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Casablanca Group Limited

卡撒天嬌集團有限公司

(Incorporated under laws of the Cayman Islands with limited liability)

(Stock Code: 2223)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the five months ended 31 May 2018 and the management's estimate, it is anticipated that the unaudited consolidated profit attributable to the Shareholders for the six months ending 30 June 2018 is expected to decrease substantially as compared to that for the corresponding period in 2017.

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

This announcement is made by Casablanca Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**").

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the five months ended 31 May 2018 and the management's estimate, it is anticipated that the unaudited consolidated profit attributable to the Shareholders for the six months ending 30 June 2018 is expected to decrease substantially as compared to that for the corresponding period in 2017. Based on the information currently available, the expected substantial decrease in the unaudited consolidated profit attributable to the Shareholders was mainly attributable to the following factors:

(i) the estimated decrease in sales by roughly 20%;
(ii) increases in advertising and sales related expenses for self-operated sales; and
(iii) the expenses of share-based payment for share options granted.

The Company is in the process of finalizing the interim results for the six months ending 30 June 2018. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the five months ended 31 May 2018 and information currently available to the Board, which have not been reviewed by or discussed with the auditors of the Company and that the actual results of the Group for the six months ending 30 June 2018 may be different from what is disclosed in this announcement. The interim results announcement of the Company for the six months ending 30 June 2018 is expected to be released in August 2018 pursuant to the requirements of the Listing Rules.

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

By Order of the Board
Casablanca Group Limited
Cheng Sze Kin
Chairman

Hong Kong, 25 June 2018

As at the date of this announcement, the Board comprises Mr. Cheng Sze Kin (Chairman), Mr. Cheng Sze Tsan (Vice-chairman) and Ms. Wong Pik Hung as Executive Directors, and Mr. Lo Siu Leung, Dr. Cheung Wah Keung and Mr. Chow On Wa as Independent Non-executive Directors.