



Zensun Enterprises Limited Announces 2019 Annual Results -

Net Profit Increased 37 times to RMB1,152 million

with 1st dividend declared since the engagement of property development

FINANCIAL HIGHLIGHTS FOR THE YEAR

- Revenue for the Year amounted to approximately RMB8,887.2 million, representing an increase of approximately 1,378% compared with 2018.
- Gross profit for the Year amounted to approximately RMB2,286.5 million, representing an increase of approximately 731% compared with 2018. The gross profit margin for the Year was 25.7%.
- Profit attributable to owners of the Company for the Year amounted to approximately RMB1,151.6 million, representing an increase of approximately 3,742% compared with 2018.
- Net profit margin for the Year was 13.0%, as compared with 4.7% for 2018.
- Basic earnings per share for the Year was RMB14.87 cents, an increase of approximately 2,935% compared with 2018.
- The Board recommends a final dividend of RMB1.67 cents per share.

(27 March 2020, Hong Kong) - **Zensun Enterprises Limited** (“Zensun Enterprises” or the “Company”; stock code: 0185) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2019. The Board recommends the payment of a dividend in respect of the year ended 31 December 2019 of RMB1.67 cents per share, amounting to a total dividend of approximately RMB172 million.

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The Group recorded a revenue of approximately RMB8,887.2 million and gross profit of approximately RMB2,286.5 million, with an increase of approximately 1,378% as compared to revenue of approximately RMB601.5 million and increase of approximately 731% as compared to gross profit of approximately RMB275.1 million in the corresponding period of 2018. The revenue and gross profit in the Year were primarily derived from the property development business in the PRC. The substantial increase in revenue and gross profit is arising from the delivery of the Group's several newly completed property development projects during the fourth quarter of 2019, leading to the increase in the Group's booked gross floor area ("GFA") tremendously. Booked saleable/leasable GFA of approximately 542,000 square meters ("sq.m.") were delivered during the Year as compared with 2018 of approximately 43,000 sq.m..

The Group's profit attributable to owners of the Company for the Year amounted to approximately RMB1,151.6 million (2018: approximately RMB30.0 million). The basic earnings per share for the Year was RMB14.87 cents (2018: RMB0.49 cents). The Board recommends with pleasure and honor the payment of a final dividend in respect of the year 2019 of RMB1.67 cents per share. This is the first dividend declared since the Company transited to engage in property development in China in 2015.

Continuing to Maintain Concrete Expansion Strategy and Expand Land Reserves

During the Year, the Group attended different public auctions with listings for sale processes held by local governmental land bureaus and successfully completed 10 land acquisitions in the PRC. These newly acquired land parcels have contributed total site area of approximately 460,000 sq.m. and aggregate estimated GFA of approximately 1.13 million sq.m. in support of its land reserves in the PRC. These successful land bids and acquisitions further complemented the Group's strategy in expanding its business operation with focus in Zhengzhou City, Henan Province and other first and second tier cities in the PRC.

Along with the concrete expansion strategy adopted since 2017, the Group's land resources have been sufficiently accumulated. As at 31 December 2019, the Group had six completed property projects and 30 on-going complex property projects on hand with 79 land parcels under development and planning with total site area of approximately 3.52 million sq.m. and aggregate estimated GFA of approximately 9.54 million sq.m. in the PRC. In return, the land reserves will bring to the Group with estimated saleable/leasable GFA under development of approximately 4.04 million sq.m. and estimated GFA under planning of approximately 2.86 million sq.m.. The Group remained proactive in reviewing its expansion pace, and may adjust its project developing plans and schedules in response to changing market conditions, as and when appropriate.

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Keeping an Open Mind, Growing into a Real Estate Enterprise with Best Growth Potential

In the future, the Group will focus more on developing the existing property development projects in 2020 and 2021. The Board will still maintain open-minded to identify new property development projects and bid for land use rights of other selective land parcels in the PRC with a focus in Zhengzhou City, Henan Province and other first and second tier cities in the PRC in the coming few years. With the strong land reserves with the ongoing property development projects, the demand for the respective construction work for the Group's properties projects on hand are rapidly and substantially increasing. In this regard, the Group will proactively seek for quality construction contractors which can offer the best and most favourable terms to cooperate so as to complement with the Group's expansion in property development operation in the PRC.

The Board is of the view that going forward the management can focus their efforts in developing the Group into a flagship group with a focus on property development in the PRC. The Company takes leverage on the PRC property development and investment experience of its management team to seek development in suitable projects with potential to deliver value to its shareholders. In addition to existing business partners, the Company will continue to seek potential partners' cooperation to explore capital resources, reduce capital investment at an early stage and facilitate project development. The management remains cautiously optimistic on the long-term prospects of the real estate industry and will expedite its property development and sales of its development projects in the PRC through making use of its own advantages and leveraging on the national network and business resources of Zensun Real Estate, and thus improve the position of the Group in the real estate industry in the PRC. The Company will reinforce its market position and grow into a real estate enterprise with the best growth potential by fully leveraging the management's experience in property development and investment in China in order to bring sustainable benefits to its shareholders.

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About Zensun Enterprises Limited

Zensun Enterprises Limited (formerly known as ZH International Holdings Limited) is a public limited liability company in Hong Kong with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited. The principal activities of the Group include property development, property investment and management, project management and sales services and securities trading and investment in Hong Kong, the PRC and overseas.

This press release is issued by **Wonderful Sky Financial Group** on behalf of **Zensun Enterprises Limited**.

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