



QEX Market Announcement

QEX LOGISTICS LIMITED (NXT: QEX)

NXT Market Announcement

Annual Review and Setting of Key Operating Milestones (KOMs)

24 May 2018

The Board of QEX Logistics Limited (**NXT: QEX**), in accordance with the NXT Market Rules, has completed a review of the Company's current KOMs and wishes to advise it has set the following KOM targets for the year ended March 31, 2019 (FY19) as outlined in the table below:

	FY19 Targets Contained in the QEX Listing Document	Updated FY19 Targets
Sales Turnover Target (NZ\$)	\$28,000,000	\$41,000,000
Gross Margin (NZ\$ & % of Sales Turnover Target)	\$4,200,000 (15%)	\$5,740,000 (14%)
Monthly Volume of Dairy Products Exported (tonnes)	160	182
Number of parcels cleared monthly	72,000	80,800

Gross Margin KOM

The Group has previously only shown the Gross Margin KOM as a percentage of Sales Turnover. QEX is focused on growth and the gross margin % when establishing opportunities in new markets is often initially lower than for the Group's established business. The Board is focused on maximising the gross margin % from sales turnover. However, during the Company's current significant growth phase, the Board considers it would be helpful to investors, and better aligned to the Group's strategy, to show the KOM Gross Margin target in dollar terms as well as a percentage of the Sales Turnover Target.

The FY19 Gross Margin KOM of \$5,740,000 is 14% of the Sales Turnover Target KOM. The Gross Margin of 15% contained in the Listing Document for FY 19 equated to a dollar value of \$4,200,000.

Changes to the FY19 KOM targets were signalled to the market by QEX in its March quarter update released on April 30, 2018.

Directors' Certification

The directors have certified that in the directors' opinion, QEX Logistics Limited's (QEX) key operating milestones, taken together, address the most significant factors by which the performance of QEX's group's business should be assessed and monitored and will result in understandable reporting for investors and therefore meet the NXT standard.

Future Events

Event	Date
Preliminary Unaudited Announcement for the year ended 31 March 2018	31 May 2018
Annual report due	30 June 2018
FY19 First Quarter Business Update	28 July 2018

ENDS

Authority for this announcement

Name of senior manager or director authorised to make this announcement: Ronnie XUE
Contact phone number: 021 777 911
Contact email address: ronnie.x@qexpress.co.nz
Date of release: May 24, 2018

QEX shares can be traded on the NXT Market. QEX is required to disclose information under the NXT Market Rules. Information about the NXT Market and QEX is available at www.nxt.co.nz or from the company's website at www.qex.co.nz