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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)

**UNAUDITED OPERATIONAL STATISTICS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015**

In order to provide better disclosure to investors and the shareholders of Biostime International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”), the board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to announce the unaudited operational statistics of the Group for the nine months ended 30 September 2015. The following are the unaudited operational statistics of the Group for the nine months ended 30 September 2015, with comparative figures for the nine months ended 30 September 2014:

Revenue by product segment (unaudited)

The unaudited consolidated revenue of the Company by product segment for the nine months ended 30 September 2015 and 30 September 2014, respectively, are as follows:

	For the nine months ended 30 September	
	2015	2014
	RMB’000	RMB’000
	(unaudited)	(unaudited)
Revenue by product segment		
Infant formulas	2,407,842	2,798,241
Probiotic supplements	271,489	289,924
Dried baby food and nutrition supplements	73,897	107,092
Baby care products	101,054	100,365
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Total	2,854,282	3,295,622
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For the nine months ended 30 September 2015, the total revenue of the Group decreased by 13.4% as compared with that in the corresponding period in 2014. Infant formulas remained the Group's major revenue source and accounted for 84.4% of the total revenue.

According to Nielsen, an independent market research company, for the nine months ended 30 September 2015, the Group's share of the overall infant formula market in China increased to 5.9%, up from 5.6% for the same period last year, and the Group continued to rank as the third largest industry player in terms of offline sales. Meanwhile, in terms of online sales, the Group ranked among the top 10 industry players as its market share reached 1.4% for the nine months ended 30 September 2015.

As of 30 September 2015, the number of member retail outlets increased from 28,417 year on year to 41,027, among which, the number of the Group's VIP baby specialty stores increased from 19,916 to 29,131, retail sales organizations from 6,104 to 6,844, and VIP pharmacies from 2,397 to 5,052. The average number of Mama100 active members increased by 3.8% year on year to 2,061,403 in the nine months ended 30 September 2015.

Acquisition of Swisse

As disclosed in the announcement of the Company dated 30 September 2015, on 30 September 2015, the Group successfully completed the acquisition of an approximately 83% equity interest in Swisse Wellness Group Pty Ltd ("Swisse"). The income statement of Swisse will be consolidated into that of the Group from 1 October 2015 onwards.

In order to enable shareholders and potential investors of the Company to assess the performance of Swisse subsequent to the end of Swisse's financial year ended 30 June 2015, the financial statements for which have been disclosed in the circular of the Company dated 9 November 2015, the Company would like to provide the following information about Swisse in respect of the three months ended 30 September 2015.

According to the unaudited management accounts of Swisse, the revenue of Swisse for the three months ended 30 September 2015 was approximately AUD145.4 million, and the revenue of Swisse for the nine months ended 30 September 2015 was approximately AUD335.6 million. During the three months ended 30 September 2015, Swisse continued strong growth momentum and achieved robust revenue growth of 246.2% as compared with the same period last year. Based on the research report of an independent market research company available to the Company, Swisse maintained its leading position and continued to gain market share in the total Australian vitamin and herbal market for the three months ended 30 September 2015.

The successful acquisition of Swisse has brought the Group's development into a new stage and provided the Group with a unique opportunity to enter into the fast growing adult supplements segment and to become a provider of premium family nutritional and care products. To align with this new positioning and continue to enhance its market position, the Group has integrated the previous Biostime Business Unit, Adimil Business Unit and BMcare Business Unit into a Baby Nutrition and Care Business Unit, and will establish a new and dedicated Swisse China team, which will be responsible for the marketing and sales of Swisse's products in China. The Group believes that this new structure will enable it to integrate resources and achieve higher operating efficiency for long-term business growth.

The Board wishes to remind shareholders and potential investors that the above operational statistics have not been reviewed or audited by the independent auditors of the Company. Differences may arise between such statistics and the data disclosed in audited report due to review and audit adjustment. **Shareholders and potential investors are cautioned not to unduly rely on such statistics and are advised to exercise caution in dealing in the shares of the Company.**

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

Hong Kong, 15 November 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.