

Restricted Security Deed

QEX Logistics Limited

Jingje (Ronnie) Xue

This Deed is dated the 9th day of November 2017

PARTIES

1. **QEX LOGISTICS LIMITED**, a company incorporated in New Zealand, with its registered offices at Auckland (the **Issuer**)
2. **JINGJE (RONNIE) XUE**, director, of Auckland (the **Shareholder**)

BACKGROUND

- A The Shareholder is the registered holder of the Shares (in aggregate).
- B The Issuer has applied to NZX to list and to have its ordinary shares quoted on the NXT market.
- C The Shareholder has agreed not to sell or otherwise transfer the Shares on the terms and conditions set out in this Deed.

DEED

1 Definitions and Interpretation

- 1.1 **Definitions:** Unless the context otherwise requires the capitalised terms in this Deed shall have the meaning set out bellow:

Affiliate means in relation to any person, a person that directly or indirectly, through one or more intermediaries, owns or controls or is owned or controlled by or is under common ownership or control with the person and, in relation to a trust means any beneficiary (ascertained or discretionary) of that trust;

Business Day means a day on which the NXT Market is open for trading;

Date of Listing means the first day on which the ordinary shares of the Issuer are listed on the NXT Market;

Date of Quotation means the first day on which the ordinary shares in the Issuer are quoted on the NXT Market;

Non-Interested Directors means, in relation to any decision, directors of the Issuer who are not "interested" for the purposes of the Companies Act 1993;

NZX means NZX Limited and includes its successors and assigns and as the context permits includes any duly authorised delegate of NZX;

NXT Market means the NXT licensed financial product market operated by NZX;

Restricted Periods means the periods described in clause 2.2; and

Shares means all ordinary shares in the Issuer registered in the name of the Shareholder, as at the Date of Quotation.

2 Escrow

2.1 **Restrictions:** The Shareholder unconditionally and irrevocably undertakes to the Non-Interested Directors, the Issuer and NZX that (subject to clause 3) they will not:

2.1.1 sell, transfer, assign or otherwise dispose of, or offer or agree to sell, transfer assign or otherwise dispose of, their right and title to, and beneficial interest in, the Shares in the Restricted Periods, otherwise than by way of granting a security interest in favour of any bona fide lender to the Shareholder; or

2.1.2 do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Shares in the Restricted Periods otherwise than pursuant to enforcement of any loan and/or security interest granted to a bona fide lender to the Shareholder,

without the prior written approval of each of the Non-Interested Directors and NZX (at their respective discretions but subject to clause 3), and after giving written notice after no less than 5 Business Days (the **Escrow Restrictions**).

2.2 **Restricted Periods:** The Restricted Periods are as follows:

Time Period	Percentage of Shareholder's total shareholding subject to Escrow Restrictions
During the period from the date of quotation of the Company's securities on the NXT market ("Quotation Date") to that date being 6 months after the Quotation Date	90% of the total number of shares held
During the period commencing 6 months and one day after the Quotation Date and ending 12 months after the Quotation Date	75% of the total number of shares held
During the period commencing 12 months and one day after the Quotation Date and ending 18 months after the Quotation Date	65% of the total number of shares held

2.3 **Further Restrictions:** The right of the Shareholder to deal with the Shares is also subject to any other restrictions which may be applicable, including under the NXT Market Listing Rules, and the Financial Markets Conduct Act 2013 or any applicable share trading policy of the Issuer.

3 Escrow Exceptions

3.1 Permitted transfers: The Escrow Restrictions contemplated in clause 2 will not apply when:

3.1.1 the Shareholder transfers all or part of the Shares:

- (a) to an Affiliate; or
- (b) as a result of a change in trustees of any trust through which the Shares are held (the **New Trustee**),

provided that the Affiliate or New Trustee enters into a Restricted Security Deed with the Issuer in relation to the Shares transferred on the same terms as this Deed for the remainder of the Restricted Period; or

3.1.2 the Shareholder suffers a personal hardship, and the Non-Interested Directors unanimously resolve, but subject always to obtaining the prior approval of NZX, to release some or all of the Shareholder's Shares from the Escrow Restrictions on such terms and conditions as it thinks fit; or

3.1.3 a transfer arises directly because of the Security Interest over the shares being enforced by a bona fide lender to the Shareholder.

3.2 **Takeover:** Clause 2 of this Deed will not apply in relation to any full or partial takeover offer made under the Takeovers Code or similar scheme of arrangement, provided that any such takeover offer or similar scheme of arrangement is not made, whether directly or indirectly, by the Shareholder or any Affiliate. For clarity, if a full or partial takeover offer is made or proposed to be made during the Restricted Period, directly or indirectly by a person who is not the Shareholder or an Affiliate of it, then the Shareholder may sell, or agree, or offer to sell all or any part of the Shares to the offeror under that offer.

4 Shareholder Acknowledgement

4.1 **Acknowledgement:** The Shareholder acknowledges and agrees that its rights in connection with this Deed are subject to the NXT Market Listing Rules and the Financial Markets Conduct Act 2013 and, in addition, that the board of the Issuer:

4.1.1 may refuse to register any attempted transfer of the Shares which is not made in compliance with the terms of this Deed;

4.1.2 is obliged to notify NZX of any breach or likely breach of the terms and conditions of this Deed;

4.1.3 in consultation with NZX, must take such steps as NZX may require to enforce the provisions of this Deed or prevent or remedy a breach of it;

4.1.4 is entitled to enforce the terms of this Deed (including, without limitation, clause 2) and may seek appropriate discretionary remedies from the Courts including specific performance, injunctive relief, any other equitable relief and/or damages; and

4.1.5 may record a restriction on the share register of the Company that any transfer is subject to the provisions of this Deed.

5 Application to Additional Securities

New Shares: For the avoidance of doubt, the Escrow Restrictions shall only apply to the Shares registered in the name of the Shareholder at the Date of Quotation and will not apply to any shares of the Issuer that are otherwise subscribed for or issued to the Shareholder provided that should a consolidation or sub division of the Issuer's ordinary shares occur, the Escrow Restrictions will continue to apply to the Shares as consolidated or subdivided.

6 Voiding Events

De-listing: This Deed will be void and of no effect if the Issuer is not listed, and its ordinary shares are not quoted, on the NXT Market before 30 September 2017 or if the Issuer is de-listed by NZX.

7 General

7.1 **Contracts (Privity) Act 1982:** The provisions of this Deed are for the benefit of, and are intended to be enforceable by, any of the Non-Interested Directors, the other shareholders of the Issuer and NZX under the Contracts (Privity) Act 1982.

7.2 **Severability:** If a Court or administrative body decides that part of this Deed is illegal, void or cannot be enforced, that decision will not make the rest of this Deed invalid.

7.3 **Amendment:** Any variation to this Deed requires the written agreement of all parties to this Deed and the Issuer shall not agree to any amendment without prior written approval of NZX.

7.4 **Governing Law:** This Deed is governed by, and construed in accordance with, New Zealand law and the parties agree to submit to the jurisdiction of the New Zealand courts.

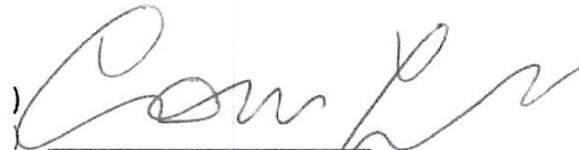
8 Counterpart Execution

Counterparts: This Deed may be executed and exchanged in any number of counterparts (including scanned email copies) each of which is to be deemed an

original, but all of which together constitutes a binding and enforceable deed between the parties.

EXECUTED AS A DEED

Signed by
QEX LOGISTICS LIMITED
in the presence of:

) 

) Director

Witness signature



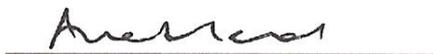
Witness name

Witness name



Witness occupation

Witness occupation



Witness town of residence

Witness town of residence

Signed by
JINGJE (RONNIE) XUE
in the presence of:

) 

) J Xue

Witness signature



Witness name

Witness name



Witness occupation

Witness occupation



Witness town of residence

Witness town of residence