

**APPENDIX V                      SUMMARY OF REVIEW OF ANTI-MONEY LAUNDERING  
PROCEDURES, SYSTEMS AND CONTROLS**

**INDEPENDENT ASSURANCE REPORT**

**To: The Directors of Palasino Holdings Limited**

We have been engaged by Palasino Holdings Limited ("**Palasino Group**") to perform a limited assurance engagement for the period from July 1, 2022 to June 30, 2023, relating to assessment of internal controls over anti-money laundering ("**AML**") management of the operations of gambling activities in connection with the following AML statutes and guidelines (collectively known as the "**AML statutes and guidelines**"):

- (a) Czech Act No. 186/2016 Coll, on gambling (the "**Gambling Act**"); Part Three Chapter II on Identification and Monitoring within Gambling Room and Casino; and
- (b) Czech Act No. 523/2008 Coll. On Selected Measures against Legitimation of Proceeds of Crime and Financing of Terrorism (the "**AML Act**").

**Management's Responsibility**

In preparing our report we have relied upon representations made to us by Palasino Group's management, officers and staff and on materials and information made available to us for the purposes of this engagement. Palasino Group's management warrant that the information provided and materials made available to us are correct to the best of their knowledge and belief and that there is no other information the omission of which may cause the information furnished to us to be misled or which may appear to be misleading.

The management of Palasino Group are, and will continue to be, solely responsible for designing, implementing and maintaining appropriate systems, internal controls, processes including, without limitation, systems designed to assure compliance with policies, procedures, and applicable laws and regulations. All decisions in connection with the design and implementation of internal controls, processes and computer systems are the responsibilities of, and made by Palasino Group. The management will be responsible for overseeing the services we provide under this engagement.

Accordingly, Palasino Group has designed an AML policy as the basis for Palasino Group to meet the requirements of the AML statutes and guidelines. The latest version of this policy was submitted and acknowledged by the Financial Analytical Office of Czech Republic on April 19, 2022. Under the AML Act, Palasino Group is required to establish the internal rules and procedures for combating money laundering and financing of terrorism.

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### **Deloitte Touche Tohmatsu's Responsibility**

It is our responsibility to express a conclusion as to adequacy and effectiveness of the AML review with limited assurance. We report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our work in accordance with the Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Hong Kong Institute of Certified Public Accountants. This Standard requires that we comply with ethical requirements, and plan and perform the assurance engagement to obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the Palasino Group's AML control procedures have significant deficiencies or material weakness.

In a limited assurance engagement the evidence-gathering procedures are more limited than for an audit or a reasonable assurance engagement, and therefore less assurance is obtained than in an audit or a reasonable assurance engagement. The procedures selected depend on our judgement, including the assessment of Palasino Group's procedures, policies in connection to AML statutes and guidelines. A summary of work performed to assess Palasino Group's control procedures is listed below:

- (1) Assessed control procedures on identification of money laundering risk and indicators of suspicious activity;
- (2) Assessed the Company's AML controls, communication, organisation awareness and training to staff;
- (3) Assessed customer due diligence measures including Know Your Customer (KYC) procedures;
- (4) Assessed control procedures on identifying, recording and reporting large sum transactions;
- (5) Assessed control procedures on identifying, recording and reporting suspicious transactions which indicate any activity of money laundering or funding terrorism;
- (6) Assessed record retention and information confidentiality control procedures;
- (7) Assessed the control procedures on reporting the practice of criminal activities, including money laundering in accordance with the AML Act;
- (8) Assessed the control procedures on monitoring large cash transactions in the exchange counters.

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### **Inherent Limitation**

We draw attention to the fact that the procedures performed and the report, include certain inherent limitations that can influence the reliability of the information. Accordingly, errors or irregularities may occur and not be detected. Such procedures cannot guarantee protection against fraudulent collusion. It should be noted that we cannot guarantee that any regulatory authority would not reach an alternative conclusion, which is dependent on their own interpretation of the legislation, regulations, and prevailing industry practices, nor can our findings be considered legal advice. Furthermore, our conclusion is based on historical information and the projection of any information contained in our conclusion to any future period is subject to the risk that changes in procedures or circumstances may alter their validity.

### **Conclusion**

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that Palasino Group's AML control procedures do not comply, in all material respects, with the AML statutes and guidelines for the period from July 1, 2022 to June 30, 2023.

### **Restriction on Use and Distribution**

Our report is intended solely for the use of the Company in connection with the submission to The Stock Exchange of Hong Kong Limited and for inclusion in the [REDACTED] of the Company in connection with its proposed [REDACTED]. This report may not be suitable for other purposes. This report is not intended to be, and should not be distributed to or used for any other purpose.

Yours faithfully  
For and on behalf of  
Deloitte Touche Tohmatsu

Chan Yat Man  
Partner  
Risk Advisory