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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)

UPDATE ON 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.

Reference is made to the Profit Warning Announcements.

The Board wishes to further inform the Shareholders and potential investors that, based on the preliminary review of the latest unaudited consolidated management accounts of the Group for the Period and taking into consideration of the information currently available to the Board, the Group is expected to record a loss for the Period not more than HK$3.0 million instead of a substantial decrease in the unaudited consolidated profit attributable to the Shareholders for the Period by approximate 75% as compared to that for the corresponding period in 2019 as disclosed in the Profit Warning Announcements.

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**").

Reference is made to the profit warning announcement of the Company dated 29 June 2020 and the supplemental profit warning announcement dated 30 June 2020 (the "**Profit Warning Announcements**"). Capitalised terms used herein shall have the same meanings as defined in the Profit Warning Announcements, unless the context requires otherwise.

The Board wishes to further inform the Shareholders and potential investors that, based on the preliminary review of the latest unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 (the "**Period**"), and taking into consideration of the information currently available to the Board, the Group is expected to record a loss not more than HK$3.0 million for the Period instead of a substantial decrease in the unaudited consolidated profit attributable to the Shareholders for the Period by approximately 75% as compared to that for the corresponding period in 2019 as disclosed in the Profit Warning Announcements.

Based on the information currently available, the Board believes that, save for those factors disclosed in the Profit Warning Announcements, the expected loss is primarily attributable to increased provisions for impairment losses on right-of-use assets, inventories and receivables made in finalising the interim results of the Group for the Period. Despite a loss expected for the Period, the liquidity of the Group remains very strong with over HK$180 million of cash and cash equivalents as of 30 June 2020.

The Company is in the process of finalising the interim results of the Group for the Period. The information contained in this announcement is only based on the information currently available to the Board and the latest assessment by the Board with reference to the latest unaudited consolidated management accounts of the Group for the Period, which have not been reviewed by the auditors of the Company or the audit committee of the Board and may be subject to changes and adjustments. The actual results of the Group for the Period may be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the interim results announcement of the Company for the Period, which is expected to be released on or around 21 August 2020.

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, 11 August 2020

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.