

# TARGET

## Intelligence Report

VOLUME XXVI No. 12

T U E S D A Y

January 16, 2024

### CHINA PARENTING NETWORK HOLDINGS LTD: LOVERS' LABOURS LOST

No doubt, inter alia, since Thursday, August 31, 2023, Senior Management of China Parenting Network Holdings Ltd (中國育兒網絡控股有限公司) (Code: 1736, Main Board, The Stock Exchange of Hongkong Ltd) must have been sweating over the Company's accepted and acknowledged default 'in settlement of outstanding liabilities of approximately \$HK27 million.'

This public announcement, signed by Mr Cheng Li (程力), as the Chief Executive Officer of China Parenting Network Holdings Ltd, who was said to have caused to publish and disseminate in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the following intelligence, hereby reproduced by this medium, verbatim:

#### *'INSIDE INFORMATION*

#### **STATUTORY DEMAND AND UPDATE IN RELATION TO OUTSTANDING LIABILITIES OF THE COMPANY**

*'This announcement is made by China Parenting Network Holdings Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rules 13.09 and 13.19 of the Rules Governing the Listing of Securities on Main Board of The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).*

*'Reference is made to the Company's announcements dated 9 February 2021, 15 February 2021, 29 March 2021 and 30 March 2022 (the "Announcements") regarding the issue of the Convertible Notes. Unless otherwise specified herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.*

*'To keep the shareholders of the Company and potential investors informed of the latest development of the Group, as at the date of this announcement, the Group has defaulted in settlement of outstanding liabilities of approximately HK\$27 million, of which the Company has on*

21 August 2023 received a statutory demand (the “**Statutory Demand**”) dated 21 August 2023 from the legal adviser acting on behalf of Diligent Ally Private Limited (the “**Subscriber**”) demanding the Company to pay the amount of HK\$23,033,010.70 (the “**Debt**”), being the outstanding principal and interest amount of the Convertible Notes issued by the Company to the Subscriber. The Statutory Demand requested the Company to repay the Debt within 21 days from the date of service of the Statutory Demand. Upon receipt of the Statutory Demand, the Company has been in negotiations with the Subscriber about the Debt.

‘The Company is currently seeking legal advice in respect of the outstanding liabilities. In the meantime, the Company will continue to discuss and negotiate with the Subscriber and the other creditors to extend and/or restructure the outstanding liabilities.

‘Further announcement(s) relating to the Statutory Demand will be made by the Company as and when appropriate or as required under the Listing Rules.

‘Shareholders of the Company and potential investors should exercise caution when dealing in shares of the Company.’

According to the ‘**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**’ of China Parenting Network Holdings Ltd, found at Page 102 of the 2022 Annual Report of the Company, ‘**Cash and Cash Equivalents**’ was in the books of the Company at RMB8,555,000.00 (about \$HK9,414,124) as at December 31, 2022.

### **THE 2022 ANNUAL REPORT OF CHINA PARENTING NETWORK HOLDINGS LTD**

The 2022 Annual Report of China Parenting Network Holdings Ltd was published and disseminated in the HKSAR on or about Friday, April 28, 2023.

At Page Five of the 2022 Annual Report, Mr Lake Zhang Mo Zi (張漢子), as Chairperson of the Company, made a vain attempt at penning five paragraphs that, in the opinion of this medium, are unworthy, in part or in its entirety, of being republished in this **TARGET** Report.

However, at Page Six of the of the 2022 Annual Report, under the heading, ‘**MANAGEMENT DISCUSSION AND ANALYSIS**,’ an ‘**OVERVIEW**’ (of the Company), was presented, thusly:

‘The Group is a leading mother-child platform in China, providing users with content, community, new media, e-commerce, smart hardware and other related services through a portfolio of websites and APPs including CI Web, Mama BBS APP, Pregnancy Tracker APP, new media matrix and mother-child online communities, covering areas including new retail, health, education, home entertainment and family travel, etc, committed to providing personalized smart home solutions for young Chinese families. CI Web advocates a confident, free and natural attitude toward life, leads

*an advanced, practical and scientific parenting method, and accompanies parents and children to grow together.'*

Following on from the above single paragraph, under the heading, '**INDUSTRY REVIEW**,' one was apprised of the following:

***'Policy reignites maternal and infant industry, strong consumer momentum for market rebound***

*'Since the implementation of the three-child policy, many provinces and cities have intensively introduced supporting welfare policies on childbirth in 2022. Multi-directional policies promote the development of the maternal and infant big consumption industry at the same time. The continuous concrete implementation of the policy has, on the one hand, contributed to increasing people's willingness to have children, reducing the burden on families and increasing the number of newborn babies; on the other hand, it has also given the market more confidence in the development of the maternal and infant industry, which still has huge potential for future development in China. Consumption scale growth rate declined due to the impact of the pandemic, but as the situation of the COVID-19 pandemic gradually stabilised, the consumer market gradually rebounded. The market of mother-child is driven by the new mother-child population, new parenting philosophy and new consumption patterns, with strong consumption momentum.'*

Under ... [CLICK TO ORDER FULL ARTICLE](#)

***While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.***

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to [editor@targetnewspapers.com](mailto:editor@targetnewspapers.com). **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*