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

(Stock Code: 2223)

**PROFIT WARNING
FOR THE YEAR ENDED 31 DECEMBER 2018**

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 eleven months ended 30 November 2018 and the management's estimate, the Group is anticipated to record a substantial decrease in profit attributable to the Shareholders for the year ended 31 December 2018 as compared to that for the corresponding period in 2017. It is expected that the Group will record a profit for the six months ended 31 December 2018 as compared to the loss recorded for the six months ended 30 June 2018.

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 eleven months ended 30 November 2018 and the management's estimate, the Group is

anticipated to record a substantial decrease in profit attributable to the Shareholders for the year ended 31 December 2018 as compared to that for the corresponding period in 2017. It is expected that the Group will record a profit for the six months ended 31 December 2018 as compared to the loss recorded for the six months ended 30 June 2018.

With reference to the interim results announcement for the six months ended 30 June 2018 of the Company dated 24 August 2018, the Board considers that the reasons for suffering loss for the six months ended 30 June 2018, compared to the substantial profit for the corresponding period in 2017, were mainly attributable to (1) the decrease in sales to wholesale customers, (2) the increase in sales related expenses for self-operated retail sales and sales to distributors, (3) the share-based payments, and (4) the net exchange losses arising from the sharp depreciation of Renminbi against Hong Kong Dollar for the month of June 2018. The substantial decrease in profit attributable to the Shareholders for the year ended 31 December 2018 is expected to be also primarily attributable to these factors as compared to the corresponding period in 2017.

The Company is in the process of finalizing the annual results of the Group for the year ended 31 December 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 eleven months ended 30 November 2018 and information currently available to the Board, which have not been reviewed or audited by the auditors of the Company and may be subject to changes and adjustments. The actual financial results of the Group for the year ended 31 December 2018 may be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2018, which is expected to be released in March 2019 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, 7 January 2019

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.