

Christmas Trading Hours

The USX Market will be closed on the 26th and 27th of December and 2nd and 3rd of January.

Normal market trading hours apply otherwise.

The USX team wishes you all a very Merry Christmas and a safe holiday season!

We look forward to working with you in 2022!!

Market Volatility Underscores the Value in USX Initiatives

The issuer business case for listing on USX has never been stronger. Price discovery and liquidity in particular are prized in times of high uncertainty, by both issuers and security holders.

December 2023 will be a significant milestone for USX in that it will have been operating for 20 years. Over the next 12 months we will highlight some of our history as we look back at some of our battles and reflect on the changes to our capital markets.

As a lead into that, Christmas is a good time to contemplate the future. The following are a number of prompts that we regularly discuss:

- Are the benefits of transparent price discovery still valuable to investors;
- Does the cost of our not insignificant regularity environment outweigh the benefits of being listed;
- Has the drive to build wealth management driven entrepreneurship out of the capital markets industry;
- What has happened to all the companies that raised new equity using crowd funding, and will their shareholders demand liquidity; or
- Will there be a wall of companies available for sale in the next 24 months as aging business owners try to realise the value of their businesses and can the capital markets digest the funding required.

In our newsletters over the next 12 months we will provide our thoughts on these and welcome any views should you wish to share them with us. If there are other topics that you would like us to discuss please let us know.

The USX Board and Management team wish to thank all of our issuers, brokers, supporters, and stakeholders for their ongoing support. We all expect 2023 is going to be a tricky year but we look forward to working with you as we roll out our new platform and attract some new issuers.

USX

OCT - NOV 2022 MARKET ACTIVITY

Market Capitalisation



Top Price Increases



Broker Trading Activity

Market Updates

Oct - Nov Trading Data

237 Trades
Facilitated

Shares
Traded **3.9m**

\$12.2m Worth of
Shares Traded

Last 12-Months Trading

1,233 Trades
Facilitated

Shares
Traded **25.5m**

\$65.2m Worth of
Shares Traded

Capital Raised

\$0.05m Raised in Last
2-Months

Raised in Last
12-Months **\$74.8m**

\$472.9m Raised Since
Inception

Latest Annual Reports

- New Zealand Merino Company
- Palliser Estate
- Rural Equities
- Speirs Group
- Terra Vitae Vineyards

Recent Issuer Activity

New Zealand Merino Company (NZMC) announced earnings before interest and tax of \$6.9m for the financial year ended 30 June 2022, an increase of \$0.5m on the prior year. The board determined that a dividend of 50% of after-tax profits should be paid to shareholders. The dividend was fully imputed and paid on 4 November 2022, to the amount of 41.6 cents per share. Co-founder and chief executive John Brakenridge announced he will be stepping down 1 May 2023 after 27 years in the role. The full Annual Report can be [found here](#).

Palliser Estate (PAL) reported a profitable year, with revenue up 2% and a profit (before tax) of \$285,000. Additional highlights from the latest annual report include; a sales increase of 2% from 2021, Direct sales (excluding cellar door) increased by 7%, Estate club membership rose by 26% and shareholder purchases rose by 9%. The full Annual Report can be [found here](#).

Rangatira Investments (RNG) announced an investment in New Zealand Scaffolding Group (NZSG), investing alongside all the existing founders and co-investors. Rangatira holds an approximately 28% economic interest in NZSG and Matt Olde is Rangatira's representative on the NZSG Board. More information can be [found here](#).

Rural Equities (REL) announced it has recently entered into unconditional contracts for the sale of two properties; Tatarepo, a 153-hectare dairy farm, milking 410 cows in Southland, and its 142-hectare Woodland's homestead block in South Canterbury. The sales will settle in May 2023 with net proceeds, of approximately \$10m, in line with the 30 June 2022 book values.

SeaDragon (SEA) announced it has received an offer from Shelfon Limited to acquire all of the shares in SeaDragon Limited, that it does not already own at \$0.04 per share in cash. Shareholders are encouraged to read the Disclosure Document carefully and in full when considering whether to accept the Offer. The Disclosure Document can be [found here](#).

Shopping Centre Investments (SCIL) released its Interim Consolidated Accounts to 31 August 2022 - which highlighted the company's net operating profit of \$2.39m, a decrease of \$0.29m from the prior 6 months to August 2021, mostly due to the interest rate movement on the term loan. The board confirmed a dividend of 1.25 cents per share will be paid to shareholders on 21 December 2022. The full report can be [found here](#).

Silver Fern Farms Co-Operative (SFF) confirmed a net dividend amount of 10.1 cents per share (28% imputation credit attached) with a payment date of 11 November 2022. The full announcement can be [found here](#).

Skyline Enterprises (SEL) reported positive overall performance with revenue at \$91m for the six months to 30th September 2022. The unaudited underlying EBIT for the six months to 30th September was \$26m which is 33% ahead of budget and 44% ahead of last year. The board confirmed a dividend of 20 cents per share (fully imputed) will be paid to all shareholders on 16 December 2022. The full update can be [found here](#).

Speirs Group (SGL) reported an increase in revenue of 1.1% to \$18.38m for the year ending 30 June 2022, compared to \$18.17m in the previous period. The trading profit for the year before interest was \$491,000 compared to \$317,000 for the previous period. SGL paid a dividend of 5 cents per share plus imputation credits of 1.944 cents per share on 31 October 2022. The full Annual Report can be [found here](#).

Terra Vitae Vineyards (TVV) recorded a profit before tax of \$4m with EBITDA at \$7.9m for the period year ended 30 June 2022. A fully imputed dividend of 2 cents per share has been declared, with a payment date of 9 December 2022. The full Annual Report can be [found here](#).

Zespri Group (ZGL) announced an interim dividend of 10 cents per share (80% imputed) with a payment date of 9 December 2022. The forecast range of corporate net profit after tax for the year ending 31 March 2023 is \$225m to \$235m, including license release income. The latest Kiwiflier update can be [found here](#).