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Cocoon Holdings Limited **中國天弓控股有限公司**

(Incorporated in the Cayman Islands with limited liability and continued in Bermuda with limited liability)
(Stock Code : 428)

EXTENSION OF LONG STOP DATE AND REVISION OF PLACING PRICE IN RELATION TO PLACING OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of Cocoon Holdings Limited (the “**Company**”) dated 13 June 2022 in relation to the proposed placing of new shares under general mandate granted to the Directors at the annual general meeting of the Company held on 17 June 2021 (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meaning as those defined in the Announcement.

EXTENSION OF LONG STOP DATE AND REVISION OF PLACING PRICE

As additional time is required for completion of administration procedures on the proposed placing, the Company and the Placing Agent, after arm’s length negotiation, have entered into a supplementary placing agreement (the “**Supplementary Placing Agreement**”) on 4 July 2022 (after trading hours) to which the Company and the Placing Agent agreed to the followings:

- (i) extend the long stop date of the Placing Agreement from 4 July 2022 to 18 July 2022 (or such later date as may be agreed by the parties in writing hereto);
- (ii) extend the expiry date to procure Placees under the Placing Agreement from the date falling on the third Business Day of the date of the Placing Agreement to the Completion Date; and
- (iii) revise the Placing Price from HK\$0.218 per Placing Share to HK\$0.264 per Placing Share (“**New Placing Price**”).

The Directors consider that the terms of the Supplementary Placing Agreement are on normal commercial terms and fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Save for the aforesaid amendment under the Supplementary Placing Agreement, there is no other change to the Placing Agreement and all other terms and conditions of the Placing Agreement shall continue to remain in full force and effect.

NEW PLACING PRICE

The New Placing Price of HK\$0.264 per Placing Share represents:

- (i) a discount of approximately 16.2% to the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on 4 July 2022, being the date of the Supplementary Placing Agreement; and
- (ii) a discount of approximately 19.8% to the average closing price of HK\$0.329 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to the date of the Supplementary Placing Agreement.

The New Placing Price was determined after arm's length negotiation between the Company and the Placing Agent with reference to the prevailing market prices of the Shares.

Assuming the maximum number of the Placing Shares is placed, the gross proceeds from the Placing will be approximately HK\$22.8 million and the net proceeds will be approximately HK\$22.5 million. It is intended that the net proceeds from the Placing will be utilised for investment in the listed and/or unlisted securities in the aggregate amount of approximately HK\$10.0 million, repayment of short term loan and payment of interest in the aggregate amount of approximately HK\$6.1 million and the remaining balance will be used as the Group's general working capital.

Since completion of the Placing is subject to the fulfilment of the condition as set out in the Placing Agreement and Supplementary Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

By order of the Board
Cocoon Holdings Limited
WU Ming Gai
Chairman

Hong Kong, 4 July, 2022

As at the date hereof, the Board comprises two executive Directors, namely Mr. Wu Ming Gai and Mr. Chau Wai Hing; one non-executive Director, namely Mr. William Keith Jacobsen and three independent non-executive Directors, namely Ms. Chan Man Yi, Ms. Leung Yin Ting and Mr. Wong Sze Lok.