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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;**

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

AND

(3) CHANGE IN TERMS OF PREVIOUSLY GRANTED SHARE OPTIONS

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

The Board hereby announces that on 30 September 2016, a total of 554,009 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 30 September 2016, the Board has resolved to grant Awards comprising a total of 49,170 Awarded Shares, namely, the 2016 Batch 2 Awarded Shares, to 4 Selected Participants by way of allocation of Returned Shares, which were Awards previously granted to Selected Participants that did not vest and are currently held by the Trustee, pursuant to the 2013 Scheme, conditional upon the execution by such 2016 Batch 2 Award Participants of acceptance of the grant letters in relation to the 2016 Batch 2 Awarded Shares. In accordance with the 2013 Scheme, the independent Trustee shall transfer such Shares to the 2016 Batch 2 Award Participants at no consideration upon the satisfaction of the relevant vesting conditions specified by the Board at the time of granting the Awards.

The total number of Shares available for Awards under the 2013 Scheme is 3,643,404 as at 30 September 2016 before the granting of the 2016 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 2016 Batch 2 Awarded Shares, there remains 3,594,234 Shares available under the 2013 Scheme for further Awards by the Board.

(3) CHANGE IN TERMS OF PREVIOUSLY GRANTED SHARE OPTIONS

Pursuant to the recommendation of the remuneration committee of the Board, on 30 September 2016, the Board has resolved to change the vesting dates of certain share options previously granted on 29 December 2015 and 3 May 2016.

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

The Board hereby announces that on 30 September 2016, 554,009 share options (the “**Share Options**”) to subscribe for the Shares were granted, subject to acceptance of 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\$20.92 per Share, which represents the highest of (1) the nominal value of a Share; (2) the closing price of HK\$20.15 per Share as stated in the daily quotation sheets issued by the Stock Exchange on 30 September 2016; and (3) the average closing price of HK\$20.92 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding 30 September 2016, being the date of the grant of the Share Options.

Among the 554,009 Share Options, 102,487 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

The grantee of the Group 1 Share Options is not a director, chief executive or substantial shareholder of the Company, or their respective associates (as defined in the Listing Rules).

Among the 554,009 Share Options, 349,466 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 April 2018	30% of the total number of the Group 2 Share Options granted
1 April 2019	20% of the total number of the Group 2 Share Options granted

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).

Among the 554,009 Share Options, 102,056 Share Options (the “**Group 3 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 2018	50% of the total number of the Group 3 Share Options granted
1 April 2019	50% of the total number of the Group 3 Share Options granted

None of the grantees of the Group 3 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 30 September 2016, the Board has resolved to grant Awards comprising a total of 49,170 Awarded Shares, namely, the 2016 Batch 2 Awarded Shares, to 4 Selected Participants by way of allocation of Returned Shares, which were Awards previously granted to Selected Participants that did not vest and are currently held by the Trustee, pursuant to the 2013 Scheme, conditional upon the execution by such 2016 Batch 2 Award Participants of acceptance of the grant letters in relation to the 2016 Batch 2 Awarded Shares. In accordance with the 2013 Scheme, the independent Trustee shall transfer such Shares to the 2016 Batch 2 Award Participants at no consideration upon the satisfaction of the relevant vesting conditions specified by the Board at the time of granting the Awards.

The date of grant of the 2016 Batch 2 Awarded Shares is 30 September 2016. Among the 2016 Batch 2 Awarded Shares, 34,529 Awarded Shares will vest on 30 December 2016 and 14,641 Awarded Shares will vest on 1 April 2017.

The 2016 Batch 2 Award Participants are employees of the Group. The 2016 Batch 2 Awarded Shares are granted for the purpose of providing incentive to the 2016 Batch 2 Award Participants for contributing to the Group. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Trustee and the 2016 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 2016 Batch 2 Awarded Shares represent approximately 0.01% of the Company's issued share capital as at 30 September 2016. The total number of Shares available for Awards under the 2013 Scheme is 3,643,404 as at 30 September 2016 before the granting of the 2016 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 2016 Batch 2 Awarded Shares, there remains 3,594,234 Shares available under the 2013 Scheme for further Awards by the Board.

The 2016 Batch 2 Awarded Shares will rank *pari passu* among themselves and with the Shares in issue as at the date of this announcement.

(3) CHANGE IN TERMS OF PREVIOUSLY GRANTED SHARE OPTIONS

References are made to the announcements of the Company dated 29 December 2015 and 3 May 2016 in relation to, among other things, the grant of share options pursuant to the share option scheme of the Company (the “**Announcements**”).

Pursuant to the recommendation of the remuneration committee of the Board, on 30 September 2016, the Board has resolved to change the vesting dates of the Group 2 Share Options as defined and referred to in the Announcements (the “**Previously Granted Group 2 Share Options**”). It was disclosed in the Announcements that the Previously Granted Group 2 Share Options should vest on 30 December 2016 as to 50%, 1 November 2017 as to 30% and 1 November 2018 as to 20%. After the change, the Previously Granted Group 2 Share Options shall vest in accordance with the timetable below:

Vesting Date	Percentage of Share Options to vest
30 December 2016 (<i>unchanged</i>)	50% of the total number of the Group 2 Share Options granted
1 April 2018	30% of the total number of the Group 2 Share Options granted
1 April 2019	20% of the total number of the Group 2 Share Options granted

Subject to the fulfillment of any vesting conditions, the share options will have a 6-year exercise period commencing from the respective new vesting dates. The change in the vesting dates of the Previously Granted Group 2 Share Options is to accommodate a change in the timeframe and procedures by which the fulfilment of certain performance targets, being vesting conditions, is to be determined starting from 2018.

Save as set out above, the terms and conditions of the Previously Granted Group 2 Share Options as disclosed in the Announcements remain unchanged.

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
“2016 Batch 2 Awarded Shares”	a total of 49,170 Awarded Shares granted to the 2016 Batch 2 Award Participants on 30 September 2016, conditional upon the execution by such Selected Participants of acceptance of the grant letters
“2016 Batch 2 Award Participants”	the 4 Selected Participants who are granted the 2016 Batch 2 Awarded Shares
“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
“Returned Shares”	Awarded Shares referable to any Selected Participant(s) that do not vest in accordance with the procedures set out in the 2013 Scheme
“Selected Participant(s)”	those Eligible Participants selected by the Board for participation in the 2013 Scheme
“Share(s)”	ordinary shares of HK\$0.01 each in the capital of the Company
“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, 30 September 2016

As at the date of this announcement, the executive directors of the Company are Mr. Luo Fei and Mr. Radek Sali; 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.