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

(Stock Code: 2223)

POSITIVE PROFIT ALERT

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 2016 and the management's estimate, it is anticipated that the Group will record a profit for the six months ending 30 June 2016 as compared to a loss for the corresponding period in 2015.

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 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 2016 and the management's estimate, it is anticipated that the Group will record a profit for the six months ending 30 June 2016 as compared to a loss for the corresponding period in 2015. Based on the information currently available,

such turnaround from loss to profit, with taking into consideration of the estimated impairment loss on the available-for-sale investment and convertible bond, is mainly due to the following factors:

- (i) the significant sales of bed linens under a bulk-purchase agreement to a wholesale customer in Hong Kong offsetting the decrease in sales in the People's Republic of China (the "PRC");
- (ii) the decrease in selling and distribution costs, especially the advertising and promotional expenses in Hong Kong and the concessionaire commissions and related expenses for department store counters in the PRC;
- (iii) the decrease in expenses of share-based payment for share options granted; and
- (iv) the gain on the liquidation of a subsidiary in the PRC.

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 2016 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 2016 may be different from what is disclosed in this announcement. The interim results announcement of the Company for the six months ending 30 June 2016 is expected to be released in August 2016.

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, 28 June 2016

As as the date of this announcement, the Board comprises Mr. Cheng Sze Kin (Chairman), Mr. Cheng Sze Tsan (Vice-chairman), Ms. Wong Pik Hung and Mr. Kwok Yuen Keung Tommy as Executive Directors, Mr. Mok Tsan San as Non-executive Director and Mr. Zhang Senquan, Mr. Kam Leung Ming and Mr. Leung Yiu Man as Independent Non-executive Directors.