (Aspire and the VIF 1.0 programme)	\$18 million per annum over a rolling 3-year period	\$18 million per annum over a rolling 3-year period	Impact and output. Narrative assessment of liquidity in the market and maturity of both NZGCP and the market portfolio
Average ratio of private capital raised for emerging managers (relative to the programme investment)*	> 3:1	New initiative	Output
Year-on-year percentage of growth in Paid in Capital (TVPI) for emerging managers portfolios*	> 1%	New initiative	Output
Total capital raised by supported companies in subsequent rounds within the period (Aspire, Scout and Launch)	Between \$12 million and \$48 million	New measure but also a new initiative	Output
Number of companies that raised Series A+ investment where NZGCP pre-Series A initiatives participated in a prior round. (Aspire, Scout and Launch portfolio companies even if the initiatives did not participate in the round)	15 – 20	15 – 20	Output
Narrative assessment of pipeline development and progression towards Series A stage capital	Improvement of the pipeline over time	New measure	Impact/narrative

*Measure relates to the Estimates and subject to change at the October Baseline Update.

3. Our funding and performance

3.1 Output class 1: Pre-Series A capital (reportable)

This output forms part of the Development of Early-Stage Capital Markets appropriation (M116)(A17) and supports the operations of the Aspire New Zealand Seed Fund. Equity injections for capital investments

FY27 appropriation	FY27 budget	FY26 budget	FY26 forecast
Revenue from Crown/appropriation	\$6,000,000	-	-
Total forecast revenue	\$6,000,000	-	-
Proposed expenses	\$6,000,000	-	-
Forecast surplus/(deficit)	-	-	-

Equity injections for capital investments

This is a new multi-year appropriation (MYA) that funds the Crown's capital contribution to the Emerging Managers' fund-of-funds programme (Launch), by way of capital injections to NZGCP paid by the New Zealand Treasury under the Economic Growth Investment in Emerging Managers Programme appropriation. The MYA runs from 1 July 2026 to 30 June 2030.

FY27 appropriation	FY27 budget	FY26 forecast
Original appropriation	\$10,000,000	-
Cumulative actual called 1 July	\$0	-
Current year actual called	\$5,000,000	-
Cumulative actual called 30 June	\$5,000,000	-
Appropriation remaining 30 June	\$5,000,000	-

3.2 Output class 2: Series A/B and scale-up capital (not reportable)

What this class of outputs is intended to achieve

This output class is intended to increase the availability of venture capital for New Zealand entities seeking capital at Series A and later stages, while also contributing to the development of a deeper, more resilient and more effective venture capital market in New Zealand.

NZGCP delivers this output class primarily through Elevate. Elevate operates through a fund-of-funds model and is intended to not only increase the supply of capital, but also strengthen the depth, durability and capability of the domestic venture capital manager market, while crowding in private and offshore capital. As noted under Output class 1, we will progressively broaden these measures over the SOI period.

How performance will be assessed

Performance in this output class will be assessed through a mix of portfolio, leverage and market development measures.

Measures

SPE measures	FY27 target/ expectation	FY26 target	Measure type
Number of Scout, Aspire, Launch or Elevate backed companies that raised a Series B or >\$10 million round	5	New (current forecast: 3)	Output
Number of companies that attracted offshore venture capital investment during their Series A/B funding round (Aspire and Elevate) (p.a.)	At least 12	At least 12	Output
Stronger connectivity between New Zealand investors and founders and offshore fund managers, leading to later-stage investment in New Zealand-founded companies	More capital available from offshore investors	New	Impact
Number of Elevate fund commitments made in line with investment strategy	2	3	Output
Total capital committed by Elevate in FY27	\$40 million	\$30 million	Output
Cumulative public to private capital leverage ratio across commitments	1:3	1:3.5	Output/impact
Progress in reducing constraints and improving market fragility in the early-stage investment ecosystem	N/A	New	Impact/narrative

This is not a reportable output class and not directly funded by an appropriation.

3.3 Output class 3: Capability, connectivity and data insights (reportable)

What this class of outputs is intended to achieve

This output class is intended to strengthen capability and connectivity and develop the market across New Zealand's early-stage investment ecosystem by improving investment judgement, fund management capability, leadership, professional development, market transparency and shared understanding.

NZGCP delivers this output class through:

- VenturED and related capability initiatives
- The *Young Company Finance Report*, published twice each year
- The annual *Dealroom Report*, benchmarking New Zealand against comparable jurisdictions
- Sponsorships with investor-aligned industry bodies where these provide greater reach and leverage than building equivalent internal capability
- Collaboration with the Ministry of Business, Innovation and Employment ('MBIE'), New Zealand Trade and Enterprise (NZTE), Invest NZ and New Zealand Institute for Advanced Technology (NZIAT) to improve the evidence base and support a more cohesive ecosystem approach..

These activities are intended to address persistent capability gaps in the venture capital ecosystem, improve the quality and availability of market information, strengthen connections across the ecosystem, and support more effective and coordinated market development.

How performance will be assessed

Performance in this output class will be assessed through a mix of participation, publication, leverage, delivery and narrative measures.

3. Our funding and performance

3.3 Output class 3: Capability, connectivity and data insights (reportable)

Measures

SPE measures	FY27 target/ expectation	FY26 target	Measure type
Capability initiatives, programmes or pathways delivered through VenturED	More than 12 masterclasses and events delivered	YTD: 5 Masterclasses delivered and 251 courses enrolled with 24 completed	Output
Participant satisfaction or usefulness rating	More than 50%	New	Output
Reports published on ecosystem maturity and development	4	2	Output
Number of industry development initiatives (such as investor focused capability programmes, data publications, etc.) and sponsorships undertaken (such as investor industry associations)	8	8	Output
Improved capability uplift, consistency in learning and development, and relevance to ecosystem needs	Improvement over time	New	Impact/narrative
Increased ecosystem participation in data collection and use of reporting outputs	Improvement in data collection	New	Impact/narrative
Stronger cross-government collaboration and shared evidence-building, specifically NZTE, Invest NZ and NZIAT*	Improvement in cross-government collaboration	New	Impact/narrative

*Measure relates to the Estimates and subject to change at the October Baseline Update.

This output forms part of the Development of Early-Stage Capital Markets appropriation (M116)(A17) and supports early-stage capital market development programmes.

FY27 appropriation	FY27 budget	FY26 budget	FY26 forecast
Revenue from Crown/appropriation	\$735,000	\$750,000	\$750,000
Revenue from other sources			
Total forecast revenue	\$735,000	\$750,000	\$750,000
Proposed expenses	\$735,000	\$750,000	\$750,000
Forecast surplus/(deficit)	-	-	-

3.4 Output class 4: Operational excellence and stewardship (not reportable)

What this class of outputs is intended to achieve

This output class is intended to ensure NZGCP maintains the governance, systems, financial discipline, organisational capability and stewardship required to deliver its mandate effectively and credibly.

As a small specialist organisation managing long-horizon investment and market development interventions, NZGCP's operational discipline is critical to the delivery of all other output classes.

This output class includes:

- Governance and delegated decision-making
- Financial and liquidity management
- Risk management
- Reporting and accountability
- Organisational capability, systems and information management.

How performance will be assessed

Performance in this output class will be assessed through a mix of governance, financial and organisational measures.

3. Our funding and performance

3.4 Output class 4: Operational excellence and stewardship (not reportable)

Measures

SPE measures	FY27 target/ expectation	FY26 target	Measure type
Statutory, quarterly and Board reporting delivered on time	100%	New – 100%	Output
Operating cost as a percentage of assets under management within benchmark*	Combined costs to AUM** below 1.5%	1.46%	Output
Management control environment reviewed and maintained	Graded as good or above	Very good	Output
Governance and policy reviews completed as planned	More than 90% on time	More than 90% on time	Output
Maintain an above-threshold status on the skill and alignment of NZGCP as the manager of Elevate	Above threshold	Below threshold	Output
Ongoing compliance with the Responsible Investment Framework	100%	100%	Impact
Sustained organisational capability in a small specialist entity	Staff retention of at least 80%	Better than 80%	Impact
Strong liquidity and financial management	Sufficient cash for the next 18 months of operations	Cash of 30 months available	Impact
Effective governance and risk oversight	At least 4 out of 5 rating by Audit and Risk Committee	4.6 rating for calendar year 2025	Impact
Fit-for-purpose systems and reporting	Better than 70% in the Ask Your Team survey	83% September 2025	Impact

* Includes operating costs, excluding the market development appropriation, divided by the Aspire assets under management plus the Elevate commitment.

** Assets under management (AUM) refers to the total value of assets that an investment manager, fund, or institution is responsible for managing.

This is not a reportable output class and not directly funded by an appropriation.

3.5 Other activities not reported as reportable output classes

NZGCP may undertake other activities that support the delivery of its mandate but are not reported as separate reportable output classes in this SPE. In FY27, this will include development work to improve how we measure and report the broader economic and ecosystem outcomes associated with our interventions. This encompasses work on indicator design, attribution boundaries, data quality, and reporting approaches that support clearer disclosure over time of our contribution to capital formation, company progression, offshore investment participation, high-paid jobs and enterprise value.

4. Additional information

For FY27, NZGCP notes the following additional matters relevant to delivery:

4.1 Responsible investment

NZGCP applies responsible investment principles across its activities in a manner consistent with its mandate and commercial discipline. While sourcing activity may place additional emphasis on identifying Māori-, Pasifika- and women-led start-ups, all investment decisions are made on the same commercial basis.

4.2 Collaboration and leverage

We work in a collaborative and leverage-based way. In areas such as sponsorships and market development activity, we aim to work through organisations that already have reach, capability and credibility with investor audiences where that provides better leverage than building equivalent internal capability.

4.3 Data and evidence development

NZGCP will continue working with the MBIE during FY27 to strengthen the evidence base relating to the economic and market benefits associated with the growth and maturation of the early-stage investment ecosystem. This work will support improved reporting over time on our contribution to the Government's Going for Growth agenda, particularly in relation to innovation, technology and science, promoting global trade and investment, and developing talent. During FY27, we will focus on developing a clearer indicator set, improving data definitions and sources, establishing baselines where feasible, and incorporating initial narrative reporting in our Annual Report. This work is developmental and will improve future reporting rather than imply full attribution of system-level outcomes to our organisation alone.

4.4 Organisational health and workforce capability

— We are curious	— We uplift	— We move the needle
<p>We seek to learn, understand and share knowledge in a world that is not black and white.</p> <p>We embrace technology, innovation, and entrepreneurship – to back bold ideas for growth.</p> <p>We explore smarter ways to maximise value and to stay ahead of the game.</p>	<p>We are empathetic, put heart into our work and bring the best out of each other – teammates, founders and industry partners.</p> <p>We care and connect on a personal level and are constructive in helping each other up in an ever-changing environment.</p> <p>We amplify collaboration by playing to strengths, leveraging and celebrating diversity of all those we work with.</p>	<p>We recognise the impact we can have – we back those who strive to solve the world's great issues, and we action change to encourage positive shifts in our early-stage investment ecosystem.</p> <p>We aspire to build a lasting positive legacy through delivering great results for all stakeholders.</p> <p>We help position Aotearoa on the world stage through tech investment and genuine support – creating a better tomorrow for the world.</p>

4. Additional information

While our mandate identifies why we exist, our values and behaviours provide the how – who we are, what we stand for and how we work. Our shared values reflect these, and we will continue to implement initiatives to embed these across our organisation.

NZGCP will continue to build organisational capability by reinforcing the behaviours and team practices that support effective delivery of its strategy. In FY27 this will include a deliberate focus on judgement, decision quality, accountability, feedback, strategic clarity and execution. This approach builds on prior engagement and leadership work, uses existing team and people practices, and emphasises embedding and application in day-to-day work rather than introducing new organisation-wide programmes. Oversight will occur through existing governance and people processes.

NZGCP works proactively to eliminate and address any gender pay gap and any gender bias in recruitment and remuneration. We report on our organisational health and workforce capability in our Annual Report.

4.5 Improving our environmental sustainability

NZGCP is not part of the Carbon Neutral Government Programme but has engaged Toitū Envirocare since FY23 to verify its greenhouse gas ('GHG') emissions, set emissions-reduction targets and establish a plan to reduce them. During FY27 we will continue to implement these initiatives to reduce our carbon emissions with an aim to become carbon neutral in the short to medium term. We report on our GHG emissions in our Annual Report.

4.6 Continuing our engagement with stakeholders

During FY26, NZGCP arranged cross-industry events where Crown entities involved in the start-up ecosystem met to strengthen collaboration and align efforts. Each entity paid for its own attendance, but NZGCP provided a venue and produced ecosystem insights to stimulate discussion.

Our investment teams are in continuous engagement with our stakeholders, being mainly founders, angel investors, venture capital funds, industry bodies and other government entities.

Aspire will continue to send out a survey to its portfolio companies to gauge the value received from the interaction with the team. Elevate will maintain its quarterly Pulse sessions, where it seeks feedback on industry developments, risks and opportunities.

These engagements provide valuable insights to assist in providing advice or other assistance (datasets) to government and other industry bodies to support market development.

5. Forecast financial statements

The SPE guidance is explicit that annual forecast financial statements for the Crown entity group must be included in the SPE, together with the significant assumptions underlying them and any additional explanations needed to reflect the forecast financial operations and position.

Prospective Statement of Comprehensive Revenue and Expense for the Year Ending 30 June 2027

	Budget 2025/26	Forecast 2025/26	Budget 2026/27
Revenue received from Crown	750,000	750,000	6,735,000
Interest income	1,790,281	1,820,560	1,188,764
Elevate NZ Venture Fund LP management fee ¹	2,338,641	2,210,209	2,230,303
Hillfarrance Limited Partnership management fees received	72,000	54,000	72,000
Other gains/(losses)	-	118,600	-
Investment gains/(losses) ³	-	383,278	6,535,731
Dividend income	-	-	-
Total revenue	4,950,922	5,336,647	16,761,798
Employee costs	(5,177,048)	(4,618,753)	(5,240,898)
Audit fees	(228,427)	(219,107)	(235,648)
Directors' fees	(391,732)	(333,106)	(395,920)
VIF 1.0 programme's management fees ²	(90,000)	(43,399)	-
Depreciation and amortisation	(47,369)	(22,184)	(40,000)
Utilities and occupancy expenses	(267,708)	(272,931)	(249,798)
Market development expenses	(750,000)	(752,224)	(735,000)
Other operating expense	(1,769,931)	(1,601,581)	(2,100,469)
Total expenses	(8,722,215)	(7,863,285)	(8,997,733)
Surplus/(Deficit) before taxation	(3,771,293)	(2,526,638)	7,764,065
Income tax expense	-	-	-
Total comprehensive revenue/(expense)	(3,771,293)	(2,526,638)	7,764,065

1. Income prospecting as administration manager for the Elevate NZ Venture Fund, not yet presented to Guardians of NZ Superannuation for review and approval.
2. Fund management fees are paid to external fund managers from capital drawn from Crown for investment. These fees are classified as an expense of NZGCP for accounting purposes. These management fees have been fully paid.
3. Forecast 2025/26 does not include the assessment of the value of the investments at year-end FY26.

5. Prospective financial statements

Prospective Statement of Changes in Equity for the Year Ending 30 June 2027

	Budget 2025/26	Forecast 2025/26	Budget 2026/27
Share capital	172,219,801	172,219,801	177,219,801
Dividend to the Crown			(6,000,000)
Accumulated shareholder's surplus at the beginning of the year*	(8,708,721)	(10,077,896)	(12,987,813)
Total comprehensive revenue and expense for the year	(3,771,295)	(2,909,917)	7,764,065
Equity – at the end of the year	159,739,785	159,231,988	165,996,053

* The accumulated shareholder's surplus/(deficit) shown above is the cumulative net accounting result of NZGCP's operating activity and investment revaluations, and currently reflects a deficit position. It is distinct from the uncommitted capital and reserves NZGCP holds in excess of its mandate requirements and commitments. The Minister of Finance's section 165 proposal concerns a possible return of part of that uncommitted capital to the Crown; the basis and amount are to be determined through consultation.

5. Prospective financial statements

Prospective Statement of Financial Position as of 30 June 2027

	Budget 2025/26	Forecast 2025/26	Budget 2026/27
Equity	159,739,785	159,231,988	165,996,053
<i>Current Assets</i>			
Cash and cash equivalents	3,543,979	2,796,759	2,059,322
Receivables and prepayments	1,822,646	629,822	1,208,684
Term deposit investments	43,400,000	46,500,000	35,500,000
	48,766,625	49,926,581	38,768,006
<i>Non-current Assets</i>			
Fixed assets	100,575	27,339	77,339
Term deposit	80,500	80,500	80,500
Investments	112,241,577	110,533,492	129,533,492
	112,422,652	110,641,331	129,691,331
Total assets	161,189,277	160,567,912	168,459,337
<i>Current Liabilities</i>			
Payables and accruals	1,449,492	1,335,925	2,463,284
Total liabilities	1,449,492	1,335,925	2,463,284
Net assets	159,739,785	159,231,988	165,996,053

5. Prospective financial statements

Prospective Statement of Cash Flows for the Year Ending 30 June 2027

	Budget 2025/26	Forecast 2025/26	Budget 2026/27
<i>Cash flows from operating activities</i>			
Cash was provided from:			
Revenue from the Crown	750,000	750,000	6,735,000
Revenue from Elevate NZ Venture Fund	2,322,819	2,940,387	1,723,442
Net GST received	81,178	14,116	138,615
Other income	72,000	-	-
Term deposit investments	26,000,000	37,500,000	19,000,000
Sale of investments – the VIF 1.0 programme	2,000,000	-	1,000,000
Sale of investments – Aspire	6,500,000	8,471,930	5,535,731
	37,725,997	49,676,432	34,132,788
Cash was applied to:			
Payments to suppliers	(2,838,066)	(3,236,345)	(3,054,543)
Payments to employees	(5,170,589)	(4,543,625)	(4,914,445)
Purchase of investments – Aspire	(12,000,000)	(12,031,161)	(12,000,000)
Purchase of investments – Scout	-	-	(2,000,000)
Purchase of investments – Launch	-	-	(5,000,000)
Term deposit investments	(22,000,000)	(36,000,000)	(8,000,000)
	(42,008,655)	(55,811,130)	(34,968,988)
Net cash flows from operating activities	(4,282,658)	(6,134,699)	(836,200)
<i>Cash flows from investing activities</i>			
Cash was applied to:			
Purchase of property, plant and equipment	(50,000)	(10,010)	(90,000)
Disposal of property, plant and equipment	-	13,420	-
Net cash flows from investing activities	(50,000)	3,410	(90,000)
Interest earned	1,890,280	2,207,564	1,188,764
Capital contributions from the Crown	-	-	5,000,000
Dividend paid	-	-	6,000,000
Net cash flows from financing activities	1,890,280	2,207,564	188,764
Net (decrease)/increase in cash and cash equivalents	(2,442,378)	(3,923,724)	(737,436)
Cash and cash equivalents at the beginning of the year	5,986,357	6,720,483	2,796,759
Cash and cash equivalents at the end of the year	3,543,979	2,796,759	2,059,322

Notes to the prospective financial statements

Summary of significant accounting policies

Reporting entity

The reporting entity is New Zealand Growth Capital Partners Limited ('NZGCP', 'the Parent' or 'the Company') and its controlled subsidiaries (together, 'the Group' or 'NZGCP Group'). The controlled subsidiaries are Aspire NZ Seed Fund Limited ('Aspire'), Elevate NZ Venture Fund GP Limited ('Elevate') and The Village GP Limited which are 100% controlled by the Parent.

NZGCP and its subsidiaries are all companies incorporated in New Zealand under the Companies Act 1993. The relevant legislation governing NZGCP's operations includes the Crown Entities Act 2004. NZGCP's ultimate parent is the New Zealand Crown. NZGCP is domiciled in New Zealand.

The primary objective of NZGCP is the development of a vibrant early-stage capital market. NZGCP has designated itself as a Public Benefit Entity ('PBE') for financial reporting purposes.

The registered office for NZGCP is Level 9, Suite 4, 125 Queen Street, Auckland Central.

The consolidated forecast financial statements of the Group are for the year ending 30 June 2027.

Basis of preparation

Statement of compliance

These prospective consolidated financial statements are prepared in accordance with New Zealand Generally Accepted Accounting Principles ('NZGAAP'). They comply with the Crown Entities Act 2004 and other Financial Reporting Standards as appropriate for Public Benefit Entities ('PBEs').

These prospective consolidated financial statements are prepared in accordance with the requirements of the PBE Standards Reduced Disclosure Regime ('PBE Standards RDR') and PBE FRS 42 Prospective Financial Statements. The Group is eligible to report in accordance with PBE Standards RDR because it does not have public accountability and it is not large.

The prospective consolidated financial statements are for the Statement of Performance for the 2025/26 year; therefore, actual results are not reflected. NZGCP is responsible for the consolidated financial statements presented, including the appropriateness of the assumptions underlying the prospective consolidated financial statements and all other required disclosures.

The information contained in the prospective consolidated financial statements is not suitable to be used for any purpose other than to give an indication of the magnitude of the Company's financial requirements for the period of the Statement of Performance.

The actual financial results for the period covered are likely to vary from the information presented and the variations may be material.

Measurement basis

These prospective consolidated financial statements have been prepared on a historical cost basis, except where modified by the measurement of financial assets at fair value.

Presentation currency

These prospective consolidated financial statements are presented in New Zealand dollars (\$).

Judgements and estimations

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

It is not intended to update these prospective consolidated financial statements after presentation.

5. Notes to the prospective financial statements

Updates until the presentation will be made if circumstances arise requiring changed forecasts. Assumptions in these prospective consolidated financial statements are based on business as usual and historic performance but include implementation costs for new policy development.

Significant accounting policies

The following specific accounting policies, which materially affect the measurement of financial performance, financial position, and cash flows, have been applied consistently to all periods presented in these prospective consolidated financial statements.

Basis of consolidation

The controlled entities are Aspire NZ Seed Fund Limited and Elevate NZ Venture Fund GP Limited, which are 100% controlled. NZGCP has the power to affect the nature and amount of those benefits through its involvement with these entities. The prospective consolidated financial statements include the parent company and its subsidiaries. All significant intercompany transactions are eliminated on consolidation.

Revenue from the Crown – non-exchange revenue

Revenue is recognised to the extent that the economic benefits will flow to NZGCP, and the revenue can be reliably measured. Revenue shown in the consolidated statement of comprehensive revenue and expense comprises the amounts received and receivable by NZGCP for services supplied to the Crown.

The Group is funded in part by the Crown for services supplied to the Crown specifically as it relates to market development. This funding is restricted in its use for the purpose of the Group meeting the objectives specified by the Crown and the scope of the relevant appropriations. The Group considers there are no conditions attached to the funding, and it is recognised as revenue at the point of entitlement.

Other revenue – exchange revenue

Other income includes fund income and is recognised when the right to receive payment is established.

The Venture Capital Fund Act 2019 was enacted to establish a new venture capital fund (Elevate fund) and the Guardians of New Zealand Superannuation ('Guardians'), a fellow 'Crown entity', was given a mandate to manage the fund. NZGCP was appointed as an external manager to manage the fund on a 'fund-of-funds basis'.

Elevate was formed in December 2019 with the main purpose of investing in venture capital opportunities in New Zealand. Elevate is managed by NZGCP, with a fund-of-funds model. The financial statements of Elevate are presented in the Annual Report of the Guardians as it sits under the mandate of the Guardians.

NZGCP incurs expenses for Elevate and is able to recharge a management fee under terms set out in the Management Deed to recover those costs which is included in Other revenue.

Interest revenue – exchange revenue

Revenue is recognised as interest accrued using the effective interest method. This is a method of measuring financial assets held at amortised cost and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

Investment gains and losses

Investment gains and losses represent changes in the value of NZGCP's two investment funds, Aspire and the VIF 1.0 programme. This balance is highly variable, driven largely by the performance of start-up companies.

Goods and Services Tax ('GST')

The forecast consolidated financial statements of NZGCP have been prepared on a GST-exclusive basis 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 Inland Revenue Department ('IRD') is included as part of receivables or payables in the consolidated 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 consolidated statement of cash flows.

5. Notes to the prospective financial statements

Taxation

Income tax expense comprises both current tax and deferred tax and is calculated using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax are charged or credited to the statement of comprehensive revenue and expense, except when they relate to items charged or credited directly to equity, in which case the tax is charged or credited to equity.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, both locally and internationally, and other short-term, highly liquid investments, with original maturities of six months or less.

While cash and cash equivalents are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because no estimated loss allowance for credit loss is anticipated.

Impairment of financial and non-financial assets

Assets with a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Foreign currencies

Transactions denominated in a foreign currency are converted at the functional currency exchange rate at the date of the transaction. The functional currency of NZGCP is New Zealand dollars. It is also the presentation currency of the consolidated financial statements.

Transactions denominated in foreign currency that are not settled in the accounting period, resulting in monetary assets and liabilities denominated in foreign currencies at the reporting date, are translated to New Zealand dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on their translation and revaluation are recognised in the consolidated statement of comprehensive revenue and expense.

Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes:

- Restricted activities
- A narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors
- Insufficient equity to permit the structured entity to finance its activities without subordinated financial support
- Financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks.

NZGCP is principally involved with structured entities through its investments in venture capital investment funds via the VIF 1.0 programme. The Group invested in structured entities to assist with the implementation of its overall investment strategy. The Group does not sponsor any structured entities.

VENTURE CAPITAL INVESTMENT FUNDS

Venture capital investment funds provide a mechanism to share exposure with other investors and may take various legal forms (e.g. limited liability companies, limited partnerships). The Group makes commitments to, and investments in, these legal structures and in return is issued with the rights to a proportional stake in their net assets. They have a broad range of investment objectives and are managed by unrelated asset managers who apply various investment strategies to accomplish their respective investment objectives.

5. Notes to the prospective financial statements

Statement of cash flows

The following are the definitions of the terms used in the statement of cash flows:

Cash is considered to be cash and cash equivalents.

Investing activities are those relating to the acquisition, holding and disposal of property, plant and equipment.

Financing activities are those activities that result in changes in the size and composition of the capital structure of NZGCP. They include activities relating to changes in public equity and the debt capital structure of the Group and those activities relating to the cost of servicing the Group's equity capital.

Operating activities include all transactions and other events that are not investing or financing activities.

Significant assumptions adopted in the preparation of forecast financial statements

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

Fund management fees are paid to external fund managers from investment disbursements received by NZGCP. These fees are classified as an expense of NZGCP for accounting purposes only and are not part of the operational costs of NZGCP.

Realised and unrealised gains/losses are not included in the forecast. Because of the nature of these investments these sale proceeds are estimates and subject to change due to market uncertainty and/or events outside of NZGCP's control.

Fund management fees forecasted are based on investment agreements that were in place on the date the forecast was approved by the Board. NZGCP's expenses are allocated according to the current allocation model.

Service Performance Reporting (PBE FRS 48)

Service performance reporting has been adopted in the financial statements for the same reporting period as the financial statements. The performance information explains why the entity exists, what it aims to achieve and what it has done during the reporting period to achieve those aims. Contextual information has been supplied and judgements used to measure performance explained.

6. Presentation and publication

This SPE is prepared for the Group and is intended to comply with the Crown Entities Act 2004 and applicable NZGAAP requirements. The Treasury guidance notes that the SPE is final when it is dated and signed on behalf of the board by two members, and that it must then be provided to the responsible Minister, published on the entity's website, and presented to the House in accordance with the statutory timetable.

Publishing and accessibility

In line with section 150(4) of the Crown Entities Act 2004, NZGCP will publish this SPE on its website as soon as practicable after providing the final SPE to the responsible Minister, subject to the pre-Budget restriction. © Copyright: New Zealand Growth Capital Partners Limited ('NZGCP'). Except for the logos, emblems and/ or trade marks of NZGCP, this SPE is licensed under the Creative Commons Attribution-Non Commercial 4.0 International licence. (In essence, readers are free to copy, distribute and adapt the work for non-commercial purposes, as long as they attribute the work to NZGCP and abide by the other licence terms.) To view a copy of this licence, please visit <http://creativecommons.org/licenses/by-nc/4.0/>. The permission to reproduce NZGCP Limited's copyright-protected material does not extend to any material in this report that is identified as being the copyright of a third party. Authorisation to reproduce such material should be obtained from the copyright holders. Disclaimer: This document is a guide only. It should not be used as a substitute for legislation or legal advice. NZGCP is not responsible for the results of any actions taken on the basis of information in this document, or for any errors or omissions

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