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江南布衣⁺

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
ISSUE OF NEW SHARES UNDER GENERAL
MANDATE PURSUANT TO THE RSU SCHEME
AND
GRANT OF RSUs PURSUANT TO THE RSU SCHEME**

Reference is made to the restricted share unit scheme (the “**RSU Scheme**”) approved and adopted by JNBY Design Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on May 16, 2014 as disclosed in the prospectus of the Company dated October 19, 2016 (the “**Prospectus**”). Details of the RSU Scheme are set out in the section headed “Appendix IV: Statutory and General Information – D. Share Incentive Scheme – 1. RSU Scheme” in the Prospectus. The RSU Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and is a discretionary scheme of the Company. Unless otherwise stated, capital terms used in this announcement shall have the same meanings as defined in the Prospectus.

AMENDMENT TO THE RSU SCHEME

As disclosed in the Prospectus, 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 February 3, 2018, 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 12,000,000 shares with par value of HK\$0.01 each of the Company (the “**Shares**”) to 40,000,000 Shares.

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.

ISSUE OF NEW SHARES UNDER GENERAL MANDATE PURSUANT TO THE RSU SCHEME

On February 3, 2018, the Board has resolved to allot and issue 15,000,000 new Shares (the “**Award Shares**”) to the RSU Nominee at nominal value of HK\$0.01 per share under the general mandate (the “**2017 General Mandate**”) granted by the Shareholders at the annual general meeting on October 20, 2017 (the “**2017 AGM**”) in order to grant awards to 24 RSU Selected Persons pursuant to the RSU Scheme (the “**2017 Participants**”). As at the date of this announcement, the RSU Nominee is a third party independent of the Company and its connected persons. The RSU Nominee shall hold such Award Shares for the 2017 Participants, which shall be transferred to the relevant 2017 Participants upon satisfaction of all vesting conditions specified by the Board in their respective RSU Grant Letter. The subscription of the Award Shares by the RSU Nominee will be funded by the grant price to be paid by the 2017 Participants as described below, in the aggregate amount of HK\$150,000.

Pursuant to the 2017 General Mandate, the maximum number of Shares that can be allotted and issued by the Directors is 103,750,000 Shares. Save for the allotment of the Award Shares disclosed in this announcement, no new Shares have been allotted or issued under the 2017 General Mandate as at the date of this announcement. The number of the Award Shares to be issued and allotted by the Company to the RSU Nominee represents (a) approximately 2.89% of the issued share capital of the Company as at the date of this announcement; and (b) approximately 2.81% of the issued share capital of the Company as enlarged by the allotment of such Award Shares.

The Award Shares, when allotted and issued, shall rank *pari passu* among themselves and with the other Shares in issue. Pursuant to the RSU Scheme, the 2017 Participants are not entitled to any contingent interest in any Shares underlying the RSUs unless and until such Shares are actually transferred to the relevant 2017 Participants. Further, the RSU Selected Persons may not exercise voting rights in respect of the Shares underlying the RSUs prior to their exercise and, unless otherwise specified by the Board in its entire discretion in the RSU Grant Letter, nor do they have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying the RSUs.

Application will be made by the Company to the Stock Exchange for approval of the listing of, and permission to deal in, the Award Shares. Other than such approval to be granted by the Stock Exchange, the allotment of the Award Shares is not subject to any conditions or approval of the Shareholders.

GRANT OF RSUS PURSUANT TO THE RSU SCHEME

The Board announces that on February 3, 2018, RSUs representing 15,000,000 Shares were granted to the 2017 Participants under the RSU Scheme. The 2017 Participants are senior management and/or employees of the Group and none of them is a director, chief executive or substantial shareholder of the Company or associate (as defined in the Listing Rules) of any of them.

The 2017 Participants are required to pay HK\$0.01 per underlying Share for the grant of RSUs under the RSU Scheme, and HK\$8.70 per underlying Share for the exercise of the RSUs upon satisfaction of terms and conditions set out in the relevant Grant Letter.

The newly granted RSUs have three vesting schedules as follows:

- (a) the 2017 Participants shall vest as to 20%, 20%, 20%, 20% and 20% on June 30, 2019, 2020, 2021, 2022 and 2023;
- (b) the 2017 Participants shall vest as to 25%, 25%, 25% and 25% on June 30, 2020, 2021, 2022 and 2023; and
- (c) the 2017 Participants shall vest as to 1/3, 1/3 and 1/3 on June 30, 2021, 2022 and 2023.

Unless the Company shall otherwise determine and so notify the 2017 Participants in writing, the 2017 Participants shall vest following their respective vesting schedules described above.

Immediately after the grant of RSUs to the 2017 Participants representing 15,000,000 underlying Shares as mentioned in this announcement, RSUs representing a total of 25,509,701 Shares have been granted and are outstanding and held by the RSU Nominee and 61,299 Shares are held by the RSU Nominee for future grant of RSUs. Funds to be raised by the Company from the issue of the Award Shares and the exercise of the RSUs by the 2017 Participants in full are HK\$150,000 and approximately HK\$130,500,000, respectively. The Company intends to use such proceeds for general corporate purposes. The Company has not engaged in any capital fund raising activities in the 12 months immediately preceding the date of this announcement.

The closing price of the Shares as at the date of grant of the RSUs to the 2017 Participants is HK\$11.76 per Share.

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

Hong Kong, February 3, 2018

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