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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 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 21 June 2021, 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(2021)-22 (the “**Land Parcel**”) located in Xinzheng 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 Xinzheng City Natural Resources And Planning Bureau* (新鄭市自然資源和規劃局) at a consideration of RMB389,890,000 for the Land Parcel. The consideration of the Acquisition was determined based on the Auction documents issued by Xinzheng 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 west of Zhengxin Express Road, north of auxiliary road of Ring Expressway* (鄭新快速路西側、繞城高速輔道北側), Longhu Town, Xinzheng City, Henan Province, the PRC with a total site area of approximately 51,984.72 sq.m. and permitted plot ratio of between 1.0 and 2.5. The Land Parcel is designated for residential usage with term of use of 70 years.

A sum of RMB389,890,000 for the Land Parcel has been paid by Henan Jiaju 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 Jiaju 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 the Land Parcel to Henan Jiaju. The land use rights grant contract in relation to the Acquisition will be entered between Henan Jiaju and 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 ACQUISITION

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

Xinzheng 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 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 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, 21 June 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. Ma Yuntao.

** For identification purpose only.*