



# PFL

TREASURY STOCK NOTICE & MATERIAL  
INFORMATION DISCLOSURE

13 FEBRUARY 2026

# 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 scheduled to open on 16 February 2026 (**February Auction**) 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, Punakaiki Fund has received \$25.8 million in cash proceeds to date, with additional amounts held in conditional escrow.

Punakaiki Fund initially 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 Catalist Market Limited platform.

In the December 2025 auction, Punakaiki Fund purchased 82,508 Shares at a price of \$26.37 per Share under the

Programme, at a total cost of \$2.2 million. These were subsequently reissued to new Punakaiki Fund investors prior to the date of this document.

Punakaiki Fund has allocated an additional amount to the Treasury Stock Reserve to increase its balance back to \$5 million. Punakaiki Fund has the ability to allocate up to a total of \$12 million from the Quantifi Photonics sale proceeds to the Treasury Stock Reserve. To date, a total (including amounts already spent) of \$7.2 million has been allocated to the reserve.

## 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 February Auction.

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

## TREASURY STOCK PROGRAMME METRICS

Treasury Stock Reserve <sup>1</sup>	\$5,000,000
Number of Shares previously acquired under the Programme	82,508
Number of Shares Currently Held as Treasury Stock	-
Maximum Number of Shares Able to be Held as Treasury Stock (5%)	180,859
Total Programme Share Acquisitions Costs to Date	\$2,175,736

## PARTICIPATION STRATEGY FOR FEBRUARY AUCTION

Maximum Amount Available to Acquire Treasury Stock Shares <sup>2</sup>	\$2,500,000
Punakaiki Fund February Auction Purchase Order Price	\$30.30
Maximum Allowable Order Volume (Shares) <sup>2</sup>	82,508 Shares
Initial Bid Volume	82,508 Shares
Initial Bid Value	\$2,499,992

Punakaiki Fund will place a single purchase order on the first day of the February 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 February 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 February Auction's open period.

**Punakaiki Fund reserves the right to amend its participation strategy, including withdrawing its order, if it believes the February 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 February 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 February 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 February 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](#), [November 2025](#), [December 2025](#) and [January 2026](#) NAV reports; 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 [Punakaiki Fund's 2025 Interim Accounts](#), the [October 2025](#), [November 2025](#), [December 2025](#) and [January 2026](#) NAV reports along with the reproduction of certain important information contained within those reports.

## INVESTMENTS

Since 30 September 2025, Punakaiki Fund has made the following investments:

1. Couchdrop Limited, increasing its shareholding to 25.1% (November 2025);
2. Boardingware Limited (Orah), increasing its shareholding to 33.6% (December 2025); and
3. Hectre Limited, acquiring an initial 13.2% shareholding (December 2025).

Punakaiki Fund exited its investment in Quantifi Photonics Limited in March 2025, and to date has received exit payments totaling \$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 \$2.7 million based on the NZD/USD exchange rate as at 31 January 2026.

## 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 four-month period to/as at 31 January 2026.

NZ\$ '000	FY2021	FY2022	FY2023	FY2024	FY2025	HY2026	4 months to 31 Jan 2026
<b>Financial Position</b>							
Investments	71,090	93,070	90,200	86,910	104,549	93,410	115,020
Cash	2,168	5,068	4,980	2,331	766	29,816	12,239
Total Assets	73,297	98,197	95,258	89,346	105,397	123,269	127,827
<b>Financial Performance</b>							
Change in Fair Value of Investments	14,388	21,664	(5,928)	(4,953)	17,164	9,188	8,874
<b>Cash Flows</b>							
Cash Flows from Operating Activities	(1,392)	(1,805)	(2,694)	(2,911)	(2,920)	(1,418)	(3,853)
Cash Flows from Investing Activities	(1,681)	(316)	(3,058)	(1,663)	(476)	20,327	(12,736)
Cash Flows from Financing Activities	2,338	5,021	5,664	1,925	1,831	10,141	(987)
Total Cash Flows	(735)	2,900	(88)	(2,649)	(1,565)	29,050	(17,576)

Punakaiki Fund currently has 3,617,180 ordinary Shares and 58,590 June 2027 \$30 options on issue.

Punakaiki Fund has raised \$12.223 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;
- 35,741 new Shares in November 2025 under the dividend reinvestment plan; and
- 198,553 new Shares at a price of \$34.50 to wholesale investors.

Punakaiki Fund had a wholesale offer open until the date of this document at a price of \$34.50 per Share.

PFL currently does not hold any Shares as Treasury Stock.

## 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, Teressa Betty, Nigel Scott and Jayshree Das have indicated that they do not intend to participate in the February Auction.

	30 September 2025		30 November 2025	
	SHARES	OPTIONS	SHARES	OPTIONS
Mike Bennetts	61,500	-	61,500	-
Teressa 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.

In December 2025, Punakaiki Fund purchased 82,508 treasury stock Shares at a price per Share of \$26.37, for a total cost of \$2.2 million. All acquired Shares have subsequently been reissued to new PFL investors. Subsequently, the Punakaiki Fund Board allocated additional funds to the Treasury Stock Reserve, increasing its balance back to \$5 million.

## 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.

On 23 December 2025, a further performance fee payment to 2040 Ventures Limited of \$0.544 million was made following the of \$2.2 million purchase of treasury stock Shares noted above.

## CONTACT

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

