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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: 1736)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement (the “**Announcement**”) of China Parenting Network Holdings Limited (the “**Company**”) dated 20 February 2025. Unless otherwise defined, capitalized terms used in this announcement have the same meaning as given to them in the Announcement.

The Company would like to supplement additional information in relation to the New WFOE Contractual Arrangement as follows:

Arrangements to address potential conflicts of interest

Each of the Registered Shareholders has given their irrevocable undertakings and certain restrictive covenants under the New WFOE Structured Contracts which address potential conflicts of interest that may arise in connection with the New WFOE Contractual Arrangement. Each of the Registered Shareholders undertakes that power granted to the Registered Owners under this Power of Attorney will not result in any actual or potential conflict of interest between the Registered Owners and the New WFOE and/or the authorised party. If there is a potential conflict of interest between the Registered Owners with the New WFOE or the Group, the Registered Owners will prioritise and not harm the interests of the New WFOE or the Company. If such a conflict of interest arises (the New WFOE has the sole right to determine whether such a conflict exists), the Registered Owners shall take timely measures to resolve it, subject to the consent of the New WFOE or its designated party. If the Registered Owners refuse to take measures to resolve the conflict of interest, the New WFOE has the right to exercise the purchase rights under the exclusive option agreement. Pursuant to the power of attorney, the power of attorney granted in favor of Nanjing YLYX and actions it takes in relation to the New WFOE Contractual Arrangement will only be decided by officers of the Company or Directors other than Mr. Cheng Li and Ms. Song Yuanyuan (being the partner of the Registered Owners).

Arrangements made to protect the Company's interests in the event of death, bankruptcy or divorce of Registered Owners

Appropriate provisions have been incorporated in the New WFOE Contractual Arrangement to protect the Group's interests in the event of death, bankruptcy or divorce of the Registered Owners. The Registered Owners undertake that in the event of bankruptcy or other events affecting the capability of the Registered Owners exercising the shareholders' rights, its successor shall not affect or hinder the performance of this agreement; therefore, the entity that obtains the equity or related rights shall be deemed as a signatory to this agreement, inheriting/assuming all rights and obligations under this agreement.

Economic risks borne by the Company as the primary beneficiary of Nanjing YLYX

Pursuant to the New WFOE Contractual Arrangement, the New WFOE agrees that it will enjoy and bear all economic benefits and risks arising from any business of Nanjing YLYX; to ensure that Nanjing YLYX meets the cash flow requirements in its daily operations and/or offsets any losses incurred during its operations, regardless of whether Nanjing YLYX actually incurs any such operational losses, the New WFOE may, at its sole discretion, provide financial support to Nanjing YLYX (only to the extent permitted by PRC law). None of the New WFOE Structured Contracts provide that the Company or the New WFOE is obligated to share the losses of Nanjing YLYX. The New WFOE may provide financial support to Nanjing YLYX in the form of a loan as permitted by Chinese law, and a separate loan agreement shall be executed for this purpose. In the event of any operational losses or severe operational difficulties at Nanjing YLYX, the New WFOE has the right to request Nanjing YLYX to cease operations, and Nanjing YLYX shall unconditionally comply with the New WFOE's request.

Despite the foregoing, given that the financial condition and results of operations of Nanjing YLYX are consolidated into the Group's financial condition and results of operations under the applicable accounting principles, the Company's business, financial condition and results of operations would be adversely affected if Nanjing YLYX suffers losses.

Risk Factor

Any failure by Nanjing YLYX or its shareholders to perform their obligations under the New WFOE Contractual Arrangement with them would have a material adverse effect on the Group's business, and Registered Owners may have potential conflicts of interest with the Group, given that Mr. Cheng Li and Ms. Song Yuanyuan, as the partners of the Registered Owners are also the Directors. The Registered Owners may potentially have conflicts of interest with the Group and breach their agreements or undertakings with the group if it would further their own interest or if they otherwise act in bad faith. In the event that such conflict of interest cannot be resolved in the Group's favor, the Group would have to rely on legal proceedings which could result in disruption to its business and the Group is subject to any uncertainty as to the outcome of such legal proceedings.

The above supplementary information does not affect other information contained in the Announcement. Save as disclosed above, all other information in the Announcement remains unchanged.

On behalf of the Board
China Parenting Network Holdings Limited
Cheng Li
Executive Director

Nanjing, the People's Republic of China, 20 March 2025

As at the date of this announcement, the executive Directors of the Company are Mr. Zhang Lake Mozi and Mr. Cheng Li; the non-executive Directors of the Company are Ms. Song Yuanyuan and Mr. Zhang Haihua; and the independent non-executive Directors of the Company are Mr. Zhao Zhen, Mr. Manley Poon and Ms. Nicole Huang Meng Ting.