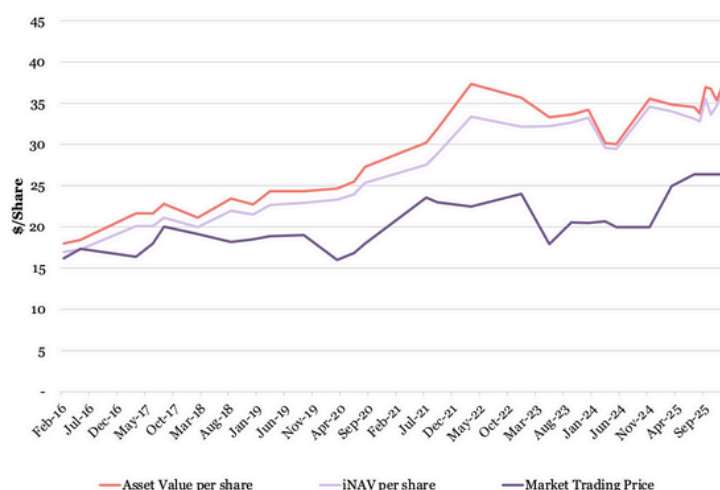


Key Investor Statistics

Asset Value	Investor Net Asset Value per Share ¹	Shares Issued	Investment ROI Uplift on invested capital	Portfolio Size
▲ \$127.2m Up 2.9% from \$123.6m	▲ \$36.20 Up 4.4% from \$34.67	3,501,135 Including 69,464 shares held as treasury stock	2.1x Gross uplift from investments	18 Active portfolio companies

¹ The (undiluted) Investor Net Asset Value (iNAV) per Share is the Asset Value per Share minus any performance fee and any accounts payable.

Share Price Performance



Manager's Commentary

Welcome to our December 2025 NAV report. We had a very productive December, including making two investments, acquiring our own shares in the December share trading window, and recording a healthy uplift in our value per share.

NEW INVESTMENT: HECTRE

In late December we closed an investment into [Hectre](#), and now hold 13.2% (undiluted) of Hectre's shares. Hectre provides fruit grading software to help growers and packhouses across the world optimise fruit quality and profitability. Their lead product takes pictures of deliveries from the field, and uses proprietary AI assisted technology to assess what's just arrived. This remarkably accurate approach to grading allows for smarter decision-making for the next sorting or storage steps, with that smarter pre-sorting driving up to 30% increases in revenue for growers.

We've known the Hectre team for a number of years, as they evolved from digital bin tickets for pickers to orchard management and now world leading fruit quality software. Co-founder Matty Blomfield leads the company, and is ably supported by a strong team with global experience and deep sector understanding. It's not our first encounter with Matty, before Hectre he was an executive at Mindfull Limited, a PFL investment which later exited.

Hectre fits squarely within PFL's mandate. It is a focused, capital-efficient technology business addressing a valuable and real operational problem in a global market. We've made a substantial investment and the company enters directly into our top ten list of investments, with Mobi (HHM Group Ltd) dropping out.

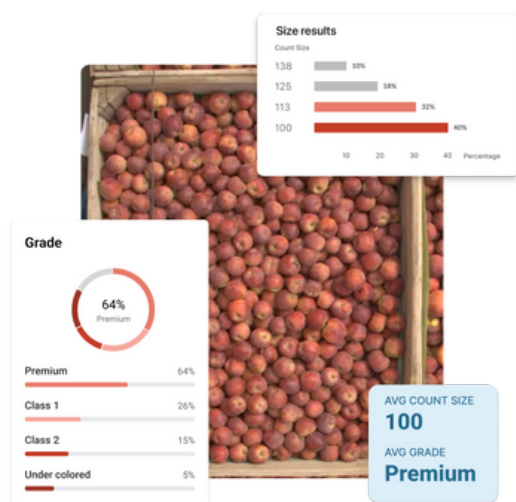
Once again, our investment was fuelled by funds raised from AIP investors. Another AIP investor also invested directly into Hectre alongside us.

FOLLOW-ON INVESTMENT: ORAH

During December we also completed a follow-on investment into [Orah](#), increasing our ownership stake to 33.6%.

Chart of the Month

HECTRE APPLE GRADING OUTPUT



Hectre automates the capture of size and colour grades as fruit arrives into the packhouse, reducing costs and optimising fruit pricing.

About Punakaiki Fund

Punakaiki Fund (PFL) is a New Zealand focused venture capital investment company, managed by 2040 Ventures Limited. PFL raises funds to make long-term investments into high-growth, revenue-generating New Zealand-based technology companies.

We first invested into Orah in 2015 when the company was tiny. Founders Paul Organ and Kurt Meyer built a company serving boarding schools around the world and appointed Matt Varley as CEO in late 2024. From a strong base, Orah has now established clear product-market fit for its Attendance product in U.S. independent schools. Attendance streamlines real-time roll taking and reporting, and is a core part of keeping students safe and accounted for. The company is growing well, with the sales pipeline expanding rapidly, positive customer feedback and a tightly focused team. We've occasionally hosted Orah's team in our office recently, and have been impressed with their humble, calm, and relentless culture. Orah is doing the hard operational work required to turn early promise into durable scale.

We've been patient as Orah adjusted their business after 2021, and are delighted to invest again in a round also supported by all the highly regarded investors from the 2021 round. We believe that Orah is well on the path to being a substantial part of the future PFL portfolio.

DECEMBER SHARE TRADING AUCTION

In December we also completed PFL's first treasury stock-supported secondary trading auction, resulting in the most active market to date. PFL acquired 82,508 shares at the clearing price of \$26.37 per share.

Interestingly, this was exactly the same clearing price as the previous share trading auction, although shareholders also received a \$2 gross cash dividend between the two events.

The December auction had more sellers and far fewer buyers participating than in previous auctions, likely resulting from PFL participating for the first time. The price tumbled towards the end, with the most motivated sellers willing to accept a lower price to ensure that they could sell their shares. The lower price was beneficial for remaining investors as PFL was able to acquire shares for a discount, which increased PFL's overall iNAV/share.

We learned a lot and will communicate and apply those learnings for future share trading windows, with the next event planned for sometime in this first calendar quarter of 2026.

VALUATION

PFL's Asset Value increased from \$123.6 million (at 30 November 2025) to \$127.2 million (at 31 December 2025). The Asset Value per Share increased from \$35.34 (at 30 November 2025) to \$37.06.

The uplift was driven by a revaluation of Orah, offset by the exit funds used to acquire \$2.2 million in treasury stock and payment of the associated accrued performance fee. PFL also raised \$0.6 million in new capital, mostly after the share trading auction. We also saw an uplift in valuation from another company for undisclosed reasons that are currently confidential.

It's a strong finish to the calendar year, with the iNAV per Share increasing from \$32.82 per share at 31 August 2025 to \$36.20

at 31 December 2025. This represents an increase of \$5.40 per share over four months (including the \$2 gross cash dividend paid in November).

We are scheduled to revalue Projectworks and Orah in January 2026.

LOOKING AHEAD TO 2026

In 2025 we made follow-on investments into Couchdrop, Projectworks, Orah and Whip Around, and made first-time investments into Hectre and Sea-Flux. Together with Devoli, these companies represent over 80% of our investment holding value. Despite their ever-increasing size, these companies are collectively growing their revenue at a weighted rate of 42%. We are very comfortable with the sustainability or funding pathways for each company, and hold meaningful positions in each company.

With a strong pipeline of internal and external investment opportunities we are able to deploy capital quickly. However we invest (and reinvest) with increasingly high thresholds, and are willing to be patient while companies evolve to meet our standards. Investors win when we have larger holdings in the very best companies, and when those companies deliver sustained growth at scale.

RESILIENCE TO ANY AI-LED MARKET CRASH

Lance studied and worked in the USA from 1996 to 2001, and was directly exposed to the dot-com boom and crash. Today, as we cautiously monitor international share markets, we observe that AI-exposed companies and sectors are often highly overvalued. We also read more and more concern about other sectors, and note the parallels to both the dot-com boom and crash as well as the 2008 crash (the GFC).
























The winners emerging from the ashes in the years after 2001 were companies that produced real value for their customers, and where those customers were 'real' businesses that themselves were not excessively exposed to the hype. From 2008 the winners were the companies that were well funded, intrinsically sustainable, and not dependent on excessive debt.

Our investments reflect our experience with these and other market corrections, with our businesses generally producing real value for real customers and generally with low exposure to debt. (Recently we have seen a few local technology company failures triggered by holders of debt.) Meanwhile, our diversification across industries also provides our portfolio with natural resilience.

Our focus remains supporting long term investments into growing, and increasingly sustainable, companies, driving intergenerational returns for investors.

As we conclude 2025, we are very grateful to the founders, staff and co-investors in all of our current and former portfolio companies. We are also very grateful to you, our shareholders, and wish one and all our very best wishes for the year ahead.

Portfolio Net Asset Value - 31 December 2025

	Company	Company description	Shareholding	ROI	Last Valuation	Next Valuation	Holding Value
SUBSTANTIAL \$20M+	 devoli	Wholesale internet service provider powering Contact Energy & Nova	53.9%	3.9x	Sep-25	 Mar-26	\$31.8m TTM Revenue \$166m
	 ONCE · IT	New Zealand discount ecommerce site for fashion, furniture and more	25.6%	4.2x	Aug-25	 Aug-26	
	 whiparound	Digital fleet maintenance solution serving USA trucking market	5.3%	0.7x	July-25	 Feb-26	
EMERGING \$5-\$20m	 PROJECTWORKS	Professional services automation software	9.6%	2.9x	June-25	 Jan-26	\$45.0m TTM Revenue \$19m
	 Couchdrop	Software for moving vast amounts of data between platforms	25.1%	6.0x	Nov-25	 Sep-26	
SUSTAINABLE \$1-\$5M	 hectre.	Optimising fruit quality and profit, from orchard to packhouse	10.4%	1.0x	Dec-25	 Dec-26	\$27.1m TTM Revenue \$14.0m
	 SEA-FLUX	Fleet management software for commercial vessel operators	13.0%	1.0x	Aug-25	 Mar-26	
	 REDSEED	Coach-led off-the-shelf and customised learning for frontline staff	50.1%	2.0x	Nov-25	 Oct-26	
	 orah	Duty of care platform for schools enabling students safety and support	33.6%	2.9x	Dec-25	 Jan-26	
	 GetHomeSafe	Lone-worker journey management tool keeping staff safe	21.0%	2.3x	Apr-25	 Apr-26	
ASSET VALUE	Total Holding Value for top investments*						\$105.4m*
	*Includes additional amount from secondary revaluation of an undisclosed company						
	Holding Value for other active investments				Dec-25		\$7.7m
	Investments Held For Exit (Escrow cash & companies)				Dec-25		\$3.6m
	Cash (net)						\$10.5m
Portfolio Net Asset Value¹							\$127.2m

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.

¹Portfolio Net Asset Value is the value of PFL's investment portfolio, cash and net working capital, but excludes any performance fee liabilities.

About Punakaiki Fund

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