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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 DENG FENG CITY,
HENAN PROVINCE, THE PRC**

ACQUISITIONS OF LAND USE RIGHTS

The Board is pleased to announce that on 28 June 2020, Henan Zhongyue, an indirect wholly-owned subsidiary of the Company, made three successful bids for the land use rights of Land Parcel I, Land Parcel II and Land Parcel III through listing for sale process in the Auctions held by Dengfeng City Natural Resources and Planning Bureau* (登封市自然資源和規劃局) for transfer of state-owned land use rights at a consideration of RMB226,080,000 for Land Parcel I, RMB128,835,000 for Land Parcel II and RMB140,580,000 for Land Parcel III, respectively.

Land Parcel I is located at southwest area at the intersection of Zhongyi Road and Yingxia Road, Dengfeng City* (登封市忠義路與迎霞路交叉口西南區域), Henan Province, the PRC with a total site area of approximately 66,989.93 sq.m. and permitted plot ratio of between 1.0 and 1.5. Land Parcel I is designated for residential usage with term of use of 70 years.

Land Parcel II is located at southwest area at the intersection of Yudai Road and Yingxia Road, Dengfeng City* (登封市玉帶路與迎霞路交叉口西南區域), Henan Province, the PRC with a total site area of approximately 38,170.95 sq.m. and permitted plot ratio of between 1.0 and 1.5. Land Parcel II is designated for residential usage with term of use of 70 years.

Land Parcel III is located at northeast area at the intersection of Taishi Road and Cuixiu Road, Dengfeng City* (登封市太室路與翠秀路交叉口東北區域), Henan Province, the PRC with a total site area of approximately 41,652.29 sq.m. and permitted plot ratio of between 1.0 and 1.5. Land Parcel III is designated for residential usage with term of use of 70 years.

LISTING RULES IMPLICATIONS

Taking into consideration of the fact that the locations of Land Parcel I, Land Parcel II and Land Parcel III are adjacent to each other in Dengfeng City, the Board took the liberty to aggregate the acquisition of Land Parcel I, the acquisition of Land Parcel II and the acquisition of Land Parcel III. 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 June 2020, Henan Zensun Zhongyue Real Estate Company Limited* (河南正商中岳置業有限公司) (“**Henan Zhongyue**”), an indirect wholly-owned subsidiary of the Company, made three successful bids for the transfer of state-owned land use rights of three land parcels with code no. 登政出 (2020) No. 17 (“**Land Parcel I**”) for a consideration of RMB226,080,000, 登政出 (2020) No. 18 (“**Land Parcel II**”) for a consideration of RMB128,835,000; and 登政出 (2020) No. 19 (“**Land Parcel III**”) for a consideration of RMB140,580,000, located in Dengfeng 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 Dengfeng City Natural Resources and Planning Bureau* (登封市自然資源和規劃局). The consideration of each of the Acquisitions was determined based on the Auction documents issued by Dengfeng City Natural Resources and Planning Bureau. The Group will finance the Acquisitions and the development of Land Parcel I, Land Parcel II and Land Parcel III with internal resources.

Land Parcel I is located at southwest area at the intersection of Zhongyi Road and Yingxia Road, Dengfeng City* (登封市忠義路與迎霞路交叉口西南區域), Henan Province, the PRC with a total site area of approximately 66,989.93 sq.m. and permitted plot ratio of between 1.0 and 1.5. Land Parcel I is designated for residential usage with term of use of 70 years.

Land Parcel II is located at southwest area at the intersection of Yudai Road and Yingxia Road, Dengfeng City* (登封市玉帶路與迎霞路交叉口西南區域), Henan Province, the PRC with a total site area of approximately 38,170.95 sq.m. and permitted plot ratio of between 1.0 and 1.5. Land Parcel II is designated for residential usage with term of use of 70 years.

Land Parcel III is located at northeast area at the intersection of Taishi Road and Cuixiu Road, Dengfeng City* (登封市太室路與翠秀路交叉口東北區域), Henan Province, the PRC with a total site area of approximately 41,652.29 sq.m. and permitted plot ratio of between 1.0 and 1.5. Land Parcel III is designated for residential usage with term of use of 70 years.

A sum of RMB226,080,000 for Land Parcel I, RMB128,835,000 for Land Parcel II and RMB140,580,000 for Land Parcel III have been paid by Henan Zhongyue as the security deposits for the Auctions. Pursuant to the procedures under the listing for sale process in the Auctions, within two working days following the successful bids, Henan Zhongyue shall submit qualification documents to Dengfeng City Natural Resources and Planning Bureau for

verification. Upon completion of the verification process, Dengfeng City Natural Resources and Planning Bureau will issue a confirmation notice (“**Confirmation Notice**”) in respect of Land Parcel I, Land Parcel II and Land Parcel III to Henan Zhongyue. The land use rights grant contracts in relation to the Acquisitions will be entered between Henan Zhongyue and Dengfeng City Natural Resources and Planning Bureau for Land Parcel I, Land Parcel II and Land Parcel III respectively on or before the date determined by Dengfeng City Natural Resources and Planning Bureau as stipulated in the Confirmation Notice.

INFORMATION ON PARTIES TO THE ACQUISITIONS

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

Dengfeng City Natural Resources and Planning Bureau, being the seller of Land Parcel I, Land Parcel II and Land Parcel III 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 Dengfeng 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, Dengfeng 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, Land Parcel II and Land Parcel III are adjacent to each other in Dengfeng City, the Board took the liberty to aggregate the acquisition of Land Parcel I, the acquisition of Land Parcel II and the acquisition of Land Parcel III. 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 June 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.