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JIANGNAN GROUP LIMITED

江南集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1366)

APPOINTMENT OF EXECUTIVE DIRECTOR

The Board announces that the Board has resolved to appoint Mr. Chu as an executive Director and a member of the corporate governance committee of the Board. Such appointment becomes effective on 18 July 2013.

Reference is made to the announcement of Jiangnan Group Limited (“**Company**”) dated 19 April 2013, relating to (1) the discloseable and connected transaction of 江蘇鋁陽投資有限公司 (in English, for identification purpose only, Jiangsu Zengyang Investment Company Limited) and its subsidiaries; and (2) proposed appointment of executive director of the Company.

The board (“**Board**”) of directors (“**Directors**”) of the Company is pleased to announce that the Board has resolved to appoint Mr. Chu Hui (“**Mr. Chu**”) as an executive Director and a member of the corporate governance committee of the Board. Such appointment becomes effective on 18 July 2013.

Mr. Chu Hui, aged 41, has over 18 years of experience in the wire and cable industry in the People’s Republic of China. Since May 2005, he has been the chairman, executive director and general manager of 江蘇中煤電纜有限公司 (in English, for identification purpose only, Jiangsu Zhongmei Cable Group Co., Ltd.) (“**Zhongmei Cable**”), which is now a wholly-owned subsidiary of the Company, and has been responsible for overall management of production, operation, sales and administration matters in Zhongmei Cable. Mr. Chu Hui is currently the chairman and director of Zhongmei Cable. From June 2003 to November 2004, he was the executive director and general manager of Wuxi Zhongnan Mining Cable Co. Ltd (無錫中南礦纜有限公司). From November 2001 to May 2003, he was the deputy general manager of Wuxi Jiangnan Wire and Cable Co. Ltd (無錫江南線纜有限公司). From November 1997 to October 2001, he was the factory director of Shanghai Asahi cable factory (上海滬旭電纜廠). From December 1994 to October 1997, he was engaged in the sales and marketing of wire and cable.

Mr. Chu Hui had been the vice chairman of the 2nd Governing Council of the Jiangsu Province Coal Mining Machinery Industry Association, the vice chairman of the 2nd National Fountain Professional Committee, and the general committee member (常務理事) of Yixing City Charity Association (宜興市慈善會).

Mr. Chu Hui has obtained several awards, including Outstanding Entrepreneur (優秀企業家) awarded by the people's government of Yixing in 2012, Outstanding Entrepreneur in Coal Mining Machinery Industry (江蘇省煤礦機械工業優秀企業家) by the Coal Mining Machinery Industry of Jiangsu Province (江蘇省煤礦機械工業協會) in 2006, one of the Top Ten Young Entrepreneurs in Wuxi City (無錫市十佳青年企業家) jointly awarded by a few entities (including Wuxi Municipal Party Committee Organisation Department (中共無錫市委組織部), Wuxi City Economic and Trade Commission (無錫市經濟貿易委員會) and Wuxi City Industry and Commercial Federation (無錫市工商業聯合會)) in 2008, one of the 17th Top Ten Outstanding Young Persons in Wuxi City (第十七屆無錫市十大傑出青年) jointly awarded by a few entities (including Wuxi Municipal Party Committee Organisation Department (中共無錫市委組織部), Wuxi City Personnel Department (無錫市人事局) and Wuxi City Youth Federation (無錫市青年聯合會) and Outstanding Young Person of Yixing City (宜興市優秀青年) jointly awarded by a few entities (including Yixing Municipal Party Committee Organisation Department (中共宜興市委組織部), Yixing City Personnel Department (宜興市人事局) and Yixing City Youth Federation (宜興市青年聯合會)) in 2006. Mr. Chu Hui currently serves as a member of the Chinese People's Political Consultative Conference of Yixing City. Mr. Chu Hui also involved in a lot of charitable activities and was granted the award of Charity Star of Yixing City (慈善明星) by the Yixing City Party Committee Council (中共宜興市委員會) and the people's government of Yixing in 2007.

Mr. Chu Hui studied in Southeast University (東南大學) and obtained his master of business administration in 2004. Mr. Chu Hui was qualified as a senior economist (高級經濟師) in 2005 by the Jiangsu Province Personnel Department.

Mr. Chu Hui is the son-in-law of Mr. Rui Fubin (the Chairman, chief executive officer of the Company and an executive Director), the brother-in-law of Mr. Rui Yiping (an executive Director) and the spouse of Mr. Chu Hui is the cousin of Mr. Jiang Yongwei (an executive Director).

Save as disclosed above, as at the date of this announcement, Mr. Chu Hui did not (i) have any other major appointments and professional qualifications; (ii) hold any other position with Company or other members of the Group; and (iii) have any relationship with any other Directors, senior management, substantial or controlling shareholders of the Company.

As at the date of this announcement, Mr. Chu Hui did not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). Mr. Chu Hui did not hold any directorship in other listed company in the last three years.

Mr. Chu Hui and the Company have entered into a service contract (“**Service Contract**”) pursuant to which Mr. Chu is appointed as the executive Director of the Company for a fixed period from 18 July 2013 to 17 July 2015. Mr. Chu is entitled to a director fee of RMB600,000 per annum and discretionary bonus. Such remuneration package was

determined by reference to the prevailing market rate, his role and responsibilities. Mr. Chu is subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the articles of association of the Company.

Save as disclosed above, there are no other matters about the appointment of Mr. Chu as an executive Director which are required to be disclosed pursuant to paragraph (h) to (v) of Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong, nor are there other matters that need to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to express its warmest welcome to Mr. Chu for his joining to the Board.

Reconstitution of the corporate governance committee of the Company

The Board has also resolved to appoint Mr. Chu Hui as a member of the corporate governance committee of the Company with effect from 18 July 2013.

On behalf of the Board
Jiangnan Group Limited
Rui Fubin
Chairman and chief executive officer

The People's Republic of China, 18 July 2013

As at the date of this announcement, the Board comprises six executive directors, namely Mr. Rui Fubin, Mr. Rui Yiping, Ms. Xia Yafang, Mr. Jiang Yongwei, Mr. Hao Minghui and Mr. Chu Hui; and four independent non-executive directors, namely Mr. He Zhisong, Mr. Wu Changshun, Mr. Yang Rongkai and Mr. Poon Yick Pang Philip.