

Form **8937**
(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name BIOTIME, INC.		2 Issuer's employer identification number (EIN) 94-3127919	
3 Name of contact for additional information TONY KALAJIAN	4 Telephone No. of contact 510-521-3390	5 Email address of contact TKALAJIAN@BIOTIMEINC.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 1010 ATLANTIC AVENUE, SUITE 102		7 City, town, or post office, state, and ZIP code of contact ALAMEDA, CA 94501	
8 Date of action 11/28/2018		9 Classification and description DISTRIBUTION TO HOLDERS OF THE ISSUER'S COMMON STOCK	
10 CUSIP number 09066L105	11 Serial number(s)	12 Ticker symbol BTX	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **BIOTIME, INC. MADE A DISTRIBUTION OF AGEX THERAPEUTICS, INC. COMMON STOCK (NYSE MKT: AGE) TO BIOTIME SHAREHOLDERS ON NOVEMBER 28, 2018. THE RECORD DATE FOR DETERMINING HOLDERS OF BIOTIME COMMON STOCK WAS THE CLOSE OF BUSINESS ON NOVEMBER 16, 2018. BIOTIME SHAREHOLDERS THAT HELD SHARES ON NOVEMBER 16, 2018 WERE CREDITED WITH ONE SHARE OF AGEX STOCK FOR EACH 10 SHARES OF BIOTIME STOCK OWNED.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **BIOTIME HAS DETERMINED A DISTRIBUTION PER SHARE OF \$0.304. THE DISTRIBUTION WILL BE TAXABLE TO THE EXTENT OF CURRENT AND ACCUMULATED EARNINGS & PROFITS, WITH THE BALANCE TREATED AS A RETURN OF CAPITAL. THE PORTION OF THE DISTRIBUTION THAT IS TREATED AS A RETURN OF CAPITAL SHOULD REDUCE THE TAX BASIS IN THE SHARES OF STOCK OF BIOTIME UP TO A HOLDER'S ADJUSTED BASIS IN THE STOCK (SEC. 301(C)(2)), WITH ANY EXCESS TREATED AS GAIN FROM THE SALE OR EXCHANGE OF PROPERTY (SEC. 301(C)(3)). THE COMPANY HAS ESTIMATED THAT APPROXIMATELY 96.872 PERCENT OF THE DISTRIBUTION WILL BE TREATED AS A TAXABLE DIVIDEND, WITH THE BALANCE OF APPROXIMATELY 3.128 PERCENT AS A RETURN OF CAPITAL. THUS, THE CALCULATION OF THE PORTIONS OF THE DISTRIBUTION THAT WILL BE TREATED AS A TAXABLE DIVIDEND AND RETURN OF CAPITAL WILL NOT BE FINALIZED UNTIL AFTER THE FINANCIAL AUDIT HAS BEEN COMPLETED FOR 2018.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **THROUGH DECEMBER 31, 2017, BIOTIME HAD AN ACCUMULATED DEFICIT (I.E., NO ACCUMULATED EARNINGS AND PROFITS). BASED ON AVAILABLE INFORMATION FOR 2018, BIOTIME GENERATED CURRENT EARNINGS AND PROFITS. HOWEVER, THE FAIR MARKET VALUE OF THE DISTRIBUTION EXCEEDED THE TOTAL AMOUNT OF EARNINGS AND PROFITS. THE VALUE OF THE DISTRIBUTION WAS BASED ON THE FAIR MARKET VALUE OF AGEX STOCK (VALUED AT \$3.04 PER SHARE) AS OF NOVEMBER 29, 2018. THE DISTRIBUTION PER SHARE IS CALCULATED BASED ON \$3.04 VALUE OF EACH SHARE OF AGEX DIVIDED BY 10 (NUMBER OF BIOTIME SHARES NEEDED FOR EACH SHARE OF AGEX SHARES DISTRIBUTED). $\$3.04/10 = \0.304 PER BIOTIME SHARE.**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based **► IRC SECTIONS**
301, 312, 316 (A), 317 (A)

18 Can any resulting loss be recognized? **► N/A**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year **► FOR SHAREHOLDERS WHO FILE THEIR RETURNS ON THE CALENDAR YEAR BASIS, THE REPORTABLE TAX YEAR IS 2018.**

PLEASE NOTE: THE TAX TREATMENT OF THE DISTRIBUTIONS IS BASED ON THE ISSUER'S CURRENT ESTIMATED EARNINGS AND PROFITS FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2018. ACCORDINGLY, THE CALCULATION OF THE PORTION OF THE DISTRIBUTION THAT WILL BE TREATED AS TAXABLE DIVIDEND WILL NOT BE FINALIZED UNTIL AFTER THE COMPLETION AND CLOSING OF 2018. THE ESTIMATED PORTION OF THE DISTRIBUTION TAXABLE AS A DIVIDEND PROVIDED ON THIS FORM IS BASED ON CURRENTLY AVAILABLE INFORMATION. THE ISSUER EXPECTS TO UPDATE THE INFORMATION ON THIS FORM LATER IN CALENDAR YEAR 2019.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

DocuSigned by:
Brandi Roberts
Signature **►** _____ Date **►** 1/11/2019
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Print your name **► BRANDI ROBERTS** Title **► CHIEF FINANCIAL OFFICER**

Paid Preparer Use Only

Print/Type preparer's name DAVID A. THOMAS	Preparer's signature <i>David Thomas</i> CFA	Date <u>1/10/19</u>	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name BOLAR HIRSCH & JENNINGS LLP	Firm's EIN ► 33-0480814		Phone no. 949-224-3300	
Firm's address ► 18101 VON KARMAN AVENUE, SUITE 1400, IRVINE, CA 92612				

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054