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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)

### **VOLUNTARY ANNOUNCEMENT ACQUISITIONS OF LAND USE RIGHTS IN XINZHENG CITY, HENAN PROVINCE, THE PRC**

This is a voluntary announcement made by Zensun Enterprises Limited (“**Company**”). The board (“**Board**”) of directors (“**Directors**”) of the Company is pleased to announce that on 29 June 2020, i) Henan Zensun Jiaju Real Estate Company Limited\* (河南正商佳居置業有限公司) (“**Henan Jiaju**”), an indirect wholly owned subsidiary of the Company, made a successful bid for the transfer of state-owned land use rights of a land parcel with code no. 新鄭出(2020) No. 25 (“**Land Parcel I**”) at a consideration of RMB10,590,000; and ii) Henan Zensun Xinya Real Estate Company Limited\* (河南正商新雅置業有限公司) (“**Henan Xinya**”), an indirect wholly owned subsidiary of the Company, made two successful bids for the transfer of state-owned land use rights of two parcels, with code no. 新鄭出(2020) No. 26 (“**Land Parcel II**”) at a consideration of RMB101,740,000 and code no. 新鄭出(2020) No. 27 (“**Land Parcel III**”) at a consideration of RMB148,330,000 respectively, through listing for sale process (the “**Acquisitions**”) in the public auctions (“**Auctions**”) held by Xinzheng City Natural Resources and Planning Bureau\* (新鄭市自然資源和規劃局). Land Parcel I, Land Parcel II and Land Parcel III (collectively, the “**Land Parcels**”) are located in Longhu Town, Xinzheng City, Henan Province, the People’s Republic of China (the “**PRC**”), but they are not adjacent to each other in Longhu Town, Xinzheng City. The consideration of each of the Acquisitions was determined based on the documents of each Auction issued by Xinzheng City Natural Resources and Planning Bureau. The Group will finance the Acquisitions and the development of Land Parcels with internal resources.

Land Parcel I is located at north of Planning Second Road\* (規劃二路北側), Longhu Town,

Xinzheng City, Henan Province, the PRC with a total site area of approximately 1,175.82 sq.m. and permitted plot ratio of between 1.0 and 3.0. Land Parcel I is designated for residential usage with the term of use of 70 years.

Land Parcel II is located at west of Wenming Road, north of Planning Third Road\* (文明路西側、規劃三路北側), Longhu Town, Xinzheng City, Henan Province, the PRC with a total site area of approximately 23,195.95 sq.m. and permitted plot ratio of between 1.0 and 2.7. Land Parcel II is designated for residential usage with term of use for 70 years and underground for parking, supporting and ancillary facilities (transport service station site) with the term of use for 50 years respectively.

Land Parcel III is located at north of Planning Third Road, south of the land in Xizhangzhai Village\* (規劃三路北側、西張寨村土地南側), Longhu Town, Xinzheng City, Henan Province, the PRC with a total site area of approximately 33,818.81 sq.m. and permitted plot ratio of between 1.0 and 2.7. Land Parcel III is designated for residential usage with term of use for 70 years and underground for parking, supporting and ancillary facilities (transport service station site) with the term of use for 50 years respectively

The security deposits of RMB10,590,000, RMB20,350,000 and RMB148,330,000 have been paid by Henan Jiaju (for Land Parcel I) and Henan Xinya (for Land Parcel II and Land Parcel III) respectively, 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 Jiaju (in respect of Land Parcel I) and Henan Xinya (in respect of Land Parcel II and Land Parcel III) shall submit qualification documents to Xinzheng City Natural Resources and Planning Bureau for verification. Upon completion of the verification process, Xinzheng City Natural Resources and Planning Bureau will issue a confirmation notice (“**Confirmation Notice**”) in respect of Land Parcel I to Henan Jiaju and Land Parcel II and Land Parcel III to Henan Xinya. Each of Henan Jiaju (for Land Parcel I) and Henan Xinya (for Land Parcel II and Land Parcel III) shall enter into the land use rights grant contracts in relation to the Acquisitions with Xinzheng City Natural Resources and Planning Bureau on or before the date determined by Xinzheng City Natural Resources and Planning Bureau as stipulated in the Confirmation Notice.

## **INFORMATION ON PARTIES TO THE ACQUISITIONS**

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

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

Xinzheng City Natural Resources and Planning Bureau, being the seller of the Land Parcels 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 Xinzheng 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, Xinzheng 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 sales 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 and will make use of the Group's financial, human and technological resources to enhance its portfolio, asset base and brand image.

This announcement is made by the Company on a voluntary basis and each of the Acquisitions does not constitute a transaction discloseable under Chapter 14 or Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the Company.

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

Hong Kong, 29 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. Yuntao.*

*\* For identification purpose only.*