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ASIA CASSAVA RESOURCES HOLDINGS LIMITED
亞洲木薯資源控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code : 841)

PROFIT WARNING

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the “Board”) of Asia Cassava Resources Holdings Limited (the “Company”) wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Board, despite that the revenue of the Company and its subsidiaries (collectively the “Group”) for the six months ending 30 September 2011 will record a satisfactory increase over that for the six months ended 30 September 2010, it is expected that the profit of the Group for the six months ending 30 September 2011 will record a significant decrease as compared to that for the six months ended 30 September 2010.

To the best knowledge of the Board, the expected decrease in profit of the Group is primarily caused by the fact that, as previously stated in the Group’s annual report for the year ended 31 March 2011, amidst the rising Consumer Price Index in the mainland China, the rise in domestic price level of corns was controlled. Thus, the Group was not able to set its selling prices with reference to the international cassava chips prices and fully pass on the rise in procurement cost to its customers, which results in a decrease in the Group’s overall gross profit margin.

The information contained in this announcement is only based on a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group for the six months ending 30 September 2011, which have not yet been confirmed or reviewed by the Company’s auditors or the audit committee of the Company and finalized as at the date of this announcement. Unaudited financial information of the Group for the six months ending 30 September 2011 will be disclosed in the interim results announcement in due course.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Asia Cassava Resources Holdings Limited
Chu Ming Chuan
Chairman

Hong Kong, 30 September 2011

As at the date of this announcement, the executive directors of the Company are Mr. Chu Ming Chuan, Ms. Liu Yuk Ming and Ms. Lam Ching Fun; the independent non-executive directors of the Company are Mr. Lee Kwan Hung, Professor Fung Kwok Pui and Mr. Yue Man Yiu Matthew.