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This joint announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Qifeng.

JILIN TOP TRADING CO. LTD.*
*(Incorporated in the People's Republic of China
with limited liability)*

and
**its subsidiary JILIN FIBER CO.,
LIMITED**

(Incorporated in Hong Kong with limited liability)

吉林奇峰化纖股份有限公司
**JILIN QIFENG CHEMICAL FIBER
CO., LTD.***

*(a joint stock company incorporated in the People's
Republic of China with limited liability)
(Stock Code: 549)*

JOINT ANNOUNCEMENT MONTHLY PROGRESS UPDATE ON THE POSSIBLE VOLUNTARY GENERAL OFFER TO ACQUIRE ALL THE ISSUED H SHARES IN THE CAPITAL OF THE COMPANY

Reference is made to (i) the announcement (the “**Joint Announcement**”) dated 1 December 2016 jointly issued by Jilin Top Trading Co. Ltd., Jilin Fiber Co., Limited and Jilin Qifeng Chemical Fiber Co., Ltd. (“**Qifeng**”) in relation to, among others, the voluntary conditional offer by Somerley Capital Limited on behalf of Jilin Fiber Co., Limited for all the issued H Shares in Qifeng (other than those already held by the Offerors and parties acting in concert with them); (ii) the announcement dated 22 December 2016 jointly issued by Jilin Top Trading Co. Ltd., Jilin Fiber Co., Limited and Qifeng in relation to the delay in despatch of the Composite Document; and (iii) the announcement dated 13 January 2017 jointly issued by Jilin Top Trading Co. Ltd., Jilin Fiber Co., Limited and Qifeng in relation to the further delay in despatch of the Composite Document; (iv) the announcement dated 27 January 2017 jointly issued by Jilin Top Trading Co. Ltd., Jilin Fiber Co., Limited and Qifeng in relation to the further delay in despatch of the Composite Document (the “**3rd Delay Announcement**”); and (v) the announcement dated 27 February 2017 jointly issued by Jilin Top Trading Co. Ltd., Jilin Fiber Co., Limited and Qifeng regarding the progress of the voluntary conditional offer (the “**February Progress Update**”).

Unless otherwise stated, terms defined in the Joint Announcement and the February Progress Update shall have the same meanings when used in this announcement.

Progress Update

Qifeng would like to update its shareholders and potential investors that the preparation of its 2016 Accounts and its final results for the year ended 31 December 2016 is substantially complete, pending approval by the board of directors of Qifeng. A meeting of the directors of Qifeng will be held on 29 March 2017 to approve the 2016 Accounts and the publication of the final results of Qifeng for the year ended 31 December 2016. Such updated financial information of Qifeng will be incorporated into the Composite Document.

In addition, the valuation report to be contained in the Composite Document has been updated to comply with the requirements under the Takeovers Code in light of the delay in the despatch of the Composite Document.

Regarding the expression of Mr. Wu Song's view in the Composite Document as explained in the 3rd Delay Announcement, according to Mr. Wu Song, resolution of issues in relation to the additional time needed to review the Composite Document and approval by his employer has been progressing well and, subject to his review of the updated Composite Document, he now does not foresee any practical impediment to him expressing his view on the Proposal in the Composite Document.

Further announcement(s) setting out the progress of the said possible voluntary general offer will be made as and when necessary in accordance with the Listing Rules and the Takeovers Code and, if necessary, on a monthly basis until the despatch of the Composite Document.

The Offers are conditional upon the satisfaction of the conditions described in the Joint Announcement. Qifeng Shareholders and/or potential investors should therefore exercise caution when dealing in the shares of Qifeng.

** For identification purpose only*

By order of the board of Jilin Top Trading Co. Ltd.* Zhou Dongfu <i>Sole Director</i>	By order of the board of Jilin Fiber Co., Limited Pei Haitao <i>Sole Director</i>	By order of the Board of Jilin Qifeng Chemical Fiber Co., Ltd* Song Dewu <i>Chairman</i>
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Jilin, the PRC, 27 March 2017

The directors of the Offerors and Jilin Chemical Fiber Group jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than those relating to Qifeng, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement, other than those expressed by Qifeng, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of Qifeng jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than those relating to the Offerors, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement, other than those expressed by the Offerors, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the sole director of Top Trading is Zhou Dongfu.

As at the date of this announcement, the sole director of Jilin Fiber is Pei Haitao.

As at the date of this announcement, the directors of Jilin Chemical Fiber Group are Song Dewu, Liu Hongwei, Liu Yanguang, Liu Hong, Hao Peijun, Sun Yujing and Wang Fengli.

As at the date of this announcement, the executive directors of Qifeng are Mr. Song Dewu, Mr. Yang Xuefeng and Mr. Pan Xianfeng; the non-executive directors of Qifeng are Mr. Ma Jun, Mr. Jiang Junzhou, Ms. Pang Suet Mui and Mr. Wu Song; and the independent non-executive directors of Qifeng are Mr. Li Yanxi, Mr. Jin Jie, Mr. Lv Xiaobo and Ms. Zhu Ping.