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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 AND CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF XINGCHENG HOLDINGS LIMITED AND FINANCIAL ASSISTANCE FROM CONTROLLING SHAREHOLDER

**Independent Financial Advisor to the Independent Board Committee and
the Independent Shareholders**



THE ACQUISITION

The Board is pleased to announce that on 31 March 2020 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendor entered into the Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Company has conditionally agreed to acquire the entire issued share capital of the Target Company at the total consideration of RMB2,368,000,000. In accordance with the terms and conditions of the Agreement, the Consideration will be paid in cash by the Purchaser at Completion.

FINANCIAL ASSISTANCE FROM CONTROLLING SHAREHOLDER

The Board further announces that on 31 March 2020, Joy Town entered into the Loan Agreement with the Company pursuant to which Joy Town has agreed to provide, upon the Company's request, unsecured, interest-free loan of RMB2,368,000,000 as Financial Assistance to the Company, with discretionary right on Joy Town to demand immediate repayment. The proceeds from the Financial Assistance will be used to finance the Acquisition.

LISTING RULES IMPLICATIONS

Major transaction

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction for the Company under the Listing Rules and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Connected transaction

The Acquisition

As at the date of this announcement, Ms. Huang is a non-executive Director and, through companies beneficially owned by her, is interested in 7,697,492,188 Shares, representing approximately 74.77% of the number of issued Shares in the Company. Mr. Zhang, the chairman, the chief executive officer and an executive Director of the Company, is the spouse of Ms. Huang. Accordingly, Ms. Huang (a controlling shareholder and a Director of the Company) and Mr. Zhang (a controlling shareholder and a Director of the Company) are regarded as connected person of the Company under Chapter 14A of the Listing Rules.

As the Vendor is a company beneficially owned and ultimately controlled by Ms. Huang, the entering into of the Agreement constitutes a connected transaction under Chapter 14A of the Listing Rules. The entering into of the Agreement and the transactions contemplated thereunder, including but not limited to the Acquisition, are therefore subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Financial Assistance by Controlling Shareholder

As at the date of this Announcement, Joy Town held 7,697,492,188 Shares, representing approximately 74.77% of the number of issued Shares in the Company. Accordingly, Joy Town (a controlling shareholder of the Company) is regarded as a connected person of the Company under Chapter 14A of the Listing Rules. The Financial Assistance in relation to the Acquisition constitutes a connected transaction in the form of financial assistance from Joy Town in favour of the Company.

However, as the Financial Assistance is not secured by any assets of the Group and as the Directors consider that the Financial Assistance is on normal commercial terms or better, the Financial Assistance is fully exempted from the shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.90 of the Listing Rules.

GENERAL

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the independent Shareholders on the terms of the Agreement and the transactions contemplated thereunder. None of the members of the Independent Board Committee has any interest or involvement in the transactions contemplated under the Agreement. VBG Capital Limited has been appointed as the Independent Financial Adviser with the approval of the Independent Board Committee to advise the Independent Board Committee and the independent Shareholders in respect of the Agreement and the transactions contemplated thereunder and as to voting.

The EGM will be convened and held for the independent Shareholders to consider and, if thought fit, approve, the Agreement and the transactions contemplated thereunder including, but not limited to, the Acquisition.

A circular containing, among other things, (i) further details of the Acquisition; (ii) the valuation report issued by the Independent Valuer on the Property Projects; (iii) recommendation of the Independent Board Committee; (iv) letter of advice from the Independent Financial Adviser; (v) other information as required to be disclosed under the Listing Rules; and (vi) a notice of the EGM and a form of proxy is expected to be despatched by the Company to the Shareholders on or before 23 April 2020.

Completion is subject to fulfilment of the Conditions, and the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

THE ACQUISITION

The Board is pleased to announce that on 31 March 2020 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendor entered into the Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Company has conditionally agreed to acquire, the entire issued share capital of the Target Company at the total consideration of RMB2,368,000,000. In accordance with the terms and conditions of the Agreement, the Consideration will be paid in cash by the Purchaser at Completion.

Summarised below are the principal terms of the Agreement:

THE AGREEMENT

Date: 31 March 2020

Parties: Champ Win Enterprise Limited (the Vendor); and

Total Star Development Limited (the Purchaser), an indirect wholly-owned subsidiary of the Company

Assets to be acquired

Pursuant to the Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the entire issued share capital of the Target Company.

Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company and accordingly, the financial information of the Target Group will be consolidated into the accounts of the Group.

Consideration

The Consideration is RMB2,368,000,000. In accordance with the terms and conditions of the Agreement, the Consideration will be paid in cash by the Purchaser at Completion.

The Consideration was determined after arm's length negotiations with reference to, among others:

1. the indicative valuation of the Property Projects of the Target Group issued by the Independent Valuer at RMB3,084,900,000 (equivalent to approximately HK\$3,371,795,700);
2. the unaudited net asset value of the Target Group as at 31 December 2019 in an amount of approximately RMB685,181,000 (equivalent to approximately HK\$748,902,833);
3. the unaudited reassessed net asset value of the Target Group in an amount of approximately RMB2,368,854,000 (equivalent to approximately HK\$2,589,157,422) ("**Reassessed NAV**") which was determined by adding (i) the unaudited net assets value of the Target Group as at 31 December 2019; and (ii) the increase in the unaudited net assets value of the Target Group in an amount of approximately RMB1,683,673,000 (equivalent to approximately HK\$1,840,254,589) arising from the indicative valuation of the Property Projects of the Target Group as assessed by Independent Valuer;
4. the business development and future prospects of the Target Group as stated under the section headed "Information of the Target Group" below; and
5. the reasons and benefits of entering into the Acquisition as stated under the section headed "Reasons for and benefits of the entering into the acquisition" below.

Conditions

Completion is subject to and conditional upon, including but not limited to, the fulfilment (or waiver) of the following Conditions:

- (i) the passing of all resolutions by the independent Shareholders (who are entitled to vote and not required to be abstained from voting under the Listing Rules) at a general meeting of the Company approving the entering into the Agreement by the Company and the performance of the transactions contemplated hereunder including, but not limited to, the Acquisition, in accordance with the relevant provisions in the Listing Rules, the articles of the association of the Company and the applicable laws and regulations in Hong Kong;
- (ii) the warranties provided by the Vendor under the Agreement as at the date thereof remaining accurate as at the Completion Date;
- (iii) the Purchaser having obtained a preliminary valuation report on the Property Projects as assessed by the Independent Valuer, with an effective date of the report of not earlier than 20 April 2020 and the value of the Property Projects is not less than RMB3,084,900,000; and
- (iv) in connection with the transactions contemplated under the Agreement:
 - (i) all requisite filings or registrations with all applicable government entities having been made;
 - (ii) all requisite governmental authorisations from all applicable governmental entities, on terms and conditions reasonably satisfactory to the Company, having been obtained;
 - (iii) no proceedings that seek to restrain, prohibit, declare illegal, or otherwise challenge or interfere or obtain relief having been instituted or threatened.

Each of Conditions (i) and (iv) cannot be waived by any party to the Agreement. Any of Conditions (ii) and (iii) may be waived by the Company at any time, in whole or in part, by written notice to the Vendor.

The Long Stop Date for the fulfillment of the Conditions is 30 November 2020. If the Conditions are not fulfilled or waived (as the case may be) on or before the Long Stop Date, then unless the Vendor and the Purchaser mutually agree to further extend the Long Stop Date, the parties to the Agreement are not obliged to complete the Acquisition and the Agreement may be terminated by written notice by one party to the Agreement to the other.

Completion

Completion shall take place on the third Business Day after the fulfilment or waiver of all the Conditions (other than and those Conditions that by their terms are intended to or may be fulfilled at Completion) or on such other date as the Parties may agree in writing.

Upon Completion, members of the Target Group will become subsidiaries of the Company and the financial results of the Target Group will be consolidated into the financial results of the Group.

INFORMATION OF THE GROUP

The Group is principally engaged in property development, property investment and management, project management and sales services, and securities trading and investment.

The Purchaser is a company established in Hong Kong, an indirect wholly-owned subsidiary of the Company and an investment holding company.

INFORMATION OF THE TARGET GROUP

The Target Group is established and developed by the Vendor and the costs of acquiring the Target Group is reflected in the net asset value of the Target Group. The Vendor had acquired the Target Group for an aggregate consideration of approximately RMB500,000,000.

The Target Company

The Target Company was established on 2 January 2020. It is an investment holding company incorporated in Hong Kong. As at the date hereof, the entire issued share capital of the Target Company is held by the Vendor.

Henan Shangbin

Henan Shangbin is a limited liability company established under the laws of PRC principally engaged in property development in the PRC. As at the date hereof, the entire equity interests in Henan Shangbin is held by the Target Company.

Xinzheng Xingcheng

Xinzheng Xingcheng is a limited liability company established under the laws of PRC principally engaged in property development in the PRC. As at the date hereof, the entire equity interests in Xinzheng Xingcheng is held by the Target Company.

Luoyang Zensun

Luoyang Zensun is a limited liability company established under the laws of PRC principally engaged in property development in the PRC. As at the date hereof, the entire equity interests in Luoyang Zensun is held by Xinzheng Xincheng.

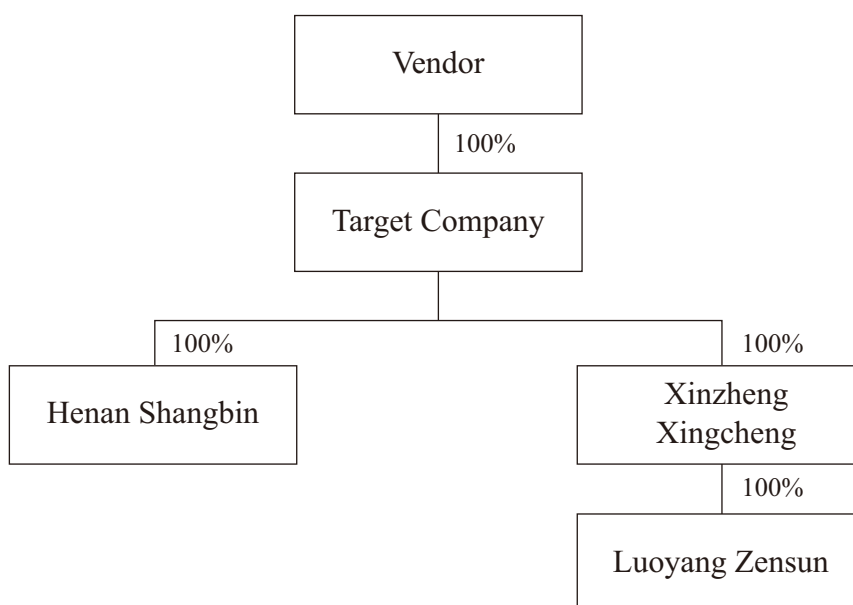
Property Projects held or to be held by the Target Group

As at the date of this announcement and upon Completion, the Target Group shall own the properties under development in Zhengzhou City and Luoyang City, Henan Province, the PRC with its subsidiaries primarily engaged in property development in the PRC. Set out below are the details of the Property Projects which are indirectly and whole-owned by the Target Group:

Property project:	Riverview Garden Phase I and Phase II	Luoyang Zensun City North Garden Phase I, Phase II and Phase III	Zensun Princess Lake Phase V	Zensun Princess Lake (Huanhuxi'an)
Registered owner:	Henan Shangbin	Luoyang Zensun	Xinzheng Xingcheng	Xinzheng Xingcheng
Date(s) of issue of the land use rights certificate(s):	10 November 2016	29 April 2014/ 17 October 2019/ 17 October 2019	8 October 2015/ 8 October 2015/ 8 October 2015/ 18 October 2018	23 January 2018
Site area of the land(s) (in square meters):	31,462	52,728/ 52,772/ 69,555	39,439/ 44,581/ 42,316/ 28,565	40,819
Location(s):	East of Jingkai 14th Avenue and South of Jingnan 9th Road, Jingkai District, Zhengzhou City, Henan Province	East of West Ring Road and North of Tank Road, Jianxi District, Luoyang City, Henan Province/ Southwest corner of intersection of Kewen Road and Qunan Road, Jianxi District, Luoyang City, Henan Province/ Southeast corner of intersection of Kewen Road and Qunan Road, Jianxi District, Luoyang City, Henan Province	East of Huarui Road and West of Princess Lake, Xincun Town, Zhengzhou City, Henan Province/ East of Huarui Road and South of Binhe South Road, Xincun Town, Zhengzhou City, Henan Province/ West of Zhengxin Highway and East of Huarui Road, Xincun Town, Zhengzhou City, Henan Province/ East of Huarui Road, Xincun Town, Zhengzhou City, Henan Province	North of Xincun North Road and West of Huarui Road, Xincun Town, Zhengzhou City, Henan Province

Property project:	Riverview Garden Phase I and Phase II	Luoyang Zensun City North Garden Phase I, Phase II and Phase III	Zensun Princess Lake Phase V	Zensun Princess Lake (Huanhuxi'an)
Term(s) of the land use rights:	40 years	70 years/ Residential: 70 years Commercial: 40 years/ Residential: 70 years Commercial: 40 years	70 years	70 years
Type(s) of land usage:	Commercial	Residential/ Residential and Commercial/ Residential and Commercial	Residential	Residential
Gross floor area (in square meters):	119,251	185,261/ 174,149/ 243,443	61,919/ 69,992/ 66,436/ 57,130	80,244
Expected/Actual completion year(s):	30 June 2020	20 December 2018/ Undetermined/ Undetermined	31 December 2021	20 November 2020
Current status:	Under development	Completed/ Held for development/ Held for development	Under development	Under development
Plot ratio(s):	Less than 3.8	Between 1 and 3.3/ Between 1 and 3.3/ Between 1 and 3.5	Between 1 and 2	Between 1 and 2

The shareholding structure of the Target Group as at the date of this announcement and immediately before the Completion is set out as follows:



Financial information of the Target Group

Set out below is the combined financial information of the Target Group for each of the two financial years ended 31 December 2018 and 31 December 2019:

	For the financial year ended	
	31 December 2018	31 December 2019
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Profit before taxation	92,758	264,539
Profit after taxation	66,518	206,682

Set out below is the combined financial position of the Target Group as at 31 December 2019:

	As at
	31 December 2019
	<i>RMB'000</i>
	(unaudited)
Net assets	685,181

REASONS FOR AND BENEFITS OF ENTERING INTO THE ACQUISITION

As disclosed above, the Group is principally engaged in property development, property investment and management, project management and sale services, and securities trading and investment.

The Directors consider 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. As stated in the Group's interim report for the six months ended 30 June 2019, the Company will continue to leverage on the PRC property development and investment experience of its management team to seek opportunity in suitable projects with potential to deliver value to its Shareholders. The Target Group, having four property development projects under or held for development in the PRC as at 31 December 2019, serves as a suitable acquisition target of the Group so as to expand its PRC property development segment rapidly.

Also, the Directors consider that the Acquisition could create a synergy between the Group and the Target Group by way of sharing resources and utilising management expertise of the Group. As the Target Group has a similar business operation as the Group, upon completion of the Acquisition, the Group could utilise the existing resources of the Target Group, such as project development staff, sales staff, suppliers and certain qualified competent construction contractors in other property development projects. With the enlarged group of property portfolio and relevant expertise, the Group could take on larger scale development projects to further expand and develop its business.

Having considered above, the Directors (excluding the independent non-executive Directors whose views will be contained in the circular to be issued by the Company after considering the advice from the Independent Financial Adviser and excluding Ms. Huang and Mr. Zhang who abstained from voting due to Ms. Huang's material interest in the Acquisition and Mr. Zhang's deemed interest in the Acquisition as spouse of Ms. Huang) are of the view that the Acquisition is in the interests of the Group, and the terms of the Agreement (including but not limited to the Consideration) are on normal commercial terms, which are fair and reasonable and in the interests of the Shareholders as a whole.

FINANCIAL ASSISTANCE FROM CONTROLLING SHAREHOLDER

The Board further announces that on 31 March 2020, Joy Town, a company ultimately controlled by Ms. Huang, entered into the Loan Agreement with the Company pursuant to which Joy Town has agreed to provide, upon the Company's request, unsecured, interest-free loan of RMB2,368,000,000 as Financial Assistance to the Company, with discretionary right on Joy Town to demand immediate repayment.

The proceeds from the Financial Assistance will be used to finance the Acquisition.

LISTING RULES IMPLICATION

Major transaction

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction for the Company under the Listing Rules and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Connected transaction

The Acquisition

As at the date of this announcement, Ms. Huang is a non-executive Director and, through companies owned by her, is interested in 7,697,492,188 Shares, representing approximately 74.77% of the number of issued Shares in the Company. Mr. Zhang, the chairman, the chief executive officer and an executive Director of the Company, is the spouse of Ms. Huang. Accordingly, Ms. Huang (a controlling shareholder and a Director of the Company) and Mr. Zhang (a controlling shareholder and a Director of the Company) are regarded as connected person of the Company under Chapter 14A of the Listing Rules.

Based on the information provided by the Vendor, (i) the Vendor is a wholly-owned subsidiary of Honor Challenge Investment Limited, which in turn is wholly-owned by Ever Diamond Global Company Limited ("**Ever Diamond**"); (ii) Ever Diamond is a wholly-owned subsidiary of HQ Neptune Investments Limited, which in turn is wholly owned by Zensun International Holdings Company Limited ("**Zensun International**"). Zensun International is wholly-owned by Zensun Group Limited ("**Zensun Group**"); and (iii) Zensun Group is a wholly-owned subsidiary of Notable Reward Limited, which in turn is wholly-owned by Superior Glory Enterprises Limited and the entire issued share capital of Superior Glory Enterprises Limited is the assets of a discretionary trust established by Ms. Huang as settlor and protector and Vistra Trust (Singapore) Pte Limited as trustee.

As the Vendor is a company beneficially owned and ultimately controlled by Ms. Huang, the entering into of the Agreement constitutes a connected transaction under Chapter 14A of the Listing Rules. The entering into of the Agreement and the transactions contemplated thereunder, including but not limited to the Acquisition are therefore subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Financial Assistance by Controlling Shareholder

As at the date of this Announcement, Joy Town held 7,697,492,188 Shares, representing approximately 74.77% of the number of issued Shares in the Company. Accordingly, Joy Town (a controlling shareholder of the Company) is regarded as a connected person of the Company under Chapter 14A of the Listing Rules. The Financial Assistance in relation to the Acquisition constitutes a connected transaction in the form of financial assistance from Joy Town in favour of the Company.

However, as the Financial Assistance is not secured by any assets of the Group and as the Directors consider that the Financial Assistance is on normal commercial terms or better, the Financial Assistance is fully exempted from the shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.90 of the Listing Rules.

GENERAL

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the independent Shareholders on the terms of the Agreement and the transactions contemplated thereunder. None of the members of the Independent Board Committee has any interest or involvement in the transactions contemplated under the Agreement. VBG Capital Limited has been appointed as the Independent Financial Adviser with the approval of the Independent Board Committee to advise the Independent Board Committee and the independent Shareholders in respect of the Agreement and the transactions contemplated thereunder and as to voting.

The EGM will be convened and held for the independent Shareholders to consider and, if thought fit, approve, the Agreement and the transactions contemplated thereunder including, but not limited to, the Acquisition.

A circular containing, among other things, (i) further details of the Acquisition; (ii) the valuation report issued by the Independent Valuer on the Property Projects; (iii) recommendation of the Independent Board Committee; (iv) letter of advice from the Independent Financial Adviser; (v) other information as required to be disclosed under the Listing Rules; and (vi) a notice of the EGM and a form of proxy is expected to be despatched by the Company to the Shareholders on or before 23 April 2020.

Completion is subject to fulfilment of the Conditions, and the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms shall have the following meanings:

“Acquisition”	the acquisition of Sale Share under the Agreement
“Agreement”	the agreement entered into between the Vendor and the Purchaser on 31 March 2020 in relation to sale and purchase of Sale Share in the Target Company
“Board”	the board of Directors
“Business Day”	any day (excluding a Saturday or Sunday) on which commercial banks are open for business in Hong Kong
“BVI”	the British Virgin Islands
“Company”	Zensun Enterprises Limited (formerly known as ZH International Holdings Limited), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 185)
“Completion”	completion of the Acquisition pursuant to the terms and conditions of the Agreement
“Completion Date”	the date of Completion
“Conditions”	the condition(s) precedent to Completion set out in the Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the Acquisition
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held and convened to consider and, if thought fit, approve the Agreement and the transactions contemplated thereunder including, but not limited to, the Acquisition
“Financial Assistance”	unsecured loan provided by Joy Town upon the Company’s request of RMB2,368,000,000 pursuant to the Loan Agreement
“Group”	the Company and its subsidiaries from time to time

“Henan Shangbin”	Henan Zensun Shangbin Real Estate Co., Ltd.* (河南正商尚濱置業有限公司), a limited liability company established under the laws of the PRC, a wholly-owned subsidiary of the Target Company as at the date hereof and a member of the Target Group
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board established which comprises all the independent non-executive Directors to advise the independent Shareholders on the fairness and reasonableness of terms of the Agreement, and to advise the independent Shareholders how to vote at the EGM
“Independent Financial Advisor”	VBG Capital Limited (建泉融資有限公司), a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to advise the Independent Board Committee and independent Shareholders in respect of the Agreement and the transactions contemplated thereunder
“Independent Valuer”	APAC Asset Valuation and Consulting Limited, an independent professional valuer appointed by the Company for the valuation of the Property Projects
“Joy Town”	Joy Town Inc., a company incorporated in the BVI with limited liability and a controlling shareholder of the Company, which is ultimately owned by a discretionary trust established by Ms. Huang as settlor
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 November 2020 (or such other date as the Vendor and the Purchaser may agree in writing)
“Luoyang Zensun”	Luoyang Zensun Real Estate Co., Ltd.* (洛陽正商置業有限公司), a limited liability company established under the laws of the PRC, an indirect wholly-owned subsidiary of the Target Company as at the date hereof and a member of the Target Group
“Mr. Zhang”	Mr. Zhang Jingguo, a controlling shareholder, and the chairman, the chief executive officer and an executive Director of the Company

“Ms. Huang”	Ms. Huang Yanping, a controlling shareholder and a non-executive Director of the Company
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Property Projects”	the property development projects undertaken by Henan Shangbin, Xinzheng Xingcheng and Luoyang Zensun in Zhengzhou City, Henan Province, PRC with details set out in the paragraph “Information on the Target Group”
“Reassessed NAV”	The unaudited reassessed net assets value of the Target Group as at 31 December 2019, determined with reference to the basis and adjustments as set out in the paragraph Consideration in this announcement
“Purchaser”	Total Star Development Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Share”	1 ordinary share, representing the entire issued share capital of the Target Company
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Xingcheng Holdings Limited (興城控股有限公司), a company incorporated in Hong Kong with limited liability owned as to 100% by the Vendor as at the date hereof
“Target Group”	Target Company, Henan Shangbin, Xinzheng Xingcheng and Luoyang Zensun
“Vendor”	Champ Win Enterprise Limited (輝勝企業有限公司), a company incorporated in Hong Kong with limited liability and is indirectly owned as to 100% by Ms. Huang

“Xinzheng Xingcheng” Xinzheng Zensun Xingcheng Real Estate Co., Ltd.* (新鄭正商興城置業有限公司), a limited liability company established under the laws of the PRC, a wholly-owned subsidiary of the Target Company as at the date hereof and a member of the Target Group

“%” per cent.

* For identification purpose only

For the purpose of illustration only and unless otherwise stated, conversion of RMB into HK\$ in this announcement is based on the exchange rate of RMB1 to HK\$1.093. Such conversion should not be construed as a representation that any amount has been, could have been, or may be, exchanged at this rate or any other rate.

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

Hong Kong, 31 March 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.