



# PFL

TREASURY STOCK NOTICE & MATERIAL  
INFORMATION DISCLOSURE

12 DECEMBER 2025



# Treasury Stock Notice

Dear Shareholders,

Punakaiki Fund Limited (**Punakaiki Fund**) is pleased to announce that it will seek to purchase ordinary shares (**Shares**) in the Punakaiki Fund Share trading auction (**Auction**) scheduled to open on 15 December 2025 under its treasury stock programme (**Programme**). The nature and terms of the Programme are set out in the Disclosure Document, which can be downloaded [here](#).

## BACKGROUND

Following the sale of its shareholding in Quantifi Photonics Limited for \$28.9 million, Punakaiki Fund has received \$25.8 million in cash proceeds to date, with additional amounts held in conditional escrow.

Punakaiki Fund has formally allocated \$5 million of this amount to a Treasury Stock Reserve, which is to be available to acquire Shares as treasury stock during the periodic Share trading auctions conducted on the Catalyst Market Limited platform.

Punakaiki Fund may allocate additional funds from the Quantifi Photonics sale to the Treasury Stock Reserve in the future.

## PARTICIPATION STRATEGY

The current metrics of the Programme are set out in the table below, along with Punakaiki Fund's participation strategy (**Strategy**) in respect of the Auction scheduled to open on 15 December 2025.

Please review the details in the table below carefully if you are intending to participate in the 15 December 2025 Auction. It contains information which may impact your Share purchasing or selling decisions.

## CONTACT

If you have any questions regarding the 15 December 2025 Auction, the Programme or treasury stock more generally, please contact Punakaiki Fund: [info@punakaikifund.co.nz](mailto:info@punakaikifund.co.nz)

## TREASURY STOCK PROGRAMME METRICS

Treasury Stock Reserve <sup>1</sup>	\$5,000,000
Number of Shares Currently Held as Treasury Stock	-
Maximum Number of Shares Able to be Held as Treasury Stock (5%)	175,056

## PARTICIPATION STRATEGY FOR 15 DECEMBER 2025 AUCTION

Maximum Amount Available to Acquire Treasury Stock Shares <sup>2</sup>	\$2,500,000
Punakaiki Fund Auction Purchase Order Price	\$30.30
Maximum Allowable Order Volume (Shares) <sup>2</sup>	82,508 Shares
Initial Bid Volume	26,500 Shares
Initial Bid Value	\$802,950

Punakaiki Fund will place a single purchase order on the first day of the Auction for the Initial Bid Volume noted above. Punakaiki Fund may (at its sole discretion) alter the volume of the order, either up or down, in response to the prices and volumes of other orders in the Auction. Changes to Punakaiki Fund's order volume will occur at most once per day, and no later than four hours prior to the end of the Auction's open period.

**Punakaiki Fund reserves the right to amend its participation strategy, including withdrawing its order, if it believes the Auction is not operating in an orderly manner.**

<sup>1</sup> This amount is available to the treasury stock Programme to acquire Shares over several Auctions, after provisioning for future potential tax obligations in respect of any acquired Shares. Punakaiki Fund may allocate additional funds from the Quantifi Photonics sale to the Treasury Stock Reserve in the future.

<sup>2</sup> The Programme provides for Punakaiki Fund to alter the volume of Shares that it seeks to purchase in an Auction, subject to the constraints specified within this Participation Strategy and treasury stock [Disclosure Document](#). Punakaiki Fund is not required to purchase Shares equal to the Maximum Allowable Order Volume, or expend the Maximum Amount Available to Acquire Treasury Stock Shares during the Auction.

# Material Information Disclosure

This Material Information Disclosure contains important information. You should read the whole disclosure before making any decisions about participating in the 15 December 2025 Auction to buy or sell Shares. If you have any doubts as to what you should do, please consult your broker, financial, investment or other professional advisor.

Any Punakaiki Fund shareholder considering participating in the 15 December 2025 Auction should familiarise themselves with the information in the:

1. [Punakaiki Fund 2025 Annual Report](#);
2. [Punakaiki Fund 2025 Interim Accounts](#);
3. [Punakaiki Fund's monthly NAV reports](#), including the [October 2025 NAV Report](#) and the [November 2025 NAV Report](#); and
4. The material information disclosures set out below.

The Punakaiki Fund Board considers that this information will allow Punakaiki Fund shareholders to make an informed assessment of the merits of participating in the Share Trading.

## MATERIAL INFORMATION DISCLOSURES

The information provided below sets out aspects of Punakaiki Fund that have changed compared to that reported in the [Punakaiki Fund 2025 Interim Accounts](#), the [October 2025 NAV Report](#) and the [November 2025 NAV Report](#), along with the reproduction of certain important information contained within those reports.

## DIVIDEND

In late October 2025, Punakaiki Fund declared a gross cash dividend of \$2.00 per Share with attached imputation credits of approximately \$0.065 per Share. This dividend was paid, net of applicable withholding taxes, in early November 2025

at a total gross cash cost to Punakaiki Fund of \$6.925 million.

## INVESTMENTS

In November 2025, Punakaiki Fund made an additional investment into Couchdrop Limited, increasing its shareholding to 25.1%.

Punakaiki Fund exited its investment in Quantifi Photonics Limited in March 2025, and to date has received exit payments totalling \$25.8 million. Punakaiki Fund's share of remaining exit proceeds, which are held in escrow (and are to be released when and if certain conditions are met), totals \$3.1 million based on the current NZD/USD exchange rate.

Punakaiki Fund issues a NAV report each month reporting the investor net asset value per share. The Board guidance for the December 2025 NAV report is an estimated change of \$0.00 to \$1.60 to Punakaiki Fund's iNAV per Share – this only includes the impact of changes in investment asset valuations.

## FINANCIAL INFORMATION

The table below sets out selected financial information for Punakaiki Fund for the five annual periods to FY2025, the half-year period to 30 September 2025, and for the part period to/as at 30 November 2025.

NZ\$ '000	FY2021	FY2022	FY2023	FY2024	FY2025	HY2026	30 Nov 2025
<b>Financial Position</b>							
Investments	71,090	93,070	90,200	86,910	104,549	93,410	100,420
Cash	2,168	5,068	4,980	2,331	766	29,816	22,836
Total Assets	73,297	98,197	95,258	89,346	105,397	123,269	123,636
<b>Financial Performance</b>							
Change in Fair Value of Investments	14,388	21,664	(5,928)	(4,953)	17,164	9,188	4,259
<b>Cash Flows</b>							
Cash Flows from Operating Activities	(1,392)	(1,805)	(2,694)	(2,911)	(2,920)	(1,418)	(2,375)
Cash Flows from Investing Activities	(1,681)	(316)	(3,058)	(1,663)	(476)	20,327	(2,751)
Cash Flows from Financing Activities	2,338	5,021	5,664	1,925	1,831	10,141	(1,854)
Total Cash Flows	(735)	2,900	(88)	(2,649)	(1,565)	29,050	(6,979)

Punakaiki Fund currently has 3,501,135 ordinary Shares and 58,590 June 2027 \$30 options on issue. Punakaiki Fund has raised \$5.373 million of capital from new investors since 30 September 2025 by issuing:

- 124,180 new Shares at a price of \$33.50 to wholesale investors;
- 4,334 new Shares to those investors who exercised their June 2027 \$30 options; and
- 35,741 new Shares under the recently completed dividend reinvestment plan.

As of the date of this document, Punakaiki Fund has a wholesale offer open at a price of \$33.50 per Share.

## BOARD AND MANAGEMENT

There have been no changes to the Punakaiki Fund Board membership, or to the senior personnel of 2040 Ventures Limited (Punakaiki Fund's manager) since 30 September 2025. As signalled at the last Annual Shareholders' Meeting, Punakaiki Fund's Chair, Mike Bennetts, intends to step down in 2026.

The table below sets out Punakaiki Fund's directors' relevant interests. Mike Bennetts, Lance Wiggs, Teresa Betty, Nigel Scott and Jayshree Das have indicated that they do not intend to participate in the 15 December 2025 Auction.

	30 September 2025		30 November 2025	
	SHARES	OPTIONS	SHARES	OPTIONS
Mike Bennetts	61,500	-	61,500	-
Teresa Betty	770	-	770	-
Nigel Scott <sup>2</sup>	2,860	-	2,860	-
Jayshree Das	-	-	-	-
Lance Wiggs*	78,191	-	78,866	-
<b>Total</b>	<b>143,321</b>	<b>-</b>	<b>143,996</b>	<b>-</b>

\* Lance Wiggs' shareholdings include a partial interest in 8,192 Shares held by 2040 Ventures Limited and 660 Shares held by immediate family members.

## STRUCTURE

There have been no changes to the structure of Punakaiki Fund.

## TREASURY STOCK

Punakaiki Fund have implemented a Programme to acquire its own 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.

Punakaiki Fund has published a treasury stock [Disclosure Document](#) in relation to this Programme and have allocated an initial amount of \$5 million from the proceeds of the exit of Quantifi Photonics to fund the Programme.

## PERFORMANCE FEE PAYMENT

Under Punakaiki Fund's [Capital Allocation Policy](#), 2040 Ventures Limited (the manager of Punakaiki Fund) is entitled to receive a performance fee payment equal to 25% of any amount distributed to shareholders, or any lesser amount required to settle any accrued performance fee.

A performance fee payment of \$1.731 million was made to 2040 Ventures Limited in respect of the November 2025 dividend payment on 13 November 2025.

The expected performance fee payment to 2040 Ventures Limited as a result of a maximum of \$2.5 million treasury stock purchase would be \$0.625m.



Punakaiki Fund is managed by 2040 Ventures Limited  
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**Punakaiki  
Fund**