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ZENSUN ENTERPRISES LIMITED

正商實業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 185)

**DISCLOSEABLE TRANSACTION
ACQUISITIONS OF LAND USE RIGHTS IN XINGYANG CITY,
HENAN PROVINCE, THE PRC**

ACQUISITIONS OF LAND USE RIGHTS

The Board is pleased to announce that on 28 May 2020, Xingyang Boya, 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 Xingyang City Natural Resources and Planning Bureau* (滎陽市自然資源和規劃局) for transfer of state-owned land use rights at a consideration of RMB188,850,000 for Land Parcel I and RMB172,950,000 for Land Parcel II respectively.

Land Parcel I is located at southwest of the intersection of Luyin West Road and Tashan Road, Xingyang City* (滎陽市綠蔭西路與塔山路交叉口西南側), Henan Province, the PRC with a total site area of approximately 36,556.81 sq.m. and permitted plot ratio between 1.0 and 2.9. Land Parcel I is designated for residential usage with the term of use is 70 years.

Land Parcel II is located at southwest of the intersection of Luyin West Road and Tashan Road, Xingyang City* (滎陽市綠蔭西路與塔山路交叉口西南側), Henan Province, the PRC with a total site area of approximately 27,019.58 sq.m. and permitted plot ratio between 1.0 and 2.9. Land Parcel II is designated for residential usage with the term of use is 70 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 Xingyang 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 (“**Company**”) is pleased to announce that on 28 May 2020, Xingyang Boya Real Estate Company Limited* (榮陽博雅置業有限公司) (“**Xingyang Boya**”), 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. 榮政儲 (2019) 68-1 (“**Land Parcel I**”) and code no. 榮政儲 (2019) 68-2 (“**Land Parcel II**”) located in Xingyang 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 Xingyang City Natural Resources and Planning Bureau* (榮陽市自然資源和規劃局) at a consideration of RMB188,850,000 for Land Parcel I and at a consideration of RMB172,950,000 for Land Parcel II respectively. The consideration of each of the Acquisitions was determined based on the Auction documents issued by Xingyang 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 southwest of the intersection of Luyin West Road and Tashan Road, Xingyang City* (榮陽市綠蔭西路與塔山路交叉口西南側), Henan Province, the PRC with a total site area of approximately 36,556.81 sq.m. and permitted plot ratio between 1.0 and 2.9. Land Parcel I is designated for residential usage with the term of use is 70 years.

Land Parcel II is located at southwest of the intersection of Luyin West Road and Tashan Road, Xingyang City* (榮陽市綠蔭西路與塔山路交叉口西南側), Henan Province, the PRC with a total site area of approximately 27,019.58 sq.m. and permitted plot ratio between 1.0 and 2.9. Land Parcel II is designated for residential usage with the term of use is 70 years.

A sum of RMB31,770,000 for Land Parcel I and RMB23,490,000 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 two working days following the successful bid, Xingyang Boya shall submit qualification documents to Xingyang City Natural Resources and Planning Bureau for verification. Upon completion of the verification process, Xingyang City Natural Resources and Planning Bureau will issue a confirmation notice (“**Confirmation Notice**”) in respect of Land Parcel I and Land Parcel II to Xingyang Boya. The land use rights grant contracts in relation to the Acquisitions will be entered between Xingyang Boya and Xingyang City Natural Resources and Planning Bureau on or before the date determined by Xingyang City Natural Resources and Planning Bureau as stipulated in the Confirmation Notice.

INFORMATION ON PARTIES TO THE ACQUISITIONS

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

Xingyang 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 Xingyang 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, Xingyang 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, project management and sale services 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 Xingyang 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, 28 May 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.