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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 ACQUISITION OF LAND USE RIGHTS IN ZHENGZHOU CITY, HENAN PROVINCE, THE PRC

ACQUISITION OF LAND USE RIGHTS

The Board is pleased to announce that on 18 December 2020, Henan Jingkai, an indirect wholly-owned subsidiary of the Company, made a successful bid for the land use rights of the Land Parcel through listing for sale process in the Auction held by Zhengzhou City Natural Resources and Planning Bureau* (鄭州市自然資源和規劃局) for transfer of state-owned land use rights at a consideration of RMB466,330,000 for the Land Parcel.

The Land Parcel is located at north of Yuliu Road, east of Mingzhu Road*(豫六路北、明珠路東), Zhengzhou City, Henan Province, the PRC with a total site area of approximately 39,204.68 sq.m. and permitted plot ratio of between 1.1 and 3.6. The Land Parcel is designated for residential usage with term of use of 70 years and for transportation service station usage for underground floor with the term of use of 50 years.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios calculated in respect of the Acquisition under Rule 14.07 of the Listing Rules exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company under the Listing Rules.

ACQUISITION OF LAND USE RIGHTS

The board (“**Board**”) of directors (“**Directors**”) of the Company is pleased to announce that on 18 December 2020, Henan Zensun Jingkai Real Estate Company Limited* (河南正商經開置業有限公司) (“**Henan Jingkai**”), 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 鄭政出 (2020) No. 51 (the “**Land Parcel**”) located in Zhengzhou 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 Zhengzhou City Natural Resources and Planning Bureau* (鄭州市自然資源和規劃局) at a consideration of RMB466,330,000 for the Land Parcel. The consideration of the Acquisition was determined based on the Auction documents issued by Zhengzhou City Natural Resources and Planning Bureau. The Group will finance the Acquisition and the development of the Land Parcel with internal resources.

The Land Parcel is located at north of Yuliu Road, east of Mingzhu Road*(豫六路北·明珠路東), Zhengzhou City, Henan Province, the PRC with a total site area of approximately 39,204.68 sq.m. and permitted plot ratio of between 1.1 and 3.6. The Land Parcel is designated for residential usage with term of use of 70 years and for transportation service station usage for underground floor with the term of use of 50 years.

A sum of RMB233,170,000 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 two working days following the successful bid, Henan Jingkai shall submit qualification documents to Zhengzhou City Natural Resources and Planning Bureau for verification. Upon completion of verification process, Zhengzhou City Natural Resources and Planning Bureau will issue a confirmation notice (“**Confirmation Notice**”) in respect of the Land Parcel to Henan Jingkai. The land use rights grant contract in relation to the Acquisition will be entered between Henan Jingkai and Zhengzhou City Natural Resources and Planning Bureau on or before the date determined by Zhengzhou City Natural Resources and Planning Bureau as stipulated in the Confirmation Notice.

INFORMATION ON PARTIES TO THE ACQUISITION

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

Zhengzhou City Natural Resources and Planning 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 Zhengzhou 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, Zhengzhou 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 ACQUISITION

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 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.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios calculated in respect of the Acquisition 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 Acquisition constitutes 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, 18 December 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.

** For identification purpose only.*