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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)

VOLUNTARY ANNOUNCEMENT INFORMATION ABOUT OVERSEAS BUSINESS

This is a voluntary announcement of Jiangnan Group Limited (“**Company**” along with its subsidiaries, collectively referred to as the “**Group**”).

KENYA PROJECT

On 19 April 2017, a joint venture agreement (the “**Joint Venture Agreement**”) was entered into between Wuxi Jiangnan Cable Co., Ltd. (無錫江南電纜有限公司) (“**Jiangnan Cable**”), a subsidiary of the Group, and China Gezhouba Group International Engineering Co., Ltd. (中國葛洲壩集團國際工程有限公司) (“**Gezhouba Engineering**”) in relation to a project (the “**Kenya Project**”) involving the development of power transmission lines and substations at five pipelines covering Mari Carney (瑪里亞卡尼) to Dongo Kundu for the Ministry of Energy and Petroleum, Republic of Kenya. Following the national policy of “the Belt and Road Initiatives (一帶一路)” and development strategy of the “Go Out Policy (走出去)”, the parties will join hands to set a role model for joint exploration in the Kenyan market in Africa through leveraging the complementary advantages and mutual benefits derived from the cooperative win-win principle. The involvement in the Kenya Project will not only create new source of income for the the Group, but also drive the sales of cable products of the Group. Upon entering into the Joint Venture Agreement, it is indicated that both parties will soon commence the tender process and execution stage for the Kenya Project. As for the Kenya Project, the collaboration between two parties is exclusive and represents their confidence in the Kenya Project.

OVERSEAS SALES

As at 1 May 2017, the Group reported significant growth in overseas sales (including direct and indirect export sales). The export orders delivered and on hand amounted to approximately US\$ 53 million, accounting for 77% of the annual overseas sales for the year 2016. If contracts on hand (under which orders are yet to be placed) are included, the total overseas sales of approximately US\$ 71 million will exceed the total annual overseas sales for the year 2016 by 3%. In which the indirect export sales driven by the “Belt and Road” Initiative, shown robust momentum. As at 1 May 2017, the indirect export sales amount reached a total of approximately US\$ 27 million, representing an increase of 200% as compared with the annual indirect export sales amount for the year 2016. Taking into account the EPC projects (including the Kenya Project), the Group has full confidence in the growth of overseas sales in the future.

On behalf of the Board
Jiangnan Group Limited
Chu Hui
Chairman

22 May, 2017

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