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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)

PROPOSED RIGHTS ISSUE OF 2,039,433,000 RIGHTS SHARES AT HK\$0.28 PER RIGHTS SHARE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO SHARES HELD ON THE RECORD DATE

Underwriter



PROPOSED RIGHTS ISSUE

The Board proposes to implement the Rights Issue on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date at the Subscription Price of HK\$0.28 per Rights Share to raise approximately HK\$571.0 million before expenses (assuming no further issue or repurchase of Shares on or before the Record Date) by issuing 2,039,433,000 Rights Shares to the Qualifying Shareholders.

The estimated net proceeds from the Rights Issue will be approximately HK\$555.0 (assuming no further issue or repurchase of Shares on or before the Record Date), which are currently intended to be used as to (i) approximately HK\$218.2 million for expansion of the Group's production facilities for mid-rated voltage power cables; (ii) approximately HK\$37.9 million for upgrade and development of the Group's production facilities for flexible fire-proof cables; (iii) approximately HK\$46.9 million for upgrade and expansion of the Group's existing production facilities and management systems; (iv) approximately HK\$120.0 million for repayment of borrowings of the Group; (v) approximately HK\$110.0 million for potential investment or acquisitions of the Group; and (vi) approximately HK\$22.0 million for general working capital of the Group.

After trading hours on 26 August 2019, the Company and the Underwriter entered into the Underwriting Agreement. As one of the conditions precedent to the obligations of the Underwriter to underwrite the Underwritten Shares under the Underwriting Agreement, the Company has obtained (i) the Mr. Chu Undertaking in relation to, among others, the acceptance of the Mr. Chu Committed Shares by Mr. Chu; (ii) the Mr. Jiang Undertaking in relation to, among others, the acceptance of the Mr. Jiang Committed Shares by Mr. Jiang; (iii) the Ms. Xia Undertaking in relation to, among others, the acceptance of the Ms. Xia Committed Shares by Ms. Xia; and (iv) the Power Heritage Undertaking in relation to, among others, the acceptance of the Power Heritage Committed Shares by Power Heritage. The Rights Issue (other than the Committed Shares) will be fully underwritten by the Underwriter. Details of the Underwriting Arrangement are set out in the paragraph headed “Underwriting Agreement” below in this announcement.

IMPLICATIONS UNDER THE LISTING RULES

As the proposed Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders only. The Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on the Prospectus Posting Date. Subject to the advice of the Company’s legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Prospectus (without the PAL and EAF) will be despatched to the Excluded Shareholders for their information only.

WARNING OF THE RISK OF DEALINGS IN THE SHARES

Shareholders and potential investors should note that the Rights Issue is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Rights Issue may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders should note that the Shares will be dealt in on an ex-rights basis commencing from Thursday, 19 September 2019 and that dealing in the Shares will take place while the conditions to which the Underwriting Agreement are subject remain unfulfilled.

Any Shareholder or other person dealing in the Shares up to the date on which all conditions to which the Rights Issue is subject are fulfilled (which is expected to be on 4:00 p.m. on Friday, 18 October 2019), will accordingly bear the risk that the Rights Issue cannot become unconditional and may not proceed. Any Shareholder or other person contemplating any dealings in the Shares and/or nil-paid Rights Shares, who is in any doubt about their position, is recommended to consult their own professional advisers.

PROPOSED RIGHTS ISSUE

After the trading hours on 26 August 2019, the Company and the Underwriter entered into the Underwriting Agreement in respect of the proposed Rights Issue.

Issue statistics

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| Basis of the Rights Issue | : | One (1) Rights Share for every two (2) Shares held on the Record Date |
| Number of Shares in issue as at the date of this announcement | : | 4,078,866,000 Shares |
| Number of Shares expected to be in issue as at the Record Date | : | 4,078,866,000 Shares (assuming no further issue or repurchase of Shares on or before the Record Date) |
| Number of Rights Shares | : | 2,039,433,000 Rights Shares (<i>Note</i>) |
| Aggregate nominal value of the Rights Shares to be issued | : | HK\$20,394,330 (<i>Note</i>) |
| Subscription Price | : | HK\$0.28 per Rights Share |
| Enlarged issued share capital of the Company upon completion of the Rights Issue | : | HK\$61,182,990 comprising 6,118,299,000 Shares (<i>Note</i>) |
| Funds raised before expenses | : | Approximately HK\$571.0 million (<i>Note</i>) |

Note: Calculated and based on the assumption that there is no further issue or repurchase of Shares from the date of this announcement up to and including the Record Date.

As at the date of this announcement, the Company does not have any pre-existing obligation to issue Shares or any outstanding share options, derivatives or securities which are convertible or exchangeable into Shares.

The Rights Shares

Assuming that there is no further issue or repurchase of Shares from the date of this announcement up to and including the Record Date, a total number of 2,039,433,000 Rights Shares will be allotted and issued upon completion of the Rights Issue, representing:

- (i) approximately 50% of the existing issued share capital of the Company; and
- (ii) approximately 33.33% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders and the Prospectus, for information only, to the Excluded Shareholders on the Prospectus Posting Date. To qualify for the Rights Issue, a Shareholder must:

1. be registered as a member of the Company at the close of business on the Record Date; and
2. not be an Excluded Shareholder.

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in any doubt as to their status.

The Record Date is Thursday, 26 September 2019. The last day of dealings in the Shares on a cum-rights basis is Wednesday, 18 September 2019. The Shares will be dealt in on an ex-rights basis from Thursday, 19 September 2019.

In order to be registered as members of the Company at the close of business on the Record Date, Shareholders must lodge any transfer of Shares (together with the relevant share certificates) with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:30 p.m. on Friday, 20 September 2019.

Qualifying Shareholders who do not take up the Rights Shares to which they are entitled should note that their shareholdings in the Company will be diluted.

Closure of register of members

To determine the entitlements to the Rights Issue, the register of members of the Company will be closed for registering transfer of Shares from Monday, 23 September 2019 to Thursday, 26 September 2019, both days inclusive. No transfer of Shares will be registered during this period.

Rights of Overseas Shareholders

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholders on the Record Date, if any, may not be eligible to take part in the Rights Issue as explained below.

The Company will make enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any). If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant places or the requirements of the relevant regulatory body or stock exchange in those places, the Rights Issue will not be available to

such Overseas Shareholders and no provisional allotment of nil-Rights Shares will be made to them. Further information in this connection will be set out in the Prospectus. The Company will send copies of the Prospectus (without the PAL and EAF) to the Excluded Shareholders for their information only.

The Company will provisionally allot the Rights Shares which represent the entitlements of the Excluded Shareholders to a nominee of the Company in nil-paid form and the Company will procure that such nominee will endeavour to sell the rights as soon as practicable after dealings in nil-paid Rights Shares commence and in any event on or before the last day of dealings in nil-paid Rights Shares at a net premium. If and to the extent that such rights can be so sold, the nominee will account to the Company for the net proceeds of sale (after deducting the expenses of sale, if any), on the basis that the net proceeds after deducting the expenses of sale (if any) attributable to the sale of the Rights Shares that would otherwise have been allotted to the Excluded Shareholders shall be distributed pro rata to their shareholdings as at the Record Date (but rounded down to the nearest cent) to the Excluded Shareholders provided that individual amounts of HK\$100 or less shall be retained by the Company for its own benefit. Any of such nil-paid rights which are not sold as aforesaid will be dealt with as Rights Shares not accepted.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Subscription Price

The Subscription Price for the Rights Shares is HK\$0.28 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of Rights Shares or when a transferee of nil-paid Rights Shares applies for the Rights Shares. The Subscription Price represents:

- (i) a discount of approximately 13.8% to the closing price of HK\$0.325 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 13.6% to the average closing price of HK\$0.324 per Share as quoted on the Stock Exchange for the five consecutive trading days ended on the Last Trading Day;
- (iii) a discount of approximately 14.8% to the average closing price of HK\$0.3285 per Share as quoted on the Stock Exchange for the 10 consecutive trading days ended on the Last Trading Day; and
- (iv) a discount of approximately 9.7% to the theoretical ex-rights price of HK\$0.31 per Share, based on the closing price of HK\$0.325 per Share as quoted on the Stock Exchange on the Last Trading Day.

Based on the Subscription Price of HK\$0.28, the estimated gross proceeds of the Rights Issue will be approximately HK\$571.0 million (assuming no further issue or repurchase of Shares on or before the Record Date). The net proceeds from the Rights Issue to be received by the Company are expected to be approximately HK\$555.0 million. The net price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares (assuming no further issue or repurchase of Shares on or before the Record Date) will be approximately HK\$0.27.

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to the prevailing market price of the Shares and the market conditions. The Directors (including the independent non-executive Directors) consider that the discount of the Subscription Price would encourage the Shareholders to participate in the Rights Issue and accordingly maintain their pro-rata shareholdings in the Company and participate in the future growth of the Group, and that the terms of the Rights Issue are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Basis of provisional allotment

The basis of the provisional allotment will be one (1) Rights Share (in nil-paid form) for every two (2) Shares held by Qualifying Shareholders at the close of business on the Record Date. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong on or before the Latest Time for Acceptance.

Fractions of the Rights Shares

The Company will not provisionally allot and accept applications for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated and all nil-paid Rights Shares arising from such aggregation will be sold by the Company in the market, and if a premium (net of expenses) can be achieved, the Company will retain the proceeds from such sale(s) for its benefit. No odd lot matching services will be provided for the Rights Shares.

Status of the Rights Shares

The Rights Shares, when allotted and fully paid, will rank pari passu in all respects with the Shares then in issue. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of the allotment of the Rights Shares in their fully-paid form.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all fully paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Wednesday, 23 October 2019.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares are also expected to be posted on or before Wednesday, 23 October 2019 by ordinary post at such Shareholders' own risk.

Application for excess Rights Shares

Qualifying Shareholders shall be entitled to apply for, (i) Rights Shares representing the entitlement of the Excluded Shareholders and which cannot be sold at a net premium; (ii) any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders; and (iii) the aggregation of the fractional entitlements of the Qualifying Shareholders which are not sold by the Company. Application may be made by completing the EAF for excess Rights Shares and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Board will allocate the excess Rights Shares at its discretion on a fair and equitable basis, in proportion to the number of excess Rights Shares being applied for under each application. No preference will be given to applications made for topping up odd lot holdings to whole board lot holdings.

Any Rights Shares not taken up by the Qualifying Shareholders and not taken by excess applications will be taken up by the Underwriter pursuant to the terms and conditions of the Underwriting Agreement.

Shares registered in the name of nominee companies

Investors with their Shares held by a nominee company should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually. Investors with their Shares held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

The Qualifying Shareholders whose Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company must lodge all necessary documents with the Company's branch share registrars in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for completion of the relevant registration by 4:30 p.m. on Friday, 20 September 2019. Shareholders and investors should consult their professional advisers if they are in any doubt as to their status.

Application for listing

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms, which are registered in the register of members of the Company in Hong Kong, will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy and any other applicable fees and charges in Hong Kong.

Conditions of the Rights Issue

The Rights Issue is conditional upon the following conditions being fulfilled:

- (i) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) not later than the Prospectus Posting Date;
- (ii) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Excluded Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Prospectus Posting Date;
- (iii) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Rights Shares by no later than the first day of their dealings;
- (iv) the delivery of the duly executed (i) Mr. Chu Undertaking; (ii) Mr. Jiang Undertaking; (iii) Ms. Xia Undertaking and (iv) Power Heritage Undertaking to the Company and the Underwriter on or before the date of the Underwriting Agreement;
- (v) the compliance with and, where applicable, performance of all undertakings and obligations by (i) Mr. Chu of the Mr. Chu Undertaking; (ii) Mr. Jiang of the Mr. Jiang Undertaking; (iii) Ms. Xia of the Ms. Xia Undertaking and (iv) Power Heritage of the Power Heritage Undertaking, on or before the Latest Time for Acceptance; and

(vi) the obligations of the Underwriter having become unconditional and the Underwriting Agreement not having been terminated in accordance with its terms on or before the Latest Time for Termination.

None of the above conditions precedent is capable of being waived by the Underwriter or the Company.

If the above conditions are not fulfilled by the respective date set out therein (or such other time and/or date(s) as the Underwriter may agree with the Company in writing), the Underwriting Agreement shall terminate (save in respect of the provisions in relation to fees and expenses, announcements and confidentiality, indemnity, notices and governing law and any rights or obligations which may accrue under the Underwriting Agreement prior to such termination) and no party will have any claim against any other party for cost, damages, compensation or otherwise (save for any antecedent breaches), and the Rights Issue will not proceed.

UNDERWRITING AGREEMENT

The principal terms of the Underwriting Agreement are as follows:

Date : 26 August 2019

Underwriter : Valuable Capital Limited

The Underwriter is a company incorporated in Hong Kong with limited liability and a licensed corporation to carry on business in type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO. As at the date of this announcement, the Underwriter did not hold any Shares. Each of the Underwriter and its ultimate beneficial owners is, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, an Independent Third Party.

The Underwriter confirmed that (1) it is an Independent Third Party, and not connected with the Company or its connected persons; and (2) it has complied with Rule 7.19(1)(a) of the Listing Rules that it is licensed under the SFO for Type 1 regulated activity and its ordinary business includes underwriting of securities.

Total number of Rights Shares being underwritten by the Underwriter : The Rights Shares other than the Committed Shares (being 1,324,815,000 Rights Shares (assuming that there is no further issue or repurchase of Shares on or before the Record Date).

The aggregate nominal value of the Underwritten Shares will be HK\$13,248,150.

The Rights Issue (other than the Committed Shares) will be fully underwritten by the Underwriter.

Commission and expenses : The Company shall pay to the Underwriter (i) an underwriting commission of 3.5% of the aggregate Subscription Price in respect of the Underwritten Shares agreed to subscribe or procure subscription respectively by the Underwriter in accordance with the Underwriting Agreement; and (ii) if any, reasonable legal fees and other reasonable out-of-pocket expenses of the Underwriter in respect of the Rights Issue, subject to a cap of HK\$1,000,000.

The commission payable to the Underwriter was determined after arm's length negotiations between the Company and the Underwriter. The Directors consider that such amount is on normal commercial terms and is comparable with market rate.

The Board considers that the terms of the Underwriting Agreement (including the underwriting commission) are fair and reasonable as compared to the market practice and commercially reasonable as agreed between the parties to the Underwriting Agreement.

Under the Underwriting Agreement, if the conditions of the Rights Issue are fulfilled on or before the Latest Time for Termination (or such later time and/or date as the Company and the Underwriter may agree) and the Underwriting Agreement becomes unconditional and is not terminated in accordance with the terms thereof, and in the event that by the Latest Time for Acceptance any of the Underwritten Shares have not been taken up ("**Untaken Shares**"), the Company shall as soon as practicable thereafter and in any event before 6:00 p.m. on the second Business Day after the Latest Time for Acceptance, notify or procure the branch share registrar and transfer office of the Company in Hong Kong on behalf of the Company to notify the Underwriter in writing of the number of Untaken Shares for the Underwriter to subscribe for or procure subscription for the Untaken Shares.

Pursuant to the Underwriting Agreement, when the Underwriter is being called upon to subscribe for or procure subscription for the Untaken Shares, among others:

- (1) the Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in it and parties acting in concert (within the meaning of the Takeovers Code) with it to be 29.9% or more of the then issued share capital of the Company;

- (2) the Underwriter shall procure that each of the subscribers of the Untaken Shares (including any direct and indirect sub-underwriters) shall be Independent Third Party, not acting in concert with and not connected with any connected persons of the Company and their respective associates or close associates; and
- (3) the Underwriter shall ensure that none of the subscribers of the Untaken Shares (including the Underwriter) will become a substantial shareholder of the Company as a result of such subscription and such subscriber, together with parties acting in concert with it, shall not be holding 29.9% or more of the issued share capital of the Company immediately upon the allotment and issue of the Rights Shares.

Irrevocable undertakings given by Mr. Chu

As at the date of the Underwriting Agreement, Mr. Chu was the beneficial owner of 168,286,000 Shares, representing approximately 4.13% of the total issued share capital of the Company. As one of the conditions precedent to the obligations of the Underwriter to underwrite the Underwritten Shares under the Underwriting Agreement, Mr. Chu has irrevocably undertaken to the Company and the Underwriter that he:

- (a) will remain as the beneficial owner of 168,286,000 Shares at the close of business on the Record Date;
- (b) will not change his address in the register of members of the Company (unless such change is to change to an address in Hong Kong); and
- (c) will apply for and pay for the Mr. Chu Committed Shares to which will be provisionally allotted pursuant to the Rights Issue, by lodging the duly completed and signed PAL in respect of all such Rights Shares with payment in full therefor with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, before the Latest Time for Acceptance in accordance with the instructions printed on the Prospectus Documents.

Irrevocable undertakings given by Mr. Jiang

As at the date of the Underwriting Agreement, Mr. Jiang was the beneficial owner of 1,000,000 Shares, representing approximately 0.02% of the total issued share capital of the Company. As one of the conditions precedent to the obligations of the Underwriter to underwrite the Underwritten Shares under the Underwriting Agreement, Mr. Jiang has irrevocably undertaken to the Company and the Underwriter that he:

- (a) will remain as the beneficial owner of 1,000,000 Shares at the close of business on the Record Date;
- (b) will not change his address in the register of members of the Company (unless such change is to change to an address in Hong Kong); and

- (c) will apply for and pay for the Mr. Jiang Committed Shares to which will be provisionally allotted pursuant to the Rights Issue, by lodging the duly completed and signed PAL in respect of all such Rights Shares with payment in full therefor with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, before the Latest Time for Acceptance in accordance with the instructions printed on the Prospectus Documents.

Irrevocable undertakings given by Ms. Xia

As at the date of the Underwriting Agreement, Ms. Xia was the beneficial owner of 1,112,000 Shares, representing approximately 0.03% of the total issued share capital of the Company. As one of the conditions precedent to the obligations of the Underwriter to underwrite the Underwritten Shares under the Underwriting Agreement, Ms. Xia has irrevocably undertaken to the Company and the Underwriter that she:

- (a) will remain as the beneficial owner of 1,112,000 Shares at the close of business on the Record Date;
- (b) will not change her address in the register of members of the Company (unless such change is to change to an address in Hong Kong); and
- (c) will apply for and pay for the Ms. Xia Committed Shares to which will be provisionally allotted pursuant to the Rights Issue, by lodging the duly completed and signed PAL in respect of all such Rights Shares with payment in full therefor with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, before the Latest Time for Acceptance in accordance with the instructions printed on the Prospectus Documents.

Irrevocable undertakings given by Power Heritage

As at the date of the Underwriting Agreement, Power Heritage was the beneficial owner of 1,258,838,000 Shares, representing approximately 30.86% of the total issued share capital of the Company. As one of the conditions precedent to the obligations of the Underwriter to underwrite the Underwritten Shares under the Underwriting Agreement, Power Heritage has irrevocably undertaken to the Company and the Underwriter that it:

- (a) will remain as the beneficial owner of 1,258,838,000 Shares at the close of business on the Record Date;
- (b) will not change its registered address in the register of members of the Company (unless such change is to change to an address in Hong Kong); and
- (c) will apply for and pay for the Power Heritage Committed Shares to which will be provisionally allotted pursuant to the Rights Issue, by lodging the duly completed and signed PAL in respect of all such Rights Shares with payment in full therefor with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, before the Latest Time for Acceptance in accordance with the instructions printed on the Prospectus Documents.

Save for Mr. Chu, Mr. Jiang, Ms. Xia and Power Heritage, as at the date of this announcement, the Board has not received any information or other undertakings from any Shareholders of their intention to take up or not to take up the securities of the Company to be offered to them under the Rights Issue.

Termination of the Underwriting Agreement

The Underwriter may terminate the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination, if, prior to the Latest Time for Termination:

- (i) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
 - (a) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole or is materially adverse in the context of the Rights Issue; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Underwriting Agreement), of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the reasonable opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (iii) there is any change in the circumstances of the Company or any member of the Group which in the reasonable opinion of the Underwriter will adversely affect the legal existence of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (iv) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which would, in the reasonable opinion of the Underwriter materially and adversely affects the business or the financial or trading position or prospects of the Group as a whole; or

- (v) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (vi) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the reasonable opinion of the Underwriter, a material omission in the context of the Rights Issue; or
- (vii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten (10) consecutive Business Days otherwise than due to or in connection with or in relation to the Underwriting Agreement and/or the Rights Issue and excluding any suspension in connection with the clearance of this announcement or other matters in connection with the Underwriting Agreement and/or the Rights Issue, or
- (viii) the Prospectus when published contains information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may in the reasonable opinion of the Underwriter be material to the Group as a whole upon completion of the Rights Issue and is likely to affect materially and adversely the success of the Rights Issue.

If the Underwriting Agreement is terminated by the Underwriter on or before the aforesaid deadline, the Underwriting Agreement shall terminate (save in respect of the Underwriter's right to terminate as aforesaid, the provisions in the Underwriting Agreement in relation to the announcements and confidentiality, notices and governing law, and the fees and expenses as specified in the Underwriting Agreement) and neither the Underwriter nor the Company shall have any claim against the other in respect of any matter arising out of or in connection with the Underwriting Agreement save for any antecedent breaches.

The Underwriter shall be entitled by notice in writing to the Company served prior to the Latest Time for Termination, to rescind the Underwriting Agreement if, prior to the Latest Time for Termination:

- (i) any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (ii) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which, if it had occurred or arisen before the date of the Underwriting Agreement, would have rendered any of the representations, warranties and undertakings given by the Company contained under the Underwriting Agreement untrue or incorrect in any material respect comes to the knowledge of the Underwriter.

EXPECTED TIMETABLE OF THE RIGHTS ISSUE

The expected timetable for the Rights Issue are set out below:

| <i>Event</i> | <i>Date and time</i> |
|--|---|
| Last day of dealings in the Shares on cum-rights basis | Wednesday, 18 September 2019 |
| Ex-date (the first day of dealings in the Shares on ex-rights basis) | Thursday, 19 September 2019 |
| Latest time for lodging transfers of Shares to qualify for the Rights Issue | 4:30 p.m. on Friday, 20 September 2019 |
| Register of members closes for registering transfer of Shares | From Monday, 23 September 2019 to Thursday, 26 September 2019 (both days inclusive) |
| Record date for Rights Issue | Thursday, 26 September 2019 |
| Despatch of Prospectus (including PALs and nil-paid rights) | Friday, 27 September 2019 |
| First day of dealings in nil-paid Rights Shares | Wednesday, 2 October 2019 |
| Latest time for splitting of PALs | 4:30 p.m. on Friday, 4 October 2019 |
| Last day of dealings in nil-paid Rights Shares | Thursday, 10 October 2019 |
| Latest time for acceptance and payment for Rights Shares and application for excess Rights Shares | 4:00 p.m. on Tuesday, 15 October 2019 |
| Latest time for termination of the Underwriting Agreement and for the Rights Issue to become unconditional | 4:00 p.m. on Friday, 18 October 2019 |
| Announcement of the allotment results of the Rights Issue | Tuesday, 22 October 2019 |
| Despatch of certificates for fully-paid Rights Shares and refund cheques | Wednesday, 23 October 2019 |
| Expected first day of dealings in fully-paid Rights Shares | Thursday, 24 October 2019 |

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND APPLICATION FOR EXCESS RIGHTS SHARES

All times and dates specified in this announcement refer to Hong Kong local times and dates. If there is a ‘black’ rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Tuesday, 15 October 2019, being the date of the Latest Time of Acceptance:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same Business Day; or
- (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

Under such circumstances, the dates mentioned in the expected timetable above (including, without limitation, the Latest Time for Termination) may be affected.

Dates stated in this announcement for event mentioned in the timetable are indicative only and may be extended or varied. Any changes to the above expected timetable will be announced as and when appropriate in accordance with the Listing Rules.

SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there is no further issue or repurchase of Shares from the date of this announcement up to and including the Record Date, the table below sets out the shareholding structure of the Company from the date of this announcement to immediately after completion of the Rights Issue:

| Shareholders | As at the date of this announcement and up to the Record Date | | Immediately after completion of the Rights Issue | | | |
|--|---|---------------|---|---------------|---|---------------|
| | | | Assuming all Shareholders have taken up the Rights Shares | | Assuming no Shareholder has taken up the Rights Share (other than the Committed Shares) | |
| | Number of Shares | Approximate % | Number of Shares | Approximate % | Number of Shares | Approximate % |
| Power Heritage (Note 2) | 1,258,838,000 | 30.86 | 1,888,257,000 | 30.86 | 1,888,257,000 | 30.86 |
| Mr. Chu (Note 2) | 168,286,000 | 4.13 | 252,429,000 | 4.13 | 252,429,000 | 4.13 |
| Ms. Xia | 1,112,000 | 0.03 | 1,668,000 | 0.03 | 1,668,000 | 0.03 |
| Mr. Han Wei (Note 3) | 1,000,000 | 0.02 | 1,500,000 | 0.02 | 1,000,000 | 0.02 |
| Mr. Jiang | 1,000,000 | 0.02 | 1,500,000 | 0.02 | 1,500,000 | 0.02 |
| The Underwriter, sub-underwriter(s) and/or subscriber(s) procured by it (Note 4) | | | | | 1,324,815,000 | 21.65 |
| Other public Shareholders | 2,648,630,000 | 64.94 | 3,972,945,000 | 64.94 | 2,648,630,000 | 43.29 |
| | <u>4,078,866,000</u> | <u>100.00</u> | <u>6,118,299,000</u> | <u>100.00</u> | <u>6,118,299,000</u> | <u>100.00</u> |

- Certain percentage figures included in the above tables have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

2. Power Heritage is a company wholly-owned by Spectrum Investment (HK) Limited, a wholly-owned subsidiary of 無錫光普投資有限公司, which is wholly-owned by Mr. Chu. Apart from 168,286,000 Shares beneficially held by Mr. Chu, Mr. Chu is also considered to be interested in 1,258,838,000 Shares held by Power Heritage.
3. Mr. Han Wei is the spouse of Ms. Xia.
4. Pursuant to the Underwriting Agreement, in the event of the Underwriter being called upon to subscribe for or procure subscription of the Untaken Shares, among other things,
 - (i) the Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholder of it and parties acting in concert with it to be 29.9% or more of the then issued share capital of the Company;
 - (ii) the Underwriter shall ensure that each of the subscribers of the Untaken Shares (including any direct and indirect sub-underwriter) shall be Independent Third Party, not acting in concert with and not connected with any connected persons of the Company and their respective associates or close associates; and
 - (iii) the Underwriter shall ensure that none of the subscribers of the Untaken Shares (including the Underwriter) will become a substantial shareholder of the Company as a result of such subscription and such subscriber, together with parties acting in concert with it, shall not be holding 29.9% or more of the issued share capital of the Company upon the allotment and issue of the Rights Shares.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Shares. Further announcements will be made by the Company in accordance with the Listing Rules following the completion of the Rights Issue upon which the Rights Shares are allotted and issued.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The principal activity of the Company is to act as an investment holding company. Its subsidiaries are engaged in the manufacture of and trading in wires and cables.

The estimated gross proceeds of the Rights Issue will be approximately HK\$571.0 million (assuming no further issue or repurchase of Shares on or before the Record Date). The estimated net proceeds from the Rights Issue will be approximately HK\$555.0 (assuming no further issue or repurchase of Shares on or before the Record Date), which are currently intended to be used as to (i) approximately HK\$218.2 million for expansion of the Group's production facilities for mid-rated voltage power cables; (ii) approximately HK\$37.9million for upgrade and development of the Group's production facilities for flexible fire-proof cables; (iii) approximately HK\$46.9 million for upgrade and expansion of the Group's existing production facilities and management systems; (iv) approximately HK\$120.0 million for repayment of borrowings of the Group; (v) approximately HK\$110.0million for potential investment or acquisitions of the Group; and (vi) approximately HK\$22.0 million for general working capital of the Group.

The estimated expenses in relation to the Rights Issue, including the underwriting commission, financial, legal and other professional expenses, of approximately HK\$16.0 million, will be borne by the Company.

The Directors consider that it is prudent to finance the Group's long term growth by way of the Rights Issue which will not only strengthen the Group's capital base and enhance its financial position without increasing finance costs, but will also allow all Qualifying Shareholders the opportunity to participate in the growth of the Group through the Rights Issue at a price lower than the current market price of the Shares. The Board considers that the fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST 12 MONTHS

The Company had not raised any other funds by equity issue in the past 12 months immediately preceding the date of this announcement.

IMPLICATIONS UNDER THE LISTING RULES

As the proposed Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders.

The Company will send the Prospectus Documents to the Qualifying Shareholders only. The Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on the Prospectus Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Prospectus (without the PAL and EAF) will be despatched to the Excluded Shareholders for their information only.

WARNING OF THE RISKS OF DEALING IN SHARES AND THE NIL-PAID RIGHTS SHARES

Shareholders and potential investors should note that the Rights Issue is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Rights Issue may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders should note that the Shares will be dealt in on an ex-rights basis commencing from Thursday, 19 September 2019 and that dealing in the Shares will take place while the conditions to which the Underwriting Agreement are subject remain unfulfilled.

Any Shareholder or other person dealing in the Shares up to the date on which all conditions to which the Rights Issue is subject are fulfilled (which is expected to be on 4:00 p.m. on Friday, 18 October 2019), will accordingly bear the risk that the Rights Issue cannot become unconditional and may not proceed. Any Shareholder or other person contemplating any dealings in the Shares and/or nil-paid Rights Shares, who is in any doubt about their position, is recommended to consult their own professional advisers.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

| | |
|---------------------------|---|
| “associate(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Board” | the board of Directors |
| “Business Day” | any day (other than a Saturday, Sunday or public holiday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted in Hong Kong between 9:00 a.m. to 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC |
| “close associate(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Committed Shares” | the Mr. Chu Committed Shares, the Mr. Jiang Committed Shares, the Ms. Xia Committed Shares and the Power Heritage Committed Shares |
| “Company” | Jiangnan Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange |
| “connected person” | has the meaning as ascribed thereto under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “EAF(s)” | the form of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares, being in such usual form as may be agreed between the Company and the Underwriter |
| “Excluded Shareholder(s)” | the Overseas Shareholder(s), whom the Directors, based on legal opinions provided by legal advisers of the Company and on account either of legal restrictions under the laws of relevant place or the requirements of the relevant regulatory body or stock exchange in that place, consider it necessary, or expedient not to offer the Rights Shares |
| “Group” | the Company and its subsidiaries |
| “HKSCC” | Hong Kong Securities Clearing Company Limited |
| “HK\$” | the Hong Kong dollars, the lawful currency of Hong Kong |

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|-------------------------------|---|
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Independent Third Party” | any third parties independent of the Company and its connected persons |
| “Last Trading Day” | 26 August 2019, being the date of this announcement |
| “Latest Time for Acceptance” | 4:00 p.m. on Tuesday, 15 October 2019 or such later time or date as may be agreed between the Parties in writing as the latest time for acceptance of, and payment for, the Rights Shares as described in the Prospectus and if there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on such day (i) at anytime before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; and (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be extended to the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m. |
| “Latest Time for Termination” | 4:00 p.m. on Friday, 18 October 2019, being the third Business Day after the Latest Time for Acceptance, or such later time or date as may be agreed between the Company and the Underwriter |
| “Listing Committee” | has the meaning as defined in the Listing Rules |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Mr. Chu” | Mr. Chu Hui, an executive Director and the chairman, chief executive officer and a controlling shareholder of the Company |
| “Mr. Chu Committed Shares” | the aggregate of 84,143,000 Rights Shares agreed to be taken up by Mr. Chu pursuant to the Mr. Chu Undertaking |
| “Mr. Chu Undertaking” | the irrevocable and unconditional undertaking given by Mr. Chu in favour of the Company and the Underwriter on 26 August 2019 pursuant to which Mr. Chu has undertaken to (i) remain as the beneficial owner of the 168,286,000 Shares beneficially held by him at the close of business on the Record Date; (ii) not to change his address in the register of members of the Company (unless such change is to change to an address in Hong Kong); and (iii) apply for and pay for 84,143,000 Rights Shares provisionally allotted to him pursuant to the Rights Issue |

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|-----------------------------------|--|
| “Mr. Jiang” | Mr. Jiang Yongwei, an executive Director and the vice-president of the Company |
| “Mr. Jiang Committed Shares” | the aggregate of 500,000 Rights Shares agreed to be taken up by Mr. Jiang pursuant to the Mr. Jiang Undertaking |
| “Mr. Jiang Undertaking” | the irrevocable and unconditional undertaking given by Mr. Jiang in favour of the Company and the Underwriter on 26 August 2019 pursuant to which Mr. Jiang has undertaken to (i) remain as the beneficial owner of the 1,000,000 Shares beneficially held by him at the close of business on the Record Date; (ii) not to change his address in the register of members of the Company (unless such change is to change to an address in Hong Kong); and (iii) apply for and pay for 500,000 Rights Shares provisionally allotted to him pursuant to the Rights Issue |
| “Ms. Xia” | Ms. Xia Yafang, an executive Director and the executive vice-president of the Company |
| “Ms. Xia Committed Shares” | the aggregate of 556,000 Rights Shares agreed to be taken up by Ms. Xia pursuant to the Ms. Xia Undertaking |
| “Ms. Xia Undertaking” | the irrevocable and unconditional undertaking given by Ms. Xia in favour of the Company and the Underwriter on 26 August 2019 pursuant to which Ms. Xia has undertaken to (i) remain as the beneficial owner of the 1,112,000 Shares beneficially held by her at the close of business on the Record Date; (ii) not to change her address in the register of members of the Company (unless such change is to change to an address in Hong Kong); and (iii) apply for and pay for 556,000 Rights Shares provisionally allotted to her pursuant to the Rights Issue |
| “Overseas Shareholder(s)” | Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) on that date is/are outside Hong Kong |
| “PAL(s)” | the provisional allotment letter(s) to be used in connection with the Rights Issue |
| “Power Heritage” | Power Heritage Group Limited, a controlling shareholder of the Company |
| “Power Heritage Committed Shares” | the aggregate of 629,419,000 Rights Shares agreed to be taken up by Power Heritage pursuant to the Power Heritage Undertaking |

| | |
|------------------------------|---|
| “Power Heritage Undertaking” | the irrevocable and unconditional undertaking given by Power Heritage in favour of the Company and the Underwriter on 26 August 2019 pursuant to which Power Heritage has undertaken to (i) remain as the beneficial owner of the 1,258,838,000 Shares beneficially held by it at the close of business on the Record Date; (ii) not to change its registered address in the register of members of the Company (unless such change is to change to an address in Hong Kong); and (iii) apply for and pay for 629,419,000 Rights Shares provisionally allotted to it pursuant to the Rights Issue |
| “PRC” | the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan |
| “Prospectus” | the prospectus to be issued by the Company in connection with the Rights Issue in the agreed form expected to be dated the Prospectus Posting Date |
| “Prospectus Documents” | the Prospectus, the PAL and the EAF |
| “Prospectus Posting Date” | Friday, 27 September 2019 or such other date as may be agreed between the Company and the Underwriter, being the date of despatch of the Prospectus Documents |
| “Qualifying Shareholder(s)” | Shareholder(s) whose names appear on the register of members of the Company at the close of business on the Record Date, other than the Excluded Shareholders |
| “Record Date” | Thursday, 26 September 2019 or such other date as may be agreed between the Company and the Underwriter for the determination of the entitlements under the Rights Issue |
| “Rights Issue” | the proposed issue of the Rights Shares on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date at the Subscription Price pursuant to the Prospectus Documents and as contemplated under the Underwriting Agreement |
| “Rights Shares” | 2,039,433,000 Shares, proposed to be offered to the Qualifying Shareholders pursuant to the Rights Issue for subscription on the terms set out in the Underwriting Agreement and the Prospectus Documents |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Shareholder(s)” | holder(s) of the Share(s) |

| | |
|---------------------------|---|
| “Share(s)” | ordinary share(s) of HK0.01 each in the share capital of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscription Price” | the issue price of HK\$0.28 per Rights Share at which the Rights Shares are proposed to be offered for subscription |
| “substantial shareholder” | has the meaning as ascribed thereto under the Listing Rules |
| “Takeovers Code” | The Hong Kong Codes on Takeovers and Mergers, as modified, amended and supplemented from time to time |
| “Underwriter” | Valuable Capital Limited, a company incorporated in Hong Kong with limited liability and a licensed corporation to carry on business in type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO |
| “Underwriting Agreement” | the underwriting agreement dated 26 August 2019 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue |
| “Underwritten Shares” | the Rights Shares other than the Committed Shares (being 1,324,815,000 Rights Shares (assuming that there is no further issue or repurchase of Shares on or before the Record Date)) |
| “%” | per cent. |

On behalf of the Board
Jiangnan Group Limited
 江南集團有限公司
Chu Hui
Chairman

Hong Kong, 26 August 2019

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Chu Hui, Ms. Xia Yafang and Mr. Jiang Yongwei; and three independent non-executive directors, namely Mr. He Zhisong, Mr. Yang Rongkai and Mr. Kan Man Yui, Kenneth.