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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)

DISCLOSEABLE TRANSACTION

ACQUISITIONS OF LAND USE RIGHTS IN HENAN PROVINCE, THE PRC

ACQUISITIONS OF LAND USE RIGHTS

The Board is pleased to announce that on 21 February 2020, Henan Hongya, an indirect wholly-owned subsidiary of the Company, made two successful bids for the land use rights of Land Parcel I and Land Parcel II through listing for sale process in the Auctions held by Xinmi City Natural Resources and Planning Bureau* (新密市自然資源和規劃局) for transfer of state-owned land use rights at a consideration of RMB245,875,838 for Land Parcel I and RMB104,771,292 for Land Parcel II respectively.

Land Parcel I is located at south of Qingping Street, west of Fuxi Road, north of West Street and east of Chengyun Road* (青屏大街南側、浮戲路西側、西大街北、承雲路東), Xinmi City, Henan Province, the PRC with a total site area of approximately 53,060.26 sq.m. and permitted plot ratio between 1.0 and 2.5. Land Parcel I is designated for residential usage with the term of use is 70 years and for underground for transportation services usage with the term of use is 50 years.

Land Parcel II is located at south of Qingping Street, west of Fuxi Road, north of West Street and east of Chengyun Road* (青屏大街南、浮戲路西側、西大街北側、承雲路東), Xinmi City, Henan Province, the PRC with a total site area of approximately 25,968.97 sq.m. and permitted plot ratio between 1.0 and 2.5. Land Parcel II is designated for residential usage with the term of use is 70 years and for underground for transportation services usage with the term of use is 50 years.

LISTING RULES IMPLICATIONS

Taking into consideration of the fact that the locations of Land Parcel I and Land Parcel II are adjacent to each other in Xinmi City, the Board took the liberty to aggregate the acquisition of Land Parcel I and the acquisition of Land Parcel II. As one of the applicable percentage ratios calculated in respect of the Acquisitions under Rule 14.07 of the Listing Rules exceeds 5% but is less than 25%, the Acquisitions constitute a discloseable transaction of the Company under the Listing Rules.

ACQUISITIONS 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 21 February 2020, Henan Zensun Hongya Real Estate Company Limited* (河南正商鴻雅置業有限公司) (“**Henan Hongya**”), an indirect wholly-owned subsidiary of the Company, made two successful bids for the transfer of state-owned land use rights of two land parcels with code no. 2019-75 (“**Land Parcel I**”) and code no. 2019-76 (“**Land Parcel II**”) located in Xinmi City, Henan Province, the People’s Republic of China (the “**PRC**”) through listing for sale process (the “**Acquisitions**”) in the public auctions (“**Auctions**”) held by Xinmi City Natural Resources and Planning Bureau* (新密市自然資源和規劃局) at a consideration of RMB245,875,838 for Land Parcel I and at a consideration of RMB104,771,292 for Land Parcel II respectively. The consideration of each of the Acquisitions was determined based on the Auction documents issued by Xinmi City Natural Resources and Planning Bureau. The Group will finance the Acquisitions and the development of Land Parcel I and Land Parcel II with internal resources.

Land Parcel I is located at south of Qingping Street, west of Fuxi Road, north of West Street and east of Chengyun Road* (青屏大街南側、浮戲路西側、西大街北、承雲路東), Xinmi City, Henan Province, the PRC with a total site area of approximately 53,060.26 sq.m. and permitted plot ratio between 1.0 and 2.5. Land Parcel I is designated for residential usage with the term of use is 70 years and for underground for transportation services usage with the term of use is 50 years.

Land Parcel II is located at south of Qingping Street, west of Fuxi Road, north of West Street and east of Chengyun Road* (青屏大街南、浮戲路西側、西大街北側、承雲路東), Xinmi City, Henan Province, the PRC with a total site area of approximately 25,968.97 sq.m. and permitted plot ratio between 1.0 and 2.5. Land Parcel II is designated for residential usage with the term of use is 70 years and for underground for transportation services usage with the term of use is 50 years .

A sum of RMB245,875,838 for Land Parcel I and RMB104,771,292 for Land Parcel II have been paid as the security deposit for the Auctions. Pursuant to the procedures under the listing for sale process in the Auctions, within three working days following the successful bid, Henan Hongya shall submit qualification documents to Xinmi City Natural Resources and Planning Bureau for verification. Upon completion of the verification process, Xinmi City Natural Resources and Planning Bureau will issue a confirmation notice (“**Confirmation Notice**”) in respect of Land Parcel I and Land Parcel II to Henan Hongya. The land use

rights grant contracts in relation to the Acquisitions will be entered between Henan Hongya and Xinmi City Natural Resources and Planning Bureau on or before the date determined by Xinmi City Natural Resources and Planning Bureau as stipulated in the Confirmation Notice.

INFORMATION ON PARTIES TO THE ACQUISITIONS

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

Xinmi City Natural Resources and Planning Bureau, being the seller of Land Parcel I and Land Parcel II 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 Xinmi City, Henan Province, 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, Xinmi City Natural Resources and Planning Bureau and its beneficial owner are third parties independent of the Group and its connected persons.

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

The Company and its subsidiaries (collectively "**Group**") are principally engaged in property development, property investment and management, hotel operations and securities trading and investment. The Board believes that each of the Acquisitions 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 each of the Acquisitions 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 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

Taking into consideration of the fact that the locations of Land Parcel I and Land Parcel II are adjacent to each other in Xinmi City, the Board took the liberty to aggregate the acquisition of Land Parcel I and the acquisition of Land Parcel II. As one of the applicable percentage ratios calculated in respect of the Acquisitions under Rule 14.07 of the Rules Governing Listing of the Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**") exceeds 5% but is less than 25%, the Acquisitions constitute a discloseable transaction for the Company under the Listing Rules.

By Order of the Board
Zensun Enterprises Limited

Zhang Jingguo
*Chairman, Chief Executive Officer
and Executive Director*

Hong Kong, 21 February 2020

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.