

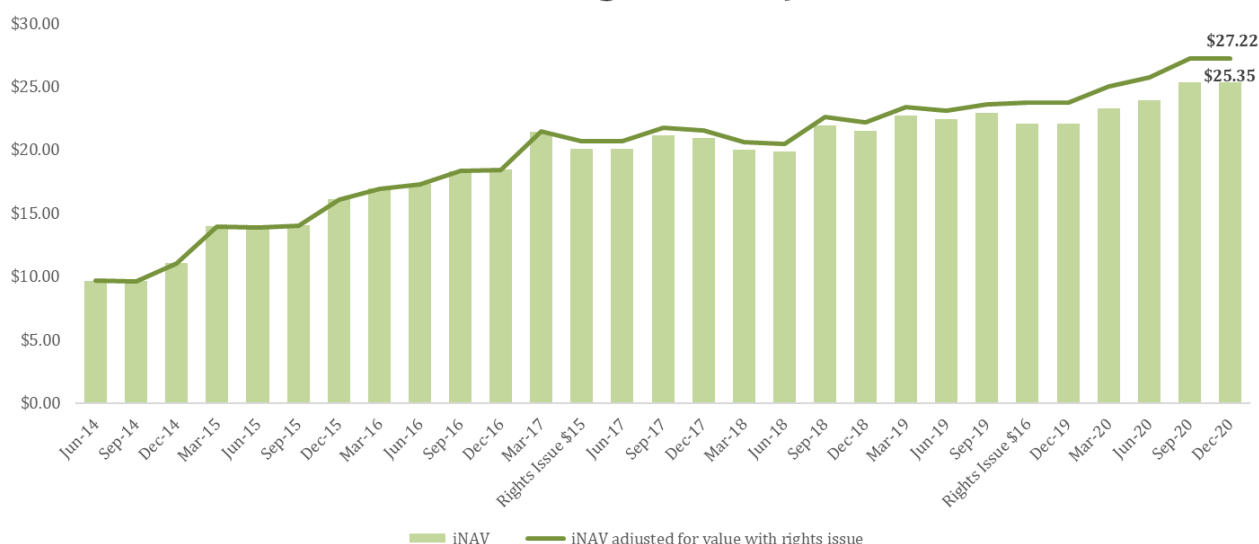
Punakaiki Fund Limited

December 2020 Quarterly Report

Key Statistics	
Total Asset Value	\$65.84 million
Investor Net Asset Value (iNAV)	\$61.58 million
Shares on issue	2,429,422
Total Asset Value / share	\$27.10
iNAV/share	\$25.35

Performance	
Annualised Share price Return – last 12 Months ¹	13.3%
Annualised Share price Return - Since Inception ¹	16.0%
Annualised Internal Investment Returns ² – All Investments	19.9%
Internal Total Value to Paid In Capital (TVPI) ² – All Investments	1.9x

Punakaiki Fund iNAV/Share (Including Adjustments for Rights Issues)



¹ Assumes full participation in option and rights issues.

² Internal performance measures are exclusive of all fund costs.



Dear Investors,

Well that's the end of 2020, but the global pandemic continues. It is surreal to be here in New Zealand and also for our friends across the Tasman, living most of the last year without lockdowns and looking at the state of most of the rest of the world.

The impacts of COVID-19 will continue to be felt for years to come, but for many companies, 2020 was an incredibly tough but important year. Our trimmed down portfolio saw total revenue over the last twelve months reach over \$140 million, up from \$111 million a year earlier. More tellingly, the annualised December quarter combined revenue was up 35% versus the same quarter a year earlier to over \$175 million.

Total Last 12 months Revenue - Core Companies
\$ Million.



We have a long-term perspective at Punakaiki Fund, and we maintain that looking at revenue growth is a key leading indicator of future value. Not all revenue is equal – investors prefer high margin recurring revenue, especially from customers who depend on you. That's one reason why Timely and Vend, superstar companies, were able to weather the pandemic storms so well despite high exposure to COVID-19 affected clients. Mobi2Go, meanwhile, added considerable value to its clients in 2020, and top line revenue did very well. But Boardingware had to delay some revenue, as schools were out in key markets, and RedSeed and others saw slower growth, but still growth, in a year that was tough for retail.

At the beginning of this year LWCM held our traditional strategy day, and observed that the approach adopted by New Zealand to respond to the pandemic reflected our own values. We endeavour to be **kind** and **respectful** to our founders, investors and community. We are **evidence based**, and **disciplined** in the work we do to invest in and help companies. We like to be **pioneering** - discovering new companies and asset classes, and introducing them to investors, and we are **ambitious** for our founders, investors and ourselves.

We are not your typical international Venture Capital operator looking for quick exits and IRR, at the expense of long-term returns. With Punakaiki Fund we are confident that we have a better way, one that leads to much greater long-term returns, just as New Zealand showed that we can succeed in a global crisis by carving our own path. That doesn't mean to say we won't see exits driven by founders



or other investors, but we do advise founders to balance immediate cash returns with the prospects of larger future returns.

Our 2020 retail offer closed with just under \$2 million raised in just under 2 weeks. A noticeable absence from our fundraising last year was the Government's Elevate NZ Venture Fund NZ Growth Capital Partners. After an extensive process we were advised that they did not approve an allocation to Punakaiki Fund at this time.

Hi-Tech Awards



Towards the end of 2020 we snapped up the opportunity to be able to sponsor our favourite category in the Hi-Tech Awards.

The Punakaiki Fund Hi- Tech Company of the Year category is for hi-tech companies with revenue up to \$2 million, which is where we tend to make our initial investments. We were surprised when the opportunity came up, and LWCM grabbed it with both hands. LWCM has the right to renew this from now on, and intend to stay the course.

I've been a long-time judge at the awards, and while I can't say which category I've been involved with, I will relay that I've had to shift to another category this year.

2021 Offers to investors

For 2021 we are planning two offers to investors, and only two offers. The first is a wholesale round on the back of the December 2020 retail offer. For this reason we are, and I apologise for this, once again cancelling the quarterly share trading window.

The second offer will be for all investors. We are aiming to hold this, other factors permitting, in **October 2021**, after the Annual Shareholders meeting in September.

Valuation Outlook for 2021

I can't tell you what will happen this year – we never can. But we do know that there are promising business growth signs across most companies, and the occasional possibility of break-out growth. Sometimes it's a key contract, or perhaps the marketing and sales engine really kicks into gear. Other times a new product launch or even just a price change can ignite growth. We do like steady month-on-month growth underpinning it all though. This year, for example, Quantifi Photonics doubled their revenue, in constant US dollars, from the sale of their core products, while last year a single order was responsible for over half of their revenue. Those single "whale" sized orders will still arrive, just not in the COVID-19 affected FY2021.

Across the portfolio we often see companies entertaining offers for not just investment, but also sale of the business or contemplation of listing on stock markets. Generally these fade away, but sometimes these can move very quickly.

We were delighted to invest in Get Home Safe in late December, and have communicated to shareholders via email the details of the deal. Last year we welcomed Boyd, from Get Home Safe, and Steven, from Core Schedule to our founders, and we have more funds to deploy.



Quarterly Webinar and Quarterly Share Trading Auction

We are not holding these for this quarter due to the pending Wholesale Offer. We do intend to offer a webinar, but will wait until the Wholesale offer is released.

As always please reach out by email (lance@punakaikifund.co.nz) phone, text or WhatsApp (021526239), Twitter (@lancewiggs) or WeChat (lancewiggs) if you have any questions. Yes, in today's world we do business through all of these channels, as well as a host of video applications.

My very best wishes to you and your family.

Lance



Portfolio Company Update

Key highlights for the December quarter for each company are below:



Shareholding: **1.9% (1.7%*)**

First Investment: **Aug 2015**

[Vend](#) provides cloud-based, point-of-sale software that includes ecommerce, inventory management, customer loyalty and analytics.

- Ambient CSAT (Vend's key measure of customer service) hit 70 for the first time, reflecting the continued investment in product and support to ensure they provide world class service to their retailers;
- Vend hit sales targets for the sixth month in a row; and
- The Company celebrated its 10-year anniversary during the quarter.

**Fully diluted shareholding after accounting for employee options*



Shareholding: **53.9%**

First Investment: **Jun 2014**

[Devoli](#) is an Internet Service Provider that provides wholesale and corporate telecommunication services.

- Devoli reported that all of Contact Energy's remaining existing customers have migrated from Vocus and to Devoli during the quarter. All of Contact Energy's broadband customers are now being served by Devoli's network and system; and
- Mark Ellis joined the team to lead Devoli's wholesale channel sales effort during the quarter.



Shareholding: **25.6%**

First Investment: **Feb 2015**

[Onceit](#) is an on-line daily deal site selling mid- to high-end fashion, beauty and homewares, predominantly in New Zealand.

- Onceit had its biggest sales week in history with \$1.2m sales and 12,500 orders during a week in November 2020, which was also their biggest turnover month to date; and
- Onceit entered into Supplier Services Agreement with MIRAKL for the supply, customisation and implementation of a Marketplace SaaS Platform for the business.



Shareholding: **19.6%**

First Investment: **Dec 2015**

[QUBEdocs](#) is a software as a service business that automates documentation for IBM TM1 on premise and Planning & Analytics in the cloud.

- Quebedocs launched a new global partner program that is designed to leverage their resellers to customers;
- Significant opportunities emerged with a major German Auto manufacturer; and
- The company signed a paid Proof of Concept with the world's 4th largest pharmaceutical company.



Shareholding: **3.8%**

First Investment: **Jun 2014**

[Timely](#) provides a software platform to beauty and wellbeing businesses to manage bookings, reminders, point of sale, reporting and analytics.

- Timely's revenue uplift following the unwinding of the COVID-19 payment relief that they provided to their customers was better than expected;
- Timely have been cash positive for four out of the last six months;
- Timely added another 12 people to its team, which they have been able to fund through reinvestment of profits, including the addition of two new executive roles; and
- Timely's key product releases in the quarter include staff targets, automated waitlists, cardless checkout, two-factor authentication and automated consultations.





Shareholding: **6.3%**

[*Raygun*](#) provides a software intelligence platform including crash and error reporting, real user monitoring, and deployment tracking.

First Investment: **Apr 2014**

- Raygun launched their Application Performance Monitoring for Ruby support. It offers more code-level detail, better visualisation, and power infrastructure that helps developers discover and diagnose performance bottlenecks in a fraction of the time and for a fraction of the cost;
- Raygun completed (but did not deploy) their V2 ingestion pipeline for crash reporting that subsequently went live in Q1 CY21. This has not only reduced Raygun's costs but also processed more data for its customers;
- Raygun completed migrating crash reporting to an on-demand billing model; and
- Raygun also updated their website and gave it a newer and a fresher look.



Shareholding: **17.7%**

[*Quantifi Photonics*](#) develops and manufactures advanced laser test equipment for the global fibre optic communications market.

First Investment: **Nov 2017**

- Late this quarter Quantifi Photonics kicked off their Series-B investment round with the goal of raising up to \$12M throughout the year to support overseas expansion and a strategic acquisition. The company has a strong focus on the optical transceiver market, and parts of their investor presentation was shared at investor roadshow for Punakaiki Fund's 2020 offer.



Shareholding: **15.0%**

[*Mobi2Go*](#) is a digital ordering and engagement platform for the hospitality sector.

First Investment: **Oct 2015**

- Mobi2Go completed the quarter strongly, signing up several large (chain) customers in December.



Shareholding: **20.0%**

[*Conqa*](#) provides software allowing the construction industry to do their quality assurance planning and execution online.

First Investment: **Feb 2017**

- Conqa was specified for use by Multiplex on three new projects. This follows from the successful pilot of Conqa on the 447 Collins Street project in Melbourne. These three projects are in Melbourne & Adelaide and will open Conqa up to a significant number of new trade customers; and
- Conqa conducted a case study with AE Smith, one of New Zealand's largest Tier 1 HVAC contractors. In the case study, they detailed that Conqa was instrumental in a 700-bedroom developed being completed with nearly zero defects.



Shareholding: **48.5%**

[*RedSeed*](#) helps large retailers increase their sales through proprietary and customised modules in a SaaS Learning Management System.

First Investment: **Mar 2015**

- Redseed is developing its product for the content library to include leadership, communication and also diversity and inclusion;
- The company will launch a new marketing website, as well as a mobile application, in February; and
- Redseed is looking at acquisition opportunities to extend product and sales capability.





Boardingware

Shareholding: **31.1%**

First Investment: **Feb 2015**

[Boardingware](#) helps schools manage their students' movements and pastoral care using a SaaS product.

- Boardingware launched a new website [Orah.com](#), with focus on student wellbeing and safety; and
- The Company is well positioned for internally funded growth in 2021, and has an aggressive hiring plan to expand the team.



Shareholding: **32.3%**

First Investment: **Dec 2014**

[Melon Health](#) gives chronic disease patients on-line platforms with the tools, support and information to help manage their condition.

- Melon Health won MSD contract in partnership with APM Workcare to support New Zealanders impacted by COVID-19; and
- APM has also won a contract with ACC and will use Melon's platform across multiple ACC services.



Shareholding: **37.7%***

First Investment: **Feb 2015**

[Weirdly](#) is a Human Resources technology SaaS platform, helping companies filter the best candidates from thousands of applicants.

- Weirdly's revenue reached an annualised run rate of \$1.1m;
- Weirdly launched a pilot with a major franchise across three states in Australia which has the potential to grow globally to into their largest account;
- Weirdly built new integration with Docusign to further speed up recruitment processing for their clients; and
- The company engaged Laura Bell and her team from Safestack to conduct an audit and provide them with security policies to enable a smoother onboarding process with global enterprise clients.

**Fully diluted shareholding after accounting for employee options*



Shareholding: **17.5%**

First Investment: **Jun 2020**

[Core Schedule](#) is a SaaS-based scheduling software that allows hospitals and other medical service providers to develop and administer staffing rosters.

- Core Schedule won a new US customer for COVID Vaccine scheduling, which is a big potential new market;
- The Company is engaged in new marketing re-branding focusing on people; and
- Core Schedule hired a new New Zealand-based salesperson.



Shareholding: **16.7%**

First Investment: **Dec 2020**

[Get Home Safe](#) delivers personal safety, lone worker and journey management software solutions to everyone from individuals to small-medium businesses to large corporations, government departments and multi-national enterprises.

- Get Home Safe closed their recent investment round, raising more than initially expected;
- Get Home Safe have achieved several hundred new users and some great hardware sales within the Kiwi Fruit industry; and
- The Company had two great validations of their reseller program, which is still in its early stages, with one of their resellers implementing their platform with Hawkes Bay DHB and another with Environment Canterbury.



Get Out! (safely)

Firstly, Some Home Town Truths

My current hometown of Te Anau is a rather small place. With a permanent population of little under three thousand, it holds the title of most westerly township (1,000+ inhabitants) in New Zealand. Given that just 0.06% of New Zealand's population reside here, sometimes I have felt like a bit of an anomaly; being one of only a small number of venture capitalist in New Zealand. You typically need to go to Auckland or Wellington to meet the people operating the funds that invest in our sector.

The tech founder ecosystem is, by contrast, much more distributed. You can find a plethora of start-up and early-stage business spread through-out New Zealand's cities and even further afield. Ultimately, there is a pull to the larger cities for many for these businesses, whether it be to access qualified staff, to be closer to customers or to make travel easier.

Indeed, this has been the case for Get Home Safe, the subject of this quarter's story. Punakaiki Fund invested in Get Home Safe just before Christmas and while now based in Dunedin (via Queenstown), founder Boyd Peacock grew up in Te Anau and is a Fiordland boy through-and-through. This tells me two things: firstly, as a venture capitalist in Te Anau, I'm not an anomaly (and I shouldn't get a big-headed about it); and secondly, there might be something in the water here.



Secondly, Here's Boyd

You quite often need to go back earlier in a founder's life to understand the inspiration for the business they create. In Boyd's case, the genesis of Get Home Safe goes all the way back to his childhood, when his parents routinely drubbed into him that Fiordland was no place to adventure into without letting somebody know where you are going and when you will be back, and remembering to check in at the end of your trip so people know that you have returned safely. As the district head of Search & Rescue for over 30 years, Boyd's father had seen the consequences of failing to stick to these simple common-sense rules.

After completing his time at Fiordland College, Boyd went on to study land surveying at the University of Otago. This was a field of work that ultimately lead Boyd to a number of countries around the world. As a cadastral surveyor, he



worked a lot out in the field, often remotely. From a health & safety perspective, you needed to tell someone where you were going and then check back in once you were back to base. While important when looking after your own safety, this simple process became even more important to Boyd as he became responsible for supervising others working out in the field.

The Computer in Your Pocket

In 2011 when Boyd came back to New Zealand to work in Queenstown, he reconnected with his love of mountain biking. While Boyd would often venture into the great outdoors, instead sticking to the 'rules' drilled into him as a child and then reinforced in his professional life, he went the other way. He found it socially awkward to leave his intentions and his panic instructions with his flatmates, who (at the start) were a bunch of random people that he barely knew. Instead, he stopped telling people where he was going, and it's fair to say he did feel quite guilty when he was up in the mountains, in case something did go wrong.



Fortunately, nothing did go wrong, but it did illustrate to Boyd that there was a problem that needed to be solved.

About this time, a couple of different things occurred. Smart phones were becoming more prevalent and with them came a couple of interesting apps. Fitness trackers could track where you were, and banking apps could send you alerts when your balances were running low. Also around this time, there was a boating accident in the notorious Foveaux Strait. While the boaters' intentions and a panic time were left onshore, the boat was swamped by a freak wave early in the day and the people on the boat had to abandon it before they had the chance to raise the alarm. They ended up floating in the Strait for five hours before they were even considered overdue.

The idea of combining the tracking of a fitness app with the ability to periodically check-in, along with the ability to push notifications to the third party like a banking app gradually came together. This combination would create a continuous monitoring app that would send an alarm if check-ins weren't made and also potentially alert searchers as to where to start looking. And since any alarm was being sent to a third party from a server, rather than the phone itself, it wouldn't matter if the phone wasn't still operational in an emergency situation.

Original or Not?

The next question Boyd needed to answer was whether the idea had already been turned into an app or not. He started by spending a day undertaking an online search, which turned up nothing. Then he talked to Search & Research New Zealand and they didn't know of anything with that type of functionality. It looked like he might be onto something new.

On the advice of his cousin, Boyd then drew up some use-case examples on how it would work. Then he contacted a couple of developers, who liked what they saw. One of these was Dunedin's Firebrand (Get Home Safe's current developers). When she saw the idea, Firebrand's Bex Twemlow banged her fist down on the table and said, "you're going to be a millionaire".

After a couple of scoping sessions with Firebrand, who wrote a detailed design and technical specification for the proposed software, Boyd sought out some quotes from software developers on what it was going to cost. Those quotes came back in the \$150,000 to \$500,000 range, which was a lot more than Boyd's initial expectations of \$20,000 to \$30,000 (a price which would have otherwise been quite manageable at the time for Boyd).



With the app idea parked on the shelf due to the cost, it wasn't until Boyd's sister convinced him to write a business plan and raise some capital that the wheels on the project began to turn again. Boyd bought and read a book on writing a business plan and raising capital, wrote a business plan and then pitched to a small group of family and friends. Between their investment and Boyd's own money, he got what he needed to get the first iteration of the app developed (I note that I've covered that bit around raising a first round of capital really quickly, which may imply to you that it is easy – I can tell you that it is usually not).

Launch

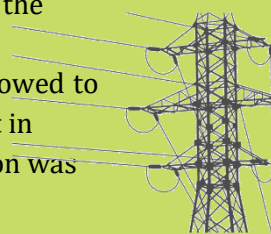
Once the development work was done in early 2013, Boyd crafted a press release and launched the app. He got plenty of traction in the media, including a lot of newspaper coverage and a couple of appearances on TV, which helped propel Get Home Safe to #1 in the App Store in New Zealand. Unfortunately, that didn't turn into much revenue under the App's freemium model. Boyd considers the \$250 earned in the first week an "absolute disaster" given they had spent over \$100,000 developing the app so far.



Despite the poor financial start, Boyd noticed that over time a number of larger corporates had signed up for Get Home Safe and were using it for their employees. A few months later he got a call from Transpower, who were looking for a system to make sure that their staff were getting home safe each day (80% of their accidents occurred after 4pm). Transpower had already looked at 20 different applications and thought Get Home Safe's was the best. They also liked that it was New Zealand made. Transpower needed it for 4,000 people and wanted to pay for it to make sure Get Home Safe didn't go broke and disappear.

Pivoting

Transpower was the start of Get Home Safe's pivot to focusing on corporate customers who would pay for the app for their staff. There were a few more things that Get Home Safe had to add to the software to make it work for these types of customers, like a monitoring portal, allowing the customer to own their data and some further customisations. More capital raising rounds followed to fund the necessary changes and over the course of the next two years those changes were put in place. Fortunately, these improvements were completed just as new health & safety legislation was introduced in New Zealand.



For a start, it was mainly picked up by individual teams in larger organisations, rather than the organisations themselves, but over time those organisations came knocking on Get Home Safe's door. The next notable win was with MBIE. After developing the software further to meet their security and infrastructure needs, they were onboarded in 2018.

Being used by a government department was a crucial point for the business. The validation of the Get Home Safe software by MBIE opened the floodgates that allowed the company to double its then relatively small revenues in each of the two following years.

Today, Get Home Safe counts Schneider Electric, Auckland Council and the Auckland District Health Board as customers, has distribution arrangements with a number of resellers, along with partnerships with Eroad, Trackme and Tracplus. It also is in the process of signing more large deals, so stay tuned for those announcements.

A Disaster or Two

That is not to say that it has been all smooth sailing. Like the time Boyd was holding a training session for 40 people by Chromecasting his phone onto a large screen in the training room. This usually worked well and is an interactive and engaging way to hold a training session, however this time his phone wouldn't cast and he had to undertake the training just relying on a few photos. The feedback from the customer was that it was the worst training session that they had ever had. That particular business (a top ten employee in New Zealand) dropped off as a customer a year later.

Another time, Boyd had to travel up to Christchurch to meet with a company he had never heard of before (it turned out to be a large tech exporting business that is reasonably well known). As Get Home Safe was running low on cash, rather than flying up, Boyd drove up to save money, and this penny pinching extended to sleeping in his car for the night. The next morning, he turned up at the address to find a very large, multi-story building with plenty of glass and company flags on the top – you know the type. As Boyd was getting his gear for the meeting out of his car, the man he was meeting with walked up beside him in the carpark and said “Hi, how are you going”. At that exact moment, Boyd's sleeping bag rolled out of the car and across the carpark. That was a little bit embarrassing, but nothing a young go-getter founder can't handle.

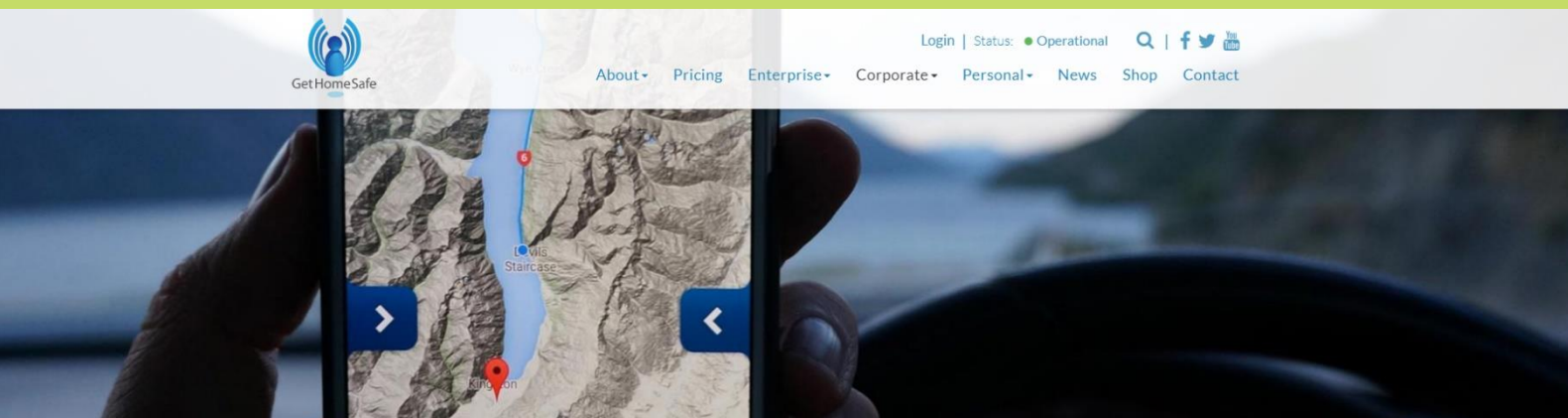


Last Words

Finally, some pearls of wisdom from Boyd for those contemplating establishing a start-up business – “don't do it”. Brutal advice from the school of hard-knocks.



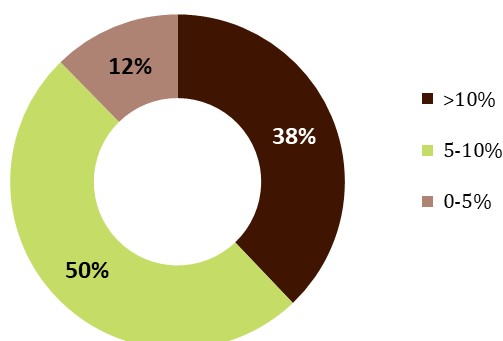
Or for those looking to develop a new app, Boyd likens it to taking a big pile of money and throwing it at an industrial strength fan and trying catch it as it blows back to you (he tries to push people away from developing apps and to instead aim for developing a full-service SaaS solution). Boyd also believes that when you are starting to look at a start-up concept, look incredibly closely at who is going to pay for your product or service, and how you are going to get your message across to them. In Get Home Safe's case, the key wasn't getting the people who were out and about to pay for the app, it was getting the people at 'home' waiting for them to come back to pay for it.



Portfolio Valuation Splits (as at 31 December)

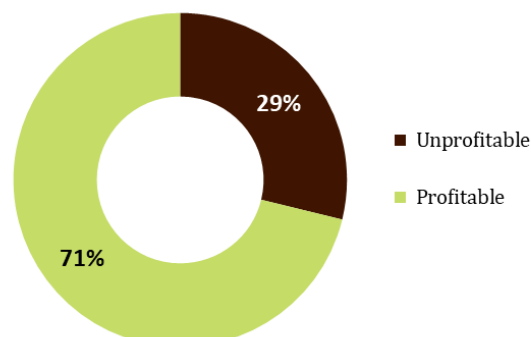
The diagrams below show various splits of the valuation of our 15 core portfolio companies.

Valuation Split By Concentration



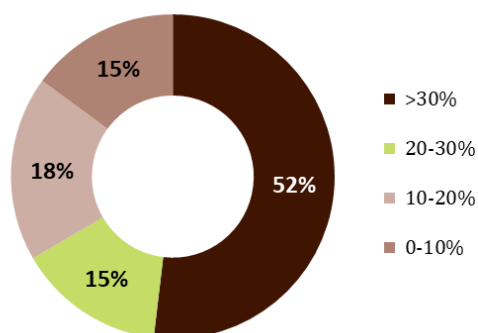
Investments in nine companies represent 88% of the value of Punakaiki Fund's portfolio.

Valuation Split By Profitability



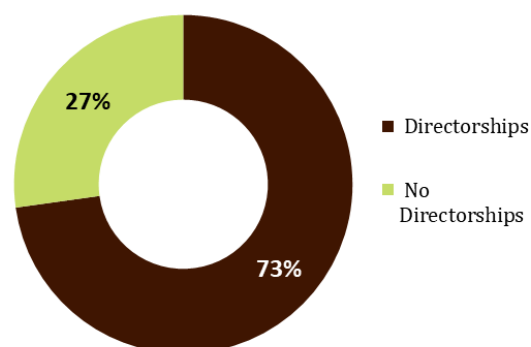
There is a good mix of profitable and unprofitable (investing for growth) companies. We are comfortable with the sustainability of the companies for now, given each's cash reserves.

Valuation Split By Ownership %



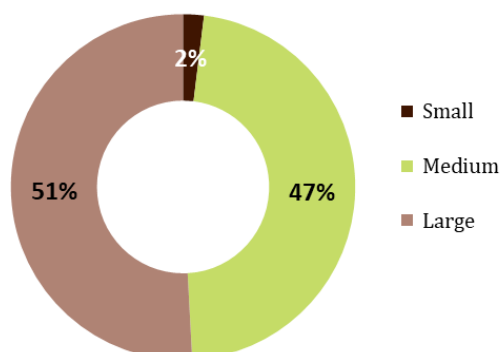
Unusually for a venture capital firm, we have large shareholdings in a number of companies – and that is where the value is increasingly concentrated.

Valuation Split By Directorship



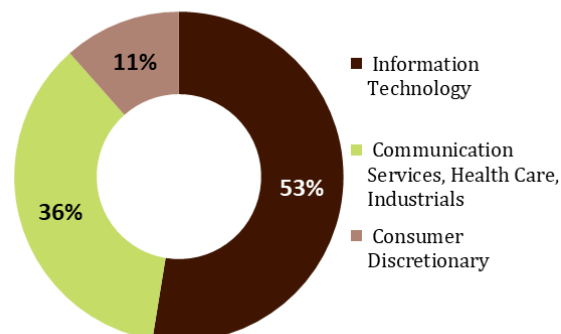
Directorships reflect that we are able to contribute where we have larger shareholdings, and thus have more visibility of and influence on company performance.

Valuation Split By Revenues



As companies grow in revenue, so, in general, does their value and the amount we can invest. We expect that over time the

Valuation Split By Industry



We have a deliberate strategy of diversifying across industries, and that provides resilience to external shocks, such as the COVID-19 pandemic.



In the News

Quantifi Photonics

[Quantifi Photonics seeks \\$12m in funding round](#)

[The winding road of a tech entrepreneur](#)

Melon Health

[Marsden School Inducts Inspiring Women Into Hall Of Fame](#)

Timely

[Timely appoints chief people inclusion officer](#)

[Timely names Mary Haddock-Staniland as NZ's first chief people inclusion officer](#)

[Mary Haddock-Staniland appointed chief people inclusion officer at Timely](#)

[Chance, luck and magic – business success in the trainwreck of 2020](#)

[Radar Revisited: Timely](#)

Vend

[Vend's Ana Wight made permanent CEO](#)

[Radar Revisited: Vend](#)

Punakaiki Fund

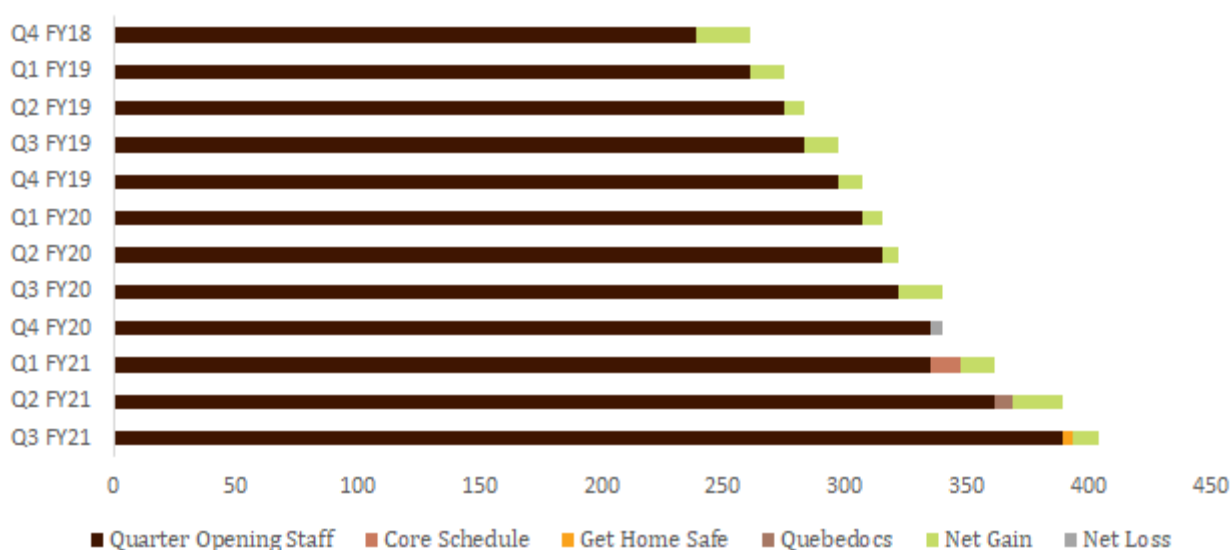
[Punakaiki goes out with latest retail offer \(with video\)](#)

[Tech Sector Fund Provides Rare Opportunity To Invest Directly Into Burgeoning Sector](#)

[Punakaiki Fund Sponsors Hi-Tech Awards](#)

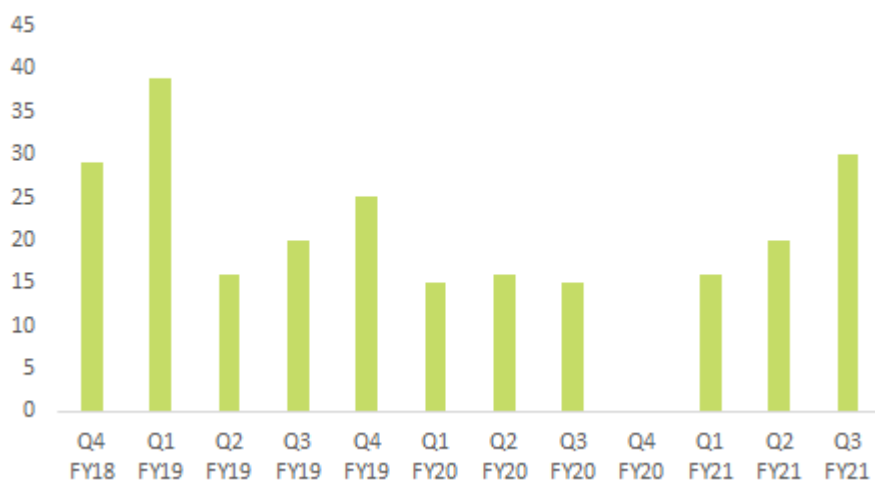
Employment Monitor (December Quarter)

Here is a snapshot of our portfolio companies' employment situation at the end of December 2020:



That's 404 jobs as at the end of the December quarter – a net 15 more than at the end of September.

Hiring Intentions



Vend's employment figures are not included, and nor are companies that are sold or inactive (non-core portfolio companies). We have also adjusted the previous quarter-end numbers so that to reflect only our current core investments.



Corporate Update

Governance

The Board convened on 12 February 2021 for the quarterly Board meeting to consider, among other matters:

- The value of Punakaiki Fund's investment portfolio as at 31 December 2020;
- A review of Punakaiki Fund's investment portfolio;
- The Punakaiki Fund Future Strategy paper;
- The Punakaiki Fund OKRs for this year;
- The periodic review of the Delegated Authority Policy, the Compliance Assurance Programme and an updated Privacy Policy; and
- This quarterly report.

The Board's next meeting is planned to be held on 30 April 2021.

Financial Reporting

The Investor Net Asset Value ("iNAV") of the fund after all contingent performance fees as at 31 December was \$61,579,488 (or \$25.35 per share), a \$1,938,996 increase from the 30 September 2020 iNAV of \$59,640,492 (or \$25.36 per share). This change results from a \$0.15 million decrease in portfolio company valuations offset by \$1.98 million capital raised from the December 2020 Retail Offer, which had an upward impact on the iNAV and downward impact on iNAV per Share. The Accounting Net Asset Value (which includes only the cash component of the performance fee and is used to calculate the management fee) was \$64,569,904 at the end of the quarter, compared to \$62,925,096 at the end of the September quarter.

Punakaiki Fund's unaudited financial summary metrics are set out in the tables below. Financial highlights from the quarter include (all including GST where applicable):

- An opening cash balance on 1 October 2020 of \$1,506,805;
- \$999,485 was invested in Weirdly and Get Home Safe;
- \$1,978,800 was raised from investors via a retail capital raising round in December;
- A net downward revaluation of (\$149,485);
- Management fees of \$302,946 were paid to LWCM;
- An administration fee of \$47,438 was paid to LWCM in relation to the December quarter administration services provided to Punakaiki Fund;
- \$58,620 was paid for Insurance;
- \$10,227 was paid for independent valuation work;
- \$8,970 was paid for legal services;
- \$8,050 was paid for branding work;
- \$5,750 was paid for technical due diligence review of Get Home Safe;
- Dividend of \$165,224 were received;
- GST refunds of \$4,115 were received; and
- A closing cash balance of \$2,213,493.



Punakaiki Fund Limited - Unaudited Financial Position	
as at 31 December 2020	NZ\$
Current Assets	
Cash on Deposit	2,213,493
Accounts Receivable	21,504
Prepayments	42,296
Non-current Assets	
Investments	63,560,000
Total Assets	65,837,293
Current Liabilities	
Accounts Payable	104,449
Non-current Liabilities	
Accrued Performance Fee	1,162,940
Equity	
Retained Earnings - Operations	(4,367,047)
Retained earnings - Accrued Performance Fee	(4,153,356)
Share-based Payment Reserve	2,990,416
Asset Revaluation	30,324,634
Share Capital	40,812,079
Capital Raising Costs	(1,036,822)
Total Equity and Liabilities	65,837,293
Accounting NAV	64,569,904
iNAV (after deduction of the performance fee)	61,579,488
iNAV per Share	\$25.35

Punakaiki Fund Limited - Cash Flow Summary	
for the Quarter Ending 31 December 2020	NZ\$
Operating Cash Flows	
Gross Interest Received	156
Bank Fees	(41)
Payments to External Advisors	(32,997)
Management Fees	(302,946)
Administration Fee	(47,438)
Other Net Expenses	(58,700)
GST Refunds	4,115
Total Operating Cash Flows	(437,851)
Investing Cash Flows	
Investments Made	(999,485)
Investments Realised	-
Dividends Received from Investments	165,224
Total Investing Cash Flows	(834,261)
Financing Cash Flows	
New Capital Received	1,978,800
Brokerage Fees	-
Dividends Paid	-
Total Financing Cash Flows	1,978,800
Total Cash Movements	706,688
Opening Cash Balance	1,506,805
Closing Cash Balance	2,213,493

Expected Cash Flows for the March 2021 Quarter

Following the end of the December quarter, Punakaiki Fund has not raised any new funds or yet made any new investments.

Since the December 2020 quarter end, a payment of December 2020 Retail Offer Brokerage Fee, the March quarterly Management Fees and March quarterly Administration Fee to LWCM, which together total \$419,986 including GST, was paid in January 2021.

Capital Raising Plans

PFL plans to open a Wholesale Offer for ordinary shares in March 2021.

Additional Disclosures / Conflicts

With the exception of the conflicts which have been previously disclosed, the directors of Punakaiki Fund or the managers of LWCM do not have any other additional disclosures or conflicts of interest to declare.



Contact

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