

**Information incorporated by
reference in
Product Disclosure Statement
for an offer of Ordinary Shares in
EastPack Limited**

Dated: 19 June 2020

Section 2: The EastPack Group and what it does

Substantial shareholders (relevant interests in 5% or more of a class of shares)

As at 19 June 2020, EastPack Limited had the following substantial shareholders for the purpose of Schedule 3, clause 20(1)(a) of the Financial Markets Conduct Regulations 2014:

Name of Shareholder	Nature of Interest	Class of Shares	Number of shares and % of relevant class
Trinity Lands Ltd	legal and beneficial	Ordinary Shares	7,338,366 (6.9%)

Relevant Interests in shares held by directors and senior managers

As at 19 June 2020, the following directors and senior managers of EastPack Limited (either in their own names and/or in the names of other entities) are holders of the following shares in EastPack Limited for the purpose of Schedule 3, clause 20(1)(c) of the Financial Markets Conduct Regulations 2014:

Name of Director / Senior Manager	Nature of Interest	Class of Shares	Number of shares and % of relevant class
Murray McBride	legal and beneficial	Ordinary Shares	5,050,682 (4.8%)
Mike Montgomery	legal and beneficial	Ordinary Shares	4,490,113 (4.2%)
Adrian Gault	legal and beneficial	Ordinary Shares	1,436,880 (1.4%)
Donna Smit	legal and beneficial	Ordinary Shares	415,963 (0.4%)
David Jensen	legal and beneficial	Ordinary Shares	320,738 (0.3%)
Dylan Barrett	legal and beneficial	Ordinary Shares	264,644 (0.2%)
Braden Hungerford	legal and beneficial	Ordinary Shares	182,658 (0.2%)
Mark Giles	legal and beneficial	Ordinary Shares	32,088 (0.03%)

Section 5: Key Features of Ordinary Shares

Rebates and Dividends paid by the issuer on equity securities since 1 January 2017

	Rebate per tray of fruit supplied	Total Rebate paid \$'000
Year Ended 31 December 2017	\$0.20	\$6,188
Year Ended 31 December 2018	\$0.27	\$9,776
Year Ended 31 December 2019	\$0.20	\$6,188

Note: Rebates have historically been paid to shareholders holding transactor shares in EastPack by reference to the number of trays they supply to the Group (rather than the number of Shares held). See page 30 of the PDS under the sub-heading 'Rebates and Other Distributions'.

	Dividends paid per share	Total Dividends paid \$'000
Year Ended 31 December 2017	\$0.0500	\$1,503
Year Ended 31 December 2018	\$0.0864	\$2,575
Year Ended 31 December 2019	\$0.0936	\$2,790

Note: Dividends have historically been paid to shareholders holding investor shares in EastPack.

Section 6: EastPack Group's financial information

Selected Financial Information

		FY2019 ('000)	FY2018 ('000)	FY2017 ('000)
1	Revenues	170,032	\$176,831	\$150,377
2	Earnings before interest, tax, depreciation, fair value adjustments and rebates (EBITDAFR) (Non-GAAP financial measure - see note 1)	29,645	\$33,850	\$29,899
3	Rebates paid on transactor shares (rebates are only payable in respect of transactor shares)	\$7,245	\$7,891	\$6,188
4	Net profit after taxation	\$4,749	\$9,843	\$4,884
5	Dividends on investor shares (dividends are only payable in respect of investor shares)	\$2,790	\$2,575	\$1,503
A	Total assets	\$234,146	\$217,496	\$197,069
B	Cash and cash equivalents	\$1,663	\$9,173	\$5,082
C	Total liabilities	\$148,110	\$135,070	\$126,704
D	Total debt			
	- Current	\$15,000	\$10,304	\$5,000
	- Non Current	\$70,000	\$61,092	\$62,000
	Total debt	\$85,000	\$71,396	\$67,000
E	Net cash flows from operating activities	\$16,767	\$24,877	\$19,122
	Volumes (trays packed) (See note 2)	38,006	41,048	33,400

In the above table, FYx means the EastPack Group financial year for the 12 months ended 31 December x.

If you do not understand any of the above financial information, you can seek advice from a financial adviser or accountant.

Note 1:

Earnings before interest, tax, depreciation, fair value adjustments and rebates (i.e. EBITDAFR) is a non-GAAP financial measure. This means that it is a financial measure calculated other than in accordance with generally accepted accounting principles (GAAP).

Despite being a non-GAAP financial measure EBITDAFR is a commonly utilised measure of financial performance for co-operatives. This is because it is considered to provide a better reflection of the performance of a co-operative that a GAAP financial measure such as EBITDA.

The main reason for this is the treatment of rebates. In a co-operative, rebates are (like dividends) distributions of profit to the Company's shareholders. Accordingly, the Group considers that a measure of financial performance that showed the Company's profit after deduction of rebates to Shareholders (such as EBITDA) would not correctly reflect the profit generated by the Group.

In addition, EBITDAFR excludes fair value adjustments. As these are not cash related the Company does not consider them to be part of the operating results of the Group.

For the above reasons, the Group believes that EBITDAFR is a better reflection of Company performance before distributions to shareholders, and it is the Company's key internal measure of financial performance.

The table below reconciles EBITDAFR to net profit after tax (NPAT).

	FY2019 ('000)	FY2018 ('000)	FY2017 ('000)
Earnings before interest, tax, depreciation, fair value adjustments (EBITDAF)	\$29,645	\$33,850	\$29,899
Less Depreciation	(\$16,930)	(\$15,589)	(\$13,353)
Less Interest Expense	(\$4,112)	(\$3,853)	(\$3,499)
Less Rebates Paid			(\$6,188)
Add/Less fair value adjustments	(2,132)	(924)	
Add/Less taxation	(\$1,722)	(\$3,640)	(\$1,975)
Net profit after tax (NPAT)	\$4,749	\$9,843	\$4,884

Note 2:

EastPack changed the accounting treatment of rebates from FY2018 to be deducted from revenues as required under NZIFRS15. Therefore rebates in FY2018 and FY2019 are included within EBITDAF.

Note 3:

EastPack has included information as to volumes (trays) of kiwifruit packed as it considers this information is likely to be useful to investors. This information is not derived in accordance with GAAP and has not been audited. EastPack derives the majority of its income through the trays of class 1 kiwifruit (or volume) that it packs. Kiwifruit volumes will be variable from year to year and therefore EastPack's revenues and profitability will be impacted by movements in the volumes packed.

Full Financial Statements

Full financial statements of the EastPack Group for the most recent financial year of the EastPack Group as well as the two preceding financial years are also contained in the disclose register.

Date of this entry

This disclose register entry is dated as at 19 June 2020.