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(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3306)

CONNECTED TRANSACTION 2022 LOAN MODIFICATION AGREEMENT

Reference is made to the Original Announcement of the Company dated July 15, 2021 in relation to Original Loan Agreement entered into between JNBY Finery and Huizhan Technology, pursuant to which JNBY Finery agreed to provide a loan to Huizhan Technology.

The Board announces that, on May 24, 2022, JNBY Finery entered into the 2022 Loan Modification Agreement with Huizhan Technology, pursuant to which the parties agreed to modify certain terms of the Original Loan Agreement, including to, among other things, revise the repayment schedule and to extend the maturity date of the Original Loan Agreement to June 30, 2024.

LISTING RULES IMPLICATIONS

As Huizhan Technology is indirectly controlled by the Founders and thus is a connected person of the Company, transactions contemplated with such parties may constitute connected transactions or continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The 2022 Loan Modification Agreement constitutes a connected transaction under Chapter 14A of the Listing Rules. As each of the applicable percentage ratios of the 2022 Loan Modification Agreement is more than 0.1% but less than 5%, the transaction thereunder constitutes a connected transaction of the Company and is subject to the reporting and announcement requirements but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Unless the context otherwise requires, capitalized terms in this announcement shall have the same meanings as defined in the Original Announcement.

BACKGROUND

In accordance with the Original Loan Agreement, Huizhan Technology has completed the drawdown of the principal amount of RMB150,000,000 in three equal installments on July 16, 2021, September 16, 2021 and November 16, 2021 respectively. Huizhan Technology has in turn repaid RMB50,000,000 of principal loan amount (together with RMB1,034,444.44 of interest) on December 15, 2021, ahead of the repayment schedule under the Original Loan Agreement.

As of the date of this announcement, the remaining loan balance to be repaid by Huizhan technology is RMB100,000,000.

2022 LOAN MODIFICATION AGREEMENT

The Board announces that JNBY Finery entered into the Loan Modification Agreement with Huizhan Technology on May 24, 2022, pursuant to which the parties agreed to modify certain terms of the Original Loan Agreement, including to, among other things, revise the repayment schedule and to extend the maturity date of the Original Loan Agreement to June 30, 2024.

Set forth below is a summary of the principal terms of the 2022 Loan Modification Agreement:

Date:	May 24, 2022
Parties:	JNBY Finery, as the lender; and Huizhan Technology, as the borrower
Outstanding loan balance:	RMB100,000,000
Interest rate:	4.90% per annum up to the Revised Maturity Date
Updated maturity date:	the outstanding loan amount together with the interest shall be matured and repaid on or before June 30, 2024 (the “ Revised Maturity Date ”).
Early repayment:	Huizhan Technology may request to repay any portion of the outstanding balance ahead of the Revised Maturity Date upon obtaining JBNY Finery’s consent with a prior notice of 5 days.

Other terms of the
Original Loan
Agreement:

Terms under the Original Loan Agreement that are not modified under this 2022 Loan Modification Agreement shall remain valid and effective, including the guarantee provided by Mr. Wu and Ms. Li.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2022 LOAN MODIFICATION AGREEMENT

The Directors (including the independent non-executive Directors) considered that the 2022 Loan Modification Agreement is on normal commercial terms and is fair and reasonable and in the interests of the Company and its shareholders as a whole upon considering the following factors: (i) the credit assessment results of Huizhan Technology remain satisfactory to the Group and the early repayment history of Huizhan Technology, (ii) the Company considers that it has sufficient working capital despite the extension of the maturity date and such extension will not affect the working capital or daily operation of the Group, (iii) the interest rate to be received under the 2022 Loan Modification Agreement would put the Group's idle capital into better use and increase the Group's earnings, (iv) the guarantee provided by Mr. Wu and Ms. Li, and (v) the Group is given to understand that Huizhan Technology will utilize the loan proceeds on the improvement and enhancement of the OōEli Complex (which houses the Group's headquarters) and such improvement might increase the brand awareness and bring in more visitors to the Group's stores at the complex.

The terms and conditions of the 2022 Loan Modification Agreement (including the interest rate and the Revised Maturity Date) are negotiated on an arm's length basis between JNBY Finery and Huizhan Technology with reference to the normal prevailing commercial practice.

On May 24, 2022, the Board considered and approved the resolutions in relation to the entering into of the 2022 Loan Modification Agreement and as Mr. Wu Jian (the Chairman of the Board and an executive Director) and Ms. Li Lin (an executive Director) are deemed to have material interests in the 2022 Loan Modification Agreement, they have abstained from voting on the Board resolutions for approving the said matters.

LISTING RULES IMPLICATIONS

As Huizhan Technology is indirectly controlled by the Founders and thus is a connected person of the Company, transactions contemplated with such parties may constitute connected transactions or continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The 2022 Loan Modification Agreement constitutes a connected transaction under Chapter 14A of the Listing Rules. As each of the applicable percentage ratios of the 2022 Loan Modification Agreement is more than 0.1% but less than 5%, the transaction

thereunder constitutes a connected transaction of the Company and is subject to the reporting and announcement requirements but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

INFORMATION ABOUT THE PARTIES

The Company is a leading designer brand fashion house based in China. The Group designs, promotes and sells contemporary apparel, footwear and accessories for women, men, children and teenagers as well as household products. Brand portfolio of the Group currently comprises a number of brands in three stages — the mature brand namely JNBY, three younger brands, namely (i) CROQUIS (速寫), (ii) jnby by JNBY and (iii) LESS, as well as various emerging brands, such as POMME DE TERRE (蓬馬) and JNBYHOME, each targeting at a distinct customer segment and having a uniquely defined design identity based on the Group's universal brand philosophy — "Just Naturally Be Yourself".

JNBY Finery is an indirectly wholly-owned subsidiary of the Company and is principally engaged in fashion sales with a focus on designer brands. It operates as an centralized and integrated sales platform of the Group, including direct and online sales.

Mr. Wu Jian and Ms. Li Lin are the Founders. Mr. Wu Jian is a controlling Shareholder, the Chairman of the Board, and an executive Director. Ms. Li Lin is a controlling Shareholder, an executive Director and the Chief Creative Officer of the Company. Mr. Wu Jian and Ms. Li Lin are connected persons of the Company.

Huizhan Technology is a wholly foreign owned enterprise established under the laws of the PRC on July 16, 2008 by United Citi Investment Limited and Eminent Health (Hong Kong) Limited, which hold 84.6% and 15.4% of the shares of Huizhan Technology, respectively. United Citi Investment Limited is indirectly wholly-owned by the Founders, who thus are controlling shareholders of Huizhan Technology. Huizhan Technology is principally engaged in property holding, including office complexes as well as other venues.

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context requires otherwise:

"2022 Loan Modification Agreement"	the agreement entered into by JNBY Finery and Huizhan Technology on May 24, 2022 to modify certain terms of the Original Loan Agreement
"associate(s)"	has the meaning ascribed to it in the Listing Rules
"Board"	the board of Directors of the Company

“Company”	JNBY Design 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
“controlling shareholders”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Founders”	Mr. Wu Jian (吳健) and Ms. Li Lin (李琳), both executive Directors
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huizhan Technology”	Huizhan Technology (Hangzhou) Co., Ltd.* (慧展科技(杭州)有限公司), which is a limited liability company incorporated in the PRC and is indirectly controlled by the Founders
“JNBY Finery”	JNBY Finery Co., Ltd.* (江南布衣服飾有限公司), a limited liability company incorporated in the PRC with limited liability on June 21, 2011 and is an indirectly wholly owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“OōEli Complex”	the office building and art park complex commonly known as the “OōEli Complex” which houses, among other things, the Group’s headquarters. It is located at 398 Tianmushan Road, Xihu District, Hangzhou, Zhejiang, China (中國浙江省杭州市西湖區天目山路398號), which was previously identified and referred to as “Tianmuli” or “Tianmu Qingshui Commercial Center” in certain public disclosure of the Group
“Original Announcement”	the announcement of the Company dated July 15, 2021 in relation to, among other things, the Original Loan Agreement
“Original Loan Agreement”	the loan agreement entered into between JNBY Finery and Huizhan Technology dated July 15, 2021, pursuant to which JNBY Finery agreed to provide a loan to Huizhan Technology in the principal amount of RMB150 million with an interest rate of 4.90% per annum
“PRC”	the People’s Republic of China

“Revised Maturity Date”	has the meaning ascribed to it in the section headed “2022 Loan Modification Agreement” of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the capital of the Company listed on the Main Board of the Stock Exchange
“Shareholder(s)”	the holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it in the Listing Rules
“%”	per cent.

* *The Chinese name of the entities incorporated in the PRC is the official name and the English name is the translation for identification purpose only.*

By the order of the Board
JNBY Design Limited
Wu Jian
Chairman and Executive Director

Hong Kong, May 24, 2022

As of the date of this announcement, Mr. Wu Jian, Ms. Li Lin and Ms. Wu Huating are the executive Directors; Mr. Wei Zhe is the non-executive Director; and Mr. Lam Yiu Por, Ms. Han Min and Mr. Hu Huanxin are independent non-executive Directors.