



**CHINA STARCH HOLDINGS LIMITED**  
**中國澱粉控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3838)**

**VOLUNTARY ANNOUNCEMENT**  
**EXTENSION OF COMPLETION OF ACQUISITION OF**  
**PRODUCTION FACILITIES**

Reference is made to the announcement and circular (the “**Acquisition Circular**”) of China Starch Holdings Limited (the “**Company**”) dated 11 April 2008 and 14 May 2008, respectively, relating to the conditional acquisition by Deneng Golden Corn of the Production Assets and the Property Assets from Deneng Bio Tech, the minority shareholder of Deneng Golden Corn. Unless otherwise defined, terms used in this announcement shall bear the same meanings as those defined in the Acquisition Circular.

It is a term of the Provisional Sale and Purchase Agreement that Deneng Bio Tech would be provided with an initial period of three months from 10 March 2008 (being the date of the JV Agreement entered into for the formation of Deneng Golden Corn), extendable by Deneng Golden Corn, to complete with the application for and the obtaining of the relevant land use rights and certificates of title of the Property Assets (the “**Relevant Certificates**”).

The Company has been informed by Deneng Bio Tech that the application for the Relevant Certificates is still in progress and additional time is required for obtaining the Relevant Certificates. In this respect, a supplemental agreement (the “**Supplemental Agreement**”) was entered into on 5 June 2008 between Deneng Golden Corn and Deneng Bio Chem, pursuant to which Deneng Golden Corn has agreed to extend the deadline for obtaining the Relevant Certificates to 31 December 2008.

As completion of the Property Assets Acquisition will be postponed by virtue of the extension of the deadline for obtaining the Relevant Certificates, for the avoidance of doubt, it is reiterated in the Supplemental Agreement that the time of settlement for the remaining balance of the Acquisitions shall remain as follows:

- (i) the third installment of RMB22,000,000 for the Production Assets Acquisition shall be payable within 10 days completion of the Property Assets Acquisition;
- (ii) the second installment for the Property Assets Acquisition, being the actual expenses to be incurred by Deneng Bio Chem in acquiring the land use rights of the associated land (with a cap of RMB20,000,000), shall be payable within 10 days following completion of the Property Assets Acquisition; and
- (iii) the remaining balances of RMB1,529,513 under the Production Assets Acquisition and RMB417,230 under the Property Assets Acquisition as “quality assurance retainer” shall be payable after one year from the completion of the Property Assets Acquisition, on the condition that no material defects shall be found in the title and/or quality of the Production assets and the Property Assets.

By order of the Board  
**CHINA STARCH HOLDINGS LIMITED**  
**Tian Qixiang**  
*Chairman*

Hong Kong, 6 June 2008

*As at the date of this announcement, the executive Directors are Mr Tian Qixiang, Mr Gao Shijun, Mr Yu Yingquan and Mr Liu Xianggang and the independent non-executive Directors are Ms Dong Yanfeng, Ms Yu Shumin, Mr Cao Zenggong and Mr Yue Kwai Wa, Ken.*