



# PFL

## TREASURY STOCK

DISCLOSURE DOCUMENT

29 NOVEMBER 2025



***This is an important document. You should read the whole document before making any decisions. If you have any doubts as to what you should do, please consult your broker, financial, investment, or other professional advisor.***

Punakaiki Fund Limited (**Punakaiki Fund**) has established a Treasury Stock Programme (**Programme**) pursuant to which it will seek to acquire its own shares (**Shares**) in order to promote increased trading liquidity of its Shares, reduce the gap between the traded price of Shares and Punakaiki Fund's underlying intrinsic value per Share, and to increase the value of remaining Shares by purchasing Shares at below their intrinsic value.

This Disclosure Document explains how the Programme works and provides key information relevant to the Programme.

Capitalised terms used in this Disclosure Document have the meaning set out in the Definitions on page 8.

## **PROGRAMME**

The Programme has been established in accordance with Section 60(1)(b)(ii) of the Companies Act 1993 (**Act**), Section 5 of Punakaiki Fund's Constitution and Punakaiki Fund's Treasury Stock Policy (v1.0).

The Programme shall have effect from 15 December 2025, and shall remain in effect until 29 November 2026 unless withdrawn or replaced beforehand.

## **NATURE AND TERMS**

### **PURCHASE MECHANISM**

Punakaiki Fund currently operates periodic share auctions (**Auctions**) on Catalist Market Limited's platform (**Catalist**).

All Shares purchased under the Programme will be acquired through

Punakaiki Fund purchasing Shares by participation in Auctions. Punakaiki Fund will place orders to buy Shares alongside other Auction participants.

Punakaiki Fund's manager (**2040 Ventures**) has been delegated authority to manage the acquisition of Treasury Stock within the parameters of the Treasury Stock Policy and this Disclosure Document.

### **AUCTION MECHANICS**

Auctions will work in the same way as Auctions have previously been run on the Catalist platform. The only difference is that Punakaiki Fund may be an additional buyer of Shares (subject to the additional rules set out in this Disclosure Document).

Participants may place orders to either purchase or sell Shares during an Auction. Orders are for a fixed number of Shares at a fixed price per Share. There is the ability for Auction participants to amend or withdraw their orders during the Auction, as detailed below.

During the Auction, Catalist determines and discloses the single price at which Shares would be traded based on the volume and price of all buy and sell orders. Buy orders below the Price and sell orders above the Price would not be traded. Buy orders placed at or above the Price and sell orders placed at or below the Price may be either fully or partially traded, or may not trade, depending on the volume of orders and the time at which those orders were originally placed. Auction participants

are notified of the trading status of their orders in real time during the Auction. The final Auction price (**Price**) is confirmed by Catalist at the conclusion of the Auction. All successful orders trade at the same final Price.

A more detailed explanation of the Auction process can be found [here](#).

## SHAREHOLDER PARTICIPATION

Any Punakaiki Fund shareholder may participate in the Programme by offering their Shares for sale during an Auction.

You can choose to participate in the Programme in respect of some or all of your Shares, or you may choose to retain all of your Shares. Participation is optional.

Participation in an Auction is no guarantee that a shareholder's Shares will be sold, as the price at which the shareholder's Shares are offered may be above the Price at the conclusion of the Auction or there may be insufficient buyers at the price offered.

If a shareholder's Shares are sold, there is no guarantee that these have been purchased by Punakaiki Fund. Other successful Auction participants may have acquired your Shares.

## ELIGIBILITY

All shareholders are able to participate in the Programme. Prior to participating, shareholders will need a valid Catalist account (including meeting all of Catalist's standard registration and 'know your customer' requirements).

If you do not have a valid Catalist account, you can register with Catalist [here](#).

## INFORMATION

Immediately prior to each Auction in which Punakaiki Fund will seek to acquire Treasury Stock, a Treasury Stock Notice and Material Information Disclosure document (**Notice**) will be provided to shareholders. The Notice will set out specific parameters relating to Punakaiki Fund's participation in the Auction, along with material information that may assist shareholders to decide whether to offer to purchase or sell Shares in the Auction.

## PURCHASE APPROACH

Punakaiki Fund's Auctions comprise a four-day open period (**Open Period**), within which orders can be freely placed, amended and withdrawn. This is followed by a one-day pre-close period (**Pre-close Period**), when existing orders may only be improved by a maximum of 10% (price and/or volume), and no new orders may be placed.

Initial buy order(s) will be placed by Punakaiki Fund early on the **first** day of the Open Period.

Once placed, Punakaiki Fund may only **amend the volume of Shares** for each order placed, but may not otherwise change the price, withdraw any order or add new orders. Any such change to order volumes may only occur a maximum of one time each day during the Open Period, and at least four hours before the end of the Open Period.

Punakaiki Fund may not amend any order during the Pre-close Period.

## **PURCHASE ORDERS**

Auction purchase orders placed by Punakaiki Fund in any individual Auction will be subject to the following:

- (a) Adhering to the Purchase Approach set out previously;
- (b) Adhering to any Participation Strategy set out in the applicable Notice;
- (c) May not be placed at a price that is a premium to, equal to, or less than a 10% discount to the prevailing iNAV/Share;
- (d) Punakaiki Fund considering the potential tax implications of Shares not being subsequently reissued within 12 months ;
- (e) May not be for such volume that, in aggregate (if successful), would result in Punakaiki Fund holding more than 5% of its Shares as Treasury Stock; and
- (f) May not result in more than 50% of the remaining Treasury Stock Reserve being used to acquire Treasury Stock in any single quarter, unless the reserve is less than 0.5% of Punakaiki Fund's iNAV.

## **PUNAKAIKI FUND PARTICIPATION**

The Programme does not require Punakaiki Fund to participate in any particular Auction or to acquire Shares in an Auction on a pro rata basis as between shareholders. Punakaiki Fund may elect not to seek to acquire Treasury Stock in any Auction at its sole discretion.

## **TREASURY STOCK**

All Shares acquired by Punakaiki Fund through the Programme shall be held as Treasury Stock.

Punakaiki Fund may then elect to deal with Treasury Stock in the following ways:

- (a) Issue the Treasury Stock to persons making new investments into Punakaiki Fund (the preferred option);
- (b) Sell the Treasury Stock during Auctions; or
- (c) Cancel the Treasury Stock.

## **AUCTION**

The Auctions that Punakaiki Fund participates in will be operated as standard Catalist auctions.

Catalist will charge its standard brokerage fees to all successful Auction participants.

A record of a shareholder's Auction transactions can be accessed through that shareholder's Catalist account.

## **PERFORMANCE FEE**

If Punakaiki Fund successfully acquires Treasury Stock in an Auction, 2040 Ventures will be paid a performance fee equal to the lesser of:

- (a) The full amount required to fully settle any performance fee owing; or
- (b) An amount equivalent to \$1 for every \$4 expended by Punakaiki Fund to acquire Treasury Stock.

This approach to paying performance fees to 2040 Ventures is in line with paragraph 6.4 of Punakaiki Fund's Capital Allocation Policy.

## RELEVANT INTERESTS

As of the date of this Disclosure Document, the directors of Punakaiki Fund have the following relevant interests in Shares.

	SHARES <sup>4</sup>
Mike Bennetts <sup>1</sup>	61,500
Teressa Betty	770
Nigel Scott <sup>2</sup>	2,860
Jayshree Das	-
Lance Wiggs <sup>3</sup>	78,866
<b>Total</b>	<b>143,996</b>

<sup>1</sup> Mike Bennetts's relevant interest in Shares is as a trustee and beneficiary of a trust that holds Shares;

<sup>2</sup> Nigel Scott's relevant interest in Shares is as a director and shareholder of a company that holds Shares;

<sup>3</sup> Lance Wiggs' relevant interest in Shares includes a partial interest in 8,192 Shares held by 2040 Ventures Limited and 660 Shares held by immediate family members.

<sup>4</sup> Except as set out above, the nature of the relevant interest of each director is a beneficial and legal ownership interest in the applicable Shares.

Punakaiki Fund directors, 2040 Ventures, its staff and associated persons are only permitted to participate in any Auction if they are excluded from any involvement with any decision making or activity associated with the Programme and their intention is disclosed in the Notice for the applicable Auction.

## DIRECTORS' RESOLUTION

The following sets out the Punakaiki Fund directors' resolutions authorising the Programme.

### RESOLUTIONS

- (a) The Company is authorised to make the Offer and to undertake buy-backs of Shares in the 12 months following the date of the Disclosure Document in accordance with the terms of the Disclosure Document.
- (b) The buy-back of Shares contemplated by the Offer is in the best interests of the Company.
- (c) The terms of the Offer and consideration offered for the Shares are fair and reasonable to the Company.
- (d) The directors of the Company are not aware of any information that will not be disclosed to the shareholders:
  - i. which is material to an assessment of the value of the Shares; and
  - ii. as a result of which the terms of the Offer and consideration offered for the Shares are unfair to the shareholders accepting the Offer,and will ensure any such material information that comes to their attention after the date of these resolutions is disclosed to shareholders before any buy-back occurs pursuant to the Offer.
- (e) The buy-back of Shares contemplated by the Offer is of benefit to the remaining shareholders of the Company.
- (f) The terms of the Offer and the consideration offered for the

- Shares are fair and reasonable to the remaining shareholders of the Company.
- (g) The grounds for the conclusions set out in resolutions (b) to (f) above are as follows:
- i. the price payable for the Shares will be determined based on open market operation (subject to the parameters in the Disclosure Document);
  - ii. the buy-back is intended to increase liquidity for those shareholders who are seeking to sell their Shares;
  - iii. the buy-back is intended to reduce the discount of the traded price of the Company's Shares to their underlying intrinsic value;
  - iv. improving the liquidity of the Company's Shares is likely to increase the ability of the Company to raise new capital for making investments; and
  - v. the Board is of the opinion that the Offer presents an opportunity to enhance the per Share value of the Company by buying back Shares below intrinsic value.
- (h) The Board is satisfied that the Company will, immediately after the buy-back contemplated by the Offer, satisfy the solvency test (as defined in section 4 of the Act and modified by section 52(4) of the Act).
- (i) The particulars of any share dealing by a director of the Company as a result of the buy-back contemplated by the Offer are to be entered into the Company's interest register by the Chairperson immediately after disclosure to the Board.
- (j) Each director who resolves in favour of the forgoing resolutions will sign a certificate as required by sections 52(2), 60(5) and 61(3) of the Act in the form attached as Annex A.
- (k) The directors will cause to be sent to each shareholder the Disclosure Document (which complies with section 62 of the Act), not less than 10 working days and not more than 12 months before the Offer is made.
- (l) Upon the Company acquiring Shares pursuant to the Offer:
- vi. such Shares will be held as "treasury stock";
  - vii. the Company's share register shall be updated to reflect the buy back of the Shares; and
  - viii. notice of the buy back of the Shares shall be filed with the Companies Office within 10 working days of the buy back in accordance with section 58(3) of the Act.
- (m) The directors of the Company and their delegates are severally authorised to do or cause to be done all such further acts and things as they consider in their absolute discretion necessary or desirable to effect or carry out the above resolutions.

## SHAREHOLDER IMPACTS

Acquiring Treasury Stock may have the following impacts on Punakaiki Fund and its shareholders:

- (a) Punakaiki Fund's participation as a purchaser of Shares in Auctions is expected to increase the number of Shares transacted in those Auctions, increasing the ability of existing shareholders to sell their Shares when they desire;
- (b) Punakaiki Fund's participation as a Share purchaser in Auctions is expected to increase the pricing of the Shares that trade in those Auctions. This will assist selling shareholders to receive a higher price for their shares when they sell;
- (c) Acquiring Treasury Stock at a discount to the prevailing intrinsic value of Punakaiki Fund, and then reissuing the Treasury Stock to new investors at a higher price, will increase Punakaiki Fund's overall intrinsic value per Share for those shareholders that do not sell their Shares;
- (d) Acquiring Treasury Stock at a discount to the prevailing intrinsic value of Punakaiki Fund inclusive of any tax impacts, and then cancelling the Treasury Stock will increase Punakaiki Fund's overall intrinsic value per Share for those shareholders that do not sell their Shares;
- (e) By demonstrating increased Share liquidity and smaller Auction trading discounts compared to Punakaiki Fund's intrinsic value is expected to make Punakaiki Fund a more attractive investment to existing and potential investors, increasing the funds available to make new investments and potentially changing the future return and risk profile of Punakaiki Fund;
- (f) The cost of acquiring Treasury Stock reduces the funding available for making new investments, potentially changing the future return and risk profile of Punakaiki Fund; and
- (g) If Treasury Stock is cancelled instead of being issued to new investors or resold via an Auction, then Punakaiki Fund is likely to incur a tax obligation which will lower the value of Punakaiki Fund.



## DEFINITIONS

**2040 Ventures** means 2040 Ventures Limited, the manager for Punakaiki Fund.

**Auction** means the Share trading auctions held periodically on the Catalist platform.

**Board** means Punakaiki Fund's board of directors from time to time.

**Catalist** means Catalist Markets Limited, Punakaiki Fund's share registrar.

**Disclosure Document** means this document which sets out the nature and terms of the Programme, as required under Section 62 of the Companies Act 1993.

**iNAV** means the residual claim of shareholders on Punakaiki Fund's assets after all liabilities have been paid, including the accounting value of any performance fee accruals;

**Notice** means the Treasury Stock Notice and Material Information Disclosure document that will be provided to Punakaiki Fund shareholders prior to each Auction in which Punakaiki Fund seeks to acquire Treasury Stock.

**Offer** means an offer to acquire Shares made by Punakaiki Fund in accordance with this Disclosure Document.

**Open Period** means the period in any Auction when a participant may enter, amend or withdraw an offer to purchase or sell Shares.

**Pre-close Period** means the period in any Auction when a participant may improve their order by a maximum of 10% in respect of either price and/or volume.

**Price** means the single price at which Shares will be traded at the completion of an Auction based on the volume and price of all buy and sell orders at the close of that Auction.

**Programme** means the Treasury Stock acquisition programme implemented by Punakaiki Fund under its Treasury Stock Policy.

**Punakaiki Fund** or the **Company** means Punakaiki Fund Limited.

**Shares** means ordinary shares in Punakaiki Fund.

**Treasury Stock** means Shares acquired by Punakaiki Fund as a result of implementing the Programme and held as treasury stock.