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江南布衣⁺ JNBY GROUP

JNBY Design Limited

江南布衣有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3306)

PROFIT WARNING

This announcement is made by JNBY Design Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Since the outbreak of the novel coronavirus (COVID-19) epidemic (the “**Epidemic**”), many provinces and municipalities in the mainland China have initiated the level I-highest level response for serious and unexpected public health events so as to take various measures to contain the spread of the Epidemic. As part of our efforts to facilitate the prevention and control of the Epidemic, the Group temporarily closed most of its physical retail stores, which resulted in a significant decrease in the revenue of the Group for the period and thus adversely affected the results of the Group. During the Epidemic, the Group implemented various measures to protect its partners and reduce the impact of the Epidemic on its employees and customers, including but not limited to the offering of additional return rate to its distributors, the launch of employee care program, and the purchase of commercial insurance for all of its employees. At the same time, the Group is in negotiation with landlords across its markets to seek further rent relief and continues to optimize its business operation to control its daily expenses in a reasonable way.

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended June 30, 2020 (the “**Financial Year 2020**”), the net profit of the Group for the Financial Year 2020 decreased significantly by approximately 25% to 30% as compared to that for the year ended June 30, 2019.

As of June 30, 2020, the Group had sufficient capital reserve with the Group's aggregate amount of cash and cash equivalents, term deposits with initial term over three months and financial assets at fair value through profit or loss, net of bank loans, exceeding RMB600 million.

The information contained in this announcement is only based on a preliminary assessment by the Board on the information available for the time being, which have not been reviewed, confirmed or audited by the auditor of the Company. Therefore, such information is subject to adjustment and for investors' reference only. The Shareholders and potential investors are advised to carefully read the announcement of the annual results of the Company for the year ended June 30, 2020 which is expected to be published by the end of August 2020.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, July 10, 2020

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