

Dear Mr. Zheng,

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

Periodic Disclosure Query

We refer to the Half-Yearly Financial Report¹ lodged on 9 October 2018 on which NSX has made below observations.

1. Amount owing to related parties reported for the period ended 30 June 2018 is AUD\$1,994,092.
2. Trade receivables recorded for the period ended 31 December 2017 and 30 June 2018 are as follows:

	30 June 2018 (AUD)	31 December 2017 (AUD)
Neither past due nor impaired	0	2,582,018
Past due but not impaired:		
1 to 30 days	0	320,025
31 to 60 days	2,886,600	230,181
More than 60 days	326,400	18,759
Total:	3,213,000	3,150,983

3. Revenue reported for the period ended 30 June 2018 is AUD\$0 comparing to AUD\$826,655 recorded for the period ended 31 December 2017.

In relation to the above observations please respond to the below questions.

- a) Please provide a breakdown of the amount owing to related parties as at 30 June 2018, including the name of the related parties, the nature of the related party relationship and the amount associated with it.
- b) Has the Company received the AUD\$2,582,018, the amount classified as ‘Neither past due not impaired’ during 1 January 2018 to 30 June 2018?
- c) If the answer to question b) is Yes, please explain where the amount is reflected in the 2018 Half-Yearly Financial Report.
- d) If the answer to question b) is No, please explain the accounting treatment related to this amount and where and when the amount was reflected in the Company’s Financial Reports.
- e) Please advise why the trade receivables increased from AUD\$3,150,983 to AUD\$3,213,000 while the revenue is recorded as AUD\$0 during 1 January 2018 to 30 June 2018.

We would be grateful for your written response to all questions by 4pm on 5 March 2019. Your response will be released to the market along with 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. NSX would like to also reference Point 9 in Section 3 of Practice Note 21 – Suspended Securities, which states that disclosure obligations continue to apply to all listed entities even whilst suspended.

Yours sincerely

Ingrid Wei
Market Surveillance Analyst

¹ <https://www.nsx.com.au/ftp/news/021735906.PDF>