THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **ZH International Holdings Limited**, you should at once hand this circular to the purchaser(s) or transferee(s) or to the stockbroker, registered dealer in securities or other agent through whom the sale was effected for transmission to the purchaser(s) or the transferee(s).

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any shares of the Company.

ZH INTERNATIONAL HOLDINGS LIMITED

正恒國際控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 185)

POSSIBLE MAJOR TRANSACTION
DEEMED DISPOSAL OF A SUBSIDIARY
IN RELATION TO THE PROPOSED OFFERING AND MIGRATION OF GLOBAL MEDICAL REIT, INC. ON THE NEW YORK STOCK EXCHANGE

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26 July 2016

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The following expressions in this circular have the meanings set out below unless the content requires otherwise:

"Announcement"	the announcement of the Company dated 5 April 2016 in relation to the Proposed Offering and Migration Listing
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors of the Company
"CAD"	Canadian dollar(s), the lawful currency of Canada
"Company"	ZH International Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholder"	Joy Town Inc., a company controlled by Ms. Huang, directly holds 3,579,612,209 Shares of the Company, representing approximately 57.95% of the existing issued shares capital of the Company
"Director(s)"	the director(s) of the Company
"Equity Dilution"	the significant dilution of the Group's equity interest in GMR as a result the Proposed Offering and the Migration Listing
"GMR"	Global Medical REIT, Inc., previously 99.9%-owned subsidiary of the Company, the shares of which were listed on OTC and began trading on the NYSE on 29 June 2016 (U.S. time)
"GMR Share(s)"	common stock(s) of US$0.001 each in GMR
"Group"	the Company and its subsidiaries from time to time
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"IAM"	Inter-American Management, LLC, a 85%-held subsidiary of the Company

"Independent Third Party"	a third party independent of the Company and the connected persons of the Company
"Latest Practicable Date"	21 July 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"Migration Listing"	the proposed change of market on which GMR's shares are listed from OTC to NYSE
"Mr. Zhang"	Mr. Zhang Jingguo, the chairman, chief executive officer and executive Director of the Company
"Ms. Huang"	Ms. Huang Yanping, the non-executive Director and a controlling Shareholder of the Company
"NYSE"	New York Stock Exchange
"Offer Price"	US$10.0, the offer price per Offer Share at which the GMR shares were issued pursuant to the Proposed Offering
"Offer Share(s)"	13,043,479 new GMR Shares being offered by GMR pursuant to the Proposed Offering, together with 1,956,521 GMR Shares to be allotted and issued if the Underwriters exercise the Over-allotment Option in full
"Operating Partnership" or "OP"	Global Medical REIT LP, a Delaware limited partnership, which was formed by GMR in March 2016 and is in the process of contributing its healthcare facilities to the Operating Partnership in exchange for common units of limited partnership interest in the Operating Partnership. Prior to the completion of the Proposed Offering, GMR will have contributed all of its healthcare facilities to the Operating Partnership

"OP Unit(s)"	the common units of limited partnership interest in the Operating Partnership. GMR is the 100% owner of the general partner of the OP and controls all operations of the OP. All of GMR's real estate assets will be contributed, and all of the proceeds of the Proposed Offering will be contributed, to the OP. Each OP Unit is redeemable in exchange for one share of common stock of GMR (or cash of equivalent value at GMR's election) after a holding period of one year. OP Units are not transferable without the consent of the general partner of the OP. The OP cannot redeem OP Units for shares of GMR if the redemption would cause GMR to be in violation of any rules or regulations or its organizational documents. Holders of OP Units are entitled to receive the same distributions (dividends) that holders of common stock of GMR receive. OP Units do not have voting rights on matters submitted to a vote by GMR stockholders
"OTC"	Over-The-Counter Board in the U.S.
"Over-allotment Option"	the option granted by GMR to the Underwriter, pursuant to Underwriting Agreement, to require GMR to allot and issue additional 1,956,521 Offer Shares at the Offer Price less the underwriting discount solely for the purpose of covering over-allotments, exercisable at any time within 30th day from the date of the prospectus issued by GMR
"Proposed Offering"	the proposed issue and offer for subscription of the Offer Shares to prospective investors in U.S., who will be Independent Third Party
"REIT"	real estate investment trust
"S$"	Singapore dollar(s), the lawful currency of Singapore
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Takeovers Code"	The Hong Kong Code on Takeovers and Mergers, as amended, supplemented or otherwise modified from time to time
"Underwriters" or "Wunderlich"	Wunderlich Securities, Inc., a brokerage firm offers equity sales and trading services and investment banking services such as mergers and acquisitions advisory; restructuring; recapitalizations; underwriting; and private placements, acting on behalf of itself and as the representative of the several underwriters in relation to the Proposed Offering
"Underwriting Agreement"	the underwriting agreement date 28 June 2016 (U.S. time) entered into between GMR, IAM, OP and the Underwriters in relation to the Proposed Offering
"U.S." or "United States"	the United States of America
"US$"	United States dollar(s), the lawful currency of the United States
"%"	per cent.

ZH INTERNATIONAL HOLDINGS LIMITED
正恒國際控股有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 185)

Executive Directors:
Mr. Zhang Jingguo *(Chairman and Chief Executive Officer)*
Mr. Zhang Guoqiang
Mr. Eric Jackson Chang

Non-executive Director:
Ms. Huang Yanping

Independent Non-executive Directors:
Dr. Liu Qiao
Mr. Liu Da
Mr. Ma Yuntao

Registered and principal office:
24/F., Wyndham Place,
40–44 Wyndham Street,
Central, Hong Kong

26 July 2016

To the Shareholders,

Dear Sir or Madam,

POSSIBLE MAJOR TRANSACTION
DEEMED DISPOSAL OF A SUBSIDIARY
IN RELATION TO THE PROPOSED OFFERING AND MIGRATION OF GLOBAL MEDICAL REIT, INC. ON THE NEW YORK STOCK EXCHANGE

INTRODUCTION

On 5 April 2016, the Company announced that GMR has filed a registration statement under the Securities Exchange Act of 1933 for certain real estate companies ("**Form S-11**") with the United States Securities and Exchange Commission on 1 April 2016 (U.S. time) in relation to the Proposed Offering and to apply for the Migration Listing in relation to list the GMR Shares on the NYSE.

As the Proposed Offering constitute a deemed disposal under Rule 14.29 of the Listing Rules and the Board considers that this may constitute a major transaction of the Company under Chapter 14 of the Listing Rules. Accordingly, the Proposed Offering will be subject to the reporting, announcement and shareholders' approval requirements under the Listing Rules.

The purpose of this circular is to provide you with, among other things, further details of the Proposed Offering and Migration Listing.

INTRODUCTION

The Board is pleased to announce that on 1 April 2016 (U.S. time), GMR filed a registration statement under the Securities Exchange Act of 1933 for certain real estate companies ("**Form S-11**") with the United States Securities and Exchange Commission in relation to the Proposed Offering and to apply for the Migration Listing in relation to list the GMR Shares on the NYSE. The Proposed Offering was originally planned to be implemented through an offering of 9,100,000 new GMR Shares for an aggregate offering price of approximately US$100 million.

The Board further announced on 30 June 2016, GMR upsized the Proposed Offering to 13,043,479 new GMR Shares for an aggregate offering price of approximately US$130.4 million. The GMR Shares began trading on the NYSE on 29 June 2016 (US time) under the symbol "GMRE" and the Proposed Offering was completed on 1 July 2016. As a consequence, GMR has, with effect from that date, ceased to be a subsidiary of the Company.

Wunderlich was appointed as the lead underwriter for the Proposed Offering and Migration Listing, and as financial advisor for a period of one year following completion of the Proposed Offering.

Lock-up Agreements

The Group has consented with the Underwriters, subject to certain exceptions, not to sell or otherwise transfer or encumber, or enter into any transaction that transfers, in whole or in part, directly or indirectly, any shares of common stock or securities convertible into, exchangeable for or exercisable for shares of common stock owned by them at the completion of the Proposed Offering or thereafter acquired by them for a period of 180 days after the date of the prospectus issued by GMR, without the prior written consent of the Underwriters.

INFORMATION ON GMR

GMR was previously a 99.9%-owned subsidiary of the Company. GMR is a Maryland corporation engaged in the business of acquiring licensed medical facility real estate assets. GMR focuses on acquiring hospitals and other acute or post-acute medical treatment centers in secondary markets from leading clinical operators with dominant market share, and leasing each property to a single market leading operator under a long-term triple-net lease. GMR is managed and advised by IAM. GMR targets healthcare facilities that are fully leased, or under contract to be leased, under long-term triple-net leases on the date of purchase. GMR may acquire existing healthcare facilities under sale-leaseback or similar arrangements, or it may contract to purchase facilities under development that are being built to an operator's specifications. Most of its tenant-operators are physician group tenant-operators, community hospital tenant-operators, and corporate medical treatment chain operators that are leading clinical operators in the markets they serve.

Based on the consolidated financial statements of GMR, which are prepared in accordance with accounting principles generally accepted in the United States, the audited consolidated net loss before and after taxation for the years ended 31 December 2015 and 31 August 2014 and four months ended 31 December 2014 and the audited consolidated net asset value of GMR as at 31 December 2015 and 31 December 2014 are as follows:

	Year ended 31 December 2015	Four months ended 31 December 2014	Year ended 31 August 2014
	US$	*US$*	*US$*
Net loss before taxation	(1,609,247)	(409,870)	(652,206)
Taxation	–	–	–
Loss after taxation	(1,609,247)	(409,870)	(652,206)

	At 31 December 2015	At 31 December 2014
	US$	*US$*
Net (deficit) equity	(138,608)	1,726,239

THE PROPOSED OFFERING

Pursuant to the Proposed Offering, GMR Shares were offered for purchase by way of a public offering to prospective Independent Third Party investors in the United States for an aggregate offering price of approximately US$130.4 million. The last reported closing share price on the OTC Market for GMR, which was reported on 1 February, 2016, was US$0.125 which is considered not reflective of the market value of the GMR common stock, as indicated by the substantial difference between that price and the Offer Price. The Offer Price was determined by negotiations between GMR and the Underwriters on 28 June 2016 (U.S. time). In considering the proposed offering price, GMR has taken into account its historical and forecasted results of operations, the historical share prices of other publicly traded healthcare REITs and informal discussions with the Underwriters. As at the Latest Practicable Date, the closing price per GMR Share as quoted on the NYSE was US$10.49. Prior to the Proposed Offering, the Group owned 1,425,481 GMR Shares, representing approximately 99.9% of the then outstanding shares of its common stock, and convertible debentures with an aggregate principal amount of approximately US$25.0 million. In connection with the Proposed Offering, GMR entered into an agreement with the Group, to repay US$10.0 million of its outstanding convertible debentures out of the net proceeds of the Proposed Offering and to convert the remaining US$15.0 million of the outstanding convertible debentures at a conversion price of US$12.748 per share into 1,179,019 shares of GMR Shares ("**Debenture Conversion**"). Upon the Proposed Offering and the Debenture Conversion on 1 July 2016 and fully exercise of the Over-allotment Option on 11 July 2016, the Group owns 2,604,500 GMR Shares, or approximately 14.8% of GMR's outstanding common stock and GMR was ceased to be a subsidiary of the

Company and be reclassified to available-for-sale financial assets of the Group. It is expected that the net proceeds of approximately US$139.2 million from the Proposed Offering will mainly be used by GMR as follows:

(i) approximately US$14.7 million to repay a mortgage loan from a financial institution;

(ii) US$10.0 million to repay a portion of convertible debentures issued by GMR held by the Group;

(iii) approximately US$9.2 million to acquire the eye surgery center and medical office building located in Wyomissing, Pennsylvania as announced by the Company on 21 April 2016;

(iv) US$1.5 million to repay the outstanding interest free loan from the Group due upon completion of the Proposed Offering; and

(v) the remaining approximately US$103.8 million for the acquisition of properties in its investment pipeline, properties under letter of intent and other potential acquisitions, capital improvements to its properties and general corporate and working capital purposes.

REASONS FOR AND BENEFITS OF THE PROPOSED OFFERING AND MIGRATION LISTING

The Group is principally engaged in property development, property investment and trading, hotel operations and securities trading and investment.

As disclosed in the Company's announcement dated on 6 December 2013 and in the Company's annual report for year ended 31 March 2015, the Company has formed a three-phased growth strategy (the "**Growth Strategy**") focusing on REITs, which involves (i) building up a portfolio through seeding and growing REITs in the U.S.; (ii) developing recurring management fees from direct management of these REITs; and (iii) raising capital through potential listings. GMR is directly managed by IAM, pursuant to a management agreement. IAM is the Company's REITs management arm in the U.S. which employed a team of seasoned real estate management professionals with extensive experience as developers, managers, and investors in the U.S. real estate market. The management agreement between GMR and IAM provides GMR with limited ability to terminate the agreement during their respective initial terms until 2019 and afterwards.

The Company is focused on building GMR's real estate portfolio of specialized, high-acuity medical facilities through strategic acquisitions. In 2014, GMR acquired an acute care hospital located in Omaha, Nebraska and an orthopedic surgery center in Asheville, North Carolina. In 2015, GMR acquired an ophthalmology clinic in Pittsburgh, Pennsylvania and a portfolio comprising six licensed patient treatment facilities located in the Memphis, Metropolitan Statistical Area in Tennessee. GMR acquired three additional medical properties: a medical center in Plano, Texas on 28 January, 2016, a medical office building in Melbourne, Florida on April 1, 2016, and a medical office building and ambulatory surgery center located in Westland, Michigan on April 1, 2016.

GMR's current portfolio of healthcare facilities in the U.S. consists of 12 healthcare facilities located in eight states with approximately 244,329 leasable square feet, which as of 31 March 2016 were 100% leased with a weighted average remaining lease term of 11 years. GMR's 12 healthcare facilities have a weighted average age of 10 years, which is the youngest in the listed healthcare REIT universe. 100% of its annualized base rent payments as of 31 March 2016 are from triple-net leases, pursuant to which its tenant-operators are responsible for all operating expenses relating to the healthcare facility, including but not limited to real estate taxes, utilities, property insurance, routine maintenance and repairs, and property management. This structure helps insulate GMR from increases in certain operating expenses and provides more predictable cash flow. GMR's triple-net leases typically include rent escalation provisions designed to provide it with annual growth in rental revenues.

The Company believes it is now commercially mature to implement the third phase of the Growth Strategy by migrating GMR to a major U.S. stock exchange. The Board believes that the Proposed Offering and Migration Listing will enable GMR to gain access to separate fund raising platforms in the equity and debt capital markets, which will allow GMR to independently raise capital to support its growth through strategic acquisitions. A listing on the NYSE will also provide clarity to the credit profile of GMR for rating agencies and financial institutions that wish to analyse and lend against the credit rating of a medical REIT in the U.S. The Migration Listing will occur in connection with the Proposed Offering and result a significant dilution of the Company's interest in GMR. At the same time of Migration Listing, GMR intends to elect to be taxed as a REIT for U.S. federal income tax purposes beginning with its taxable year ending 31 December 2016. GMR's qualification for REIT status can only occur if the Company's current equity interest in GMR is significantly diluted.

After the Migration Listing, the Group will continue to provide management services to and receive recurring management fees from GMR pursuant to the management agreement between GMR and IAM. GMR has entered into an amended and restated management agreement with IAM ("**AR Management Agreement**"), which has been amended and restated upon completion of the Proposed Offering. The terms of the AR Management Agreement, including the fee arrangements, expense provisions and termination fee provisions are described below under the section headed "Management Agreement". The Board believes that the Proposed Offering and future fund raising of GMR will increase its capital base which in return increases the management fee income to be received from GMR.

The Directors consider that the Proposed Offering and Migration Listing will not cause any material change in the business model of GMR or that of the Company, and the Migration Listing and the Proposed Offering are fair and reasonable and in the interests of GMR, the Company and the Shareholders as a whole.

Management Agreement

The term of the AR Management Agreement runs until the third anniversary of the Proposed Offering closing date ("**Initial Term**"). After the Initial Term, the AR Management Agreement will automatically renew for successive one year periods unless GMR or IAM elects not to renew the AR Management Agreement in accordance with its terms ("**Automatic Renewal Term**").

GMR can terminate or elect not to renew the AR Management Agreement without cause ("**Termination Without Cause**") or with cause ("**Termination With Cause**"). A Termination Without Cause requires six months' notice prior to the expiration of the Initial Term or the expiration of an Automatic Renewal Term. The Termination Without Cause is further limited with the conditions upon the affirmative vote of at least two-thirds of the Independent Directors of GMR ("**Independent Directors**") that:

i) there has been unsatisfactory performance by IAM that is materially detrimental to GMR and its subsidiaries taken as a whole; or

ii) the based management fee ("**Base Management Fee**") and incentive fee ("**Incentive Fee**") under the AR Management Agreement payable to IAM are not, taken as a whole, in accordance with then-current market rates charged by asset management companies rendering services similar to those rendered by IAM ("**Above-Market Rates**"), subject to and only after reasonable investigation by the Independent Directors as to the market rates charged by similarly situated managers.

Notwithstanding the provisions above, if the reason for nonrenewal specified in GMR's termination notice is that two-thirds of the Independent Directors have determined that the Base Management Fee or the Incentive Fee payable to IAM are, taken as a whole, at Above-Market Rates, GMR shall not have the foregoing non-renewal right if IAM agrees that it will continue to perform its duties under the AR Management Agreement during the Automatic Renewal Term that would commence upon the expiration of the Initial Term or then current Automatic Renewal Term at rates that at least two-thirds of the Independent Directors determine to be at or below market rates, taken as a whole; provided, however, IAM shall have the right to renegotiate the Base Management Fee and/or the Incentive Fee, by delivering to GMR, not less than 120 days prior to the pending effective termination date ("**Effective Termination Date**"), written notice ("**Notice of Proposal to Negotiate**") of its intention to renegotiate the Base Management Fee and/or the Incentive Fee. Thereupon, GMR and IAM shall endeavor to negotiate the Base Management Fee and/or the Incentive Fee in good faith. Provided that GMR and IAM agree to a revised Base Management Fee, Incentive Fee or other compensation structure within sixty days following GMR's receipt of the Notice of Proposal to Negotiate, the termination notice from GMR shall be deemed of no force and effect, and the AR Management Agreement shall continue in full force and effect on the terms stated therein, except that the Base Management Fee, the Incentive Fee or other compensation structure shall be the revised Base Management Fee, Incentive Fee or other compensation structure effective as of the date as then agreed upon by GMR and IAM. GMR and IAM agree to execute and deliver an amendment to the AR Management Agreement setting forth such revised Base Management Fee, Incentive Fee, or other compensation structure promptly upon reaching an agreement regarding same. In the event that GMR and IAM are unable to agree to a revised Base Management Fee, Incentive Fee, or other compensation structure during such sixty day period, the AR Management Agreement shall terminate on the Effective Termination Date and GMR shall be obligated to pay IAM the Termination Fee upon the Effective Termination Date as a condition of such termination action being effective.

GMR can terminate the AR Management Agreement in a Termination With Cause prior to the Initial Term and without paying the Termination Fee if:

i. IAM, its agents or assignees, breaches any material provision of the AR Management Agreement and such breach shall continue for a period of 30 days after written notice thereof specifying such breach and requesting that the same be remedied in such 30-day period (or 45 days after written notice of such breach if IAM takes steps to cure such breach within 30 days of the written notice),

ii. there is a commencement of any proceeding relating to IAM's bankruptcy or insolvency, including an order for relief in an involuntary bankruptcy case or IAM authorizing or filing a voluntary bankruptcy petition,

iii. any change of control in IAM which a majority of the Independent Directors determines is materially detrimental to GMR or its subsidiaries taken as a whole,

iv. IAM is unable to perform its obligations under AR Management Agreement,

v. the dissolution of IAM, or

vi. IAM commits fraud against GMR, misappropriates or embezzles funds of GMR, or acts, or fails to act, in a manner constituting gross negligence, or acts in a manner constituting bad faith or willful misconduct, in the performance of its duties under AR Management Agreement; provided, however, that if any of the actions or omissions described are caused by an employee and/or officer of IAM or one of its affiliates and IAM takes all necessary and appropriate action against such person and cures the damage caused by such actions or omissions within 30 days of IAM actual knowledge of its commission or omission, GMR shall not have the right to terminate the AR Management Agreement and any Cause Termination Notice previously given automatically shall be deemed to have been rescinded and nugatory.

The AR Management Agreement proposes several changes. These changes are designed to bring the management agreement terms closer to market terms compared to other management agreements for externally managed listed REITs and mangers of comparable size. The principal terms and changes to term and termination are described in below table:

Type	AR Management Agreement	Old Management Agreement
Base Management Fee	1.5% of GMR's stockholders' equity per annum, calculated quarterly for the most recently completed fiscal quarter and payable in quarterly installments in arrears. For purposes of calculating the base management fee, GMR's stockholders' equity means: (a) the sum of (1) GMR's stockholders' equity as of March 31, 2016, (2) the aggregate amount of the conversion price (including interest) for the conversion of its outstanding convertible debentures into GMR common stock and OP Units upon completion of the Proposed Offering and (3) the net proceeds from (or equity value assigned to) all issuances of GMR equity and equity equivalent securities (including common stock, common stock equivalents, preferred stock, long-term incentive plan ("**LTIP**") units and OP units issued by GMR or its Operating Partnership) in the Proposed Offering, or in any subsequent offering (allocated on a pro rata daily basis for such issuances during the fiscal quarter of any such issuance), less (b) any amount that GMR pays to repurchase shares of its common stock or equity securities of its OP. GMR's stockholders' equity also excludes (1) any unrealized gains and losses and other non-cash items (including depreciation and amortization) that have impacted stockholders' equity as reported in its financial statements prepared in accordance with accounting principles generally accepted in the United States, or GAAP, and (2) one-time events pursuant to changes in GAAP, and certain non-cash items not otherwise described above, in each case after discussions between IAM and GMR's independent directors and approval by a majority of GMR's independent directors.	The Base Management Fee, calculated and payable (in cash) monthly in arrears, in an amount equal to the greater of (a) 2.00% per annum of GMR's net asset value, or (b) US$30,000 per calendar month.

Type	AR Management Agreement	Old Management Agreement
Acquisition Fee	The Acquisition Fee has been eliminated.	2.00% of the purchase price of any real estate asset acquired by IAM for GMR.
Incentive Compensation Fee	An incentive fee payable with respect to each calendar quarter (or part thereof that the management agreement is in effect) in arrears. The incentive fee will be an amount, not less than zero, equal to the difference between (1) the product of (x) 20% and (y) the difference between (i) GMR adjusted funds from operations ("**AFFO**") for the previous 12-month period, and (ii) the product of (A) the weighted average of the issue price of equity securities issued in the Proposed Offering and in future offerings and transactions, multiplied by the weighted average number of all shares of common stock outstanding on a fully-diluted basis (including any restricted stock units, any restricted shares of common stock, OP units, LTIP unit awards and shares of common stock underlying awards granted under GMR's 2016 Equity Incentive Plan or any future plan in the previous 12-month period, and (B) 8%, and (2) the sum of any incentive fee paid to IAM with respect to the first three calendar quarters of such previous 12-month period; provided, however, that no incentive fee is payable with respect to any calendar quarter unless AFFO is greater than zero for the four most recently completed calendar quarters, or the number of completed calendar quarters since the closing date of the Proposed Offering, whichever is less. For purposes of calculating the incentive fee during the first 12 months after completion of the Proposed Offering, AFFO will be determined by annualizing the applicable period following completion of the Proposed Offering.	No material change excepted for adding reference to new terms of OP Units, LTIP unit and GMR equity incentive plan etc.

Type	AR Management Agreement	Old Management Agreement
Expense Reimbursement	GMR is required to reimburse IAM for operating expenses related to it that are incurred by IAM, including expenses relating to legal, accounting, due diligence and other services. GMR will not reimburse any compensation expenses incurred by IAM. GMR reimbursement obligation is not subject to any dollar limitation. Expenses will be reimbursed in cash on a quarterly basis.	No material change.
Termination Fee	Upon any termination of the management agreement by GMR, other than for cause, any non-renewal of the management agreement by GMR or any termination of the management agreement by IAM due to GMR material breach of the management agreement, IAM will be paid a termination fee equal to three times the average annual base management fee and the average annual incentive compensation with respect to the previous eight fiscal quarters ending on the last day of the fiscal quarter prior to termination.	Termination Fee meant a fee of equal to the greater of: Three times the average annual Base Management Fee and the average annual Incentive Compensation (in either case paid or payable) to IAM with respect to the previous eight fiscal quarters ending on the last day of the final quarter; and The greater of: 10% of the FFO growth from October 1, 2013 to the date of the termination; or 10% of capital gains of GMR measured from the period October 1, 2013 to the date of termination.
Agreement to Evaluate Internalization	Prior to the end of the calendar quarter occurring immediately after the date in which GMR stockholders equity exceeds US$500 million, GMR has agreed with IAM that its board of directors will establish a special committee of independent directors to discuss with IAM whether it would be in GMR stockholders' best interest to internalize management. If it elects to internalize management as a result of such discussions, it would expect to terminate the management agreement with IAM and hire certain employees of IAM while also potentially entering into other service agreements with IAM that would allow it to continue to utilize certain personnel and resources of IAM that would not be acquired by GMR in the internalization transaction. It is also possible that, as a result of such discussions between GMR and IAM, GMR may elect to preserve its external management structure but with modifications to the terms of the management agreement between GMR and IAM that, among other things, alter its expenses to mirror more closely what its expenses would be if GMR was internally managed.	There is no such term in the old management agreement.

Type	AR Management Agreement	Old Management Agreement
	To complete an internalization transaction, the special committee of GMR board and IAM would need to negotiate and reach a mutually acceptable agreement relating to such transaction. There is no assurance that such negotiations will result in a mutually acceptable agreement, that GMR will be able to complete any such a transaction, or on what terms it may be completed, including the amount of consideration it may be required to pay to IAM. In addition, to the extent required under the listing rules of the New York Stock Exchange or other exchange upon which GMR shares of common stock are then listed, any such transaction may require the approval of GMR's stockholders. Consequently, no assurance can be given that an agreement will be reached or that internalization of its advisor will be achieved.	
Dedicated Employees	Delete such provision (IAM has not previously utilized or relied upon).	A provision that allowed IAM to declare a dedicated employee and receive from GMR the overhead related to that dedicated employee.
Property Management	Delete such provision (IAM has not previously utilized or relied upon).	A provision that allowed IAM to provide property management services to GMR for properties that GMR owned for a market fee.
Board Representation	As long as the AR Management Agreement is in effect and the Company beneficially owns at least 10% of the common stock of GMR, IAM shall have the right to nominate three members on the GMR board of directors to be duly elected by the GMR's stockholders at the annual meeting of stockholders. If at any time, the Company and its affiliates' ownership of GMR consists of less than 10%, IAM shall have the right to nominate for election by the stockholders only two members on the board of directors at the next annual meeting of GMR stockholders.	IAM had the right to nominate two members on GMR's Board, and the Company had the right to nominate one member on GMR's board, and the board was limited to 7 members.

Effects on Earnings, Assets and Liabilities

Upon the completion of the Proposed Offering and the Debenture Conversion on 1 July 2016 and fully exercise of the Over-allotment Option on 11 July 2016, the Group owns 2,604,500 GMR Shares, or approximately 14.8% of GMR's outstanding common stock and accordingly GMR ceased to be a subsidiary of the Company and its financial results, assets and liabilities will no longer be included in the consolidated financial statements of the Group and the Group's equity interest in GMR will be reclassified to available-for-sale financial assets of the Group.

For illustration purpose only, a loss of approximately HK$9.1 million from the deemed disposal of GMR will be recorded upon completion of the Proposed Offering (subject to audit).

Principal assets of GMR are the medical facilities. In the consolidated financial statements of the Group, all the medical facilities which are leased to third parties are recorded as investment properties and stated at fair value. As a result of the Proposed Offering, such assets will be deconsolidated from the Group's consolidated statement of financial position upon completion. On the assumption that completion has taken place on 31 December 2015 (being the Group's latest audited financial statements), the carrying amounts of the investment properties to be deducted from the total assets of the Group upon completion are approximately HK$434.9 million. Similarly, liabilities of GMR will be deconsolidated from the Group's consolidated statement of financial position upon completion, it is expected that the total liabilities of the Group will be reduced by the carrying amounts of total liabilities of GMR at the date of completion. The carrying amounts of total liabilities of GMR as at 31 December 2015 was approximately HK$186.1 million (including bank loan of HK$182.0 million). GMR had outstanding bank loan of approximately HK$319.4 million as at the Latest Practicable Date. Following completion of the Proposed Offering, the level of borrowings of the Group shall be reduced and this will result in a lower finance costs to be incurred by the Group. Shareholders and potential investors of the Company should note that the actual amount of gain/loss on the deemed disposal should be calculated on the basis of the relevant figures as the date of the completion of the Proposed Offering and therefore would or would not be materially different from the abovementioned.

Following completion of the Proposed Offering, contribution of rental income from the investment properties of GMR will not be included in the consolidated financial statements of the Group. This will lead to a drop of rental income of the Group. However, the Group will record management income from providing REIT management services to GMR and dividend income from the investment in GMR.

Save for the aforesaid effects arising from the Proposed Offering, the Proposed Offering does not have other material effect on the earnings, assets and liabilities of the Group.

LISTING RULES IMPLICATIONS

The Controlling Shareholder acquired a controlling interest in the Company on 27 July 2015. As the Equity Dilution involves a deemed disposal of the Group's interest in GMR within 24 months after there has been a change of control (as defined in the Takeovers Code), the Equity Dilution might raise issues under Rule 14.92 of the Listing Rules.

The Equity Dilution will inevitably result in the Company deconsolidating and/or losing control over GMR when the Migration Listing is implemented. However, the Company takes the view that the Equity Dilution is no more than a necessary pre-condition for completing the Migration Listing, which is in consistent with the Company's long term Growth Strategy. Under the Growth Strategy, the Company has been fostering its REIT management business by directly funding and expanding into different types of REITs, all of which are under the management of IAM. Since GMR is now financially mature and suitable for the Migration Listing, tapping it into a larger capital market through the issuance of GMR Shares to the public markets is not only a commercially natural and reasonable move but in the Company's judgment is for the best interest of the Shareholders. Therefore, the Company has applied to the Stock Exchange for and the Stock Exchange has granted a waiver from strict compliance with the requirements under Rules 14.92 of the Listing Rules. The waiver is on the condition that the Company discloses the details of the waiver (including reasons) by way of an announcement.

As previously disclosed, the completion of the Proposed Offering and Migration Listing resulting the Company's percentage holding in the outstanding common stock of GMR substantially diluted. The Proposed Offering constitutes a deemed disposal under Rule 14.29 of the Listing Rules and the Board considers that this constitute a major transaction of the Company under Chapter 14 of the Listing Rules. Accordingly, the Proposed Offering will be subject to the reporting, announcement and shareholders' approval requirements under the Listing Rules.

In accordance with the Listing Rules, a major transaction is subject to Shareholders' approval. To the best of the knowledge, information, and belief of the Directors, after having made all reasonable enquiries, as no Shareholder has material interests in the transaction, no Shareholder would be required to abstain from voting if the Company is to convene a general meeting for approving the transaction. The Company will not be required to convene a general meeting for approving the transaction as the Company has obtained written Shareholder's approval from the Controlling Shareholder, in lieu of convening a general meeting as permitted by Rule 14.44 of the Listing Rules.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the Proposed Offering and Migration Listing are on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole. The Directors (including the independent non-executive Directors) would recommend the Shareholders to vote in favour of the Proposed Offering and Migration Listing and the transactions thereby contemplated if a physical Shareholders' meeting was to be held.

Your attention is also drawn to the additional information set out in the Appendix to this circular.

Yours faithfully,
By order of the Board
ZH International Holdings Limited
Zhang Jingguo
Chairman, Chief Executive Officer
and Executive Director

The following is the text of a letter with the summary of values and valuation certificates received from CBRE Limited, prepared for the purpose of incorporation in the circular, in connection with their valuation as at 1 July 2016 of all the property interests of GMR deemed disposal by the Group.

CBRE

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地產代理(公司)牌照號碼
Estate Agent's Licence No: C-004065

26 July 2016

The Board of Directors,
ZH International Holdings Limited
24/F., Wyndham Place
40-44 Wyndham Street
Central, Hong Kong

Dear Sirs,

In accordance with your instructions to us to value the certain property interests held by ZH International Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") in the United States of America (the "**USA**"), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the capital values of property interests as at 1 July 2016 (US Time) (the "**Valuation Date**").

Valuation Basis, Assumptions and Methodology

Our valuation is prepared in accordance the RICS Valuation — Professional Standards (the "**Standards**") published by the Royal Institute of Chartered Surveyors ("**RICS**") and is made reference to "The HKIS Valuation Standards (2012 Edition)" published by The Hong Kong Institute of Surveyors (the "**HKIS**").

Our valuation is made on the basis of Market Value which is defined by the International Valuation Standards and followed by the HKIS to mean "the estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

We have also complied with all the requirements contained in Paragraph 46 of Schedule 3 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32), Chapter 5, Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Our valuation has been made on the assumption that the owner sells the properties on the open market without the benefit or burden of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which would serve to affect the values of the property interests.

No allowance has been made in our valuation for any charges, mortgages or amounts owing neither on the properties nor for any expenses or taxation which may be incurred in effecting sale. Unless otherwise stated, it is assumed that the properties were free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

In valuing the properties which are completed and held by the Group for investment in the USA, we have adopted the Income Capitalization Approach by capitalization of the net rental income derived from the existing tenancies with due allowance for the reversionary income potential of the properties. In addition, we have adopted the Discounted Cash Flow Approach and analysed the long term return that is likely to be derived from a property with a combination of both income and capital growth over an assumed investment horizon.

In undertaking this analysis, a wide range of assumptions are made including a target or pre-selected internal rate of return, net property income, income growth, potential capital expenditure, costs associated with the initial purchase of the property and also its disposal at the end of the investment period.

Source of Information

We have relied to a considerable extent on information given by the Group, in particular, but not limited to, the sales records, planning approvals, statutory notices, easements, development scheme, site area and floor area, tenancies and relevant information. No on-site measurement has been taken. Dimensions, measurements and areas included in the valuation certificates are only approximations. We have taken every reasonable care both during inspecting the information provided to us and in making relevant enquiries. We have no reason to doubt the truth and accuracy of the information provided to us by the Group, which is material to the valuation. We were also advised by the Group that no material facts have been omitted from the information provided to us.

We have not been provided with current title documents for the properties. CBRE independently verified the property ownership utilising local government and tax records. There are no known covenants, conditions, or restrictions impacting the site that are considered to affect the marketability or the highest and best use of the property which are not considered in the valuation analysis. In the course of our valuation, we have relied on information provided by the Group.

Property Inspection

We have inspected each property. In the course of our inspection, we did not notice any serious defects. However, we have not carried out any structural survey nor any tests were made on the building services. Therefore, we are not able to report whether the properties are free of rot, infestation or any other structural defects.

We have not carried out site measurements to verify the correctness of the site area of the property and have assumed that the site area shown on the documents and official site plan handed to us is correct. During our inspection, we have not carried our investigations on the site to determine the suitability of the ground conditions and the services for any future development. Our valuation is on the basis that these aspects are satisfactory.

The property inspections in the USA were carried out between February, March, and June 2016 by Alan McNulty, MAI, Jesse E. Clanton, Brian P. Beaty, MAI, Terrance Cosgrove, MAI, Karl Muschlitz, MAI, Megan Kathol, Michael Leahy, M. Donald Poore, MAI, Marshall A. Brulez, MAI, Brian Finnell, MAI, Jesse J. Jonas, and John Rush, MAI. Each valuer holds a certified general licence issued by their respective state.

Currency

Unless otherwise stated, all monetary amounts are stated in US Dollars ("USD"), the official currency of the USA.

Disclaimers, Limitations and Qualifications

The liability of CBRE and its directors and employees is limited to the addressee of this report only. No accountability, obligation or liability to any third parties is accepted.

You agree to indemnify and hold us harmless against and from any and all losses, claims, actions, damages, expenses, or liabilities, including reasonable attorneys' fees, to which we may become subjects in connection with this engagement. Your obligation for indemnification and reimbursement shall extend to any controlling person of CBRE, including any director, officer, employee, subcontractor, affiliate or agent. In the event we are subject to any liability in connection with this engagement, regardless of legal theory advanced, such liability will be limited to three times of the amount of fees we received for this engagement.

This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

We enclose herewith our summary of values and valuation certificates.

Yours faithfully,
For and on behalf of
CBRE Limited

Daniel Mohr
MRICS
Executive Director
Valuation & Advisory Services

Note: Mr. Daniel Mohr is a member of Royal Institution of Chartered Surveyors. He has over 15 years of valuation experience in the PRC and Hong Kong. Under the supervision of Mr. Daniel Mohr, qualified valuers of CBRE USA conducted the inspection of the properties in the USA and undertook the valuation. Our local valuers have more than 5 years of experience in valuation of properties in the USA.

SUMMARY OF VALUES

Properties held by the Group for Investment in the USA

Disclosure in Circular	Type of Property	Number of Properties	Market Value in Existing State as at 1 July 2016 *(USD)*	Market Value in Existing State Attributed to the Group as at 1 July 2016 *(USD)*
Summary	Medical Office	5	12,475,000	2,070,850
Full Report	Medical Office, Professional Office, Hospital	7	81,525,000	13,533,150
TOTAL		12	94,000,000	15,604,000

Properties held by the Group for Investment in the USA
Valuation Summary as at 1 July 2016

Property No.	Property Address	City & State	Land Use	Type of Property	Ownership Interest	Terms of Tenure (Expiration Date)	Net Rentable Area (SF)	Car Parking Spaces	Year Built (Renovated)	Occupancy Rate	Average Potential Gross Income *(USD/ Month)*	Market Value in Existing State as at 1 July 2016 *(USD)*	% Attributable to Group	Market Value in Existing State Attributed to the Group as at 1 July 2016 *(USD)*
3	30-34 Granby Street	Asheville, NC	Office	Medical	Freehold	N/A	8,840	36	1981 (2002 Renovation)	100%	18,665	2,800,000	16.6%	464,800
5	1324 Wolf Park Drive	Germantown, TN	Office	Medical	Freehold	N/A	8,893	47	2003	100%	19,083	3,500,000	16.6%	581,000
6	2020 Exeter Road	Germantown, TN	Office	Medical	Freehold	N/A	8,015	18	1984	100%	11,856	2,050,000	16.6%	340,300
7	2999 Centre Oak Way	Germantown, TN	Office	Medical	Freehold	N/A	5,000	35	2011	100%	9,896	1,825,000	16.6%	302,950
8	3350 N. Germantown Road	Bartlett, TN	Office	Medical	Freehold	N/A	6,306	54	2009	100%	12,481	2,300,000	16.6%	381,800
TOTAL							37,054					12,475,000		2,070,850

Notes:

* *Per US practice, the properties were valued based on the NRA, which was provided by* the Group and based on the contract lease terms for each property.

* *The Properties held for Investment in the USA are complete. None of these properties are under construction and there are no known remaining construction costs.*

* *An "N/A" was indicated in the Terms of Tenure column if the Ownership Interest of a property is "Freehold".*

Definitions:

Net Rentable Area (NRA) - is defined as: 1) The area on which rent is computed. 2) The Rentable Area of a floor shall be computed by measuring to the inside finished surface of the dominant portion of the permanent outer building walls, excluding any major vertical penetrations of the floor. No deductions shall be made for columns and projections necessary to the building. Include space such as mechanical room, janitorial room, restrooms, and lobby of the floor.

Gross Building Area (GBA) - is defined as: The total floor area of a building, including below-grade space but excluding unenclosed areas, measured from the exterior of the walls. Gross building area for office buildings is computed by measuring to the outside finished surface of permanent outer building walls without any deductions. All enclosed floors of the building including basements, mechanical equipment floors, penthouses, and the like are included in the measurement. Parking spaces and parking garages are excluded.

Potential Gross Income (PGI) - is defined as: The total income attributable to real property at full occupancy before vacancy and operating expenses are deducted. The average monthly PGI has been presented in the summary table.

Occupancy Rate - The current occupancy rate as of 1 July 2016 has been presented for each property.

Ownership Interest - The ownership interest for the properties is freehold and leasehold. The tenure terms for each property are summarized in the table.

Parking Spaces - The total number of car parking spaces was confirmed by the valuer. The car parking spaces support the existing building improvements and have not been allocated a separate value.

Within the Group, seven valuation certificates have been presented and are summarized in the following table:

Properties held by the Group for Investment in the USA
Valuation Summary as at 1 July 2016

Property No.	Property Address	City & State	Land Use	Type of Property	Ownership Interest	Terms of Tenure (Expiration Date)	Net Rentable Area (SF)	Car Parking Spaces	Year Built (Renovated)	Occupancy Rate	Average Potential Gross Income *(USD/ Month)*	Market Value in Existing State as at 1 July 2016 *(USD)*	% Attributable to Group	Market Value in Existing State Attributed to the Group as at 1 July 2016 *(USD)*
1	4100 Mapleshade Lane	Plano, TX	Office	Medical	Freehold	N/A	24,000	108	2013	100%	106,500	17,625,000	16.6%	2,925,750
2	1870 S. 75th Street	Omaha, NE	Office	Hospital	Leasehold	23-Jun-2083	41,113	83	2008	100%	137,289	21,700,000	16.6%	3,602,200
4	1310 Wolf Park Drive	Germantown, TN	Office	Medical	Freehold	N/A	12,629	63	2001	100%	28,941	5,500,000	16.6%	913,000
9	7668B Airways Blvd	Southaven, MS	Office	Medical	Freehold	N/A	11,423	158	2006	100%	26,178	5,000,000	16.6%	830,000
10	9970 Mountain View Drive	West Mifflin, PA	Office	Medical	Freehold	N/A	28,782	158	2006	100%	65,312	11,500,000	16.6%	1,909,000
11	709 S Harbor City Blvd	Melbourne , FL	Office	Medical & Professional Office	Freehold	N/A	75,899	182	1994 (2012 Expansion)	100%	92,056	15,450,000	16.6%	2,564,700
12	33545 Cherry Hill Road	Westland, MI	Office	Medical	Freehold	N/A	15,018	46	1941 (2009 Renovation)	100%	31,667	4,750,000	16.6%	788,500
TOTAL							208,864					81,525,000		13,533,150

Property interests held by the Group for Investment

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as of 1 July 2016
The property is known as Star Medical Center and is located at 4100 Mapleshade Lane in Plano, Texas. The property is well located, approximately one-half mile south of Plano Medical Hospital and one mile east of Baylor Hospital – Plano. It is located 20 miles north of the Dallas CBD and 6 miles southwest of the large Legacy Business Park in Plano. The property has good freeway exposure to the Pres. George Bush Turnpike.	The subject property is a Class A, 24,000 rentable square foot, single tenant medical office/acute care surgical hospital building. It was completed in 2013, is in very good condition, and is situated on a 2.86 acre site. The property features 4 operating rooms, 7 overnight patient rooms, 24-hour staffed ER, and a full commercial kitchen. The surface parking area consists of 108 spaces.	The current occupancy rate is 100% as the property is NNN leased to one tenant, Star Medical, LLC for an initial 20 year term starting on January 28, 2016. The base lease term expires in January 2036. The Potential Gross Income for Year One of the analysis is estimated to be USD 106,500 per month. The property is NNN leased to Star Medical, LLC for an initial 20 year term starting on January 28, 2016. The NNN base start rental rate is $53.25 per square foot per year (or $4.44 per mo./sq. ft.) or $1,278,000 per year for the first 30 months with 2.5% annual rent steps thereafter, for next 17.5 years. Two, 10 year renewal options exist with 2.5% annual rent steps. The estimated current market NNN rent for the property is $53.25 per square foot per year (or $4.44 per mo./sq. ft.) with 2.5% annual rent steps over a market lease term of 15 years. The current contract rent appears to be similar to the estimated market rent.	USD17,625,000 (UNITED STATES DOLLARS – SEVENTEEN MILLION SIX HUNDRED TWENTY-FIVE THOUSAND) (16.6% interest attributable to the Group: USD2,925,750)

Notes:

a) The registered owner of the property is GMR Plano, LLC (c/o Global Medical REIT, Inc.).

b) On May 18, 2016 Cantor Commercial Real Estate Lending assigned a deed of trust to U.S. Bank N.A. for the benefit of holders of CRCRE 2016-C-4 Mortgage Trust Commercial Mortgage Pass-Through Certificates Series 2016-C-4 (Recorded in Collin County as 20160615000750950). As of May 31, 2016, the Plano, TX subject property is one of 8 medical properties (also in Germantown, TN, Westland, MI, and Melbourne, FL), with a reported combined principal loan balance of $32,097,400.

c) As informed by the Company, the Group holds a 16.6% equity interest of Global Medical REIT, Inc.

d) The subject property is zoned CC or Corridor Commercial with a 190 Tollway/Plano Parkway Overlay District. The subject property is a legally, conforming use. This zoning permits office, medical facilities, retail, and most commercial uses.

e) As stated, the property is NNN leased to Star Medical, LLC for an initial 20 year term starting on January 28, 2016. The NNN base start rental rate is $53.25 per square foot per year (or $4.44 per mo./sq. ft.) or $1,278,000 per year for the first 30 months with 2.5% annual rent steps thereafter for next 17.5 years. Two, 10 year renewal options exist with 2.5% annual rent steps. No vacancy/collection loss projected in our analysis. Current Stabilized NOI is $1,278,000.

f) On January 28, 2016, in a sale/leaseback transaction GMR Plano, LLC (c/o Global Medical REIT, Inc.) purchased the property for approximately $17,500,000. This sale price appears to have been within the range of reasonableness based on market data.

In March 2013, the vacant site may have sold, but the price was not available (Deed recorded as 2013032000371480).

To the best of our knowledge here have been no other sale transactions in the past five years.

Property interests held by the Group for Investment

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as of 1 July 2016
The property is known as Select Specialty Hospital of Omaha and is located at 1870 S. 75th Street in Omaha, Nebraska. The subject has suburban location with the surrounding area consisting of a mixture of residential and commercial uses. CHI Health Bergan Mercy Hospital, a 400-bed acute care hospital, is located directly south of the property and is connected via an elevated enclosed walkway. The Bergan Mercy hospital campus parking extends along the west side of the subject. Multi-family apartments are located directly east, and single family homes are located to the north of the subject. The University of Nebraska at Omaha is located just east of the property neighbourhood. The main retail development in the area, Westroads Mall, is Nebraska's largest shopping mall featuring approximately 135 retailers and a newly developed food commons. The property is located approximately six miles west of the Omaha Central Business District. There are approximately eight bus stations located within the immediate area of the subject.	The property is a 52-bed Long Term Acute Care (LTAC) Hospital. The improvements were constructed in 2008 and have had no significant renovations. The property sits on a 1.75 acre site. The building is three stories and is connected via an elevated, enclosed walkway to adjacent Bergen Mercy Medical Center. The property contains 41,113 square feet of NRA. The surface parking area consists of 83 spaces. The ground lease commenced June 24, 2008 and continues for initial base term of 180 months, expiring on June 23, 2023. There are an additional 12, five-year options extending the expiration date to June 23, 2083. Current annual ground lease payments total $59,873. There are escalations of 12.5% every five years. The next scheduled escalation is in June 2018 to $67,356.56 annually.	The subject is currently 100% occupied by Select Specialty Hospital of Omaha on an absolute net lease basis which is typical for single tenant medical leases. The subject is a single tenant specialty LTAC Hospital. The Potential Gross Income for Year One of the analysis is estimated to be $137,289 per month. This figure accounts for an anticipated increase effective July 1, 2016. The improvement sublease calls for escalations annually of the lesser of any CPI increase or 3%. The subject's improvement sublease commenced concurrently with the ground lease on June 24, 2008 for an initial base term of 180 months expiring June 23, 2023. As with the ground lease, there are 12, five-year options extending the expiration date to June 23, 2083. Due to the variance in the CPI index, we have projected an increase of 2.5% in Year 1 and per year thereafter based on our market rent conclusions. Current monthly income from the sublease totals $140,721 per month. Recent hospital leases researched indicated a rental range of $33.04 to $48.62 per square foot. The subject's current rental rate of $40.07 per square foot is toward the middle of this range. We have concluded market rent at the subject's current rental rate which appears to be in-line with current market terms.	USD21,700,000 (UNITED STATES DOLLARS – TWENTY ONE MILLION SEVEN HUNDRED THOUSAND) (16.6% interest attributable to the Group: USD3,602,200)

Notes:

a) The subject site is currently vested in the name of Archbishop Bergan Mercy. The sandwich leasehold position is currently vested in the name of Global Medical REIT, Inc.

b) The subject property is collateral for an existing loan through Capital One. As of May 31, 2016 the principal balance of said loan was $14,613,888.11. According to Douglas County Treasurer records there are no delinquent taxes on the subject.

c) As informed by the Company, the Group holds a 16.6% equity interest of Global Medical REIT, Inc.

d) The real estate interest valued consists of a sandwich leasehold ownership structure whereby the subject property is ground-leased from the land owner and subleased to the operator. In April 2007, the subject site was parceled from a parent site (the campus of Bergen Mercy Medical Center) and ground leased to LTAC Landlord, LLC for a term of 15 years, with 12, five-year extension options, for the specific purpose of constructing the subject improvements thereon. The subject improvements were concurrently subleased by LTAC Landlord, LLC to Select Specialty Hospital – Omaha Inc., for a term of 15 years, with twelve 5-year extension options. The sublease commenced in June 2008. The sandwich leasehold position was subsequently acquired by Global Medical REIT, Inc from LTAC Landlord, LLC in 2014.

e) The subject site is zoned GO-General Office with permitted uses of general office, medical office, limited commercial uses and various civic uses including hospital services and convalescent services. The improvements represent a legally-conforming use.

f) The Douglas County Assessor records do not indicate when Archbishop Bergan Mercy acquired title to the subject site, but it appears this entity has owned the site for well in excess of five years. The Sandwich Leasehold position was acquired by Global Medical REIT, Inc for $21,700,000 on March 31, 2014.

To the best of our knowledge there have been no other sale transactions in the past five years.

Property interests held by the Group for Investment

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as of 1 July 2016
The property is known as Gastro One Surgery Center and is located at 1310 Wolf Park Drive in Germantown, Tennessee. The subject is located in City of Germantown and is considered a suburban location. Germantown is an affluent community located in the eastern portion of the Memphis MSA and situated in Shelby County. The subject neighborhood is located approximately 14 miles east of the Memphis Central Business District. Medical office properties in the immediate neighborhood include the Pediatric Dental Group, Wolf River Surgery Center, Campbell Clinic Orthopedics. Additionally the Women's Health Specialists MOB and the Southerland Cardiology Clinic are located in the neighborhood. The Baptist Memorial Health Care's Rehabilitation Center is located in the immediate area. The facility features approximately 66,000 square feet of GBA and includes 49 single-occupancy rooms, a dedicated stroke unit, activity space, mobility courtyard, and a therapy gym.	The subject is a 12,629 square foot, one-story medical office/surgery center that is located at 1310 Wolf Park Drive in Germantown, Shelby County, Tennessee. Germantown is an affluent community located in the eastern portion of the Memphis MSA. The improvements were constructed in 2001 and are in overall good condition, and the facility is situated on a 1.457-acre site. The property features operating rooms, patient rooms, along with other typical MOB features. The surface parking area consists of 63 spaces.	The current occupancy rate is 100% as the property is NNN leased to one tenant, Gastro One, for an initial 12 year term starting on January 1, 2016. The base lease term expires in January 2028. The Potential Gross Income for Year One of the analysis is estimated to be $28,941 per month. The property is NNN leased to Gastroenterology Center of the Midsouth, PC (Gastro One) for an initial 12 year term that commenced on January 1, 2016. The NNN base start rental rate is $27.50 per square foot or $347,298 per year for the first 24 months with 1.75% annual rent steps thereafter. The lease calls for Two, 5 year renewal options. The estimated current market NNN rent for the property is $27.50 per square foot per year, with 2% annual rent steps over a market lease term of 10 years. The current contract rent appears to be in line with the estimated market rent.	USD5,500,000 (UNITED STATES DOLLARS – FIVE MILLION FIVE HUNDRED THOUSAND) (16.6% interest attributable to the Group: USD913,000)

Notes:

a) The registered owner of the property is GMR Memphis, LLC (c/o Global Medical REIT, Inc.).

b) Title to the property is currently vested in the name of GMR Memphis, LLC, who acquired the property in January 2016, as improved for $5,448,000, as recorded in Deed Document # 16000539 of the Shelby County Deed Records. The subject property is part of a portfolio of assets owned by Global Medical REIT, Inc. (Plano, Westland, Melbourne, and 5 of the 6 Gastro One Memphis assets – excludes Gastro One 2020 Exeter) that as of May 31, 2016 had existing debt (lender is Cantor) with a principal balance of $32,097,400.

c) As informed by the Company, the Group holds a 16.6% equity interest of Global Medical REIT, Inc.

d) The subject property is zoned O, Office District. The subject property is a legally, conforming use. This zoning permits office, medical facilities, and most commercial uses.

e) As stated, the property is NNN leased to Gastroenterology Center of the Midsouth, PC (Gastro One) for an initial 12 year term that commenced on January 1, 2016. The NNN base start rental rate is $27.50 per square foot or $347,298 per year for the first 24 months with 1.75% annual rent steps thereafter. The lease calls for Two, 5 year renewal options. No vacancy/collection loss projected in our analysis. Current Stabilized NOI is $347,298.

f) On January 1, 2016, in a sale/leaseback transaction GMR Memphis, LLC (c/o Global Medical REIT, Inc.) purchased the property for a reported total consideration of $5,448,000. This sale price appears to have been within the range of reasonableness based on market data.

   To the best of our knowledge here have been no other sale transactions in the past five years.

Property interests held by the Group for Investment

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as of 1 July 2016
The property is known as Gastro One MOB & Surgery Center and is located at 7668B Airways Blvd in Southaven, Mississippi. The subject is located in City of Southaven and is considered a suburban location. Southaven is located in DeSoto County, Mississippi and is situated in the southern portion of the Memphis MSA. The subject neighborhood is located approximately 12 miles southeast of the Memphis Central Business District. The primary medical facility is located directly across the street from the subject and is identified as the Baptist Memorial Hospital – DeSoto. This hospital is a general medical and surgical hospital, with 263 beds. It is also accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF). The hospital is a specialty hospital that has both inpatient and outpatient care, along with rehabilitation services.	The subject is an 11,423 square foot, one-story medical office/surgery center that is located in Southaven, Desoto County, Mississippi. Southaven is located in the extreme southern portion of the greater Memphis MSA. The improvements were constructed in 2006 and are in overall good condition, and the facility is situated on a 1.517-acre site. The property features operating rooms, patient rooms, along with other typical MOB features. The suface parking area consists of 65 spaces.	The current occupancy rate is 100% as the property is NNN leased to one tenant, Gastro One, for an initial 12 year term starting on January 1, 2016. The base lease term expires in January 2028. The Potential Gross Income for Year One of the analysis is estimated to be $26,178 per month. The property is NNN leased to Gastroenterology Center of the Midsouth, PC (Gastro One) for an initial 12 year term that commenced on January 1, 2016. The NNN base start rental rate is $27.50 per square foot or $314,133 per year for the first 24 months with 1.75% annual rent steps thereafter. The lease calls for Two, 5 year renewal options. The estimated current market NNN rent for the property is $27.50 per square foot per year, with 2% annual rent steps over a market lease term of 10 years. The current contract rent appears to be in line with the estimated market rent.	USD5,000,000 (UNITED STATES DOLLARS – FIVE MILLION) (16.6% interest attributable to the Group: USD830,000)

Notes:

a) The registered owner of the property is GMR Memphis, LLC (c/o Global Medical REIT, Inc.).

b) The subject property is part of a portfolio of assets owned by Global Medical REIT, Inc. (Plano, Westland, Melbourne, and 5 of the 6 Gastro One Memphis assets – excludes Gastro One 2020 Exeter) that as of May 31, 2016 had existing debt (lender is Cantor) with a principal balance of $32,097,400.

c) As informed by the Company, the Group holds a 16.6% equity interest of Global Medical REIT, Inc.

d) The subject property is zoned C-4, Planned Commercial Development District. The subject property is a legally, conforming use. This zoning permits office, medical facilities, and most commercial uses.

e) As stated, the property is NNN leased to Gastroenterology Center of the Midsouth, PC (Gastro One) for an initial 12 year term that commenced on January 1, 2016. The NNN base start rental rate is $27.50 per square foot or $314,133 per year for the first 24 months with 1.75% annual rent steps thereafter. The lease calls for two, 5-year renewal options.

f) On January 1, 2016, in a sale/leaseback transaction GMR Memphis, LLC (c/o Global Medical REIT, Inc.) purchased the property for a reported total consideration of $4,949,000, as recorded in DeSoto County Deed Records and also as shown in a final settlement statement provided by the ownership. This sale price appears to have been within the range of reasonableness based on market data.

To the best of our knowledge here have been no other sale transactions in the past five years.

Property interests held by the Group for Investment

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as of 1 July 2016
The property is known as Associates in Ophthalmology and is located at 9970 Mountain View Drive in West Mifflin, Pennsylvania. The subject is in West Mifflin Borough, Allegheny County, Pennsylvania. West Mifflin is situated approximately ten miles southeast of Pittsburgh's Central Business District and is part of the broader suburban area referred to as the South Hills. The Jefferson Hospital is located just south of West Mifflin Borough in neighboring Jefferson Hills Borough. The Jefferson Hospital is a 341-bed facility affiliated with the Allegheny Health Network. The subject is located three-miles north of Jefferson Hospital. The subject is accessible via PA Route 51, which links with the City of Pittsburgh to the north and the Jefferson Hospital to the south.	The subject is a 28,782 SF (27,193 SF rentable), two-story, suburban office building constructed in 2006 on an assembled 2.86-acre site that includes the improved parcel and a separate parcel used for parking. The building includes standard medical office space and surgical space. The surface parking area consists of 158 spaces.	The current occupancy rate is 100% as the property is NNN leased to two tenants starting September 2015. The base lease term expires in September 2030. The Potential Gross Income for Year One of the analysis is estimated to be $65,312 per month. The property is NNN leased to two tenants and the term has approximately 14 years remaining. The medical space (17,247 SF) is leased to Associates in Ophthamology Ltd. The base amount is $25.46/SF. The surgical space (9,946 SF) is leased ton Associates Surgery Centers LLC. The base rent amounts to $34.65/SF. Each lease is flat for the first three years and then escalates 2.0 percent in year-three and then 2.0 percent each year for the remainder of the term. Both tenants have renewal options. Market rent for the standard medical space is estimated at $25.25/SF while market rent for surgical space is estimated at $35.00/SF. The current contract rent appears to be reasonably consistent to the estimated market rent.	USD11,500,000 (UNITED STATES DOLLARS – ELEVEN MILLION FIVE HUNDRED THOUSAND) (16.6% interest attributable to the Group: USD1,909,000)

Notes:

a) Title to the property is currently vested in the name of GMA Pittsburgh LLC.

b) As of May 31, 2016, the subject property was encumbered by a colatorolized mortgage to Capital One with a principal balance of $7,377,500. In addition to the mortgage obligations, the property is encumbered by the aforementioned leases outlined herein.

c) As informed by the Company, the Group holds a 16.6% equity interest of Global Medical REIT, Inc.

d) The subject is situated in an area zoned C-1, General Commercial District. Permitted uses in the C-1 District include a wide range of commercial uses including but not limited to retail and office uses. The current use of the property as a medical office building and auxiliary parking is a legal use under the current ordinance.

e) Title to the property is currently vested in the name of GMA Pittsburgh LLC, who acquired the subject in two transactions on October 2, 2015. They included a parcel improved as a parking lot that was acquired for $600,000 as recorded in Deed Book Volume 16146, Page 104 and a second parcel improved with a medical office building for $10,750,000, as recorded in Deed Book Volume 16146, Page 98 of the Allegheny County Deed Records. The total acquisition price amounted to $11,350,000.

   These most recent sale transactions were a sale leaseback of the property by which the sellers agreed to lease the building and adjacent parking under absolute net terms for a period of 15 years.

   To the best of our knowledge here have been no other sale transactions in the past five years.

Property interests held by the Group for Investment

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as of 1 July 2016
The property is known as Marina Towers and is located at 709 S Harbor City Blvd in Melbourne, Florida. The property is located on a principal commercial highway with long water views in the commercial hub of Melbourne. The property is within one mile of the CBD, US 192 commercial district and Holmes Regional Medical Center Hospital. On Space Coast Transit Bus line.	The subject is a six-story suburban office building and parking deck. The gross building area is 113,711 square feet including the garage and the net rentable area is 75,899 SF per the GMR Property Table. Features include poured concrete construction, contemporary design with large floor plates and some medical office finish. The property was built in 1994 with expansion of the ground floor area in 2012 to include the MRI imaging tenant and ground floor lobby renovations. The first floor had lobby renovations in 2014 and 2015. The property has 182 concrete paved parking spaces on the ground level and first floor concrete parking deck (35,711 SF). Another 106 spaces are provided on non-exclusive use parking easements on the adjacent property to the north.	The property is 100% leased to FCID Holdings, Inc. with First Choice Healthcare Solutions Guarantor. This lease wraps the underlying rent roll with about 10 medical and professional office tenants. The absolute net master lease expires in March 2026 and has just under 10 years remaining. The Potential Gross Income for Year One of the analysis is estimated to be $92,056 per month. The market rent is estimated at $1.19 per square foot per month and is in line with contract rent.	USD15,450,000 (UNITED STATES DOLLARS – FIFTEEN MILLION FOUR HUNDRED FIFTY THOUSAND) (16.6 % interest attributable to the Group: USD2,564,700)

Notes:

a) Title to the property is currently vested of GMR Melbourne, LLC.

b) The property is not encumbered by a mortgage.

c) As informed by the Company, the Group holds a 16.6% equity interest of Global Medical REIT, Inc.

d) The subject site is zoned C-C1, Commercial, which allows office and many commercial uses.

e) GMR Melbourne, LLC purchased the property on March 31, 2016 for $15,450,000, subject to the medical tenant leaseback, as recorded in County Deed Records.

To the best of our knowledge, there have been no other sale transactions in the past five years.

f) The subject benefits from a non-exclusive parking easements on the adjacent parcel. We have assumed the subject will always have full use of these additional off-site parking easements during the normal business hours of the office building

Property interests held by the Group for Investment

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as of 1 July 2016
The property is known as Surgical Institute of MI and is located at 33545 Cherry Hill Road in Westland, Michigan. The subject is located in the Detroit suburb of Westland, Michigan. There are three hospitals within a six mile radius of the subject, including Garden City Hospital, Beaumont Hospital Wayne and St. Joseph Mercy, Canton. Detroit's CBD is approximately 16 miles east of the subject. The biggest development in the area is the Westland Center, an approximately 1,000,000 square foot indoor mall located approximately 2 miles northwest of the subject. The city of Westland is serviced by SMART transit.	The subject is a 15,018-square foot, two-story, suburban medical office building/surgical center located at 33545 Cherry Hill Road in Westland, Wayne County, Michigan. The improvements were originally constructed in 1941 as a residence, and expanded and converted to medical office space and a surgical center in 2009 and are situated on a.51-acre site. The surface and covered parking area consists of 46 spaces.	The subject is 100% occupied by two related tenants (though leased under a single master lease). The Potential Gross Income for Year One of the analysis is estimated to be $31,667 per month. The subject is leased for ten years at a rate of $25.30 per square foot per year ($2.11 per square foot per month) on an absolute net basis. There is no expected lease rollover in the next ten years. The current market rent is estimated to be $25.30 per square foot per year ($2.11 per square foot per month) on an absolute net basis. The current rent appears to be in line with market terms.	USD4,750,000 (UNITED STATES DOLLARS – FOUR MILLION SEVEN HUNDRED FIFTY THOUSAND) (16.6% interest attributable to the Group: USD788,500)

Notes:

a) The subject is currently owned by GMR Westland, LLC (a subsidiary of Global Medical REIT, Inc.).

b) The subject is part of a portfolio recently purchased for a total of $93,170,000. The debt on the portfolio as of 31 May 2016 was $55,729,122. It was reported that the property was allocated $4,750,000 of the total purchase price.

To the best of our knowledge here have been no sale transactions in the past five years.

c) The property is not encumbered by a mortgage. According the assessor, there are no delinquent taxes associated with the subject property.

d) As informed by the Company, the Group holds a 16.6% equity interest of Global Medical REIT, Inc.

e) The subject site is zoned OB, Office Business District which permits traditional offices, medical offices, laboratories and outpatient services.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. FINANCIAL INFORMATION OF THE GROUP

(a) Audited Consolidated Financial Statements of the Group

Financial information of the Group for each of the two years ended 31 March 2014 and 2015 and nine months ended 31 December 2015 are disclosed in the following documents which have been published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.zhsuccess.com):

- annual report of the Company for the year ended 31 March 2014 published on 28 July 2014 (page 75 to 253);
- annual report of the Company for the year ended 31 March 2015 published on 29 July 2015 (page 66 to 162); and
- annual report of the Company for the nine months ended 31 December 2015 published on 28 April 2016 (page 60 to 169).

(b) Working Capital

The Directors are of the opinion that, after taking into account the expected completion of the Proposed Offering and Migration Listing and the financial resources and the banking facilities available to the Group and in the absence of unforeseen circumstances, the Group will have sufficient working capital to meet its requirements for at least 12 months from the date of this circular.

(c) Indebtedness

As at the close of business on 31 May 2016, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Circular, the Group has outstanding borrowings of approximately HK$1,007.5 million, comprising mortgage loans of approximately HK$179.8 million, bank loans of approximately HK$397.1 million and loans from related companies/ultimate holding company of approximately HK$430.6 million. The Group's bank borrowings were secured by certain land and buildings and prepaid lease payments, investment properties, financial assets at fair value through profit or loss and bank deposits of the Group with carrying value of approximately HK$1,306.2 million.

As at 31 May 2016, the Group provided a financial guarantee to a bank in respect of banking facilities granted to a then subsidiary (which was partly disposed of and the retained interest by the Group is now 10% and classified as available-for-sale financial assets). The aggregate amount that could be required to be paid if the guarantee was called upon is approximately HK$12.1 million.

Save as aforesaid and apart from the intra-group liabilities, as at the close of business on 31 May 2016, the Group did not have outstanding mortgages, charges, debentures or other loan capital, bank overdrafts or loans, other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance or acceptance credits, guarantees or other material contingent liabilities.

(d) Financial and Trading Prospects of the Group

Following completion of the Proposed Offering and Migration Listing, the Group will continue to be principally engaged in the business of property development, real estate investment and management and hotel operation, and look for investment opportunities which strength profitability under the acceptable risk in Hong Kong and overseas markets.

The PRC

The Company will leverage on the PRC property development and investment experience of its new management team to seek to develop suitable projects with potential to deliver value to our Shareholders. In addition to existing business partner, the Company will continue to seek potential partners' cooperation to explore capital resources, reduce capital investment at an early stage and facilitate project development. The management remains cautiously optimistic on the long-term prospects of the real estate industry and will quicken its property development and sales of its development projects in the PRC through making use of its own advantages and leveraging on the national network and business resources of Henan Zensun Real Estate Co., Ltd ("**Zensun**"). The synergistic effect brought by Zensun will improve the position of the Group in the real estate industry in China.

The US

In the US, the Group has 14.8% equity interest in a NYSE listed REIT, namely Global Medical REIT Inc. ("**GMR**") and 99% equity interest in an U.S. Over-The-Counter ("**OTC**") listed REIT, American Housing REIT Inc. ("**AHR**") which are managed by Inter-American Management, LLC ("**IAM**"), the 85%-owned REIT management arm of the Group, led by a specialised team of highly-experienced professionals with deep knowledge in the U.S. real estate market.

GMR

Following the completion of the Proposed Offering, Migration Listing and exercise of the Over-allotment Option, the Company's percentage holding in the issued share capital of GMR was reduced to approximately 14.8% and the Company will continue providing management services and receiving recurring management fees directly to and from GMR pursuant to the management agreement between GMR and IAM. It is expected that the offering and future fund raising of GMR will increase its capital base which in return increases the management fee income to be received from GMR.

AHR

AHR was listed on the OTC in 2010. AHR is currently 99%-controlled by the Company which owns a portfolio of single-family rentals ("**SFRs**") primarily in Texas, Florida, Georgia and North Carolina, and seeks to pay a significantly higher-than-average annualised yield quarterly.

Other operations

The Group remains cautious about Singapore property market and does not expect to make a material investment in this market in the foreseeable future. For the Japan hotel operation, the Group is now actively seeking ways to enhance its overall profitability with a view to enabling the operations to be self-sustainable.

Overall

The Company will make use of the Group's financial, human and technological resources to enhance its portfolio, asset base and brand image.

3. INTERESTS OF DIRECTORS

(a) Interest in the shares, underlying shares and debentures of the Company and its associated companies

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provision of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register of the Company referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Name of Director	Nature of interests	Number of Shares held in the Company	Percentage of the issued share capital of the Company
Mr. Zhang Jingguo	Spousal Interest *(Note 2)*	3,579,612,209	57.95
Ms. Huang Yanping	Interest of controlled corporation *(Note 1)*	3,579,612,209	57.95

Notes:

(1) These shares are owned by Joy Town Inc, which is wholly and beneficially owned by Ms. Huang Yanping.

(2) Mr. Zhang Jingguo *(chairman, chief executive officer and executive Director of the Company)* is the spouse of Ms. Huang Yanping, he is deemed to be interested in 3,579,612,209 Shares.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company had any interest or short position in the Shares, underlying Shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provision of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register of the Company referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange.

(b) Interests in assets

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any asset which has been, since 31 December 2015, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or was proposed to be acquired or disposed of by or leased to any member of the Group.

(c) Interests in contracts

As at the Latest Practicable Date, no contracts or arrangements were subsisting in which a Director was materially interested and which were significant in relation to the business of the Group.

(d) Interests in competing business

As at the Latest Practicable Date, none of the Directors was interested in any business, which competed or was likely to compete, either directly or indirectly, with the Group's businesses except that Mr. Zhang and Ms. Huang are interested in Henan Zensun Real Estate Co., Ltd and/or its subsidiaries/associated companies which are engaged in construction, property development and related business in the PRC.

As the Board of Directors of the Company is independent of the boards of these companies, the Company has therefore been capable of carrying on its businesses independently of, and at arm's length from, the above businesses.

(e) Directors' service contracts

As at the Latest Practicable Date, none of the Directors has any existing or proposed service contract with any member of the Group which is not expiring or terminable by the Group within one year without payment of compensation (other than statutory compensation).

4. INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to the Directors and the chief executive of the Company, the persons (other than the Directors and chief executives of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Name of Shareholder	Nature of interests	Number of Shares held in the Company	Percentage of the issued share capital of the Company
Joy Town Inc.	Beneficial Owner *(Note 1)*	3,579,612,209	57.95
Chan Heng Fai	Beneficial owner *(Note 2)*	322,580,166	5.22
Chan Yoke Keow	Beneficial owner *(Note 2)*	322,580,166	5.22

Note:

(1) Ms. Huang Yanping is the sole director and shareholder of Joy Town Inc.

(2) These shares are owned by Chan Heng Fai and Chow Yoke Keow. Chan Heng Fai is the spouse of Chan Yoke Keow, they are deemed interest in the Shares held by each other.

Save as disclosed above, as at the Latest Practicable Date, the Directors and chief executives of the Company were not aware of any person (other than the Directors and chief executives of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were recorded in the register required to be kept by the Company under section 336 of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or proposed Directors was a director or employee of a company which had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

5. MATERIAL LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and there was no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

6. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within two years immediately preceding up to and including the Latest Practicable Date:

(a) On 9 December 2014, the Company entered into a placing agreement with BMI Securities Limited ("**BMI**"), whereby the Company has agreed to issue and BMI has agreed, on a best efforts basis, to act as placing agent to procure subscribers to subscribe for such number of series of 5.5% to 7.5% bonds in an aggregate principal amount of up to HK$500 million due on the day immediately preceding the third to eight anniversary of their respective date(s) to be issued by the Company. As at the Latest Practicable Date, there is no bond in issue;

(b) On 9 February 2015, Expats Residences Pte Ltd ("**Expats**"), a subsidiary of the Company has entered into an option to purchase agreement with an individual third party buyer ("**Buyer**"), pursuant to which Expats has agreed to offer to sell to the Buyer a residential unit located at 38 Dakota Crescent #14-09 Singapore 399938 for a consideration of S$2,550,000. The offer was accepted by the Buyer on 17 February 2015 and completed in April 2015;

(c) On 27 February 2015, the Company entered into an underwriting agreement with Mr. Chan Heng Fai ("**Mr. Chan**"), pursuant to which Mr. Chan has agreed to underwrite all offer shares other than those undertaken to be applied for by him and Heng Fai Holdings Limited under the Open Offer. The Underwriter's commission was HK$300,457.30, and details of the Open Offer was disclosed in the prospectus of the Company dated 26 March 2015;

(d) On 25 March, 2015, China Credit Singapore Pte Ltd. ("**CCSPL**"), a subsidiary of the Company has entered into an option to purchase agreement with an individual third party buyer ("**Buyer**"), pursuant to which CCSPL has agreed to offer to sell to the Buyer the properties situated at No. 35 & No. 36 North Canal Road, Singapore 059291 and Singapore 059292 respectively at a consideration of S$15,000,000. The offer was accepted by the Buyer on 15 April 2015 and completed in July 2015;

(e) On 14 April 2015, Expats has entered into an option to purchase agreement with an individual third party buyer, pursuant to which Expats has agreed to offer to sell to the buyer a residential unit located at 40 Dakota Crescent #09-13 Singapore 399939 for a consideration of S$2,530,000. The offer was accepted by the Buyer on 29 April 2015 and completed in July 2015;

(f) On 3 August 2015, GMR entered into a sale and purchase agreement with Associates Properties, LP (supplemented on 4 September 2015), pursuant to which GMR has agreed to acquire and the vendor has agreed to dispose of, an office/surgery centre named as West Mifflin Office and Surgery Center located at 9970 Mountain View Drive, West Mifflin, Pennsylvania, United States for a purchase price of US$10.75 million. The acquisition was completed in September 2015;

(g) On 30 September 2015, GMR entered into a sale and purchase agreement with Star Medreal, LLC, pursuant to which GMR has agreed to acquire and the vendor has agreed to dispose of, a hospital named as Star Medical Center Hospital located at 4100 Mapleshade Lane, Plano, Texas 75075, United States for a purchase price of US$17.5 million. The acquisition was completed on 28 January 2016;

(h) On 2 October 2015, the Company entered into a sale and purchase agreement with Ms. Huang Yanping ("**Ms. Huang**"), pursuant to which Ms. Huang has agreed to dispose of and the Company has agreed to acquire of the entire interest in Vigor Capital Holdings Limited, which indirectly held a property development project in the PRC for a consideration of HK$405 million to be satisfied by issuing of 1,350,000,000 ordinary shares of the Company to Ms. Huang's nominee, Joy Town Inc. The acquisition was completed on 24 November 2015;

(i) On 6 October 2015, GMR entered into a sale and purchase agreement with R&K Healthcare Real Estate, L.L.C., pursuant to which GMR has agreed to acquire and the vendor has agreed to dispose of, a hospital named as Crescent Medical Centre located at 2600 West Pleasant Run Road, Lancaster, Texas 75146, United States, for a purchase price of US$20.5 million. The acquisition was subsequently lapsed;

(j) On 14 December, 2015, GMR entered into a sale and purchase agreement with 6 sellers, pursuant to which GMR has agreed to acquire and the sellers have agreed to dispose of, a six building, 52,266 square foot medical clinic portfolio for a purchase price of US$20.0 million. Five of the facilities are located in Tennessee and one facility is located in Mississippi. The acquisition was completed on 31 December 2015;

(k) On 8 January 2016, GMR entered into a sale and purchase agreement with Marina Towers LLC, pursuant to which, the vendor shall sell and GMR shall acquire a hospital named "Marina Towers" located at 709 South Harbor City Boulevard, Melbourne, Florida 32901, United States, for a purchase price of US$15.5 million. The acquisition was completed on 31 March 2016;

(l) On 23 February 2016, GMR entered into a sale and purchase agreement with Cherry Hills Real Estate, LLC, pursuant to which, the vendor shall sell and GMR shall acquire an ambulatory surgery center and medical office building located in Westland, Michigan, United States, for a purchase price of US$4.75 million. The acquisition was completed on 31 March 2016;

(m) On 19 April 2016, GMR entered into a sale and purchase agreement with Paper Mill Partners, L.P. and Ridgewood Surgery Center, L.P., pursuant to which, the vendors shall sell and GMR shall acquire a 17,000 square-foot medical office building and a 6,500 square-foot eye surgery center located at Wyomissing, United States, for an aggregate consideration of approximately US$9.2 million;

(n) On 12 May 2016, the Company entered into subscription agreements with 8 subscribers pursuant to which the subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to the subscribers, an aggregate of 795,400,000 Shares in cash at subscription price of HK$0.20 per subscription share, subject to a lock-up period of six months. The transaction was completed on 30 May 2016;

(o) On 23 May 2016, the Company, Hotel Room Xpress Pte. Ltd., Heng Fung Capital Company Limited and Xpress Credit Limited entered into a share purchase agreement with Ernest W. Moody Revocable Trust whereby the Group has agreed to sell and the purchaser has agreed to purchase of 8,031,664 shares of RSI International Systems Inc. for cash consideration of approximately CAD1.49 million; and

(p) Underwriting Agreement.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Director were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2015, being the date to which the latest published audited consolidated financial statement of the Company were made up.

8. GENERAL

(a) The registered and principal office of the Company is situated at 24/F., Wyndham Place, 40–44 Wyndham Street, Central, Hong Kong.

(b) The share registrar of the Company is Tricor Friendly Limited, which is situated at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

(c) The joint secretaries of the Company are Mr. Eric Jackson Chang, who is a member of Hong Kong Institute of Certified Public Accountants and American Institute of Certified Public Accountants and Mr. Yuen Ping Man, who is a fellow member of the Institute of Chartered Secretaries and Administrators (U.K.) and of the Hong Kong Institute of Chartered Secretaries.

9. EXPERT

The following is the qualifications of the expert which has given opinion or advice which is contained in this circular:

Name	Qualification
CBRE Limited	Professional valuer

As at the Latest Practicable Date, the above expert did not have:

(a) any direct or indirect interest in any assets which have been, since 31 December 2015 (being the date to which the latest published audited accounts of the Company were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group; and

(b) any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letters and reports and the references to its names in the form and context in which they appear.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be made available for inspection during normal business hours at the principal place of business of the Company in Hong Kong, from the date of this circular, up to and including 12 August 2016.

(a) the articles of association of the Company;

(b) the annual reports of the Company for the year ended 31 March 2015 and nine months ended 31 December 2015;

(c) the valuation report on the properties held by GMR prepared by CBRE Limited, the text of which is set out in Appendix I to this circular;

(d) the letter of consent referred to in the paragraph headed "Expert" above;

(e) the material contracts referred to in the paragraph headed "Material Contracts" in this Appendix;

(f) a copy of each circular issued pursuant to the requirements set out in Chapters 14 and/or 14A which has been issued since the date of the latest published audited accounts; and

(g) this circular.