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If you have sold or transferred all your shares in **China Starch Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
PROPOSED BONUS ISSUE OF SHARES,
PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting to be held at United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on 17 June 2010 at 10:00 a.m. is set out on pages 21 to 25 of this circular.

Whether or not you intend to attend the Annual General Meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

7 May 2010

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EXPECTED TIMETABLE

2010

Last day of dealings in Shares cum-entitlement to the Bonus Shares.	Wednesday, 9 June
First day of dealing in Shares ex-entitlement to the Bonus Shares.	Thursday, 10 June
Latest time for lodging transfer of Shares in order to be entitled to the Bonus Shares	4:30 p.m. on Friday, 11 June
Latest time for lodging forms of proxy for the Annual General Meeting	10:00 a.m. on Tuesday, 15 June
Closure of register of members of the Company for the final dividend and the Bonus Issue	Monday, 14 June to Thursday, 17 June (both days inclusive)
Annual General Meeting	10:00 a.m. on Thursday, 17 June
Record Date for determining entitlement to the final dividend and the Bonus Shares	Thursday, 17 June
Announcement of the results of the Annual General Meeting	Thursday, 17 June
Re-open of register of members of the Company	Friday, 18 June
Despatch of share certificates for the Bonus Shares.	on or before Thursday, 24 June
First date of dealing in Bonus Shares	Monday, 28 June

Note: All times in this circular refer to Hong Kong time.

DEFINITIONS

In this Circular, unless the context otherwise requires, the following expressions have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be convened and held at United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong at 10:00 a.m. on 17 June 2010 and any adjournment thereof, the notice of which is set out on pages 21 to 25 of this circular
“Articles”	the articles of associations of the Company, as amended from time to time
“associates”	has the same meaning as defined under the Listing Rules
“Board”	the board of Directors
“Bonus Issue”	the proposed issue of Bonus Shares to the Shareholders whose names appear on the register of members of the Company at the close of business on the Record Date on the basis of one Bonus Share for every one existing Share held on the Record Date
“Bonus Shares”	new Shares proposed to be issued by way of Bonus Issue on the terms set out in this circular
“Branch Share Registrar”	Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	China Starch Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Deneng Golden Corn”	臨清德能金玉米生物有限公司 (Linqing Deneng Golden Corn Bio Limited), a limited liability company established in the PRC on 13 March 2008 and owned as to approximately 91% by Golden Corn as at the Latest Practicable Date
“Director(s)”	director(s) of the Company
“Entitlement”	entitlement to the Bonus Issue

DEFINITIONS

“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted, issued and dealt with under the General Mandate
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the Annual General Meeting
“Golden Corn”	山東壽光巨能金玉米開發有限公司 (Shangdong Shouguang Juneng Golden Corn Development Co., Ltd.), a wholly foreign-owned enterprise established in the PRC and the Company’s indirect wholly owned subsidiary
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of The People’s Republic of China
“Latest Practicable Date”	4 May 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company on the Record Date are outside Hong Kong
“PRC”	The People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region and Taiwan)
“Record Date”	17 June 2010 (Thursday), being the date for determination of Entitlement of each Shareholder

DEFINITIONS

“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to repurchase Shares, the aggregate nominal amount of which shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the Annual General Meeting
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“m ² ”	Square meter
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Tian Qixiang (*Chairman*)

Mr. Gao Shijin

Mr. Yu Yingquan

Mr. Liu Xianggang

Registered office:

Cricket Square, Hutchins Drive,

P.O. Box 2681,

Grand Cayman KY1-1111,

Cayman Islands

Independent non-executive Directors:

Ms. Dong Yanfeng

Ms. Yu Shumin

Mr. Cao Zenggong

Mr. Yue Kwai Wa, Ken

*Head office and principal place
of business in Hong Kong:*

Room 2408, 24th Floor,

Hopewell Centre,

183 Queen's Road East,

Wanchai,

Hong Kong

7 May 2010

To the Shareholders,

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
PROPOSED BONUS ISSUE OF SHARES,
PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The primary purposes of this circular are to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting.

Resolutions to be proposed at the Annual General Meeting, in addition to ordinary business, include (a) ordinary resolutions on the proposed grant of each of the General Mandate, the Repurchase Mandate and the Extension Mandate, (b) ordinary resolution to approve the Bonus Issue, and (c) ordinary resolutions relating to the proposed re-election of the Directors.

LETTER FROM THE BOARD

GRANT OF GENERAL MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

The following mandates, which were granted to the Directors pursuant to the ordinary resolutions passed by the Shareholder at the 2008 annual general meeting of the Company held on 1 June 2009, will expire at the conclusion of the Annual General Meeting:

- (A) a general unconditional mandate to allot, issue and deal with Shares with an aggregate nominal amount of not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution;
- (B) a general unconditional mandate to exercise all the powers of the Company to repurchase Shares with an aggregate nominal amount of not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution; and
- (C) the power to extend the general mandate mentioned in paragraph (A) immediately above by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to the mandate to repurchase Shares as referred to in paragraph (B) immediately above.

In view of the forthcoming expiration of the mandates granted to the Directors as mentioned above, the following ordinary resolutions, among other matters, will be proposed at the Annual General Meeting:

- (1) that the Directors be granted the General Mandate to exercise the powers of the Company to allot, issue and otherwise deal with the Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such resolution;
- (2) that the Directors be granted the Repurchase Mandate to enable them to repurchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such resolution; and
- (3) that the Directors be granted the Extension Mandate to increase the total number of Shares which may be allotted, issued and dealt with under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

LETTER FROM THE BOARD

Each of the General Mandate, the Repurchase Mandate and the Extension Mandate will expire (a) at the conclusion of the next annual general meeting of the Company following the Annual General Meeting; or (b) at the end of the period within which the next annual general meeting of the Company is required by the Companies Law or the Articles to be held; or (c) when the authority given to the Directors thereunder is revoked or varied by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company, whichever is the earliest.

Based on 2,889,840,000 Shares in issue as at the Latest Practicable Date and on the bases that no new Shares will be issued and no Shares will be repurchased by the Company for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting:

- (1) subject to the passing of the proposed resolution granting the General Mandate to the Directors, the Company will be allowed under the General Mandate to issue up to a maximum of 577,968,000 Shares, representing 20% of the Shares in issue as at the Latest Practicable Date; and
- (2) subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors, the Company will be allowed under the Repurchase Mandate to repurchase up to a maximum of 288,984,000 Shares, representing 10% of the Shares in issue as at the Latest Practicable Date.

The Board has no immediate plans to allot and issue any new Shares other than Shares which may fall to be allotted and issued upon the exercise of any options granted under the share option scheme of the Company.

Under the Listing Rules, the Company is required to give the Shareholders all information which is reasonably necessary to enable them to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in Appendix I to this circular.

BONUS ISSUE

Basis of the Bonus Issue

In addition to the final dividend of HK1.16 cents for the financial year ended 31 December 2009 as announced by the Company on 23 April 2010, the Directors resolved on 23 April 2010 to recommend the Bonus Issue on the basis of one Bonus Share for every one existing Share held by Shareholders (except for Overseas Shareholders) whose names appear on the Register on the Record Date.

The Bonus Shares will be credited as fully paid by way of capitalisation of an application of an amount of HK\$288,984,000 in the share premium account of the Company.

LETTER FROM THE BOARD

Effect of the Bonus Issue to the shareholding

On the basis of 2,889,840,000 Shares in issue as at the Latest Practicable Date, and assuming no further Shares are issued or repurchased before the Record Date, 2,889,840,000 Bonus Shares will be issued pursuant to the Bonus Issue. Immediately after completion of the Bonus Issue, there will be a total of 5,779,680,000 Shares in the enlarged issued share capital of the Company.

Status of the Bonus Shares

The Bonus Shares will rank *pari passu* in all respects with the existing Shares from their date of issue except that they are not entitled to the proposed dividend for the financial year ended 31 December 2009 and will not rank for the Bonus Issue.

Fractions of the Bonus Shares

The Company will not allot any fractions of Bonus Shares. Fractional Entitlements, if any, to the Bonus Shares will not be allotted to Shareholders and will be aggregated and sold and the benefit accrued for the Company.

Application for Listing

Application will be made to the Listing Committee for the listing of, and permission to deal in, the Bonus Shares.

The Shares are not listed or dealt in on any stock exchange other than the Stock Exchange. The Directors do not intend to apply for listing of and permission to deal in the Bonus Shares on any stock exchange other than the Stock Exchange.

Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (i) the approval of the Bonus Issue and the proposed increase in the authorised share capital of the Company as mentioned below by the Shareholders at the AGM; and
- (ii) the Listing Committee granting listing of, and permission to deal in, the Bonus Shares.

Reasons for the Bonus Issue

The Directors believe that the Bonus Issue is a return to the support of the Shareholders as well as allowing the Shareholders to participate in the growth of the Company by way of capitalisation of a portion of the share premium account.

LETTER FROM THE BOARD

Trading arrangements

Subject to (i) the granting of the listing of and permission to deal on the Stock Exchange and (ii) the compliance with the stock admission requirements of HKSCC, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date on which dealings in the Bonus Shares commence on the main board of the Stock Exchange or such other date as shall be determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Settlement of transactions between members of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter.

Subject to fulfillment of the conditions of the Bonus Issue as mentioned above, it is expected that certificates for the Bonus Shares will be despatched to Shareholders (except the Overseas Shareholders) at their own risk on 24 June 2010 (Thursday) and the first date of dealing in the Bonus Shares will be on or about 28 June 2010 (Monday).

Stamp duty in Hong Kong will be payable in respect of dealings in the Bonus Shares.

Overseas Shareholders

As at the Latest Practicable Date and based on information provided by the HK Share Registrar to the Company, none of the Shareholders as recorded on the Register had address(es) which is/are outside Hong Kong.

The Directors consider that the issue of the Bonus Shares to Overseas Shareholders (if any), would or might, in the absence of compliance with registration or other special formalities in such other territories, be unlawful or impracticable. As a result, no issue of Bonus Shares will be made to Overseas Shareholders. However, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Overseas Shareholders to be sold in the market as soon as practicable after dealings commence, if a premium, net of expenses, can be obtained. Any net proceeds of such sale for each Overseas Shareholder, after deduction of expenses, of HK\$100 or more will be distributed in Hong Kong dollars to the relevant Overseas Shareholders, by post at his/her/its own risk, unless the amount falling to be distributed to any such person is less than HK\$100 in which case it will be retained for the benefit of the Company.

Waiver from strict compliance with Rules 19.10(2) and 19.10(3) of the Listing Rules

The Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 19.10(2) and 19.10(3) of the Listing Rules regarding the requirements on including in this circular summaries of: (a) the provisions of the constitutive documents of the Company in so far as they may affect shareholders' rights and protections and directors' powers; and (b) the relevant regulatory provisions of the jurisdiction in which the Company is incorporated.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the entitlement to, among others, the Bonus Issue and the final dividend for the year ended 31 December 2009, the register of members of the Company will be closed from 14 June 2010 (Monday) to 17 June 2010 (Thursday) (both days inclusive) during which period no transfer of Shares may be effected.

Shareholders are reminded that in order to qualify for, among others, the Bonus Issue and the final dividend for the year ended 31 December 2009, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar for registration no later than 4:30 p.m. on 11 June 2010 (Friday).

PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to article 108A of the Articles, at least one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company. Any Director who retires under this article shall then be eligible for re-election as Director. Mr. Tian Qixiang and Mr. Gao Shijun, both being the executive Directors and Ms. Yu Shumin, being the independent non-executive Director, will retire as Directors and, being eligible, offer themselves for re-election as Directors at the Annual General Meeting.

Biographical details of Mr. Tian Qixiang, Mr. Gao Shijun and Ms. Yu Shumin are set out in Appendix II to this circular.

ACTIONS TO BE TAKEN

Set out on pages 21 to 25 of this circular is a notice convening the Annual General Meeting at which resolutions will be proposed to approve, among other matters, the following:

- (a) the grant of the General Mandate, Repurchase Mandate and Extension Mandate;
- (b) the proposed Bonus Issue; and
- (c) the proposed re-election of Directors.

Any vote of the Shareholders at the Annual General Meeting will be taken by poll.

Whether or not you intend to attend the Annual General Meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

RECOMMENDATIONS

The Board considers that the ordinary resolutions in relation to the grant of the General Mandate, the Repurchase Mandate and the Extension Mandate, the Bonus Issue and the re-election of Directors to be proposed at the Annual General Meeting are in the best interests of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of such resolutions at the Annual General Meeting.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
By order of the Board
China Starch Holdings Limited
Tian Qixiang
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate to the Directors.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 2,889,840,000 Shares in issue.

Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the bases that no new Shares are issued and no Shares are repurchased for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase up to a maximum of 288,984,000 Shares, representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

3. REASONS FOR THE REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase Shares on the Stock Exchange or any other stock exchange on which the Shares are listed. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles, the Companies Law, other applicable laws of the Cayman Islands and the Listing Rules. A listed company is prohibited from repurchasing its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. Under the Companies Law, repurchases by the Company may only be made out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Articles and subject to the provisions of the Companies Law,

out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of capital.

5. MATERIAL ADVERSE IMPACT IN THE EVENT OF REPURCHASE IN FULL

Taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period, it might have a material adverse impact on the working capital and/or gearing position of the Company as compared with the position as at 31 December 2009, being the date of its latest published audited consolidated financial statements were made up. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the twelve calendar months immediately preceding (and including) the Latest Practicable Date were as follows:-

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2009		
May	0.710	0.465
June	0.750	0.570
July	0.720	0.540
August	0.850	0.620
September	0.910	0.760
October	0.850	0.710
November	1.040	0.740
December	1.410	0.980
2010		
January	1.820	1.300
February	1.740	1.170
March	1.510	1.330
April	1.720	1.400
May (up to the Latest Practicable Date)	1.740	1.640

7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands and in accordance with the regulations set out in the memorandum of association of the Company and the Articles.

8. CONNECTED PERSON

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders at the Annual General Meeting.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has any such connected person undertaken not to sell any Shares held by him/her/it to the Company, in the event that the grant of Repurchase Mandate to the Directors is approved by the Shareholders at the Annual General Meeting.

9. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, according to the register of interests kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons were directly or indirectly interested in 5% or more of the issued Shares:

Name	Capacity	Number of Shares held	Approximate percentage of shareholding
Merry Boom Group Limited	Beneficial owner	1,750,000,000	60.56%
Mr. Tian Qixiang	Interest of a controlled corporation (Merry Boom Group Limited)	1,750,000,000 (note 1)	60.56%
Victory Investment China Group Limited	Beneficial owner	150,000,000	5.19%
	Joint beneficial owner	109,000,000 (note 2)	3.77%
Wang RuiYun	Interest of a controlled corporation (Victory Investment China Group Limited)	259,000,000 (note 3)	8.96%

Notes:

- (1) These Shares were held by Merry Boom Group Limited, which is owned as to approximately 54.5833% by Mr. Tian Qixiang. Mr. Tian Qixiang is deemed to be interested in all the Shares held by Merry Boom Group Limited under the SFO.
- (2) These Shares were held by Victory Investment China Group Limited jointly with Goldstone Fund Ltd.. Victory Investment China Group Limited is deemed to be interested in all the Shares so jointly held under the SFO.
- (3) These Shares were held by Victory Investment China Group Limited, which is wholly owned by Wang RuiYun. Wang RuiYun is deemed to be interested in all the Shares held by Victory Investment China Group Limited under the SFO.

On the basis of 2,889,840,000 Shares in issue as at the Latest Practicable Date and assuming there is no further issue or repurchase of Shares during the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, if the Repurchase Mandate were exercised in full, the percentage shareholding of each of the above substantial Shareholders would increase to approximately 67.29% of the issued Shares respecting Merry Boom Group Limited and Mr. Tian Qixiang and to approximately 9.96% of the issued Shares respecting Victory Investment China Group Limited and Wang RuiYun. Such increase would not give rise to an obligation on the part of any of the above substantial shareholders to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as mentioned above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that would result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

10. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

The following sets out the biographical details of the Directors eligible for re-election at the Annual General Meeting:

EXECUTIVE DIRECTORS

Mr. Tian Qixiang, aged 46, is the chairman of the Board principally responsible for the Group's strategic positioning. He is also responsible for formulating the Group's business development objectives and ensuring that such objectives are implemented by the Board accordingly. Mr. Tian was the chairman of the board of directors of 山東壽光巨能金玉米開發有限公司 (Shandong Shouguang Juneng Golden Corn Development Co., Ltd.) ("**Golden Corn**"), an indirectly wholly-owned subsidiary of the Company, during the period from July 2003 (when he first joined the Group) up to October 2005. He was reappointed as director of Golden Corn in December 2005 and has been the chairman of the board of Golden Corn since August 2006. Mr. Tian has been the authorised representative and chairman of the board of directors of 山東壽光巨能控股集團有限公司 (Shandong Shouguang Juneng Holding Group Co., Ltd.) since its establishment in October 2005. Mr. Tian has been working for 壽光市供電公司 (Electricity Supply Company of Shouguang City) ("**Shouguang Electricity Supply Company**") since 1984. He was appointed as the deputy manager of Shouguang Electricity Supply Company in October 1985, and was further appointed as its deputy party secretary in May 1990. Mr. Tian has been the manager and party member of Shouguang Electricity Supply Company since March 2000. Mr. Tian possesses substantial experience in corporate management.

Mr. Tian completed his study of 電力排灌 (Electricity and Water Irrigation) from 山東省水利機電學校 (Water and Electricity Machinery School) in 1981 and graduated from 中國共產黨山東省委員會黨校 (The Shandong Province Party Committee School of the People's Republic of China) with a diploma in 經濟管理 (Economics Management) in 1996. Mr. Tian obtained the qualification as a senior economist in December 2002.

Save as disclosed above, Mr. Tian did not hold any position in the Group as at the Latest Practicable Date.

In the three years immediately preceding the Latest Practicable Date, Mr. Tian has not been a director of any other publicly listed company.

As at the Latest Practicable Date, Mr. Tian is beneficially interested in approximately 54.5833% of the issued share capital of Merry Boom Group Limited ("**Merry Boom**"), a substantial shareholder of the Company, and is also a director of Merry Boom. Save as disclosed above, Mr. Tian was not related to any other Directors, senior management, substantial or controlling Shareholder of the Company and had no other interests in the Shares, underlying Shares and debenture of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Tian has entered into a service contract with the Company for an initial term of three years with effect from 5 September 2007, which shall be renewed and extended automatically for successive terms of one year upon expiry of the then current term, unless terminated by either party by giving not less than three month's written notice to the other. Under the service contract, he is entitled to an annual salary of RMB516,000 (which was determined by the Board with reference to Mr. Tian's experience, qualifications, duties and responsibilities and the prevailing market condition and subject to an annual increment after 31 December 2008 at the discretion of the Directors of not more than 10% of the annual salary immediately prior to such increase). In addition, he is also entitled to a discretionary management bonus provided that the aggregate amount of bonuses payable to all the executive Directors for any financial year of the Company shall not exceed 5% of all the audited consolidated or combined net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company.

There is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under the Rules 13.51(2) of the Listing Rules.

There are no other matters concerning Mr. Tian that need to be brought to the attention of the Shareholders.

Mr. Gao Shijun, aged 42, is the chief executive officer of the Company. Mr. Gao is principally responsible for overseeing the Group's operations and business management. Mr. Gao joined Golden Corn in August 1998, and was later appointed as the deputy manager of Golden Corn in January 2000. Mr. Gao has been a director of Golden Corn since July 2003 and its general manager since May 2005. Mr. Gao is also a director of 臨清德能金玉米生物有限公司 (Linqing Deneng Golden Corn Bio Limited), a non-wholly-owned subsidiary of Golden Corn. Mr. Gao graduated from 山東大學 (Shandong University) in 1989 with an undergraduate degree in Physics.

Save as disclosed above, Mr. Gao did not hold any position in the Group as at the Latest Practicable Date.

In the three years immediately preceding the Latest Practicable Date, Mr. Gao has not been a director of any other publicly listed company.

As at the Latest Practicable Date, Mr. Gao is beneficially interested in approximately 25% of the issued share capital of Merry Boom, a substantial shareholder of the Company. Save as disclosed above, Mr. Gao was not related to any other Directors, senior management, substantial or controlling Shareholder of the Company and had no other interests in the Shares, underlying Shares and debenture of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Gao has entered into a service contract with the Company for an initial term of three years with effect from 5 September 2007, which shall be renewed and extended automatically for successive terms of one year upon expiry of the then current term, unless terminated by either party by giving not less than three month's written notice to the other. Under the service contract, he is entitled to an annual salary of RMB360,000 (which was determined by the Board with reference to Mr. Gao's experience, qualifications, duties and responsibilities and the prevailing market condition and subject to an annual increment after 31 December 2008 at the discretion of the Directors of not more than 10% of the annual salary immediately prior to such increase). In addition, he is also entitled to a discretionary management bonus provided that the aggregate amount of bonuses payable to all the executive Directors for any financial year of the Company shall not exceed 5% of all the audited consolidated or combined net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company.

There is no information which is discloseable nor is/was he involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under the Rules 13.51(2) of the Listing Rules.

There are no other matters concerning Mr. Gao that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Yu Shumin, aged 68, has been appointed as an independent non-executive Director on 5 September 2007. Ms. Yu graduated from 北京化學工業學校 (Beijing Chemical Technical Institute) in 1963 with a diploma in 分析化學 (Chemical Analysis). Ms. Yu obtained the qualification as engineer in 分析化學 (Chemical Analysis) in 1988. Ms. Yu is a consultant and the General Manager of Cornstarch Sweetener Sub-association and Polyol Sub-association respectively in the China Fermentation Industry Association.

Save as disclosed above, Ms. Yu did not hold any position in the Group as at the Latest Practicable Date.

In the three years immediately preceding the Latest Practicable Date, Ms. Yu has not been a director of any other publicly listed company.

As at the Latest Practicable Date, Ms. Yu was not related to any other Directors, senior management, substantial or controlling Shareholder of the Company and had no interests in the Shares, underlying Shares and debenture of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Ms. Yu has been appointed as an independent non-executive Director for a term of two years commencing from 5 September 2007. On 1 August 2009, Ms. Yu has entered into a renewal appointment letter with the Company for her appointment as an independent non-executive Director for a term of two years commencing from 5 September 2009, which may be terminated by either party giving to the other not less than three month's written notice. Unless determined otherwise, Ms. Yu is entitled to a director's fee of RMB50,000 per annum (which was determined by the Board with reference to Ms. Yu's experience, qualifications, duties and responsibilities and the prevailing market condition). Save for the director's fees, Ms. Yu is not expected to receive any other remuneration for holding her office as an independent non-executive Director.

There is no information which is discloseable nor is/was she involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under the Rules 13.51(2) of the Listing Rules.

There are no other matters concerning Ms. Yu that need to be brought to the attention of the Shareholders.

Copies of the following documents are available for inspection during normal business hours from 10:00 a.m. to 5:00 p.m. (except Saturdays and public holidays) at the principal place of business of the Company in Hong Kong at Room 2408, 24th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, from the date of this circular up to and including 24 May 2010.

- (a) the memorandum of association of the Company, the Articles and the summary of the Companies Law;
- (b) the annual report of the Company for each of the two financial years ended 31 December 2009;
- (c) the interim report of the Company for the six months' period ended 30 June 2009;
- (d) the material contracts entered into by the Group within the two years immediately preceding the date of this circular as follows:
 - (i) a land use rights agreement dated 15 December 2009 entered into between Deneng Golden Corn and Linqing Municipal Bureau of Land and Resources (“**Bureau**”) in relation to the grant of land use rights on a piece of land in Linqing with a total area of 131,800 m² by the Bureau to Deneng Golden Corn for the existing cornstarch and starch-based sweetener production project at a consideration of RMB17,199,900 (RMB130.50 per m²);
 - (ii) a capital increase agreement dated 16 December 2009 entered into between Golden Corn and its joint venture partners in relation to the increase in the registered capital of Deneng Golden Corn from RMB128 million to RMB200 million through a capital injection of RMB72 million by Golden Corn;
 - (iii) a placing agreement dated 4 February 2010 entered into between the placing agent, Merry Boom and the Company in relation to the placing of 277,340,000 Shares held by Merry Boom to certain independent third parties at HK\$1.40 per Share;
 - (iv) a subscription agreement dated 4 February 2010 entered into between Merry Boom and the Company in relation to the subscription of 277,340,000 Shares at HK\$1.40 per Share by Merry Boom; and
- (e) this circular.

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of China Starch Holdings Limited (“**Company**”) will be held at United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on 17 June 2010 at 10:00 a.m. to consider, if though fit, transact the following ordinary businesses:

1. to receive and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (“**Directors**”) and the auditors (“**Auditors**”) of the Company for the year ended 31 December 2009.
2. to declare a final dividend for the year ended 31 December 2009.
3. to consider the re-election of the retiring Directors, each as separate resolution, and to authorise the board (“**Board**”) of Directors to fix their remuneration.
4. to consider the re-appointment of PricewaterhouseCoopers as the Auditors for the year ending 31 December 2010 and to authorise the Board to fix their remuneration.

and, as special businesses, to consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions:

Ordinary resolutions

5. “**THAT:**
 - (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable laws, the exercise by the directors (“**Directors**”) of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares (“**Shares**”) of HK\$0.10 each in the share capital of the Company, and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;

- (c) the aggregate nominal amount of the share capital of the Company allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to
 - (i) a Rights Issue (as hereinafter defined in paragraph (d) below);
 - (ii) the exercise of options granted under the share option scheme or similar arrangement for the time being adopted by the Company from time to time;
 - (iii) any scrip dividend or similar arrangements providing for allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association (“**Articles**”) of the Company and other relevant regulations in force from time to time; or
 - (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares;

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution, “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expenses or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

6. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors (“**Director**”) of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to repurchase the shares (“**Shares**”) of HK\$0.10 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (“**SFC**”) and the Stock Exchange for such purpose, and subject to and in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws as amended from time to time in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

7. “**THAT** conditional upon resolutions numbered 5 and 6 above being passed, the unconditional general mandate granted to the directors (“**Director**”) of the Company to allot, issue and deal with the unissued shares of the Company pursuant to resolution numbered 5 above be and it is hereby extended by the addition to the aggregate nominal amount of the shares in the capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Director pursuant to or in accordance with such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 6 above.”
8. “**THAT** upon the recommendation of the directors (the “**Directors**”) of the Company and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting listing of, and permission to deal in, the Bonus Shares (as defined in paragraph (a) of this resolution below) to be issued pursuant to this resolution:
- (a) an amount standing to the credit of the share premium account of the Company as would be required to be applied in paying up in full at par new ordinary shares (the “**Shares**”) of HK\$0.10 par value each in the capital of the Company, such Shares, credited as fully paid, to be allotted and distributed (subject as referred to in paragraph (b) below) among members of the Company whose names appear on the register of members of the Company on Friday, 17 June 2010 (the “**Record Date**”) in the proportion of one new Share (the “**Bonus Share**”) for every existing Share then held, be capitalised and applied in such manner and the Directors be and are hereby authorised to allot and issue such Bonus Shares;
 - (b) no fractional Bonus Shares shall be allotted to members of the Company and fractional entitlements (if any) will be aggregated and sold and the benefit accrued for the Company;
 - (c) the Bonus Shares to be issued pursuant to paragraph (a) above shall rank *pari passu* in all respects with the existing issued and unissued Shares as at the date of issue of such Bonus Shares except that they will not be entitled to the proposed dividend of the Company for the financial year ended 31 December 2009 nor rank for the Bonus Issue; and
 - (d) the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the issue of the Bonus shares referred to in paragraph (a) of this resolution, including but not limited to determining the amount to be capitalised out of the share premium account and the number of Bonus Shares to be allotted and distributed in the manner referred to in paragraph (a) of this resolution.”

Yours faithfully,
By order of the Board
China Starch Holdings Limited
Tian Qixiang
Chairman

Hong Kong, 7 May 2010

NOTICE OF ANNUAL GENERAL MEETING

Registered office:

Cricket Square, Hutchins Drive,
P.O. Box 2681,
Grand Cayman KY1-1111,
Cayman Islands

*Head office and principal place
of business in Hong Kong:*

Room 2408, 24th Floor,
Hopewell Centre,
183 Queen's Road East,
Wanchai,
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting above is entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares (“**Shares**”) of the Company may appoint more than one proxy to represent him and vote on his behalf at the above meeting. A proxy need not be a member of the Company.
2. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the above meeting, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such Shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised, and must be deposited with the Hong Kong branch share registrar and transfer office (“**Branch Share Registrar**”) of the Company, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) not less than 48 hours before the time fixed for holding of the above meeting or any adjournment thereof.
4. The register of members of the Company will be closed from 14 June 2010 (Monday) to 17 June 2010 (Thursday) (both days inclusive), during which period no transfer of the Shares will be effected. In order to qualify for attending the above meeting or any adjournment thereof, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar at the above address by no later than 4:30 p.m. on 11 June 2010 (Friday).
5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In relation to resolution numbered 5 above, approval is being sought from the shareholders (“**Shareholders**”) of the Company for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued upon exercise of the options granted under the share option scheme of the Company or any scrip dividend scheme which may be approved by the Shareholders.
7. In relation to resolution numbered 6 above, the Directors wish to state that they will exercise the powers conferred thereby to purchase Shares in circumstances, which they deem appropriate for the benefit of the Shareholders.
8. Subject to the approval of the resolution numbered 8 above by the Shareholders at the above meeting, the certificates for the Bonus Shares is expected to be despatched on 24 June 2010 (Thursday).
9. The above resolutions will be put to vote at the above meeting by way of poll.

As at the date of this notice, 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.