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Cocoon Holdings Limited

中國天弓控股有限公司

(the “Company”)

(Incorporated in the Cayman Islands with limited liability and continued in Bermuda with limited liability)

(Stock Code: 428)

POSITIVE PROFIT ALERT

This announcement is made by Cocoon Holdings Limited (the “**Company**” and 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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the Group’s unaudited consolidated management accounts for the year ended 31 December 2023 (the “**Reporting Period**”) and all information currently available to the Board, the Group is expected to record a net profit ranging from HK\$45.0 million to HK\$55.0 million for the Reporting Period, as compared to the net loss of approximately HK\$48.1 million for the corresponding period in 2022.

The turnaround from net loss to net profit is primarily attributable to (i) an increase of unrealised gain on listed investments (from a loss of approximately HK\$37.6 million for the corresponding period in 2022 to a profit approximately HK\$54.8 million for the Reporting Period); (ii) an increase of realised gain on listed investments (from a loss of approximately HK\$1.2 million for the corresponding period in 2022 to a profit approximately HK\$0.2 million for the Reporting Period); and (iii) an increase of realised gain on disposal of loan note (from a loss of approximately HK\$5.8 million for the corresponding period in 2022 to a profit approximately HK\$3.3 million for the Reporting Period).

The information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group and on the information available for the time being, but not on any data or information reviewed by the auditor of the Company or audit committee of the Company. The information may be subject to adjustments as the Company is still in the process of preparing and finalising the Group’s unaudited consolidated annual results for the Reporting Period. Details of the Group’s annual financial results and

performance for the year ended 31 December 2023 will be disclosed in the annual results announcement of the Company which is expected to be released in late March 2024.

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

By order of the Board
Cocoon Holdings Limited
Chau Wai Hing
Chairman

Hong Kong, 25 March, 2024

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. Chan Man Yi, Ms. Leung Yin Ting and Mr. Wong Sze Lok.