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BIO-DYNAMIC GROUP LIMITED

生物動力集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00039)

APPOINTMENT OF DIRECTOR AND GRANT OF SHARE OPTIONS

The Board announces that Mr. Han Dong has been appointed as Executive Director and Managing Director of the Company with effect from 10 October 2011.

The Board also announces that the Company has granted options to certain directors and employees under its share option scheme.

Appointment of Director

The board of directors (the “Board”) of Bio-Dynamic Group Limited (the “Company”) announces that Mr. Han Dong has been appointed as Executive Director and Managing Director of the Company with effect from 10 October 2011. Mr. Han will be responsible for the group’s alcoholic and beverage business.

Mr. Han Dong (formerly known as Han Jing Wei), aged 40, was the standing deputy general manager of Jiugui Liquor Co., Ltd, a company currently listed on the Shenzhen Stock Exchange, from April 2009 to March 2010. He has over 10 years’ experience in China wine market. Mr. Han graduated from the Chinese People’s Liberation Army Nanjing Institute of Politics majoring in Economics and Management. Mr. Han is a standing committee member of Sichuan Youth Federation and Sichuan Federation of Industry and Commerce and the executive chairman of Sichuan Provincial Shandong Business Association. Mr. Han did not hold any directorship in any listed public companies in the last three years.

Mr. Han has entered into a service agreement with the Company with a term of 3 years commencing from 10 October 2011 and his appointment can be terminated by 3 months’ notice in writing served by either party on the other. Mr. Han is subject to retirement by rotation and re-election at the annual general meetings of the Company pursuant to the articles of association of the Company. Mr. Han is entitled to an annual emolument of HK\$800,000 as Executive Director and Managing Director of the Company which is determined by the Board by reference to his duties and responsibilities with the Company and the Company’s remuneration policy. He is also entitled to a year end discretionary bonus determined by the Board at its absolute discretion having regard to the Company’s performance and the market situation. In addition, Mr. Han was granted options to subscribe for 10,000,000 shares in the Company on 10 October 2011, subject to his acceptance, under the share option scheme adopted by the Company on 23 May 2007 with details as set out in the section headed “Grant of Share Options” below.

Save as disclosed above, Mr. Han does not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company for the purpose of the Listing Rules and has no interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no information to be disclosed pursuant to the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the shareholders of the Company in respect of Mr. Han's appointment as the Executive Director and Managing Director of the Company.

The Board would like to take this opportunity to welcome Mr. Han to join the Company.

Grant of Share Options

The Board also announces that the Company has granted options to certain directors and employees, subject to the acceptance of the grantees, under its share option scheme with details as follows.

Date of grant	:	10 October 2011
Exercise price of options granted	:	HK\$0.66 to subscribe for one ordinary share of HK\$0.1 each of the Company ("Share")
Number of options granted	:	22,000,000 options (each option shall entitle the holder of the option to subscribe for one Share)
Closing price of the Shares on the date of grant	:	HK\$0.66 per Share
Exercise period	:	11,000,000 options become exercisable on the first anniversary of the date of grant and have an exercise period from 10 October 2012 to 9 October 2015. 11,000,000 options become exercisable on the second anniversary of the date of grant and have an exercise period from 10 October 2013 to 9 October 2016.

Grantees	Number of Shares
<i>Executive Directors</i>	
Han Dong	10,000,000
Fu Hui	2,000,000
<i>Employees</i>	<u>10,000,000</u>
Total:	<u>22,000,000</u>

By Order of the Board
BIO-DYNAMIC GROUP LIMITED
Peter Lo
Chairman

Hong Kong, 10 October 2011

As at the date hereof, the executive directors are Mr. Peter Lo, Mr. Han Dong, Mr. David Lee Sun, Mr. Zhao Difei, Mr. Li Jian Quan and Mr. Fu Hui; the non-executive director is Mr. Derek Emory Ting-Lap Yeung; and the independent non-executive directors are Mr. Sam Zuchowski, Dr. Loke Yu alias Loke Hoi Lam and Mr. Zhang Yonggen.