



LEVEL 7 ASSESSMENT SPECIFICATION

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I. Executive Summary

The main objective of this report is to examine and analysis of the market strategy for a company of Casablanca Group Limited (2223.HK) listed in Hong Kong. This will be divided into 5 parts related to 1) introduce the industrial environment, company background, scope of study and the achieve objectives; 2) conduct a situation analysis of the company on the existing environment and forecast the potential effect/ impact in the coming 3 years; 3) evaluate the effectiveness of using of the existing marketing mix for target market and 4) provide marketing objectives and recommendations of the marketing strategies for upcoming 3 years.

This report looks into Casablanca attributed investment in Greater China Region (Hong Kong, Macau and Mainland China), selection of market, entry strategies and adaptation of its marketing mix to macro environment and its internal and external aspects. Macro environmental scanning like political, economic, socio-cultural and technological factors was prepared. Analysis of Casablanca selected market strategies and justification of the modified marketing mix as to fit in the Mainland China were included.

A final conclusion was made to wrap up the viewpoints in this report.

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Chapter 1: Introduction

1.1 Industrial Environment

Hong Kong's textiles industry containing spinning, weaving knitting and finishing of fabrics which is established 416 manufacture and employed 2,322 workers (2.6% of the local manufacturing workforce) as of first quarter 2018. Mainly supplies well-reputed fabrics to local apparel manufacturers as well as to Mainland and other offshore production sites. Numerous of experience Hong Kong companies expanded their textiles trading business. In the first half 2018, Hong Kong's textiles exports has marginally growth was less than 1% after 3% fallen in 2017 with a high proportion of re-exports was nearly 99%. Asia was the leading market for textiles exported from Hong Kong with 92%, 9 of the top 10 destination were in Asia with the prime export market of Mainland China. (HKTDC, 2018)

1.2 Company Background

Casablanca Group Limited (known as "Casablanca") was established in 1993 and headquartered in Hong Kong and listed companies since 2012 with stock code: 02223. . Casablanca is predominantly engaged in the design, manufacture, distribute and retail bedding products and has always adhered to its core value of " Love Living · Love Future" over the years and focuses on the high-end and premium markets under its trademarked Casablanca, Casa Calvin and Casa-V brands over the years. (Casablanca, 2018)

Casablanca had a total of 224 offline points-of-sales ("POS") compared in 2017: 232, among which 120 were self-operated POS and 104 were distributor-operated POS, covering a total of 64 cities in the Greater China Region as of 31 Dec 2018. However,

the Group's profit attributable to shareholders for the year ended of 2018 amounted to HKD7.84 million with decrease of 71% compared with the period of 2017. Basic earnings per share was HKD0.0303. The turnover amounted to HKD 337.6 million with a decrease of 2.8% over the period of 2017, gross profit margin down 1.4% to 63.2% which was 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 net exchange losses arising from the sharp depreciation of the Renminbi against the Hong Kong Dollar in mid-2018; and (4) the share-based payments. (Casablanca, 2018)

Despite an increase of approximately 1% growth in the Hong Kong's textile industry, Casablanca's revenue and gross profit were recorded decreased. The major reason for the decrease in Gross Profit margin was the decrease in wholesales despite the increases in retail sales and sales to distributors during the year of 2018. In this report to analyse the Group formulates and implements the marketing strategy in order to develop new products to enhance their brand value to endure in the challenging bedding product market in Hong Kong. (HKTDC, 2018)

Figure 1: Casablanca's Logo



(Casablanca, 2018)

Chapter 2: Situation Analysis

Casablanca is one of the Hong Kong retailers in Textile and Apparel Industry. To respond effectively to the local business environment is given more autonomy; Casablanca has adopted a more sensible strategic to focus on greater prominence on Mainland China market management to edge duplication of activities and capture collaborations or economies of scale and opportunity. To conduct a situation analysis of Casablanca involves examining the current environment and predicting the effect/impact for next 3 years.

2.1 Macro Analysis

2.1.1 Political Environment

Casablanca is facing the challenge of the outburst of Sino-US Trade War in the second quarter of 2018, the US government has announced the imposition of substantial tariffs on many categories of goods imported from the Mainland China which is impact on export business of enterprises and consumer's spending confidence in the retail markets of Mainland China and Hong Kong.

Enlightened Casablanca encourages its managers to look beyond political environment in coming 3 years. Casablanca is prudently optimistic about the development of the Mainland China in the future and anticipates that there will still be enormous consumer demand for trendy and superiority bedding products. According the HKTDC data, the Mainland China continued to be the top of the export market

about 48% market share of the Hong Kong's textile exports in the 1st half year of 2018.
(Figure 2)

Thus, the Group has been established an expert team to engage principally in export business starting 2019.

Figure 2: Performance of Hong Kong's Export of Textiles

(HK\$ Billion)	2016		2017		Jan-Jun 2018	
	Value	Growth %	Value	Growth %	Value	Growth %
Domestic exports	0.565	-6	0.606	+7	0.316	+14
Re-exports	60.767	-13	58.689	-3	29.382	*
of China-origin	45.351	-13	44.123	-3	22.491	+2
Total exports	61.332	-13	59.295	-3	29.698	*

*Insignificant

by Markets	2016		2017		Jan-Jun 2018	
	Share %	Growth %	Share %	Growth %	Share %	Growth %
China	52.7	-18	49.3	-9	48.3	-4
Vietnam	12.5	-4	15.2	+18	15.1	+1
Bangladesh	6.5	-3	6.5	-3	6.9	+12
Cambodia	6.2	-12	6.6	+3	6.8	+7
Indonesia	4.4	-7	4.7	+3	4.8	*
Sri Lanka	3.0	-5	2.7	-13	2.7	+3
Thailand	1.6	-7	1.6	-4	1.8	+23
US	1.9	-12	1.9	-6	1.7	-11
India	1.7	*	1.6	-6	1.4	-16
Philippines	1.2	-13	1.1	-15	1.1	-5

*Insignificant

by Categories	2016		2017		Jan-Jun 2018	
	Share %	Growth %	Share %	Growth %	Share %	Growth %
Knitted or crocheted fabrics	26.8	-11	28.9	+4	28.8	+4
Textile yarns	23.5	-20	22.3	-8	22.8	-4
Woven fabrics	23.5	-17	21.4	-12	21.1	+1
Cotton	13.4	-18	11.8	-15	11.2	-2
Man-made textile materials	7.2	-16	6.9	-7	6.9	-1
Others	2.9	-13	2.7	-12	3.0	+22
Finishing accessories	13.1	-2	13.9	+3	13.8	+2
Special yarns and fabrics	9.1	-6	9.6	+2	9.8	-3
Textile made-up	3.5	-9	3.5	-5	3.4	-4
Floor coverings	0.5	-5	0.3	-39	0.3	-17

(HKTDC, 2019)

2.1.2 Economic Factors

The economic growth was a story in Asia in 2018. GDP grew by 3% in 2018 compared to 3.3% in 2017 of Hong Kong (ranked 18th out of 196 countries GDP). Wages level increased from HKD16,786 to HKD16,791 per month compared with the third quarter and fourth quarter of 2018. From 1999 until 2018, the average wages HKD12,477.39 per month in Hong Kong. Inflation rate (CPI) of Hong Kong was 2.40% in 2018 compared with 1.481% in 2017. (IMF, 2019)

In addition, Casablanca is exposed to foreign exchange risk affect the net exchange losses arising from the sharp depreciation of the Renminbi against the Hong Kong Dollar in the mid-2018. The Group also copes with increasing operation costs of offline sales channels (accumulative rental and salary payment) and raw material prices on the bedding product industry in Mainland China. (Casablanca, 2018)

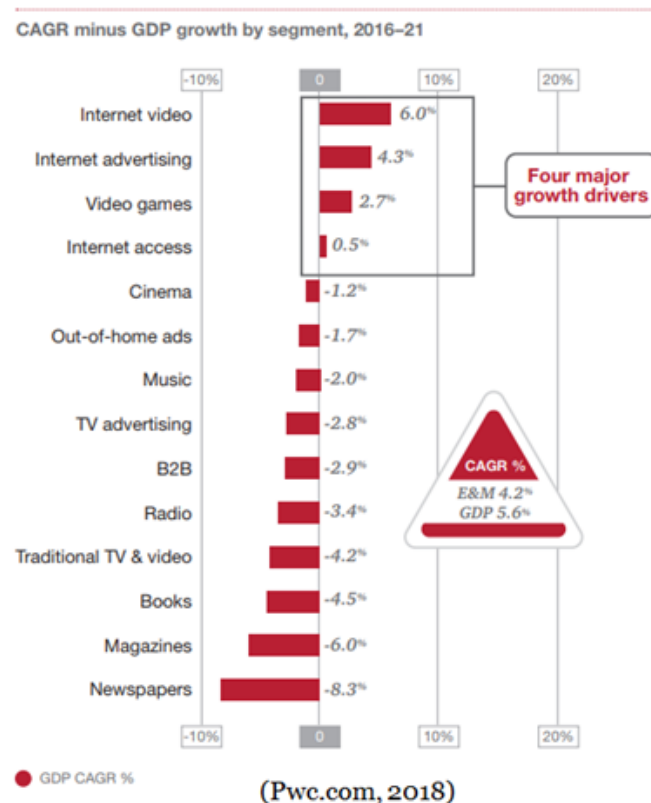
It apparently the Hong Kong population is in well-position for the standard of living to strengthen their purchasing power according to GDP and wages level is higher than last year but the moderate level of inflation rate and fluctuated dollar exchange, the consumer may consider their purchasing desires before spending. However, an aging population has wide-ranging implications for textile industry. The working age population has peaked in both absolute terms and as a proportion of total population even though the latter is still growing. If current macroeconomic policy trends persist in the longer run, their interaction with demographic changes could potentially lead to a less disinflationary one in China. Casablanca could monitor the trend of foreign exchange on Renminbi in the future.

2.1.3 Social/Culture Factors

The orientation influences consumption patterns as a growing trend toward buy the bedding through the online sales channels rather than retail sales channels. Consumers are moving positive attitude towards environmental-friendly bedding and household products. Consumers change their buying habits and now tend to buy well-quality bedding products with health function.

According to the PwC.com 2018 chart illustrated that the four segment of top growth driver in the term of Compound annual growth rate ("GAGR") minus Gross Domestic Product ("GDP"). Apparently, Internet video (6.0%); Internet advertising (4.3%), video games (2.7%) and internet access (0.5%) respectively which is instead of relying on the traditional advertising channel (Figure 3)

Figure 3: Internet ads, gaming, and access are the engines powering global E&M growth



Thus, Casablanca continued to implement measures including exclusive online discounts and online pre-sales activities to promote their products and to enhance the view counts of its self-operated official e-shop in Hong Kong effectively. In the fourth quarter of 2018, the Group relocated its e-commerce team in Mainland China to the Mainland China plant, which has enhanced the delivery efficiency and ensured that product planning would swiftly respond to market demand. Casablanca is committed to the provision of quality products and attentive services and strives to become the “Healthy Sleeping Expert” among consumers. (Casablanca, 2018)

2.1.4 Technological Factors

Casablanca implemented Greenhouse Gases Emission to develop a low-carbon production environment which is result of the approximately 1,096.90 tonnes of carbon dioxide (“CO₂”) emission in 2017 (decreased 5.33% of Carbon emissions compared to 2016)

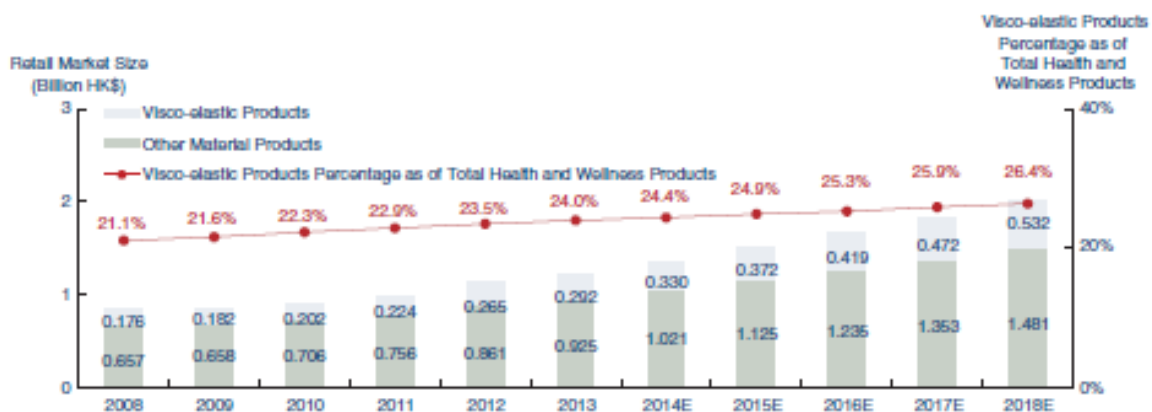
In the future, Casablanca intends to further improvement on reducing carbon emissions and energy saving for production. (Casablanca, 2018)

On the other hand, Casablanca adhered to the core principle of “Contemporary, Innovative and Functional” for its product design with a view to providing the market with well-designed quality bedding products with health functions and further strengthening its image as a “Healthy Sleeping Expert”. The Group launched mosquito repellent products for adults in the Hong Kong market in 2018. These products were especially suitable for the warm and humid climate in Southern China such that they were highly popular in the market. Furthermore, it has also launched the “Magnetic Stress-Relief Pillow” in a move to tap the high-tech pillow market. The

product has adopted magnetic healthcare material extracted from minerals under Comfytex, a Turkish brand. It can facilitate the blood circulation by means of the ferrous compound materials extracted from minerals and allow users to attain muscle relaxation for better quality sleep. In respect of the products under licensed and authorised brands, the Group has always been supportive to the design of cartoon characters originated in Hong Kong. (Casablanca, 2018)

According to the Frost & Sullivan chart illustrated the historical size (forecasted from 2014 to 2018) of the total health and wellness product market in Hong Kong. In view of the moderate growth rate for the Hong Kong's retail market size of health of wellness products, Casablanca dedicated to enhance its brand building through designing and manufacturing healthy living products with advanced production technologies in the coming years. (Figure 4)

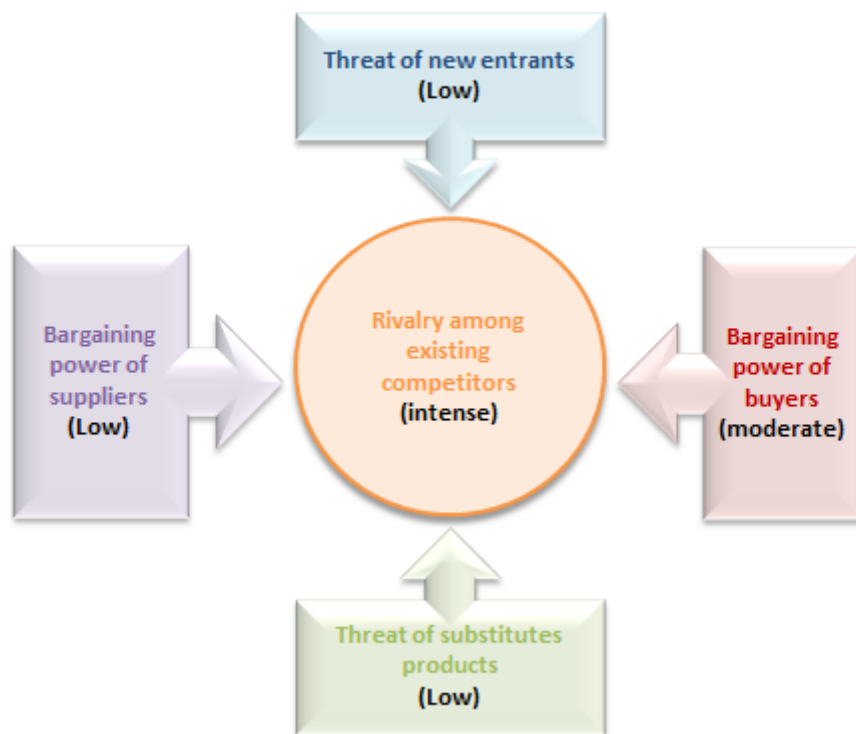
Figure 4:
Retail Market Size of Health and Wellness Products by Material (Hong Kong), 2008-2018E



Source: Frost & Sullivan

2.1.5 Porter's Five Forces Factors

Figure 5: Porter's Five Forces Analysis for Casablanca (Porters, 1979)



The Porter's Five Forces model was created by M. Porter in 1979 to understand how five key competitive forces are affecting Casablanca. (Figure 5) (Porter, 1979)

Casablanca faces intense market competition, such as Sinomax and A-Fontane. There are many competitors also have unique resources are manufacturing bedding products with the performance apparel market to gain market share in the newly launched high-end premium products. Due to Casablanca does not embrace different technological fabric or progression of patents in China; therefore its product could be imitative in the future. Suppliers do not have substantial bargaining power as Casablanca's products are manufacturing from numerous factories with requisite expertise in Asia. Casablanca's customers include both of wholesale customers and retail customers. For wholesale customer, such as Aeon and Wing On grasp a certain

degree of bargaining influence as they could seek for achievement of extra returns then finding substitute brands' products. However, the factor of brand loyalty of retail customer may result lower bargaining power. The constraints of new entrants are higher financial investment and technology in the textile and apparel market.

2.2 Micro-Level

Casablanca is committed to the provision of quality products and attentive services and strives to become the “Healthy Sleeping Expert” among consumers.

The Group sells their products to their export customers on a wholesale basis and they are not responsible for the operation of their retail outlets. Their export customers are responsible for the sale of the products they have purchased from us (including both of their licensed branded products and authorised branded products) and are not generally allowed to return those products except quality defects. Nonetheless, Casablanca provides a certain discount percentage: 2-5% of their key export customers on the purchase price as allowance for potential return of products from their own customers. We do not, however, get refunds from these export customers even if the actual amount of returned goods from their respective end-customers is less than the amount of the allowance. To ensure customer satisfaction of product quality, Casablanca had a team of 28 personnel based in our US office, maintaining regular communications with each of our export customers such that any feedback to them in a sensible manner. In order to improve service quality, the Group has formulated the Customer Complaint Handling Protocol to receive consumers' feedback on their products.

To conclude Casablanca expanded itself around the Greater China Region from its operation in Hong Kong. The advancement of Casablanca moving from a domestic to international, and eventually to a global strategy is not an easy process, which created various strategic challenges. The challenge here is to develop market strategy that can be applied around the Greater China Region while at the same time maintaining the flexibility to adapt the strategy to the local business environment when necessary.

The strategies of Casablanca are affected by both external environment as well as the competitors. Global factors influencing business are legal, political, social, technological and economic aspects. Understanding of these factors is important when developing a business strategy.

Chapter 3: Market Strategy

3.1 Segmentation, Targeting and Positioning (STP) Model

Segmentation is the route of distributing the market into similar needs' consumers or customers as a group. To precise closely related to the smaller the segment lean towards to be, but the higher the premium customers are possible to pay to have a product that more accurately meets their needs (Blythe, 2003). Casablanca is a designing and manufacturing a high-end and premium living product company. The Group mainly focuses on middle-income families who are looking for a good quality of the bedding products to provide a healthy living environment.

3.2 Marketing Mix

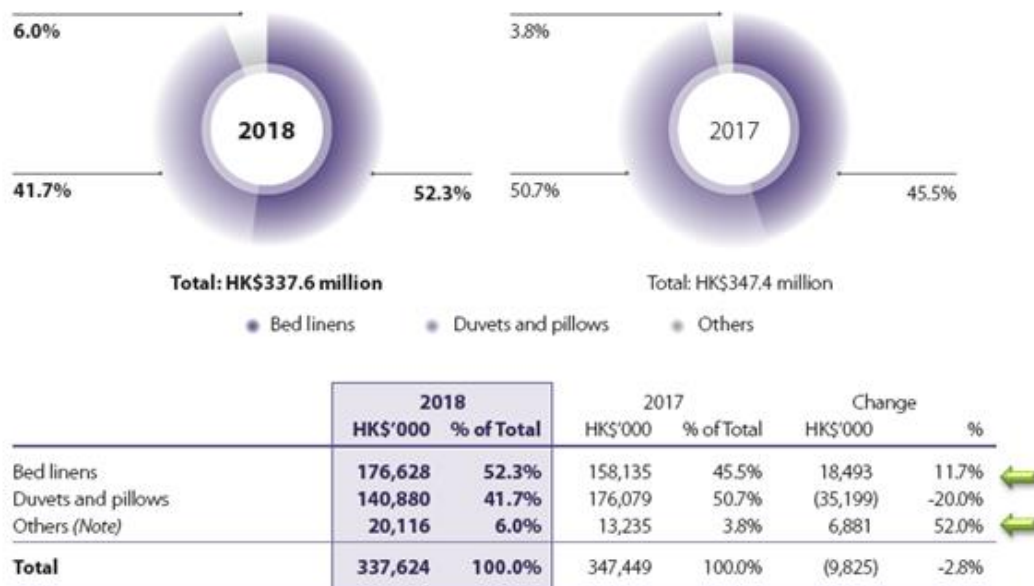
3.2.1 Product

Casablanca is mainly engaged in the sale of high-end and premium bedding products in the Greater China Region under their trademarked, registered and authorised brands. The implication for marketing strategy of consumer goods is specialty goods on bedding textiles and apparel products with high price and strong advertising to promote brand uniqueness and to inform where available locally (Appendix 1).

Casablanca offers a comprehensive range of bedding products, including (1) bed linens; (2) duvets and pillows; and (3) others includes home accessories, furniture and other products. The following table sets forth a breakdown of revenue by product categories (Figure 6):

Figure 6: Breakdown of revenue by products

Breakdown of revenue by products:



Note: "Others" includes sales of home accessories, furniture and other products.

(Casablanca, 2018)

Casablanca's bed linen products include bedsheets, pillow cases, duvet covers and bedspreads that integrate a variety of fabrics. The Group sells these items individually and in sets with altered mixtures of items. The wide range of products offers customers a choice in tailoring their bed linen sets according to the weaving technologies of the specific fabric.

The Group also offers duvets and pillows with a wide range of fill materials to meet the different needs of our consumers. Our fill materials include natural fillings (such as silk fibres, wool, camel hair, cotton and down) and synthetic fibres with specific functions (such as milk protein fibres and soy bean protein fibres). The duvets with the same fill materials can be further differentiated by three levels of warmth preservation. In addition, Casablanca offers a series of high-tech functional pillows

that incorporate memory foam technology materials which are moldable to body shape and offer support for the head, neck and shoulders.

Casablanca offers various home accessories that accompany our bedding products offerings to enhance our product selection. For instance, the Group offers a series of mattresses in different sizes and firmness levels with a range of choices of spring coil. Other home accessories include towels, blankets, cushions, cushion covers, bathrobes and home apparel sale across the Greater China Region.

The significant increase in sales of major products of bed linens and duvets and pillows was under Wholesaler's bulk-purchase agreements to allow them swapped from duvets in 2017 to bed linens in 2018, however, the total revenue of HK\$337,624 in 2018 was slightly decrease compared in 2017.

3.2.2 Pricing

To maximise the penetration of Casablanca's products and diversify their consumer, the Group adopts a multi-brand strategy targeting at specific consumer groups. The implication for relative price level is set price high in order to reinforce prestige image. (Appendix 2)

Casablanca implements a cost-plus pricing policy in respect of their trademarked or licensed brand and their authorised brand sales. Price quotations for orders are negotiated on an order-by-order basis and are generally valid for approximately three months. In determining our product prices, Casablanca consideration of different factors such as production costs (including the costs of our raw materials) and cycle, logistics costs, product types and specification, market price, and general economic conditions.

3.2.3 Place

Casablanca is increasing using hybrid marketing channels to multichannel distribution. To stimulate consumer purchases, the Group had a total of 224 offline points-of-sales ("POS") compared in 2017: 232, among which 120 were self-operated POS and 104 were distributor-operated POS, covering a total of 64 cities in the Greater China Region as of 31 Dec 2018. In-store positioning mainly display space gained by product and weighted by importance of store location for consumer products at retail level and promote point-of-purchase (P.O.P). In order to reduce its reliance on retail revenue, the Group continued to invest resources to develop the commercial customer market and enhance the Group's position in the commercial customer market. During the period under review, in addition to obtaining purchase orders from local government departments, the Group also provided goods for the point redemption schemes of different commercial customers, including famous food and beverage companies, infant and health food brands, automobile and consumer goods distribution companies and electrical brands. In 2018, the Group provided employee discount shopping activities for various partner institutions. The sales performance exceeded expectations. These employee preferential shopping activities not only expanded the group's customer base, but also effectively strengthened the relationship between the group and its partners.

Casablanca continued to implement measures including exclusive online discounts and online pre-sales activities to promote their products and to enhance the view counts of its self-operated official e-shop in Hong Kong effectively. In the fourth quarter of 2018, the Group relocated its e-commerce team in Mainland China to the Mainland China plant, which has enhanced the delivery efficiency and ensured that

product planning would swiftly respond to market demand. Casablanca is committed to the provision of quality products and attentive services and strives to become the “Healthy Sleeping Expert” among consumers. (Casablanca, 2018)

3.2.4 Promotion

The 25th anniversary of the establishment of the Group's brand, the Group launched a variety of promotional activities to increase consumer interaction with the theme of "Italian Heritage 25", including the invitation to the public to participate in "My Favorite Caesar Classic" on the Facebook page in 2018 to vote activities and the prize-winning Q&A activities, to revisit the most popular classic products and the launch of the classic imitation products of the Group over the past 25 years. The Group has always focused on public relations which is giving back to the community and supporting public welfare activities. The group sponsored "B. Duck Hong Kong Run 2018" in mid-July 2018. The event attracted about 4,000 members of the public to raise funds to donate to the nursery to support their children's education and welfare work. In addition, in the third quarter of 2018, the Group sponsored the "World Green Run Blue Sky" event hosted by the World Green Organization - Hong Kong's first open running competition with the theme of combating climate change and air quality, hoping to remind consumers Pay attention to daily life to reduce damage to the environment. The Group believes that the support of this event, in addition to working with the public, has also achieved a very positive marketing effect. According to PwC figure, 37% social networks are rank first on most influential when finding inspiration.

The Group's efforts in 2018 continued to be recognized by all parties. Apart from

being selected as the "Mother's Beloved Bedding Brand" by TVB Weekly for three consecutive years, the Group was awarded the "Hong Kong Excellence Brand" award by the Hong Kong Brand Development Council in early March. .

Casablanca has invited the celebrity of Movie Star – Mr. Cheung Chi Lam since 2015 to present as an advertising spokesperson for the Group's Brand in the Greater China Region to match with the target audience and the brand as the celebrity's familiarity. (Appendix 3)

In the fourth quarter of 2018, the Group was awarded "D-Awards" by the Federation of Hong Kong Industries and the Hong Kong Design Council to affirm Casablanca's contribution to Hong Kong's industry in product design and the "Listed Company Excellence" issued by The Letter. Grand Prize 2018".

Figure 7: Social networks are most influential when finding inspiration



(PwC, 2018)

Chapter 4: Recommendations and Conclusions

According to www.hometexnet.com (中國家紡網) data, in early 2018, the number of domestic bedding product companies decreased to approximately 4,600 from approximately 8,900 in early 2017. This indicated that the highly fragmented bedding product market in Mainland China is consolidating, which is favour of the more established enterprises with strong brand presence. Casablanca is cautiously optimistic about future development. The Group will continue to strive to enhance the differentiation of its own brands in the market with innovative products, and strive to develop various types of sales channels and expand business scope, while promoting the brand value of the Group with different marketing activities.

In early 2019, the Group established an independent team to focus on export business. Through participation in industry exhibitions, the Group's brand recognition in the international market and its customer base were enhanced, and it actively sought to cooperate with overseas strategic partners in online and offline business. The Group initially plans to seek OEM production orders or finished product wholesale, and manage orders with regional distributors, targeting Asian countries such as Thailand, Vietnam, Cambodia, South Korea, etc., and selling the Group's products to the world through internationally renowned online shopping platforms. The Group established the Hotel Supplies Projects Department in Mainland China in December 2018. The main target customers are high-end hotels, high-end conference centers and leisure clubs, which mainly provide textile products, sanitary products and cushions for rooms, restaurants and bars. The first phase of customized furniture products with new hotels are located Guangdong and Jiangsu Province. The Group will strive to seek opportunities to sell goods to commercial customers in the Hong Kong and

Mainland China markets, such as providing points-for-sales gifts to banks with special offers, while vigorously exploring corporate gift sales channels and adopting a "different alliance" strategy with wedding dresses. Companies in the beauty, fitness, and interior design industries share cross-industry membership resources.

In the retail business, the Group will continue to adopt a strategy of complementing and supporting each other online and offline sales channels. The Group will take advantage of the development advantages of Dawan District and focus on self-operated outlets in Guangdong Province, such as Shenzhen and Guangzhou. In 2019, the Group's mainland retail sales channels will continue to implement the same price online and offline, and will also increase online exclusive products to drive online sales platform. The Group is actively developing a mobile terminal sales platform to construct a “micro-operating” business model in Mainland China, allowing distribution customers to order group products through mobile phone applications, and to replenish the market more quickly. At the same time, the Group will regularly launch the Royal Brand Hot Products for new sales channels to promote the Group's “Fast Fashion” product sales. The Group will also increase the consumer's attention to the Group's official online shopping malls and the amount of purchases in Hong Kong's official shopping online stores with limited product priority order, monthly theme offers and bundled offers.

The Group insists on providing high-quality products and intimate quality services, and is committed to becoming a "healthy sleep expert" for consumers. At the beginning of 2019, the Group launched the revolutionary "Technology Pillow Series", which is equipped with different technical fabrics and high-quality latex imported from Thailand. The series includes "Constant Cosmic Pillow" that uses Outlast®

patented materials to effectively manage thermal energy, using Self Clean technology. "Nano-purifying pillows" for materials and "Zero-pressure magnetic pillows" for testing markets in 2018. In 2019, the Group will continue to develop new products that work with Big Data, and hope to provide more comfortable and comfortable sleep products for the market.

In terms of product planning in the Chinese mainland market, the Group will increase its share of the high-end market by increasing the proportion of imported goods. In addition, the Group plans to deepen the "warm protection system" with different core products, including the introduction of imported high-quality materials to produce high-end cores, providing consumers with a more comprehensive selection of core products. In addition to the bedding business, the Group will also strive to develop more textile and furniture products for hotel rooms, restaurants and bars to increase the revenue generated from hotel customers. For the "Home Living" business, the Group will continue to use "Full House Output" as a highlight to provide bedding products and custom-made furniture products. The Group will further encourage bedding distributors to sell "Home Living" at the same time.

The Group will continue to invest resources in brand promotion in the Greater China region. As the Chinese government vigorously promotes the development of Dawan District, the Group will increase its publicity efforts in the region, including advertising at the Guangzhou-Shenzhen-Hong Kong Express Rail Station and advertising on new media every quarter. In addition, in order to further enhance the leading position of the Group's brand, the Group actively cooperates with different institutions and enterprises. At the beginning of 2019, the Group was invited by the Hong Kong Trade Development Council to serve as a guest speaker at the Hong Kong

International Licensing Show to share with the industry the experience of empowering brand management and promotion. This speech is an affirmation of the Group's ongoing efforts. In recent years, the Group has strived to win the cooperation of famous cartoons or brands or the production authorization of products to create a win-win situation. At the beginning of 2019, the Group has confirmed the authorization of bedding products from world-renowned brands. At the same time, it has also been authorized by the market to change the authorization of two famous Korean cartoon characters. The Group is actively preparing for the launch of the products. In addition, the Group will add Hong Kong's well-known Japanese cartoon character licensing products, which is expected to bring surprises to the market. The Group believes that a good authorized brand management and promotion can enhance the Group's brand image and attract more young people to pay attention to the Group's brand trends.

The Group will adhere to the design concept of “fashion, creativity and function” and strive to provide consumers with affordable, high-quality, stylishly designed bedding and suitable novel household items. The Group will continue to explore revenue sources and enhance the Group's brand value, which will bring ideal returns to shareholders in the long run. In future, the Group will continue to promote healthy lifestyle to consumers by adopting new technology and materials in products, and to become a world leading brand of a Home Textile Enterprise.

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Chapter 6: Appendix

Appendix 1

	Product Series ¹	Product Style	Fabrics Used	Processing Techniques
CASA BLANCA [®] H O M E	Massa 	Simple and natural	Cotton	Printing
	Massa-basic 	Modern	Cotton	Printing
Casa Calvin [®]	Siena 	Aesthetic	Cotton	Embroidery
	Palermo 	Noble	Satin and sateen	Printing
	Catania 	Luxurious	Silk and cotton	Jacquard
	Euphoria 	Neutral	Plain brush cotton	Printing

Appendix 2

Proprietary Brands

The following table sets forth a summary of our two main proprietary brands:

Brand	Year of Establishment	Brand Description
Casablanca 	1993	Brand theme: Simple, fashionable and colourful Products series: Massa Massa-basic Siena Target market: High-end Products range: Bed linens, duvets and pillows and home accessories
Casa Calvin Casa Calvini 卡撒·珂芬	1995	Brand theme: Noble, elegant and luxurious Product series: Palermo Catania Euphoria Target market: Premium Product range: Bed linens, duvets and pillows and home accessories

In addition, we offer a line of pillows and mattresses under the Forcetek  brand and made-to-order products for wholesale customers under the Casatino  brand.

Appendix 3

新聞中心

張智霖加入Casablanca大家庭

🕒 2015-05-14

秉承「愛生活，愛未來」的宗旨，Casablanca一直致力提升消費者的睡眠質素，不斷研發有關改善人體睡眠健康及睡眠環境的產品為核心，令消費者更能享受優質品味生活。適逢今年22周年，Casablanca邀請得同樣懂得享受生活，並且風靡萬千女士的男神張智霖 (Chilam) 加入Casablanca大家庭，成為品牌代言人，並由他為大家介紹Casablanca旗下一個全新綠色健康品牌 - CASA-V。



【你今晚同邊個瞓？】

張智霖 (Chilam) 為CASA-V拍攝了一幅以【你今晚同邊個瞓？】為主題的電視廣告，並已於5月15日晚上7時30分在無線電視翡翠台首播。Casablanca亦在廣告首播前一星期於youtube及facebook上發放了一條約10秒的精采預告片，並已引起大眾在網上社交平台上熱烈談論及分享。而當5月15日的完整版廣告推出的之後，再配合多個網上社交平台及戶外電視平台的瘋狂播放，經已引起了大家一輪更大的迴響。



所以識享受生活的你，必定會跟張智霖一樣，揀選Casablanca陪你瞓！

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(Accessed 20Jun2019)