

# DIRECTORS



**GREG  
MUIR**  
Chairman, BA, MBA

Greg was appointed Chairman in February 2004. Prior to joining Pumpkin Patch he was Chief Executive Officer of The Warehouse Group Limited, and held senior management roles with TNT Australia Pty Limited, Enerco New Zealand Limited and Lion Nathan Limited. Greg is currently chairman of Hanover Group Limited, the Blues S14 Franchise, Tourism New Zealand, Pioneer Capital Management Limited, and a director of the Auckland Rugby Union.



**MAURICE  
PRENDERGAST**  
Chief Executive Officer

Maurice has been Chief Executive Officer of Pumpkin Patch since 1993. Maurice has held executive positions in accounting, distribution and property development in both New Zealand and Australian companies. Maurice is currently a director of Comvita Limited.



**CHRISSY  
CONYNGHAM**  
Group General Manager  
Design Director

Chrissy joined Pumpkin Patch as Design Director in 1993. Chrissy leads the design team and is responsible for bringing together comprehensive ranges and product sourcing. Chrissy has over 20 years of experience in the fashion industry.



## JANE FREEMAN

Independent Non-Executive Director, BCom

Chair of the Remuneration and Nomination Committee and member of the Audit, Compliance and Risk Management Committee

Jane has held senior marketing and management positions at Telecom's e-solutions, BankDirect, Clear Communications and ASB Bank Limited. Jane is currently a director of Air New Zealand Limited, Delegats Group Limited and Skycity Entertainment Group Limited.



## DAVID JACKSON

Independent Non-Executive Director, MCom (Hons), FCA

Chair of the Audit, Compliance and Risk Management Committee and member of the Remuneration and Nomination Committee

David is currently a director of Nuplex Industries Limited, Fonterra Co Operative Group Limited and Chairman of The New Zealand Refining Company Limited, and a member of the Securities Commission. David formerly was a Senior Audit Partner and Chairman of Ernst & Young.



## SALLY SYNNOTT

Non-Executive Director  
Member of the Audit, Compliance and Risk Management Committee and the Remuneration and Nomination Committee

Sally founded Pumpkin Patch in 1990 and held an executive role within the Company until 1993. Since then Sally has undertaken specialist assignments for the Company and has been a non-executive Director.

# CORPORATE GOVERNANCE

The Board of Directors have the overall responsibility for ensuring the Company is properly managed to enhance and protect shareholders' interests. The Directors take this responsibility seriously and to this end, the Board has in place what it believes to be appropriate corporate governance policies and practices.

The Board has undertaken to regularly review the corporate governance policies to ensure the Company's responsibilities and obligations are met.

## COMMITTEES

The Board has an Audit, Compliance and Risk Management Committee and a Remuneration and Nomination Committee. The objectives, composition and responsibilities of each committee are set out in its charter. These charters are available on the Company's corporate and investor relations website [www.pumpkinpatch.biz](http://www.pumpkinpatch.biz)

### Audit, Compliance and Risk Management Committee

The Committee provides assistance to the Board in fulfilling their oversight responsibility to shareholders, potential shareholders, the investment community, and others relating to:

- the Company's financial statements and the financial reporting process
- the systems of internal accounting and financial controls
- the internal audit function
- the annual independent audit of the Company's financial statements, and
- the legal compliance and ethics programs as established by management and the Board.

The Committee comprises a minimum of three non-executive Directors, the majority of which must be independent directors. The current members of the Committee are David Jackson (Chair), Jane Freeman, and Sally Synnott.

### Remuneration and Nomination Committee

The Committee provides assistance to the Board to ensure that the Company adopts remuneration policies that:

- attract, retain and motivate high calibre executives and directors so as to encourage enhanced performance by the Company
- motivate directors and management to pursue the long-term growth and success of the Company within an appropriate control framework, and
- demonstrate a clear relationship between key executive performance and remuneration.

The committee comprises a minimum of three non-executive Directors, the majority of which must be independent directors. The current members of the Committee are Jane Freeman (Chair), David Jackson, and Sally Synnott.

### Board and Committee meetings held during the year

	Board Meetings	Audit, Compliance and Risk Management Committee	Remuneration and Nomination Committee
Chrissy Conyngham	9	-	-
Jane Freeman	8	3	1
David Jackson	9	3	1
Greg Muir	8	-	-
Maurice Prendergast	9	-	-
Sally Synnott	9	3	1
<b>Total Meetings Held</b>	<b>9</b>	<b>3</b>	<b>1</b>

## INDEPENDENT DIRECTORS

The Company considers that two of the current six Directors are independent directors, namely Jane Freeman and David Jackson. The remaining four directors are deemed not to be independent due to disqualifying relationships as defined in NZX Listing Rules; Chrissy Conyngham and Maurice Prendergast due to being executives in the Company, Greg Muir due to having recently held an executive position in the Company, and Sally Synnott due to having a beneficial interest in securities held by a substantial security holder.

The Company notes that it has a minimum of two independent Directors as required by the NZX Listing Rules.

Having reviewed the composition of the Board, the Company considers the directors hold an appropriate mix of skills, expertise, and independence.

## SHARE TRADING BY DIRECTORS AND OFFICERS

The Company has formal procedures that directors and officers are to follow when trading in Pumpkin Patch Limited shares. Directors and officers must notify and obtain the consent of the Remuneration and Nomination Committee prior to trading. All trading must be conducted within 60 days after the first trading day after the announcement of half year results or the announcement of full year results, or within 30 days after the first day after the Annual Shareholder Meeting.

A copy of this policy is available on the Company's website [www.pumpkinpatch.biz](http://www.pumpkinpatch.biz)

## CONTINUOUS DISCLOSURE POLICY

The Board has adopted a Market Disclosure Policy to provide a framework to assist the Company to meet its obligations under the NZX continuous disclosure rules. A copy of this policy is available on the Company's website [www.pumpkinpatch.biz](http://www.pumpkinpatch.biz)

In the period 1 August 2007 to 31 July 2008 the Company made the following disclosures to the market:

- 17 September 2007: release of the audited result for the full year ended 31 July 2007
- 20 February 2008: release of the unaudited result for the half year ended 31 January 2008

The Company believes it has met its obligations under the NZX continuous disclosure rules.

## NEW ZEALAND STOCK EXCHANGE WAIVERS

At the Company's Annual Shareholders Meeting held on 20 November 2007, shareholders approved the establishment of the 2008 Pumpkin Patch Partly Paid Employee Share Scheme (2008 Scheme). The NZX granted a waiver, subject to certain conditions, from the compliance with NZSX Listing Rule 7.6.6A which places time limits upon when an approved redemption of shares must occur after the resolution approving the redemption has been passed. The waiver allows the Company to redeem up to 1,300,000 shares issued to employees (including certain executive directors) under the 2008 Scheme up until the sixth anniversary of the issue of those shares under the terms of the 2008 scheme.

## EXTERNAL AUDITOR INDEPENDENCE

To ensure the independence of the Company's external auditor is maintained the Board has agreed the external auditor should not provide any services not permitted under IFAC (International Federation of Accountants) auditor independence regulations. The Audit, Compliance and Risk Management Committee review services provided by the external auditor to ensure the Company complies with this policy.

## RISK MANAGEMENT

The Company has a number of risk management policies that are designed to:

- safeguard the assets and reputation of the Company and the Pumpkin Patch brand
- protect the interests of shareholders, and
- enhance the Company's financial and operational performance.

The Board has ultimate responsibility for internal control and compliance across the Company.

The Board considers that the corporate governance principles followed by the Company do not materially differ from the NZX Corporate Governance Best Practice Code.

# GENERAL DISCLOSURES

## DIRECTORS REMUNERATION

Remuneration of the directors of the company and other benefits received, or due and receivable during the year was as follows:

	\$000
Non Executive Directors	
Jane Freeman <sup>(1)</sup>	85
David Jackson <sup>(1)</sup>	85
Sally Synnott	75

(1) Includes fees of \$10,000 for, in the case of Jane Freeman, holding the position of Chair of the Remuneration and Nomination Committee, and for David Jackson, holding the position of Chair of the Audit, Compliance and Risk Management Committee.

	Base Salary \$000	Cash Based Incentive \$000	Total \$000
Executive Directors			
Chrissy Conyngham	437	45	<b>482</b>
Greg Muir	511	40	<b>551</b>
Maurice Prendergast	526	61	<b>587</b>

Base salary is the total cost of salary and packaged benefits, which may include the provision of a motor vehicle and other benefits received in their capacity as employees. Cash based incentive is the actual incentive payments made to the Executive Director in relation to overall Company performance and relates to the financial year ended 31 July 2007. No cash based incentive payments were paid or are payable for the financial year ended 31 July 2008. Executive Directors do not receive Directors fees.

In addition to the above remuneration, Executive Directors were each issued share options during the period, the value of which were independently assessed using a binominal option pricing model at the time of granting. The number of options issued and their independently assessed values were: Chrissy Conyngham 225,000 options, \$175,950; Greg Muir 110,000 options, \$86,020; Maurice Prendergast 110,000 options, \$86,020. Refer to note 19 in the Financial Statements for full details of the option scheme.

## DIRECTORS SHAREHOLDINGS

	31 July 2008	31 July 2007
Chrissy Conyngham		
Beneficially or directly owned	812,506	1,079,416
Options to acquire ordinary shares <sup>(1)</sup>	1,055,000	830,000
Jane Freeman		
Beneficially or directly owned	-	-
David Jackson		
Beneficially owned	50,000	31,200
Greg Muir		
Beneficially owned	1,661,900	1,661,900
Options to acquire ordinary shares <sup>(1)</sup>	675,000	565,000

## DIRECTORS SHAREHOLDINGS (continued)

Maurice Prendergast		
Beneficially or jointly owned	10,540,400	10,300,000
Options to acquire ordinary shares <sup>(1)</sup>	675,000	565,000
Not beneficially owned <sup>(2)</sup>	1,341,048	1,877,405
Sally Synnott		
Beneficially or directly owned	10,006,800	9,500,000
Not beneficially owned <sup>(2)</sup>	1,341,048	1,877,405

(1) The Executive Directors hold options under the 2004, 2005, 2006 and 2007 Employee Share Option Plans (refer note 19 of the Financial Statements). The 2004 options have an exercise period of between 9 June 2007 and 9 June 2009, the 2005 options of between 9 June 2008 and 9 June 2010, the 2006 options of between 9 June 2009 and 9 June 2011 and the 2007 options of between 9 June 2010 and 9 June 2012.

(2) Maurice Prendergast and Sally Synnott are Directors of Pumpkin Patch Nominees Limited which acts as Trustee for various employee share ownership plans.

## SHARE DEALINGS BY DIRECTORS

The Board has received disclosures from the Directors named below of changes in relevant interests in the Company during the period 1 August 2007 and 31 July 2008.

Particulars of such disclosures are:

- Chrissy Conyngham disposed of direct interests in 80,000 ordinary shares on 4 October 2007 at \$3.53 per share, 130,000 ordinary shares on 20 December 2007 at \$2.48 per share, and 56,910 ordinary shares on 21 April 2008 at \$1.83 per share.
- David Jackson acquired a beneficial interest in 18,800 ordinary shares on 4 December 2007 at \$2.68 per share.
- Maurice Prendergast acquired beneficial interests in 200,000 ordinary shares on 27 November 2007 at \$2.76 per share and 40,400 ordinary shares on 21 April 2008 at \$1.81 per share.
- Sally Synnott acquired beneficial interest in 506,800 ordinary shares between 25 February 2008 and 10 March 2008 at an average of \$1.88 per share.

## DISCLOSURE OF INTERESTS BY DIRECTORS

The Directors named below have made a general disclosure of interest to the Board and entered the interest in the Company's interest register.

### Chrissy Conyngham

Beneficial and direct shareholder in: Pumpkin Patch Limited

### Jane Freeman

Director of: Air New Zealand Limited, Jane Freeman Consulting Limited

### David Jackson

Beneficial shareholder in: Pumpkin Patch Limited  
Member of: Securities Commission

### Greg Muir

Beneficial shareholder in: Pumpkin Patch Limited

### Maurice Prendergast

Director of: Espies Shopfitters Limited  
Beneficial and joint shareholder in: Pumpkin Patch Limited, Espies Shopfitters Limited

### Sally Synnott

Beneficial and direct shareholder in: Pumpkin Patch Limited, The Dickens Street Partnership

## SUBSIDIARY COMPANY DIRECTOR DISCLOSURES

In relation to Pumpkin Patch Limited's subsidiary companies, the Companies Act 1993 requires Pumpkin Patch Limited to disclose, during the year to 31 July 2008, particulars of entries in the Interests Register, the total remuneration and value of other benefits paid to subsidiary directors, the number of employees who received more than \$100,000 and donations made by the subsidiaries and amounts paid to auditors.

No wholly owned subsidiary has directors who are not employees of the Pumpkin Patch group. No employee appointed as a director of a subsidiary receives any remuneration or other benefits in his/her role as a director. The number of such employees that receive more than \$100,000 as a result of employee remuneration (and other benefits) is included in the remuneration table below. Audit fees are paid on behalf of the Group as disclosed in the financial statements, as are any donations made.

During the financial year, there were no entries in any Pumpkin Patch Limited subsidiary company Interest Register pursuant to section 140 of the Companies Act 1993.

Subsidiary Company	Country of Registration	Directors
Torquay Enterprises Limited	New Zealand	Chrissy Conyngham, Greg Muir, Maurice Prendergast, Matthew Washington
Pumpkin Patch Originals Limited	New Zealand	
Pumpkin Patch Limited	United Kingdom	
Pumpkin Patch LLC	United States	
Patch Kids Limited	New Zealand	
Pumpkin Patch Wholesale LLC	United States	
Pumpkin Patch Direct Limited	New Zealand	
Pumpkin Patch Asia Limited	New Zealand	
Urban Angel Girls Limited	New Zealand	
Pumpkin Patch (Australia) Pty Limited	Australia	
The Catalogue Studio Pty Limited	Australia	

## REMUNERATION OF EMPLOYEES

The number of employees (not including Directors) whose remuneration exceeded \$100,000 is disclosed in the following table. Remuneration may include salary, performance related bonus payments, share options, provision of a motor vehicle, and other miscellaneous employment related benefits. No bonus payments were paid or were payable for the financial year ended 31 July 2008.

\$000	2008	2007
100 - 110	12	11
110 - 120	9	9
120 - 130	7	8
130 - 140	7	3
140 - 150	2	4
150 - 160	3	4
160 - 170	4	1
170 - 180	1	3
180 - 190	2	1
190 - 200	4	-
200 - 210	1	1
210 - 220	1	1
220 - 230	-	-
230 - 240	1	1
240 - 250	-	-

\$000	2008	2007
250 - 260	-	1
260 - 270	1	1
270 - 280	-	1
280 - 290	1	-
300 - 310	-	-
310 - 320	-	2
320 - 330	1	1
330 - 340	1	1
340 - 350	1	1
370 - 380	-	-
380 - 390	1	-
410 - 420	1	2
420 - 430	1	-
510 - 520	-	1

Australian, United Kingdom, and United States remuneration has been converted into New Zealand dollars at \$0.7750, \$0.3737, and \$0.7420 respectively.