

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

**ANNOUNCEMENT
POSITIVE PROFIT ALERT**

This announcement is made by Jilin Qifeng Chemical Fiber Co., Ltd. pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provision (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders and potential investors of the Company that the Group is expected to record a significant profit for the year ended 31 December 2015.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Jilin Qifeng Chemical Fiber Co., Ltd. (the “**Company**”, together with its subsidiary, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provision (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that, after deducting the loss derived from the Group’s discontinued carbon fiber business and the loss recorded from the Group’s disposal of the carbon fiber business, the Group is expected to record a significant profit for the year ended 31 December 2015 as compared to a loss of approximately RMB72 million for the year ended 31 December 2014. The profit

was mainly attributable to the increases in the production and sales volume of the Group's acrylic fiber products and differentiated acrylic fiber products, and the increased gross profit margin of our products as a result of the decreased price of raw materials such as acrylonitrile in the PRC market during the year.

The information contained in this announcement is only a preliminary assessment by the Board based on the unaudited management accounts of the Group and the information currently available to the Company. The annual results of the Group for the year ended 31 December 2015 have not yet been finalized and the same has not been confirmed, reviewed or audited by the auditor of the Company as at the date of this announcement. It is expected that the Group's results for the year ended 31 December 2015 will be announced in March 2016 in accordance with the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Jilin Qifeng Chemical Fiber Co., Ltd.
Song Dewu
Chairman

Jilin, the PRC, 5 February 2016

* *The Company is registered as an oversea company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) under the English name "Jilin Qifeng Chemical Fiber Co., Ltd."*

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