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**ZH INTERNATIONAL HOLDINGS LIMITED**

**正恒國際控股有限公司**

*(Formerly known as Heng Fai Enterprises Limited)*

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 185)

**OVERSEAS REGULATORY ANNOUNCEMENT  
RESULTS OF A SUBSIDIARY**

THIS IS NOT THE ANNOUNCEMENT OF THE FINANCIAL RESULTS OF ZH INTERNATIONAL HOLDINGS LIMITED (THE “COMPANY”). THIS ANNOUNCEMENT IS MADE BY THE COMPANY PURSUANT TO RULE 13.10B OF THE LISTING RULES TO PROVIDE SHAREHOLDERS OF THE COMPANY WITH FINANCIAL INFORMATION ON A LISTED SUBSIDIARY OF THE COMPANY, GLOBAL MEDICAL REIT INC., (“GMR”) WHICH HAS ANNOUNCED ITS AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015 AND THE FOUR MONTHS ENDED 31 DECEMBER 2014.

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

GMR, a subsidiary company of the Company whose shares are listed on the Over-The-Counter in the United States of America, has announced its audited financial results for the year ended 31 December 2015 and the four months ended 31 December 2014.

GMR changed its fiscal year from August 31 to the calendar twelve months ending December 31, effective beginning with the prior year ended December 31, 2014. As a result, GMR’s prior fiscal period was shortened from twelve months to a four-month transition period that began on September 1, 2014 and ended on December 31, 2014. GMR’s change in fiscal year was required based upon its intention to qualify and be taxed as a REIT for federal income tax purposes.

A summary of the audited financial results of GMR for the year ended 31 December 2015 and the four months ended 31 December 2014 are provided below:

<b>INCOME STATEMENT (audited) (US\$)</b>	<b>Year ended 31 December 2015</b>	<b>Four months ended 31 December 2014</b>
Total revenue	2,061,667	596,656
EBITDA from established businesses <sup>1,2</sup>	569,526	245,326
Depreciation	(659,671)	(200,499)
Interest	(1,519,102)	(454,697)
Loss before taxation	(1,609,247)	(409,870)
Taxation	-	-
Loss for the period	(1,609,247)	(409,870)
Funds from operations (“FFO”)*	(949,576)	(209,371)

\*FFO is calculated by adding depreciation expenses to the results for the period

<b>BALANCE SHEET (audited) (US\$)</b>	<b>As at 31 December 2015</b>	<b>As at 31 December 2014</b>
Total assets	65,328,725	24,348,377
Total liabilities	(65,467,333)	(22,622,138)
Total shareholders’ (deficit) equity	(138,608)	1,726,239
No. of shares outstanding	250,000	250,000

*Notes:*

1. On 10 November, 2014 GMR entered into a Management Agreement, with an effective date of 1 April, 2014, with Inter-American Management, LLC (“IAM”), an 85% owned subsidiary of the Company. Under the terms of the Management Agreement, IAM is responsible for designing and implementing GMR’s business strategy and administering its business activities and day-to-day operations. For performing these services, GMR will pay IAM a base management fee equal to the greater of (a) 2.0% per annum of the GMR’s net asset value, or (b) US\$30,000 per calendar month. For the year ended 31 December 2015 and the 4 months ended 31 December, 2014, management fees charged by IAM were US\$360,000 and US\$120,000, respectively.
2. During the year ended 31 December, 2015, GMR expensed US\$400,000 and US\$227,000 of one-time acquisition costs that were paid to the IAM by GMR related to the acquisition of the Tennessee and West Mifflin medical facilities, respectively. During the four months ended 31 December, 2014, GMR expensed US\$48,400 related to the acquisition of the medical facility located at Asheville.

During the year ended 31 December 2015, GMR distributed twelve monthly dividend payments for an aggregate of US\$1.0224 per share (total dividend paid amounted to US\$255,600), which has achieved the targeted 8.0% annualized yield. GMR made its first monthly dividend payment during the 2014 fiscal year (in July 2014).

Subsequent to the previous fiscal year ended 31 December 2015, GMR has consistently distributed monthly dividends to its shareholders with annualized yield over 8.0%.

The consistent dividend payment track record to date underscores the validity of the business model of GMR which as at 31 December 2015 owns a portfolio of facilities consisting of an acute care hospital located in Nebraska, an orthopedic surgery center located in North Carolina, a surgery center and medical office building located in Pennsylvania, and a six building medical clinic portfolio with five buildings located in Tennessee and one building located in Mississippi. The acquisitions by GMR have generated positive contributions to FFO for GMR. GMR has sustained an annualized dividend yield of 8.0% as it approaches its migration to the New York Stock Exchange, an event which will allow GMR to obtain institutional funds to expand its asset base and leverage potential. The latter will result in increased REIT management fees that will be earned by IAM, which will contribute positively to the Company's earnings and shareholder value.

By Order of the Board  
**ZH International Holdings Limited**  
**Zhang Jingguo**  
*Chairman, Chief Executive Officer  
and Executive Director*

Hong Kong, 22 March, 2016

*As at the date of this announcement, the executive Directors are Mr. Zhang Jingguo, Mr. Zhang Guoqiang, Mr. Eric Jackson Chang; 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.*

*Any forward-looking statements contained in this announcement are based upon GMR's current assumptions and expectations concerning future events and financial performance and are made pursuant to the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such statements are subject to significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those reflected in such forward-looking statements. All information provided in this announcement is as of the date of this announcement, and GMR does not undertake any obligation to update any forward-looking statements, except as required under applicable law.*