

## DIRECTORS



GREG MUIR

Chairman, BA, MBA

Greg was appointed Chairman in 2004. He is currently Managing Director of Tru-Test Ltd. Prior to joining Tru-Test he was Executive Chairman of Pumpkin Patch from 2004 to 2008, Chief Executive of The Warehouse Group and held senior roles at TNT and Lion Nathan. Greg is currently Chairman of Tourism New Zealand, Pioneer Capital and the Blues Super 14 Franchise and a Director of the Auckland Rugby Union.



MAURICE PRENDERGAST

Chief Executive Officer

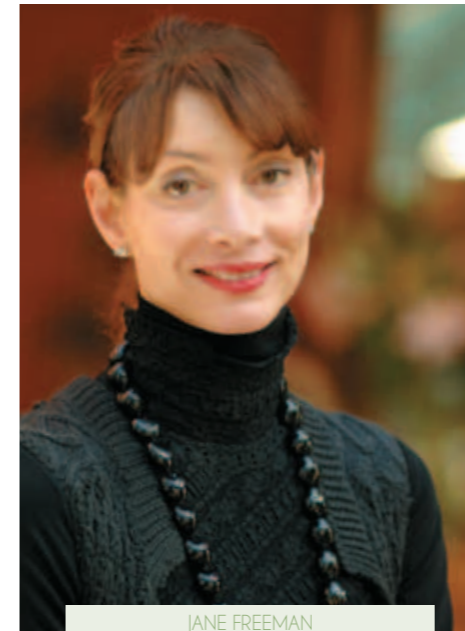
Maurice has been Chief Executive Officer of Pumpkin Patch since 1993. Maurice has held executive positions in accounting, distribution and property development in both New Zealand and Australian companies.



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 programmes 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	2	3
David Jackson	9	3	3
Greg Muir	8	-	-
Maurice Prendergast	9	-	-
Sally Synnott	8	3	3
<b>Total Meetings Held</b>	<b>9</b>	<b>3</b>	<b>3</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 are to be followed when trading in Pumpkin Patch Limited shares. Directors and selected senior officers must notify and obtain the consent of the Remuneration and Nominations Committee prior to trading. Other officers and other selected employees deemed to be restricted persons must notify and obtain the consent of the Company Secretary prior to trading. Restricted persons cannot trade shares during two blackout periods. The first blackout period commences 1 January and ends the day after the Company publicly releases its Half Year financial result. The second blackout period commences 1 July and ends the day after the Company publicly releases its Full Year financial result.

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 2008 to 31 July 2009 the Company made the following disclosures to the market:-

- 17 September 2008: release of the audited result for the full year ended 31 July 2008
- 13 October 2008: clarification of inaccurate reporting on the state of the Company's bank debt facilities
- 14 October 2008: notification of changes to the management team

- 5 November 2008: announcement of the foreign exchange cover portfolio restructuring, update on inventory reduction programme, and the related reduction in the level of bank debt

- 24 November 2008: announcement of the on market share buyback programme

- 24 February 2009: release of the unaudited result for the half year ended 31 January 2009

- 30 June 2009: update of the United States operational review

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

### 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 were as follows:

	\$'000
<b>Non Executive Directors</b>	
Jane Freeman (1)	85
David Jackson (1)	85
Greg Muir (2)	76
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 Nominations Committee, and for David Jackson, holding the position of Chair of the Audit, Compliance and Risk Management Committee.

(2) During the year Greg Muir ceased his executive position with the Company and retained the role of Chairman. Therefore for part of the year he received executive role related remuneration (\$207,168) and for part of the year he received Chairman's fees (\$75,833). While he held his executive position he did not receive any Director or Chairman's fees.

	Base Salary \$'000	Cash Based Incentive \$'000	Total \$'000
<b>Executive Directors</b>			
Chrissy Conyngham	451	-	451
Maurice Prendergast	526	-	526

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. No cash based incentive payments were paid during the financial year. Executive Directors do not receive Directors fees.

In addition to the above remuneration, Executive Directors were each issued partly paid shares under the 2008 Partly Paid Share Scheme, the value of which were independently assessed using a binominal option pricing model at the time of granting. The number of partly paid shares issued and their independently assessed values were: Chrissy Conyngham 250,000 shares, \$82,500; Maurice Prendergast 125,000 shares, \$41,250. Refer to note 19 in the Financial Statements for full details of the Partly Paid Share Scheme.



## DIRECTORS SHAREHOLDINGS

	31 July 2009	31 July 2008
<b>Chrissy Conyngham</b>		
Beneficially or directly owned	812,506	812,506
Options to acquire ordinary shares (1)	755,000	1,055,000
Partly paid shares (2)	250,000	-
<b>Jane Freeman</b>		
Beneficially or directly owned	-	-
<b>David Jackson</b>		
Beneficially owned	50,000	50,000
<b>Greg Muir</b>		
Beneficially owned	1,661,900	1,661,900
Options to acquire ordinary shares (1)	375,000	675,000
<b>Maurice Prendergast</b>		
Beneficially or jointly owned	10,830,400	10,540,400
Options to acquire ordinary shares (1)	260,000	675,000
Partly paid shares (2)	125,000	-
Not beneficially owned (3)	945,268	1,341,048
<b>Sally Synnott</b>		
Beneficially or directly owned	10,006,800	10,006,800
Not beneficially owned (3)	945,268	1,341,048

(1) The Executive Directors hold options under the 2005, 2006 and 2007 Employee Share Option Plans (refer note 19 of the Financial Statements). The 2005 options have an exercise period 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. Greg Muir was issued options under these schemes while he held an executive position with the Company.

(2) Executive Directors have been issued partly paid shares during the year (refer note 19 of the Financial Statements). The partly paid shares can be converted to ordinary shares between 23 June 2011 and 23 June 2013.

(3) 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 Director named below of changes in relevant interests in the Company during the period 1 August 2008 and 31 July 2009.

Particulars of such disclosures are:-

- Maurice Prendergast acquired beneficial interests in 290,000 ordinary shares on 28 May 2009 through the exercise of options issued under the 2004 Employee Share Option Plan.

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 and

Espies Shopfitters Limited

Sally Synnott

Beneficial and direct shareholder in: Pumpkin Patch Limited and

The Dickens Street Partnership



## 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.

## 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 2009, 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 on the following page. 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,
Pumpkin Patch Originals Limited	New Zealand	Maurice Prendergast,
Pumpkin Patch Limited	United Kingdom	Matthew Washington,
Pumpkin Patch LLC	United States	Neil Cowie
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	Chrissy Conyngham,
		Maurice Prendergast,
The Catalogue Studio Pty Limited	Australia	Matthew Washington,
		Trish Watt, Neil Cowie



## 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, provision of a motor vehicle, and other miscellaneous employment related benefits.

\$'000	2009	2008
100 - 110	10	12
110 - 120	2	9
120 - 130	7	7
130 - 140	11	7
140 - 150	8	2
150 - 160	3	3
160 - 170	2	4
170 - 180	1	1
180 - 190	2	2
190 - 200	2	4
200 - 210		1
210 - 220	2	1
230 - 240	4	1
260 - 270		1
280 - 290		1
310 - 320	1	-
320 - 330		1
330 - 340	1	1
340 - 350		1
360 - 370	2	-
380 - 390		1
410 - 420		1
420 - 430		1
450 - 460	1	1

Australian, United Kingdom, and United States remuneration has been converted into New Zealand dollars at \$0.7889, \$0.3956, and \$0.6532 respectively.

