
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular, you should consult an exchange participant or other licensed securities dealer, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Jilin Qifeng Chemical Fiber Co., Ltd., you should at once hand this circular to the purchaser or transferee or to the bank, exchange participant or other agent through whom the sale was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes 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 circular.

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)

**PROPOSED RE-ELECTION AND ELECTION OF
DIRECTORS AND SUPERVISORS**

A notice convening the annual general meeting (the "AGM") of the Company to be held at the meeting room of 6th Floor, No.516-1, Jiuzhan Street, Jilin City, Jilin Province, the PRC on Monday, 26 June 2017 is set out on pages 14 to 17 of this circular. A form of proxy for use at the AGM is also enclosed with this circular. Whether or not you intend to attend and vote at the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the H Shares registrar and transfer office of the Company in Hong Kong, Boardroom Share Registrars (HK) Limited at 31/F, 148 Electric Road, North Point, Hong Kong (in respect of H Shares), or to the Company's registered office in the PRC at Block 4, Zone D, Hengshan West Road, Jilin New and High Technology Development Zone, Jilin City, Jilin Province, the PRC (in respect of Domestic Shares and Non-H Foreign Shares) as soon as possible but in any event by not later than 24 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

* *The company is registered as a non-Hong Kong 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."*

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
Introduction	3
Proposed Re-election and Election of Directors and Supervisors	3
Annual General Meeting	12
Procedures for Demanding a Poll	12
Recommendation	13
NOTICE OF 2016 ANNUAL GENERAL MEETING	14

DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context requires otherwise.

“AGM”	the annual general meeting of the Company to be held at the meeting room of 6th Floor, No.516-1, Jiuzhan Street, Jilin City, Jilin Province, the PRC on Monday, 26 June 2017
“Articles”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Company”	吉林奇峰化纖股份有限公司 (Jilin Qifeng Chemical Fiber Co., Ltd.*), a joint stock company established in the PRC with limited liability
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in Reminbi by PRC nationals and/or PRC corporate entities
“Group”	the Company and its subsidiary
“H Share(s)”	overseas listed foreign invested ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, which are subscribed for traded in Hong Kong dollars and listed on the Stock Exchange
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC
“JCF Groupco”	吉林化纖集團有限責任公司 (Jilin Chemical Fiber Group Co., Ltd.#), a company with limited liability established in the PRC
“Latest Practicable Date”	25 April 2017, being the latest practicable date prior to printing of this circular for the purpose of ascertaining certain information in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Non-H Foreign Share(s)”	the ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in Reminbi by persons other than PRC legal or natural persons

DEFINITIONS

“Notice”	the notice of the AGM as set out on pages 14 to 17 of this circular
“PRC”	The People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the Domestic Share(s), the H Share(s) and the Non-H Foreign Share(s)
“Shareholders”	Holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company

* *The Company is registered as a non-Hong Kong 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.”*

For reference purpose only, the English names of these companies or entities are only a translation of their respective Chinese names. In the event of any discrepancies between the Chinese names and their respective English translation, the Chinese version shall prevail.

LETTER FROM THE BOARD

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)

Executive Directors:

Mr. Song Dewu (*Chairman*)
Mr. Yang Xuefeng
Mr. Pan Xianfeng

Non-executive Directors:

Mr. Jiang Junzhou
Mr. Ma Jun
Ms. Pang Suet Mui
Mr. Wu Song

Independent non-executive Directors:

Mr. Li Yanxi
Mr. Jin Jie
Mr. Lv Xiaobo
Ms. Zhu Ping

Registered office:

Block 4, Zone D, Hengshan West Road
Jilin New and High Technology
Development Zone
Jilin City, Jilin Province
The PRC

Principal place of business in Hong Kong:

Unit 1715
17/F, Concordia Plaza
No. 1 Science Museum Road
Tsimshatsui
Kowloon
Hong Kong

28 April 2017

To the Shareholders,

Dear Sir/Madam,

PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS AND SUPERVISORS

INTRODUCTION

The purpose of this circular is to provide you with information regarding the proposed re-election and election of Directors and Supervisors in order to allow you to make an informed decision on voting in respect of the resolutions to be proposed at the AGM.

PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS AND SUPERVISORS

The Board currently comprises eleven Directors including three executive Directors, four non-executive Directors and four independent non-executive Directors, while the Supervisory Committee comprises six Supervisors, including two independent Supervisors.

LETTER FROM THE BOARD

In accordance with the Articles, the term of office of the third session of the Board and Supervisory Committee will expire upon conclusion of the AGM. At the AGM, the fourth session of the Board and the Supervisory Committee will be elected. The term of office of the fourth session of the Board and the Supervisory Committee shall be for a term of three years commencing from the conclusion of the AGM.

Being eligible, the existing Directors, Mr. Song Dewu, Mr. Yang Xuefeng, Mr. Pan Xianfeng, Mr. Ma Jun, Mr. Jiang Junzhou, Ms. Pang Suet Mui, Mr. Wu Song, Mr. Li Yanxi, Ms. Zhu Ping, Mr. Jin Jie and Mr. Lv Xiaobo and the existing Supervisors Ms. Sun Yujing, Mr. Liu Ming, Mr. Cheng Jianhang and Mr. Xu Jiawei offered themselves for re-election at the AGM. Ordinary Resolutions will be proposed to re-elect these existing Directors and Supervisors at the AGM. If re-elected, the new term of office of the Directors and Supervisors will be for a period of three years, commencing from the conclusion of the AGM (i.e. on 26 June 2017).

The biographical details of the existing Directors and Supervisors offering for re-election and proposed to be elected at the AGM as required under Rule 13.51(2) of the Listing Rules are set out below to enable the Shareholders to make an informed decision on their re-election and election.

I. DIRECTORS

A. Executive Directors

1. *Song Dewu* (宋德武)

Mr. Song Dewu (宋德武), aged 45, is an executive Director and Chairman of the Board. Currently, he is also the chairman of the board of directors and the general manager of Jilin Chemical Fiber Group Co., Ltd. (“JCF Groupco”) as well as the chairman of the board of directors of Jilin Chemical Fiber Co., Ltd. (“JCFCL”) and Jimont. He has held various senior management positions in JCF Groupco and its subsidiaries since he joined JCF Groupco in July 1995. Mr. Song has over 21 years of experience in the chemical fiber industry. He graduated from Jilin Institute of Chemical Technology (吉林化工學院) in the PRC with a bachelor’s degree in chemical engineering. He also obtained a master’s degree in industrial engineering from Jilin University in the PRC and is a qualified senior engineer in the PRC.

The current service contract between Mr. Song and the Company is for a term from 30 June 2014 to the end of the term for the fourth session of the Board on 26 June 2017. Under the current service contract, for the year ended 31 December 2016, Mr. Song’s director’s fees was nil. Mr. Song and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to his re-election as a Director at the AGM. Under the new service contract, the director’s fees payable to Mr. Song, subject to the Board approval, will be nil per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of director’s fees of companies with similar scale of operations. Save as disclosed above, Mr. Song has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

2. *Yang Xuefeng* (楊雪峰)

Mr. Yang Xuefeng (楊雪峰), aged 52, is an executive Director and the General Manager of the Company. Prior to joining the Group, he had been the general manager of Jimont. Mr. Yang has 28 years experience in the chemical fiber industry. He graduated from Tianjin Institute of Textile Science and Technology in the PRC with a major in chemical fiber, he also obtained a master's degree in engineering from Jilin University and is a senior engineer in the PRC.

The current service contract between Mr. Yang and the Company is for a term of three years commencing on 30 June 2014. Under the current service contract, for the year ended 31 December 2016, Mr. Yang's director's fees was nil. Mr. Yang and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to his re-election as a Director at the AGM. Under the new service contract, the director's fees payable to Mr. Yang, subject to the Board approval, will be nil per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of director's fees of companies with similar scale of operations. Save as disclosed above, Mr. Yang has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

3. *Pan Xianfeng* (潘險峰)

Mr. Pan Xianfeng (潘險峰), aged 47, is an executive Director and the director of the finance department of the Company. Mr. Pan joined the workforce in November 1987, and has held positions as the deputy director of the finance department of Jilin Chemical Fiber Co., Ltd., deputy director of the finance department of the Company, and the director of the finance department of Jilin Jimont Acrylic Fiber Co., Ltd. Mr. Pan graduated from Jilin Agricultural College in accounting and statistics. He also obtained a postgraduate education in business administration from Jilin University in 2001 and is a qualified accountant in the PRC.

The current service contract between Mr. Pan and the Company is for a term commencing on 29 January 2015 and expiring upon the conclusion of the AGM. Under the current service contract, for the year ended 31 December 2016, Mr. Pan's director's fees was nil. Mr. Pan and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to his re-election as a Director at the AGM. Under the new service contract, the director's fees payable to Mr. Pan, subject to the Board approval, will be nil per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of director's fees of companies with similar scale of operations. Save as disclosed above, Mr. Pan has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

B. Non-Executive Directors

1. Jiang Junzhou (姜俊周)

Mr. Jiang Junzhou (姜俊周), aged 58, is a non-executive Director and a member of the audit committee of the Company. Mr. Jiang joined JCF Groupco in 1978 and has over 36 years of experience in education, imports and exports, as well as management. He graduated from Jilin City Education Institute with major in English and is a qualified economist in the PRC.

The current service contract between Mr. Jiang and the Company is for a term of three years commencing on 30 June 2014. Under the current service contract, for the year ended 31 December 2016, Mr. Jiang's director's fees was nil. Mr. Jiang and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to his re-election as a Director at the AGM. Under the new service contract, the director's fees payable to Mr. Jiang, subject to the Board approval, will be nil per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of director's fees of companies with similar scale of operations. Save as disclosed above, Mr. Jiang has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

2. Ma Jun (馬俊)

Mr. Ma Jun (馬俊), aged 51, is a non-executive Director of the Company. He had held positions as the head of electric meter factory, head of polymerisation factory, the assistant to the general manager, deputy manager and general manager of the Group since he joined the Group in March 1997. Mr. Ma graduated from Jilin Vocational Teachers College in the PRC with a bachelor's degree in relation to electronics technology. He also obtained a master's degree from Jilin University. He has over 26 years of experience in the chemical fiber industry and is a qualified senior engineer in the PRC.

The current service contract between Mr. Ma and the Company is for a term of three years commencing on 30 June 2014. Under the current service contract, for the year ended 31 December 2016, Mr. Ma's director's fees was nil. Mr. Ma and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to his re-election as a Director at the AGM. Under the new service contract, the director's fees payable to Mr. Ma, subject to the Board approval, will be nil per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of director's fees of companies with similar scale of operations. Save as disclosed above, Mr. Ma has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

3. *Pang Suet Mui* (彭雪梅)

Ms. Pang Suet Mui (彭雪梅), aged 47, is a non-executive Director. She is currently the head of fund investment and management division at Bank of China Group Investment Limited (“BOCGI”). She joined BOCGI in 1997 and has extensive experiences in banking, administration and management. Ms. Pang graduated from Peking University School of Pharmaceutical Sciences (formerly known as Beijing Medical University School of Pharmaceutical Sciences) with a bachelor’s degree. She has also obtained a master’s degree in finance from City University of Hong Kong. Ms. Pang holds the Chartered Financial Analyst designation.

The current service contract between Ms. Pang and the Company is for a term from 30 June 2014 up to the end of the term for the fourth session of the Board. Under the current service contract, for the year ended 31 December 2016, Ms. Pang’s director’s fees was approximately RMB20,000. Ms. Pang and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to her re-election as a Director at the AGM. Under the new service contract, the director’s fees payable to Ms. Pang, subject to the Board approval, will be RMB20,000 per year, which is determined by reference to, among other things, her duties, experience and expertise and the market range of director’s fees of companies with similar scale of operations. Save as disclosed above, Ms. Pang has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

4. *Wu Song* (吳松)

Mr. Wu Song (吳松), aged 45, is currently the deputy general manager of Shenzhen Taiping Investment Co., Ltd. and the director and general manager of Taiping Investment Holdings Co., Ltd.. Prior to joining Shenzhen Taiping Investment Co., Ltd.* in May 2014, Mr. Wu had worked at various departments in the central government of the PRC since July 2000. Mr. Wu graduated from Peking University with a bachelor’s degree in history in 1994, and also obtained a master’s degree and doctor’s degree in law from Peking University in 1997 and 2000, respectively.

The current service contract between Mr. Wu and the Company is for a term from 25 June 2015 and expiring upon the conclusion of the AGM. Under the current service contract, for the year ended 31 December 2016, Mr. Wu’s director’s fees was approximately RMB20,000. Mr. Wu and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to his re-election as a Director at the AGM. Under the new service contract, the director’s fees payable to Mr. Wu, subject to the Board approval, will be RMB20,000 per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of director’s fees of companies with similar scale of operations. Save as disclosed above, Mr. Sun has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

C. Independent Non-Executive Directors

1. *Lv Xiaobo* (吕晓波)

Mr. Lv Xiaobo, aged 51, is a Certified Public Accountant and Certified Public Valuer in the PRC. He joined the workforce in March 1989, and has held positions as the section member of Jilin Municipal Finance Bureau, the project manager of Jilin Municipal Accounting Firm, the project manager of Jilin Hualun Accounting Firm, and the assistant chief account of Jilin Huatai Accounting Firm Limited. Mr. Lv graduated from Jilin Municipal Party School majoring in business administration. He has over 21 years of experience in the accounting industry.

The current service contract between Mr. Lv and the Company is for a term commencing from 29 January 2015 and expiring upon conclusion of the AGM. Under the current service contract, for the year ended 31 December 2016, Mr. Lv's director's fees was approximately RMB50,000. Mr. Lv and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to his re-election as a Director at the AGM. Under the new service contract, the director's fees payable to Mr. Lv, subject to the Board approval, will be RMB50,000 per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of director's fees of companies with similar scale of operations. Save as disclosed above, Mr. Lv has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

2. *Zhu Ping* (朱平)

Ms. Zhu Ping (朱平), aged 41, is an independent non-executive Director. She currently serves as the finance manager of Shanghai Shenghang Kangcheng International Logistics Co., Ltd. She has over 14 years experience in finance and accounting. She graduated from East China Institute of Political Science and Law (now known as East China University of Political Science and Law) with a bachelor's degree in law.

The current service contract between Ms. Zhu and the Company is for a term of three years commencing from 30 June 2014 and terminating upon the conclusion of the AGM. Under the current service contract, for the year ended 31 December 2016, Ms. Zhu's director's fees was approximately RMB50,000. Ms. Zhu and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to her election as a Director at the AGM. Under the new service contract, the director's fees payable to Ms. Zhu, subject to Board approval, will be RMB50,000 per year, which is determined by reference to, among other things, her duties, experience and expertise and the market range of director's fees of companies with similar scale of operations. Save as disclosed above, Ms. Zhu has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

3. *Li Yanxi* (李延喜)

Mr. Li Yanxi (李延喜), aged 47, is an independent non-executive Director. Mr. Li currently serves as the dean and professor at the School of Economics at Dalian University of Technology. Mr. Li has over 25 years of experience in finance and accounting and is a Certified Public Accountant and a Certified Public Valuer in the PRC. Mr. Li is also currently the independent non-executive director of Liaoning Chengda Co., Ltd (遼寧成大股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600739), and Fushun Special Steel Co., Ltd (撫順特殊鋼股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600399). Mr. Li graduated from Dalian University of Technology in the PRC with a major in technology information (科技情報). He also received a doctoral degree in management science and engineering (管理科學與工程) from Dalian University of Technology.

The current service contract between Mr. Li and the Company is for a term of three years commencing on 30 June 2014. Under the current service contract, for the year ended 31 December 2016, Mr. Li's director's fees was approximately RMB50,000. Mr. Li and the Company have entered into a service contract for a term of three years commencing on the conclusion of the AGM, subject to his election as an independent non-executive Director at the AGM. Under the new service contract, the director's fees payable to Mr. Li, subject to Board approval will be RMB50,000 per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of director's fees of companies with similar scale of operations. Save as disclosed above, Mr. Li has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

4. *Jin Jie* (金杰)

Mr. Jin Jie (金杰), aged 54, is an independent non-executive Director. Mr. Jin currently serves as the deputy chief engineer at China Northeast Petroleum Refinery Engineering Company Jilin Petrochemical Engineering Co., Ltd*. Mr. Jin has over 33 years of experience in the chemical industry. He graduated from the Jilin Institute of Chemical Technology with a bachelor degree in chemical engineering and is a senior engineer in the PRC.

The current service contract between Mr. Jin and the Company is for a term of three years commencing on 30 June 2014. Under the current service contract, for the year ended 31 December 2016, Mr. Jin's director's fees was approximately RMB50,000. Mr. Jin and the Company have entered into a service contract for a term of three years commencing on the conclusion of the AGM, subject to his election as an independent non-executive Director at the AGM. Under the service contract, the director's fees payable to Mr. Jin, subject to Board approval will be RMB50,000 per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of director's fees of companies with similar scale of operations. Save as disclosed above, Mr. Jin has no information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

II. SUPERVISORS

A. Supervisors that represent Shareholders

1. Sun Yujing (孫玉晶)

Ms. Sun Yujing, aged 51, is a supervisor of the Company (“Supervisor”). She is currently the chief accountant and director of the finance department of JCF Groupco. Since she joined JCF Groupco in 1990, she had served as an auditor and the deputy head of the audit department, deputy head and head of the audit and supervisory department. Ms. Sun has over 23 years of experience in audit and supervisory services. She graduated from Changchun Taxation Institute with a major in accounting and is a qualified accountant in the PRC.

The current service contract between Ms. Sun and the Company is for a term of three years commencing on 30 June 2014. Under the current service contract, for the year ended 31 December 2016, Ms. Sun’s supervisor’s fees was nil. Ms. Sun and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to her re-election as a Supervisor at the AGM. Under the new service contract, the supervisor’s fees payable to Ms. Sun, subject to the Board approval, will be nil per year, which is determined by reference to, among other things, her duties, experience and expertise and the market range of supervisor’s fees of companies with similar scale of operations. Save as disclosed above, Ms. Sun has no other information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

2. Xu Jiawei (徐佳威)

Mr. Xu Jiawei (徐佳威), aged 41, a Supervisor, joined Jilin Chemical Fiber Group Co., Ltd. (吉林化纖集團有限責任公司) in 1996. Mr Xu has over 21 years of experience in the chemical industry. His previous work experiences include being a technician of Jilin Chemical Fiber Group Industrial Development Co., Ltd* (吉林化纖集團實業發展公司), deputy director of the general office (綜合處) of Jilin Qifeng Chemical Fiber Group Co., Ltd. (吉林奇峰化纖股份有限公司), director of the security department of Jilin Qifeng Chemical Fiber Group Co., Ltd., and office manager (辦公室主任) of Jilin Chemical Fiber Co., Ltd. In 2004, Mr Xu studied at a professional program at the Party School of the Central Committee of CPC (中共中央黨校) majoring in economics and management (經濟管理). Mr Xu. is a senior political personnel (高級政工師) in the PRC.

The current service contract between Mr. Xu and the Company is for a term of three years commencing on 30 June 2014. Under the current service contract, for the year ended 31 December 2016, Mr. Xu’s supervisor’s fees was nil. Mr. Xu and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to his election as a Supervisor at the AGM. Under the new service contract, the supervisor’s fees payable to Mr. Xu, subject to the Board approval, will be nil per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of supervisor’s fees of companies with similar scale of operations. Save as disclosed above, Mr. Xu has no other information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

B. Independent Supervisors

1. Liu Ming (劉明)

Liu Ming (劉明), aged 45, is a Supervisor. Mr. Liu is a certified public accountant in the PRC and is a founder and project manager of Jilin Hualun Accounting Firm. Mr. Liu received a bachelor's degree from Changchun Institute of Taxation (now known as Jilin University of Finance and Economics).

The current service contract between Mr. Liu and the Company is for a term of three years commencing on 30 June 2014. Under the current service contract, for the year ended 31 December 2016, Mr. Liu's supervisor's fees was approximately RMB20,000. Mr. Liu and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to his re-election as a Supervisor at the AGM. Under the new service contract, the supervisor's fees payable to Mr. Liu, subject to the Board approval, will be RMB20,000 per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of supervisor's fees of companies with similar scale of operations. Save as disclosed above, Mr. Liu has no other information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

2. Cheng Jianhang (程建航)

Cheng Jianhang (程建航), aged 46, is a Supervisor. Mr. Cheng is qualified lawyer in the PRC and he is currently practicing law at Jilin Jiuxin Law Firm. Mr. Cheng received a bachelor's degree in law from Jilin University and a master's degree in commercial law from China University of Political Science and Law.

The current service contract between Mr. Cheng and the Company is for a term of three years commencing on 30 June 2014. Under the current service contract, for the year ended 31 December 2016, Mr. Cheng's supervisor's fees was nil. Mr. Cheng and the Company have entered into a new service contract for a term of three years, commencing on the conclusion of the AGM, subject to his re-election as a Supervisor at the AGM. Under the new service contract, the supervisor's fees payable to Mr. Cheng, subject to the Board approval, will be nil per year, which is determined by reference to, among other things, his duties, experience and expertise and the market range of supervisor's fees of companies with similar scale of operations. Save as disclosed above, Mr. Cheng has no other information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Save as disclosed above, each of the above Directors and Supervisors to be re-elected or elected at the AGM does not hold any directorship in other public listed companies in Hong Kong in the past three years.

Save as disclosed above, each of the above Directors and Supervisors to be re-elected or elected at the AGM does not have any relationship with any other Directors, Supervisors, senior management or substantial shareholders or controlling shareholder of the Company. As at the Latest Practicable Date, each of them does not have any interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

A notice convening the AGM to be held at the meeting room of 6th Floor, No.516-1, Jiuzhan Street, Jilin City, Jilin Province, the PRC on Monday, 26 June 2017 is set out on pages 14 to 17 of this circular at which ordinary resolutions will be proposed for the Shareholders to consider, and, if thought fit, to approve the proposed re-election and election of Directors and Supervisors.

The holders of H shares (“H Shares”) of the Company should note that the register of members of the Company will be closed from Saturday, 27 May 2017 to Monday, 26 June 2017 (both days inclusive), during which period no transfer of H Shares can be registered.

A form of proxy for use at the AGM is also enclosed with this circular. Whether or not you intend to attend and vote at the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the H Shares registrar and transfer office of the Company in Hong Kong, Boardroom Share Registrars (HK) Limited at 31/F, 148 Electric Road, North Point, Hong Kong (in respect of H Shares), or to the Company’s registered office in the PRC at Block 4, Zone D, Hengshan West Road, Jilin New and High Technology Development Zone, Jilin City, Jilin Province, the PRC (in respect of Domestic Shares and Non-H Foreign Shares) as soon as possible but in any event by not later than 24 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

PROCEDURES FOR DEMANDING A POLL

According to the Articles, at any general meeting of the Shareholders, a resolution shall be decided on a show of hands unless a poll is demanded by any of the following persons before (or after) any vote by a show of hands:

- (a) the chairman of the meeting;
- (b) at least two Shareholders entitled to vote present in person or by proxy at the meeting; or
- (c) one or more Shareholder(s) present in person or by proxy and representing 10% or more of all Shares carrying the right to vote at the meeting singly or in aggregate.

In accordance with Rule 13.39(4) of the Listing Rules, all resolutions set out herein will be decided by poll at the AGM and chairman of the AGM will demand a poll for every resolution put to vote at the AGM.

LETTER FROM THE BOARD

RECOMMENDATION

The Board believes that the re-election of the existing Directors, Mr. Song Dewu, Mr. Yang Xuefeng, Mr. Pan Xianfeng, Mr. Ma Jun, Mr. Jiang Junzhou, Ms. Pang Suet Mui, Mr. Wu Song, Mr. Lv Xiaobo, Ms. Zhu Ping and Mr. Li Yanxi and Mr. Jin Jie as Directors, and the re-election of the existing Supervisors Ms. Sun Yujing, Mr. Liu Ming, Mr. Cheng Jianhang and Mr. Xu Jiawei as Supervisors, are in the interests of the Company as well as its Shareholders as a whole. Accordingly, the Board recommends that all Shareholders to vote in favour of the relevant resolutions at the AGM as set out in the notice of the AGM.

Yours faithfully,
For and on behalf of the Board of
Jilin Qifeng Chemical Fiber Co., Ltd.*
Song Dewu
Chairman

* *The company is registered as a non-Hong Kong 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."*

NOTICE OF 2016 ANNUAL GENERAL MEETING

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)

NOTICE OF 2016 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) for the year 2016 of Jilin Qifeng Chemical Fiber Co. Ltd. (the “**Company**”) will be held at the meeting room of 6th Floor, No. 516-1, Jiuzhan Street, Jilin City, Jilin Province, the People's Republic of China (the “**PRC**”) on Monday, 26 June 2017 to consider and, if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTIONS

1. To receive, consider and approve the report of the board (the “**Board**”) of directors (“**Directors**”) of the Company for the year ended 31 December 2016;
2. To receive, consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2016;
3. To receive, consider and approve the audited consolidated financial statements of the Group and the audited financial statements of the Company for the year ended 31 December 2016;
4.
 - a) To re-elect the retiring Director, Mr. Song Dewu,
 - b) to re-elect the retiring Director, Mr. Yang Xuefeng,
 - c) to re-elect the retiring Director, Mr. Pan Xianfeng,
 - d) to re-elect the retiring Director, Mr. Ma Jun,
 - e) to re-elect the retiring Director, Mr. Jiang Junzhou,
 - f) to re-elect the retiring Director, Ms. Pang Suet Mui,
 - g) to re-elect the retiring Director Mr. Wu Song,
 - h) to re-elect the retiring Director, Mr. Lv Xiaobo,
 - i) to re-elect the retiring Director, Ms. Zhu Ping,
 - j) to re-elect the retiring Director, Mr. Li Yanxi,
 - k) to re-elect the retiring Director, Mr. Jin Jie, and

NOTICE OF 2016 ANNUAL GENERAL MEETING

- l) to authorise the Board to fix the remuneration of the Directors.
5.
 - a) To re-elect the retiring supervisor of the Company (“**Supervisor(s)**”), Ms. Sun Yujing,
 - b) to re-elect the retiring Supervisor, Mr. Liu Ming,
 - c) to re-elect the retiring Supervisor, Mr. Cheng Jianhang,
 - d) to re-elect the retiring Supervisor, Mr. Xu Jiawei, and
 - e) to authorise the Board to fix the remuneration of the Supervisors;
6.
 - a) To consider and approve the re-appointment of Moore Stephens CPA Limited and Da Hua Certified Public Accountants (大華會計師事務所) as the Hong Kong and PRC auditors for the year ending 31 December 2017, respectively, and
 - b) to authorise the Board to fix the remuneration of the auditors;
7. To consider and approve the financial budget of the Company for the year ending 31 December 2017.

BOOK CLOSURE PERIOD

As the AGM will be convened on 30 June 2017, in accordance with the articles of association of the Company, the book closure period will be from 27 May 2017 to 26 June 2017, both days inclusive, during which period no transfer of shares will be effected for the purpose of determining the members of the Company who are entitled to attend and vote at the AGM. Persons whose names appear on the register of members of the Company by close of business on 26 May 2017 will be entitled to attend and vote at the AGM. In order to qualify to attend the AGM, all share certificates accompanied by the duly completed transfer forms must be lodged with the Company’s H share registrar, Boardroom Share Registrars (HK) Limited at 31/F, 148 Electric Road, North Point, Hong Kong not later than 4:30 p.m. on 26 May 2017.

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

Jilin City, Jilin Province, 28 April 2017

Notes:

1. Shareholders of the Company whose names appear on the H Shares register of members of the Company at the close of business on Friday, 26 May 2017 are entitled to attend and vote at the AGM or any adjourned meetings.

NOTICE OF 2016 ANNUAL GENERAL MEETING

2. Holders of H Shares who has the right to attend and vote at the AGM are entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company. Completion and return of the proxy form of the AGM will not preclude a shareholder from attending the AGM. For those shareholders who appoint more than one proxy, such proxies can only exercise their rights by way of polls.
3. A voting proxy form for the AGM is enclosed. In order to be valid, the instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorized in writing or, if the appointor is a legal person, it shall be under seal or under the hand of a director or attorney duly authorized.
4. If the proxy form is signed by a person under a power of attorney or other authority, the power of attorney or other authority must be notarially certified. In order to be valid, a notarially certified copy of such power of attorney or other authority under which it is signed together with the proxy form must be deposited not less than 24 hours before the time for holding the AGM at the Company's H Shares registrar in Hong Kong (for holders of H Shares) or the registered office of the Company in the PRC (for holders of Domestic Shares and Non-H Foreign Shares).
5. Shareholders who intend to attend the AGM should complete and return the reply slip in writing by hand or by post to the company's H Shares registrar in Hong Kong (for holders of H Shares) or the registered office of the Company in the PRC (for holders of Domestic Shares and Non-H Foreign Shares) before 6 June 2017.
6. The AGM is expected to be held for less than half a day. Shareholders who intend to attend the AGM shall arrange and bear their own transportation and accommodation expenses.
7. The name and address of the Company's H Shares Registrar in Hong Kong is as follows:

Boardroom Share Registrars (HK) Limited
31/F, 148 Electric Road
North Point
Hong Kong

8. The registered office of the Company in the PRC is as follows:

Block 4, Zone D,
Hengshan West Road,
Jilin New and High Technology Development Zone,
Jilin City,
Jilin Province,
The PRC

NOTICE OF 2016 ANNUAL GENERAL MEETING

9. Where there are joint registered holders of any Share(s), any one of such joint holders may attend and vote at the AGM, either in person or by proxy, in respect of such Share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the AGM or any adjourned meeting thereof (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

* *The company is registered as a non-Hong Kong 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 notice, the executive Directors are Mr. Song Dewu, Mr. Yang Xuefeng and Mr. Pan Xianfeng, the non-executive Directors are Mr. Ma Jun, Mr. Jiang Junzhou, Mr. Pang Suet Mui and Mr. Wu Song, and the independent non-executive Directors are Mr. Li Yanxi, Mr. Jin Jie, Mr. Lv Xiaobo and Ms. Zhu Ping.