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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)

**PARTIAL EXERCISE OF OVER-ALLOTMENT OPTION
STABILIZING ACTIONS AND
END OF STABILIZING PERIOD**

PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option was partially exercised by the Sole Bookrunner on behalf of the International Underwriters on January 7, 2011 in respect of 2,294,000 Shares, representing approximately 1.5% of the total number of Offer Shares offered under the Global Offering before any exercise of the Over-allotment Option, to cover over-allocations in the International Offer. The 2,294,000 Shares will be allotted and issued by the Company at HK\$11.00 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Hong Kong Stock Exchange trading fee of 0.005%), being the Offer Price per Offer Share under the Global Offering.

STABILIZING ACTIONS AND END OF STABILIZING PERIOD

The Company also announces that the stabilizing period in connection with the Global Offering ended on January 7, 2011. The stabilizing actions undertaken during the stabilizing period were:

- (1) over-allocations of an aggregate of 22,500,000 Shares in the International Offer, representing 15% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
- (2) the borrowing of an aggregate of 22,500,000 Shares from Biostime Pharmaceuticals pursuant to the Stock Borrowing Agreement;
- (3) the purchase of an aggregate of 20,206,000 Shares at prices ranging from HK\$9.81 to HK\$11.00 per Share on market (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Hong Kong Stock Exchange trading fee of 0.005%); and
- (4) partial exercise of the Over-allotment Option on January 7, 2011 in respect of 2,294,000 Shares, representing approximately 1.5% of the total number of Offer Shares offered under the Global Offering before any exercise of the Over-allotment Option, at the Offer Price to cover over-allocations in the International Offer.

The last purchase made in the course of the stabilizing period in the open market was on January 7, 2011 at the price of HK\$10.98 per Share.

1. PARTIAL EXERCISE OF THE OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option was partially exercised by the Sole Bookrunner on behalf of the International Underwriters on January 7, 2011 in respect of 2,294,000 Shares (the “**Over-Allotment Shares**”), representing approximately 1.5% of the total number of Offer Shares offered under the Global Offering before any exercise of the Over-allotment Option, to cover over-allocations in the International Offer.

The Over-Allotment Shares consist of shares allotted and issued by the Company at HK\$11.00 per share (exclusive of 1% brokerage, SFC transaction levy of 0.003% and Hong Kong Stock Exchange trading fee of 0.005%), being the Offer Price per Offer Share under the Global Offering.

Listing of and permission to deal in the Over-Allotment Shares has already been granted by the listing committee of the Hong Kong Stock Exchange.

The shareholding structure of the Company immediately before and immediately after the exercise of Over-allotment Option is as follows:

	Immediately before the exercise of the Over-allotment Option		Immediately after the exercise of the Over-allotment Option	
	Approximately percentage of the Company's Number of issued share shares capital		Approximately percentage of the Company's Number of issued share shares capital	
Biostime Pharmaceuticals	450,000,000	75%	450,000,000	74.7%
Public Shareholders	150,000,000	25%	152,294,000	25.3%
Total number of shares	600,000,000	100%	602,294,000	100%

The net proceeds to the Company of approximately HK\$24.3 million after deducting the expenses (comprising underwriting commission and the maximum amount of incentive fee payable at the Company's sole discretion (if any), SFC transaction levy and the Hong Kong Stock Exchange trading fee) from the issue of the Over-allotment Shares by the Company will be used by the Company for the purposes as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

The Company continues to comply with the public float requirements under Rule 8.08(1)(a) of the Listing Rules.

2. STABILIZING ACTIONS AND END OF STABILIZING PERIOD

The Company makes this announcement pursuant to Section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Cap. 571W of the Laws of Hong Kong) and announces that the stabilizing period in connection with the Global Offering ended on January 7, 2011.

The stabilizing actions undertaken during the stabilizing period were:

- (1) over-allocations of an aggregate of 22,500,000 Shares in the International Offering, representing 15% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;

- (2) the borrowing of an aggregate of 22,500,000 Shares from Biostime Pharmaceuticals pursuant to the Stock Borrowing Agreement;
- (3) the purchase of an aggregate of 20,206,000 Shares at prices ranging from HK\$9.81 to HK\$11.00 per Share on market (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Hong Kong Stock Exchange trading fee of 0.005%); and
- (4) partial exercise of the Over-allotment Option on January 7, 2011 in respect of 2,294,000 Shares, representing approximately 1.5% of the total number of Offer Shares offered under the Global Offering, at the Offer Price to cover over-allocations in the International Offer.

The last purchase made in the course of the stabilizing period in the open market was on January 7, 2011 at the price of HK\$10.98 per Share.

The Over-allotment Option for the Global Offering was partially exercised by the Sole Bookrunner on behalf of the International Underwriters on January 7, 2011 in respect of an aggregate of 2,294,000 Shares, representing approximately 1.5% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, at the Offer Price of HK\$11.00 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Hong Kong Stock Exchange trading fee of 0.005%), to cover over-allocations in the International Offer.

By order of the board of
Biostime International Holdings Limited
Luo Fei
Chairman

Hong Kong, January 10, 2011

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