



18 April 2018

Mr Simon Lill

Chairman

XPD Soccer Gear Group Limited

Level 1, Exchange Tower

530 Little Collins Street

Melbourne VIC 3000

By email

Dear Mr Lill

XPD Soccer Gear Group Limited ("XPD")

ASX Limited ("ASX") refers to:

- ASX's letters dated 24 January 2018 and 19 February 2018, copies of which were released to the market on 19 February 2018, setting out a number of remedial actions required to be undertaken by XPD in order to avoid removal from the official list of ASX on 16 March 2018.
- XPD's announcement dated 13 March 2018 stating that ASX had agreed to extend the 16 March 2018 deadline to 30 March 2018 following the appointment by XPD of Steinepreis Paganin as its legal adviser.
- XPD's announcement dated 29 March 2018 confirming that ASX would not remove XPD from the official list following its satisfactory completion of most of the remedial actions set by ASX.

While ASX has agreed not to remove XPD from the official list at this juncture, there are number of actions required to be taken by XPD before ASX will consider reinstating its securities to official quotation. These include, but are not limited to:

1. XPD ensuring that Chou Qin International Co. Ltd lodges with ASX an accurate and compliant substantial holding notice in relation to its holdings in XPD;
2. XPD bringing itself into compliance with listing rules 3.19A.2 and 3.19A.3 by lodging an Appendix 3Y and an Appendix 3Z in relation to the holdings of Mr Jiameng Zhang and Mr Shui-Chiao Chang respectively;
3. XPD appointing an independent expert, acceptable to ASX, to review and recommend changes to XPD's practices, policies, procedures and resources for complying with its listing rule obligations. XPD must announce both (a) the appointment of the expert and (b) the results of the expert's review and the steps XPD intends to implement to give effect to the expert's recommendations;
4. XPD lodging with ASX its Appendix 4E and annual report for the year ended 31 December 2017, together with an Appendix 4G and corporate governance statement (to the extent it is not included in the annual report);

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5. XPD confirming, by way of an announcement (and an online form, if applicable), whether the board intends to pay a dividend in respect of the year ended 31 December 2017 in light of the dividend policy outlined in XPD's annual general meeting presentation dated 29 May 2017. If the board does not intend to pay a dividend, it must give its reasons for this decision;
 6. XPD providing, by way of an announcement, a comprehensive operational update; and
 7. XPD holding its annual general meeting at which Mr Simon Lill, Mr Neil Sheather and Mr Tony Lu must stand for re-election in accordance with listing rule 14.4.

XPD must complete each of these actions to ASX's satisfaction by no later than 5.00pm AEST on 31 July 2018. **If XPD does not do so, ASX will remove XPD from the official list on 1 August 2018.** ASX reserves the right to remove XPD prior to 1 August 2018 should the circumstances warrant it.

If ASX agrees to reinstate XPD's securities to official quotation, XPD's continued listing will be predicated on there being no further significant breaches of the listing rules. ASX will also exercise its discretion under listing rule 4.7B to require XPD to lodge quarterly cash flow reports to supplement its continuous disclosure obligations under listing rule 3.1.

ASX asks that you ensure that all of the directors of XPD are provided with a copy of this letter, and with a translation where needed.

ASX intends to release a copy of this letter on the Market Announcements Platform and reserves the right to release a copy of any response from XPD under Listing Rule 18.7A.

If you have any queries about any of the above, please contact me immediately.

Yours sincerely,

Lux Wigneswaran

Principal Adviser, Listings Compliance (Sydney)