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China Parenting Network Holdings Limited
中國育兒網絡控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8361)

DISCLOSEABLE TRANSACTION
ACQUISITION OF PROPERTIES
AND
CHANGE OF USE OF PROCEEDS

THE ACQUISITION

The Board announces that on 15 December 2017, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Preliminary Agreement with the Vendor for the acquisition of the Properties at a consideration of RMB60,101,433 (or approximately HK\$69,247,669).

As the highest applicable percentage ratio (as defined in the GEM Listing Rules) for the Acquisition exceeds 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the announcement and reporting requirements under Chapter 19 of the GEM Listing Rules.

CHANGE OF USE OF PROCEEDS

As disclosed in the announcement of the Company dated 26 February 2016 and the annual report of the Company for the year ended 31 December 2016, HK\$60.0 million of the net proceeds from the Placing has been allocated for funding of a loan facility. The said loan was repaid in the first quarter of 2017. The Company currently does not have any intention to use the HK\$60.0 million for other loan facilities. To better utilise the fund, the Directors intended to apply the said amount of HK\$60.0 million for funding the Acquisition.

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THE PRELIMINARY AGREEMENT

Date

15 December 2017

Parties

- (1) Vendor: 南京世茂新發展置業有限公司 (Nanjing Shimao New Development Property Company Limited*), an independent property developer.
- (2) Purchaser: 矽柏(南京)信息技術有限公司 (Xibai (Nanjing) Information Technology Company Limited*), an indirect wholly-owned subsidiary of the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company.

Information of the Properties

The Properties are pre-sale commodity properties to be situated at Units 801, 803-810, 901-910, Block C, Yunshangcheng, Ningshuang Road, Tiexin Bridge Street, Yuhuatai District, Nanjing, Jiangsu Province, PRC with a gross construction area of approximately 3,179.97 square meters. The Vendor will deliver possession of the Properties to the Purchaser on 30 June 2019.

Consideration

The Consideration is RMB60,101,433 (or approximately HK\$69,247,669), which was paid in cash by the Purchaser to the Vendor upon signing of the Preliminary Agreement, and of which:

- (1) RMB6,010,144 as deposit (the “**Deposit**”); and
- (2) the balance of RMB54,091,289 as pre-payment for the Acquisition (the “**Pre-payment**”).

The Vendor and the Purchaser shall enter into the Pre-Sale Contract on or before 31 December 2017. Upon signing of the Pre-Sale Contract, the Deposit and the Pre-payment will be deemed as the payment for the Consideration. If the Purchaser refuses to enter into the Pre-Sale Contract on or before 31 December 2017, the Vendor is entitled to forfeit the Deposit but will return the Pre-payment to the Purchaser.

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser with reference to the prevailing market price. The Consideration will be satisfied as to approximately RMB52.1 million (or HK\$60.0 million) by the net proceeds from the Placing and as to the remaining approximately RMB8.0 million (or approximately HK\$9.2 million) by the Company's internal resources.

Pre-sale Contract

The Preliminary Agreement shall be effective upon signing and valid until the signing of the Pre-sale Contract. The Pre-sale Contract will be signed by the Vendor and the Purchaser on or before 31 December 2017.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is an online platform focusing on the CBM (children, babies, and maternity) market in China and is mainly engaged in (i) provision of marketing and promotional service; (ii) e-commerce business; and (iii) licensing of smart-hardware devices through its large and engaged user base of CBM consumers.

The Group is currently leasing properties for its own use as offices. Upon delivery of possession of the Properties by the Vendor in around June 2019, the Group intends to use and relocate to the Properties as its headquarters office in the PRC. The Directors consider that the Acquisition will benefit the Group in saving rental expenses.

The Directors consider that the terms of the Preliminary Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and in the interest of the Company and its shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in the GEM Listing Rules) for the Acquisition exceeds 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the announcement and reporting requirements under Chapter 19 of the GEM Listing Rules.

CHANGE OF USE OF PROCEEDS

As disclosed in the announcement of the Company dated 26 February 2016 and the annual report of the Company for the year ended 31 December 2016, HK\$60.0 million of the net proceeds from the Placing has been allocated for funding of a loan facility. The said loan was repaid in the first quarter of 2017. The Company currently does not have any intention to use the HK\$60.0 million for other loan facilities. To better utilise the fund, the Directors intended to apply the said amount of HK\$60.0 million for funding the Acquisition. Save as aforesaid there is no other change of use of the proceeds from the Placing as disclosed in the aforementioned announcement and the annual Report.

As mentioned above, the Acquisition will benefit the Group in saving rental expenses. The Directors therefore consider that the aforesaid change of use of HK\$60.0 million of the net proceeds from the Placing is beneficial to the Company, and is in the interests of the Company and its shareholders as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Acquisition”	the acquisition of the Properties by the Purchaser from the Vendor pursuant to the Preliminary Agreement and the Pre-sale Contract
“Board”	the board of Directors
“Company”	China Parenting Network Holdings Limited (中國育兒網絡控股有限公司), a company incorporated in the Cayman Islands, the issued shares of which are listed on GEM (Stock code: 8361)
“Consideration”	consideration for the Acquisition
“Directors”	the directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM, as amended from time to time
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Placing”	the placing of 250,000,000 shares by the underwriters as further described in the Prospectus
“Prospectus”	the prospectus of the Company dated 30 June 2015
“PRC”	the People’s Republic of China, for the purpose of this announcement excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Preliminary Agreement”	the Commodity Property Purchase Agreement (商品房認購協議) dated 15 December 2017 entered into between the Vendor and the Purchaser in relation to the Acquisition
“Pre-Sale Contract”	the Pre-Sale Contract (預售合同) to be entered into between the Vendor and the Purchaser in relation to the Acquisition
“Properties”	the pre-sale commodity properties situate at Units 801, 803-810, 901-910, Block C, Yunshangcheng, Ningshuang Road, Tiexin Bridge Street, Yuhuatai District, Nanjing, Jiangsu Province, PRC
“Purchaser”	矽柏(南京)信息技術有限公司(Xibai (Nanjing) Information Technology Company Limited*), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the GEM Listing Rules
“Vendor”	南京世茂新發展置業有限公司 (Nanjing Shimao New Development Property Company Limited*)

By order of the Board of
China Parenting Network Holdings Limited
Li Juan
Chairperson

Nanjing, the PRC, 15 December 2017

As at the date of this announcement, the executive Directors are Mr. Cheng Li, Mr. Hu Qingyang and Mr. Zhang Lake Mozi; the non-executive Directors are Mr. Wu Haiming, Ms. Li Juan and Mr. Hsieh Kun Tse; and the independent non-executive Directors are Mr. Wu Chak Man, Mr. Zhao Zhen and Mr. Ge Ning.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company.

The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website of the Stock Exchange of Hong Kong Limited at <http://www.hkgem.com> for at least 7 days from the date of its posting and be posted on the website of the Company at <http://www.ci123.com>.

** for identification purpose only*