

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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, it is expected that the profit of the Group for the year ending 31 March 2012 will record a significant decrease as compared to that for the year ended 31 March 2011.

To the best knowledge of the Board, the expected decrease in profit of the Group is mainly caused by the fact that, as previously stated in the Company’s announcement dated 30 September 2011 and the interim report for the six months ended 30 September 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.

Based on a preliminary assessment on the unaudited management accounts of the Group for the five months ended 29 February 2012 (“Latest Five Months”), the Board anticipates the financial performance of the Latest Five Months are better than the financial performance of the Group for the six months ended 30 September 2011 despite the financial performance of the Latest Five Months are more or less in line with that for the five months ended 28 February 2011. Furthermore, the overall financial position of the Group remains healthy. In any event, the Group’s financial results for the year ending 31 March 2012 are still subject to the Group’s financial performance in March 2012.

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 eleven months ended 29 February 2012, 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. Audited financial information of the Group for the year ending 31 March 2012 will be disclosed in the annual 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, 15 March 2012

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.