

## Key Investor Statistics

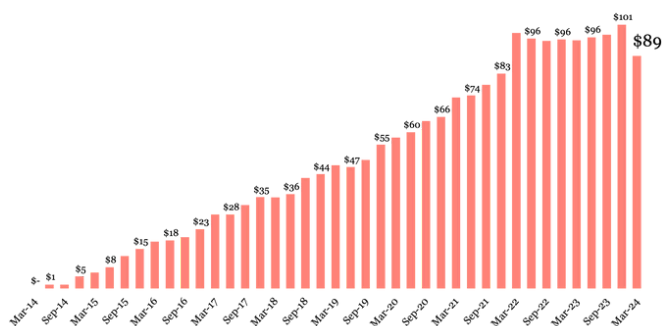
Asset Value	Investor Net Asset Value	Shares Issued	Annualised Share Price Return	Annualised Gross IRR**	TVPI	Portfolio Size
<b>\$89.3m</b> \$30.14 per Share	<b>\$87.7m</b> \$29.57 per Share	<b>2,964,352</b>	<b>12%</b> Since inception for original investors	<b>14%</b> 3% last 12-months	<b>1.8x</b> Gross uplift from investments	<b>17</b> Active portfolio companies

\*The Investor Net Asset Value (iNAV) is the Asset Value minus any performance fee and any accounts payable

\*\*The annualised return from all portfolio investments. Includes reinvestment from exits and dividend proceeds and excludes management fees and expenses.

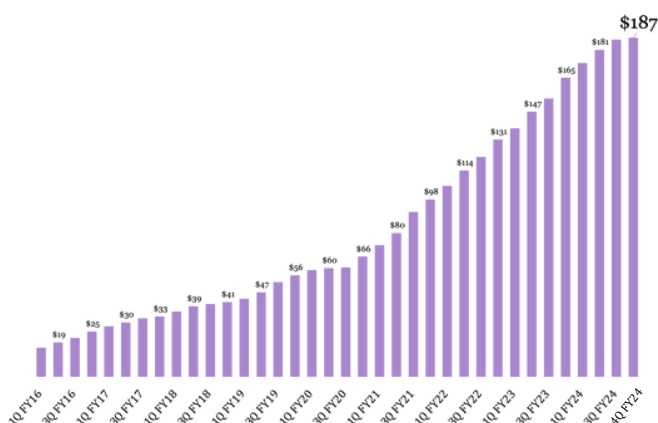
## Asset Value

(\$ million, includes receivables & prepayments)



## Last-Twelve-Months' Revenue

(All companies, \$ million)



## Manager's Commentary

This is our first monthly Investment Update and NAV Report, a format that replaces our Quarterly Reports.

This transition is intended to provide accurate and timely information about our investment portfolio near the beginning of each month. It is enabled by our amended approach to valuations, and is intended to be short, easy to read and easy to understand.


We welcome your feedback on the report format, including what content we include, the formatting of the report and usefulness.

The monthly NAV Reports have 3 sections:



- **Manager's Commentary:** This section - where we have the ability to communicate and discuss different matters each month.
- **Portfolio Update:** where we cover recent changes and news for selected companies, generally including a summary of any valuation changes.
- **Net Asset Value (NAV) report:** A table showing the holding value of our portfolio and the net asset value. We report valuations grouped by categories that reflect the maturity or size of the companies. The categories are the same ones used in our [SIPO](#), and will also be reported in our annual accounts from this year.

## About Punakaiki Fund

Punakaiki Fund (PFL) is a venture capital investment company with total assets of \$89 million as at the end of March 2024. Punakaiki Fund is managed by 2040 Ventures Limited. PFL raises funds to make long-term investments into high-growth, revenue-generating New Zealand-based technology companies.

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*The remainder of this commentary was covered in detail with investors via email on 1 May 2024.*

### **Upgraded Monthly Approach to Valuations**

From January 2024, we began transitioning our company valuation process to be fit-for-purpose for a future listing. We now space our annual company valuations throughout the year, with each rigorously analysed, board approved, and then reviewed by our auditor, all according to our standard valuation methodology. We also check each month for outsized movements in company valuations and make changes if these are material.

### **Provisional 31 March 2024 Results**

Our provisional results as at 31 March 2024, were:

- Asset Value: \$89.3 million
- Asset Value per Share: \$30.14
- Investor Net Asset Value per Share: \$29.57

The results reflect a significant reduction in Asset Value from December 2023. The Asset Value fell by 11.9%, while the Investor Net Asset Value per Share fell by 11.0%. These are preliminary results, and are subject to our financial year-end audit process.

We have a very long-term investment perspective, and remain confident in the prospects of our portfolio, including the two companies that saw large revaluations.

Punakaiki Fund is structured so that the management company is financially aligned with shareholders, so this revaluation also resulted in a fall in the management fee (and a saving to PFL) equivalent to \$180,000 per annum.

### **Two Significant Revaluations**

The two significant revaluations that impacted our overall valuation were Devoli and, mostly, Quantifi Photonics. In each case, we learned about new events or information which required us to make changes.

We remain excited about the future of Quantifi Photonics, and are in particular very interested in the market response to their new oscilloscope product line, launched this year. We have a relatively large shareholding across a range of share classes, so as the company valuation performance returns we will be able to recapture the previous value and more.

### **Weirdly Acquired by Inside Group**

Inside Group has acquired portfolio company Weirdly. Weirdly has helped large employers, especially retailers, recruit tens of thousands of frontline employees each year. The company has had a difficult few years, as CEO and co-founder, Dale Clareburt stated in the NBR:

"...we were one of the casualties I suppose of this drawn-out period during Covid when we had limited access to travel and the ability to go over to Australia to close deals and get new customers."

We are very happy to see Inside Group have taken on the business, including roles for Dale and staff members. The new owners are committed to continue to build out the product and market, and the clients and recruiters will continue to be served.

We have held the value of Weirdly at \$0 for quite some time, and will not receive any proceeds from this transaction.

We extend our thanks and support to Dale, her co-founders Keren, Simon and Hayden, as well as the staff and other investors.

### **Onceit Resumes Dividends**

We are pleased to announce that Onceit has recommenced paying dividends, signalling strong performance and confidence in its operational stability and growth.

Our thanks for your support. We welcome any feedback on our journey, and on this new report format.

Lance Wiggs  
**Punakaiki Fund Limited**

## Portfolio Highlights

### Movement in NAV

Markdowns of Devoli and, principally, Quantifi Photonics contributed to a downward revaluation of \$12m. These were due to a combination of performance versus expectations and market conditions. We remain confident in the short and long-term prospects of each company.

 projectworks

- Appointed a US-based CEO, who also invested into the company.
- New features were released including budget-level resourcing, default margins and a people cost report with enhancements to timesheet reporting.

### QUANTIFI PHOTONICS™

- Publicly released their new oscilloscope product line, with strong interest from a range of clients.

 COUCHDROP

- Working hard to help managed service providers complete their first migration with Movebot, with surprisingly strong demand.
- Appointed as provider for a major migration of thousands of customer accounts from one closing cloud file system to another.

### CONQA®

- Conqa's new Lot Management process for infrastructure sector clients helps manage & document the discrete deliverables on a project. This is being well received and helping power strong growth for Conqa in the sector.









### devoli

- Preliminary year-end results showed revenue growth of 25%, and much improved profitability.
- Devoli mobile roll-out sees it now available through 25 reseller/customers.
- Signed new wholesale agreements with large New Zealand-based Managed Service Providers (MSP's) as part of focus on growing business users.

### ONCE·IT

- Strong growth and sales since July 2023 has resulted in the announcement that Onceit will recommence paying dividends.

**Portfolio Net Asset Value - 31 March 2024**

	Company	Company description	Shareholding	ROI	Last Valuation	Next Valuation	Holding Value
<b>SUBSTANTIAL</b> \$20m+	 <b>devoli</b>	Wholesale internet service provider powering Contact Energy & Nova	53.9%	3.5x	Mar-24 ▼	Mar-25	<b>\$26.7m</b>  TTM Revenue \$114m
	<b>ONCE · IT</b>	New Zealand discount ecommerce site for fashion, furniture and more	25.6%	5.9x	Dec-23 ▲	Aug-24	
<b>EMERGING</b> \$5-\$20m	 <b>projectworks</b>	Software to run small technical and management consultancies	12.9%	3.5x	Feb-24 ▲	Jan-25	<b>\$24.8m</b>  TTM Revenue \$46m
	 <b>QUANTIFI PHOTONICS™</b>	Optical photonics test & measurement equipment & software	16.5%	1.0x	Mar-24 ▼	May-24	
	<b>MOBI</b>	On and off-premises hospitality digital ordering and engagement platform	19.6%	0.7x	Sep-23 ▼	Jul-24	
	 <b>CONQA</b>	Quality assurance and productivity software for the construction sector	20.5%	1.0x	Dec-23 ▼	Sep-24	
	 <b>whiparound</b>	Digital fleet maintenance solution serving USA trucking market	3.0%	0.9x	Feb-24 ▼	Feb-25	
<b>SUSTAINABLE</b> \$1-\$5M	 <b>COUCHDROP</b>	Software for moving vast amounts of data between platforms	21.8%	3.3x	Dec-23 ▲	Aug-24	<b>\$27.0m</b>  TTM Revenue \$10m
	 <b>REDSEED®</b>	Coach-led off-the-shelf and customised learning for frontline staff	48.1%	7.9x	Dec-23 ▼	Oct-24	
	 <b>orah</b>	Student engagement and wellbeing software used by elite schools	28.9%	4.6x	Feb-24 ►	Feb-25	
<b>ASSET VALUE</b>	<b>Total Holding Value for top 10 investments</b>						<b>\$78.5m</b>
	Holding Value for other active investments						<b>\$7.1m</b>
	Investments Held For Exit (Escrow cash & companies)						<b>\$1.3m</b>
	Cash (net)						<b>\$2.3m</b>
<b>Portfolio Net Asset Value</b>						<b>\$89.2m</b>	


**Notes:**

We perform or obtain an audited valuation for each investment at least once per year. All valuations are reviewed monthly and quarterly, checking for major changes in company and market performance, as well as other valuation inputs.



Net Asset Value is the value of the portfolio plus cash adjusted for net working capital liabilities, excluding any impact of performance fee liabilities.

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