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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 ACQUISITION OF LAND USE RIGHTS IN XINXIANG 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 17 September 2020, Henan Zensun Xingu Real Estate Company Limited\* (河南正商新古置業有限公司) (“**Henan Xingu**”), 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. 2020-09 (the “**Land Parcel**”) located in Xinxiang County, Xinxiang City, Henan Province, the People’s Republic of China (the “**PRC**”) through listing for sale process (the “**Acquisition**”) in the public auction (“**Auction**”) held by Xinxiang County Natural Resources Bureau\* (新鄉縣自然資源局) at a consideration of RMB61,354,100 for the Land Parcel. The consideration of the Acquisition was determined based on the Auction documents issued by Xinxiang County Natural Resources Bureau. The Group will finance the Acquisition and the development of the Land Parcel with internal resources.

The Land Parcel is located at south of Xinyan Road, west of Zhengtong Street, north of Fuyu Road, Guguzhai Town, Xinxiang County\* (新鄉縣古固寨鎮新延路以南、政通街以西、富裕路以北), Xinxiang City, Henan Province, the PRC with a total site area of approximately 44,948 sq.m. and permitted plot ratio of between 1.0 and 2.0. The Land Parcel is designated for residential usage and for commercial usage with the term of use of 70 years for residential usage and 40 years for commercial usage respectively.

A sum of RMB12,270,900 for the Land Parcel has been paid as the security deposit for the Auction. Pursuant to the procedures under the listing for sale process in the Auction, within three working days following the successful bid, Henan Xingu shall submit qualification documents to Xinxiang County Natural Resources Bureau for verification. Upon completion of the verification process, Xinxiang County Natural Resources Bureau will issue a confirmation notice (“**Confirmation Notice**”) in respect of the Land Parcel to Henan Xingu. The land use rights grant contract in relation to the Acquisition will be entered between Henan Xingu and Xinxiang County Natural Resources Bureau on or before the date determined by Xinxiang County Natural Resources Bureau as stipulated in the Confirmation Notice.

## **INFORMATION ON PARTIES TO THE ACQUISITION**

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

Xinxiang County Natural Resources Bureau, being the seller of the Land Parcel 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 Xinxiang County, Xinxiang 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, Xinxiang County Natural Resources Bureau and its beneficial owner are third parties independent of the Group and its connected persons.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Company and its subsidiaries (collectively “**Group**”) are principally engaged in property development, property investment, project management and sales services and securities trading and investment. The Board believes 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.

The Directors further consider that the Acquisition 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 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, 17 September 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.*