

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 XINYANG 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 14 May 2021, Henan Zensun Zhengdong Real Estate Company Limited* (河南正商鄭東置業有限公司) (“**Henan Zhengdong**”), 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. 2021-09 (the “**Land Parcel**”) located in Luoshan County, Xinyang 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 Luoshan County Natural Resources Bureau* (羅山縣自然資源局) at a consideration of RMB149,447,800 for the Land Parcel. The consideration of the Acquisition was determined based on the Auction documents issued by Luoshan 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 east of Chunqiu Road, north of Longshan Avenue* (春秋路東側、龍山大道北側), Luoshan County, Xinyang City, Henan Province, the PRC with a total site area of approximately 33,819.36 sq.m. and permitted plot ratio of between 1.6 and 2.2. The Land Parcel is designated for residential usage with term of use of 70 years and commercial usage with term of use of 40 years.

A sum of RMB119,213,300 for the Land Parcel has been paid by Henan Zhengdong 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 Zhengdong shall submit qualification documents to Luoshan County Natural Resources Bureau for verification. Upon completion of the verification process, Luoshan County Natural Resources Bureau will issue a confirmation notice (“**Confirmation Notice**”) in respect of the Land Parcel to Henan Zhengdong. The land use rights grant contract in relation to the Acquisition will be entered between Henan Zhengdong and Luoshan County Natural Resources Bureau on or before the date determined by Luoshan County Natural Resources Bureau as stipulated in the Confirmation Notice.

INFORMATION ON PARTIES TO THE ACQUISITION

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

Luoshan 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 Luoshan County, Xinyang 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, Luoshan 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, 14 May 2021

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.*