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**U-HOME GROUP
INTERNATIONAL LIMITED**

*(Incorporated in British Virgin Islands with
limited liability)*

JIWA BIO-PHARM HOLDINGS LIMITED

積華生物醫藥控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 2327)

JOINT ANNOUNCEMENT

**(1) DESPATCH OF COMPOSITE OFFER AND RESPONSE DOCUMENT
RELATING TO
UNCONDITIONAL MANDATORY CASH OFFER BY**



**HAITONG INTERNATIONAL SECURITIES COMPANY LIMITED
FOR AND ON BEHALF OF U-HOME GROUP INTERNATIONAL LIMITED
FOR ALL THE ISSUED SHARES IN
JIWA BIO-PHARM HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED BY OR
AGREED TO BE ACQUIRED BY
U-HOME GROUP INTERNATIONAL LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)**

(2) APPOINTMENT OF DIRECTORS

AND

(3) CLARIFICATION

**Financial adviser to
U-Home Group International Limited**



Haitong International Capital Limited

**Financial adviser to
Jiwa Bio-Pharm Holdings Limited**



* For identification purpose only

DESPATCH OF COMPOSITE DOCUMENT

The Composite Document and the Form of Acceptance and Transfer have been despatched to the Shareholders on 30 August 2013 in accordance with the Takeovers Code.

EXPECTED TIMETABLE

The Offer is open for acceptance on and from 30 August 2013 and the latest time and date for acceptance of the Offer is 4:00 p.m. on 23 September 2013, unless the Offeror extends the Offer in accordance with the Takeovers Code. An expected timetable in respect of the Offer is set out below in this joint announcement.

APPOINTMENT OF DIRECTORS

The Board is pleased to announce that with effect from 30 August 2013 after despatch of the Composite Document, (i) Mr. Zhou Xuzhou, Mr. Liu Lailin and Ms. Zhou Wen Chuan have been appointed as executive Directors; (ii) Mr. Chen Xuejun has been appointed as a non-executive Director; and (iii) Mr. Gao Guanjiang, Professor Wilton Chi Wai Chau and Mr. Lee Cheuk Yin Dannis have been appointed as independent non-executive Directors.

CLARIFICATION

Mr. Lau Kin Tung, an executive Director and one of the Vendors, informed the Company on 22 August 2013 that Ms. Xia Tian, his spouse owned 1,362,000 Shares (representing approximately 0.08% of the issued share capital of the Company) as at 22 April 2013, being the date of the Joint Announcement and Ms. Xia Tian ceased to have any shareholding in the Company on 10 May 2013. Since such information was not available to the Company at the time of preparing and issue of the Joint Announcement, the 1,362,000 Shares owned by Ms. Xia Tian as at the date of the Joint Announcement was inaccurately counted toward the shareholding of the public Shareholders in the shareholding structure of the Company set out in the Joint Announcement. The accurate shareholding structure of the Company as at the date of the Joint Announcement is set out below in this joint announcement.

Reference is made to (i) the joint announcement issued by the Company and the Offeror dated 22 April 2013 (the “**Joint Announcement**”); and (ii) the circular issued by the Company dated 26 July 2013. Capitalised terms used in this joint announcement shall have the same meanings as those defined in the composite offer and response document jointly issued by the Company and the Offeror dated 30 August 2013 (“**Composite Document**”).

DESPATCH OF COMPOSITE DOCUMENT

The Composite Document containing, among others, (i) details of the Offer; (ii) a letter of advice from the Independent Board Committee in relation to the Offer; and (iii) a letter of advice from Somerley in relation to the Offer, together with the Form of Acceptance and Transfer have been despatched to the Shareholders on 30 August 2013 in accordance with the Takeovers Code.

EXPECTED TIMETABLE

The expected timetable in respect of the Offer set out below is indicative only and may be subject to change. Further announcement(s) will be made as and when appropriate.

2013

Despatch date of the Composite Document
and the Form of Acceptance and Transfer
and commencement date of the Offer Friday, 30 August

Latest time and date for acceptance of
the Offer (*Note 1*) 4:00 p.m. on Monday, 23 September

Closing Date (*Note 1*) Monday, 23 September

Announcement of the results of the Offer to be posted
on the website of the Stock Exchange (*Note 1*) not later than 7:00 p.m.
on Monday, 23 September

Latest date for posting of remittances in respect of
valid acceptances received under the Offer (*Note 2*) Thursday, 3 October

Notes:

1. The latest time for acceptance of the Offer is 4:00 p.m. on Monday, 23 September 2013. The Offer, which is unconditional, will be closed on Monday, 23 September 2013 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror will issue an announcement by 7:00 p.m. on Monday, 23 September 2013 as to whether the Offer has been revised, extended or expired. In the event that the Offeror decides to extend the Offer, at least 14 days' notice by way of an announcement will be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer.
2. Payment will be made as soon as possible, but in any event within seven Business Days of the date of receipt by the Registrar from the Independent Shareholders accepting the Offer of the valid requisite documents. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances as set out in the section headed "Right of withdrawal" in Appendix I to the Composite Document.

Unless otherwise expressly stated, all time and date references contained in the Composite Document and in this joint announcement refer to Hong Kong time and dates.

IMPORTANT

Shareholders are strongly advised to read the Composite Document and the Form of Acceptance and Transfer carefully, including the letter of advice from Somerley to the Independent Board Committee and the recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer, and the information of the Group before deciding whether or not to accept the Offer.

Independent Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the Shares.

APPOINTMENT OF DIRECTORS

The Board is pleased to announce that with effect from 30 August 2013 after despatch of the Composite Document, (i) Mr. Zhou Xuzhou, Mr. Liu Lailin and Ms. Zhou Wen Chuan have been appointed as executive Directors; (ii) Mr. Chen Xuejun has been appointed as a non-executive Director; and (iii) Mr. Gao Guanjiang, Professor Wilton Chi Wai Chau and Mr. Lee Cheuk Yin Dannis have been appointed as independent non-executive Directors.

Executive Directors

Mr. Zhou Xuzhou

Mr. Zhou, aged 57, obtained a Master of Arts in Library Studies from the University of Wuhan (武漢大學) in 1985. He is a director of the Offeror. He is also the founder and chairman of the board of directors, chief executive officer and the sole shareholder of 宇業集團有限公司 (U-Home Group Limited*). U-Home Group Limited is a company incorporated under the laws of the PRC and, together with over twenty of its subsidiaries, is principally engaged in real estate development, hotel management and property management in various cities in the PRC. Mr. Zhou, through subsidiaries wholly owned by him, has started his real estate business since 1992.

Mr. Zhou is primarily responsible for leading the strategic planning and business development of U-Home Group Limited and overseeing all key aspects of the operations of U-Home Group Limited, including financial management and project development business. He has over 20 years of experience in the property industry.

Save as disclosed in this joint announcement and as far as the Directors are aware, Mr. Zhou does not hold any other position in the Company nor did he hold any directorship in any listed public company in the last three years.

As at the date of this joint announcement, Mr. Zhou is the sole ultimate beneficial owner of both the Offeror and U-Home Group Investment Limited, which own in aggregate 1,173,102,000 Shares, representing approximately 71.53% of the existing issued share capital of the Company.

Save as disclosed in this joint announcement, Mr. Zhou does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

As at the date of this joint announcement, Mr. Zhou is interested in 1,173,102,000 Shares and has a short position in 1,665,000,000 Shares within the meaning of Part XV of the SFO.

Mr. Zhou has entered into a service contract with the Company on 30 August 2013 commencing from 30 August 2013 to 29 August 2016. Mr. Zhou is subject to retirement by rotation and eligible for re-election pursuant to the bye-laws of the Company. Pursuant to the Company's bye-laws, at each annual general meeting of the Company ("AGM") one-third of the Directors for the time being shall retire from office by rotation, provided every Director shall be subject to retirement by rotation at least once every three years. He will be entitled to an annual remuneration of HK\$500,000 as determined by the Board, subject to annual review with reference to his duties and responsibilities as well as the prevailing market conditions.

Mr. Liu Lailin

Mr. Liu, aged 56, joined 安徽宇華實業有限公司 (Anhui Yuhua Enterprises Company Ltd.*), the immediate holding company of U-Home Group Limited, in 1994. He is currently a director and executive vice president of U-Home Group Limited and the chairman of 滁州宇達物業開發有限公司 (Chuzhou Yuda Property Development Company Ltd.*), a subsidiary of U-Home Group Limited. Prior to joining Anhui Yuhua Enterprises Company Ltd., Mr. Liu was the assistant accountant of 大唐湘潭發電有限責任公司 (Datang Xiangtan Power Generation Co., Ltd.*). Mr. Liu has over 16 years of experience in real estate management. He obtained a Diploma of Management of Industrial Enterprise from Hunan Radio and Television University in 1986.

Save as disclosed above and as far as the Directors are aware, Mr. Liu does not hold any other position in the Company nor did he hold any directorship in any listed public company in the last three years.

Save as disclosed above, Mr. Liu does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

As at the date of this joint announcement, Mr. Liu is not interested in any Shares within the meaning of Part XV of the SFO.

Mr. Liu has entered into a service contract with the Company on 30 August 2013 commencing from 30 August 2013 to 29 August 2016. Mr. Liu is subject to retirement by rotation and eligible for re-election pursuant to the bye-laws of the Company. Pursuant to the Company's bye-laws, at each AGM one-third of the Directors for the time being shall retire from office by rotation, provided every Director shall be subject to retirement by rotation at least once every three years. He will be entitled to an annual remuneration of HK\$300,000 as determined by the Board, subject to annual review with reference to his duties and responsibilities as well as the prevailing market conditions.

Ms. Zhou Wen Chuan

Ms. Zhou, aged 30, joined U-Home Group Limited in 2009 and has been the assistant to the chairman of the board of directors since then. Ms. Zhou obtained a master degree in Business Administration from the Chinese University of Hong Kong in 2011, and a master degree in Food Science and a bachelor degree in Science in Food Nutrition and Health from the University of British Columbia in 2008 and 2007 respectively. Ms. Zhou is the daughter of Mr. Zhou Xuzhou.

Save as disclosed above and as far as the Directors are aware, Ms. Zhou does not hold any other position in the Company nor did she hold any directorship in any listed public company in the last three years.

Save as disclosed above, Ms. Zhou does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

As at the date of this joint announcement, Ms. Zhou is not interested in any Shares within the meaning of Part XV of the SFO.

Ms. Zhou has entered into a service contract with the Company on 30 August 2013 commencing from 30 August 2013 to 29 August 2016. Ms. Zhou is subject to retirement by rotation and eligible for re-election pursuant to the bye-laws of the Company. Pursuant to the Company's bye-laws, at each AGM one-third of the Directors for the time being shall retire from office by rotation, provided every Director shall be subject to retirement by rotation at least once every three years. She will be entitled to an annual remuneration of HK\$300,000 as determined by the Board, subject to annual review with reference to her duties and responsibilities as well as the prevailing market conditions.

Non-executive Director

Mr. Chen Xuejun

Mr. Chen, aged 49, has been appointed as director of three subsidiaries of U-Home Group Limited, namely, 滁州宇和置業有限公司 (Chuzhou Yuhe Property Company Ltd.*), 江蘇宇泰置業有限公司 (Jiangsu Yutai Property Company Ltd.*) and 黃山宇達置業有限公司 (Huangshan Yuda Property Company Ltd.*) since 2009. Mr. Chen set up 深圳市嶺南投資發展有限公司 (Shenzhen Lingnan Investment Development Company Limited*) in 2004 and was the chairman since then. Mr. Chen has around 10 years of experience in property development.

Save as disclosed above and as far as the Directors are aware, Mr. Chen does not hold any other position in the Company nor did he hold any directorship in any listed public company in the last three years.

Save as disclosed above, Mr. Chen does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

As at the date of this joint announcement, Mr. Chen is not interested in any Shares within the meaning of Part XV of the SFO.

The Company has entered into a letter of appointment with Mr. Chen in relation to his appointment as a non-executive Director. Mr. Chen has been appointed for a term of one year commencing on 30 August 2013, subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. Mr. Chen is entitled to a director's fee of HK\$120,000 per annum, which has been approved by the Board having considered his responsibilities and duties, the Company's remuneration policy and the prevailing market conditions.

Independent non-executive Directors

Mr. Gao Guanjiang

Mr. Gao, aged 61, graduated from the University of Wuhan (武漢大學) with a Ph. D in Economics in 1998. Mr. Gao is currently the chairman of Cinda Securities Co., Ltd. (信達證券股份有限公司) and an executive director of Cinda International Holdings Limited (Stock Code: 111). Mr. Gao has over 20 years of experience in commercial banking, investment banking, business administration and securities and finance.

Save as disclosed above and as far as the Directors are aware, Mr. Gao does not hold any other position in the Company nor did he hold any directorship in any listed public company in the last three years.

Save as disclosed above, Mr. Gao does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

As at the date of this joint announcement, Mr. Gao is not interested in any Shares within the meaning of Part XV of the SFO.

The Company has entered into a letter of appointment with Mr. Gao in relation to his appointment as an independent non-executive Director. Mr. Gao has been appointed for a term of one year commencing on 30 August 2013, subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. Mr. Gao is entitled to a director's fee of HK\$120,000 per annum, which has been approved by the Board having considered his responsibilities and duties, the Company's remuneration policy and the prevailing market conditions.

Professor Wilton Chi Wai Chau

Prof. Chau, aged 52, obtained a doctoral degree in business administration, a master degree in business administration, a bachelor degree in laws and a bachelor degree in science. He is a fellow member of the Chartered Association of Certified Accountants (UK). Prof. Chau currently serves on the boards and committees of non-profit making organisations, including Hong Kong Biotechnology Organisation and Hong Kong Business Angel Network Limited. He was an independent non-executive director of Guangshen Railway Company Limited (H-Share Stock Code: 525; A-Share Stock Code: 601333) from 2004 to 2011. He is also an adjunct professor at the department of finance in the Chinese University of Hong Kong. Prof. Chau has over 26 years of experience in direct investment and venture capital.

Save as disclosed above and as far as the Directors are aware, Prof. Chau does not hold any other position in the Company nor did he hold any directorship in any listed public company in the last three years.

Save as disclosed above, Prof. Chau does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

As at the date of this joint announcement, Prof. Chau is not interested in any Shares within the meaning of Part XV of the SFO.

The Company has entered into a letter of appointment with Prof. Chau in relation to his appointment as an independent non-executive Director. Prof. Chau has been appointed for a term of one year commencing on 30 August 2013, subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. Prof. Chau is entitled to a director's fee of HK\$120,000 per annum, which has been approved by the Board having considered his responsibilities and duties, the Company's remuneration policy and the prevailing market conditions.

Mr. Lee Cheuk Yin Dannis

Mr. Lee, aged 43, obtained a bachelor degree in business administration from Texas A & M University, the USA. He is an associate member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Mr. Lee is currently an independent non-executive director of Geely Automobile Holdings Limited (Stock Code: 175) and Tiangong International Company Limited (Stock Code: 826) respectively. He was also a non-executive director of Kam Hing International Holdings Limited (Stock Code: 2307) from 2009 to 2011 and an executive director of AMCO United Holding Limited (Stock Code: 630) from 2010 to 2011. He possesses over 20 years of experience in accounting and auditing field.

Save as disclosed above and as far as the Directors are aware, Mr. Lee does not hold any other position in the Company nor did he hold any directorship in any listed public company in the last three years.

Save as disclosed above, Mr. Lee does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

As at the date of this joint announcement, Mr. Lee is not interested in any Shares within the meaning of Part XV of the SFO.

The Company has entered into a letter of appointment with Mr. Lee in relation to his appointment as an independent non-executive Director. Mr. Lee has been appointed for a term of one year commencing on 30 August 2013, subject to retirement by rotation and re-election in accordance with the bye-laws of the Company. Mr. Lee is entitled to a director's fee of HK\$120,000 per annum, which has been approved by the Board having considered his responsibilities and duties, the Company's remuneration policy and the prevailing market conditions.

General

Save as disclosed in this joint announcement, the Board is not aware of any other matters in relation to the above-mentioned appointment of Directors that need to be disclosed pursuant to any requirements of Rule 13.51(2) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders.

CLARIFICATION

Reference is made to the Joint Announcement. Mr. Lau Kin Tung, an executive Director and one of the Vendors, informed the Company on 22 August 2013 that Ms. Xia Tian, his spouse owned 1,362,000 Shares (representing approximately 0.08% of the issued share capital of the Company) as at 22 April 2013, being the date of the Joint Announcement and Ms. Xia Tian ceased to have any shareholding in the Company on 10 May 2013. Since such information was not available to the Company at the time of preparing and issue of the Joint Announcement, the 1,362,000 Shares owned by Ms. Xia Tian as at the date of the Joint Announcement was inaccurately counted toward the shareholding of the public Shareholders in the shareholding structure of the Company presented on page 11 of the Joint Announcement.

The Company would like to clarify that the shareholding structure of the Company as at the date of the Joint Announcement as presented on page 11 of the Joint Announcement should be revised as follow:

Name of Shareholders	As at the date of this joint announcement		Immediately upon completion of the Share Purchase Agreement		Immediately upon completion of the Share Purchase Agreement and assuming exercise of the outstanding Options in full	
	% of		% of		% of	
	Number of Shares held	Shares in issue	Number of Shares held	Shares in issue	Number of Shares held	Shares in issue
The Offeror and parties acting in concert with it	—	—	1,173,102,000	72.19	1,173,102,000	71.53
Mr. Lau Yau Bor	96,390,000	5.93	—	—	—	—
Madam Chan Hing Ming	41,712,000	2.57	—	—	—	—
Mr. Lau Kin Tung	15,000,000	0.92	—	—	—	—
LAUs Holding Co. Ltd.	840,000,000	51.69	—	—	—	—
MINGS Development Holdings Limited	75,000,000	4.62	—	—	—	—
WHYS Holding Co. Ltd.	105,000,000	6.46	—	—	—	—
Ms. Xia Tian (<i>Note</i>)	1,362,000	0.08	—	—	—	—
Sub-total of the Vendors and parties acting in concert with any of them	1,174,464,000	72.27	—	—	—	—
Public Shareholders	450,536,000	27.73	451,898,000	27.81	466,898,000	28.47
Total	<u>1,625,000,000</u>	<u>100.00</u>	<u>1,625,000,000</u>	<u>100.00</u>	<u>1,640,000,000</u>	<u>100.00</u>

Note: Ms. Xia Tian is the spouse of Mr. Lau Kin Tung.

Save as disclosed above, no change is required to be made to the information contained in the Joint Announcement, the Circular and any other documents (as defined under the Takeovers Code) in respect of the Offer and the Special Deals (as defined in the Joint Announcement) issued by the Company and/or the Offeror prior to the date of this joint announcement.

By order of the board of directors of
U-Home Group International Limited
Zhou Xuzhou
Director

By order of the Board of
Jiwa Bio-Pharm Holdings Limited
Chan Hing Ming
*Executive Director and
Chief Executive Officer*

Hong Kong, 30 August 2013

As at the date of this joint announcement, the executive Directors are Mr. Lau Yau Bor, Madam Chan Hing Ming, Mr. Lau Kin Tung, Mr. Zhou Xuzhou, Mr. Liu Lailin and Ms. Zhou Wen Chuan, and the non-executive Director is Mr. Chen Xuejun, and the independent non-executive Directors are Mr. Chiu Wai Piu, Mr. Choy Ping Sheung, Mr. Fung Tze Wa, Mr. Gao Guanjiang, Professor Wilton Chi Wai Chau and Mr. Lee Cheuk Yin Dannis.

As at the date of this joint announcement, the directors of the Offeror are Mr. Zhou Xuzhou and Ms. Zhou Wen Chuan.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement relating to the Group and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed by the Group in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.