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江南布衣
JIANGNANBUYI

JNBY Design Limited

江南布衣有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3306)

**AMENDMENT TO THE RSU SCHEME
AND
GRANT OF RSUs PURSUANT TO THE RSU SCHEME**

Reference is made to the announcement issued by JNBY Design Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated May 8, 2019 (the “**Announcement**”) relating to the amendment to the RSU Scheme and the grant of RSUs pursuant to the RSU Scheme. Unless the context otherwise requires, capitalized terms in this announcement shall have the same meanings as defined in the Announcement.

AMENDMENT TO THE RSU SCHEME

As stated in the Announcement, the purpose of the RSU Scheme is to incentivize senior management and employees for their contribution to the Group, to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group.

On August 30, 2022, in order to allow more senior management and employees to benefit from the RSU Scheme, the board of directors of the Company (the “**Board**”) has resolved to amend the maximum number of RSUs that may be granted under the RSU Scheme in aggregate (excluding RSUs that have lapsed or been cancelled in accordance with the rules of the RSU Scheme) from 40,000,000 shares with par value of HK\$0.01 each of the Company (the “**Shares**”) to 70,000,000 Shares.

In addition, the Board has resolved to include provisions to the RSU Scheme that the RSU Scheme shall only compose of existing shares of the Company and the Company shall, for the purposes of satisfying the grant of the RSUs, transfer to the trust the necessary funds as and when required by the trustee and instruct the trustee to acquire Shares through on-market transactions at the prevailing market price. The trustee shall then acquire such number of Shares as instructed by the Company on-market at the prevailing market price as soon as reasonably practicable after receiving the necessary funds from the Company.

In addition, the trustee holding unvested Shares of RSU Scheme, whether directly or indirectly, shall abstain from voting on matters that require shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

Save as aforesaid, other provisions of the RSU Scheme shall remain unchanged.

Pursuant to the rules of the RSU Scheme, the Board may alter any of the terms of the RSU Scheme at any time. Written notice of any amendment to the RSU Scheme shall be given to all RSU Participants. Any alterations which are of a material nature shall be subject to the consent of the RSU Participants amounting to three-fourths in nominal value of all underlying RSUs so held by the RSU Participants on the date of the relevant resolution passed by the Board in approving the amendment. The Board considers the amendment above does not constitute an alteration that is of a material nature.

GRANT OF RSUS PURSUANT TO THE RSU SCHEME

The Board announces that on August 30, 2022, RSUs representing 8,990,000 Shares were granted to 43 RSU Selected Persons (the “**2022 August Participants**”) pursuant to the RSU Scheme. The 2022 August Participants are senior management and/or employees of the Group. Three of the 2022 August Participants are connected persons (as defined in the Listing Rules) of the Company, namely Ms. Wu Huating, Ms. Wu Liwen and Ms. Tang Yu. RSUs representing 1,000,000 Shares were granted to Ms. Wu Huating. RSUs representing 300,000 Shares were granted to Ms. Wu Liwen. RSUs representing 200,000 Shares were granted to Ms. Tang Yu. Ms. Wu Huating is serving as the executive director and chief executive officer of the Company. Ms. Wu Liwen is serving as the director of several wholly owned subsidiaries of the Company and the general manager of production and purchasing center, and is the sister of Mr. Wu Jian, the chairman and executive director of the Company. Ms. Tang Yu is serving as the chief designer of the Company's brand LESS, and is the sister-in-law of Ms. Li Lin, the executive director of the Company.

The Board has resolved to authorise the RSU Nominee to purchase 8,990,000 Shares from the market for the purpose of granting the Award Shares to the 2022 August Participants and shall hold such Shares until they are vested in accordance with the RSU Scheme. The Board shall cause to pay the RSU Nominee the purchase price and the related expenses from the Company's resources for the Shares to be purchased by the RSU Nominee. The 2022 August Participants are required to pay HK\$3.20 per Award Share for the exercise of the RSUs upon satisfaction of terms and conditions set out in the relevant Grant Letters.

The newly granted RSUs to the 2022 August Participants shall vest as to 25%, 25%, 25% and 25% prior to August 31, 2023, 2024, 2025 and 2026, respectively. Unless the Company shall otherwise determine and so notify the 2022 August Participants in writing, the 2022 August Participants shall vest according to the vesting schedules described above.

As no new Shares will be issued as a result of the grant of the RSUs to the 2022 August Participants, the grant of RSUs to the 2022 August Participants will not result in any dilution effect on the shareholding of the existing shareholders of the Company.

In accordance with the rules of the RSU Scheme, the grant of RSUs to the 2022 August Participants has been approved by the Board (including but not limited to the independent non-executive directors), save that Ms. Wu Huating has abstained from approving the resolution relating to the grant of RSUs to herself and Mr. Wu Jian and Ms. Li Lin have abstained from approving the resolutions relating to the grant of RSUs to Ms. Wu Liwen and Ms. Tang Yu.

REASONS FOR AND BENEFITS OF THE GRANT OF RSUS

The purpose of the grant of RSUs to the 2022 August Participants, including three connected persons of the Company, is to recognize the 2022 August Participants' contribution to the success and development of the Group and to incentivize and motivate the 2022 August Participants to continue to strive for the future development of the Group and its business.

The directors of the Company (including the independent non-executive directors) consider that the terms of the grant of RSUs by the Company to the 2022 August Participants, including three connected persons of the Company, are fair and reasonable, that the grant is on normal commercial terms or better (as far as the Company is concerned) and in the ordinary and usual course of business of the Group, and that the grant is in the interests of the Company and its shareholders as a whole.

The Board will constantly review and determine at its absolute discretion such number of RSUs to be awarded to Ms. Wu Huating, Ms. Wu Liwen and Ms. Tang Yu under the RSU Scheme with such vesting conditions as the Board may deem appropriate.

LISTING RULES IMPLICATIONS

Ms. Wu Huating is serving as the executive director and chief executive officer of the Company. Ms. Wu Liwen is serving as the director of several wholly owned subsidiaries of the Company, and is the sister of Mr. Wu Jian, the chairman and executive director of the Company. Ms. Tang Yu is serving as the chief designer of the Company's brand LESS, and is the sister-in-law of Ms. Li Lin, the executive director of the Company. As such, Ms. Wu Huating, Ms. Wu Liwen and Ms. Tang Yu are connected persons of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the grant of RSUs to Ms. Wu Huating, Ms. Wu Liwen and Ms. Tang Yu constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. The grant of RSUs to Ms. Wu Huating, Ms. Wu Liwen and Ms. Tang Yu forms part of the remuneration package under their respective service contract with the Company, and accordingly, is exempt from reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.73(6) and Rule 14A.95 of the Listing Rules.

Save as disclosed above, none of the 2022 August Participants of the RSUs is a director, chief executive or substantial shareholder of the Company or associate (as defined in the Listing Rules) of any of them.

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

Hong Kong, August 30, 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.