

**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)

16 June 2017

*To the Independent H Shareholder(s)*

Dear Sirs,

**PROPOSED WITHDRAWAL OF  
LISTING OF THE H SHARES OF  
JILIN QIFENG CHEMICAL FIBER CO., LTD.\***

**VOLUNTARY CONDITIONAL OFFER  
BY SOMERLEY CAPITAL LIMITED  
ON BEHALF OF  
JILIN FIBER CO., LIMITED  
FOR ALL THE ISSUED H SHARES IN  
JILIN QIFENG CHEMICAL FIBER CO., LTD.\* (OTHER THAN THOSE ALREADY  
HELD BY JILIN FIBER CO., LIMITED AND PARTIES ACTING IN CONCERT  
WITH IT)**

**VOLUNTARY CONDITIONAL OFFER  
BY JILIN TOP TRADING CO. LTD.\*  
FOR ALL THE ISSUED DOMESTIC SHARES IN  
JILIN QIFENG CHEMICAL FIBER CO., LTD.\* (OTHER THAN THOSE ALREADY  
HELD BY JILIN TOP TRADING CO. LTD.\* AND PARTIES ACTING IN CONCERT  
WITH IT)**

**AND**

**VOLUNTARY CONDITIONAL OFFER  
BY JILIN FIBER CO., LIMITED  
FOR ALL THE ISSUED NON-H FOREIGN SHARES IN  
JILIN QIFENG CHEMICAL FIBER CO., LTD.\* (OTHER THAN THOSE ALREADY  
HELD BY JILIN FIBER CO., LIMITED AND PARTIES ACTING IN CONCERT  
WITH IT)**

*\* For identification purpose only*

## INTRODUCTION

Reference is made to (i) the announcement jointly issued by the Offerors and the Company dated 1 December 2016; (ii) the Composite Document jointly issued by the Offerors and the Company dated 3 April 2017 (the “**Composite Document**”); (iii) the announcement jointly issued by the Offerors and the Company dated 3 April 2017 in relation to the despatch of the Composite Document; (iv) the clarification announcement issued by the Company dated 10 April 2017; (v) the announcement jointly issued by the Offerors and the Company dated 19 May 2017 in relation to the poll results of the H Share Class Meeting and the EGM and the Offers being declared unconditional in all respects (the “**Poll Results Announcement**”) and (vi) the announcement issued by the Company dated 7 June 2017 in relation to the approval for the application of withdrawal of listing of the H Shares and last day of trading of the H Shares on the Hong Kong Stock Exchange.

Capitalized terms used herein have the same meanings as those defined in the Composite Document unless the context otherwise requires. Unless otherwise indicated, all references to time contained in this letter refer to Hong Kong time.

## POLL RESULTS OF THE H SHARE CLASS MEETING AND THE EGM

A published version of the Poll Results Announcement is enclosed for your reference. As disclosed in the Poll Results Announcement, the resolutions set out in the notice of the H Share Class Meeting and the notice of the EGM were duly passed at the H Share Class Meeting and the EGM respectively, by way of poll held on 19 May 2017.

## OFFERS HAVE BECOME UNCONDITIONAL IN ALL RESPECTS

As stated in the Poll Results Announcement, as all of the H Share Conditions have been fulfilled or waived, the H Share Offer has become unconditional in all respects on 19 May 2017. As the H Share Offer has become unconditional in all respects, the Domestic Share Offer and the Non-H Foreign Share Offer, which are subject to the H Share Offer becoming or being declared unconditional in all respects, have also become unconditional in all respects on 19 May 2017.

## SUBSEQUENT OFFER PERIOD

In accordance with Rule 15.3 of the Takeovers Code, where the H Share Offer becomes or is declared unconditional (whether as to acceptances or in all respects), it should remain open for acceptance for not less than 14 days thereafter. The Offerors will extend the 14-day period under Rule 15.3 of the Takeovers Code to 30 June 2017. **As such, Independent H Shareholders are further reminded that the H Share Offer will remain open for acceptance until 4:00 p.m. on Friday, 30 June 2017 (unless it is extended in accordance with the terms and conditions of the H Share Offer and the Takeovers Code).** If the H Share Offer is extended, further announcement will be made to that effect.

## **APPROVAL FOR THE APPLICATION OF WITHDRAWAL OF LISTING OF THE H SHARES AND LAST DAY OF TRADING OF THE H SHARES ON THE HONG KONG STOCK EXCHANGE**

The Company had applied to the Hong Kong Stock Exchange for the withdrawal of listing of the H Shares from the Hong Kong Stock Exchange with effect from 9:00 a.m. on Friday, 16 June 2017 (the “**Application**”). The Application has been approved by the Hong Kong Stock Exchange on 1 June 2017.

The last day of trading of the H Shares on the Hong Kong Stock Exchange was Monday, 12 June 2017. Trading in the H Shares has been suspended with effect from 9:00 a.m. on Tuesday, 13 June 2017, up to the withdrawal of listing of the H Shares from the Hong Kong Stock Exchange and the H Shares will be delisted from the Hong Kong Stock Exchange from 9:00 a.m. on Friday, 16 June 2017.

### **EXPECTED TIMETABLE**

The expected timetable for the H Share Offer set out below is indicative and any changes to the timetable will be jointly announced by the Offerors and the Company.

Withdrawal of listing of the H Shares from the Hong Kong Stock Exchange .....	9:00 a.m. on Friday, 16 June 2017
Latest time for the H Share Offer remaining open for acceptance on the Closing Date ( <i>Note 1</i> ) ....	4:00 p.m. on Friday, 30 June 2017
Closing Date .....	Friday, 30 June 2017
Announcement of the results of the H Share Offer as at the Closing Date on the website of the Hong Kong Stock Exchange .....	by 7:00 p.m. on Friday, 30 June 2017
Latest time and date for posting of remittances for the amounts due under the H Share Offer in respect of valid acceptances received at the latest time for acceptances of the H Share Offer on the Closing Date ( <i>Note 2</i> ) .....	Tuesday, 11 July 2017

#### *Notes:*

- (1) The Offerors reserve the right to extend the H Share Offer until such time and/or date as it may determine and in accordance with the Takeovers Code. The Offerors will issue an announcement, stating whether the H Share Offer has been revised or extended.
- (2) Pursuant to Rule 20.1 of the Takeovers Code, settlement in cash in respect of acceptances of the H Share Offer will be made within 7 Business Days of the later of the Unconditional Date or the date on which the H Shares are tendered for acceptance of the H Share Offer. Relevant documents of title must be received by the Registrar to render each acceptance of the H Share Offer complete and valid.

## NO RIGHT OF COMPULSORY ACQUISITION

The Offerors have no rights under the laws of the PRC and the Articles of Association of Qifeng to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the H Share Offer. Accordingly, the Independent H Shareholders are reminded that if they do not accept the H Share Offer, and the H Shares are delisted from the Hong Kong Stock Exchange, this will result in the Independent H Shareholders holding securities that are not listed on the Hong Kong Stock Exchange. In addition, Qifeng may or may not continue to be subject to the Takeovers Code after the completion of the Offers depending on whether it remains as a public company thereafter.

## IMPORTANT NOTICE TO NOMINEES

If you act as a nominee for other persons who are the beneficial shareholders of the H Shares, please inform the relevant beneficial owners of the terms of the H Share Offer and the implications of not accepting the H Share Offer as set out above.

If you have already accepted the H Share Offer, please ignore this letter.

By Order of the board of  
**Jilin Top Trading Co. Ltd.\***  
**Zhou Dongfu**  
Sole Director

By Order of the board of  
**Jilin Fiber Co., Limited**  
**Pei Haitao**  
Sole Director

By Order of the Board of  
**Jilin Qifeng Chemical Fiber Co., Ltd\***  
**Song Dewu**  
Chairman

\* For identification purpose only

*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 letter, other than those relating to Qifeng, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this letter, 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 letter, the omission of which would make any statement in this letter misleading.*

*The directors of Qifeng jointly and severally accept full responsibility for the accuracy of the information contained in this letter, 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 letter, 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 letter, the omission of which would make any statement in this letter misleading.*

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

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

*As at the date of this letter, 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 letter, 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.*