

1 September 2014

Lisa Banh
Adviser, Listings Compliance
ASX Compliance Pty Ltd
20 Bridge Street
Sydney NSW 2000

By email to lisa.banh@asx.com.au

Dear Lisa,

RE: ASX Query - Kingform Health Hometextile Group Limited (the 'Company')

We refer to your letter dated 1 September 2014 regarding the failure to lodge the Preliminary Final Report.

Our responses to the specific queries raised in your letter are as follows:

1. Please explain why the Preliminary Final Report was not lodged by the due date

The Preliminary Final Report was not lodged by the due date because delays in the procedures conducted by the auditor meant that the report could not be finalised and released on time. The Auditor has delegated responsibility for the field work of the Chinese operations to a local auditor which is taking longer than anticipated.

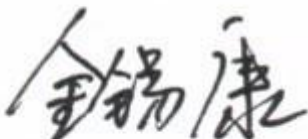
2. When does the Company expect to be able to lodge the Preliminary Final Report so that trading in its securities can resume?

The Preliminary Final Report is expected to be lodged by early October.

3. What arrangements does the Company have in place, or propose to put in place, to ensure that it will be able to comply with its reporting obligations under the Listing Rules in a timely manner in the future?

The Board wishes to assure that the delay in lodgement of its Preliminary Final Report is due to an extraordinary event in the Company's operations. Normal business operations in the foreseeable future are unlikely to affect the company's ability to comply with its reporting obligations under the Listing Rules in a timely manner. The Company believes this is a one off event and similar circumstances resulting in delays are unlikely to occur in the future.

Yours sincerely



Managing Director
Mr Xikang Jin



ASX Compliance Pty Limited
ABN 26 087 780 489
20 Bridge Street
Sydney NSW 2000
PO Box H224
Australia Square NSW 1215

Telephone 61 2 9227 0000
Facsimile 61 2 9227 0440
www.asx.com.au

1 September 2014

Ms Claire Li
Corporate Client Executive
AFS Capital Securities Ltd
Level 8, 303 Collins Street
Melbourne VIC 3000

By email:

Dear Ms Li,

Kingform Health Hometextile Group Limited ("the Company")

We note that the securities of the Company were suspended from official quotation on 1 September 2014 under Listing Rule 17.5 for failing to lodge its Preliminary Final Report under Listing Rule 4.3A by the due date.

As explained in section 4.23 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*:

Where an entity has been suspended from quotation under Listing Rule 17.5 for breaching an ASX Listing Rule, ASX will expect the entity to make an immediate announcement to the market to that effect, explaining the reason for the breach and when the entity expects to be in a position to rectify the breach so that trading in its securities can resume.

We are writing to you because you have not complied with this guidance. Accordingly, we ask that you answer each of the following questions:

1. Please explain why the Preliminary Final Report was not lodged by the due date.
2. When does the Company expect to be able to lodge the Preliminary Final Report so that trading in its securities can resume?
3. What arrangements does the Company have in place, or propose to put in place, to ensure that it will be able to comply with its reporting obligations under the Listing Rules in a timely manner in the future?

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 9.30a.m (AEST) on Tuesday, 2 September 2014.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at lisa.banh@asx.com.au . It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

ASX would remind the Company that its obligation to comply with the Listing Rules, and in particular the continuous disclosure requirements in Listing Rule 3.1, is not affected by the suspension of its securities from quotation (see Listing Rule 18.6).

Should the Company's suspension from quotation continue, ASX would also remind it of the recommendation in section 4.23 of Guidance Note 8 that it implement a system of periodic (monthly or quarterly) disclosures to ensure that the market and its security holders are provided with regular updates as to its status and, in particular, the plans it may have for trading in its securities to resume and its progress in implementing those plans. If the Company fails to make such disclosures voluntarily at least quarterly, it may be required by ASX to provide such information to ASX for release to the market.

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

Yours sincerely,

[sent electronically without signature]

Lisa Banh
Adviser, ASX Listings Compliance