



## **QEX Logistics de-listing the worst possible outcome for shareholders**

The NZ Shareholders' Association will vote proxies against the de-listing of QEX Logistics (QEX) in any upcoming vote of shareholders.

NZSA believes that the future of the company is best decided within the transparency provided by a public listing and the accountability provided by the NZX Listing Rules. The company has stated that it wishes to prepare itself for sale once it de-lists. Should the company de-list, NZSA believes there is an increased risk of further loss of value for shareholders.

QEX has suffered a number of adverse events over the last few months, including the theft of stock from a Shanghai warehouse, charges being laid by the Ministry of Primary Industries against subsidiary New Y and QEX Chief Executive Ronnie Xue, the resignation of all other directors and the resignation of its auditor.

The company is currently in a trading suspension as Ronnie Xue is its only remaining director, placing QEX in breach of the minimum director requirement within the NZX Listing Rules.

"We have tried, unsuccessfully, to contact QEX to understand the situation they have found themselves in and to provide more certainty for retail investors" says Oliver Mander, Chief Executive of the NZ Shareholders Association. "In that context, where it is difficult to gain any form of accountability to shareholders over a listed entity, we do not believe that there will be an enhanced opportunity for accountability if the company were to de-list."

NZSA believes the situation is unprecedented on the NZX, and welcomes the current investigations being undertaken by NZX RegCo and the release of its findings.

“The suspension imposed by NZ RegCo has protected potential investors in QEX. However, the series of events at QEX is unprecedented for a listed entity in New Zealand and may result in further learning that can better protect existing investors in future” says Mander. “NZSA will continue to engage with NZX RegCo to ensure the best possible outcome for QEX shareholders.”

QEX listed in February 2018, facilitating trading in \$2.5m of shares that had been raised over the preceding months and incorporating businesses acquired from Ronnie Xue. This was followed by a further \$2.5m placement in August 2018 and a Share Purchase Plan raising \$1.7m completed in May 2020.

Ronnie Xue continues to own approximately 70% of QEX Logistics.

## **About NZ Shareholders Association**

Since its formation in 2001, the NZSA mission is to represent, promote and protect the interests of investors in shares and other investment products. We aim to promote and encourage an active, efficient, fair and transparent market for raising capital, trading shares and other investment products.

For further information or comment, please contact Oliver Mander (CEO) on 021 190-5343 or at [ceo@nzshareholders.co.nz](mailto:ceo@nzshareholders.co.nz).