

Investment Statement – Transactor Shares

This is an Investment Statement for the purposes of the Securities Act 1978 prepared as at 23 April 2012 for EastPack Limited ("EastPack"), a company incorporated under the Companies Act 1993 and the Co-operative Companies Act 1996.

The purpose of this Investment Statement is to provide certain key information that is likely to assist a prudent but non-expert person to decide whether or not to acquire Transactor Shares in EastPack and to bring to the attention of prospective investors the fact that other important information about the Transactor Shares in EastPack is available in other documents.

This Investment Statement accompanies a Prospectus dated 26th March 2012, registered under the Securities Act 1978. The Prospectus contains further details of the offer to which this Investment Statement relates. Every applicant for Transactor Shares in EastPack who does not receive a copy of this Investment Statement prior to applying for the shares may, within 10 working days of the date on which the Investment Statement is sent to it, withdraw its application by written notice to EastPack.

Important Information

(The information in this section is required under the Securities Act 1978).

Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

Choosing an investment

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below:

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In addition to the information in this document, important information can be found in the current registered prospectus for this investment. You are entitled to a copy of that prospectus on request.

The Financial Markets Authority regulates conduct in financial markets

The Financial Markets Authority regulates conduct in New Zealand's financial markets. The Financial Markets Authority's main objective is to promote and facilitate the development of fair, efficient, and transparent financial markets.

For more information about investing, go to <http://www.fma.govt.nz>

Financial advisers can help you make investment decisions

Using a financial adviser cannot prevent you from losing money, but it should be able to help you make better investment decisions.

Financial advisers are regulated by the Financial Markets Authority to varying levels, depending on the type of adviser and the nature of the services they provide. Some financial advisers are only allowed to provide advice on a limited range of products.

When seeking or receiving financial advice, you should check—

- the type of adviser you are dealing with;
- the services the adviser can provide you with;
- the products the adviser can advise you on.

A financial adviser who provides you with personalised financial adviser services may be required to give you a disclosure statement covering these and other matters. You should ask your adviser about how he or she is paid and any conflicts of interest he or she may have.

Financial advisers must have a complaints process in place and they, or the financial services provider they work for, must belong to a dispute resolution scheme if they provide services to retail clients. So if there is a dispute over an investment, you can ask someone independent to resolve it.

Most financial advisers, or the financial services provider they work for, must also be registered on the financial service providers register. You can search for information about registered financial service providers at <http://www.fspr.govt.nz>

You can also complain to the Financial Markets Authority if you have concerns about the behaviour of a financial adviser.

What sort of investment is this?

The securities being offered are Transactor Shares in EastPack. Transactor Shares are nominal value shares issued under the Co-operative Companies Act 1996. At the date of preparation of this Investment Statement, the nominal value of the Transactor Shares is \$1.00. That nominal value may be altered by an amendment to EastPack's Constitution.

Transactor Shares are issued to parties who transact with EastPack and are paid for in cash, either upon application or from cash rebates otherwise payable to the Shareholder by EastPack. Transactor Shares give the holder:

- the right to participate in any annual rebate declared by the Directors;
- The right to a vote for each paid up Transactor Share on each resolution at any meeting of shareholders. The total number of Transactor Shares on issue at any time carry 60% of the voting power of all shares on issue, notwithstanding the number of shares of any class on issue at any one time. The votes attaching to the Transactor Shares are divided proportionally with shareholding held to make up the 60% of the total voting block;
- A first right of redemption on a liquidation ahead of Investor Shares, as to repayment of the \$1.00 nominal value.

Subject to the Cooperative Companies Act 1996 and the Constitution of EastPack, Transactor Shares can be surrendered at their nominal value.

EastPack also issued a class of shares called Investor Shares which are not the subject of this offer. The Investor Shares on issue at any time carry 40% of the voting power of all shares on issue at that time.

Transactor Shares are not freely tradable as they may only be held by other Transacting Shareholders. Transactor Shares are not entitled to dividends.

Who is Involved in Providing it for me?

As at the date of this Investment Statement, the issuer of the shares is EastPack, which has its registered office at 678 Eastbank Road, (PO Box 45) Edgecumbe. There are no promoters of the offer.

The names and addresses of the directors of the issuer are as follows:

Dr Michael Stafford Ashby	14 Davita Place, Farm Cove, Manukau 2012
Grant Scott Eynon	Apartment 3B/1 Cayman Apartments, 29 Maunganui Road, Mt Maunganui
Adrian Alexander Gault	457 Tablelands Road, RD 1, Opotiki 3197
Richard Mark Hudson	2155 State Highway 30, RD 2, Whakatane 3192
Maurice George Kidd	11a Rota Place, Parnell, Auckland 1052
Murray Robert McBride	44 Roydon Downs Road, R D 9, Te Puke 3189
Michael John Montgomery	642 Reid Road, RD 7, Te Puke, 3187

The name and address of the Company may change. The names of the directors may change if directors resign, retire or are removed from office, or if new directors are appointed. The addresses of the directors may also change. The current name and address of the Company and the current names and addresses of the directors at any particular time can be obtained from the Company by visiting, writing to, or calling the Company at:

The Issuer
EastPack Limited
Tel: 07 304 8226
Fax: 07 304 8262
Address: 678 East Bank Road, Edgecumbe

or from the Registrar of Companies by viewing the public file in relation to the Company on the Companies Office website at www.companies.govt.nz.

EastPack carries on business as a fruit packing co-operative. Most of the fruit is kiwifruit and the company also operates leased kiwifruit orchards. EastPack has been carrying on these activities since it was originally formed in 1980 under the name Rangitaiki Plains Fruitpackers Limited:

How much do I pay?

The nominal value of each Transactor Share as at the date of this Investment Statement is \$1.00, which is the amount that must be paid by a subscriber.

Payment for the shares is to be made in cash upon application, or where agreed, upon call by EastPack Ltd. Cash payments upon application are to be made to Donna Smit at EastPack's registered office at 678 Eastbank Road, Edgecumbe, or to PO Box 45, Edgecumbe. Where payment is upon call, the amount of any call is at the sole discretion of the directors. EastPack is entitled to apply any cash rebates that would otherwise be payable to the holder of Transactor Shares in satisfaction of the amount unpaid on the Transactor Shares.

Details of how to apply can be found on the application form distributed with this Investment Statement.

What are the charges?

There are no charges, commission or brokerage payable by the subscriber to the Company, or to anyone associated with the Company, in respect of the offer.

What returns will I get?

The returns on Transactor Shares are traditionally paid by way of rebate. The amount of any rebate is determined by the Board, and is traditionally calculated on the number of trays of Class 1 Kiwifruit packed by the Transactor Shareholder with EastPack.

The value of Transactor Shares is fixed at \$1.00 by the Constitution of EastPack. The value of Transactor Shares may decline if the value of the Company's assets is reduced to a level at which the Transactor Shares would not be paid in full on a liquidation. The nominal value

of Transactor Shares can also be altered by special resolution of EastPack. Further information is set out below under the heading "What are my Risks?"

The amount and timing of any rebates will be determined by the success of the business operations of EastPack and no promises or guarantees are made as to those returns. EastPack can give no assurance about the level of future rebates, if any, or the level of imputation credits which might be attached to them. These levels will depend on a number of factors, including the solvency of EastPack, requirements for capital and operating conditions, as well as those factors discussed in this Investment Statement under the heading "What are my Risks?" below.

As per the Constitution for EastPack, the maximum rebate payable to Transactor Shareholders in any year is 30 cents per tray of Kiwifruit supplied.

EastPack is legally liable to pay any rebates if and when declared. EastPack does not guarantee the return of capital or the amount or timing of returns (if any) in relation to an investment arising from this offer.

Taxes may affect the return to you. In particular, rebates will be subject to tax. These comments in relation to tax are of a general nature only, and do not constitute legal or financial advice. If you are considering the purchase of shares in the offer you should consult your own financial or tax advisors concerning the tax consequences of owning shares, in light of your particular situation.

The Board of EastPack has established a share quota, which as at the date of this Investment Statement is one Transactor Share for every one tray of Class 1 Kiwifruit supplied to EastPack for processing. If any shareholder does not hold their full quota of Transactor Shares, any rebate otherwise due to that shareholder may, at the Board's discretion, be fully or partially credited against the amount outstanding in respect of those shares remaining to be purchased by that shareholder.

What are my risks?

Your principal risk is that of being unable to recoup your original investment or of not receiving the returns referred to in the preceding section. This could happen for a number of reasons, including:

- If EastPack's operational and financial performance is worse than expected, the underlying value of the Company could be reduced. In relation to Transactor Shares, it is possible that in future the nominal value could be reduced by amendment to the Constitution of EastPack by special resolution of the shareholders.
- You are unable to surrender your Transactor Shares because the Company is in financial difficulties.
- EastPack is placed in receivership or liquidation. If this occurs you may receive nothing, or less than your original investment.
- If the Directors of the Company determine that the Company will not meet the solvency test (as defined in the Companies Act 1993) after the Directors have resolved to pay a rebate, or if the Directors resolve not to pay a rebate.
- If a shareholder does not meet calls on shares.

The principal business activity of EastPack is packing and coolstoring New Zealand kiwifruit on an annual basis. It follows, therefore, that the factors and risks outlined below

may have a material impact on the Company's annual financial performance, and on the risk to your investment.

- The risk of frost, hail, disease and other climatic influences which result in reduced crop volume. In particular, the presence of *Pseudomonas Syringae* PV *Actinidae* ("Psa") could have a significant impact on crop volumes. There are many unknowns associated with Psa. EastPack has implemented a best practice policy and is constantly monitoring the situation and taking steps to minimise the impact of Psa on EastPack's business.
- The level of success or otherwise of Zespri Group Limited in the export marketing of New Zealand kiwifruit.
- The returns received from the international market for kiwifruit, which are affected by foreign exchange rates. Any movement in the New Zealand dollar may affect kiwifruit prices and therefore the Company's Profits.
- The price of packaging material.
- The price of labour, particularly packhouse labour.
- The volume of fruit supplied by Growers in any one season.
- International pricing and consumption trends for fresh fruit.
- Any change to the current legislation governing the marketing of New Zealand kiwifruit.

You will not be liable to pay any money to any person as a result of the insolvency of the Company, provided your Transactor Shares are fully paid up. If your shares are not fully paid up, you may be required to pay up the balance outstanding. All creditors of EastPack will rank ahead of shareholder claims if the Company is liquidated. After all such creditors have been paid, the remaining assets will be available for distribution amongst the shareholders. The Transactor Shareholders are first paid the nominal value of their shares, with the shareholders of Investor Shares being paid after that.

Can the investment be altered?

Rights attaching to the Transactor Shares are governed by EastPack's Constitution. That Constitution may only be altered by special resolution of shareholders, subject to the rights of interest groups under the Companies Act 1993, or in certain circumstances by court order.

Section 117 of the Companies Act 1993 restricts a company from taking any action that affects the rights attached to its shares unless that action has been approved by a special resolution of the shareholders whose rights are affected by the action. Under certain circumstances a shareholder whose rights are affected by a special resolution may require EastPack to purchase its shares.

At the date of preparation of this Investment Statement, the nominal value of Transactor Shares is \$1.00. That value is fixed by the Constitution, and can accordingly be amended by Special Resolution of the shareholders of the Company. It is therefore possible that if further Transactor Shares are required at a later date, the issue price of those new Transactor Shares may be more or less than \$1.00. The issue price of Transactor Shares cannot be changed after those Shares have been allotted to you.

How do I cash in my investment?

Transactor Shares are nominal value shares under the Co-operative Companies Act 1996. That Act contains provisions giving both EastPack and the shareholder certain rights to require or agree upon the surrender of nominal value shares. Clause 9 of the Constitution of EastPack also provides for the surrender of nominal value shares in certain circumstances. Transactor Shares can also be sold, but the Constitution of EastPack provides that they can be sold only between existing Transactor Shareholders or with the approval of the Board to a third party otherwise eligible to be a Transactor Shareholder. In the opinion of the Company, the market for such sales is limited.

Who do I contact with enquiries about my investment?

Donna Smit
Company Administrator
EastPack Limited
678 Eastbank Road
PO Box 45, Edgecumbe
Email: Donna.Smit@eastpack.co.nz
Phone: (07) 304 8226
Fax: (07) 304 8262

Is there anyone to whom I can complain if I have problems with the investment?

If you have problems with the investment complaints should be directed to Donna Smit, at the address and phone/fax numbers set out in the preceding paragraph.

There is no statutory supervisor to whom complaints about the shares can be made.

EastPack is registered as a Financial Service Provider under the Financial Service Providers Act and is a member of the dispute resolution scheme called "Financial Services Complaints Limited". Complaints about the investment can be made to Financial Services Complaints Limited at the contact details below provided you have first attempted to resolve your complaint with EastPack directly and resolution was not reached within 40 days of making the complaint, or if EastPack told you to take your complaint to Financial Services Complaints Limited.

PO Box 5967

Lambton Quay

Wellington 6145

0800 347 257

What other information can I obtain about this investment?

Other information about the Transactor Shares and about EastPack is contained in a Prospectus dated 26th March 2012

A copy of the Prospectus and other documents of or relating to EastPack, including its financial statements, may be inspected free of charge at the offices of EastPack during normal business hours. The Prospectus and the Financial Statements have also been registered on the public register at the Companies Office of the Ministry of Economic

Development and are available online for public inspection at www.companies.govt.nz. In addition, the Prospectus can be viewed online at www.eastpack.co.nz.

Each shareholder will be sent a notice of general meetings of EastPack and all notices, accounts and other documents required to be sent to shareholders under the Constitution of EastPack or the Companies Act 1993, including the annual report.

Shareholders of EastPack may also request, at any time, free of charge:

- A copy of EastPack's most recent Annual Report and Financial Statements, together with all documents that are required to be registered with those financial statements under the Financial Reporting Act 1993;
- A copy of the most recent Prospectus relating to shares in EastPack;
- A copy of the most recent Investment Statement relating to shares in EastPack.
- Shareholders in EastPack are also entitled to inspect and, subject to certain restrictions and payment of the Company's reasonable costs, to take copies of the following:
 - The Certificate of Incorporation of EastPack;
 - The Constitution of EastPack;
 - The Share Register;
 - Copies of written communications to shareholders during the preceding ten years, including Annual Reports, Financial Statements and Group Financial Statements;
 - The registered office and the address for service of EastPack;
 - Minutes of all meetings and resolutions of shareholders for the preceding 10 years;
 - Certificates given by Directors under the Companies Act 1993 for the preceding 10 years;
 - A comparison of the actual results of EastPack against any forecasts provided;
 - The Interests Register of EastPack.

Such a request should be made in writing to:

Donna Smit
Company Administrator
EastPack Limited
678 Eastbank Road
PO Box 45, Edgecumbe
Email: Donna.Smit@eastpack.co.nz
Phone: (07) 304 8226
Fax: (07) 304 8262

Glossary of Terms

The terms and phrases described in this Glossary apply to the attached Investment Statement. Any term which is not defined in this Glossary, but which is defined in the Securities Act 1978 or Securities Regulations 2009, which is used in the attached documents, carries the meaning given to it by that Act or those Regulations as the case may be.

“\$” means New Zealand dollars

“application form” means the application form attached to this Investment Statement which applicants must complete and lodge to subscribe for shares

"Board" means the Board of Directors of EastPack.

"Business Day" means any day on which trading banks are open in Auckland, but excluding Saturdays, Sundays and public holidays.

"Company" and **"EastPack"** means EastPack Limited and includes the EastPack Limited group, as the context may require.

"Directors" means the directors for the time being of EastPack.

“Investor Shares” means the class of shares provided for in the Constitution of EastPack and described in that Constitution as Investor Shares.

"Transactor Shares" means the class of shares provided for in the Constitution of EastPack and described in that Constitution as Transactor Shares.