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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

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)

DISCLOSEABLE TRANSACTION CONSTRUCTION CONTRACT AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to
the Independent Board Committee and Independent Shareholders



中州國際融資有限公司

CENTRAL CHINA INTERNATIONAL CAPITAL LIMITED

All capitalised terms used in this circular shall have the same meanings given to them in the section headed “Definitions” of this circular.

A notice convening the EGM to be held at Room 1101-4, 11/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong at 11:30 a.m. on 9 October 2025 (Thursday) is set out on pages 42 to 43 of this circular.

A letter from the Board is set out on pages 5 to 15 of this circular. A letter from the Independent Board Committee is set out on pages 16 to 17 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 18 to 35 of this circular.

Whether or not you intend to attend the EGM 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 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish. For the avoidance of doubt, holders of treasury shares shall abstain from voting at the EGM in respect of any treasury shares held by them.

There will be NO distribution of corporate souvenirs, food, beverages or any other item at the EGM.
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18 September 2025

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DEFINITIONS

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

“Announcements”	the announcements of the Company dated 26 May 2025 and 18 September 2025 in respect of, among others, the entering into the Construction Contract and the EGM, respectively
“associate(s)”	has the same meaning as defined under the Listing Rules
“Board”	the board of Directors
“close associates”	has the same meaning as defined under the Listing Rules
“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
“controlling shareholder(s)”	has the same meaning as defined under the Listing Rules
“connected person(s)”	has the same meaning as defined under the Listing Rules
“Construction Contract”	the construction contract entered into between DGC and Juneng Construction (as contractor) dated 25 May 2025 as mentioned in the paragraph headed “The Construction Contract” in this circular
“Construction Facility”	the buildings and structures in respect of the Cornstarch Production Project, including the installation of ancillary water, electricity and heating systems, which shall be constructed by Juneng Construction pursuant to the Construction Contract
“Cornstarch Production Project”	a modification and expansion of DGC’s existing plant located in Linqing City, Shandong Province, the PRC to increase the Group’s annual production capacity of cornstarch as disclosed in the announcement of the Company dated 20 February 2025
“DGC”	Linqing Deneng Golden Corn Bio Limited* (臨清德能金玉米生物有限公司), a company established in the PRC and an indirect non-wholly-owned subsidiary of the Company

DEFINITIONS

“Director(s)”	director(s) of the Company
“Golden Corn Biotech”	Shouguang Golden Corn Biotechnology Limited* (壽光金玉米生物科技有限公司), a company incorporated in the PRC and an indirect non-wholly-owned subsidiary of the Company
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company to be convened and held at Room 1101-4, 11/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong at 11:30 a.m. on 9 October 2025 (Thursday) and any adjournment thereof, the notice of which is set out on pages 42 to 43 of this circular
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board which comprises all the independent non-executive Directors to advise the Independent Shareholders on the fairness and reasonableness of terms of the Construction Contract, and to advise the Independent Shareholders on how to vote at the EGM
“Independent Financial Adviser” or “Central China International”	Central China International Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company for the purpose of giving recommendations to the Independent Board Committee and the Independent Shareholders in respect of the Construction Contract and the transaction contemplated thereunder
“Independent Shareholders”	Shareholders who are not interested in the Construction Contract and the transaction contemplated thereunder and other those who are required to abstain from voting at the EGM in accordance with the Listing Rules

DEFINITIONS

“Latest Practicable Date”	12 September 2025, 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
“Juneng Construction”	Shouguang Juneng Construction and Installation Co., Ltd* (壽光巨能建築安裝有限公司), a company incorporated in the PRC and a subsidiary of Juneng Group
“Juneng Group”	Shandong Shouguang Juneng Group Co., Ltd* (山東壽光巨能集團有限公司), a company incorporated in the PRC
“Junze”	Shouguang Junze Technology Service Co., Ltd* (壽光君澤科技服務有限責任公司), a company incorporated in the PRC and wholly-owned by Mr. Gao Shijun, an executive Director
“percentage ratios”	has the same meaning as defined under the Listing Rules
“PRC”	the People’s Republic of China, which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shanyue Qingfeng”	Shouguang Shanyue Qingfeng Trading Co., Ltd* (壽光山月清風經貿有限公司), a company incorporated in the PRC and wholly-owned by Mr. Tian Qixiang, an executive Director
“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

DEFINITIONS

“Starsea”	Shouguang Starsea Trading Co., Ltd* (壽光星辰大海商貿有限公司), a company incorporated in the PRC and wholly-owned by Mr. Yu Yingquan, an executive Director, and his associates
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“VAT”	value-added tax
“Xiangyin”	Shouguang Xiangyin Trading Co., Ltd* (壽光象印經貿有限公司), a company incorporated in the PRC and wholly-owned by Mr. Liu Xianggang, an executive Director
“%”	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 (*Chief Executive Officer*)
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:

Professor Hua Qiang
Mr. Sun Mingdao
Ms. Sze Tak On

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

Room 1101-1104, 11/F,
Harcourt House,
39 Gloucester Road, Wanchai,
Hong Kong

18 September 2025

To the Shareholders,

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION CONSTRUCTION CONTRACT AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the Announcements, pursuant to which the Board announced that on 25 May 2025, DGC, an indirect non-wholly-owned subsidiary of the Company, has entered into the Construction Contract with Juneng Construction (as contractor), pursuant to which Juneng Construction shall provide certain construction services to DGC in respect of the Construction Facility at a total contract sum of RMB80 million, subject to the terms and conditions therein.

Adhering to good corporate governance practice, the Company voluntarily follows the reporting, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The terms of the Construction Contract have been reviewed by the Independent Board Committee (comprising all the independent non-executive Directors), which provided recommendations to the Board. The Board has also engaged Central China International Capital Limited, on a voluntary basis, as the Independent Financial Adviser, which advised the Independent Board Committee on the Construction Contract and the transaction contemplated thereunder.

The purpose of this circular is to provide you with, amongst other things, (i) further details of the Construction Contract and the transaction contemplated thereunder; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders on the Construction Contract and the transaction contemplated thereunder; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Construction Contract and the transaction contemplated thereunder. A notice of EGM containing the resolution to be proposed at the EGM is also set out in this circular.

The principal terms of the Construction Contract are as set out below:

Parties: (1) DGC; and

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for as disclosed in the paragraph headed "Information on Juneng Construction" in this circular, as at the Latest Practicable Date, Juneng Construction and its ultimate beneficial owners were third parties independent of the Company and its connected persons.

Scope of construction services:	Construction of certain buildings and structures in respect of the Construction Facility, including the installation of ancillary water, electricity and heating systems
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LETTER FROM THE BOARD

Contract sum:

The contract sum of HK\$80,000,000 as specified in the Construction Contract was arrived at with reference to the average per square metre overall construction cost (inclusive of construction materials and labour, among other things) of production facilities previously undertaken by independent third party contractors for the Group, having considered the scope and terms of construction under the open tender, a 14% contract rebate offered by Juneng Construction under its bid for the open tender, and upon arm's length negotiations with Juneng Construction. The 14% contract rebate was one of the terms proposed by Juneng Construction when submitting their bids in response to DGC's open tender. The contract rebate is a necessary bidding term that all bidders are required to submit in their respective bids, as specified in the tender document issued by DGC for the construction services in respect of the Construction Facility.

The Construction Contract provides (i) that prices of construction materials to be benchmarked against market prices and/or pricing standards published by relevant pricing regulatory authorities and (ii) for standard charge rates for construction labour. Acceptable adjustments to the contract sum include the application of the agreed contract rebate and other factors such as (i) changes in PRC laws, regulations and policies affecting the contract sum; (ii) changes in pricing standards published by relevant pricing regulatory authorities; and (iii) changes in construction design, construction materials specifications and additional construction scope and technical implementations as required/accepted by DGC. A qualified cost consultant as designated by DGC will be engaged to conduct a cost audit to ascertain the final total settlement amount of the Construction Contract.

LETTER FROM THE BOARD

Based on the planned scope and scale of the Cornstarch Production Project, the Directors currently do not envisage any material changes to the construction design or additions to the construction scope which may result in the final total amount payable by DGC under the Construction Contract to be materially above the contract sum as specified in the Construction Contract. Premised on the above, the Board considers the contract sum to be fair and reasonable.

Payment terms:

Monthly progress payment

Juneng Construction will, on or before the 20th day of each month, according to the actual work progress of the construction of the Construction Facility, issue a VAT invoice with the monthly progress payment entitled to them as stated therein.

The monthly progress payment, calculated after deduction of the contract rebate and the costs of material provided by DGC (the “monthly progress payment”), shall be payable by DGC in the following manner:

- (i) 70% of the monthly progress payment shall be payable by DGC on or before the 20th day of the following month; and
- (ii) the remaining balance of the monthly progress payment shall be settled in the manner as more particularly stated in the subsection headed “Final payment” below.

LETTER FROM THE BOARD

Final payment

Upon completion of the Construction Facility and the scope of works as stated in the Construction Contract, the remaining balance of the total contract sum shall be settled by DGC in the following manner:

- (i) DGC shall pay up to 70% of the total contract sum (to the extent not already paid by DGC as monthly progress payment) upon the completion, examination and acceptance of the construction work;
- (ii) DGC shall pay up to 90% of the total contract sum (to the extent not already paid by DGC as monthly progress payment) upon completion of the project settlement review and upon issuance of VAT invoice by Juneng Construction; and
- (iii) the remaining 10% of the total contract sum shall be retained as a quality guarantee deposit without interest, half of which is to be released to Juneng Construction after one year of the normal operation of the Construction Facility; and the remaining half is to be released within 30 days after the expiration of the two-year warranty period, provided that the quality of the Construction Facility is satisfactory and there is no issue as to the quality of the Construction Facility.

The payment of the total contract sum will be funded by internal resources of the Group.

Supply of construction materials:

Juneng Construction shall procure the purchase of materials for the construction works in connection with the Construction Facility, except for the steel, concrete, bricks and other materials stated in the Construction Contract, which shall be supplied by DGC.

LETTER FROM THE BOARD

The agreed material costs incurred by DGC for the procurement of the construction materials shall be deducted from the total contract sum with the terms and conditions set out in the Construction Contract.

Period of warranty: Two years commencing from the completion, examination and acceptance of the construction work

THE OPEN TENDER

During the period between 25 March 2025 and 8 April 2025, DGC conducted an open tender for construction services in respect of the Construction Facility in Linqing City, Shandong Province, the PRC. Upon the closing of the open tender process, a total of nine bidders submitted their bids in response to DGC's open tender, including Juneng Construction.

All the bids are evaluated by DGC based on the following criteria:

Technical aspects

- (i) qualification level for the general contractor of the bidder;
- (ii) rationality and technical advancement of the construction plan and configuration in the proposal;
- (iii) whether the on-site communication technical plan is reasonable and complete;
- (iv) reasonable allocation of project personnel;
- (v) provision of all relevant documents;
- (vi) provision of all relevant on-site communication information;
- (vii) civilised construction standardised management of the construction site (safety records);
- (viii) configuration of on-site construction personnel;
- (ix) recent experience and performance of bidding projects or similar projects;

Commercial aspects

- (x) bidding price and contract rebate;
- (xi) payment terms; and

LETTER FROM THE BOARD

(xii) construction period.

According to the assessment made by DGC's management based on the above criteria, Juneng Construction was selected on the following key bases:

- (i) Bidders A and B: While they were able to meet the technical requirements, their quotations were comparatively too high and exceeded DGC's budget for the construction.
- (ii) Bidder C: It did not meet the minimal technical requirements.
- (iii) Bidders D, E, F and G: Their experience in constructing industrial plants were relatively insufficient and their construction workers would be deployed in the form of subcontracting, which was considered not desirable.
- (iv) Bidder H: The construction quality was not satisfactory under the previous construction contract with the Group, and the construction period and quality could not be guaranteed at the time when the bid was submitted.
- (v) Juneng Construction: Upon comprehensive evaluation and assessment, both of Juneng Construction's technical level and commercial quotation meet DGC's requirements for the current construction project.

Upon review of the bidding documents submitted by all the bidders (including their respective background and experience, projects undertaken, technical qualifications and quotations) and the assessment made by DGC's management and taking into account the historical construction costs of similar industrial plants, the Board considers the resulting bidding term is fair and reasonable.

REASONS FOR AND BENEFITS OF THE CONSTRUCTION CONTRACT

As announced by the Company in its announcement dated 20 February 2025, DGC has initiated the Cornstarch Production Project, which primarily involves the demolition and re-construction of certain existing production workshops, warehouses and supporting facilities, as well as the upgrade and expansion of one of the starch production lines and its by-products. The Construction Facility to be constructed pursuant to the Construction Contract is integral to the overall Cornstarch Production Project, providing the essential infrastructure such as modernised workshops and expanded warehouses, for supporting expanded production line and the implementation of modernised processes under the Cornstarch Production Project. The management of the Group holds the view that the Cornstarch Production Project is a necessary step for the Group to maintain its market leading position, to remain sufficiently competitive to capture more market share, and to improve its operational and costing effectiveness to better withstand market demand and supply fluctuations.

LETTER FROM THE BOARD

The Construction Contract was entered into after completion of the open tender process on 25 May 2025. The terms of the Construction Contract (including the total contract sum) were determined based on the terms of the open tender and after arm's length negotiations with Juneng Construction with reference to the expected scope and complexity of the construction works to be carried out, the material costs and labour costs estimated to be incurred, and the prevailing market prices for carrying out construction works of comparable scale and complexity.

The Directors (including the independent non-executive Directors) consider that the terms of Construction Contract are normal commercial terms, and are fair and reasonable and the transaction contemplated thereunder is in the interests of the Company and the Shareholders as a whole.

As good corporate governance practice, each of Mr. Tian Qixiang, Mr. Yu Yingquan, Mr. Gao Shijun and Mr. Liu Xianggang, all being executive Directors, have abstained from the discussion and voting at the relevant Board meeting for considering and approving the Construction Contract and the transaction contemplated thereunder.

INFORMATION ON THE GROUP

The principal activity of the Company is investment holding. The Group is principally engaged in the manufacture and sale of cornstarch, lysine, starch-based sweetener, modified starch and ancillary corn-based and corn-refined products.

INFORMATION ON JUNENG CONSTRUCTION

Juneng Construction is a company incorporated in the PRC. It is principally engaged in the construction of buildings, municipal roads, landscaping, electrical installations, pipeline and equipment installation, building decoration and the sales of building materials, hardware, electrical equipment and interior decoration materials. As at the date of this circular, Juneng Construction is a subsidiary of Juneng Group. Juneng Group is a company incorporated in the PRC and is principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this circular, Juneng Group is owned as to 26% by Shanyue Qingfeng (which is in turn wholly-owned by Mr. Tian Qixiang); 8% by Starsea (which is in turn wholly-owned by Mr. Yu Yingquan and his associates); 4% by Junze (which is in turn wholly-owned by Mr. Gao Shijun); 3% by Xiangyin (which is in turn wholly-owned by Mr. Liu Xianggang); and the remaining 59% by 31 other companies (which are in turn held by third party individuals independent of the Company and its connected persons). Mr. Tian Qixiang, Mr. Gao Shijun, Mr. Yu Yingquan and Mr. Liu Xianggang are directors of Juneng Group. Neither Juneng Construction nor Juneng Group is an associate of any connected person(s) of the Company under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

For the avoidance of doubt, none of Mr. Tian Qixiang, Mr. Yu Yingquan, Mr. Gao Shijun and Mr. Liu Xianggang is (i) on the board of directors of Juneng Construction; and (ii) able to control the board of directors of Juneng Group.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the transaction contemplated under the Construction Contract exceeds 5% but all of the applicable percentage ratios are less than 25%, the transaction contemplated under the Construction Contract constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

To uphold higher standards of corporate governance, the Company voluntarily follows the reporting, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EXTRAORDINARY GENERAL MEETING

The EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Construction Contract and the transaction contemplated thereunder. A notice of the EGM to be held at Room 1101-4, 11/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong at 11:30 a.m. on 9 October 2025 (Thursday) is set out on pages 42 to 43 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Independent Shareholders taken at the EGM to approve the resolution proposed must be taken by poll. The results of the poll will be published on the websites of the Company and the Stock Exchange.

A form of proxy for use at the EGM is enclosed with this circular and has been posted on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chinastarch.com.hk), respectively. If you do not intend or are unable to attend the meeting and wish to appoint a proxy/proxies to attend and vote on your behalf, you are requested to complete the form of proxy and return it to the share registrar of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

Mr. Tian Qixiang, Mr. Gao Shijun, Mr. Yu Yingquan, Mr. Liu Xianggang and each of their respective associates will abstain from voting on the resolution to be proposed for approving the Construction Contract at the EGM. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholders or any of their associates has any material interests in the Construction Contract and the transactions contemplated thereunder, and no other Shareholders would be required to abstain from voting on the resolution(s) in respect of the Construction Contract at the EGM.

In the event that shareholders' approval for the Construction Contract and the transaction contemplated thereunder is not obtained at the EGM, DGC shall terminate the Construction Contract by providing written notice to Juneng Construction in accordance with the terms of the Construction Contract. Pursuant to applicable laws and regulations of the PRC, DGC shall be liable for any direct losses incurred by Juneng Construction attributable to completed construction work and purchased construction materials, as well as any consequential loss of profits arising from the termination of the Construction Contract.

CLOSURE OF REGISTER OF MEMBERS

In order to determine Shareholders' eligibility to attend and vote at the EGM, the register of members of the Company will be closed from 3 October 2025 (Friday) to 9 October 2025 (Thursday) (both days inclusive) during which period no transfer of Shares may be effected. Shareholders whose names appear on the register of members of the Company on 9 October 2025 (Thursday) will be entitled to attend and vote at the EGM. 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 2 October 2025 (Thursday).

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee (comprising all the independent non-executive Directors namely Professor Hua Qiang, Mr. Sun Mingdao and Ms. Sze Tak On) has been formed to advise the Independent Shareholders on the Construction Contract and the transaction contemplated thereunder as to (i) whether the terms of the Construction Contract and the transaction contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) how to vote on the resolution(s) at the EGM relating to the Construction Contract and the transaction contemplated thereunder after taking into account the recommendations of the Independent Financial Adviser.

Central China International has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Construction Contract and the transaction contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on whether to vote in favour of the resolution to be proposed for approving the Construction Contract at the EGM.

LETTER FROM THE BOARD

Your attention is drawn to the letter from the Independent Board Committee set out on pages 16 to 17 of this circular which contains its recommendation to the Independent Shareholders in relation to the Construction Contract and the transaction contemplated thereunder, and the letter from the Independent Financial Adviser set out on pages 18 to 35 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders.

RECOMMENDATIONS

The Directors (including the independent non-executive Directors whose views are expressed in the letter from the Independent Board Committee) consider the Construction Contract and the transaction contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As disclosed in the Announcements, DGC entered into the Construction Contract with Juneng Construction on 25 May 2025. Pursuant to the terms of the Construction Contract, construction commenced on 1 July 2025, with completion anticipated by 30 June 2026.

Accordingly, the Directors (including the independent non-executive Directors whose views are expressed in the letter from the Independent Board Committee) recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

GENERAL INFORMATION

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

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

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



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)

18 September 2025

To the Independent Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION CONSTRUCTION CONTRACT

INTRODUCTION

We refer to the circular of the Company dated 18 September 2025 (the “**Circular**”) of which this letter forms part. Unless the context specifies otherwise, capitalised terms used herein have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders as to whether the Construction Contract and the transaction contemplated thereunder are on normal commercial terms, in the interests of the Company and the Shareholders as a whole, and the terms of which are fair and reasonable insofar as the Independent Shareholders are concerned.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

RECOMMENDATIONS

Central China International has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this respect. Having taken into account the terms of the Construction Contract and the advice from Central China International, we are of the opinion that (i) the terms of the Construction Contract and the transaction contemplated thereunder are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the entering into of the Construction Contract is in the interests of the Company and the Shareholders as a whole. Moreover, while we do not consider the Discloseable Transaction to be of the Group's ordinary and usual course of business, it nonetheless relates integrally to the Group's conduct of ordinary and usual course of business. Accordingly, we recommend you to vote in favour of the resolution to be proposed at the EGM to approve the Construction Contract and the transaction contemplated thereunder.

Yours faithfully,
For and on behalf of
the Independent Board Committee
China Starch Holdings Limited

Professor Hua Qiang

Mr. Sun Mingdao
Independent Non-executive Directors

Ms. Sze Tak On

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from Central China International Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Discloseable Transaction, which has been prepared for the purpose of incorporation in this Circular.



18 September 2025

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

DISCLOSEABLE TRANSACTION IN RELATION TO THE CONSTRUCTION SERVICE CONTRACT

A. INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Discloseable Transaction (as defined below), the details of which are set out in the “Letter from the Board” contained in the circular of the Company to the Shareholders dated 18 September 2025 (the “**Circular**”), of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

The Company announced on 26 May 2025 (the “**DT Announcement**”) that on 25 May 2025, DGC, an indirect non-wholly-owned subsidiary of the Company, has entered into the Construction Contract with Juneng Construction (as contractor), pursuant to which Juneng Construction shall provide certain construction services to DGC in respect of the Construction Facility at a total contract sum of RMB80 million (the “**Discloseable Transaction**”).

As stated in the DT Announcement, the Discloseable Transaction constituted a discloseable transaction of the Company and was subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. Nevertheless, the Company resolved to voluntarily follow the reporting, circular and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules for good corporate governance practice. Correspondingly, the Independent Board Committee comprising Professor Hua Qiang, Mr. Sun Mingdao and Ms. Sze Tak On (all being independent non-executive Directors) has been established to advise the Independent Shareholders on whether the terms of the Construction Contract are on normal commercial terms and are fair and reasonable, and the entering into of the Discloseable Transaction is in the interests of the Company and the Shareholders as a whole. We, Central China International Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at the Latest Practicable Date, we did not have any relationships or interests with the Company or any other parties that could reasonably be regarded as hindrance to our independence as defined under Rule 13.84 of the Listing Rules. Apart from normal professional fees paid or payable to us in connection with our appointment as the Independent Financial Adviser, no arrangement exists whereby we had received or will receive any fees or benefits from the Company or any other party to the transactions. Accordingly, we consider we are eligible to give independent advice in respect of the Discloseable Transaction.

B. BASIS OF OUR OPINION

In forming our opinion and recommendation, we have relied on (i) the information, facts and representations and opinions contained or referred to in the Circular, (ii) the information and facts provided by the Company, its advisers, the executive Directors and the management of the Company and its subsidiaries (the “**Management**”), (iii) the representations and opinions of the Directors and the Management, and (iv) our review of relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in the Circular were true, accurate and complete in all respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Circular are true at the time they were made and continue to be true as at the date of the Circular, and that all such statements of belief, opinions, expectations and intention of the Directors and the Management and those as set out or referred to in the Circular were reasonably made after due and careful enquiry. We have sought and received confirmation from the Company that no material facts have been withheld or omitted from the information and representations provided and the opinions expressed, and that all information, facts, representations and opinions provided/expressed to us are true, accurate, complete and not misleading in all respects at the time they were made and continued to be so until the date of the Circular. We have no reason to doubt the truth, accuracy and completeness of the information, facts, representations and opinions provided to us by the Directors and the Management and/or the advisers of the Company, or that any relevant material facts have been withheld or omitted from the information provided, or the reasonableness of the opinions and representations provided/expressed to us by the Directors and the Management.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We consider that we have been provided with sufficient information currently available and have taken all reasonable steps to reach an informed view and to provide a reasonable basis for our opinion in compliance with Rule 13.80 of the Listing Rules. We however have not conducted any independent verification of the information included in the Circular and/or provided to us by the Company, its advisers, the Directors and the Management, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company or DGC or any of their respective subsidiaries or associates.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement in the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Discloseable Transaction, and except for inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

C. PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion regarding the Discloseable Transaction, we have taken into consideration the principal factors and reasons as set out below.

1. Background Information

1.1 Background of the Group

The Company is an investment holding company which, through its subsidiaries, is principally engaged in the manufacture and sale of cornstarch, lysine, starch-based sweetener, modified starch and ancillary corn-based and corn-refined products in the PRC. Set out below is a summary of the consolidated statements of profit or loss of the Company for each of the three years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025, as extracted from the annual and interim reports of the Company for the corresponding financial years/periods:

	For the six months ended 30 June		For the year ended 31 December		
	2025	2024	2024	2023	2022
	(unaudited)	(unaudited)	(audited)	(audited)	(audited)
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
Revenue					
– Upstream products (cornstarch and ancillary corn-refined products)	3,149,725	3,524,090	7,007,884	8,596,863	8,705,998
– Fermented and downstream products (lysine, starch-based sweetener, modified starch and others)	1,965,127	2,121,424	4,407,871	3,200,671	3,242,854
	5,114,852	5,645,514	11,415,755	11,797,534	11,948,852
Cost of sales	(4,686,096)	(5,138,334)	(10,252,508)	(11,240,962)	10,758,377
Gross profit	428,756	507,180	1,163,247	556,572	1,190,475
Profit for the year/period attributable to owners of the Company	151,390	214,659	482,253	107,959	352,009

Based on publicly available information and as confirmed by the Management, the Group's cornstarch production is principally carried out by DGC and another wholly-owned subsidiary of the Company located in Shouguang, Shandong. According to the annual report of the Company for the year ended 31 December 2024, as at 31 December 2024 the Group had an aggregate annual cornstarch production capacity of 2,800,000 tonnes, in which 1,000,000 tonnes was attributed to DGC.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

1.2 Background of the parties to the Construction Contract

DGC

Linqing Deneng Golden Corn Bio Limited* (“**DGC**”) is a company incorporated in the PRC and an indirect non-wholly-owned subsidiary of the Company. DGC is principally engaged in manufacturing and sale of cornstarch, starch-based sweetener and related products with its production base situated in Linqing City, Shangdong Province, the PRC. As previously disclosed in the announcement of the Company dated 20 February 2025 (the “**Voluntary Announcement**”), DGC operates two cornstarch production lines with annual cornstarch production capacities of 450,000 tonnes (the “**DGC 1st Production Line**”) and 550,000 tonnes, respectively.

Juneng Construction

As disclosed in the “Letter from the Board” in the Circular, Juneng Construction is a company incorporated in the PRC and is principally engaged in the construction of buildings, municipal roads, landscaping, electrical installations, pipeline and equipment installation, building decoration and the sales of building materials, hardware, electrical equipment and interior decoration materials.

Juneng Construction is a subsidiary of Juneng Group, which in turn is beneficially owned as to 26% by Mr. Tian Qixiang (Chairman of the Board and an executive Director), 8% by Mr. Yu Yingquan (an executive Director) and his associates, 4% by Mr. Gao Shijun (Chief Executive Officer of the Company and an executive Director), and 3% by Mr. Liu Xianggang (an executive Director), each also being a director of Juneng Group. The remaining 59% of the shareholding of Juneng Group is owned by 31 other companies (which are in turn held by third party individuals independent of the Company and its connected persons). Neither Juneng Construction nor Juneng Group is an associate of any connected person(s) of the Company under Chapter 14A of the Listing Rules.

As further disclosed in the “Letter from the Board” in the Circular, none of Mr. Tian Qixiang, Mr. Yu Yingquan, Mr. Gao Shijun and Mr. Liu Xianggang is (i) on the board of directors of Juneng Construction; and (ii) able to control the board of directors of Juneng Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2. Reasons for entering into the Construction Contract

The Company first announced its intention to increase its overall cornstarch production capacity on 20 February 2025 through the Voluntary Announcement. As disclosed in the Voluntary Announcement, DGC intends to initiate a modification and expansion of its production plant (the “**Cornstarch Production Project**”), which would involve the demolition and re-construction of certain existing production workshops, warehouses and supporting facilities, as well as the demolition of the DGC 1st Production Line to be replaced with a newly constructed production line with annual production capacity of 1,000,000 tonnes. According to the Company, upon completion of the Cornstarch Production Project, the annual cornstarch production capacity of DGC will increase to 1,550,000 tonnes.

On the back of this expansion plan, the Company announced on 26 May 2025 that DGC had entered into the Construction Contract with Juneng Construction for the construction of certain buildings and structures (including the installation of ancillary water, electricity and heating systems) (the “**Construction Facility**”), which forms an integral part of the Cornstarch Production Project, providing essential infrastructure such as modernised workshops and expanded warehouses, for supporting expanded production line and the implementation of modernised processes under the Cornstarch Production Project.

As a means of validating the reason(s) for initiating the Cornstarch Production Project (of which the construction of the Construction Facility and the entering into of the Construction Contract form part), we have obtained and reviewed relevant schedule provided by the Management on DGC’s monthly cornstarch production capacity utilization in 2024, and noted that throughout the year, the monthly capacity utilization rates were either close to or already exceeded full capacity. We have also noted that the Company was ranked fourth in term of cornstarch production volume in the PRC for two consecutive years of 2022 and 2023, but fell one place to fifth in 2024, as quoted from the “2025 China Corn Market and Cornstarch Industry Annual Analysis and Projection Report*” (《2025 中國玉米市場和澱粉行業年度分析及預測報告》) jointly published by the China Cornstarch Industry Society* (中國澱粉工業協會) together with Beijing Eastern Aige Agricultural Advisory Co., Ltd.* (北京東方艾格農業諮詢有限公司) and China Everbright Futures Co., Ltd.* (光大期貨有限公司). We further understood from the Management that the DGC 1st Production Line was initially put into operation in 2006 and has been running for close to 20 years, making it increasingly technologically outdated and operationally inefficient. In this respect, we consider the Management’s view that the Cornstarch Production Project is a step for the Group to maintain its market leading position, remain sufficiently competitive to capture more market share, and to improve its operational and costing effectiveness to better withstand market demand and supply fluctuations to be reasonably substantiated.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

On the basis of the foregoing, we consider that the construction of the Construction Facility (and correspondingly the entering into of the Construction Contract), which form an integral part of the Cornstarch Production Project, is supported by reasonable commercial grounds and is in the interest of the Group and the Shareholders as a whole.

3. The tendering and internal approval process

As disclosed in the DT Announcement, the Construction Contract between DGC and Juneng Construction (as contractor) was entered into after completion of the open tender process. As advised by the Management, a tender invitation with tender specifications and requirements was posted on the website of the Group to invite interested parties to participate, and a tender committee (the “**Tender Committee**”) comprising, among others, representatives from the Group’s infrastructure department and audit department, was established for the purpose of considering the tenders. Consequently a total of nine tenders were received, and the Tender Committee conducted interviews with each of the participating bidders and evaluated each respective bidding documents on both the technical and commercial aspects. After due consideration and deliberation, the Tender Committee collectively decided and selected Juneng Construction as the successful bidder, and such decision was submitted to relevant senior management designated with overall responsibility on infrastructure projects of the Group, who endorsed and approved the decision of the Tender Committee.

We have obtained and reviewed the respective bidding documents submitted by all nine bidders and noted that all bidding companies had provided documents in accordance with the requirements specified in the tender invitation. We have also obtained and reviewed the bidding comparison results of the Tender Committee and noted that all bidders were evaluated on the technical aspects including qualifications, proposed construction plan and technical applications, manpower allocation, historical safety records and track records of similar project undertakings; as well as commercial aspects including pricing quotation, payment terms and proposed construction period. We have further reviewed the collective conclusion drawn by the Tender Committee and found that unsuccessful bidders were rejected on the basis of uncompetitive pricing terms, failure to meet certain technical requirements, insufficient track records in undertaking similar projects, and/or over-reliance on subcontracting workers, while Juneng Construction was selected for reason that it has concurrently fulfilled all the technical and commercial requirements set by the Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In terms of internal procedural compliance, we have inspected the Group's internal Procurement Management Policy (《採購管理辦法》) and Tendering and Bidding Management Guidelines (《招投標管理辦法》) and found that the open tender process was conducted generally in line with the relevant internal procurement and bidding policies. Further, we have noted from the DT Announcement that each of Mr. Tian Qixiang, Mr. Yu Yingquan, Mr. Gao Shijun and Mr. Liu Xianggang, all being executive Directors, has abstained from the discussion and voting at the relevant Board meeting for considering and approving the Construction Contract and the transaction contemplated thereunder.

Having considered that (i) open tender process is generally considered to be an acceptable and relatively fair mechanism for corporate procurement activities and in line with commercial practice; (ii) the open tender process had successfully attracted a total of nine bidders to participate, which is relatively acceptable in terms of facilitating a competitive bidding process; (iii) Juneng Construction was selected through the collective decision of the Tender Committee on the back of a substantive evaluation against multiple factors encompassing both technical and commercial aspects; (iv) the open tender was conducted in accordance with the Group's internal policies, and all executive Directors have proactively abstained from voting at the relevant Board meeting to consider and approve the Construction Contract in view of their respective minority interests in Juneng Group, we consider that the open tender process, in which Juneng Construction was consequently selected, was reasonably conducted and is in the interest of the Company and the Shareholders as a whole.

4. The Construction Contract

Set out below are selected principal commercial terms of the Construction Contract as extracted/paraphrased from the "Letter from the Board" in the Circular:

Scope of work:	Construction of certain buildings and structures in respect of the Construction Facility, including the installation of ancillary water, electricity and heating systems.
Construction period:	Commencing from 1 July 2025 and expected to complete by 30 June 2026.
Warranty period:	Two years commencing from completion, examination and acceptance of the construction work.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Contract sum:

The contract sum of HK\$80,000,000 as specified in the Construction Contract was arrived at with reference to the average per square metre overall construction cost (inclusive of construction materials and labour, among other things) of production facilities previously undertaken by independent third party contractors for the Group, having considered the scope and terms of construction under the open tender, a 14% contract rebate offered by Juneng Construction under its bid for the open tender, and upon arm's length negotiations with Juneng Construction. The 14% contract rebate was one of the terms proposed by Juneng Construction when submitting their bids in response to DGC's open tender. The contract rebate is a necessary bidding term that all bidders are required to submit in their respective bids, as specified in the tender document issued by DGC for the construction services in respect of the Construction Facility.

The Construction Contract provides (i) that prices of construction materials to be benchmarked against market prices and/or pricing standards published by relevant pricing regulatory authorities and (ii) for standard charge rates for construction labour. Acceptable adjustments to the contract sum include the application of the agreed contract rebate and other factors such as (i) changes in PRC laws, regulations and policies affecting the contract sum; (ii) changes in pricing standards published by relevant pricing regulatory authorities; and (iii) changes in construction design, construction materials specifications and additional construction scope and technical implementations as required/accepted by DGC. A qualified cost consultant as designated by DGC will be engaged to conduct a cost audit to ascertain the final total settlement amount of the Construction Contract.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Based on the planned scope and scale of the Cornstarch Production Project, the Directors currently do not envisage any material changes to the construction design or additions to the construction scope which may result in the final total amount payable by DGC under the Construction Contract to be materially above the contract sum as specified in the Construction Contract. Premised on the above, the Board considers the contract sum to be fair and reasonable.

Payment terms:

Monthly progress payments:

- 70% of the actual construction work progress during the month, to be paid on or before the 20th day of the following month; with the remaining 30% to be withheld and settled in accordance with the following final payment arrangements;

Final payments (of the remaining 30%):

- up to 20% upon completion of the project settlement review and issuance of VAT invoice, with the remaining balance (10%) retained as quality guarantee deposit without interest;
- 5% after one year of normal operation of the Construction Facility; and
- balance 5% within 30 days after the expiration of the two-year warranty period, provided that the quality of the Construction Facility is satisfactory and there is no issue as to the quality of the Construction Facility.

We have reviewed the Construction Contract and noted that the scope of work would include, among other things, civil construction works for the construction of, among other things, a total of five multi-storey buildings for production, packaging, warehousing and electricity control, and six single-storey buildings/structures for storage purposes.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We note that as disclosed in the “Letter from the Board” in the Circular, the contract sum was arrived at with reference to the average per square metre overall construction cost (inclusive of construction materials and labour, among other things) of production facilities previously undertaken by independent third party contractors for the Group. In this connection, we have discussed with the Management on the selection of production facilities for comparison purpose and found them to be reasonable. We have further obtained and reviewed the Construction Settlement Document (工程決算書) (as verified by an external cost consultant firm) and the General Notes of Architectural Design (建築設計總說明) of the comparable structures to ascertain the identity and independence of the relevant contractors, as well as the calculation of the average per square metre overall construction cost used for comparison. In addition, we have obtained from the Management and reviewed the calculation of the average per square metre overall construction cost of the Construction Facility based on the contract sum of the Construction Contract, and found it to be relatively comparable to that of the comparable structures which were constructed by independent third party contractors. We also noted, from our review of the bidding documents submitted by the nine bidders (including Juneng Construction) and the bidding comparison results of the Tender Committee, that the 14% contract rebate offered by Juneng Construction as one of the required bidding terms lies within the range of rebates offered by the other bidders (which ranged from -12% (ie., a surcharge) to 22.6%), is higher than the average (of 11.8%) and is reasonably close to the median (of 15.2%). On such basis we consider the contract sum of the Construction Contract to be fair and reasonable, on normal commercial terms and in the interest of the Company and Shareholders as a whole.

We also noted that the Group intends to fund the contract sum by internal resources. We have accordingly reviewed the annual and interim reports of the Company for the recent two financial years ended 30 December 2023 and 2024 and the six months ended 30 June 2025, particularly its operating cashflow and cash and cash equivalents position, and consider that bar any unforeseen adverse circumstances, the Group should have sufficient cash and cash equivalence to support funding of the full contract sum.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

To further assess the fairness and reasonableness of the contract terms of the Construction Contract, we have sample checked a number of discloseable transactions with comparable subject matter as announced by Hong Kong listed companies in the eight months of January to August 2025 (the “**Review Period**”). In this connection, we have conducted an exhaustive search for announcements posted on the website of the Stock Exchange under “Discloseable Transaction” with the headline keyword “construction” during the Review Period, and yielded a total of 31 discloseable transactions concerning construction contracts/projects which were first announced and/or entered into within the Review Period (i.e., excluding supplemental announcements of previously announced transactions and rectification announcements of previously undisclosed transactions that were entered into prior to the Review Period). Out of these 31 discloseable transactions, 21 were of subject matter considered to be incompatible with that of the Construction Contract (such as shipbuilding, new energy EPC projects, infrastructure construction, hotel and casino construction and interior work which concern considerably different work scopes, construction cycles, technical requirements, complexity and/or specifications) and were accordingly excluded from our comparison exercise. Of the remaining 10 discloseable transactions (the “**Comparable Transactions**”) considered to be relevant for our comparison (in terms of structural nature and usage), it is noted that while they share largely similar or comparable scope of commercial terms, certain of the Comparable Transactions have commercial terms considered to be less favourable to that of the Construction Contract, such as requirement for upfront or advanced partial payment, or a shorter or no stated warranty period, or has lesser or no retention money for a stated warranty period. We consider the Comparable Transactions to be relatively sufficient in facilitating the said assessment. On the basis of the above analyses, we consider the terms of the Construction Contract to be fair and reasonable and on normal commercial terms, and are in the interest of the Company and the Shareholders as a whole.

The following table sets out the key terms of the Comparable Transactions as disclosed in their respective announcements:

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

	Announcement		Subject Matter	Construction Period	Contract Price	Payment Terms	Warranty/Quality Guarantee
	Company	Date					
1	Silver Grant International Holdings Group Limited (171.HK)	28 Jul 2025	Design, on-site survey and construction of 153 days energy storage facilities at the petroleum and petrochemical product production plant		RMB14.2 million	Monthly basis based on progress and completion of construction work, subject to 3% of the contract price to be paid one year after the passing of final acceptance of the construction work	1 year
2	Chaoju Eye Care Holdings Limited (2219.HK)	28 Jul 2025	Construction of the Phase I of an integrated medical complex, including but not limited to architectural works, installation works, civil air defense works, ancillary facilities, reserved and embedded openings for air conditioning systems, and embedded components for curtain walls	Expected to be completed on or before 31 October 2026	RMB222.84 million	<ul style="list-style-type: none"> • Advance payment of RMB20 million within 28 days after construction contract coming into effect; • Monthly interim payments representing 75% of the assessed value of construction work completed for each month; • 85% of assessed value of the construction work upon satisfactory completion and acceptance of main body; • Up to 97% upon completion of project audit settlement and acceptance and delivery of project; • Remaining 3% as quality guarantee deposit to be released 24months after project completion and acceptance 	24 months
3	Wuhan Youji Holdings Ltd. (2881.HK)	8 Jul 2025	Construction works for an industrial park, including but not limited to the construction of factory buildings, steel structures, roads, and drainage systems	From date of construction contract to June 2026	Maximum of RMB75 million (final amount to be determined by the principal or its designated cost consultant based on fixed quota pricing issued by relevant governmental pricing standard with maximum discount of 15% applied to all components excluding major materials)	<ul style="list-style-type: none"> • Monthly interim payment representing 70% of the assessed value of construction works completed to date; • Up to 80% upon completion and acceptance to the satisfaction of the principal; • Up to 97% upon completion of final settlement of both parties; • Remaining 3% as quality guarantee to be released two years after project completion and acceptance 	2 years (waterproof works subject to a five-year warranty)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company	Announcement Date	Subject Matter	Construction Period	Contract Price	Payment Terms	Warranty/Quality Guarantee
4 Tuya Inc. (2391.HK)	27 May 2025	Four construction contracts on underground construction works, earthwork and stonework, drainage and water discharge, structural engineering, building construction, rough finishing, fire door installation and integrated electromechanical works on two parcels of land	800-1087 calendar days from date of commencement of construction work under relevant construction contracts	Aggregate sum of RMB472.8 million	<ul style="list-style-type: none"> Monthly interim payment representing 70% of the assessed value of construction works completed to date; Up to 80% of assessed value upon completion of construction works; Up to 84% of assessed value upon completion of examination and receipt of acceptance certificate issued by the principal; Up to 84% of assessed value upon the principal approving the complete set of settlement documents; Up to 97% of contract sum upon the principal receiving final payment request form and VAT invoice;; Remaining 3% of contract sum as maintenance bond, to be released as to 1.5% one year following start of warranty period, and 1.5% two years following start of warranty period 	2 years

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

	Announcement		Subject Matter	Construction Period	Contract Price	Payment Terms	Warranty/Quality Guarantee
	Company	Date					
5	Tristate Holdings Limited (458.HK)	2 Apr 2025	Construction of a 3-storey logistics building (including earthwork and foundation engineering, concrete structure construction, steel structure fabrication and installation, fabrication and installation of colour steel plates for roofs and walls, masonry works, aluminium alloy doors and windows, and the installation of hydropower systems)	240 calendar days	RMB45.1 million	<ul style="list-style-type: none"> • Advance payment of 20% of contract sum in the form of bank guarantee, to be recouped proportionally against monthly progress payments; • Monthly progress payments representing 80% of the assessed value of construction work completed in the preceding month; • 85% of contract sum upon completion acceptance of main body; • 95% upon completion of settlement procedures; • Remaining 5% as quality warranty to be released after expiry of two years from date of completion acceptance 	2 years
6	Sun Hing Vision Group Holdings Limited (125.HK)	28 Feb 2025	Design and construction of a factory premises and its ancillary facilities in Vietnam, including (i) piling and foundation works, (ii) structural works (iii) architectural works; (iv) fire fighting system and (v) external works	Expected to be completed by end of September 2025	VND32.2 million (or HK\$9.8 million)	<ul style="list-style-type: none"> • Advance payment of 30% of contract price within 7 days from receipt of bank issued guarantee certificate and tax invoice provided by the contractor; • Interim payment of 40% of contract price within 7 days from receipt of tax invoice from the contractor; • Final payment of 30% of contract price within 30 days from project acceptance and handover 	Not mentioned

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company	Announcement Date	Subject Matter	Construction Period	Contract Price	Payment Terms	Warranty/Quality Guarantee
7 Legion Consortium Limited (2129.HK)	10 Jan 2025	Design and construction of a 3-storey single user industrial building comprising of 2 level of workshops and 1 level of ancillary office in Singapore (including (i) piling/foundation works, (ii) structural works, (iii) architectural works, (iv) external works and (v) mechanical and electrical services)	No reference to time duration	S\$5.4 million	Payment of interim payment shall be 30 days from receipt of tax invoice issued by the contractor	Not mentioned
8 China Nuclear Energy Technology Corporation Limited (611.HK)	4 August 2025	Installation and construction of an energy storage power station including, among other things, all preliminary procedures, procurement of relevant equipment and materials, installation, construction, grid connection, testing and acceptance works	No reference to time duration	RMB63.4 million (no adjustment allowed)	<ul style="list-style-type: none"> 10% advance payment after provision of bank performance guarantee by the contractor; Up to 97% as settlement payment based on progress of the construction and upon receipt of relevant invoice(s); Remaining 3% as quality assurance fund to be released upon expiry of a two-year warranty period 	2 years

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company	Announcement Date	Subject Matter	Construction Period	Contract Price	Payment Terms	Warranty/Quality Guarantee
9 Breton Technology Co., Ltd. (1333.HK)	15 August 2025	Earthwork and foundation engineering, building decoration engineering, electrical engineering, weak-current engineering, water supply and drainage engineering, fire protection engineering, heating ventilation engineering, seismic supports, outdoor engineering, roads, integrated pipe networks	450 calendar days	RMB99.5 million	<ul style="list-style-type: none"> • Advance payment of 10% within 7 days after entering into contract; • 35% upon completion and acceptance of foundations for factory, office and dormitory, deducting 30% of the advance payment; • 25% upon completion and acceptance of (i) installation of main steel structure and (ii) office building and dormitory frameworks, deducting 30% of the advance payment; • 20% upon completion and acceptance of installation of steel structure doors, windows, external panels and outdoor works, deducting 40% of the advance payment; • 10% upon satisfactory completion and final acceptance of all works; • 7% upon final settlement for completion of all works; • Remaining 3% shall be retained and pay upon expiry of the maintenance period 	2-5 years for various sections of works
10 Kontafarma China Holdings Limited (1312.HK)	18 August 2025	Construction of an R&D complex, including but not limited to foundation and substructure, main structure, fitting out and decoration, roof, plumbing and heating, electrical works, ventilation and air conditioning, and elevators	20 days	RMB33.7 million	Payable on monthly basis based on construction progress	Not mentioned

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

D. RECOMMENDATION

Having considered the above principal factors and reasons, we are of the opinion that (i) the terms of the Construction Contract are on normal commercial terms and are fair and reasonable; and (ii) the entering into of the Discloseable Transaction is in the interests of the Company and the Shareholders as a whole. Moreover, while we do not consider the Discloseable Transaction to be of the Group's ordinary and usual course of business, it nonetheless relates integrally to the Group's conduct of ordinary and usual course of business. Accordingly we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favor of the resolution to be proposed at the EGM to approve the Discloseable Transaction and we recommend the Independent Shareholders to vote in favor of the resolution in this regard.

Yours faithfully,

For and on behalf of

Central China International Capital Limited

Elain Wong

General Manager

Note: Ms. Elain Wong is a responsible officer of Central China International Capital Limited registered with the SFC to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 24 years of experience in securities industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Director's and chief executive's interests in the securities of the Company or its associated corporations

As at the Latest Practicable Date, the following Directors and chief executives of the Company had or were deemed to have interests or short positions in the Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the “**Model Code**”), to be notified to the Company and the Stock Exchange:

Long positions in the Shares of the Company

Name of Director	Nature of interests	Number of Shares interested	Approximate percentage of issued capital of the Company
Mr. Tian Qixiang	Interest in a controlled corporation (<i>note</i>)	3,705,385,194	62.12%

Note:

The interest in these shares was held by Merry Boom Group Limited (“**Merry Boom**”). Merry Boom is owned as to approximately 54.58% by Mr. Tian Qixiang. Mr. Tian was deemed to be interested in all the shares held by Merry Boom under the SFO.

Long positions in the shares of associated corporations of the Company

Name of associated corporations	Name of Director	Nature of interest	Number of Shares interested	Approximate percentage of issued capital of the Company
Merry Boom	Mr. Tian Qixiang	Beneficial owner	131	54.58%
	Mr. Gao Shijun	Beneficial owner	60	25.00%
	Mr. Yu Yingquan	Beneficial owner	1	0.42%
Shouguang Golden Corn Biotechnology Limited* (“Golden Corn Biotech”)	Mr. Gao Shijun	Beneficial owner	– (i, ii)	0.75%
壽光金玉米生物科技有限公司 (「金玉米生物科技」)	Mr. Yu Yingquan	Beneficial owner	– (i, iii)	0.23%
	Mr. Liu Xianggang	Beneficial owner	– (i, iv)	0.19%

Notes:

- (i) Golden Corn Biotech was an indirect non-wholly owned subsidiary of the Company. The amount of paid-up share capital of Golden Corn Biotech was RMB200,000,000. The number of shares was not specified in the constitutional document.
- (ii) Shouguang Chengyu Investment Co., Ltd* (“Chengyu”) was one of the shareholders of Golden Corn Biotech. Mr. Gao Shijun held 1,500,000 shares in Chengyu through Shouguang Junze Technology Service Co., Ltd.* (“Junze”). The entire issued share capital of Junze was wholly and beneficially owned by Mr. Gao Shijun.
- (iii) Chengyu was one of the shareholders of Golden Corn Biotech. Mr. Yu Yingquan held 460,000 shares in Chengyu through Shouguang Starsea Trading Co., Ltd* (“Starsea”). The entire issued share capital of Starsea was wholly and beneficially owned by Mr. Yu Yingquan and his associates.
- (iv) Shouguang Shengyu Investment Co., Ltd* (“Shengyu”) was one of the shareholders of Golden Corn Biotech. Mr. Liu Xianggang held 375,000 shares in Shengyu through Shouguang Xiangyin Trading Co., Ltd (“Xiangyin”). The entire issued share capital of Xiangyin was wholly and beneficially owned by Mr. Liu Xianggang.

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors and chief executives of the Company and their respective associates had or was deemed to have any interests or short positions in any Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are deemed or taken to have under provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

(b) Interests of Substantial Shareholders and other persons

To the best knowledge, information and belief of the Directors of the Company, as at the Latest Practicable Date, the following persons (other than being Directors or chief executives of the Company) were interested in 5% or more of the issued share capital of the Company which were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the Listing Rules:

Long positions in the Shares of the Company

Name	Capacity	Number of Shares interested	Approximate percentage of issued capital of the Company
Merry Boom	Beneficial owner (<i>note</i>)	3,705,385,194	62.12%

Note:

These shares were held by Merry Boom. Merry Boom is owned as to approximately 54.58% by Mr. Tian Qixiang, an executive Director and Chairman of the Company. Mr. Tian is deemed to be interested in all the shares held by Merry Boom under the SFO as disclosed under the paragraph headed “Directors’ and Chief Executive’s Interests” above.

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware that there is any other persons (other than the Directors or chief executives of the Company) who had, or was deemed to have, an interest or short position in the Shares, underlying shares or debentures of the Company (i) which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or (ii) which were required, pursuant to section 336 of the SFO, to be entered in the register to be kept by the Company.

3. DIRECTORS’ SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing service contract or proposed service contract with any member of the Group which is not expiring or is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENTS AND ASSETS OF THE GROUP

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in the assets which had been, since 31 December 2024, being the date to which the latest published audited consolidated accounts of the Group were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group. As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group.

5. DIRECTORS' INTERESTS IN COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors and their respective close associates was interested in any business apart from the Group's business that competes or is likely to compete (either directly or indirectly) with the business of the Group.

6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration or claims which would materially or adversely affect the operations of the Company and no litigation, arbitration or claim which would materially or adversely affect the operations of the Company was known to the Directors to be pending or threatened by or against any member of the Group.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice which are contained in this circular:

Name	Qualifications
Central China International Capital Limited	a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

At the Latest Practicable Date:

- (a) the above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter, report and/or references to its name in the form and context in which they respectively appear;
- (b) the above expert did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and

- (c) the above expert did not have any direct or indirect interests in any assets which have been, since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to, any member of the Group, or which are proposed to be acquired or disposed of by or leased to, any member of the Group.

8. MATERIAL CONTRACTS

Set out below are the material contracts, not being contracts entered into in the ordinary course of business, entered into by members of the Group after the date falling the two years immediately preceding the date of this circular and up to the Latest Practicable Date, details of which were disclosed in the announcement of the Company dated 20 May 2025:

- (a) the machinery acquisition contract dated 2 December 2024 entered into between Golden Corn Biotech as the purchaser and Shanghai Senon Co., Ltd* (上海神農節能環保科技股份有限公司) (“**Shanghai Senon**”) as the vendor at a total consideration of RMB14,600,000;
- (b) the machinery acquisition contract dated 2 December 2024 entered into between Golden Corn Biotech as the purchaser and Shanghai Senon as the vendor at a total consideration of RMB18,500,000;
- (c) the machinery acquisition contract dated 2 December 2024 entered into between Golden Corn Biotech as the purchaser and Shanghai Senon as the vendor at a total consideration of RMB10,600,000;
- (d) the machinery acquisition contract dated 2 December 2024 entered into between Golden Corn Biotech as the purchaser and Shanghai Senon as the vendor at a total consideration of RMB3,800,000;
- (e) the machinery acquisition contract dated 14 February 2025 entered into between Golden Corn Biotech as the purchaser and Qidong Senon Machinery Co., Ltd* (啟東神農機械有限公司) as the vendor at a total consideration of RMB4,029,960; and
- (f) the machinery acquisition contract dated 20 May 2025 entered into between DGC as the purchaser and Shanghai Senon as the vendor at a total consideration of RMB20,600,000.

Save for the Construction Contract and as disclosed above, there had been no contract, not being a contract entered into in the ordinary course of business, entered into by members of the Group after the date falling two years immediately preceding the date of this circular and up to the Latest Practicable Date.

9. NO MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, there was no material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up.

10. DOCUMENTS ON DISPLAY

A copy of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chinastarch.com.hk) for a period of not less than 14 days before the date of the EGM:

- (a) the Construction Contract;
- (b) the letter from the Independent Board Committee, the text of which is set out on pages 16 to 17 of this circular;
- (c) the letter from the Independent Financial Adviser, the text of which is set out on pages 18 to 35 of this circular;
- (d) the written consent referred to in the paragraph headed “7. Expert and Consent” in this appendix;
- (e) the material contracts referred to in the paragraph headed “8. Material Contracts” in this appendix; and
- (f) this circular.

11. MISCELLANEOUS

- (a) The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (b) The head office and principal place of business in Hong Kong is Room 1101-1104, 11/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong.
- (c) The Cayman Islands share registrar and transfer office of the Company is Suntera (Cayman) Limited at Suite 3204, Unit 2A Block 3, Building D P.O. Box 1586 Gardenia Court Camana Bay Grand Cayman KY1-1100 Cayman Islands.
- (d) The Hong Kong branch share registrar and transfer office of the Company is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (e) The company secretary of the Company is Mr. Leung Siu Hong, who is a fellow member of the Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountant. He is also a fellow member of The Chartered Governance Institute and The Hong Kong Chartered Governance Institute.
- (f) The English text of this circular shall prevail over the Chinese text, in case of any inconsistency.

NOTICE OF EXTRAORDINARY 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 EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “**EGM**”) of China Starch Holdings Limited (“**Company**”) will be held at Room 1101-4, 11/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong at 11:30 a.m. on 9 October 2025 (Thursday) to consider and, if thought fit, transact the following ordinary resolution of the Company. Words and expressions that are not expressly defined in this notice of EGM shall have the same meaning given to them in the circular of the Company dated 18 September 2025 (the “**Circular**”).

ORDINARY RESOLUTION

“**THAT** the entering of the Construction Contract and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified in all respects; and any action(s) taken by any Director(s) in connection with or contemplated by the Construction Contract and the transactions contemplated thereunder prior to the date of this resolution be and is(are) hereby approved, confirmed, ratified and adopted in all respects as fully as if such action(s) had been presented to for approval, and approved by, the shareholders of the Company prior to such action(s) being taken.”

Yours faithfully,

By order of the Board

China Starch Holdings Limited

Tian Qixiang

Chairman

Hong Kong, 18 September 2025

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 1101-1104, 11/F

Harcourt House,

39 Gloucester Road Wanchai

Hong Kong

NOTICE OF EXTRAORDINARY GENERAL MEETING

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 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time fixed for holding the meeting (or any adjourned meeting).
4. To ascertain shareholders’ eligibility to attend and vote at the EGM, the register of members will be closed from 3 October 2025 (Friday) to 9 October 2025 (Thursday), both days inclusive, during which period no transfer of Shares will be effected. Shareholders whose names appear on the register of members of the Company on 9 October 2025 (Thursday) will be entitled to attend and vote at the EGM. 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 Company’s branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on 2 October 2025 (Thursday).
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. If a tropical cyclone warning signal number 8 or above is hoisted, or “extreme conditions” announced by the Hong Kong Government or a black rainstorm warning is/are in force anytime after 7:00 a.m. on the date of the EGM, the meeting will not be held but will be adjourned to a later date in accordance with the articles of association of the Company. The Company will as soon as practicable post an announcement on the websites of the Stock Exchange and the Company.
7. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the directors of the Company are:

Executive Directors:

Mr. Tian Qixiang (*Chairman*)
Mr. Gao Shijun (*Chief Executive Officer*)
Mr. Yu Yingquan
Mr. Liu Xianggang

Independent non-executive Directors:

Professor Hua Qiang
Mr. Sun Mingdao
Ms. Sze Tak On