

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

EastPack Limited

Dated: 29 June 2021

Section 5: Key feature of Ordinary Shares

Dividends paid by the issuer on the Ordinary Shares since 19 June 2020 are as follows:

	Dividend per Share	Total Dividend paid \$'000
Year Ended 31 December 2020		
Interim Dividend paid October 30 2020	\$0.020	\$2,034
Final Dividend paid April 14 2021	\$0.025	\$2,544

Section 6: EastPack Group's financial information

SELECTED FINANCIAL INFORMATION

	FY2020 ('000)	FY2019 ('000)	FY2018 ('000)	FY2017 ('000)	FY2016 ('000)
1 Revenues	\$189,302	\$170,032	\$184,722	\$150,377	\$160,935
2 Earnings before interest, tax, depreciation, fair value adjustments and rebates (EBITDAFR) <i>(Non-GAAP financial measure - see note 1)</i>	\$34,676	\$36,890	\$41,741	\$29,899	\$34,146
3 Rebates paid on transactor shares (rebates are only payable in respect of transactor shares)	\$0	\$0	\$7,891	\$6,188	\$9,776
4 Net profit after taxation	\$12,943	\$4,749	\$9,843	\$4,884	\$8,153
5 Dividends on investor shares (dividends were only payable in respect of investor shares prior to 19 June 2020)	\$0	\$2,790	\$2,575	\$1,503	\$2,163
6 Dividends on Ordinary shares	\$2,034				
A Total assets	\$297,722	\$234,146	\$217,496	\$197,069	\$172,152
B Cash and cash equivalents	\$5,408	\$1,663	\$9,173	\$5,082	\$2,465
C Total liabilities	\$147,043	\$148,110	\$135,070	\$126,704	\$107,461
D Total debt					
- Current	\$0	\$15,000	\$10,304	\$5,000	\$27,650
- Non Current	\$105,000	\$70,000	\$61,092	\$62,000	\$25,000
Total debt	\$105,000	\$85,000	\$71,396	\$67,000	\$52,650
E Net cash flows from operating activities	\$24,158	\$16,767	\$24,877	\$19,122	\$26,115
Volumes (trays packed) <i>(See note 2)</i>	41,418	38,006	41,048	33,400	39,504

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 (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). This is an important measure of the Group's performance that Directors use to monitor financial performance and compare to prior year performance, with the removal of rebate under the new capital structure implemented in June 2020.

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 than 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).

	FY2020 ('000)	FY2019 ('000)	FY2018 ('000)	FY2017 ('000)	FY2016 ('000)
Earnings before interest, tax, depreciation, fair value adjustments and rebates (EBITDAFR)	\$34,676	\$36,890	\$41,741	\$29,899	\$34,146
Less Depreciation	(\$17,774)	(\$16,930)	(\$15,589)	(\$13,353)	(\$10,362)
Less Interest Expense	(\$3,850)	(\$4,112)	(\$3,853)	(\$3,499)	(\$2,777)
Less Rebates Paid	\$0	(\$7,245)	(\$7,891)	(\$6,188)	(\$9,776)
Add/Less fair value adjustments	\$3,156	(\$2,132)	(924)		\$90
Add/Less taxation	(\$3,265)	(\$1,722)	(\$3,640)	(\$1,975)	(\$3,168)
Net profit after tax (NPAT)	\$12,943	\$4,749	\$9,843	\$4,884	\$8,153

Note 2:

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 online register.