

Dear Mr. Zheng,

NFM Group Limited (the “Company” or “NFM”)

Re: Periodic and Continuous Disclosure Query

NSX has been undertaking surveillance into the financial reporting of its listed entities. As part of the surveillance, key focus has been placed on material disclosure of information useful to investors and other issuers of financial reports.

NSX has identified significant material changes in the financial reports lodged by the Company from 2015 to 2017 without explanation support.

We refer to the Annual and Half-Yearly Financial Reports lodged for the period 2015 to 2017 with NSX on which we have made the below observations.

	30/09/2015	31/12/2015	30/06/2016	31/12/2016	30/06/2017	31/12/2017
Column	A*	B**	C***	D****	E*****	F*****
Revenue	\$783,947	\$4,195,261.72	\$23,866	\$5,583,646	\$25,285	TBC
Plant and equipment	\$59,465	\$573,231.25	\$45,155	\$496,012	\$16,108	TBC

A* - Consolidated Financial Statements for the financial period 9 months ended 30 Sep 2015 – Market release 05/05/2016 - [link](#)

B** - Consolidated Financial Statements for the year ended 31 December 2015 – Market release 29/07/2016 - [link](#)

C*** - 2016 Half-Yearly Preliminary Report – Market release 27/09/2016 - [link](#)

D**** - 2016 Annual Report – Market release 23/06/2017 - [link](#)

E***** - 2017 Half-Yearly Report – Market release 13/09/2017 - [link](#)

F***** - 2017 Annual forecast

1. NSX notes that the Revenue and Non-current asset of plant and equipment are substantially lower in the half-yearly reporting compared to the full year reporting. In light of this observation, please provide supporting explanation to the change for the period of 2015 to 2017 as the change from half year period to the full year period is substantial and no company announcements supported the change.
2. Please provide forecasting figures for period ended 31 December 2017 under Column F for its Revenue and Non-current asset of plant and equipment.
3. NSX notes that the Company's website (<http://www.nfmgroup.com.cn/>) is in Chinese. Please confirm that when the English version of the Company's website will be available online.

Your response should be sent to me directly no later than 4pm on 30th January 2018. Your response will be released to the market along with a copy of this letter. If you wish to discuss the content of your response, please do not hesitate to contact me as soon as possible.

Please be reminded that the Issuer must comply with Chapter 6CA of the Corporations Act and Listing Rules Section IIA 6.4, 6.5 and 6.5A under continuous disclosure.

Listing Rule 6.4

The NSX continuous disclosure rule states:

Generally, and apart from compliance with all the specific requirements, the issuer shall keep the Exchange informed without delay, for dissemination of any information relating to the group of which it is aware that:

- is necessary to enable the Exchange and the public to appraise the financial position of the issuer and the group;
- is necessary to avoid the establishment of a false market in its securities; or
- a reasonable person would expect to have a material effect on the price or value of its securities.

25 January 2018
NFM Group Limited
Attn: Mr. Bowen Zheng
Managing Director
Room 302-303, Tower B2 Golden
Tower
No. 82 Middle Road, East Fourth Ring
Chaoyang District Beijing
China 100124

Such information must be made available to the Exchange before the time at which any other public announcement of the information is made.

These provisions will be breached by an issuer who intentionally, recklessly or negligently fails to notify the Exchange of information that:

- is not generally available; and
- a reasonable person would expect, if it were generally available, to have a material effect on the price or value of its securities.

Yours sincerely

Ingrid Wei
Market Surveillance Analyst