

18 March 2024

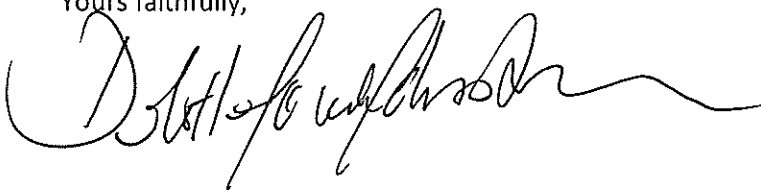
The Directors
Palasino Holdings Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Dear Sirs,

In connection with the preparation of our accountants' report on the historical financial information of Palasino Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") (the "Accountants' Report") dated 18 March 2024 for inclusion in the prospectus (the "Prospectus") of the same date issued by the Company, the directors of the Company have made certain adjustments, the details of which are set out in the accompanying statement of adjustments, to the audited consolidated financial statements of Palasino Group, a.s. (formerly known as Trans World Hotels & Entertainment, a.s.) and its subsidiaries (together, "Palasino Group") for the year ended 31 March 2023 and the six months ended 30 September 2023, the unaudited management account of the Company from 6 July 2023 (date of incorporation) to 30 September 2023 and the unaudited management account of Palasino (BVI) Limited from 25 July 2023 (date of incorporation) to 30 September 2023 underlying the combined financial information of the Group for the three years ended 31 March 2023 and the six months ended 30 September 2023 on the basis that the group structure upon completion of the group reorganisation, details of which are set out in note 1 of the Accountants' Report, had been in existence throughout the relevant periods or since their respective dates of incorporation or acquisition where there is a shorter period. The directors of the Company have not made any adjustment to the audited consolidated financial statements of Palasino Group underlying the combined financial information of the Group for the two years ended 31 March 2022.

In our opinion, the adjustments are appropriate for the preparation of the Accountants' Report for inclusion in the Prospectus.

Yours faithfully,



Palasino Holdings Limited
Statement of adjustments
Combined statement of financial position
As at 31 March 2023

	Per consolidated financial statements	Adjustment	Per Accountants' Report
	Palasino Group	#1	
	HK\$'000	HK\$'000	HK\$'000
Non-current assets			
Property and equipment	365,500		365,500
Deposits for acquisition of equipment	2,696		2,696
Deposits for gaming licence	10,800		10,800
Intangible assets	4,046		4,046
Right-of-use assets	25,853		25,853
Loan to a related party	39,165		39,165
Pledged bank deposits	4,059		4,059
	<u>452,119</u>	-	<u>452,119</u>
Current assets			
Inventories	2,277		2,277
Financial assets at fair value through profit and loss	21,089		21,089
Trade receivables	7,058		7,058
Other receivables, deposits and prepayments	13,175		13,175
Amounts due from fellow subsidiaries	35,013		35,013
Cash and cash equivalents	86,084		86,084
	<u>164,696</u>	-	<u>164,696</u>
Current liabilities			
Trade payables	6,294		6,294
Other payables	66,646		66,646
Income tax payable	9,255		9,255
Contract liabilities	1,955		1,955
Lease liabilities	1,446		1,446
Bank and other borrowings	31,191		31,191
	<u>116,787</u>	-	<u>116,787</u>
	-		
Net current assets	<u>47,909</u>	-	<u>47,909</u>
	-		
Total assets less current liabilities	<u>500,028</u>	-	<u>500,028</u>
Non-current liabilities			
Bank and other borrowings	38,998		38,998
Lease liabilities	63,420		63,420
Other payables	4,038		4,038
Deferred tax liabilities	5,810		5,810
	<u>112,266</u>	-	<u>112,266</u>
Net assets	<u>387,762</u>	-	<u>387,762</u>
Capital and reserve			
Share capital	37,000		37,000
Reserves	350,762	(38,776)	311,986
Equity attributable to owners of the Company	387,762	(38,776)	348,986
Non-controlling interests	-	38,776	38,776
Total equity	<u>387,762</u>	-	<u>387,762</u>

#1 Recognition of non-controlling interests

The directors of the Company have not made any adjustment to the consolidated statement of profit or loss and other comprehensive income underlying the combined financial information of the Group for the year ended 31 March 2023.

Palasino Holdings Limited
Statement of adjustments
Combined statement of financial position
As at 30 September 2023

	Per management account		Per management account		Per consolidated financial statements		Total before adjustments		Adjustments		Per Accountants' Report	
	The Company	Palasino (BVI) Limited	Palasino Group	Palasino Group	#1	#2	#3	#1	#2	#3	#1	#2
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Non-current assets												
Investment in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-
Property and equipment	-	-	355,266	355,266	355,266	355,266	355,266	355,266	-	-	-	355,266
Deposits for gaming licence	-	-	10,200	10,200	10,200	10,200	10,200	10,200	-	-	-	10,200
Intangible assets	-	-	3,172	3,172	3,172	3,172	3,172	3,172	-	-	-	3,172
Right-of-use assets	-	-	23,944	23,944	23,944	23,944	23,944	23,944	-	-	-	23,944
Pledged bank deposits	-	-	4,202	4,202	4,202	4,202	4,202	4,202	-	-	-	4,202
Deferred tax assets	-	-	35	35	35	35	35	35	-	-	-	35
	-	-	396,819	396,819	396,819	396,819	396,819	396,819	-	-	-	396,819
Current assets												
Inventories	-	-	2,067	2,067	2,067	2,067	2,067	2,067	-	-	-	2,067
Financial assets at fair value through profit and loss	-	-	21,378	21,378	21,378	21,378	21,378	21,378	-	-	-	21,378
Trade receivables	-	-	9,386	9,386	9,386	9,386	9,386	9,386	-	-	-	9,386
Other receivables, deposits and prepayments	2,061	-	18,274	18,274	20,335	20,335	20,335	20,335	(9)	(9)	-	20,335
Amount due from a subsidiary	9	-	-	-	9	9	9	9	-	-	-	9
Amounts due from fellow subsidiaries	676	-	767	767	1,443	1,443	1,443	1,443	-	-	-	1,443
Amount due from an intermediate holding company	-	-	1,404	1,404	1,404	1,404	1,404	1,404	(1,404)	(1,404)	-	-
Cash and cash equivalents	2,746	-	77,549	77,549	77,549	77,549	77,549	77,549	-	-	-	77,549
	-	-	130,825	130,825	133,571	133,571	133,571	133,571	(1,413)	(1,413)	-	132,158
Current liabilities												
Trade payables	-	-	6,007	6,007	6,007	6,007	6,007	6,007	-	-	-	6,007
Other payables	10,263	-	73,987	73,987	84,260	84,260	84,260	84,260	-	-	-	84,260
Income tax payable	-	-	3,418	3,418	3,418	3,418	3,418	3,418	-	-	-	3,418
Contract liabilities	-	-	2,355	2,355	2,355	2,355	2,355	2,355	-	-	-	2,355
Lease liabilities	-	-	1,392	1,392	1,392	1,392	1,392	1,392	-	-	-	1,392
Amount due to immediate holding company	1,404	9	-	-	9	9	9	9	(9)	(9)	-	-
Amount due to a subsidiary	-	-	8,825	8,825	1,404	1,404	1,404	1,404	(1,404)	(1,404)	-	-
Bank and other borrowings	-	9	95,984	95,984	107,670	107,670	107,670	107,670	(1,413)	(1,413)	-	106,257
	-	(9)	34,831	34,831	25,901	25,901	25,901	25,901	-	-	-	25,901
Net current (liabilities) assets	(8,921)	(9)	431,650	431,650	422,720	422,720	422,720	422,720	-	-	-	422,720
Total assets less current liabilities												
Non-current liabilities												
Bank and other borrowings	-	-	56,293	56,293	56,293	56,293	56,293	56,293	-	-	-	56,293
Lease liabilities	-	-	59,196	59,196	59,196	59,196	59,196	59,196	-	-	-	59,196
Other payables	-	-	3,532	3,532	3,532	3,532	3,532	3,532	-	-	-	3,532
Deferred tax liabilities	-	-	6,081	6,081	6,081	6,081	6,081	6,081	-	-	-	6,081
	-	-	125,102	125,102	125,102	125,102	125,102	125,102	-	-	-	125,102
Net (liabilities) assets	(6,921)	(9)	306,548	306,548	297,618	297,618	297,618	297,618	-	-	-	297,618
Capital and reserve												
Share capital	-	-	37,000	37,000	37,000	37,000	37,000	37,000	-	-	-	37,000
Reserves	(8,921)	(9)	269,548	269,548	260,618	260,618	260,618	260,618	-	-	(29,762)	230,856
Equity attributable to owners of the Company	(8,921)	(9)	306,548	306,548	297,618	297,618	297,618	297,618	-	-	(29,762)	267,856
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-
Total (deficiency) equity	(6,921)	(9)	306,548	306,548	297,618	297,618	297,618	297,618	-	-	-	297,618

* The balances represent amount less than HK\$1,000.

#1 Elimination of investment of a subsidiary

#2 Elimination of intra-group balances.

#3 Recognition of non-controlling interests

Palasino Holdings Limited
Statement of adjustments
Combined statement of profit or loss and other comprehensive income
For the six months ended 30 September 2023

	Per management account	Per management account	Per consolidated financial statements	Total before adjustments	Adjustments	Per Accountants' Report
	The Company	Palasino (BV) Limited	Palasino Group		#1	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Gaming revenue	-	-	194,279	194,279	-	194,279
Hotel, catering and related services revenue	-	-	84,008	84,008	-	84,008
Gaming, hotel, catering and related services revenues	-	-	278,287	278,287	-	278,287
Gaming tax	-	-	(67,351)	(67,351)	-	(67,351)
Inventories consumed	-	-	(14,520)	(14,520)	-	(14,520)
Other income	-	-	2,946	2,946	-	2,946
Other gains and losses	-	-	8,186	8,186	-	8,186
Depreciation and amortisation	-	-	(11,810)	(11,810)	-	(11,810)
Employee benefits expenses	-	-	(95,758)	(95,758)	-	(95,758)
Listing expenses	(14,452)	-	-	(14,452)	-	(14,452)
Other operating expenses	(250)	(9)	(56,397)	(56,656)	-	(56,656)
Finance costs	-	-	(1,974)	(1,974)	-	(1,974)
(Loss) profit before tax	(14,702)	(9)	41,609	26,898	-	26,898
Income tax expense	-	-	(9,844)	(9,844)	-	(9,844)
(Loss) profit for the period	(14,702)	(9)	31,765	17,054	-	17,054
Other comprehensive expense	-	-	(19,085)	(19,085)	-	(19,085)
Item that will not be reclassified to profit or loss:						
Exchange difference arising from translation of functional currency to presentation currency	-	-	-	-	-	-
Item that may be reclassified subsequently to profit or loss:						
Exchange differences arising on translation of foreign operations	(14,702)	(9)	12,349	(331)	-	(331)
Total comprehensive (expense) income for the period	(14,702)	(9)	31,765	(2,362)	-	(2,362)
(Loss) profit for the period attributable to:						
Owners of the Company	(14,702)	(9)	31,765	17,054	(1,705)	15,349
Non-controlling interests	-	-	-	-	1,705	1,705
Total comprehensive (expense) income for the period attributable to:						
Owners of the Company	(14,702)	(9)	12,349	(2,362)	236	(2,126)
Non-controlling interests	-	-	-	-	(236)	(236)
	(14,702)	(9)	12,349	(2,362)	-	(2,362)

#1 Recognition of non-controlling interests