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China Bio Cassava Holdings Limited

中國生物資源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8129)

(Warrant Code: 8187)

DISCLOSEABLE TRANSACTION TENANCY AGREEMENT

On 28th August 2012, QTC entered into the Tenancy Agreement with THH for leasing the Premises.

The Directors believe that the terms of the Tenancy Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

The Tenancy Agreement constitutes a discloseable transaction for the Company under the GEM Listing Rules, hence, an announcement is hereby published.

TENANCY AGREEMENT

The principal terms of the Tenancy Agreement are as follows:

- Date: 28th August 2012
- Tenant: Q9 Technology Company Limited (“**QTC**”), a company incorporated in Hong Kong with limited liability and wholly owned by China Bio Cassava Holdings Limited (the “**Company**”)
- Landlord: Tsui Hang Hing Garment Factory Limited (“**THH**”), a company incorporated in Hong Kong with limited liability, an independent third party introduced by a commissionable property agent. The principal business of THH is garment manufacturing.
- Premises: Room 206, 2nd Floor, Hewlett Centre, 54 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong with an aggregate gross floor area of approximately 2,384 square feet (the “**Premises**”)
- Term: Two years commencing from 1st October 2012 to 30th September 2014

Rent: Monthly rental of HK\$30,000 (inclusive of rates and management fees); payable monthly in advance

Deposit: HK\$60,000 (equivalent of 2 months' rent)

Other outgoings: For the account of the tenant

GENERAL

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the **“Group”**) are principally engaged in computer software and embedded systems development, sales and licensing of software and systems, and development of biotech and renewable energy.

REASONS AND BENEFITS FOR THE TRANSACTION

The Premises is to be used as the principal office for the Group.

To the best of the knowledge of the directors of the Company (the **“Directors”**), information and belief having made all reasonable enquiries, the Landlord and its ultimate beneficial owners are each independent of and not connected with the Company or its connected persons (as defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the **“GEM Listing Rules”**)). The Directors (including the independent non-executive directors) consider that the terms of the transaction contemplated under the Tenancy Agreement are in the ordinary and usual course of the business of the Company, and the terms contained therein are on normal commercial terms, which are arrived at arm's length negotiations and by reference to open market rental of premises of comparable size and location, and are fair and reasonable and in the interests of the Company and its shareholders (the **“Shareholders”**) as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the relevant percentage ratios in respect of the transaction contemplated under the Tenancy Agreement are more than 5% but less than 25%, the transaction contemplated under the Tenancy Agreement therefore constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules.

By order of the board of directors of
China Bio Cassava Holdings Limited
LEUNG LAP YAN
Chairman

Hong Kong, 28th August 2012

As of the date of this announcement, the Board of the Company comprises Mr. Kwan Kin Chung, Mr. Tam Kam Biu William and Mr. Wan Xiaolin as executive directors, Mr. Leung Lap Yan and Mr. Leung Lap Fu Warren as non-executive directors, Mr. Ip Chi Wai, Mr. Tse Wang Cheung Angus and Mr. Tsang Wai Wa as independent non-executive directors.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement 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 announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “latest company announcement” page for at least 7 days from the day of its posting and on the Company’s website at <http://www.bio-cassava.com>.