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ZENSUN ENTERPRISES LIMITED

正商實業有限公司

(formerly known as ZH International Holdings Limited)

正恒國際控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 185)

MAJOR TRANSACTION ACQUISITION OF LAND USE RIGHTS IN BEIJING, THE PRC

ACQUISITION OF LAND USE RIGHTS

The Board is pleased to announce that on 12 September 2019, Beijing Shangrui, an indirect wholly-owned subsidiary of the Company, made a successful bid for the land use rights of the Land Parcel through listing for sale process in the Auction held by Beijing Municipal Commission of Planning and Natural Resources, Daxing District* (北京市規劃和自然資源管理委員會大興分局) for transfer of state-owned land use rights at a consideration of RMB1,512,830,000.

The Land Parcel is located at east of Yingyi Street, west of Yingtong Street, south of Yinghong Road and north of Yingzhi Road, Yinghai Town, Daxing District* (大興區瀛海鎮東至瀛義街·西至瀛通街·南至瀛宏路·北至瀛志路), Beijing City, the PRC with a total site area of approximately 55,608.04 sq.m. and permitted plot ratio of not higher than 2.5. The Land Parcel is designated for residential usage with the term of use of 70 years.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios calculated in respect of the Acquisition under Rule 14.07 of the Listing Rules exceeds 25% but is less than 100%, the Acquisition constitutes a major transaction for the Company under the Listing Rules. Since the Acquisition (i) involves an acquisition of governmental land in the PRC from a PRC Governmental Body through an auction governed by PRC Law; and (ii) is undertaken on a sole basis by the Group in its ordinary and usual course of business, the Acquisition is regarded as a qualified property acquisition under Rule 14.04(10C) of the Listing Rules. Hence, the Acquisition is only subject

to reporting and announcement requirements and are exempt from shareholders' approval requirements pursuant to Rule 14.33A of the Listing Rules.

A circular containing, among other things, further details of the Acquisition and such other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 4 October 2019.

ACQUISITION OF LAND USE RIGHTS

The board (“**Board**”) of directors (“**Directors**”) of Zensun Enterprises Limited (formerly known as ZH International Holdings Limited) (“**Company**”) is pleased to announce that on 12 September 2019, Beijing Shangrui Real Estate Company Limited* (北京上瑞置業有限公司) (“**Beijing Shangrui**”), an indirect wholly-owned subsidiary of the Company, made a successful bid for the land use rights of a land parcel with code no. 京土集使掛(興)[2019] No. 002 (the “**Land Parcel**”) located in Daxing District, Beijing City, the People’s Republic of China (the “**PRC**”) through listing for sale process (the “**Acquisition**”) in the public auction (“**Auction**”) held by Beijing Municipal Commission of Planning and Natural Resources, Daxing District* (北京市規劃和自然資源管理委員會大興分局) for transfer of state-owned land use rights at a consideration of RMB1,512,830,000 for the Land Parcel. The consideration of the Acquisition was determined based on the Auction documents issued by Beijing Municipal Commission of Planning and Natural Resources, Daxing District.

The Land Parcel is located at east of Yingyi Street, west of Yingtong Street, south of Yinghong Road and north of Yingzhi Road, Yinghai Town, Daxing District* (大興區瀛海鎮東至瀛義街、西至瀛通街、南至瀛宏路、北至瀛志路), Beijing City, the PRC with a total site area of approximately 55,608.04 sq.m. and permitted plot ratio of not higher than 2.5. The Land Parcel is designated for residential usage with the term of use of 70 years. The Land Parcel is currently held by Beijing Xingfu Jidi Asset Management Company Limited* (北京興福集地資產管理有限公司) for preliminary land administrative work and offered its land use rights ready for listing for sale process in the Auction.

A sum of RMB500,000,000 for the Land Parcel has been paid as the security deposit for the Auction. Pursuant to the procedures under the listing for sale process in the Auction, immediate following the successful bid, Beijing Municipal Commission of Planning and Natural Resources, Daxing District will issue a confirmation notice (“**Confirmation Notice**”) in respect of the Land Parcel to Beijing Shangrui. The land use rights grant contract in relation to the Acquisition will be entered into between Beijing Shangrui and Beijing Xingfu Jidi Asset Management Company Limited within ten working days from the issue of the Confirmation Notice.

INFORMATION ON PARTIES TO THE ACQUISITION

Beijing Shangrui is a company established in the PRC, an indirect wholly-owned subsidiary of the Company and its principal activity is property development.

Beijing Xingfu Jidi Asset Management Company Limited is a company established in the PRC principally engaged in, among others, assets management, corporate management and

construction main contracting. Beijing Xingfu Jidi Asset Management Company Limited is a company controlled by Beijing Daxing District People's Government National Asset Supervision & Management Committee* (北京市大興區人民政府國有資產監督管理委員會).

Beijing Municipal Commission of Planning and Natural Resources, Daxing District, is a PRC Governmental body and is responsible for, among other things, administering the examination and approval of land planning, assignment and transfer of the land use rights of the state-owned land in Daxing District, Beijing City, the PRC, and the issue of various types of land certificates.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Beijing Xingfu Jidi Asset Management Company Limited and Beijing Municipal Commission of Planning and Natural Resources, Daxing District and its beneficial owner are third parties independent of the Group and its connected persons.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company and its subsidiaries (collectively, the “**Group**”) are principally engaged in property development, property investment and management, hotel operations and securities trading and investment. The Board believes that the Acquisition complements the Group's strategy in expanding its development in Henan Province and other first and second tier cities in the PRC.

The Directors further consider that the Acquisition is a transaction of revenue nature is carried out in the ordinary and usual course of business and is on normal commercial terms, which is fair and reasonable and in the interests of the Company and its shareholders (“**Shareholders**”) as a whole.

The Company will continue to seek viable business opportunities in accordance with its overall strategy. The Company will make use of the Group's financial, human and technological resources to enhance its portfolio, asset base and brand image.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios calculated in respect of the Acquisition under Rule 14.07 of the Rules Governing Listing of the Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) exceeds 25% but is less than 100%, the Acquisition constitutes a major transaction for the Company under the Listing Rules. Since the Acquisition (i) involves an acquisition of governmental land in the PRC from a PRC Governmental Body through an auction governed by PRC Law; and (ii) is undertaken on a sole basis by the Group in its ordinary and usual course of business, the Acquisition is regarded as a qualified property acquisition under Rule 14.04(10C) of the Listing Rules. Hence, the Acquisition is only subject to reporting and announcement requirements and are exempt from shareholders' approval requirements pursuant to Rule 14.33A of the Listing Rules.

A circular containing, among other things, further details of the Acquisition and such other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 4 October 2019.

By Order of the Board
Zensun Enterprises Limited
Zhang Jingguo
*Chairman, Chief Executive Officer
and Executive Director*

Hong Kong, 12 September 2019

As at the date of this announcement, the executive Directors are Mr. Zhang Jingguo and Mr. Zhang Guoqiang; the non-executive Director is Ms. Huang Yanping and the independent non-executive Directors are Mr. Liu Da, Dr. Liu Qiao and Mr. Ma Yuntao.