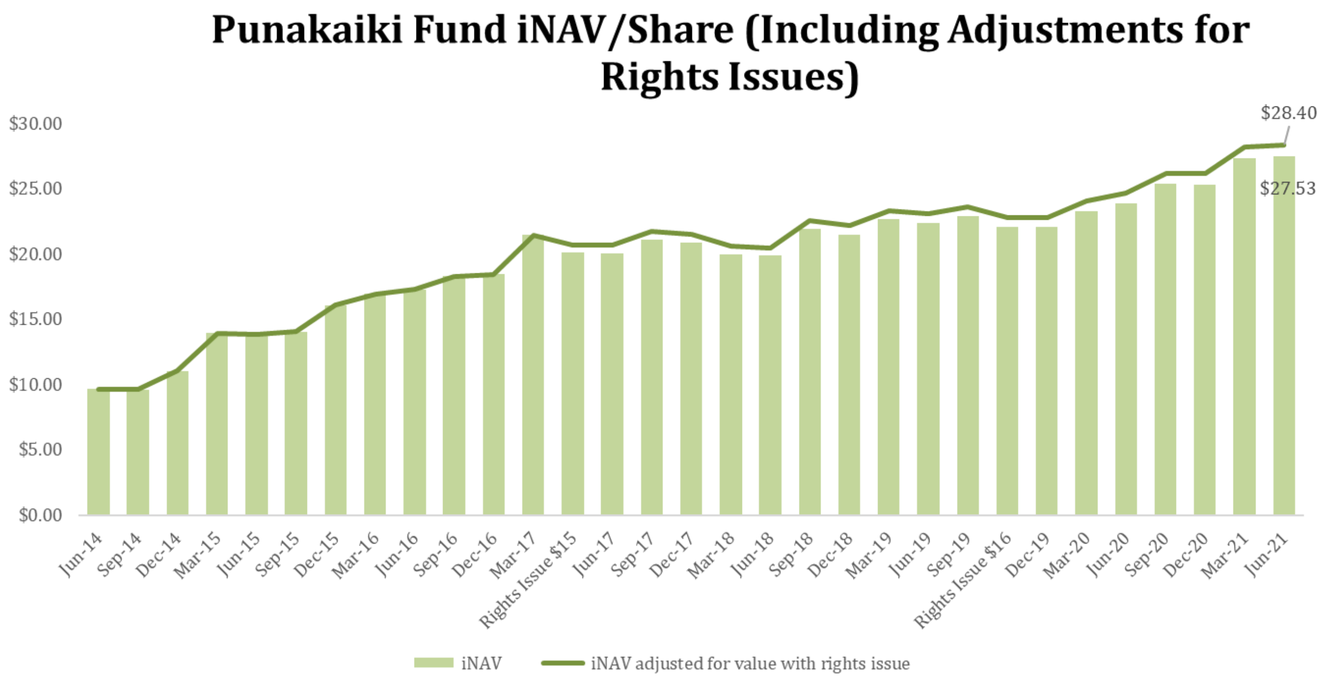
Punakaiki Fund Limited

June 2021 Quarterly Report

Key Statistics	
Total Asset Value	$74.10 million
Investor Net Asset Value (iNAV)	$67.50 million
Shares on issue	2,451,672
Total Asset Value / share	**$30.22**
iNAV/share	**$27.53**

Performance	
Annualised Share price Return – last 12 Months[1]	15.1%
Annualised Share price Return - Since Inception[1]	16.1%
Annualised Internal Investment Returns[2] – All Investments	20.9%
Internal Total Value to Paid-in Capital (TVPI)[2] – All Investments	2.0x



[1] Assumes full participation in option and rights issues.
[2] Internal performance measures are exclusive of all fund costs.

Dear Investors,

Cash

The sale of Vend and Timely, and to a much lesser extent Mindfull Limited and EverEdge, resulted in the return of $15 million of investment funds for this year. We were not anticipating this, but we had absolutely no problem finding deal flow for it.

The first deal was a top-up of our investment in Mobi2Go, a company that grew very strongly in 2020, and shows good signs for the next year. We placed an additional $1 million, bringing the round, led by Cap Z, to around $10 million. This maintained our shareholding at near 15%.

The second was our $5 million investment into Quantifi Solutions as part of leading a $15 million round. The round included $13 million in cash and $2 million in prior convertible notes. We were very happy to be able to welcome Simplicity ($4 million), Pacific Channel and Nuance Capital to the shareholder table. K1W1 and NZGCP's Aspire fund, already shareholders, also participated. We worked hard on this deal, and are very optimistic about the future of Quantifi, especially now that it is well funded.

The third deal will be Weirdly, where we are committing $2 million, and expecting some support from other existing investors. Dale Clareburt and the company have created a vast talent pool of over 700,000 predominantly young people in Australia, and this is very exciting for large and small retailers. They have built strong relationships with key clients, and are delivering a range of economic and social outcomes for employers and job seekers. The company is now beginning to see direct competition, so we are looking to help them capture the local market and make inroads elsewhere.

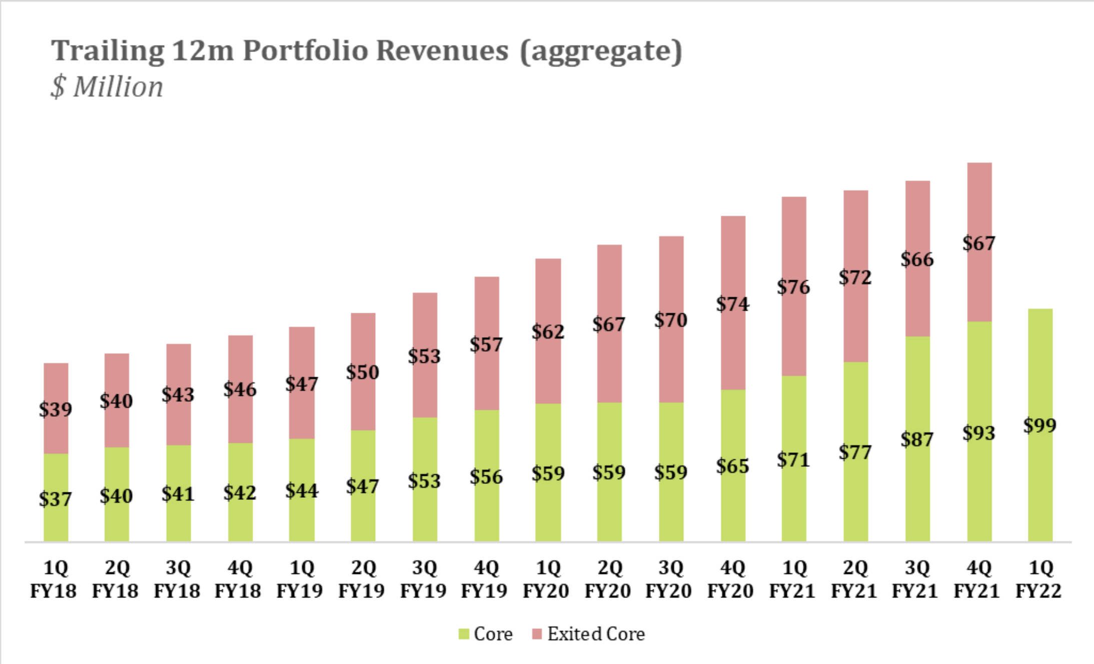
We are also looking at several new external investments. The news here is that the venture investment market has changed, very suddenly, over the last few months. There are a number of new funds, but not that many with experience in the local market (we count three). We are seeing some deals happen very quickly, and sometimes without us knowing about them, while others we are confident that we have the inside running. Punakaiki Fund has three main assets – a track record of being founder friendly, a very strong investment process that allows us to act as a lead investor, and, for now at least, cash in the bank.

On that topic we are working already on our October 2020 retail offer. We are investigating options for the structure of the offer, and have surveyed shareholders to seek their views. In the past we have used offers at near par value, discounted offers, discounted rights issues, attached options and more. We usually receive feedback that most investors would like a discounted rights issue, and we tend to see that they can work well every 2-3 years. The last offer of this type was in 2019. The downside of a discounted rights issue is that it does make the share-trading windows trade at lower prices. The upside is that we can be confident on raising material funding.

This quarter sees the fund reach $74 million in assets, almost three quarters of the way to our target of $100 million. It gets easier as we grow – and we are happy with our progress, increasing the asset value by $14 million versus a year ago, almost all due to valuation growth.

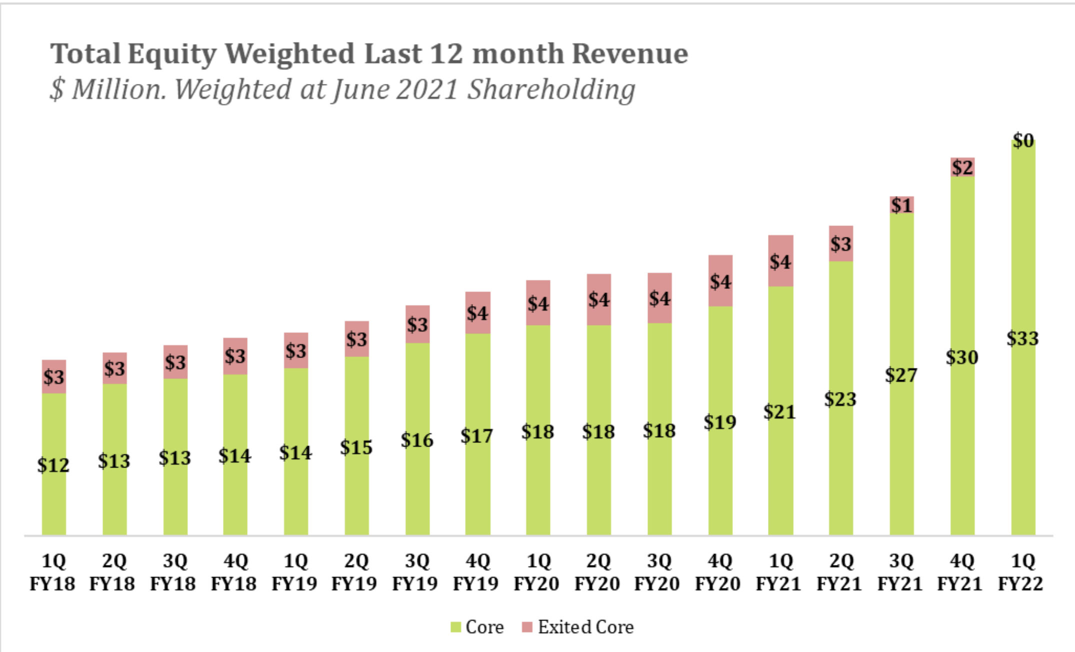
Company Revenue

The total twelve months revenue from our 13 core portfolio companies was $99 million, up from $71 million a year ago. This excludes revenue from Vend, Timely, Mindfull and Everedge, which were all sold before the end of the quarter.



The revenue is now dominated by our two largest companies, Devoli and Onceit, with Mobi2Go, Quantifi Photonics and Raygun the next largest contributors. We see that last twelve months revenue growth cannot be gamed, and it is a good metric to judge the performance of our companies.

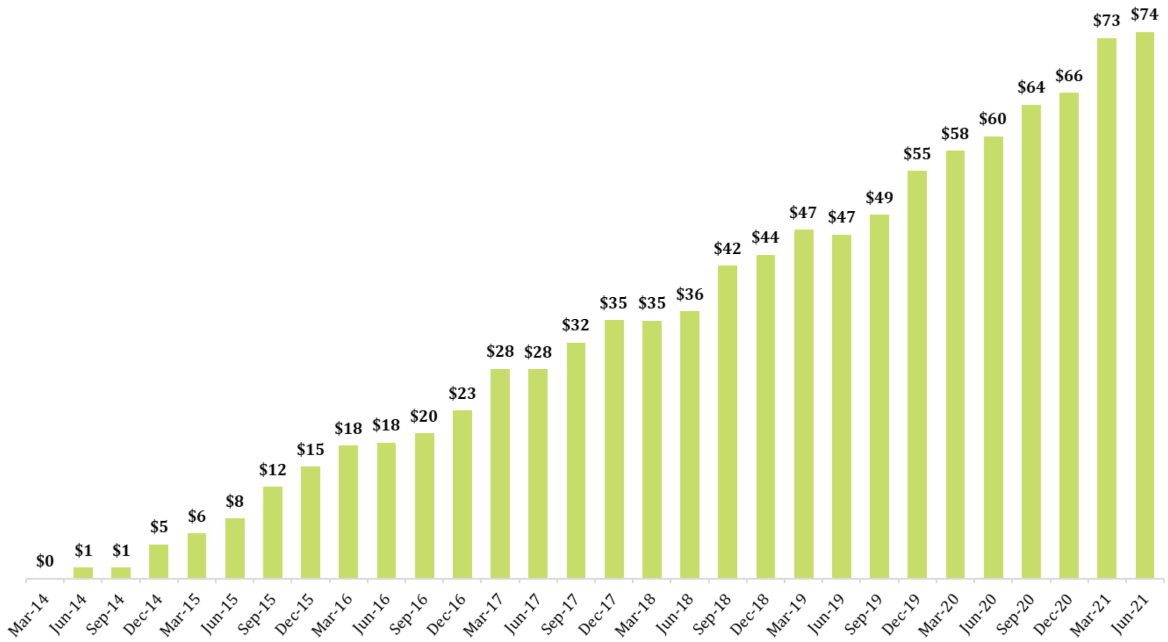
Similarly the equity weighted revenue chart, below, is a good indicator of overall performance of Punakaiki Fund. As you can see the sum of our percentage shareholdings multiplied by the revenue for all companies was $33 million as at the end of June. In effect we are like a virtual $33 million revenue company.



Asset size

The revenue growth fuels the growth of company value, and combines with fund raising to produce the chart below – to total assets of the fund. We have come a long way, and still have a good journey ahead of us.

Punakaiki Fund Asset Value ($m)



Quarterly Webinar and Quarterly Share Trading Auction

We will hold the next share trading window in the week beginning 16 August, with final bids due on the morning of Friday 20 August. We will email shareholders requesting offers to buy and sell shares on Friday 13 August, and the first collation of results will be on Monday 16 August.

Our quarterly webinar will be held on Wednesday 18 August at 4:30pm. We will cover the contents of this report, and anything else that investors ask. [Register now]

We hope the year is going well for you and your families.

Lance

Portfolio Company Update

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

devoli	Shareholding: **53.9%** First Investment: **Jun 2014**	*Devoli is an Internet Service Provider that provides wholesale and corporate telecommunication and software services.*

- Blair Woodbury and Jan Behrens joined the Devoli team as Chief Financial Officer and Chief Technology Officer respectively.
- Devoli has realised strong growth through their relationship with Contact Energy, who continues rapid onboarding of broadband customers.
- Devoli secured a loan under the Business Finance Guarantee Scheme for a material amount.

ONCE·IT	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.*

- The company's 2022 strategic plan was finalised.
- Work on the MIRAKL implementation (an ecommerce marketplace) is nearing completion, with the first supplier going live on 25 June.

QUBEdocs TM1 DOCUMENTATION MADE EASY	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.*

- Qubedocs moved their sales pricing to a subscription model.
- Qubedocs is working to modularise their solution, allowing them to meet clients' needs and budgets by only charging for the tools a customer wants.
- The team is working on some sizeable opportunities that they hope to close this quarter.

QUANTIFI PHOTONICS™	Shareholding: **24.7%** First Investment: **Nov 2017**	*Quantifi Photonics develops and manufactures advanced optical photonics test equipment for the global fibre optic communications market.*

- Quantifi Photonics completed their Series-B round, raising a total of $15.1 Million, including converting $2 million of convertible notes into equity upon close. The capital raise will ensure the company is sufficiently funded to execute on their growth strategy.
- The company was awarded funding from the Callaghan Growth Grant for the year ending 31 March 2021.
- The company reached progress milestones with a key existing customer that supports the achievement of their growth targets.

RAYGUN	Shareholding: **6.3%** First Investment: **Apr 2014**	*Raygun provides a software intelligence platform including crash and error reporting, real user monitoring, and deployment tracking.*

- Raygun launched Core Web Vitals, allowing their customers to track Google's customer-centric metrics and get the diagnostics needed to drive their own growth.
- Raygun continues to switch clients to on-demand billing, a move that remains popular and well received.
- The company has hired a new content specialist and hired internally for Director of Marketing and Senior Software Engineer roles.

Shareholding: **14.6%**

First Investment: **Oct 2015**

Mobi2Go is a digital ordering and engagement platform for the hospitality sector.

- Mobi2Go was a finalist in the Wellington Gold Awards in June.
- Mobi2Go completed a Series-B round, raising $10 million, with PFL contributing $1.25 million.
- The company continues to onboard new customers, targeting the addition of approximately 1000 new locations in FY2022.

Shareholding: **20.0%**

First Investment: **Feb 2017**

Conqa provides software allowing the construction industry to do their quality assurance planning and execution online.

- Conqa was specified on a new $1.5 billion hospital project in Victoria. It is the largest project Conqa has been specified on and is the result of previous engagements with Multiplex.
- Conqa grew by over 12% this quarter—the company's biggest quarterly growth ever when measured in dollar terms.
- Conqa hired its first on the ground business development manager in Queensland and hopes to further develop their strong growth in the region.
- Conqa closed a new $90,000 annualised recurring revenue deal with a building contractor in Australia. The contract becomes one of Conqa's top five most valuable accounts.

Shareholding: **48.1%**

First Investment: **Mar 2015**

RedSeed helps large retailers increase their sales through proprietary and customised modules in a SaaS Learning Management System.

- RedSeed is handling a solid incoming stream of inbound inquiries resulting from the acquisition of KiwiHost.
- RedSeed is currently working on two partnership deals.
- RedSeed has launched 28 new training courses since the beginning of the year, including modules on Inclusion, Diversity and Leadership.
- The company continues to add new customers, with a significant stream of sales coming from within New Zealand.

Shareholding: **31.1%**

First Investment: **Feb 2015**

Orah is a student engagement platform that helps schools and families better understand and support student needs.

- Orah hired five new full-time staff to help with its rapid growth.
- Orah continue developing its product to meet client needs, including starting to developing a Family App and self-onboarding capabilities.
- The company achieved 93% of their new booking targets.

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 signed a trial contract with ResMed to use Melon's platform to support patients with chronic obstructive sleep apnea.
- Melon signed a contract with the Marlborough Bays Primary Health Organisation to support people with metabolic disorders and emotional wellness.
- The company is in contract negotiations with Jan Joachim Health Plan in California, as well as with ACC to support people with sensitive claims.
- The team added Blanche Wright and Michelle Berk as advisors to their Melon Youth Mental Health initiative in the USA.

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 onboarded four new staff, including a new Chief Technology Officer and two software engineers.
- The company commenced a capital raise for at least $2 million to help drive sales growth in Australia and the development of a new candidate product.
- Weirdly closed a deal with Fisher & Paykel Healthcare.
- Weirdly closed one-off deal with Kmart on top of their existing contract, which will help fund integration with a popular applicant racking system used by many potential 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 was invited to join the Trade Delegation mission with the New Zealand Prime Minister. The meeting was eventually cancelled due to Covid-19, but the company is pleased to be on the radar for future nation-wide initiatives.
- The company responded to three major Requests for Proposals, with each deal worth over $300,000 if they are successful.
- Core Schedule won deals at major hospitals including the Prince Charles Hospital (Brisbane), Lakes District Health Board - Emergency and Junior Doctors departments, Hawkes Bay Vaccine Clinics and Sunshine Coast Hospital and Health Service.
- Core Schedule welcomed Jodie Kirkwood to the team as the new Partnerships Manager.

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 released their Journey Management feature, which is being trialled by several clients and is receiving good reviews.
- Radio integrations with the Motorola network has proved successful and Get Home Safe aims to incorporate with other models of radios in the future. This feature provides additional security to teams working in places where satellite and cellular devices don't work well.
- In May 2021, Get Home Safe set up a United Kingdom office to explore expansion into that market, with many positive discussions with prospective partners already taking place.

Company Profile

Right Team, Right Tech, Right Time:

The Quantifi Photonics Story

Some products do what's on the box. Quantifi Photonics does exactly what you think: it counts photons. That is, it measures light.

Such carry-on would normally be an arcane science - and it surely can be - but you need only consider your last Netflix binge to understand the importance of light, fired down a fibre optic cable, to our modern lives. From the roll out of Ultra-Fast Broadband, to the millions of cables that enter a datacentre, the thousands of undersea cables, the exploding use of light inside computers and for facial recognition and in satellite communications - the business of light is big.

From electrical cables to fibre optics--the data transmission industry has come a long way in the last 50 years.

A recent report estimated the New Zealand photonics market alone employs over 2,500 people in over 120 companies and generates $1.2 billion - not so far away in size from the wine industry.

And just like a wine master tastes all that wine, someone needs to test all those cables and lasers to see if they work.

Enter Quantifi Photonics.

Formerly known as Coherent Solutions, the company specialises in testing equipment for the photonics industry and just completed a $15 million Series B fundraise from a stellar cast of New Zealand venture capital firms, led by Punakaiki.

Why? What makes six of New Zealand's leading VCs so confident in Quantifi Photonics' success? The answer is that Quantifi Photonics is a company with the right team, deploying the right tech, at just the right time. Not many could see that opportunity in 2001, and we have a University of Auckland professor to thank for it.

Scotland to New Zealand, via Silicon Valley

The Quantifi Photonics story starts on opposite sides of the world. In New Zealand, University of Auckland physicist John Harvey had made a life's study of photonics and in 2001 founded a company, Southern Photonics, to sell proprietary tech to research labs. It was a niche businesss, but the photonics market was exploding.

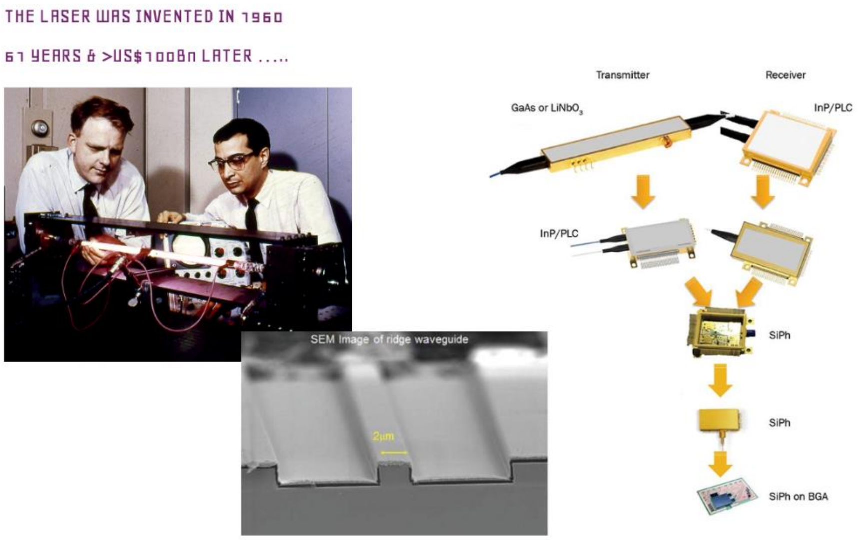

John Harvey

Twelve years later Harvey took on the role full time and searched for an operations leader to help manage the growth. But photonics specialists with PhDs in optronics don't come two-a-penny down-under. So it was somewhat of a miracle that a photonics specialist with a PhD in optronics just happened to be in town.

Andy Stevens had arrived in New Zealand in 2012, following a distinguished career, starting with a PhD in Edinburgh and followed by leadership roles in the UK and the US. The stint included working at Pilkington Optronics (now part of the Thales Group), a UK electro-optics defence contractor making helmet-mounted displays for fighter pilots and periscopes for submarines.

In the US, Andy opted for start-ups, riding the dotcom boom and bust and witnessing the fast pace of change in photonics first-hand. In a video interview with NBR, Andy relayed a character-forming experience when he was part of the team behind a gigantic, 70-inch TV screen produced by LG. The screen was proudly released at CES in Las Vegas but spectacularly overshadowed by Korean rivals Samsung which simultaneously released a 65-inch, flat-screen LCD. The first large, flat-screen of its kind, the LCD was the talk of CES and spelled the death of rear-projection TVs.

"Things went downhill very quickly after that," Andy told NBR. "LG started to invest in large-area liquid crystal displays and within 18 months, rear projection designs were abandoned."



The experience was sobering – to see such a huge investment by a large firm evaporate overnight. That said, Andy points out that the tech survived, albeit modified for another use.

Good tech is never wasted, just adapted, he says.

After a decade of riding the roller-coaster of start-ups Andy took on a role as chief technology officer for the multi-media division of an established corporate. But the spirit of adventure must be strong in this Scot – when a recruiter called with an offer from New Zealand, he was intrigued. The company behind the offer was NextWindow, the (then) Kiwi tech darling developing state-of-art optical touchscreens.

"My first reaction was, 'New Zealand, that's where all the sheep are'. I absolutely could not believe there were technology companies there. I was gobsmacked. But I liked the sound of the company and after talking to the CFO and the CTO I flew down, spent the week walking around Auckland and phoned my wife to tell her that we were moving to Auckland. And actually that was before I had the interview, so I was really pleased when they offered me the job."

Though not for long. NextWindow was sold to a Canadian competitor and Andy resigned, not seeing a future in the new entity. "So I was basically off work, which suited me. We'd just had a second baby and I was really buggered. I was offered a really good job in Australia but then I got a call from David Hirst, the chief engineer of Southern Photonics. I'd come across them before and thought they looked really interesting. So I took the gig as a kind of temporary thing. I didn't think I'd stay."

Luckily he did.

A coherent idea

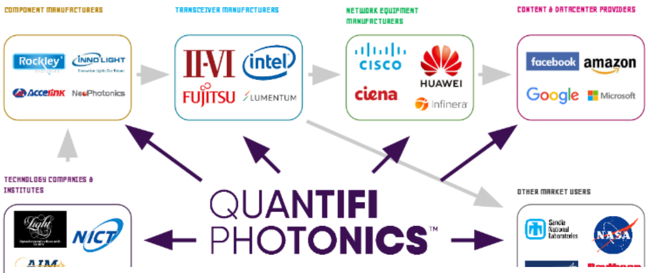
Andy's first proposal was to reduce dependence on research funding and focus on the market for test equipment. So in 2012 Coherent Solutions was formed, with Andy, John Harvey, Iannick Monfils (current Vice President of Engineering) and David Hirst in the leadership roles.

"That's the point where I became an entrepreneur because I really needed to build the business just to survive," says Andy.

The team bootstrapped the company, building products to order and hiring staff as cash would allow. It worked. By 2017 the company had achieved substantial revenue off the back of repeated business with global customers. It also attracted the attention of Punakaiki Fund which led a $3m Series-A Round along with K1W1 and the (then) NZVIF. At the time, Lance said it had the potential to be Punakaiki's largest cash investment – that is now dwarfed by the Series B commitment of $5 million.

"Coherent Solutions has impressed us by their ability to gain a foothold into this global market which is dominated by large, multinational instrumentation companies, and have a well-defined growth strategy," he said back in 2017.

The company made good on the investment. It grew to 45 staff in New Zealand and five in the US, rebranded as Quantifi Photonics ("to reflect our vision of transforming the world of photonics test and measurement") and grew its revenue and customer base.



Despite it's apparent niche, Quantifi has plenty of customers!

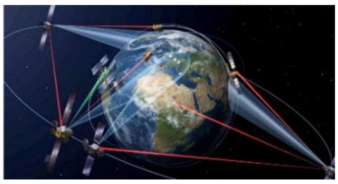
But growth brings its own headaches. Just three years later the company needed more staff, more manufacturing capacity and more bodies overseas. It needed more money.

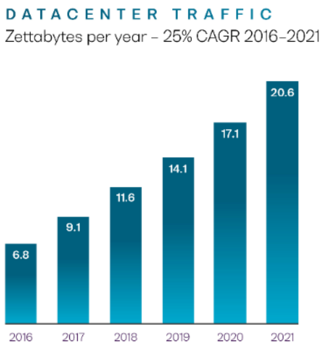
What the investors saw

When Andy and Punakaiki went to market with a Series B capital raise they were aiming for $12 million and would have settled for $10 million. "It's hard to raise money in New Zealand, and very hard to do it for a hardware company," says Lance. "So we were realistic."

In the end, the round was oversubscribed and closed at $15 million. Why the enthusiasm? What do the investors see?

The way Andy tells it, Quantifi Photonics is poised to exploit an explosion in photonics. It doesn't matter whether you look at the growth of datacentres, automotive LIDAR, facial recognition, satellite communication or the promise of optical computing – the use of lasers and light increases bandwidth, speed and accuracy. All these devices need to be tested, calibrated and monitored. And Quantifi Photonics is developing testing equipment for all parts of that ecosystem.

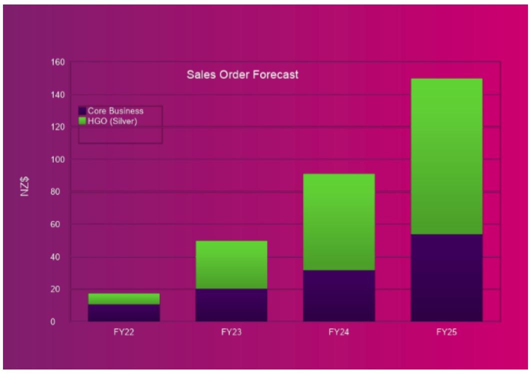




And there's an additional twist. In the course of working with one large multinational, the team found conversations turned from merely a supply relationship to a deeper partnership. Andy cannot reveal the identity of the company except to say it's large and is looking to Quantifi Photonics to effectively replace its own internal testing team. The potential partnership is a testament to Quantifi Photonics' technology but also to its capability. "You don't just rock up and say, 'hey can we form a partnership?' It's built over years of trusted delivery," says Andy.

The impact of the partnership can be seen in the green portion of projected revenue chart (below). Over the next five years, the partnership – code-named High Growth Opportunity -- would more than double the otherwise projected revenue. Andy believes that on the current growth projections Quantifi Photonics could be a $400 million business by 2030.

Either way, growth has meant finding space to house new staff and an expanded manufacturing facility which has been found just down the road in Rosedale, Albany. It will also mean expanding its US office in Austin, Texas, which currently has just five employees, but is now poised for growth, especially with a vaccinated population.



Quantifi's potential 'secret' partnership could supercharge the company's growth

The expansion is a thrill for Andy and the team and puts Quantifi Photonics in a rare club: a hardware technologist manufacturing in New Zealand. Asked if this is a sustainable option, Andy is unequivocal: “New Zealand is a very good place to manufacture. Our products are high value and require a skilled workforce. That’s why our competitors manufacture in Germany or the USA - it’s all about the people not the machinery. We have a very skilled workforce so, yes, this is a great place to manufacture.”

And it turns out it’s a great place to raise funds. When I spoke to Andy late last year he was hopeful that the shareholding could remain in New Zealanders’ hands for as long as possible. For a Scot, used to the scale and confidence of the US, that’s a vote for Kiwi.

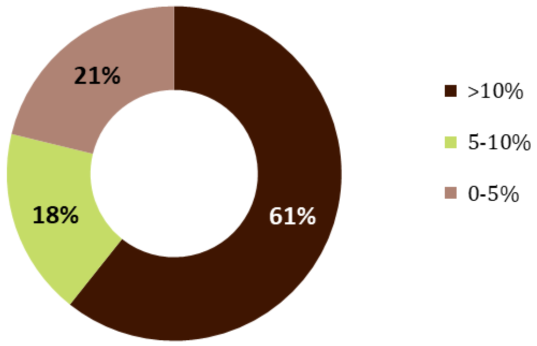
Several of the quotes for this story have been taken from a video interview with Andy by NBR. We’re grateful to NBR for permission to reproduce them. See the full story here.

Quantifi's New Zealand offices and workshop

Portfolio Valuation Splits (as at 30 June)

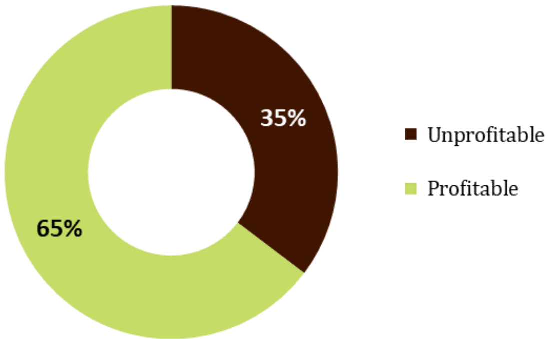
The diagrams below show various splits of the valuation of our 15 core portfolio companies including Timely and Vend.

Valuation Split By Concentration



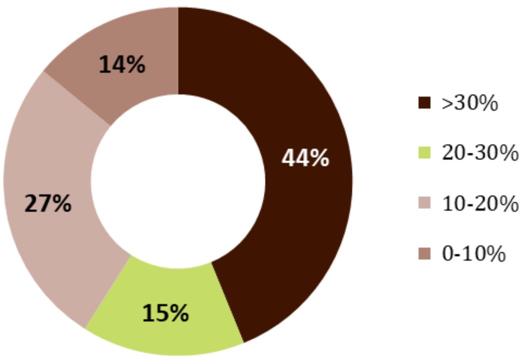
Investments in nine companies represent 79% of the value of Punakaiki Fund's portfolio.

Valuation Split By Profitability



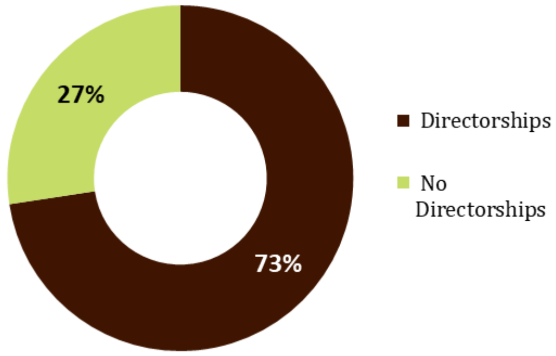
There is a good mix of profitable and unprofitable (investing for growth) companies. We are comfortable with the sustainability of the companies for now, given each's cash reserves.

Valuation Split By Ownership %



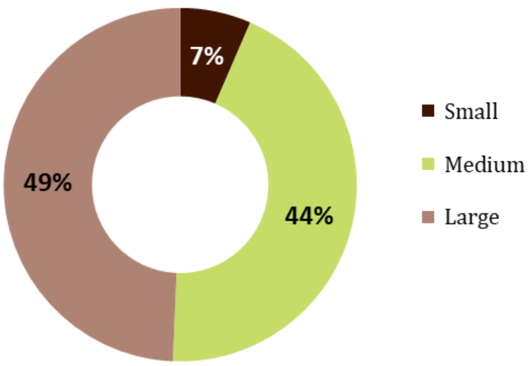
Unusually for a venture capital firm, we have large shareholdings in a number of companies – and that is where the value is increasingly concentrated.

Valuation Split By Directorship



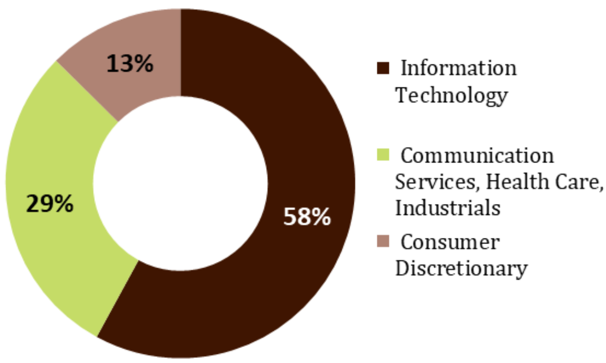
Directorships reflect that we are able to contribute where we have larger shareholdings, and thus have more visibility of and influence on company performance.

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.

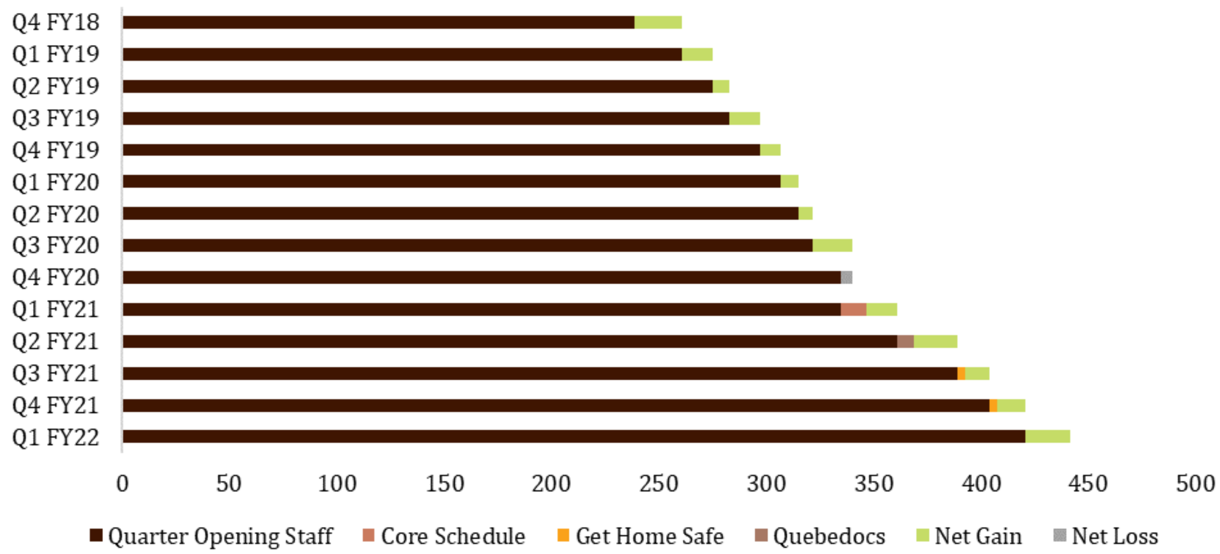
In the News

EverEdge	EverEdge private equity snaps up Auckland's Accord Precision
	EverEdge Capital Acquires NZ's Largest Precision Manufacturer
Get Home Safe	Off to set up city tech firm's London office
Melon Health	World-class Wellington: Tech sector worth billions, but could be so much more
Mindfull	Cortell Co-founder Nel Botha Joins Fusion5
	Nel Botha joins Fusion5, reuniting the Cortell NZ team
Mobi2Go	Online retail growth created 13000+ jobs in NZ during pandemic
RedSeed	How to get the most out of your sales people
Timely	Cloud software firm Timely sold for 'more than $100m'
	NZ software firm Timely snapped up by overseas buyer
	Another hot tech company sold offshore as US firm snaps up Dunedin's Timely in $100m+ deal
	Appointment software business Timely acquired by US firm
	Timely tech sale could top $100m
	Timely makes four, as overseas buyers snap up NZ tech firms
	EverCommerce to acquire Timely
	The top 50 New Zealand tech companies to work in
Vend	Four NZ tech startups that sold for billions this year
	Humility and honesty are key to leading a successful business
Weirdly	Startup Investment, April 2021

Punakaiki Fund	Hi-Tech Awards 2021: F&P Healthcare, smart-cow firm Halter among big winners
	How to finance the climate change transition
	Capital Markets report: Growing choice of venture funds
	Taking the digital economy seriously

Employment Monitor (June Quarter)

Here is a snapshot of our portfolio companies' employment situation at the end of June 2021:



That's 446 jobs as at the end of the June quarter – a net 21 more than at the end of March.

Employment figures are not included for companies that are sold or inactive (non-core portfolio companies).

Corporate Update

Governance

The Board convened on 21 July 2021 for the quarterly Board meeting to consider, among other matters:

- The value of Punakaiki Fund's investment portfolio as at 30 June 2021;
- A review of Punakaiki Fund's investment portfolio;
- The 2021 Annual Report;
- The Audit Close report presented by Ernst & Young;
- New director recruitment;
- The structure and the risks disclosure in the Product Disclosure Statement for the upcoming retail capital raising round; and
- This quarterly report.

The Board's next meeting is planned to be held on 29 October 2021.

Financial Reporting

The Investor Net Asset Value ("iNAV") of the fund after all contingent performance fees at 30 June 2021 was $67,496,397 (or $27.53 per share), an increase from the 31 March 2021 iNAV of $66,883,849. This change is mainly from a net increase in portfolio company valuations (an upward impact on both the iNAV and iNAV per Share), offset by issuing new capital (an upward impact on the iNAV and a downward impact on the 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 $72,125,822 at the end of the quarter, compared to $71,434,871 at the end of the March 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 April 2021 of $2,167,471;
- $4,999,979 was invested in Quantifi Photonics;
- $5,788,407 was received from the sale of Vend;
- A dividend of $112,903 were received from Onceit;
- $168,750 was raised from investors via a wholesale capital raising round in April and May;
- Management fees of $335,309 were paid to LWCM;
- $10,063 was paid for director fees;
- $3,266 was paid for accounting services;
- $30,188 was paid for Board recruitment services;
- $4,600 was paid for comparable company information services;
- $13,088 was paid for the external valuation of PFL's shareholding in Devoli;
- GST refunds of $9,007 were received; and
- A closing cash balance of $1,850,422 as at 30 June 2021.

Punakaiki Fund Limited - Unaudited Financial Position as at 30 June 2021	NZ$
Current Assets	
Cash on Deposit	1,850,422
Accounts Receivable	17,641
Prepayments	18,875
Non-current Assets	
Investments	72,210,000
Total Assets	**74,096,938**
Current Liabilities	
Accounts Payable	170,784
Non-current Liabilities	
Accrued Performance Fee	1,800,332
Equity	
Retained Earnings - Operations	(5,094,249)
Retained earnings - Accrued Performance Fee	(6,429,757)
Share-based Payment Reserve	4,629,425
Asset Revaluation	38,703,761
Share Capital	41,412,829
Capital Raising Costs	(1,096,186)
Total Equity and Liabilities	**74,096,938**
Accounting NAV	72,125,822
iNAV (after deduction of the performance fee)	67,496,397
iNAV per Share	$27.53

Punakaiki Fund Limited - Cash Flow Summary for the Quarter Ending 30 June 2021	NZ$
Operating Cash Flows	
Gross Interest Received	426
Bank Fees	(51)
Payments to External Advisors	(51,142)
Management Fees	(335,309)
Administration Fee	-
Other Net Expenses	(10,063)
GST Refunds	9,007
Total Operating Cash Flows	**(387,130)**
Investing Cash Flows	
Investments Made	(5,999,979)
Investments Realised	5,788,407
Dividends Received from Investments	112,903
Total Investing Cash Flows	**(98,669)**
Financing Cash Flows	
New Capital Received	168,750
Brokerage Fees	-
Dividends Paid	-
Total Financing Cash Flows	**168,750**
Total Cash Movements	**(317,049)**
Opening Cash Balance	2,167,471
Closing Cash Balance	1,850,422

Expected Cash Flows for the June 2021 Quarter

Since the June 2021 quarter-end, an interim quarterly management payment of $334,489 (including GST) has been made to LWCM, along with a $27 (including GST) final management payment for the March 2021 quarter. Administration Fees for both the June and September 2021 quarter (totalling $144,325 including GST) and Brokerage Fees (totalling $18,023 including GST) relating to the March 2021 wholesale capital raise have also been paid to LWCM. Accounting fees of $7,360 (including GST) and audit fees of $57,169 have also been paid, along with $12,938 for Board recruitment services.

$4.567 million was received from the sale of Timely shares on 8 July 2021 and a further $17,595 return of capital payment was also received from Mindfull. Investments of $0.400 million have been made into Weirdly.

$1,013 has also be received from GST refunds.

Capital Raising Plans

We are planning for a Retail offer later this year, likely in September or October.

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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