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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 and Debt Stock Code: 5862)**

## **QUARTERLY UPDATE**

### **7.0% SENIOR NOTES DUE 2025 (THE “2025 NOTES”, DEBT STOCK CODE: 5862, ISIN: XS2674525477, COMMON CODE: 267452547)**

This announcement is made by the board (the “**Board**”) of directors (the “**Director(s)**”) of Zensun Enterprises Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09, 37.47A, 37.47B, 37.47D and 37.47E of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 17 September 2021 and 23 September 2021 in relation to the US\$160 million 12.50% senior notes due 2024 (the “**2024 Notes**”), the announcements of the Company dated 11 September 2023, 12 September 2023 and 13 September 2023 in relation to the 2025 Notes (as defined below), and the announcements of the Company dated 2 April 2024, 22 April 2024, 28 June 2024, 30 September 2024 and 28 November 2024 on the update in relation to the 2024 Notes and/or the 2025 Notes and suspension of trading of the 2025 Notes.

## **BACKGROUND**

Since the second half of 2021, the Chinese real estate industry has faced unprecedented challenges. As a result of the drastic changes in market conditions, the majority real estate developers in China experienced a contraction in operating and financing cash flows, including the Group. The Group’s pre-sales volume and collection of pre-sale proceeds reduced significantly since 2022.

The Directors have taken various measures to alleviate the Group's liquidity pressure and improve its financial position, including but not limited to actively promoting sales and pre-sale of its properties and accelerating collection of receivables. The Group will continue to work relentlessly to ensure the delivery of properties, accelerate the sales of properties and stabilize its business operations.

## **UPDATE IN RELATION TO THE 2025 NOTES**

In September 2023, the Company issued the 7.0% senior notes due 12 September 2025 (ISIN: XS2674525477; debt stock code: 5862) (the “**2025 Notes**”), which are listed on the Stock Exchange. As at the date of this announcement, the outstanding principal amount of the 2025 Notes is US\$103,478,000. Under the terms of the 2025 Notes, the non-payment with respect to the 2024 Notes triggered a cross default under the 2025 Notes. In view of the liquidity pressure faced by the Company, the Company has not made interest payment in the amount of US\$3,621,730 under the 2025 Notes which was due and payable on 12 September 2024. As a result, an event of default has occurred under the terms of the 2025 Notes. Furthermore, interest in the amount of US\$3,621,730 under the 2025 Notes became due and payable on 12 March 2025, and the Company has a grace period of 30 days to make the interest payment which will expire on 11 April 2025.

As of the date of this announcement, such interest payments remain outstanding. The Company is in good faith discussion with holders of the 2025 Notes regarding the delay in interest payment and will maintain active communications with creditors and seek to implement an optimal solution.

Trading in the 2025 Notes on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 April 2024 at the request of the Company and will remain suspended until further notice.

The Company will keep the shareholders and potential investors updated by way of further announcement(s) as and when appropriate.

**Holders of securities and other investors of the Company should consider the relevant risks and exercise caution when dealing in the securities of the Company.**

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

Hong Kong, 13 March 2025

*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, Mr. Ma Yuntao and Dr. Li Huiqun.*