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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)

**PROPOSED FINAL DIVIDEND AND SCRIP DIVIDEND SCHEME,
GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting to be held at Shenzhen South China Harbour View Hotel, No.3125, Nanxin Road, Nanshen District, Shenzhen, PRC at 10 a.m. on 13 June 2012 is set out on pages 17 to 21 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.

20 April 2012

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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 Shenzhen South China Harbour View Hotel, No.3125, Nanxin Road, Nanshen District, Shenzhen, PRC at 10 a.m. on 13 June 2012 and any adjournment thereof, the notice of which is set out on pages 17 to 21 of this circular
“Articles”	the articles of association 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
“Branch Share Registrar”	Tricor Investor Services Limited, located at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, the branch share registrar and transfer office of the Company in Hong Kong
“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
“Director(s)”	director(s) of the Company
“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
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of The People’s Republic of China

DEFINITIONS

“Latest Practicable Date”	18 April 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“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
“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) whose name(s) are duly registered from time to time in the register of members of the Company
“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
“%”	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 Shijun

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

Mr. Cao Zenggong

Mr. Yue Kwai Wa, Ken

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

Suite 3312, Tower 1,

Times Square,

1 Matheson Street,

Causeway Bay,

Hong Kong

20 April 2012

To the Shareholders,

Dear Sir or Madam,

**PROPOSED FINAL DIVIDEND AND SCRIP DIVIDEND SCHEME,
GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
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, include ordinary resolutions relating to (a) the declaration of final dividend (with scrip dividend option) for the year ended 31 December 2011; and (b) the grant of each of the General Mandate, the Repurchase Mandate and the Extension Mandate; and (c) the re-election of Directors.

LETTER FROM THE BOARD

FINAL DIVIDEND AND SCRIP DIVIDEND SCHEME

On 23 March 2012, the Directors announced the final results of the Group for the year ended 31 December 2011 and resolved to recommend the payment of a final dividend of HK0.67 cents per Share to the Shareholders by way of cash with an option to elect to receive the said dividend wholly or partly an allotment of new Shares (“Scrip Shares”), credited as fully paid, in lieu of cash (“Scrip Dividend Scheme”).

The Scrip Dividend Scheme is conditional upon:

- (1) the passing of an ordinary resolution by the Shareholders at the Annual General Meeting approving the final dividend for the year ended 31 December 2011; and
- (2) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in the Scrip Shares to be allotted and issued pursuant to the Scrip Dividend Scheme.

The Scrip Shares will rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Scrip Shares save that they will not be entitled to the final dividend for the year ended 31 December 2011. Details of the Scrip Dividend Scheme will be set out in another circular to the Shareholders after the approval of the final dividend in the Annual General Meeting.

Subject to the passing of the resolution concerned at the Annual General Meeting, application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Scrip Shares. No part of the Scrip Shares will be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought as at the Latest Practicable Date.

In order to ascertain the entitlements to the final dividend for the year ended 31 December 2011, the register of members of the Company will be closed from 20 June 2012 (Wednesday) to 21 June 2012 (Thursday) (both days inclusive) during which period no transfer of Shares will be registered. The last day for dealing in Shares cum entitlements to the proposed final dividend for the year ended 31 December 2011 will be 15 June 2012 (Friday). Shareholders are reminded that in order to qualify for the proposed final dividend for the year ended 31 December 2011, all transfers of Shares accompanied by the relevant share certificate and transfer forms must be lodged with the Branch Share Registrar not later than 4:30 p.m. on 19 June 2012 (Tuesday).

The share certificates for the Scrip Shares are expected to be despatched on or around 23 July 2012 (Monday) and the dealings in the Scrip Shares on the Stock Exchange are expected to commence on or around 25 July 2012 (Wednesday).

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 Shareholders at the 2011 annual general meeting of the Company held on 10 June 2011, 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 5,779,680,000 Shares in issue as at the Latest Practicable Date and on the basis 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 1,155,936,000 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 577,968,000 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 or if approved by the Shareholders, pursuant to the Scrip Dividend Scheme.

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.

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. Liu Xianggang, both being the executive Directors and Ms. Dong Yanfeng, 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. Liu Xianggang and Ms. Dong Yanfeng are set out in Appendix II to this circular.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

In order to determine Shareholders' eligibility to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from 12 June 2012 (Tuesday) to 13 June 2012 (Wednesday) (both days inclusive) during which period no transfer of Shares may be effected. 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 2012 (Monday).

ACTIONS TO BE TAKEN

Set out on pages 17 to 21 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 declaration of the final dividend (with scrip dividend option) for the year ended 31 December 2011;
- (b) the grant of the General Mandate, Repurchase Mandate and Extension Mandate; and
- (c) the 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 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.

RECOMMENDATIONS

The Board considers that the ordinary resolutions in relation to the final dividend (with scrip dividend option), the grant of the General Mandate, the Repurchase Mandate and the Extension Mandate 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.

LETTER FROM THE BOARD

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 5,779,680,000 Shares in issue.

Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis 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 577,968,000 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 2011, 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>
2011		
April	0.640	0.455
May	0.570	0.470
June	0.510	0.385
July	0.450	0.395
August	0.415	0.285
September	0.350	0.198
October	0.325	0.191
November	0.305	0.240
December	0.265	0.239
2012		
January	0.265	0.230
February	0.345	0.250
March	0.340	0.285
April (up to the Latest Practicable Date)	0.295	0.270

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, to the best of their knowledge having made all reasonable enquiries, nor 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	3,500,000,000	60.56%
Mr. Tian Qixiang	Interest of a controlled corporation (Merry Boom Group Limited)	3,500,000,000	60.56% (note 1)
Victory Investment China Group Limited	Beneficial owner Person having a security interest	292,000,000 99,000,000	6.77% (notes 2, 3)
Mr. Wang Ruiyun	Interest in a controlled corporation (Victory Investment China Group Limited)	391,000,000	6.77% (note 2)

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) In accordance with the corporate and individual substantial shareholder notices of Victory Investment China Group Limited and Mr. Wang Ruiyun filed on 17 August 2010, they are interested in 145,000,000 underlying Shares through the holding of certain unlisted cash-settled equity derivatives.
- (3) In accordance with the corporate substantial shareholder notice of Victory Investment China Group Limited filed on 17 August 2010, Victory Investment China Group Limited holds a long position in 99,000,000 Shares jointly with another corporate shareholder named "Goldstone Fund Ltd".

On the basis of 5,779,680,000 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 Shareholder would increase to approximately 67.29% of the issued Shares respecting Merry Boom Group Limited and Mr. Tian Qixiang, and 7.52% for Victory Investment China Group Limited and Mr. 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 48, 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 re-appointed 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.) ("Juneng Holding Group") 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.

As at the Latest Practicable Date, Mr. Tian was beneficially interested in approximately 54.5833% of the issued share capital of Merry Boom Group Limited, a substantial shareholder of the Company, which in turn was interested in 3,500,000,000 Shares.

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 three month's written notice to the other. Under the service contract, he is entitled to an annual salary of RMB516,000 (subject to an annual increment 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.

Save as disclosed above, (a) Mr. Tian did not hold any directorships in other listed public companies in the past three years; (b) he does not have any relationship with 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; (c) there is no other information which is discloseable pursuant to Rule 13.51(2) of the Listing Rules; and (d) there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Liu Xianggang, aged 43, joined Golden Corn as a factory supervisor in 1998 and has been a director of Golden Corn since October 2005. In March 2008, Mr. Liu was also appointed as the general manager and a director of 臨清德能金玉米生物有限公司 (Linqing Deneng Golden Corn Bio Limited). He is responsible for the Group's production technology developments, cornstarch production and Linqing production plant. Mr. Liu had worked in the production technology department of Shouguang Electricity Supply Company from July 1990 to July 1997 as technical staff responsible for production management and production route design. Mr. Liu graduated from 山東工業大學 (Shandong Industrial University) in 1990 with an undergraduate degree in 工業管理工程 (Industrial Management), and obtained a post-graduate diploma in 產業經濟學 (Industrial Economics) from 山東大學經濟學院 (the Economics School of Shandong University) in 2003. Mr. Liu also obtained the qualification as senior engineer in December 2002. Mr. Liu is the deputy supervisor of 玉米澱粉專業委員會 (the Cornstarch Professionals Committee) of 中國澱粉工業協會 (China Starch Industry Association).

Mr. Liu 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 three month's written notice to the other. Under the service contract, he is entitled to an annual salary of RMB252,000 (subject to an annual increment 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.

Save as disclosed above, (a) Mr. Liu did not hold any directorships in other listed public companies in the past three years; (b) he does not have any relationship with 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; (c) there is no other information which is discloseable pursuant to Rule 13.51(2) of the Listing Rules; and (d) there are no other matters that need to be brought to the attention of the Shareholders.

Independent non-executive Director

Ms. Dong Yanfeng, aged 75, has been appointed as an independent non-executive Director on 5 September 2007. Ms. Dong was granted the qualification as senior engineer by 國家醫藥管理局 (State Medical Control Bureau) in 1988, and is currently the standing deputy chief secretary of 中國澱粉工業協會 (China Starch Industry Association) responsible for its general management as well as organizing and supervising the execution of its annual plans. Over the years, Ms. Dong had won several technology awards, including 科技成果三等獎 (Third Level Award on Technology Results) and 科技進步三等獎 (Third Level Award on Technology Advancement) in 1984 and 1986 respectively granted by 河北省科學技術委員會 (Science and Technology Committee of Hebei Province), 科技進步一等獎 (First Level Award on Technology Advancement) in 1986 granted by 河北省醫藥總公司 (Chief Medical Company of Hebei Province) and 三等獎 (Third Level Award) in 1987 granted by 國家科學技術進步獎評審委員會 (Evaluation Committee of the State Science and Technology Advancement Awards). Ms. Dong's achievements in technologies was also evidenced by the grant of a special financial grant from the State Council in 1993 for her contributions in engineering technologies.

Ms. Dong had been appointed as an independent non-executive Director for a term of two years commencing from 5 September 2007. On 1 September 2011, Ms. Dong 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 2011, which may be terminated by either party giving to the other not less than three month's written notice. Unless determined otherwise, Ms. Dong is entitled to a director's fee of RMB50,000 per annum. Save for the director's fees, Ms. Dong is not expected to receive any other remuneration for holding her office as an independent non-executive Director.

Save as disclosed above, (a) Ms. Dong did not hold any directorships in other listed public companies in the past three years; (b) she does not have any relationship with 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; (c) there is no other information which is discloseable pursuant to Rule 13.51(2) of the Listing Rules; and (d) there are no other matters that need to be brought to the attention of the Shareholders.

The Board has reviewed and assessed the annual confirmation of independence provided by Ms. Dong pursuant to Rule 3.13 of the Listing Rules and is satisfied that she has met the independence requirements of an independent non-executive director as required under the Listing Rules and considers her to continue to be independent. In addition, the Board believes that Ms. Dong has the required character, integrity, independence and experience to fulfill and discharge the role and duties of an independent non-executive Director and should be re-elected.

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 Shenzhen South China Harbour View Hotel, No.3125, Nanxin Road, Nanshen District, Shenzhen, the People’s Republic of China on 13 June 2012 at 10 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 2011;
2. to declare a final dividend (with scrip dividend option) for the year ended 31 December 2011;
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 2012 and to authorise the Board to fix their remuneration;
5. to consider and, if thought fit, pass with or without modifications, the following resolutions as **ordinary resolutions**:

(1) “**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 the 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).”

(2) “**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

NOTICE OF ANNUAL GENERAL MEETING

- (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.”
- (3) “**THAT** conditional upon resolutions numbered 5(1) and 5(2) above being passed, the unconditional general mandate granted to the directors (“**Director**”) of the Company to allot, issue and deal with the shares of the Company pursuant to resolution numbered 5(1) 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 5(2) above.”

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

Hong Kong, 20 April 2012

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:*
Suite 3312, Tower 1,
Times Square,
1 Matheson Street,
Causeway Bay,
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 it/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. To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be deposited at the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting (or any adjourned meeting).

NOTICE OF ANNUAL GENERAL MEETING

4. To ascertain shareholders' eligibility to attend and vote at the annual general meeting, the register of members will be closed from 12 June 2012 (Tuesday) to 13 June 2012 (Wednesday), both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending the above meeting or any adjournment thereof, all transfer of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on 11 June 2012 (Monday).

To ascertain shareholders' entitlement to the proposed final dividend (with scrip dividend option) upon passing of Resolution 2 set out in this notice, the register of members will be closed from 20 June 2012 (Wednesday) to 21 June 2012 (Thursday), both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the proposed final dividend (with scrip dividend option), all transfer of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office at the above address by no later than 4:30 p.m. on 19 June 2012 (Tuesday).

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.

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, Mr. Cao Zenggong and Mr. Yue Kwai Wa, Ken.