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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)*

### **GRANT OF SHARE OPTIONS**

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Directors**”) of Cocoon Holdings Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) announces that the Company granted to certain eligible participants (the “**Grantees**”), subject to the acceptance of the Grantees, a total of 4,316,722 share options (the “**Options**”) to subscribe for a total of 4,316,722 ordinary shares of the Company of HK\$0.01 each (the “**Share(s)**”) on 6 January 2025, being the date of grant (“**Date of Grant**”), under the share option scheme (the “**Share Option Scheme**”) adopted by the Company on 17 June 2022. Details of the Options granted are as follows:

|  |   |                                  |
|--|---|----------------------------------|
| Date of Grant  | : | 6 January 2025                   |
| Number of Options granted  | : | 4,316,722 Options                |
| Options Exercise price of Options granted  | : | HK\$0.381 per Share              |
| Closing price of the Shares on Date of Grant   | : | HK\$0.360 per Share              |
| The average closing price of the Shares for the five business days immediately preceding the Date of Grant | : | HK\$0.381 per Share              |
| Validity period of the Options   | : | 6 January 2025 to 5 January 2035 |

Vesting period of the Options : The Options shall be vested on the Date of Grant.

The Share Option Scheme does not provide for any minimum vesting period. The Board and the remuneration committee of the Company (the “**Remuneration Committee**”) are of the view that no vesting period is appropriate, having considered that the grant of the Option serves as a recognition of the Grantees’ contribution to the Group and as an incentive to the Grantees to continuous contribution to the development of the Group.

Performance targets : There is no performance target attached to the Options.

The purpose of the Share Option Scheme is to, among others, allow the Company to grant share options to the eligible participants as rewards or incentives for their contributions to the Group; and motivate the participants to optimise their performance and efficiency for the benefit of the Group.

Having considered that (1) the Options to be granted will give the Grantees an opportunity to have a personal stake in the Company; and (2) the value of the Options shall be subject to the market performance of the Shares, which in turn depends on the performance of the Group, to which the Grantees would directly contribute, the Remuneration Committee considers that notwithstanding the absence of performance target, the grant of the Options aligns with the purpose of the Share Option Scheme.

Clawback mechanism : The Options granted are not subject to any clawback mechanism but shall lapse (to the extent not already exercised) on the date when the Grantee(s) ceases to be an eligible participant under the Share Option Scheme.

The Board and the Remuneration Committee considers that a specific clawback mechanism is not necessary, having considered that the lapse of the

Options upon the Grantee(s) cease to be an eligible participant under the Share Option Scheme, which is in line with the purpose of the Share Option Scheme and in the interests of the Company.

Financial Assistance : No financial assistance shall be provided by the Group to the Grantees to facilitate the purchase/subscription of Shares under the Share Option Scheme.

Among the 4,316,722 Options, a total of 1,768,132 Options were granted to the Directors and a total of 2,548,590 Options were granted to other eligible participants of the Company and its subsidiaries. Details of which are as follows:

| <b>Name of the Grantees</b>                 | <b>Position held with the Company</b> | <b>Number of Options granted</b> |
|---|---------------------------------------|----------------------------------|
| Chau Wai Hing                               | Executive Director                    | 849,530                          |
| Wu Ming Gai                                 | Executive Director                    | 849,530                          |
| Wong Sze Lok                                | Independent non-executive Director    | 69,072                           |
| Sub-total of Options granted to Directors   |                                       | 1,768,132                        |
| Other eligible participants ( <i>Note</i> ) |                                       | <u>2,548,590</u>                 |
| <b>Total</b>                                |                                       | <u>4,316,722</u>                 |

*Note: Other eligible participants represent certain employees of the Company.*

In accordance with Rule 17.04(1) of the Listing Rules, the grant of the Options to each of the above Directors has been approved by the independent non-executive Directors (with the respective independent non-executive Directors abstaining from voting on the relevant resolution approving the grant of Options to him/her).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save as disclosed above, (1) none of the Grantees is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates (as defined under the Listing Rules); (2) none of the Grantees is a participant with share options granted and to be granted exceeding the 1% individual limit under the Listing Rules; and (3) each of the Grantees is not a related entity participant or a service provider (as defined under the Listing Rules) of the Company. As at the date of this announcement, the grant of the Options will not result in the share options granted and to be granted to each of the Grantees in the 12-month period up to and including the Date of Grant exceeding 1% of the Shares in issue.

Following the grant of the Options above, there are no shares available for future grant under the scheme mandate of the Share Option Scheme.

By Order of the Board  
**Cocoon Holdings Limited**  
**Chau Wai Hing**  
*Chairman*

Hong Kong, 6 January 2025

*As at the date hereof, the Board comprises two executive Directors, namely Mr. Chau Wai Hing and Mr. Wu Ming Gai; and three independent non-executive Directors, namely Ms. Leung Yin Ting, Mr. Wong Sze Lok and Ms. Lin Hsiu Mei.*