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Biostime International Holdings Limited

合生元國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1112)

**(1) GRANT OF SHARE OPTIONS PURSUANT TO
SHARE OPTION SCHEME**

AND

**(2) GRANT OF AWARDED SHARES PURSUANT TO
2013 SHARE AWARD SCHEME**

**(1) GRANT OF SHARE OPTIONS PURSUANT TO THE SHARE OPTION
SCHEME**

The Board hereby announces that on 29 December 2015, a total of 18,868,509 share options to subscribe for the Shares were granted, subject to acceptance of the grantees of the share options, under the share option scheme adopted by the Company on 25 November 2010.

**(2) GRANT OF AWARDED SHARES PURSUANT TO THE 2013 SHARE
AWARD SCHEME**

On 29 December 2015, the Board has resolved to grant Awards comprising a total of 1,757,635 Awarded Shares, namely, the 2015 Batch 2 Awarded Shares, to 54 Selected Participants by way of allotment of new Shares pursuant to the 2013 Scheme and the general mandate granted by the shareholders of the Company at the annual general meeting held on 15 May 2015, conditional upon (i) the execution by such Selected Participants of acceptance of grant letters in relation to the 2015 Batch 2 Awarded Shares; and (ii) the granting of the listing of, and permission to deal in, such 2015 Batch 2 Awarded Shares by the Stock Exchange.

Pursuant to the 2013 Scheme, the Board shall cause to be paid the subscription money for the 2015 Batch 2 Awarded Shares from the Company's resources into the Account. The independent Trustee shall subscribe for the 2015 Batch 2 Awarded Shares in cash. Upon the allotment of the 2015 Batch 2 Awarded Shares, the independent Trustee shall hold such Shares on trust for the Selected Participants and shall transfer such Shares to the Selected Participants at no consideration upon the satisfaction of the relevant vesting conditions specified by the Board at the time of making the Award.

The total number of Shares available for Awards under the 2013 Scheme is 5,528,850 as at 29 December 2015 before the granting of the 2015 Batch 2 Awarded Shares, and shall not exceed 1.5% of the issued share capital of the Company as at the date of adoption of the 2013 Scheme. Following the granting of the 2015 Batch 2 Awarded Shares, there remains 3,771,215 Shares available under the 2013 Scheme for further Awards by the Board.

(1) GRANT OF SHARE OPTIONS PURSUANT TO THE SHARE OPTION SCHEME

This announcement is made pursuant to Rule 17.06A of the Listing Rules.

The Board hereby announces that on 29 December 2015 (the “**Date of Grant**”), 18,868,509 share options (the “**Share Options**”) to subscribe for the Shares were granted, subject to acceptance of the grantees (the “**Grantees**”), under the share option scheme adopted by the Company on 25 November 2010.

Each Share Option shall entitle the holder of the Share Option to subscribe for one Share upon exercise of such Share Option at an exercise price of HK\$15.58 per Share, which represents the highest of (1) the nominal value of a Share; (2) the closing price of HK\$15.58 per Share as stated in the daily quotation sheets issued by the Stock Exchange on the Date of Grant; and (3) the average closing price of HK\$13.88 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant.

Among the 18,868,509 Share Options, 2,732,019 Share Options (the “**Group 1 Share Options**”) granted shall vest in accordance with the timetable below with a 6-year exercise period (for this purpose, the date or each such date on which the Share Options are to vest being hereinafter referred to as a “**Vesting Date**”):

Vesting Date	Percentage of Share Options to vest
1 April 2017	30% of the total number of the Group 1 Share Options granted
1 April 2018	30% of the total number of the Group 1 Share Options granted
1 April 2019	40% of the total number of the Group 1 Share Options granted

None of the Grantees of the Group 1 Share Options is a director, chief executive or substantial shareholder of the Company, or their respective associates (as defined in the Listing Rules).

Among the 18,868,509 Share Options, 16,136,490 Share Options (the “**Group 2 Share Options**”) granted shall vest in accordance with the timetable below with a 6-year exercise period (for this purpose, the date or each such date on which the Share Options are to vest being hereinafter referred to as a “**Vesting Date**”):

Vesting Date	Percentage of Share Options to vest
30 December 2016	50% of the total number of the Group 2 Share Options granted
1 November 2017	30% of the total number of the Group 2 Share Options granted
1 November 2018	20% of the total number of the Group 2 Share Options granted

Among the Group 2 Share Options, 723,075 Share Options were granted to the directors of the Company, subject to their respective acceptance, with details as follows:

Name of directors	Position	Number of Share Options
Mr. Luo Fei	Executive director	414,093
Ms. Kong Qingjuan	Executive director	308,982

The grant of the Share Options to the above directors of the Company has been approved by the independent non-executive directors of the Company in accordance with Rule 17.04(1) of the Listing Rules.

Save as disclosed above, none of the Grantees of the Group 2 Share Options is a director, chief executive or substantial shareholder of the Company, or their respective associates (as defined in the Listing Rules).

(2) GRANT OF AWARDED SHARES PURSUANT TO THE 2013 SHARE AWARD SCHEME

References are made to the 2013 Scheme adopted by the Board on 29 November 2013 and the subsequent amendment to the 2013 Scheme adopted on 14 May 2015.

On 29 December 2015, the Board has resolved to grant Awards comprising a total of 1,757,635 Awarded Shares, namely, the 2015 Batch 2 Awarded Shares, to 54 Selected Participants by way of allotment of new Shares pursuant to the 2013 Scheme and the general mandate granted by the shareholders of the Company at the annual general meeting held on 15 May 2015, conditional upon (i) the execution by the 2015 Batch 2 Award Participants of acceptance of grant letters in relation to the 2015 Batch 2 Awarded Shares; and (ii) the granting of the listing of, and permission to deal in, such 2015 Batch 2 Awarded Shares by the Stock Exchange.

Except for the granting of the 2015 Batch 1 Awarded Shares as mentioned in the announcement of the Company dated 2 July 2015 and the 2015 Batch 2 Awarded Shares as mentioned in this announcement, the aforesaid general mandate has not been used by the Board for other purpose as at the date of this announcement.

Pursuant to the 2013 Scheme, the Board shall cause to be paid the subscription money for the 2015 Batch 2 Awarded Shares from the Company's resources into the Account. The independent Trustee shall subscribe for the 2015 Batch 2 Awarded Shares in cash. Upon the allotment of the 2015 Batch 2 Awarded Shares, the independent Trustee shall hold such Shares on trust for the Selected Participants and shall transfer such Shares to the Selected Participants at no consideration upon the satisfaction of the relevant vesting conditions specified by the Board at the time of making the Award.

The date of grant of the 2015 Batch 2 Awarded Shares is 29 December 2015. Among the 2015 Batch 2 Awarded Shares, 1,171,688 Awarded Shares will vest on 30 December 2016 and 585,947 Awarded Shares will vest on 1 April 2017.

The 2015 Batch 2 Award Participants are employees of the Group. The 2015 Batch 2 Awarded Shares are granted for the purpose of providing incentive to the 2015 Batch 2 Award Participants for their continued contribution to the Group. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Trustee and the 2015 Batch 2 Award Participants are third parties independent of the Company and are not connected persons of the Company, and none of them is a director or a substantial shareholder of the Group (as defined under the Listing Rules).

The 2015 Batch 2 Awarded Shares to be issued and allotted by the Company to the independent Trustee represent approximately 0.279% of the Company's issued share capital as at 29 December 2015 and approximately 0.278% of the Company's enlarged issued share capital after the allotment. The total number of Shares available for Awards under the 2013 Scheme is 5,528,850 as at 29 December 2015 before the granting of the 2015 Batch 2 Awarded Shares, and shall not exceed 1.5% of the issued share capital of the Company as at the date of adoption of the 2013 Scheme. Following these Awards, there remains 3,771,215 Shares available under the 2013 Scheme for further Awards by the Board.

The 2015 Batch 2 Awarded Shares, when issued and fully paid, will rank *pari passu* among themselves and with the Shares in issue as at the date of this announcement, with the right to receive all dividends and other distributions declared, made or paid on or after the date of allotment. Pursuant to the 2013 Scheme, the Trustee however shall not exercise the voting rights in respect of any Shares held by it on trust.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the 2015 Batch 2 Awarded Shares.

Further information relating to the issue of the 2015 Batch 2 Awarded Shares pursuant to the 2013 Scheme is set out below:

Securities to be issued:	1,757,635 Shares
Issue price (net):	Shares shall be allotted to the independent Trustee at nominal value
Funds to be raised:	Nil

Note: HK\$17,576.35, which is the total nominal value of the 2015 Batch 2 Awarded Shares to be issued, shall be paid from the Company's resources into the Account and shall be used by the independent Trustee as subscription money for such Shares

Reasons for the issue:	To recognise the contributions made by the Selected Participants and to attract and retain talent for the continuous operations and development of the Group
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Identity of the allottee:	the independent Trustee, which will hold the 2015 Batch 2 Awarded Shares on trust for the 54 Selected Participants
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Market price of the Shares:	HK\$15.58, being the closing price of the Shares as at 29 December 2015
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Fund raising activities in the past 12 months:	The Company has not engaged in any fund raising activities by any issue of Shares in the 12 months immediately preceding the date of this announcement.
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DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

Term	Definition
“2013 Scheme”	the 2013 Share Award Scheme of the Company adopted by the Board on 29 November 2013
“2015 Batch 1 Awarded Shares”	a total of 136,600 Awarded Shares granted to two Selected Participants on 1 July 2015. For details, please refer to the announcement of the Company dated 2 July 2015

“2015 Batch 2 Awarded Shares”	a total of 1,757,635 Awarded Shares granted to the 2015 Batch 2 Award Participants on 29 December 2015, conditional upon the execution by such Selected Participants of acceptance of grant letters and the granting of the listing of, and permission to deal in such Awarded Shares by the Stock Exchange
“2015 Batch 2 Award Participants”	the 54 Selected Participants who are granted the 2015 Batch 2 Awarded Shares
“Account”	the bank account opened in the name of the Company to be operated solely for the purposes of operating the 2013 Scheme and the funds thereof to be held on trust by the Company for the Selected Participants
“Award(s)”	an award of Shares by the Company to any Selected Participant(s) under the 2013 Scheme
“Awarded Shares”	in respect of any Selected Participant(s), such number of Shares determined by the Board and granted to such Selected Participant(s) pursuant to the 2013 Scheme
“Board”	the board of directors of the Company
“Company”	Biostime International Holdings Limited (合生元國際控股有限公司), a limited liability company incorporated in the Cayman Islands, the shares of which are listed on the Stock Exchange
“Eligible Participants”	any bona fide employee or any consultant, adviser or agent of the Company or of any subsidiary, excluding any connected person (as defined in Chapter 14A under the Listing Rules) of the Group from time to time, provided always that such term shall exclude any person who at the relevant time has tendered his resignation or who is working out his period of notice pursuant to his employment contract or service contract or otherwise

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary shares of HK\$0.01 each in the capital of the Company
“Selected Participant(s)”	those Eligible Participants selected by the Board for participation in the 2013 Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trustee”	BOCI-Prudential Trustee Limited, which will hold cash and/or Awarded Shares in trust as the trustee under the 2013 Scheme

By Order of the Board
Biostime International Holdings Limited
Luo Fei
Chairman

Hong Kong, 29 December 2015

As at the date of this announcement, the executive directors of the Company are Mr. Luo Fei and Ms. Kong Qingjuan; the non-executive directors of the Company are Dr. Zhang Wenhui, Mr. Wu Xiong, Mr. Luo Yun and Mr. Chen Fufang; and the independent non-executive directors of the Company are Dr. Ngai Wai Fung, Mr. Tan Wee Seng and Professor Xiao Baichun.