

Key Investor Statistics

Asset Value	Investor Net Asset Value ¹	Shares Issued	Annualised Gross IRR ²	TVPI	Portfolio Size
\$107.2m \$35.41 per Share ³ ▼ down from \$35.58	\$104.2m \$34.43 per Share ³ ▼ down from \$34.61	3,027,276	15.7%	2.1x Gross uplift from investments	17 Active portfolio companies

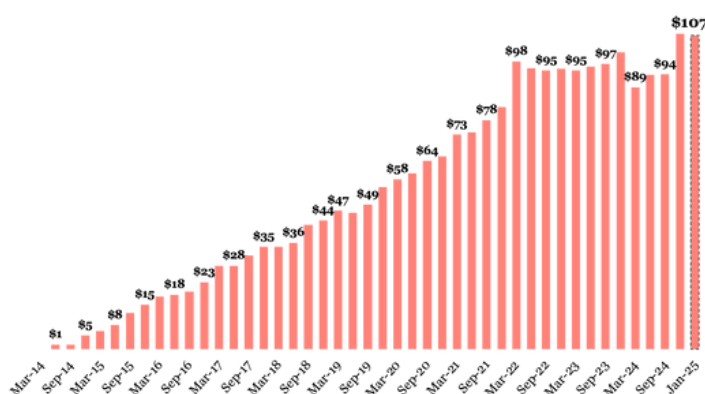
¹ The Investor Net Asset Value (iNAV) is the Asset Value minus any performance fee and any accounts payable.

² The annualised return from all portfolio investments. Includes reinvestment from exits and dividend proceeds and excludes management fees and expenses.

³ Undiluted.

ASSET VALUE

(\$ MILLION, INCLUDES WORKING CAPITAL ASSETS)



Manager's Commentary

WELCOME JAYSHREE

We are delighted to welcome [Jayshree Das](#) to our Board of directors as an independent director.

Jayshree brings extensive global experience from her director and senior executive roles in Investment Banking, Wealth Management, and NZX Participant Firms. She was Independent Chair of the NZX Conflicts Committee, served as a member and Chair of the NZ Securities Industry Association and was also an accredited NZX Adviser. Jayshree is a member of the NZ Institute of Directors and the Chartered Accountants Australia and New Zealand. She holds a Bachelor's Degree in Accounting and Business Management. Jayshree is an independent director.

Jayshree was appointed by the board under Clause 14.3 (f) of the Constitution, and will be presented for election at this year's Annual Shareholders Meeting.

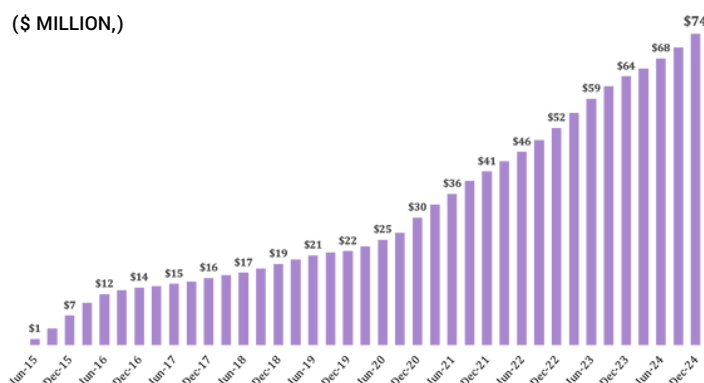


GOING FOR GROWTH

In the year to December 2024, the weighted (by holding value) average revenue growth rate of our companies was 26%. That's lower than we'd like, but high enough in a challenging trading year to maintain our target future valuation growth of over 20%.


Chart of the Month

LAST 12 MONTHS' EQUITY WEIGHTED REVENUE -
PORTFOLIO COMPANIES
(\$ MILLION,)




About Punakaiki Fund

Punakaiki Fund (PFL) is a venture capital investment company with total assets of \$107 million as at the end of January 2025. 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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Our valuation growth in the twelve months to 31 December 2024 was driven by large movements from three companies, with, unsurprisingly, all three showing good revenue growth.

However, those valuation increases were balanced by four companies whose valuations materially fell. One of these four companies continues to grow well, but the other three were flat or showed little growth.

FOCUSING OUR EFFORTS

We tend to focus our efforts on the top ten companies in the portfolio, which have total trailing-twelve-months' revenue of \$200 million. We look to help the higher performing companies accelerate even more, and for companies that have slowed or stalled growth, we encourage them to make brave changes. We saw a number of brave changes in 2024, and there is early evidence of those changes having a positive impact on the culture and performance of those companies.

DRIVERS OF GROWTH

Company growth is obviously driven by how good a company is, but can also be deeply affected by economic conditions within their industry. For companies with exposure to struggling sectors, we look primarily to the continued sustainability of the company, but also believe they should grow even in tough times, and thrive as their sector recovers.

Great companies can be somewhat immune to sectorial challenges or general economic malaise, and they control their own destiny. Ideally, companies can grow with very little external capital, and are intrinsically sustainable.

Great companies also provide very high value to their clients, and have strong pricing power. Several companies in our portfolio are delivering very high value to their customers, but their products are priced at well below intrinsic value, or competitor products. We invest with that in mind, knowing that those companies can increase their prices as their market and product matures.

For 2025, while the local and global macro economic and political conditions are poor and highly volatile, we believe there is very good potential for a resurgence in revenue growth for PFL's most valuable companies, which should ultimately result in stronger portfolio valuation performance.

Portfolio Highlights

VALUATION

This month, we were scheduled to revalue Projectworks. We marked the company marginally downwards in line with our conservative valuation approach. Projectworks continues to perform very well with strong year-on-year growth.

The overall result is that our Asset Value decreased from \$107.7 million to \$107.2 million.

The Asset Value per Share decreased from \$35.58 as at 31 December 2024 to \$35.41 as at 31 January 2025.

Next month we are due to revalue Whip Around.

CONQA®

Conqa recently celebrated 10 years of providing quality assurance in construction through their vision of innovation and growth. The mahi from the team is something to be commended and we acknowledge their incredible journey.












Projectworks are hiring a for a Partner Marketing Manager based in Wellington, as well as other marketing roles.



Core Schedule officially welcomed Cormac McCullough (2040 Ventures' Investment Manager and new dad) onto their Board of Directors. We look forward to watching Cormac grow into his new role as both a director and dad.

Portfolio Net Asset Value - 31 January 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%	3.5x	Mar-24	▼ Mar-25	\$26.2m
	ONCE · IT	New Zealand discount ecommerce site for fashion, furniture and more	25.6%	5.2x	Aug-24	▼ Aug-25	TTM Revenue \$128m
EMERGING \$5-\$20m	 projectworks	Professional services automation software	11.4%	4.6x	Jan-25	▼ Jan-26	
	 QUANTIFI PHOTONICS	Optical photonics test & measurement equipment & software	16.4%	1.0x	May-24	▲ May-25	
	 HUNGRY HUNGRY MOBI	On and off-premises hospitality digital ordering and engagement platform	15.0%*	0.5x	July-24	▼ Jul-25	\$60.2m
	 CONQA	Quality assurance and productivity software for the construction sector	20.5%	1.2x	Sep-24	▲ Sep-25	TTM Revenue \$65m
	 whiparound	Digital fleet maintenance solution serving USA trucking market	3.0%	0.9x	Feb-24	▼ Feb-25	
	 COUCHDROP	Software for moving vast amounts of data between platforms	21.8%	4.0x	Aug-24	▲ Aug-25	
SUSTAINABLE \$1-\$5M	 REDSEED	Coach-led off-the-shelf and customised learning for frontline staff	48.5%	4.8x	Oct-24	▼ Oct-25	\$11.5m
	 orah	Duty of care platform for schools enabling students safety and support	28.9%	3.6x	Jan-25	► Jan-26	TTM Revenue \$7m
ASSET VALUE	Total Holding Value for top 10 investments						\$97.9m
	Holding Value for other active investments				Nov-24	▼	\$6.0m
	Investments Held For Exit (Escrow cash & companies)				July-24	►	\$1.7m
	Cash (net)						\$1.5m
Portfolio Net Asset Value**							\$107.0m

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.

*Includes some shares with minor economic interest.

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


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