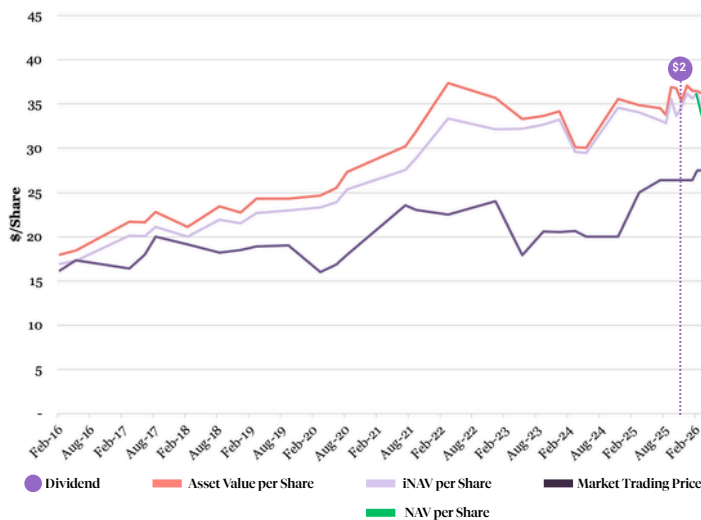


Key Investor Statistics

Asset Value	Net Asset Value per Share ¹	Shares Issued	Investment ROI Uplift on invested capital	Portfolio Size
▲ \$129.8m Up 0.2% from \$129.6m	▼ \$33.63 Down 6.4% from \$35.92	3,617,180 including 60,768 shares held as treasury stock.	2.1x Gross uplift from investments	18 Active portfolio companies

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

Share Price Performance



Manager Commentary

INTERIM RESULTS

Our interim 31 March 2026 financial year-end results currently show a rise in the asset value of the portfolio, and a fall in our NAV per share.

We revalued our largest investment, Couchdrop. While the company continued to grow revenue, diminishing market multiples meant the uplift in value was lower than expected.

The result is interim, as we are waiting for our external valuers to assess the valuation of Devoli in late April or early May. The external valuation takes many factors into account and we cannot predict the direction or size of any changes.

FROM iNAV to NAV

This month, and financial year-end, also marks a significant change that affects and redefines the Net Asset Value of Punakaiki Fund.

PFL's Hi-Tech Finalists Since 2014

YEAR	PORTFOLIO COMPANY FINALISTS
2026	Hectre Sea-Flux Astute Access
2025	Projectworks
2024	
2023	Formus Labs* Astute Access
2022	Hectre
2021	Whip Around Moxion* Hectre Weirdly Formus Labs
2020	Raygun
2019	Whip Around Vend
2018	Vend
2017	Timely Moxion Vend
2016	Vend Timely Linewize
2015	Raygun Vend Timely Melon Health Mobi2Go
2014	Vend* Raygun Timely RedSeed

14 Companies

13 Category Wins

*Multiple category wins; Excludes winners from before 2014.

Notice from the Chair

CHANGES TO THE MANAGEMENT AGREEMENT

Punakaiki Fund has signed an [amended Management Agreement](#) with 2040 Ventures, effective from 31 March 2026. The amendments were in response to 2025 investor feedback, mainly about the performance fee.

The external directors were also concerned about the Manager earning a performance fee where the overall fund performance was less than 10% and there was no ability to claw back any performance fee paid. Meanwhile, the former performance fee calculation approach was very complex, had unusual and difficult to understand accounting treatment, and was no longer fit-for-purpose in the current set of circumstances.

After consulting with our advisors, the way the Manager earns performance fees was redesigned so that:

- fees are based on the performance of the whole fund rather than the performance of individual share tranches
- fees are only earned after acceptable overall returns, and can otherwise be zero
- parts of the fee can be lost if performance reverses

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.

ACCOUNTING IMPACT

The Management Agreement brings a material impact to the way we report our value per share, and we now report NAV (Net Asset Value) rather than iNAV (Investor Net Asset Value).

Previously, the reported performance fee reflected a lower amount than the face value implied in the Management Agreement, as it was a share-based payment and subject to complex accounting rules. One benefit of the new management agreement is removal of this complexity, and we now show the actual amount that the Manager would be entitled to receive (including amounts dependent on vesting and payment triggers.) The impact of applying these accounting rules under the previous Management Agreement was around \$2.2 million.

There is additional impact from the shift to a standardised performance fee calculation. Under the old approach, the Manager earned a performance fee on a share tranche basis, with some tranche fees earned even if the overall fund return was under a 10% threshold. The performance fee would ramp up as tranches switched on as returns increased (ramp approach). Under the new approach, the performance fee is fully triggered if the total return of the whole fund is more than 10%, but the Manager earns nothing if total returns are less than 10% (cliff approach).

Preliminary FY2026 year-end calculations indicate that we are over the 10% threshold, and recognises all of the potential performance fee, rather than a portion of it. The impact is around \$6.3 million.

The two one-off impacts combine to reflect a catch-up of cumulative fund performance since 2014. That period delivered an uplift of \$64.1 million, implying a 20% performance fee of \$10.0 million, after deducting the \$2.8 million already paid.

Under the new Management Agreement the performance fee will be calculated at each financial year-end, reflecting incremental performance since the last fee was calculated.

BALANCED APPROACH

The external directors see that a trade-off that puts the Manager at real risk of receiving no fee is balanced by the increase in the fee owed on the books at over 10% returns. We also observe that the FY2026 result was a very close call for the Manager (as was FY2025), as it was just over 10%.

VESTING OF THE FEE

While the performance fee is fully recognised, it also vests over time. One-third is confirmed straight away, and the other two thirds are confirmed on the 12-month and 24-month anniversaries, each requiring the fund to deliver a positive return over that vesting period. If performance is not sustained, any unpaid portions are lost and would need to be earned back.

PAYMENT OF THE FEE

The new Agreement clarifies when vested performance fees can be paid, generally as part of any distribution to shareholders, but also in shares three years after vesting or cash, if reasonable, after five years.

The Board believes the updated structure is simpler, clearer, and better aligned with long-term shareholder outcomes.

Click [here](#) for a detailed factsheet summarising the changes.

Mike Bennetts,
Punakaiki Fund Chair
chair@punakaikifund.co.nz

TIMING, OFFER PRICES AND YEAR-END ACCOUNTING

The Management Agreement was signed on and effective as at 31 March 2026. This followed accounting advice that any other approach would require complex accounting treatment.

We were careful, prior to that date, to allow the new investor offer price to fall to our maximum allowable extent versus the previous Investor Net Asset Value per share. We were internally confident that the value of Couchdrop would rise significantly as at the end of March, but were negatively surprised by movements in market multiples. We therefore decreased the offer price further in early April and will reassess if and when we see valuations evolve.

INTERIM VALUATION

The Asset Value increased from \$129.6 million (at 28 February 2026) to \$129.8 million (interim result as at 31 March 2026). The Investor Net Asset Value per Share decreased from \$35.92 to \$33.63, and includes a one-off downward change of \$2.40 per share to reflect the increased book value of the performance fee.

We accepted \$0.75 million in new investment, issuing 21,740 shares at \$34.50.

SHAREHOLDER UPDATE WEBINAR:

12:30 PM | FRIDAY 24 APRIL

Join Chair, Mike Bennetts and the 2040 Ventures' team for our next shareholder webinar where we will provide an update and answer shareholders' questions. The recording will be emailed to all shareholders following the webinar.

[REGISTER FOR THE UPDATE](#)**SHARE TRADING**

The next share trading auction is expected to take place in mid-May 2026 on Catalyst.










2026 NZ HI-TECH AWARDS FINALISTS

Several Punakaiki Fund portfolio companies have again been recognised in the [2026 New Zealand Hi-Tech Awards](#), with **Hectre**, **Astute Access** and **Sea-Flux** [all named finalists](#).

The Hi-Tech Awards are widely regarded as New Zealand's premier awards for the tech sector. 2040 Ventures is proud to sponsor the '2040 Ventures Hi-Tech Startup Company of the Year'. The awards recognise innovation, execution and market traction, and it's wonderful to see the portfolio so well represented again this year.

Congratulations to all finalists and good luck for the awards evening on Friday, 22 May 2026 at Spark Arena in Auckland.

Portfolio Net Asset Value - 31 March 2026

	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 ²	\$33.8m TTM Revenue \$172m
	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%	1.1x	Feb-26 ▲	Feb-27	
EMERGING \$5-\$20m	 PROJECTWORKS	Professional services automation software	10.5%	2.6x	Jan-26 ▼	Jan-27	\$44.0m TTM Revenue \$21m
	 Couchdrop	Software for moving vast amounts of data between platforms	25.1%	6.1x	Mar-26 ▲	Sep-26	
SUSTAINABLE \$1-\$5M	 hectre.	Optimising fruit quality and profit, from orchard to packhouse	13.2%	1.0x	Dec-25 ►	Oct-26	\$27.1m TTM Revenue \$15m
	 SEA-FLUX	Fleet management software for commercial vessel operators	13.0%	1.0x	Aug-25 ►	May-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	Feb-26 ►	Feb-27	
	 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					▲	\$104.9m
	Holding Value for other active investments					Dec-25 ►	\$7.7m
	Investments Held For Exit (Escrow cash & companies)					Mar-26 ►	\$3.6m
	Cash (net)						\$13.6m
Portfolio Net Asset Value³							\$129.6m

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.


² Devoli's valuation as at 31 March 2026 is performed externally and is expected to be received over the coming weeks.


³ Portfolio 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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