

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



**ZH INTERNATIONAL HOLDINGS LIMITED**

**正恒國際控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 185)

**VOLUNTARY ANNOUNCEMENT  
IMPROVEMENT OF FINANCIAL RESULTS FOR THE SIX  
MONTHS ENDED 30 JUNE 2016**

This announcement is made by ZH International Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) pursuant to Rule 13.09(2) of the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the “SFO”).

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that based on information currently available, the unaudited interim results of the Group is expected to record a substantial decrease of approximately 50% to 70% in loss for the period attributable to owners of the Company (the “Net Loss”) for the six months ended 30 June 2016 (“1H 2016”) as compared to the Net Loss of HK\$30.4 million for the six months ended 30 September 2015 (“1H 2015”). The improvement in the performance of the Group are mainly due to (i) increase in rental income derived from the medical facilities acquired by Global Medical REIT, Inc. (“GMR”) after 30 September 2015; (ii) gain on disposal of the Group’s entire interest in an associate, RSI International Systems Inc.; (iii) decrease in administrative expenses in relation to reduce in staff costs (including directors’ emolument) and (iv) record an exchange gain compare to exchange loss in 1H 2015. Such improvement was partially set-off by (i) increase in legal and professional fees in relation to the proposed offering and migration of GMR on the New York Stock Exchange as disclosed in the Company’s circular dated 26 July 2016; (ii) a revaluation loss from investment property for 1H2016 as compared to a revaluation gain of HK\$7.3 million for 1H2015; and (iii) increase in finance costs in relation to the acquisition of the medical facilities.

The information contained in this announcement is only based on the Company's preliminary assessment of the consolidated management accounts of the Group. The Company is still in the process of finalizing the Group's unaudited interim results for the six months ended 30 June 2016. Further details of the Group's performance will be disclosed when the Group's unaudited interim results for the six months ended 30 June 2016 are announced.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

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

Hong Kong, 5 August, 2016

*As at the date of this announcement, the executive Directors are Mr. Zhang Jingguo, Mr. Zhang Guoqiang, Mr. Eric Jackson Chang; the non-executive Director is Ms. Huang Yanping and the independent non-executive Directors are Dr. Liu Qiao, Mr. Liu Da and Mr. Ma Yuntao.*