PALASINO

Palasino Holdings Limited
百樂皇宮控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：2536

2026
ANNUAL REPORT
年報

Contents

Corporate Information

As at 23 June 2026

BOARD OF DIRECTORS

Executive Director

Pavel MARŠÍK (Chief Executive Officer)

Non-Executive Directors

Tan Sri Dato' David CHIU (Chairman)
Cheong Thard HOONG

Independent Non-Executive Directors

Ngai Wing LIU
Kam Choi Rox LAM
Sin Kiu NG
Jie JIAO
Chuchu Tracy LI (appointed on 1 April 2026)

AUDIT COMMITTEE

Ngai Wing LIU (Chairman)
Kam Choi Rox LAM
Sin Kiu NG
Jie JIAO

NOMINATION COMMITTEE

Tan Sri Dato' David CHIU (Chairman)
Ngai Wing LIU
Kam Choi Rox LAM
Sin Kiu NG

REMUNERATION COMMITTEE

Ngai Wing LIU (Chairman)
Cheong Thard HOONG
Kam Choi Rox LAM

EXECUTIVE COMMITTEE

Pavel MARŠÍK (Chairman)
Oi Wai WONG (appointed on 24 April 2026)

CHIEF FINANCIAL OFFICER

Oi Wai WONG (appointed on 24 April 2026)

COMPANY SECRETARY

Oi Wai WONG (appointed on 24 April 2026)

AUTHORISED REPRESENTATIVES

Cheong Thard HOONG
Oi Wai WONG (appointed on 24 April 2026)

LEGAL ADVISORS

Reed Smith Richards Butler LLP
Conyers Dill & Pearman
Becker a Poliakoff, s.r.o., advokátní kancelář
Kraft Rechtsanwalts GmbH
avocado rechtsanwälte
WH Partners
Justyna Zyga ECO Legal Kancelaria Radcy Prawnego

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest
Entity Auditors

PRINCIPAL BANKERS

Allgemeine Sparkasse Oberösterreich
Bankaktiengesellschaft
Erste Bank der oesterreichischen Sparkassen AG
Kreissparkasse Köln
Sparkasse Langen-Seligenstadt
Sparkasse Münden
Ceská spořitelna, a.s.
Finductive Ltd.
Komerční banka
Raiffeisenbank a.s.
Bank Julius Baer & Co. Ltd.
BNP Paribas, acting through its Hong Kong Branch
Industrial and Commercial Bank of China (Asia) Limited

PLACE OF INCORPORATION

Cayman Islands

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

PRINCIPAL OFFICE

16/F, Far East Consortium Building
121 Des Voeux Road Central
Hong Kong

SHARE REGISTRAR

Tricor Investor Services Limited
17/F., Far East Finance Centre,
16 Harcourt Road,
Hong Kong

LISTING INFORMATION

Ordinary Shares (Code: 2536)

The Stock Exchange of Hong Kong Limited

WEBSITE

http://www.palasinoholdings.com

Financial and Operational Highlights

KEY FINANCIAL DATA

	2026 HK$'000	2025 HK$'000
Revenues:		
Gaming revenue	448,114	408,799
Hotel, catering, leasing and related services revenue	163,005	159,345
	611,119	568,144
Gaming tax	(162,002)	(148,417)
Total net revenues	449,117	419,727
Adjusted EBITDA[note 1]	60,660	52,461

GAMING STATISTICS

	2026	2025
Slot machines		
Turnover (HK$'000)	7,191,288	6,576,662
Gross win (HK$'000)	362,943	336,655
Average slot win per machine per day (HK$)[Note 2]	1,454	1,420
House edge percentage[Note 3]	5.0%	5.1%
Occupancy rates of slot machines		
– Overall[Note 4]	18.5%	20.8%
– Peak hours (8 p.m. to 12 a.m.)[Note 5]	63.5%	71.6%
Tables		
Drop (HK$'000)	383,748	371,572
Gross win (HK$'000)	106,190	90,171
Average daily gross win (HK$)[Note 2]	5,819	3,959
Hold percentage[Note 3]	27.7%	24.3%

KEY FINANCIAL METRICS

	2026	2025
Net profit attributable to owners of the Company (HK$'000)	13,820	15,391
Basic earnings per share (HK cents)	1.71	1.91
Total assets (HK$'000)	782,801	760,839
Total borrowings (HK$'000)	43,846	53,565
Gearing ratio	7.7%	9.8%

Notes:

1. Represents a non-HKFRS measure which is defined and reconciled to the nearest comparable HKFRS measure in the section headed "Non-HKFRS Financial Measures" Section below.
2. Average slot win per machine per day = Slot machine gross win/((opening number of machines + closing number of machines)/2)/number of open days

   Average daily gross win per table = Table games gross win/((opening number of tables + closing number of tables)/2)/number of open days
3. A – slot machine handle (total bets made on slot machines)

   B – table game drop (total cash deposited on table games plus chips bought with cash at casino cage)

   C – slot machine gross win (slot machine bet – slot machine payout)

   D – table game gross win (total cash deposited – chips exchanged for cash)

   Slot machine house edge percentage = (C/A) x 100%

   Table games hold percentage = (D/B) x 100%
4. Occupancy rate = (number of slot machines that are actively being used by players/total number of slot machines available) x 100%

   A slot machine is regarded as actively being used by players when a player logs into the slot machine during a gaming session by inserting a player account card.
5. Peak hours refer to 8 p.m. to 12 a.m. every Friday and Saturday.

Chairman's Statement

It is with great pleasure that I present this statement to our shareholders which amalgamates the results of our solid teamwork and collective achievements represented by our professional team members in Palasino Holdings Limited. The results would not be feasible without each individual effort.

Despite ongoing inflationary pressures weighing on consumer spending power, the Group's gaming performance continued to deliver growth. With Palasino Mikulov casino soft launching its operations in December 2025 and officially opened in March 2026, the Group has further strengthened its financial position. Despite the challenges posed by the macroeconomic environment, the Group has continued to uphold and leverage its competitive advantages, while consolidating its market-leading position through asset revitalisation.

Our steady financial performance demonstrates our dedication to excellence and our unwavering confidence in our existing commitments. By deepening our understanding of customers, the Group's gaming strategy executed remarkably well. Total revenue before gaming tax increased by 7.6% to HK$611.1 million. Gaming revenue further increased by 9.6% to HK$448.1 million, whereas hotel revenue rose by 2.6% moderately to HK$162.7 million. The Palasino Resort facilities and catering offering continued to provide a premium one-stop comprehensive service to our guests and contributed to cross promote our facilities. The Group's adjusted EBITDA, a non HKFRS measure, for FY2026 recorded HK$60.7 million, representing a 15.6% increase from FY2025 of HK$52.5 million.

The Group is committed to seize on investment opportunities and enlarge it gaming presence through acquisitions, reorganisations or reinvestment from retained earnings, providing various product offerings in slot machines and table games.

The Group remains vigilant in combating economic and competition risks. Founded on the Group's long-established policies, internal control and our prudent financial management, we are able to enhance shareholders' values by advancing in game product offering, and capitalizing our investment in new ventures.

I would like to take this opportunity to extend my sincere appreciation to our team for their dedication, professionalism, and unwavering commitment. I would like to also express my heartfelt thanks to our customers for their loyalty, and to our shareholders for their continued trust that help us build resilience to navigate challenges, seize opportunities, and deliver sustainable growth.

Looking ahead, we remain firmly committed to strengthening our foundations, pursuing disciplined expansion, and creating long-term value to our shareholders.

David CHIU
Chairman and non-executive Director

23 June 2026

Chief Executive Officer's Review

Dear Shareholders,

On behalf of Palasino Holdings Limited, I am pleased to present the Group's business review for the year ended 31 March 2026.

FY2026 was a year of continued progress for the Group. Despite inflationary pressure, foreign exchange volatility, higher labour costs and geopolitical uncertainty, we continued to grow our core gaming business, strengthen our operating platform and invest in the future development of the Group.

During the Year, the Group recorded total net revenues of approximately HK$449.1 million, representing an increase of 7.0% compared with FY2025. The improvement was mainly driven by growth in gaming revenues, supported by increased visitation, marketing initiatives and stronger table games performance. Profit for the Year was approximately HK$13.8 million, while adjusted property EBITDA remained broadly stable at approximately HK$75.8 million.

BUSINESS REVIEW

The gaming business remained the Group's principal revenue driver. Gaming revenues increased to approximately HK$448.1 million, representing growth of 9.6% compared with FY2025. This was supported by increased customer visitation, successful promotional activities, improved table games performance and stable contributions from slot machine operations.

A key milestone during the Year was the opening of Palasino Mikulov in the Czech Republic. The property had its soft opening in December 2025 and grand opening in March 2026, featuring 106 slot machines and 10 gaming tables. The launch of Palasino Mikulov marks an important step in our strategy to deepen our presence in the Czech gaming market and broaden our portfolio of land-based gaming assets.

Our hotel, catering and related services business remained stable and continued to complement the gaming operations. The hospitality segment supports the customer experience, encourages cross-visitation and strengthens the positioning of our properties as integrated leisure and entertainment destinations.

STRATEGIC PROGRESS

During the Year, we focused on strengthening the foundations for sustainable growth.

We continued to invest in our properties, gaming equipment and customer-facing facilities to enhance competitiveness and improve the customer experience. We also advanced customer engagement initiatives, including marketing campaigns, loyalty programmes, customer relationship management tools and mobile application development. These initiatives are expected to support more effective customer communication and improve promotional efficiency over time.

The Group also maintained a disciplined approach to capital allocation. Investment in Palasino Mikulov and ongoing renovation and equipment upgrades were undertaken with a focus on long-term value creation. We will continue to assess the timing of further phases of the Mikulov project carefully, taking into account market conditions, expected returns, funding requirements and regulatory considerations.

FINANCIAL POSITION

The Group maintained a strong financial position. As at 31 March 2026, the Group had total cash and bank balances of approximately HK$220.0 million and remained in a net cash position of approximately HK$176.1 million. This provides the Group with financial flexibility to support existing operations, fund selected capital expenditure and evaluate future growth opportunities.

We continued to manage liquidity prudently, with a focus on capital preservation, operational needs and reasonable returns. Foreign exchange movements remain an area of management attention, as the Group's revenue and cost base are exposed mainly to Euro and Czech Koruna movements. Management will continue to monitor currency exposure and consider appropriate measures where necessary.

RISK MANAGEMENT AND COMPLIANCE

As a regulated gaming and hospitality group, compliance and internal control remain central to our operations. During the Year, management continued to focus on gaming regulatory compliance, anti-money laundering controls, responsible gaming, player protection, customer due diligence, data privacy, cyber security, business continuity and reputational risk.

The opening of Palasino Mikulov reinforces the importance of maintaining consistent operating standards across the Group. As we expand, we will continue to strengthen our processes, staff training, system resilience and management oversight to ensure that growth is supported by robust controls.

PEOPLE AND CULTURE

Our people are fundamental to the Group's performance. As at 31 March 2026, the Group employed 696 employees, mainly in the Czech Republic, Germany and Austria. During the Year, our teams supported the launch of Palasino Mikulov while continuing to operate our existing properties.

We remain committed to building a culture focused on service quality, compliance, accountability and operational excellence. The Group will continue to invest in training, employee development and appropriate benefits, while managing costs carefully in a competitive labour market.

OUTLOOK

Looking ahead, we remain cautiously optimistic about the Group's long-term prospects. The external environment is expected to remain uncertain, with continued pressure from inflation, labour costs, foreign exchange movements and geopolitical developments. Nevertheless, the Group is supported by an established presence in Central Europe, a solid financial position and a disciplined investment approach.

In FY2027, our priorities will be to improve operating efficiency, grow customer visitation, optimize the performance of Palasino Mikulov, strengthen customer engagement and continue to evaluate selected growth opportunities in the Czech Republic, Central Europe and other markets. We will pursue expansion opportunities only where they are consistent with our strategy, risk appetite and commitment to long-term shareholder value.

On behalf of the management team, I would like to thank our shareholders, customers, business partners, employees and the Board for their continued trust and support.

Pavel MARŠÍK
Chief Executive Officer
Palasino Holdings Limited

23 June 2026

Profile of Directors and Senior Management

As at 23 June 2026

MR. PAVEL MARŠÍK

Executive Director and Chief Executive Officer

Pavel MARŠÍK ("Mr. Maršík"), aged 53, is our executive Director and Chief Executive Officer. As our Chief Executive Officer, Mr. Maršík is responsible for formulating overall corporate and business strategies of the Company and, with the support of a management team which includes other members of our senior management and divisional heads, overseeing the day-to-day management and operation of our Group. Mr. Maršík is also a director of various subsidiaries of our Group. Mr. Maršík worked at Arthur Andersen Prague from August 1996 to March 2000. Mr. Maršík joined Palasino Group, a.s. (formerly known as Trans World Hotels & Entertainment, a.s.) ("Palasino Group") in March 2000 as the Regional Financial Controller and board member. Initially, Mr. Maršík supported Trans World Corporation ("TWC") (the then parent company of Palasino Group) in the implementation of internal control and financial reporting systems as well as the financial management of Palasino Group. Since 2004, Mr. Maršík has taken an active role in growing and diversifying Palasino Group's business both organically as well as by acquisitions and greenfield developments of casinos in the Czech Republic and hotels in the Czech Republic, Germany, and Austria. From September 2018 to June 2020, Mr. Maršík was the chief financial officer (Europe) of Far East Consortium International Limited ("FEC" and together with its subsidiaries, the "FEC Group"). Since July 2020, Mr. Maršík has been leading the team at Palasino Group as managing director (which position he held until he took up the position of chief executive officer in July 2023), chairman of the board and chief financial officer of Palasino Group.

Mr. Maršík obtained a Dipl. Ing. (Master's Degree) from the University of Economics in Prague in June 1996, specialising in International Trade, and obtained the FCCA title from the Association of Chartered Certified Accountants in the United Kingdom in May 2005.

TAN SRI DATO' DAVID CHIU, B.SC.

Non-executive Director and Chairman

Tan Sri Dato' David CHIU (丹斯里拿督邱達昌), aged 72, is our non-executive Director and chairman of the board of directors of the Company (the "Board"). He is also one of our controlling shareholders. Tan Sri Dato' David CHIU is responsible for providing strategic advice in the formulation of business plans and major decisions of our Group. Tan Sri Dato' David CHIU has over 40 years of experience in property development and extensive experience in hotel development. He graduated from the University of Sophia in Japan with a Bachelor of Science degree in Business Administration and Economics in July 1975. He was appointed as the managing director of the FEC Group since 1978 and later became the deputy chairman and chief executive officer of the FEC Group in 1994 and 1997, respectively. In 2011, Tan Sri Dato' David CHIU was appointed as the chairman of FEC. He is an executive director of FEC and also a director of a number of the FEC Group's subsidiaries. Tan Sri Dato' David CHIU was the vice-chairman and a non-executive director of i-CABLE Communications Limited (stock code: 1097) from September 2017 until May 2023. In Malaysia, he was conferred an honorary award which carried the title "Dato" and subsequently a more senior honorary title of "Tan Sri" by His Majesty, the King of Malaysia, in 1997 and 2005, respectively.

Profile of Directors and Senior Management

As at 23 June 2026

MR. CHEONG THARD HOONG, B.ENG., ACA

Non-executive Director

Cheong Thard HOONG ("Mr. Hoong") (孔祥達), aged 57, is our non-executive Director. Mr. Hoong is responsible for providing strategic advice in the formulation of business plans and major decisions of our Group. Mr. Hoong has over 12 years of experience in the corporate finance and investment banking industry in Asia. In 1997, he joined UBS as an associate director in the corporate finance department and was subsequently promoted to director and executive director in 2000 and 2002, respectively. From 2003 to 2006, Mr. Hoong worked for Deutsche Bank as a director. Mr. Hoong was the chief executive officer and an executive director of China LotSynergy Holdings Limited (which was then listed on GEM of the Stock Exchange but has since transferred its listing to the Main Board of the Stock Exchange and changed its name to China Ecotourism Group Limited) from 2006 to 2008, and its non-executive director from 2008 to 2017. Mr. Hoong has been an executive director of FEC since August 2012. Mr. Hoong was the managing director of FEC from September 2008 to December 2023 and was redesignated as the managing director of Far East Organization (International) Limited with effect from 1 January 2024. Mr. Hoong has been a non-independent and non-executive director of Land & General Berhad, a company listed on the main board of Bursa Malaysia, since 1 June 2010. Mr. Hoong was a non-executive director of i-CABLE Communications Limited, a company listed on the Main Board of the Stock Exchange, from September 2017 to May 2023. Mr. Hoong was a director of AGORA Hospitality Group Co., Ltd., a company listed on the Tokyo Stock Exchange, from March 2009 to March 2017. Mr. Hoong has been appointed as an independent non-executive director of Evergrande Property Services Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 6666), since May 2025. Mr. Hoong has been appointed as an independent non-executive director of Beijing Shougang LanzaTech Technology Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 2553), since June 2026. Mr. Hoong graduated from Imperial College of Science, Technology and Medicine, University of London in the United Kingdom in August 1989 with a Bachelor of Engineering degree in Mechanical Engineering. Mr. Hoong is a member of the Institute of Chartered Accountants in England and Wales.

DR. NGAI WING LIU

Independent Non-executive Director

Ngai Wing LIU ("Dr. Liu") (廖毅榮), aged 75, was appointed as an independent non-executive Director with effect from 4 March 2024. Dr. Liu is responsible for providing oversight of the Board and independent advice on the operation and management of our Group. Prior to joining our Group, Dr. Liu held other senior management positions in companies whose shares are or were listed on the Main Board of the Stock Exchange. Dr. Liu was the chief executive officer and non-executive chairman at Yoshiya International Corporation, Limited (currently known as Capital Estate Limited, Stock Code: 193) from October 1996 to November 1998 and from December 1998 to April 2002, respectively; the chief executive officer and executive director of Singapore Hong Kong Properties Investment Limited (Stock Code: 245) (currently known as China Vered Financial Holding Corporation Limited) from September 2000 to December 2001; and an executive director of eSun Holdings Limited (Stock Code: 571) from November 1998 to May 2008. From March 2000 to December 2008, Dr. Liu was an independent non-executive director and the chairman of the audit committee of Hang Fung Gold Technology Limited (currently known as 3D-GOLD Jewellery Holdings Limited), a company whose shares were listed on the Main Board of the Stock Exchange but were subsequently delisted on 9 July 2012. Shares in 3D-GOLD were suspended from trading since 29 September 2008, and it was announced on the same day that Dr. Lam Sai Wing ("Dr. Lam"), the then chairman of 3D-GOLD, had passed away and that technical breaches of certain loan facilities may arise as a result of Dr. Lam ceasing to be chairman of 3D-GOLD. On 14 October 2008 it was announced that certain wholesale trade receivables of 3D-GOLD might not be recoverable, and a winding up petition for 3D-GOLD was filed by The Hongkong and Shanghai Banking Corporation Limited on 17 October 2008. The winding-up petition was subsequently adjourned to 13 July 2011 based on the available announcement of 3D-GOLD. The shares of 3D-GOLD were delisted with effect from 9 July 2012 by the Stock Exchange. Since Dr. Liu's resignation from the board of directors of 3D-GOLD on 5 December 2008, he has been unaware of any further developments in the affairs of 3D-GOLD.

Dr. Liu previously acted as an independent non-executive Director and a member of the audit committee in other companies listed on the Main Board and GEM Board of the Stock Exchange, including in Daiwa Associate Holdings Limited (Stock Code: 1037) (currently known as Maxnerva Technology Services Limited) from September 2004 to December 2015, in New Smart Energy Group Limited (Stock Code: 91) (currently known as Golden Century International Holdings Group Limited) from July 2005 to September 2009 and in Hanvey Group Holdings Limited (Stock Code: 8219) from April 2019 to June 2024. Dr. Liu was also an independent non-executive Director and the chairman of the audit committee of Dorsett Hospitality International Limited from September 2010 to October 2015.

Dr. Liu was awarded a Master of Business Administration from Hong Kong Metropolitan University (formerly known as The Open University of Hong Kong) in December 1999. He further obtained multiple degrees, including a Master of Science degree in Hotel and Tourism Management from The Hong Kong Polytechnic University in November 2001 and a Master of Science degree in Global Business from The Chinese University of Hong Kong in December 2002. Dr. Liu obtained his PhD degree from the Hotel and Tourism Management School of The Hong Kong Polytechnic University in October 2008, a Master of Arts degree in China Studies from Hong Kong University of Science and Technology in November 2011, a Doctor of Business Administration degree from Curtin University of Technology in January 2013, a Master of Arts degree in Asian and International Studies from The City University of Hong Kong in February 2013, a Master of Arts degree in Practical Philosophy from Lingnan University in November 2015, a Master of Arts degree in Chinese Studies from Chu Hai College of Higher Education in October 2017, a Bachelor of Arts degree in Chinese Humanities from Hong Kong Metropolitan University in August 2018, and a Bachelor of Social Sciences degree from Hong Kong Metropolitan University in November 2021.

Dr. Liu is an associate of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Company Secretaries), an associate of The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators), a member of The Hong Kong Institute of Certified Public Accountants and a fellow of The Association of Chartered Certified Accountants.

MR. KAM CHOI ROX LAM

Independent Non-executive Director

Kam Choi Rox LAM ("Mr. Lam") (林錦才), aged 71, was appointed as an independent non-executive Director with effect from 4 March 2024. Mr. Lam is responsible for providing oversight of the Board and independent advice on the operation and management of our Group. Mr. Lam is a retired senior banker with over 40 years of experience in the banking and financial industry. Prior to joining our Group, Mr. Lam was with OCBC Bank (HK Branch) from July 2007 to April 2023, where he has held various positions, including Head of Corporate and Institutional Banking, deputy general manager, and chief executive and general manager, which was his last position with the bank. From March 1978 to July 2007, Mr. Lam worked at the Bank of Tokyo-Mitsubishi UFJ (currently known as MUFG Bank), where he has held various positions, including Head of Corporate Banking and Deputy General Manager. Mr. Lam's last position with the Bank of Tokyo-Mitsubishi UFJ was Senior Assistant General Manager of the Asian Investment Banking Division – Global Finance Department. From October 1984 to March 1987, Mr. Lam was with the Bank of Credit and Commerce where he was promoted from officer to acting manager. Mr. Lam was a bank officer in the Advances Department in Barclays Bank from October 1978 to October 1984. Mr. Lam obtained a Master of Business Administration from the University of Ballarat (currently known as Federation University Australia) in Australia in September 2006. Mr. Lam had been a Certified Credit Risk Management Professional (Credit Portfolio Management (CCRP (CPM)) of the Hong Kong Institute of Bankers since January 2021 until his retirement in April 2023.

Profile of Directors and Senior Management

As at 23 June 2026

MS. SIN KIU NG

Independent Non-executive Director

Sin Kiu NG ("Ms. Ng") (吳先僑), aged 53, was appointed as an independent non-executive Director with effect from 4 March 2024. Ms. Ng is responsible for providing oversight of the Board and independent advice on the operation and management of our Group. Ms. Ng has been a partner of the law firm, Jingtian & Gongcheng LLP, since April 2026. She was previously also a partner at Watson Farley & Williams LLP from December 2015 to March 2026 and Squire Patton Boggs from April 2012 to December 2015. Ms. Ng has over 10 years of experience in corporate finance matters, and has advised on a broad spectrum of matters, including initial public offerings, secondary equity and equity-linked offerings, mergers and acquisitions, transactional and compliance matters, and other commercial matters. Prior to becoming partner, Ms. Ng was an assistant solicitor at Paul Hastings from January 2008 to October 2008, and at Gallant (formerly known as Gallant Y.T. Ho & Co) from February 2000 to April 2001. From May 2001 to December 2007 and October 2008 to December 2009, Ms. Ng was an assistant solicitor at Sidley Austin, and she was a consultant at Sidley Austin from January 2010 to March 2012. Ms. Ng was appointed as an independent non-executive director of ContiOcean Environment Tech Group Co., Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 2613) since July 2024. She was appointed as an independent non-executive director of Zhongmiao Holdings (Qingdao) Co., Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 1471) since August 2024. Ms. Ng graduated with a Bachelor of Laws degree from The University of Hong Kong ("HKU") in November 1995, and also obtained her Postgraduate Certificate in Laws at HKU in June 1996. She was awarded a Master of Laws degree from HKU in December 1999. Ms. Ng was qualified as a Solicitor of the High Court of Hong Kong in August 1998, of the Supreme Court of England & Wales in March 1999, and of the Greater Bay Area in May 2023.

MS. JIE JIAO

Independent Non-executive Director

Jie JIAO ("Ms. Jiao") (焦捷), aged 45, was appointed as an independent non-executive Director with effect from 1 July 2024. Ms. Jiao is responsible for providing oversight of the Board and independent advice on the operation and management of our Group. Ms. Jiao is currently the chief financial officer of Play for Dream, Inc. Ms. Jiao was an independent non-executive director of MOG Digitech Holdings Limited, a company listed on the Stock Exchange (stock code: 1942) from March 2020 to August 2024. She was appointed as independent director of Quhuo Limited, a company listed on Nasdaq (stock code: QH) since July 2020. From June 2019 to May 2022, she was appointed as independent director of China Index Holdings Limited, a company listed on Nasdaq (stock code: CIH). Ms. Jiao was appointed as an independent non-executive director of TradeGo FinTech Limited (stock code: 8017), a company listed on the Stock Exchange since September 2018. She was appointed as an independent non-executive director of EPI (Holdings) Limited (a company listed on the Main Board of the Stock Exchange, stock code: 0689) since August 2024 and she was appointed as an independent non-executive director of Tianli Holdings Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 0117) since December 2024. Ms. Jiao was also appointed as an independent non-executive director of LVGEM (China) Real Estate Investment Company Limited (a company listed on the Main Board of the Stock Exchange, stock code: 0095) since February 2025. and she was appointed as an independent non-executive director of Arta TechFin Corporation Limited (a company listed on the Main Board of the Stock Exchange, stock code: 0279) since December 2025. From June 2014 to December 2018, she was the financial officer of iClick Interactive Asia Group Limited, a company listed on Nasdaq (stock code: ICLK) and was responsible for corporate finance and internal control. From March 2012 to May 2014, Ms. Jiao was the joint company secretary and general legal counsel of ArtGo Holdings Limited, a company listed on the Stock Exchange (stock code: 3313). From January 2010 to February 2012, Ms. Jiao was the chief legal counsel and head of investor relations of SouFun Holdings Limited, a company listed on the New York Stock Exchange (stock code: SFUN). From January 2007 to 2010, she served as the joint company secretary and special assistant to the chairman of the board of directors of Century Sunshine Group Holdings Limited. Ms. Jiao graduated from the Law School and China Center for Economic Research at Peking University with bachelor's degrees in law and economics in July 2003 and obtained a degree of magister juris from University of Oxford in July 2005. Ms. Jiao obtained the certificate of Legal Profession Qualification in March 2010. She also obtained Chartered Financial Analyst qualification in September 2014.

MS. CHUCHU TRACY LI

Independent Non-Executive Director

Chuchu Tracy LI (李楚楚), aged 36, was appointed as an independent non-executive Director with effect from 1 April 2026. Ms LI is currently an executive director, chief financial officer, authorised representative, company secretary and a member of the nomination committee of Arta TechFin Corporation Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0279), and is responsible for strategic planning, capital markets, financial management and corporate governance. Ms. Li has extensive experience in private equity investment, post-investment management, financial advisory and risk management. Previously, Ms. Li served as an executive director and chief financial officer of Avantua Group Limited ("Avantua"), where she successfully led and managed investments across multiple sectors, including financial services, consumer goods and retail, healthcare, technology and new economy, and real estate. Avantua is primarily engaged in capital management and investment businesses, operating an integrated investment platform covering private equity, public equity and private credit. Before joining Avantua in May 2020, Ms. Li was an investment director at a private investment firm from December 2017 to April 2020. From April 2015 to December 2017, Ms. Li was a manager in advisory services of a global advisory firm and was responsible for due diligence, regulatory compliance, risk management and corporate governance. From September 2012 to March 2015, she worked as an assistant manager in audit services of an international accounting firm. Ms. Li obtained a Bachelor of Business Administration in Professional Accountancy from The Chinese University of Hong Kong in 2012. She is a fellow member of Hong Kong Institute of Certified Public Accountants. Ms. Li was appointed as an independent non-executive director of Lync Pharmaceutical Co., Ltd, which submitted an application for listing on the Main Board of the Stock Exchange in November 2025 and Annoroad Gene Technology (Beijing) Co., Ltd., which submitted an application for listing on the Main Board of the Stock Exchange in March 2025 and WiseTek Med Ltd. which submitted an application for listing on the Main Board of the Stock Exchange in January 2026. She also served as a director of Bosera Asset Management Co., Limited and Concord Insurance Company Limited.

MS. OI WAI WONG

Chief Financial Officer and Company Secretary

Oi Wai WONG (Ms. Wong) (黃愛慧), is our Chief Financial Officer and Company Secretary. She is responsible for the overall financial management and capital market and investor relations of the Company. Prior to joining the Group, Ms. Wong held several roles in property and real estates. She was the General Manager of Accounts Department of Sino Group, Financial Controller (Hong Kong) of K. Wah International Holdings Limited, and she held various managerial positions at the Hong Kong Housing Society. Before that, she took various roles in MNCs in Hong Kong and Canada focused in Telecommunications industries. Ms. Wong graduated from McGill University, Canada, holding a Bachelor of Commerce concentrating in Accounting and Management Information Systems. She is a non-practising member of the Hong Kong Institute of Certified Public Accountant, a qualified member of American Institute of Certified Public Accountants. She is also a Fellow member of Chartered Management Accountant and a Chartered Global Management Accountant.

MR. TOMÁŠ KMENT

Director of Administration and Facilities

Tomáš KMENT ("Mr. Kment"), aged 60, is our Director of Administration and Facilities, and leads the administration, legal, facilities and IT team of the Company responsible for the procurement and maintenance of facilities and equipment of the Land Based Gaming Business and German and Austrian Hotel Business, as well as other general administrative functions of the Company. He is also responsible for the corporate governance of our Group, including overseeing the licencing and permit agenda and dealings with governmental agencies. Mr. Kment is also a director of various subsidiaries of our Group. Mr. Kment has over 27 years of management experience. He joined LMJ Casino Rozvadov in October 1997 as an administrative manager and was appointed our Director of Administrations and Facilities in 2000. Prior to joining our Group, Mr. Kment worked at Kreditní banka a.s., Plzeň in the Czech Republic from 1993 to 1996. Mr. Kment graduated from Czech Technical University, Transportation and Handling Technology in Prague in September 1990 with a dipl Ing degree. Mr. Kment is the president of the Czech Casino Association (which is a member of the European Casino Association).

Profile of Directors and Senior Management

As at 23 June 2026

MR. COLIN CHAPMAN STEWART

Chief Operating Officer – Gaming

Colin Chapman STEWART ("Mr. Stewart"), aged 61, is our Chief Operating Officer – Gaming and leads the operations team in relation to the land based gaming business and the online gaming business and is responsible for formulating the business development strategies of the land based gaming business and online gaming business. Mr. Stewart also handles the gaming licence applications of the Online Gaming Business. Mr. Stewart is also a director of various subsidiaries of our Group. Mr. Stewart joined our Group in February 2014 as director of casino operations and was appointed our Director of Operations in November 2015. Mr. Stewart has been heading Palasino Malta Limited ("Palasino Malta") as its chief executive officer since July 2021 and is a key functionary of Palasino Malta, having been granted the Key Function Certificate by the MGA in November 2022. Mr. Stewart has over 40 years of experience in the gaming industry, having worked in various jurisdictions, including the United Kingdom, Poland, Czech Republic, Bulgaria and the Caribbean. During the period from 1988 to 2007, Mr. Stewart worked in casinos in different countries, including Genting Lucaya Beach Resort & Casino (in the Bahamas), Shangri La Casino of Storm International (in Russia), Zjednoczone Przedsiebiorstwa Rozrywkowe S.A. (in Poland), Aspers (Newcastle) Ltd (in the United Kingdom) and Princess Trimontium Casino (in Bulgaria) with various senior titles, including gaming shift manager, pit boss, head of marketing and general manager. Prior to joining our Group, Mr. Stewart worked at Casino Marketing Design, where his responsibilities included preparing market and business reports for casinos.

MR. JOHN FRIAR

Director of Audit and Compliance

John FRIAR ("Mr. Friar"), aged 53, is our Director of Audit and Compliance and is responsible for supervising the operation of the land based gaming business and the German and Austrian hotel business to ensure they remain compliant with external regulations and internal procedures. Mr. Friar has over 25 years of experience in the gaming industry. He joined TWC as a trainee dealer in 1999 and was appointed as an internal auditor of our Group in 2001 and our Director of Audit and Compliance in 2008. Prior to joining our Group, Mr. Friar was with Prudential Assurance Company PLC in the United Kingdom from 1989 to 1995. Mr. Friar finished his secondary education at Downs School, Compton in the United Kingdom in 1989.

CHANGES TO DIRECTORS' INFORMATION

The changes in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules from the date of the 2025-26 Interim Report and up to the date of this annual report is set out below:

Mr. Cheong Thard HOONG has been appointed as an independent non-executive director of Beijing Shougang LanzaTech Technology Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 2553), since June 2026.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Five-Year Financial Summary

	For the year ended 31 March				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
RESULTS					
Revenue	**611,119**	568,144	564,341	529,021	351,196
Profit before taxation	**25,343**	29,916	28,167	61,616	49,050
Income tax expense	**(11,523)**	(14,525)	(18,675)	(17,462)	(8,967)
Profit for the year	**13,820**	15,391	9,492	44,154	40,083

	As at 31 March				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
ASSETS AND LIABILITIES					
Total assets	**782,801**	760,839	738,703	616,815	577,157
Total liabilities	**(215,622)**	(211,573)	(235,849)	(229,053)	(228,912)
	567,179	549,266	502,854	387,762	348,245
Non-controlling interests	**–**	–	–	(38,776)	–
Equity attributable to equity holders of the Company	**567,179**	549,266	502,854	348,986	348,245

Management Discussion and Analysis

FINANCIAL REVIEW

Revenues

The Group's revenues before gaming tax were approximately HK$611.1 million for the year ended 31 March 2026 ("FY2026" or the "Year"), an increase of 7.6%, compared to approximately HK$568.1 million for the year ended 31 March 2025 ("FY2025"). The increase was mainly driven by the increases in gaming revenues.

The Group's revenues consisted of the following:

	2026 **HK$'000**	2025 HK$'000	% Change
Gaming revenue	**448,114**	408,799	9.6%
Hotel, catering and related services revenue	**162,749**	158,632	2.6%
Leasing revenue	**256**	713	(64.1%)
	611,119	568,144	7.6%
Gaming tax	**(162,002)**	(148,417)	9.2%
Total net revenues	**449,117**	419,727	7.0%

The Group's gaming revenues were generated from Palasino Excalibur City, Palasino Wullowitz, Palasino Furth im Wald and Palasino Mikulov in the Czech Republic, which offered slot machines and table games.

The Group's gaming revenues for FY2026 were approximately HK$448.1 million (FY2025: HK$408.8 million), representing 73.3% (FY2025: 72.0%) of total revenues. An increase of 9.6% in the gaming revenues was primarily due to increase in table games hold percentage and slot volumes deriving from increased visitation as a result of continual marketing, promotions and advertising campaigns, which was, partially offset by slight decreases in house edge percentage of slot machines.

During FY2026, we were able to realise one of the key strategic milestones. Our key development projects in Czech Republic – the soft opening of Palasino Mikulov was held on 18 December 2025 and grand opening of Palasino Mikulov was held on 21 March 2026, featuring 106 slot machines and 10 gaming tables.

The following table summarises the results of the casino operation:

	2026 **HK$'000**	2025 HK$'000
Gaming revenues from:		
– slot machine operations	**349,098**	326,432
– table gaming operations	**99,016**	82,367
	448,114	408,799

	2026	2025
Slot machines		
Turnover (HK$'000)	**7,191,288**	6,576,662
Gross win (HK$'000)	**362,943**	336,655
Average slot win per machine per day (HK$)[Note 1]	**1,454**	1,420
House edge percentage[Note 2]	**5.0%**	5.1%
Occupancy rates of slot machines		
– Overall[Note 3]	**18.5%**	20.8%
– Peak hours (8 p.m. to 12 a.m.)[Note 4]	**63.5%**	71.6%
Tables		
Drop (HK$'000)	**383,748**	371,572
Gross win (HK$'000)	**106,190**	90,171
Average daily gross win (HK$)[Note 1]	**5,819**	3,959
Hold percentage[Note 2]	**27.7%**	24.3%

Notes:

1. Average slot win per machine per day = Slot machine gross win/((opening number of machines + closing number of machines)/2)/number of open days

   Average daily gross win per table = Table games gross win/((opening number of tables + closing number of tables)/2)/number of open days

2. A – slot machine handle (total bets made on slot machines)
   B – table game drop (total cash deposited on table games plus chips bought with cash at casino cage)
   C – slot machine gross win (slot machine bet – slot machine payout)
   D – table game gross win (total cash deposited – chips exchanged for cash)
   Slot machine house edge percentage = (C/A) x 100%
   Table games hold percentage = (D/B) x 100%

3. Occupancy rate = (number of slot machines that are actively being used by players/total number of slot machines available) x 100%

   A slot machine is regarded as actively being used by players when a player logs into the slot machine during a gaming session by inserting a player account card.

4. Peak hours refer to 8 p.m. to 12 a.m. every Friday and Saturday

Management Discussion and Analysis

The Group's hotel, catering and related service revenues consisted of the following:

	2026 **HK$'000**	2025 HK$'000	% Change
Hotel operations	**90,525**	88,656	2.1%
Catering operations	**72,224**	69,976	3.2%
Total hotel, catering and related service revenues	**162,749**	158,632	2.6%

The Group's revenues from hotel operations, consisted of room revenues and hotel-related service revenues. For FY2026, approximately HK$90.5 million was recorded, represented 2.1% increase compared to approximately HK$88.7 million for FY2025, mainly due to the combined effect of the increases in hotel-related service revenue and increases in room revenue driven by higher average daily room rate, in conjunction with the exchange impact of appreciation of CZK against HK$, partially offset by decreases in average occupancy rate.

The following table summarises the results of the hotel operations:

	2026	2025	% Change
Average daily room rate (HK$)			
Hotel Columbus	**730**	638	
Hotel Auefeld	**732**	711	
Hotel Kranichhohe	**742**	723	
Hotel Donauwelle	**771**	785	
Hotel Savannah	**638**	601	
Average of all hotels	**732**	692	5.8%
Average occupancy rate (%)			
Hotel Columbus	**36**	43	
Hotel Auefeld	**49**	52	
Hotel Kranichhohe	**60**	57	
Hotel Donauwelle	**57**	52	
Hotel Savannah	**59**	59	
Average of all hotels	**52**	53	(1%)
Room revenue (HK$'000)			
Hotel Columbus	**11,246**	11,923	
Hotel Auefeld	**12,225**	12,732	
Hotel Kranichhohe	**17,442**	16,487	
Hotel Donauwelle	**28,274**	25,774	
Hotel Savannah	**10,869**	11,024	
Average of all hotels	**16,011**	15,588	2.7%
RevPAR (HK$)			
Hotel Columbus	**264**	279	
Hotel Auefeld	**360**	375	
Hotel Kranichhohe	**447**	422	
Hotel Donauwelle	**440**	401	
Hotel Savannah	**378**	382	
Average of all hotels	**384**	372	3.2%

Notes:

1. Average daily room rate = room revenue/the number of rooms in use

2. Average occupancy rate = (the number of rooms in use/the number of rooms available) x 100%

3. Rate of hotel rooms paid by hotel guest

4. RevPAR = room revenue/the number of rooms available

Other income

Other income primarily consisted of interest income. The Group's interest income for FY2026 was approximately HK$6.1 million, a decrease of 24.1%, compared to approximately HK$8.0 million for FY2025. The decrease was primarily attributable to lower interest rates.

Other gains and losses

Other gains and losses of FY2026 amounted to HK$1.6 million, compared to approximately HK$1.1 million losses in FY2025. It mainly consisted of net foreign exchange losses, fair value change on financial assets at fair value through profit or loss and fair value change on investment property of HK$0.6 million and net losses on disposal of property and equipment of HK$0.1 million.

Impairment loss on property and equipment

The Group assesses the carrying value of the Group-owned operating casinos and hotels during FY2026 when there is any indication that the assets may be impaired. Indicative criteria include continuing adverse changes in the local market conditions in which the property operates, or when the property continues to operate at a loss position or materially behind budget. At the end of the reporting period, the Group assessed the carrying value of all Group-owned operating casinos and hotels. Professional valuations have been carried out by an independent professional firm for those properties for which the internal assessment results need independent confirmation.

Based on the Group's internal assessment and independent professional valuations, an impairment loss of HK$4.2 million was recognised for a hotel for FY2026.

Operating expenses

Operating expenses were approximately HK$425.5 million for FY2026, an increase of 7.2%, compared to approximately HK$397.0 million for FY2025. The increase was primarily driven by increases in employee benefits expenses.

A breakdown of the operating expenses is set out below.

	2026 HK$'000	2025 HK$'000	% Change
Employee benefits expenses	**209,660**	196,161	6.9%
Other operating expenses	**125,572**	121,702	3.2%
Pre-opening expenses	**4,723**	–	N.M.
Inventories consumed	**28,626**	26,219	9.2%
Depreciation and amortisation	**29,602**	25,610	15.6%
Listing expenses	**–**	1,949	(100%)
Rental expenses of slot machines	**24,238**	22,311	8.6%
Real estate transfer tax on reorganisation	**–**	(572)	(100%)
Finance costs	**3,090**	3,586	(13.8%)
Total operating expenses	**425,511**	396,966	7.2%

N.M. – Not meaningful

Employee benefits expenses for FY2026 were approximately HK$209.7 million, an increase of 6.9%, compared to approximately HK$196.2 million for FY2025. The increase was primarily driven by a salary increment in line with the employment market and additional staffing resources recruited for the operation of Palasino Mikulov. While the Group continuously optimized the workforce to drive efficiency, the benefit was partially offset by the currency appreciation of CZK against HK$.

Other operating expenses were approximately HK$125.6 million for FY2026, an increase of 3.2%, compared to approximately HK$121.7 million for FY2025. The increase was primarily attributable to the costs incurred for the marketing campaign launched together with the development of a new CRM tool and mobile app.

Pre-opening expenses for FY2026 were approximately HK$4.7 million, primarily consisted of employee costs and marketing expenses incurred for Palasino Mikulov prior to the soft-opening on 18 December 2025.

Inventories consumed primarily consisted of food and beverages costs for catering operations. The cost of inventories consumed was approximately HK$28.6 million, an increase of 9.2%, compared to approximately HK$26.2 million for FY2025. The increase was primarily due to elevated food cost, compounded by the exchange impact of appreciation of CZK against HK$.

Depreciation and amortisation for FY2026 were approximately HK$29.6 million, an increase of 15.6%, compared to approximately HK$25.6 million for FY2025. The increase primarily reflected the full year impact of the depreciation from slot machines acquired in FY2025 and the depreciation of the property and equipment of Palasino Mikulov upon commencement of operations during FY2026.

Listing expenses consisted of professional fees and other costs in connection with the Group's global offering. Listing expenses for FY2025 were approximately HK$1.9 million, primarily due to the ordinary shares issued under the exercise of the over-allotment option. No such expenses were incurred for FY2026.

Rental expenses of slot machines were approximately HK$24.2 million for FY2026, an increase of 8.6%, compared to approximately HK$22.3 million for FY2025. The increase was primarily driven by the additional slot machines leased for the operations of Palasino Mikulov.

The real estate transfer tax on reorganisation represented the Group's hotel properties in Germany and was payable under the Real Estate Transfer Tax Act of Germany upon completion of the reorganisation. The release of real estate transfer tax over-provision on reorganisation in FY2025 was approximately HK$0.6 million. No such release incurred for FY2026.

Finance costs were approximately HK$3.1 million, largely consistent as compared to approximately HK$3.6 million for FY2025.

Adjusted EBITDA and adjusted property EBITDA[i]

The Adjusted EBITDA, a non-HKFRS financial measure, recorded an increase of 15.6% from HK$52.5 million to HK$60.7 million, reflected adjusted earnings before interest income, finance cost, income tax, depreciation and amortization, and a non-cash impairment on hotel property and equipment. Further adjusted by the decrease in online gaming expenses by HK$7.7 million from HK22.9 million to HK$15.2 million as resulted from the product disposal, the increase in gaming revenue and hotel catering, rooms and leasing revenue, and related services were largely offset by the increase in operating expenses due to aforesaid economic factors that result in adjusted property EBITDA of HK$75.9 million.

Profit for the Year

As a result of the foregoing reasons, profit for the Year was HK$13.8 million, a decrease of 10.2% compared to HK$15.4 million in FY2025.

LIQUIDITY AND FINANCIAL RESOURCES

The equity attributable to owners of the Company as at 31 March 2026 increased to approximately HK$567.2 million, an increase of 3.3% over that as at 31 March 2025 of approximately HK$549.3 million while the Group's total assets employed increased to HK$782.8 million as at 31 March 2026 as compared to HK$760.8 million as at 31 March 2025.

The Group had a restricted bank deposit of approximately HK$19.5 million and certain land and buildings pledged with a bank as security in exchange for a guarantee of CZK120,000,000 (equivalent to approximately HK$44.4 million) as additional refundable gaming deposit in compliance with the requirement of the Czech Gambling Act. The restricted bank deposit is refundable upon the gaming licence being conclusively withdrawn or ceased and will not be realised within 12 months from the end of reporting period, and as such, the amount is classified as non-current assets. The restricted bank deposit carried a fixed interest rate of 0.75% per annum as at 31 March 2026.

The Group had pledged bank deposits of approximately HK$4.7 million to secure long-term bank borrowings granted to the Group. The pledged bank deposits will be released upon the settlement of relevant bank borrowings.

[i] Represents a non-HKFRS measure which is defined and reconciled to the nearest comparable HKFRS measure in the section headed "Non-HKFRS Financial Measures" Section below.

Management Discussion and Analysis

The Group continued to maintain a strong liquidity position. To preserve funds for future capital expenditure and new business opportunities, the Group continued to invest surplus cash generated from the operations. The lower risk investment included short-term fixed deposits, structured deposits, dual currency investments and fixed income instruments, as well as high quality listed debt securities issued by large financial institutions and corporations to generate recurring interest income for the Group.

As at 31 March 2026, the Group held HK$51.6 million in listed debt securities, as compared to HK$6.2 million as at 31 March 2025, predominantly denominated in U.S. dollar and a significant portion in investment grade rating. Listed debt securities investments were closely monitored by a designated team with international leading banks. The listed debt securities were classified as financial assets at fair value through profit or loss. These listed debt securities were considered to be of low credit risk and the expected credit loss was immaterial. As at 31 March 2026, none of the listed debt securities in any individual investee company held by the Group equalled or exceeded 5% of the Group's total assets. To further diversify the Group's investment portfolio and to optimise the investment returns in light of the decline in interest rates, the Group may allocate certain portion of the surplus cash generated from the operations to listed equity securities, as appropriate, to exercise prudent investment strategy while generate positive returns.

The Group's total cash and bank balances (including fixed deposits) were approximately HK$220.0 million as at 31 March 2026 compared to approximately HK$291.5 million as at 31 March 2025 while bank borrowings were approximately HK$43.8 million as at 31 March 2026 as compared to approximately HK$53.6 million as at 31 March 2025.

The following table sets out the Group's bank deposits, bank balances and cash and bank borrowings as at 31 March 2026.

	As at 31 March 2026 HK$'000	As at 31 March 2025 HK$'000
Bank borrowings		
Due within 1 year	**9,030**	8,322
Due 1-2 years	**9,216**	8,461
Due 2-5 years	**25,279**	35,472
Due more than 5 years	**321**	1,310
Total bank borrowings	**43,846**	53,565
Bank deposits, bank balances and cash	**219,977**	291,523
Liquidity position	**215,442**	286,855
Net cash	**176,131**	237,958

As at 31 March 2026, the Group's bank borrowings were denominated in Euro and 35% of the bank borrowings were with floating rates while the remaining had fixed rates.

The Group's liquidity position remained strong and the Group is confident that sufficient resources could be secured to meet its commitments and working capital requirements.

FOREIGN EXCHANGE MANAGEMENT

The majority of revenue was denominated in EUR while costs were largely denominated in EUR and CZK. The value of the EUR against the CZK fluctuated depending to a large extent on domestic and international economic and supply and demand in the local market. Foreign currency payments were received from our customers during daily operations, and bank borrowings were denominated in local currency in EUR. Foreign currencies were translated into reporting currency of HK$ and movements were charged to in the consolidated statements of profit or loss and other comprehensive income in accordance with the applicable accounting standards.

The Group have not maintained a foreign currency hedging policy to hedge against exposure to currency risk. However, management of the Group continued to closely monitor the movement of foreign currency rates and would consider hedging significant foreign currency exposure should the need arise. Within FY2026 the Company faced the strong appreciation of the CZK against EUR. To protect against the fluctuation the exchange rate, forward contract was concluded with Raiffeisenbank ("Enhanced Target Redemption Forward – Enhanced EKI TARF") for the period of 12 months divided into 12 settlements. EKI TARF was settled within two months with immaterial gain recognised. The Company doesn't intend to hedge against exposure to currency risk.

CAPITAL EXPENDITURE

The Group's capital expenditure consisted of additions of property and equipment.

During FY2026, the Group incurred capital expenditure of HK$44.8 million, including (i) the general renovation and maintenance of the hotels and casinos of approximately HK$4.4 million, (ii) the upgrade and replacement of property and equipment of approximately HK$6.8 million and (iii) the development of Palasino Mikulov of approximately HK$33.6 million. Such amounts of capital expenditure were funded by cash generated from operations and the net proceeds (the "Net Proceeds") from the global offering and the exercise of over-allotment option in accordance with the planned use of proceeds, as appropriate.

CAPITAL COMMITMENTS

As at 31 March 2026, the Group did not have capital commitments (as at 31 March 2025: nil).

CHARGES ON COMPANY ASSETS

As at 31 March 2026, the Group had approximately HK$24.2 million and HK$186.5 million of bank deposits and property and equipment pledged as security, respectively, for bank loans obtained in Germany and Austria and for a bank guarantee in Czech Republic as additional refundable gaming deposit in compliance with the requirement of New Czech Gambling Act.

Apart from the above pledged assets, the Group also pledged the entire shareholding of Trans World Hotels Austria GmbH for bank borrowings as at 31 March 2026.

GEARING RATIO

As at 31 March 2026, the Group continued to maintain low gearing ratio of approximately 7.7% (as at 31 March 2025: approximately 9.8%). Gearing ratio is calculated based on the total bank borrowings divided by the total equity as at the end of each financial year and multiplied by 100%. The decrease in the gearing ratio as at 31 March 2026 resulted primarily from the repayment of bank borrowings in FY2026 and the increase in total equity as a result of the total comprehensive income earned for FY2026.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in this annual report, during FY2026, the Group did not have any significant investments, material acquisitions or disposals of subsidiaries, associates or joint ventures.

CONTINGENT LIABILITIES

As at 31 March 2026, the Group did not have any contingent liabilities.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2026, the Group maintained stable workforce and employed 696 employees (as at 31 March 2025: 697) mainly in the Czech Republic, Germany, Austria and Malta. Employee costs amounted to approximately HK$212.2 million (FY2025: HK$196.2 million).

The Group committed to invest in its employees with comprehensive benefit packages and career development opportunities, including medical benefits, and both internal and external training appropriate for various levels of staff roles and functions.

The Group has adopted a share option scheme on 4 March 2024 to provide incentive or reward to eligible participants for their contribution or potential contribution to the Group. No share option has been granted under the share option scheme as at the date of this annual report.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this annual report, during FY2026, the Group did not have any plans for material investments or capital assets which are legally binding.

PROSPECTS AND OUTLOOK

Under the backdrop of ongoing economic and social uncertainties, rising oil and gasoline prices have heightened inflationary risks and exerted pressure on the disposable income of European travellers. Notwithstanding these macroeconomic challenges, the Group continues to differentiate itself through a compelling market proposition that delivers strong value-for-money entertainment experiences. As a result, the Group's gaming revenue has continued to grow despite volatile economic conditions, demonstrating the resilience of our business model and our ability to respond effectively to changing customer demand.

Building on the initial expansion of the gaming floor and the increase in slot machine capacity at Palasino Resort, the Group will continue to pursue asset rejuvenation initiatives. These included upgrading gaming facilities, optimizing back-of-house space utilization, and enhancing hospitality and conference offerings. Through these strategic enhancements, the Group aims to strengthen its competitive position and capture additional market share in an increasingly consolidating gaming industry in the Czech Republic and across Central Europe.

The grand opening of Palasino Mikulov marks an important milestone and a new chapter in the Group's growth, with the acquisition of additional gaming floor space. Its contemporary design and modernized slot machine offerings provide customers and travellers with a refreshed gaming experience and a broader range of entertainment choices. Following the successful completion of Phase One, the Group will proceed with the expansion plan of Phase Two at Mikulov, further enhancing customer engagement and overall resort appeal.

Looking ahead, the Group will continue to evaluate and pursue strategic investment opportunities within its gaming portfolio, both through acquisitions and targeted asset investments across various geographical markets, including the Czech Republic and Central Europe. Continued investment in slot machines and electronic gaming terminals remains a key strategic focus, aiming at broaden customer appeal, increasing footfall, and driving sustainable long-term growth across the Group's resorts.

USE OF LISTING PROCEEDS

The shares of the Company were listed on the Main Board of the Stock Exchange on 26 March 2024 (the "Listing Date"). The Net Proceeds amounted to approximately HK$209.4 million after deduction of the underwriting commission and other expenses borne by the Company. As at 31 March 2025, the unutilised Net Proceeds were approximately HK$193.6 million. During FY2026, the Company had utilised approximately HK$50.8 million of the Net Proceeds in accordance with the revised intended use of unutilised Net Proceeds set out in the annual report of the Company dated 26 June 2025. The Group continued to explore high potential investment and deployed the Net Proceeds to generate shareholders' value. The following table sets out a breakdown of the use of proceeds:

Major Categories		Planned allocation of Unutilised Net Proceeds as of 31 March 2025 (HK$ million)	Actual usage during FY2026 (HK$ million)	Unutilised Net Proceeds as at 31 March 2026 (HK$ million)	Expected timeline for utilisation of the remaining proceeds (HK$ million)			
					For the year ending 31 March			
		Total	Total	Total	2027	2028	2029	Total
Maintain and further consolidate our market presence in the gaming industry in the Czech Republic through asset rejuvenation	27%	51.7	10.5	41.2	10.2	10.0	21.0	41.2
Continue to expand our gaming business in the Czech Republic, Central Europe or other markets through acquisition of business or asset and/or bidding for new gaming licence	32%	62.8	–	62.8	36.5	16.0	10.3	62.8
Additional working capital and other general corporate purposes of which:								
– Development of Mikulov property into a new casino	31%	59.8	33.6	26.2	4.9	–	21.3	26.2
– General working capital and other general corporate purposes	10%	19.3	6.7	12.6	7.0	5.6	–	12.6
	100%	193.6	50.8	142.8	58.6	31.6	52.6	142.8

USE OF UNUTILISED PROCEEDS

As outlined in the prospectus of the Company dated 18 March 2024, to the extent that the listing proceeds are not immediately utilised for the aforementioned purposes and in accordance with applicable laws and regulations, we will hold these funds in short-term deposits with licenced banks and/or authorised financial institutions as defined by the Securities & Futures Ordinance ("SFO") or relevant laws in jurisdictions outside Hong Kong for non-Hong Kong based deposits.

Following the decline in interest rates, yields on short-term deposits have fallen. To optimise investment returns, we allocated a portion of the unutilised Net Proceeds to listed debt securities and money market fund, and exchanged for USD to capitalise on comparatively higher interest rates. To ensure a balanced approach between risk and reward, we will closely monitor the evolving market conditions and continues to explore long term investment opportunities to enhance market shares and profits from land-based casinos in various geographical presence which aims to sustain high yield and high growth opportunity. We plan to allocate certain portion of the remaining unutilised Net Proceeds to comparatively higher-risk investments, such as high yield bonds, while balancing the portfolio with lower risk investment including structured deposits such as dual currency investments and fixed-income instruments, to diversify our investment portfolio and yield enhancement.

These strategies will enhance our investment flexibility, enabling the Group to adapt to the dynamic global economic environment while increasing overall cash flow and investment returns. The Company is committed to maintain high level of reporting requirement in compliance with the relevant Listing Rules.

Non-HKFRS Financial Measures

To supplement the consolidated financial statements, which are presented in accordance with HKFRS, adjusted net profit, Adjusted EBITDA and adjusted property EBITDA are presented as additional financial measures, which are unaudited and not required by, or presented in accordance with HKFRS. These financial measures are presented because they are used by the management to evaluate the financial performance by eliminating the impact of items that they do not consider indicative of the business performance. It is also believed that these non-HKFRS measures provide additional information to investors in understanding and evaluating the consolidated results of operations in the same manner as the management as compare to the financial results across accounting periods.

Adjusted net profit (non-HKFRS measure) is calculated as net profit (HKFRS measure) after elimination of listing expenses, real estate transfer tax on reorganisation, impairment loss on property and equipment and pre-opening costs of Palasino Mikulov. Adjusted EBITDA (non-HKFRS measure) is defined by the Company as profit/loss for the year without considering depreciation, amortization, income tax, finance costs, interest income and fair value change on financial assets at fair value through profit or loss. Adjusted property EBITDA (non-HKFRS measure) is calculated as Adjusted EBITDA (non-HKFRS measure) after elimination of online gaming expenses to demonstrate the performance of the Group's land based casinos and hotels.

The Group provides a reconciliation of adjusted property EBITDA (non-HKFRS measure) to Adjusted EBITDA (non-HKFRS measure), to adjusted net profit (non-HKFRS measure) and then finally reconcile to profit for the year, which calculated and presented in accordance with HKFRS. The terms adjusted net profit, Adjusted EBITDA and adjusted property EBITDA are not defined under HKFRS and should not be considered in isolation or construed as alternatives to profit/loss from operations or any other measures of performance or as an indicator of the operating performance or profitability of the Group.

The adjusted net profit, Adjusted EBITDA and adjusted property EBITDA (all non-HKFRS measures) of the Group may not be comparable to similarly titled measures of another company because they do not have a standardised meaning and all companies may not calculate adjusted net profit, Adjusted EBITDA and adjusted property EBITDA in the same manner. The following table presents a reconciliation of adjusted property EBITDA (non-HKFRS measure) to Adjusted EBITDA (non-HKFRS measure), to adjusted net profit (non-HKFRS measure) and then finally to profit for each of the years indicated as below:

	2026 **HK$'000**	2025 HK$'000
Profit for the year	**13,820**	15,391
Add:		
Listing expenses	**–**	1,949
Real estate transfer tax on reorganisation	**–**	(572)
Impairment loss on property and equipment	**4,210**	–
Pre-opening costs of Palasino Mikulov	**4,723**	–
Adjusted net profit (non-HKFRS measure)	**22,753**	16,768
Add:		
Depreciation and amortisation	**29,602**	25,610
Income tax expense	**11,523**	14,525
Finance costs	**3,090**	3,586
Less:		
Fair value change on financial assets at FVTPL	**(212)**	–
Bank interest income	**(6,096)**	8,028
Adjusted EBITDA (non-HKFRS measure)	**60,660**	52,461
Add:		
Online gaming expenses	**15,186**	22,944
Adjusted property EBITDA (non-HKFRS measure)	**75,846**	75,405

Directors' Report

The directors of the Company (the "Directors") present their annual report and the audited financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. Its subsidiaries are engaged in the gaming and hotel businesses.

PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Details of the Company's principal subsidiaries at 31 March 2026 are set out in note 35 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the Group's business, including the important events affecting the Group that have occurred since the end of the financial year and the likely future developments and an analysis of the Group's performance using financial key performance indicators, is set out in the "Management Discussion and Analysis", "Chairman's Statement" and "Chief Executive Officer's Report" of this annual report and note 39 to the consolidated financial statements. Principal risks and uncertainties facing the Group are set out in the "Chairman's Statement" and "Chief Executive Officer's Report".

The Group is committed to support sustainability of the environment and endeavours to comply with laws and regulations regarding environmental protection and to adopt measurement to achieve efficient use of resources, energy saving and waste reduction. A discussion of the Group's environmental policies and performance is set out in the independent "Environmental, Social and Governance Report", which is available on the websites of the Stock Exchange and the Company for inspection and download.

The Group has complied with the relevant laws and regulations that have significant impact on the operations of the Group.

The Group is committed to establishing a close and caring relationship with our employees, customers and suppliers and enhancing cooperation with our business partners. Details are set out in the independent "Environmental, Social and Governance Report", which is available on the websites of the Stock Exchange and the Company for inspection and download.

RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated statement of profit or loss on page 52.

The Board recommends the payment of a final dividend of HK2.90 cents per share in cash to the Shareholders, which will not be subject to any withholding tax in Hong Kong. The proposed final dividend is subject to the approval of the Shareholders at the forthcoming annual general meeting to be held on 27 August 2026 and in accordance with the Companies Act of the Cayman Islands. Upon approval, the proposed final dividend will be distributed on Friday, 18 September 2026 to the Shareholders whose names appear on the register of members of the Company on Monday, 7 September 2026.

CLOSURE OF REGISTER OF MEMBERS

Details of the periods of closure of the Company's Register of Members are as follows:

(a) For determining the entitlement to attend and vote at the 2026 AGM

The forthcoming annual general meeting of the Company is scheduled to be held on Thursday, 27 August 2026 (the "2026 AGM"). For determining the entitlement to attend and vote at the 2026 AGM, the Register of Members of the Company will be closed from Monday, 24 August 2026 to Thursday, 27 August 2026, both days inclusive, during which period no transfer of Shares will be registered. The record date for determining shareholders' entitlement to attend and vote at the AGM will be Thursday, 27 August 2026. In order to be eligible to attend and vote at the 2026 AGM, unregistered holders of Shares should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Friday, 21 August 2026.

(b) For determining the entitlement to the proposed final dividend

The proposed final dividend is subject to the approval of Shareholders at the 2026 AGM and in accordance with the Companies Act of the Cayman Islands. For determining the entitlement of the proposed final dividend, the Register of Members of the Company will also be closed from Thursday, 3 September 2026 to Monday, 7 September 2026, both days inclusive, during which period no transfer of Shares will be registered. The record date for determining shareholders' entitlement to the proposed final dividend will be Monday, 7 September 2026. In order to qualify for entitlement to the proposed final dividend, unregistered holders of Shares should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at the above address for registration not later than 4:30 p.m. on Wednesday, 2 September 2026.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 13.

DISTRIBUTABLE RESERVES

In the opinion of the Directors, the reserves of the Company which are available for distribution to the shareholders of the Company (the "Shareholders") at 31 March 2026 amounted to approximately HK$131,173,000.

INVESTMENT PROPERTIES

Details of the movements during the Year in the investment properties of the Group are set out in note 14 to the consolidated financial statements.

PROPERTY AND EQUIPMENT

Details of the movements during the Year in the property and equipment of the Group are set out in note 15 to the consolidated financial statements.

SHARE CAPITAL

Details of movements during the Year in the share capital of the Company are set out in note 29 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the Year (including sale of treasury shares as defined in the Listing Rules (if any)).

As at 31 March 2026 and the date of this annual report, there were no treasury shares (as defined in the Listing Rules) held by the Company.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PERMITTED INDEMNITY PROVISION

Subject to the applicable laws, every director of the Company and its Subsidiaries shall be entitled to be indemnified by the relevant company against all costs, fees, losses, expenses and liabilities incurred by him or her in the course of his or her duties or in relation thereto pursuant to their respective articles of associations. Such provisions were in force during the course of the Year and remained in force as at the date of this report.

The Company has arranged liability insurance for Directors and officers with appropriate coverage for certain legal liabilities which may arise in the course of performing their duties.

DIRECTORS

The Directors during the Year and up to the date of this report were:

Executive Director

Mr. Pavel MARŠÍK (Chief Executive Officer)

Non-executive Directors

Tan Sri Dato' David CHIU (Chairman)
Mr. Cheong Thard HOONG
Mr. Mengbi LI (resigned on 27 November 2025)

Independent Non-executive Directors

Dr. Ngai Wing LIU
Mr. Kam Choi Rox LAM
Ms. Sin Kiu NG
Ms. Jie JIAO
Ms. Chuchu Tracy LI (appointed on 1 April 2026)

Pursuant to the provisions of the Articles and the Listing Rules, Mr. Pavel MARŠÍK, Tan Sri Dato' David CHIU, Mr. Cheong Thard HOONG and Ms. Chuchu Tracy LI shall retire at the 2026 AGM and are eligible to offer themselves for re-election at the 2026 AGM.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the Year.

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the 2026 AGM has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, no transaction, arrangement or contract of significance to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Tan Sri Dato' David CHIU is a non-executive Director and a controlling shareholder of FEC (and together with its subsidiaries but excluding the Group, the "Remaining FEC Group"). As stated in the Prospectus, the Remaining FEC Group has a minority interest (less than 5%) and joint venture interest in certain gaming business in Australia (namely, The Star Entertainment Group Limited ("The Star") and Destination Brisbane Consortium ("DBC")) and owns and operates its hotel portfolio under the Dorsett brand (with the exception of the Ritz-Carlton hotels in Perth and Melbourne), with a focus on the three to four-star hotel segment. The acquisition of The Star's 50% equity interest in DBC by FEC and Chow Tai Fook Enterprises Limited ("CTFE") was completed on 31 March 2026. The DBC is owned as to 50% each by FEC and CTFE after completion.

On the basis that (a) the Remaining FEC Group does not consolidate the results of The Star and the DBC into its accounts; (b) the Remaining FEC Group has no hospitality or gaming operations in the Czech Republic, Germany and Austria at all and (c) the hotels of the Remaining FEC Group are operated under different brands and management teams and also target different markets than the hotels of the Group, we consider that (a) apart from its interest in the Company, FEC does not currently control a business similar to the principal business of the Group that competes or is likely to compete, either directly or indirectly, with the Group's business; (b) our business is clearly delineated from that of the Remaining FEC Group; and (c) given (i) there is independence of boards and management between the Remaining FEC Group and the Group; and (ii) the Group is financially and operationally independent from the Remaining FEC Group, we are sufficiently independent from and do not rely on the Remaining FEC Group.

For further details, please refer to the section headed "Relationship with our Controlling Shareholders" in the Prospectus and the announcements published by FEC in relation to the acquisition of The Star's 50% equity interest in DBC by FEC and CTFE. The independent non-executive Directors have also conducted a review and confirmed that on the basis of the above, as far as the independent non-executive Directors can ascertain, there is no material conflict of interests between the Group and its controlling shareholders.

TAX RELIEF AND EXEMPTION FOR HOLDERS OF LISTED SECURITIES

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors independent.

CONNECTED TRANSACTIONS

During the Year and up to the date of this report, there was no transaction which constitutes connected transaction or continuing connected transaction that are not exempt from the disclosure requirements under Chapter 14A of the Listing Rules.

SIGNIFICANT RELATED PARTY TRANSACTIONS

Details of significant related party transactions during the Year are set out in note 30 to the consolidated financial statements. The related party transactions as set out in note 30(i) (in respect of the lease payment) to the consolidated financial statements constitute continuing connected transactions/connected transactions as defined under Chapter 14A of the Listing Rules. However, these transactions are exempt from the disclosure requirements under Chapter 14A of the Listing Rules. Save as disclosed above, those significant related party transactions in note 30 to the consolidated financial statements did not fall under the definition of connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules.

The Company confirmed that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 March 2026, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange, were as follows:

A. The Company

A.1 Long position in the ordinary shares

Name of the Director	Capacity	Number of ordinary shares interested	Approximate percentage of the Company's issued share capital[2]
Tan Sri Dato' David CHIU	Interest of controlled corporations[1]	578,844,662	71.76%
Mr. Cheong Thard HOONG	Beneficial owner	334,579	0.04%

Notes:

1. These Shares include 577,700,000 Shares directly held by Ample Bonus and 1,144,662 Shares held by Sumptuous Assets Limited. Ample Bonus is wholly-owned by FEC, of which Tan Sri Dato' David CHIU is a controlling shareholder. Sumptuous Assets Limited is a direct wholly-owned subsidiary of Far East Organization (International) Limited, which in turn is directly wholly-owned by Tan Sri Dato' David CHIU.

2. The percentage represents the number of ordinary shares interested divided by the Company's issued shares as at 31 March 2026.

3. Tan Sri Dato' David CHIU is a director of Ample Bonus and Sumptuous Assets Limited. Mr. Cheong Thard HOONG is a director of Ample Bonus.

B. Associated corporations

B.1 Long position in the ordinary shares

Name of the Director	Name of associated corporation	Capacity	Number of ordinary shares interested	Approximate percentage of the relevant issue share capital
Tan Sri Dato' David CHIU	FEC	Interest of controlled corporations[1]	1,667,523,469	54.51%
		Beneficial owner[1]	30,476,055	1.00%
		Interest of spouse[1]	22,704,008	0.74%
	Ample Bonus	Interest of controlled corporation[1]	101	100%
	Sumptuous Assets Limited	Interest of controlled corporation[1]	1	100%
	Far East Organization (International) Limited	Beneficial owner[1]	1	100%
Mr. Cheong Thard HOONG	FEC	Beneficial owner[2]	13,473,715	0.44%
		Joint interest[2]	802	0.00%
Dr. Ngai Wing LIU	FEC	Beneficial owner	1,793	0.00%

Notes:

(1) As at 31 March 2026, Tan Sri Dato' David CHIU was interested in an aggregate of 1,720,703,532 ordinary shares (approximately 56.25%) of FEC, of which (i) 30,476,055 ordinary shares (approximately 1.00%) were beneficially held by Tan Sri Dato' David CHIU; (ii) 22,704,008 ordinary shares (approximately 0.74%) were held by his spouse, Mrs. Nancy CHIU NG; (iii) 1,667,504,745 ordinary shares (approximately 54.51%) were held by Sumptuous Assets Limited (a direct wholly-owned subsidiary of Far East Organization (International) Limited, which in turn was directly wholly-owned by Tan Sri Dato' David CHIU; and (iv) 18,724 ordinary shares (approximately 0.001%) were held by Modest Secretarial Services Limited (which was directly wholly-owned by Tan Sri Dato' David CHIU).

(2) As at 31 March 2026, Mr. Cheong Thard HOONG was interested in an aggregate of 13,474,517 ordinary shares (0.44%) of FEC of which (i) 13,473,715 ordinary shares (0.44%) were beneficially held by Mr. Cheong Thard HOONG; and (ii) 802 ordinary shares (0.00%) were jointly held with his spouse, Ms. Pei Chun TENG.

B.2 Interest in debentures

Name of Director	Name of associated corporation	Capacity	Currency of debenture held	Amount of debenture held	Amount of debenture in same class in issue	Type of debenture
Tan Sri Dato' David CHIU	FEC Finance Limited	Beneficial owner[1]	USD	5,000,000	360,000,000	Freely transferable but not convertible into shares of the listed corporation and/or its associated corporation

Note:

1. As at 31 March 2026, Tan Sri Dato' David CHIU was deemed to have an interest in the USD360,000,000 Senior Guaranteed Perpetual Capital Notes issued by FEC Finance Limited, a wholly-owned subsidiary of FEC, in the principal amount of USD5,000,000, which was held by Tan Sri Dato' David CHIU.

Save as disclosed above, as at 31 March 2026, none of the Directors or chief executive of the Company had or is deemed to have any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

SHARE OPTION SCHEME

Share Option Scheme

The Company adopted a share option scheme (the "Share Option Scheme") pursuant to a resolution passed by the Shareholders on 4 March 2024 for a period of 10 years commencing on the Listing Date. As at 31 March 2026, the remaining life of the Share Option Scheme is approximately 8 years and no options had been granted, agreed to be granted, exercised, cancelled or lapsed pursuant to the Share Option Scheme.

Purpose

The purpose of the Share Option Scheme is to incentivise and reward participants who have contributed or may contribute to the Group and to encourage participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and the Shareholders as a whole.

Eligible participants

Those eligible to participate in the Share Option Scheme include:

(i) any director or employee of any member of the Group (including persons who are granted option(s) under the Share Option Scheme as an inducement to enter into employment contracts with any member of the Group) and, for the avoidance of doubt, excludes any former employee unless such person qualifies as a participant in some other capacity; and

(ii) any director or employee of the holding companies, fellow subsidiaries or associated companies of the Company,

who the Board considers, in its sole discretion, have contributed or will contribute to the Group.

Maximum number of shares available for issue

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any options or awards granted under any other share schemes of the Company shall not, in the absence of Shareholders' approval, in aggregate exceed 80,000,000 shares, being 10% in nominal amount of the aggregate of shares in issue on the Listing Date, and representing approximately 10% of the total number of the issued share capital of the Company as at the date of this annual report.

As of 1 April 2025 and 31 March 2026, 80,000,000 options were available for grant under the Share Option Scheme, respectively.

Maximum entitlement of each participant

Where any further grant of options to a participant would result in the shares issued and to be issued in respect of all options and awards granted to such person under the Share Option Scheme and any other share scheme of the Company (excluding any options and awards lapsed in accordance with the terms of the Scheme) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant must be separately approved by Shareholders in general meeting with such participant and his close associates (or associates if the participant is a connected person) abstaining from voting.

Grant of option and option period

The Board shall be entitled, on and subject to the terms of the Share Option Scheme and the Listing Rules, at any time within 10 years after the Listing Date to make an offer (subject to such conditions as the Board may think fit) to any participant as the Board may at its absolute discretion select to take up an option pursuant to which such participant may, during the option period (i.e. in respect of any option, the period (which shall not exceed 10 years from the date of grant) to be determined and notified by the Board to the grantee at the time of making an offer), subject to earlier termination in accordance with the provisions of the Share Option Scheme), subscribe for such number of shares as the Board may determine at the relevant subscription price.

Vesting period

Save for the circumstances prescribed in the paragraph below, every grantee must hold an option for at least 12 months before he can exercise such option.

A grantee may be subject to a vesting period shorter than 12 months as deemed appropriate at the discretion of the Board or (where the grantee is our director or a member of our senior management) the remuneration committee of the Company in any of the following circumstances:

(i) grants of "make-whole" options to new joiners to replace the share awards or options they forfeited when leaving the previous employer;

(ii) grants to a participant whose employment is terminated due to death or disability or occurrence of any out-of-control event;

(iii) grants with performance-based vesting conditions in lieu of time-based vesting criteria. For example, this could be applicable where an employee or potential employee have exceptional skills or expertise and the performance target is to secure a specific particularly high value project or customer for the Group in less than 12 months;

(iv) grants with a mixed or accelerated vesting schedule such as where the options may vest evenly over a period of 12 or more months. This could be applicable where we have set quarterly or semi-annual performance targets and the options would be vested in batches upon satisfaction of each of those targets in a way that the options would be vested evenly over a period of 12 or more months instead of all being vested in one-go upon the expiry of a certain period; and

(v) grants with a total vesting and holding period of more than 12 months ("holding period" refers to the period during which the grantee is restricted from disposing of shares that are issued upon the exercise of vested options).

Acceptance

An offer shall be made to a participant by letter in such form as the Board may from time to time determine requiring the participant to undertake to hold the option on the terms on which it is to be granted and to be bound by the provisions of the Share Option Scheme and shall remain open for acceptance by the participant concerned for a period of 5 business days from the date of grant provided that no such offer shall be open for acceptance after the expiry of the option period or after the Share Option Scheme has been terminated in accordance with the terms hereof or after the participant for whom the offer is made has ceased to be a participant.

No offer shall be made to, nor shall any offer be capable of acceptance by, any participant at a time when the participant would or might be prohibited from dealing in the shares by the Listing Rules or by any other applicable rules, regulations, or law.

An offer is deemed to be accepted when we receive from the grantee the offer letter signed by the grantee specifying the number of shares in respect of which the offer is accepted and a remittance to the Company of HK$1.00 as consideration for the grant of option. To the extent that the offer is not accepted within 30 days from the date on which the letter containing the offer is delivered to that participant in the manner indicated in the paragraph above, it shall be deemed to have been irrevocably declined.

Subscription price

The subscription price shall be determined by the Board at its absolute discretion but in any event shall not be less than the higher of:

(i) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant which must be a business day;

(ii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the 5 business days immediately preceding the date of grant; and

(iii) the nominal value of the shares on the date of grant.

EQUITY-LINKED AGREEMENTS

Other than the Share Option Scheme, no equity-linked agreements were entered into by the Company during the Year or subsisted at the end of the Year. Particulars of the Share Option Scheme are set out in the paragraphs above.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2026, so far as was known to the Directors and chief executive of the Company, the interests or short positions of substantial shareholders and other persons in the shares and underlying shares of the Company as recorded in the register at the Company required to be kept under Section 336 of the SFO were as follows:

Name of Substantial Shareholder	Capacity	Number of ordinary shares interested	Approximate percentage of the Company issued share capital[Note 6]
Ample Bonus	Beneficial owner[Note 1]	577,700,000	71.62%
FEC	Interest of controlled corporation[Note 2]	577,700,000	71.62%
Sumptuous Assets Limited	Interest of controlled corporation and beneficial owner[Note 3]	578,844,662	71.76%
Far East Organization (International) Limited	Interest of controlled corporation[Note 4]	578,844,662	71.76%
Tan Sri Dato' David CHIU	Interest of controlled corporations [Note 5]	578,844,662	71.76%
Mrs. Nancy CHIU NG	Interest of spouse[Note 5]	578,844,662	71.76%

Notes:

1. Ample Bonus is a company incorporated in the British Virgin Islands (the "BVI").
2. Ample Bonus is wholly-owned by FEC. Under the SFO, FEC is deemed to be interested in the Shares held through Ample Bonus.
3. Sumptuous Assets Limited is a company incorporated in the BVI. As at 31 March 2026, Sumptuous Assets Limited was interested in approximately 54.51% of the total number of issued shares of FEC. Under the SFO, Sumptuous Assets Limited is deemed to be interested in the Shares in which FEC is interested. Sumptuous Assets Limited is also the beneficial owner of 1,144,662 Shares.
4. Sumptuous Assets Limited is wholly-owned by Far East Organization (International) Limited, which is a company incorporated in the BVI. Under the SFO, Far East Organization (International) Limited is deemed to be interested in the Shares in which Sumptuous Assets Limited is interested.
5. Far East Organization (International) Limited is wholly-owned by Tan Sri Dato' David CHIU. Tan Sri Dato' David CHIU is deemed to be interested in the Shares in which Far East Organization (International) Limited is interested. Mrs. Nancy CHIU NG is the spouse of Tan Sri Dato' David CHIU. She is deemed to be interested in the Shares in which Tan Sri Dato' David CHIU is interested.
6. The percentage represents the number of ordinary shares interested divided by the Company's issued shares as at 31 March 2026.

Save as disclosed above, as at 31 March 2026, no other persons were recorded in the register of the Company required to be kept under Section 336 of the SFO as having interests or short positions in the shares and underlying shares of the Company.

DONATIONS

During the Year, the Group made charitable and other donations amounting to approximately CZK0.9 million (equivalent to approximately HK$306,000).

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate purchases attributable to the Group's five largest suppliers were less than 30% of total purchases and the aggregate revenue attributable to the Group's five largest customers was less than 30% of total turnover during the Year.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence. As at 31 March 2026, the number of employees of the Group was approximately 696.

The emoluments of the Directors are recommended/determined by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

RETIREMENT BENEFITS SCHEME

Details of contributions to the retirement benefits scheme of the Group are set out in note 31 to the consolidated financial statements.

CORPORATE GOVERNANCE

A report on the principal corporate governance practices adopted by the Company is set out on pages 35 to 47.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float throughout the Year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Memorandum and Articles of Association of the Company and the Companies Act, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

AUDITOR

The consolidated financial statements of the Group as of 31 March 2026 have been audited by Deloitte Touche Tohmatsu, who will retire and being eligible, offer themselves for re-appointment at the 2026 AGM.

A resolution will be submitted to the 2026 AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board
Pavel MARŠÍK
Chief Executive Officer and executive Director

23 June 2026

Corporate Governance Report

The Board presents this Corporate Governance Report in the Company's annual report for the year ended 31 March 2026.

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY

The Company recognises the importance of maintaining good corporate governance practices. The Board sets policies and implements corporate governance practices appropriate to the conduct of the Group's business.

The Company has adopted the principles and code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "Corporate Governance Code" or the "CG Code") as the basis of the Company's corporate governance practices during the year ended 31 March 2026. The Company has complied with the principles and the applicable code provisions as set out in Part 2 of the Corporate Governance Code during the year ended 31 March 2026.

The Company regularly reviews its compliance with the Corporate Governance Code and the Board believes that the Company was in compliance with the applicable code provisions of the Corporate Governance Code during the year ended 31 March 2026. The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices.

A. THE BOARD

A.1 Responsibilities and Delegation

The Board is responsible for the management and control of the business and affairs of the Group, and oversees the Group's business strategic direction and performance, with the objectives of promoting the success of the Group and enhancing Shareholder value. Directors carry out their duties in good faith and in the interests of the Company and its Shareholders. They have access to relevant information as well as the advice and services of the Company Secretary and senior management. They are also able to seek independent professional advice in appropriate circumstances at the Company's expense, upon reasonable request made to the Board.

The Board reserves for its decision on all major policy, strategy, financial and risk management and control matters. The day-to-day management, administration and operations of the Group are delegated to the Executive Committee and senior management. The delegated functions and responsibilities are periodically reviewed. Approval has to be obtained from the Board or Executive Committee prior to any significant transactions entered into by the senior management team.

A.2 Board Composition

The Board comprised eight Directors as at the date of this annual report, of which one is an executive Director, two are non-executive Directors and five are independent non-executive Directors. The composition of the Board is set out in the "Corporate Information" section of this annual report. The respective profiles of the current Directors and the relationship among them are disclosed in the "Profile of Directors and Senior Management" section of this annual report.

In compliance with Rule 3.09D of the Listing Rules, Ms. Chuchu Tracy LI, who was appointed as an independent non-executive Director on 1 April 2026, obtained legal advice on the requirements under the Listing Rules applicable to her as the Director and the possible consequences of making a false declaration or giving false information to the Stock Exchange on 30 March 2026 and had confirmed she understood her obligations as the Director.

The list of directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules. The independent non-executive Directors are expressly identified in all corporate communications of the Company.

During the year ended 31 March 2026, the Company has met the Listing Rules requirements of having at least three independent non-executive Directors (representing at least one-third of the Board) with one of them possessing appropriate professional qualifications or accounting and related financial management expertise. In addition, the Company has received from each of the independent non-executive Directors an annual written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of them to be independent.

The composition of the Board reflects the necessary balance of skills and experience appropriate to the requirements of the business of the Group and to the exercising of independent judgement. All Directors bring a wide range of valuable business and financial expertise, experiences and professionalism to the Board for its effective functioning. Independent non-executive Directors are invited to serve on the Audit, Remuneration and Nomination Committees of the Company.

The Company has adopted the Board Independence Evaluation Mechanism (the "Mechanism") to ensure independent views and input are available to the Board, with the following key features: (i) the Nomination Committee is established with clear terms of reference to identify suitable candidates, including independent non-executive Directors, for appointment as Directors; (ii) the Nomination Committee will assess annually the independence of all independent non-executive Directors; and (iii) the Directors are entitled to seek, at the Company's expense, independent professional advice reasonably necessary for discharging their duties as Directors. The Board has reviewed the implementation and effectiveness of the Mechanism and considered it to be effective for the year ended 31 March 2026.

A.3 Chairman and Chief Executive Officer

The roles of the chairperson ("Chairperson") and the chief executive officer (the "Chief Executive Officer") of the Company are held separately as required by code provision C.2.1 of the CG Code.

The Chairperson, Tan Sri Dato' David CHIU, and the Chief Executive Officer, Mr. Pavel MARŠÍK, have separate defined responsibilities. The Chairperson is responsible for forming the Company's overall strategies but is not involved in the day-to-day business operation of the Company. The Chief Executive Officer is authorised by the Board to directly handle, with the support of the senior management, the Company's daily operations and management. Their respective roles and responsibilities are set out in writing, which have been approved and adopted by the Board.

A.4 Appointment, Re-Election and Removal of Directors

The procedures and process of appointment, re-election and removal of Directors are laid down in the Articles.

Each Director, including the independent non-executive Directors, is engaged for a term of 3 years, subject to renewal expiry of the term. They are also subject to re-election in accordance with the Articles.

In accordance with clauses 83(3) and 84(1) of the Articles, Mr. Pavel MARŠÍK, Tan Sri Dato' David CHIU, Mr. Cheong Thard HOONG and Ms. Chuchu Tracy LI shall retire by rotation at the 2026 AGM. All of the above retiring Directors, being eligible, will offer themselves for re-election at the 2026 AGM.

The Board recommended the re-appointment of the above four retiring Directors standing for re-election at the 2026 AGM. The Company's circular, sent together with this annual report, contains detailed information of the above four retiring Directors, as required by the Listing Rules.

A.5 Training and Continuing Development for Directors

Each newly appointed Director receives comprehensive induction on the first occasion of his/her appointment so as to ensure that he/she has appropriate understanding of the business and operations of the Group and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

The existing Directors, namely Mr. Pavel MARŠÍK, Tan Sri Dato' David CHIU, Mr. Cheong Thard HOONG, Dr. Ngai Wing LIU, Mr. Kam Choi Rox LAM, Ms. Sin Kiu NG, Ms. Jie JIAO and Ms. Chuchu Tracy LI, are continually updated with legal and regulatory developments, and the business and market changes to facilitate the discharge of their responsibilities. Continuing briefings and professional development for Directors are arranged whenever necessary. In addition, reading material on new or changes to salient laws and regulations applicable to the Group are provided to Directors from time to time for their study and reference.

A.6 Board Meetings

A.6.1 Board Practices and Conduct of Meetings

Schedules for regular Board meetings are normally agreed with the Directors in advance in order to facilitate them to attend. In addition to the above, notice of at least 14 days is given for each regular Board meeting. For other Board meetings, reasonable notice is generally given.

Draft agenda of each Board meeting is usually sent to all Directors together with the notice in order to give them an opportunity to include any other matters in the agenda for discussion at the meeting. Board papers together with appropriate information are usually sent to the Directors at least 3 days before each Board meeting to keep the Directors apprised of the latest developments and financial position of the Group and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management whenever necessary.

The Chief Financial Officer and Company Secretary and other relevant senior management normally attend regular Board meetings and, where necessary, other Board meetings to advise on business developments, financial and accounting matters, statutory compliance, corporate governance and other major aspects of the Group.

The Company Secretary is responsible for keeping minutes of all Board meetings. Draft minutes are normally circulated to Directors for comments within a reasonable time after each meeting and the final version is open for Directors' inspection.

According to the current Board practice, any material transaction, which involves a conflict of interest for a substantial Shareholder or a Director, will be considered and dealt with by the Board at a duly convened Board meeting. The Articles contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

A.6.2 Directors' Attendance Records

The attendance records of each Director at the Board and Board committee meetings and the general meetings of the Company held during the year ended 31 March 2026 are set out below:

	Attendance/Number of Meetings				
Name of Director	**Board**	**Audit Committee**	**Remuneration Committee**	**Nomination Committee**	**General Meeting**
Executive Director					
Pavel MARŠÍK	4/4	N/A	N/A	N/A	1/1
Non-executive Directors					
Tan Sri Dato' David CHIU	3/4	N/A	N/A	1/1	1/1
Cheong Thard HOONG	4/4	N/A	1/1	N/A	1/1
Mengbi LI[Note i]	3/3	N/A	N/A	N/A	1/1
Independent non-executive Directors					
Ngai Wing LIU	4/4	2/2	1/1	1/1	1/1
Kam Choi Rox LAM	4/4	2/2	1/1	1/1	1/1
Sin Kiu NG	4/4	2/2	N/A	1/1	1/1
Jie JIAO	4/4	2/2	N/A	N/A	1/1

Note:

(i) Mr. Mengbi LI was resigned as a non-executive Director on 27 November 2025.

In addition to the above meetings, Tan Sri Dato' David CHIU, the chairman of the Board, held a meeting with the independent non-executive Directors without the presence of the other Directors during the year ended 31 March 2026.

A.7 Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Specific enquiry has been made to all the Directors and all Directors have confirmed that they have complied with the Model Code for the year ended 31 March 2026.

The Company has also applied the principles of the Model Code for securities transactions by employees who are likely to be in possession of inside information of the Company and/or its securities. No incident of non-compliance of the principles of the Model Code by the Group's employees has been noted by the Company.

The Company has been notifying Directors and relevant employees, if any, of the prohibitions on dealings in the securities of the Company according to the Model Code, whenever black-out periods arise. In addition, the Company requires Directors and relevant employees to copy their notifications of intended dealings to the Company Secretary as well as one designated Director for receiving such notifications.

A.8 Corporate Governance Functions

The Board is responsible for performing the corporate governance functions set out in the Code Provision A.2.1 of the CG Code. During the Year under review, the Board has performed such corporate governance functions as follows: (i) reviewed and developed the Company's corporate governance policies and practices in response to the implementation of the CG Code; (ii) reviewed and monitored the training and continuous professional development of Directors and senior management; (iii) reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements; (iv) reviewed and monitored the compliance of the Model Code; and (v) reviewed the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

B. BOARD COMMITTEES

The Board has established 5 Board committees, namely the Executive Committee, the Investment Committee, the Environmental, Social and Governance Committee (the"ESG Committee"), the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees have been established with defined written terms of reference among which the terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee are of no less exacting terms than those set out in the CG Code and are available on the Stock Exchange's website *(www.hkexnews.hk)* and on the Company's website *(www.palasinoholdings.com)*. All the Board committees should report to the Board on their decisions or recommendations made.

The practices, procedures and arrangements in conducting meetings of the Board Committees follow in line with, so far as applicable, those of the Board meetings set out above.

All Board Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company's expenses.

B.1 Executive Committee

The Executive Committee comprises a total of 2 members, namely Pavel MARŠÍK (Chairman) and Kwok Tai LAW. Following the resignation of Kwok Tai LAW, he also ceased to act as the member of Executive Committee and Ms. Oi Wai WONG was appointed as the member of Executive Committee with effect from 24 April 2026. The Executive Committee operates as a general management committee under the direct authority of the Board to increase the efficiency for the business decision. It monitors the execution of the Company's strategic plans and operations of all business units of the Company; and discusses and makes decisions on matters relating to the management and day-to-day operations of the Company.

During the year ended 31 March 2026, 4 Executive Committee meetings were held.

B.2 Investment Committee

The Investment Committee was established on 26 June 2024 and comprises a total of 3 members as at 31 March 2026, being 1 non-executive Director, namely Cheong Thard HOONG; 1 executive Director, namely Pavel MARŠÍK, and the company secretary of the Company (the "Company Secretary"), namely Kwok Tai LAW. Following the resignation of Kwok Tai LAW, he also ceased to act as the member of Investment Committee and Ms. Oi Wai WONG was appointed as the member of Investment Committee with effect from 24 April 2026. The chairman of the Investment Committee is Cheong Thard HOONG.

The primary duties of the Investment Committee are to develop and make recommendations to the Board on the investment strategy, to review and recommend changes to such investment strategy and make recommendations on the proposed acquisition and disposal opportunities.

As set out in the terms of reference of the Investment Committee, the Investment Committee shall meet as and when required. During the year ended 31 March 2026, 7 Investment Committee meetings were held.

B.3 ESG Committee

The ESG Committee was established on 26 June 2024 and comprises a total of 3 members as at 31 March 2026, being 1 executive Director, namely Pavel MARŠÍK, the Company Secretary, namely Kwok Tai LAW, and 1 senior management, namely Tomáš Kment. Following the resignation of Kwok Tai LAW, he also ceased to act as the member of ESG Committee and Ms. Oi Wai WONG was appointed as the member of ESG Committee with effect from 24 April 2026. The chairman of the ESG Committee is Pavel MARŠÍK.

The primary duties of the ESG Committee are to assist the Board in overseeing ESG governance, ensuring implementation of ESG policies, monitoring ESG-related performance and targets, adjusting ESG strategies and preparing the ESG report.

During the year ended 31 March 2026, 1 ESG Committee meeting was held.

B.4 Audit Committee

The Audit Committee comprised a total of 4 members as at 31 March 2026, being the 4 independent non-executive Directors, namely Ngai Wing LIU, Kam Choi Rox LAM, Sin Kiu NG and Jie JIAO. The chairman of the Audit Committee is Ngai Wing LIU who possesses the appropriate professional qualifications and accounting and related financial management expertise as required under Rule 3.10(2) of the Listing Rules. None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

The primary duties of the Audit Committee include monitoring the Group's financial reporting system, reviewing financial statements, risk management and internal control procedures. It also acts as an important link between the Board and the Company's auditor in matters within the terms of reference of the Audit Committee.

During the year ended 31 March 2026, the Audit Committee has performed the following major works:

- Review and discussion of the annual financial statements and annual results for the year ended 31 March 2025, the related accounting principles and practices adopted by the Company and the relevant audit findings;

- Review and discussion of the interim financial statements and interim results for the six months ended 30 September 2025 and the related accounting principles and practices adopted by the Company;

- Review and discussion of financial reporting and risk management and internal control of the Group;

- Discussion and recommendation of the re-appointment of external auditor; and

- Review of the arrangements for employees to raise concerns about possible improprieties.

The external auditor was invited to attend the meetings to discuss with the Audit Committee on issues arising from the audit and financial reporting matters. Besides, there is no disagreement between the Board and the Audit Committee regarding the appointment of external auditor.

The attendance records of each Committee member at the Audit Committee meetings held during the year ended 31 March 2026 are set out in section A.6.2 above.

B.5 Remuneration Committee

The Remuneration Committee comprised a total of 3 members as at 31 March 2026, being 2 independent non-executive Directors, namely Ngai Wing LIU and Kam Choi Rox LAM and 1 non-executive Director, namely Cheong Thard HOONG. The chairman of the Remuneration Committee is Ngai Wing LIU. Accordingly, the majority of the members are independent non-executive Directors.

The primary duties of the Remuneration Committee are to make recommendations to the Board on the Group's policy and structure for the overall remuneration of the Directors and the senior management, and to determine, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management (i.e. the model described in the Code Provision E.1.2(c)(i) is adopted). The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Group as well as market practice and conditions.

During the year ended 31 March 2026, the Remuneration Committee has reviewed and determined the remuneration packages of the Executive Director and senior management.

Pursuant to code provision E.1.5 of the CG Code, the annual remuneration of 4 individuals of the senior management for the year ended 31 March 2026 falls within the band from HK$1,000,000 to HK$2,000,000.

Details of the remuneration of each of the Directors for the year ended 31 March 2026 are set out in note 11 to the consolidated financial statements.

The attendance records of each Committee member at the Remuneration Committee meetings held during the year ended 31 March 2026 are set out in section A.6.2 above.

B.6 Nomination Committee

The Nomination Committee comprised a total of 4 members as at 31 March 2026, being 1 non-executive Director, namely Tan Sri Dato' David CHIU, and 3 independent non-executive Directors, namely Ngai Wing LIU, Kam Choi Rox LAM and Sin Kiu NG. The chairman of the Nomination Committee is Tan Sri Dato' David CHIU. Accordingly, the majority of the members are independent non-executive Directors.

The primary duties of the Nomination Committee are to review the structure, size and composition of the Board on a regular basis and to make relevant recommendations to the Board; to consider the retirement and re-election of the Directors and to make relevant recommendations to the Board; and to assess the independence of the independent non-executive Directors.

In selecting candidates for directorship of the Company, the Nomination Committee may make reference to certain criteria such as the Company's needs, the diversity on the Board, the integrity, experience, skills, professional knowledge of the candidate and the amount of time and effort that the candidate will devote to discharge his/her duties and responsibilities. External recruitment professionals might be engaged to carry out selection process when necessary.

The Company also recognises and embraces the benefit of having a diverse Board and sees increasing diversity at the Board level, including gender diversity, as an essential element in maintaining the Company's competitive advantage, to enhance the quality of its performance and hence the purpose of the Board diversity. To comply with the CG Code, a Board Diversity Policy has been adopted by the Company, pursuant to which the Nomination Committee is responsible for monitoring the implementation of the Board Diversity Policy and assessing the Board composition under diversified perspective (including but not limited to gender, age, cultural and educational background, or professional qualifications, skills, knowledge, and regional and industry experience). The Nomination Committee shall report its findings and make recommendation to the Board, if any. Such policy and objectives will be reviewed annually to ensure their appropriateness in determining the optimum composition of the Board.

The Company has also established a Director Nomination Policy setting out the approach and procedures adopted for the nomination and selection of Directors. The policy sets out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following: character and integrity; qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy; diversity in all aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service; requirements of independent non-executive directors on the Board and independence of the proposed Independent non-executive Directors in accordance with the Listing Rules; and commitment in respect of available time and relevant interest to discharge duties as a member of the Board and/or Board committee(s) of the Company.

As at 31 March 2026, two of our Directors are female. As at 31 March 2026, the Group had a total of 362 female staff, representing approximately 52% of the employees of the Group. The Group will continue to take opportunities to increase the proportion of female Board members and workforce over time as and when suitable candidates are identified. For further details on the gender ratio of the Group, please refer to the independent "Environmental, Social and Governance Report", which is available on the websites of the Stock Exchange and the Company. The Board and the Nomination Committee have reviewed the implementation and effectiveness of the Board Diversity Policy and considered it to be effective for the year ended 31 March 2026.

The Board considers that the above current gender diversity is satisfactory. The Board will continue to embrace gender diversity when making future board appointments but no specific targets or timelines to further enhance gender diversity have been set as the Board is of the view that all aspects of diversity should be considered as a whole in the selection of candidates for directorship.

The same approach to gender diversity at the Board level also applies to the Group's workforce. As of 31 March 2026, the Group's male to female employees proportion was approximately 48:52. The Group recognises the value of gender diversity to promote a diverse and inclusive working environment and welcomes increased female representation at all levels. However, the Group currently does not consider it appropriate to set any specific gender target for its workforce. As an equal opportunity employer, the Group also takes into account other relevant factors in its hiring decisions, and given it already maintains a close to 52% female representation in a traditionally male-dominated industry, considers that the gender ratio of the workforce of the Group is appropriate for its current business model and operational needs.

During the year ended 31 March 2026, the Nomination Committee has performed the following major works:

- Review of the structure, size and composition of the Board to ensure that it has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company;

- Recommendation of the re-appointment of those Directors standing for re-election at the 2025 annual general meeting of the Company;

- Assessment of the independence of all the Independent Non-executive Directors; and

- Review the background and qualification and provide recommendation on the appointment of Ms. Chuchu Tracy LI as an Independent non-executive Director.

The attendance records of each Committee member at the Nomination Committee meetings held during the year ended 31 March 2026 are set out in section A.6.2 above.

C. DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors have acknowledged their responsibilities for preparing the financial statements of the Company for the year ended 31 March 2026.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other regulatory requirements. The management has provided such explanation and information to the Board as necessary to enable the Board to make an informed assessment of the financial information and position of the Group put forward to the Board for approval.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

D. RISK MANAGEMENT AND INTERNAL CONTROLS

The Board, through its Audit Committee, has the responsibility to ensure that the Group maintains effective risk management and internal control systems. The Board oversees the Group's design, implementation and monitoring of the risk management and internal control systems and acknowledges that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group's risk management framework is the responsibility of the Board and is overseen by the Audit Committee. The framework comprises the following elements:

The main features of the risk management and internal control systems are to provide a clear governance structure, policies and procedures, as well as reporting mechanism to facilitate the Group to manage and lower its risks across all business operations.

The Group has established a risk management framework, which consists of the Board of Directors and the Audit Committee. The Board of Directors determines the nature and extent of risks that shall be taken in achieving the Group's strategic objectives, ensures that the Group establishes and maintains appropriate and effective risk management and internal control systems and has the responsibility for overseeing the management in the design, implementation and monitoring of the risk management and internal control systems.

The Group has formulated and adopted the Risk Management Policy in providing direction in identifying, evaluating and managing significant risks. At least on an annual basis, the management identifies risks that would adversely affect the achievement of the Group's objectives, and assesses and prioritizes the identified risks according to a set of standard criteria. Risk mitigation plans and risk owners are then established for those risks considered to be significant.

In addition, the Group has established an internal audit function to assist the Board of Directors and the Audit Committee in ongoing monitoring, analysis and independent appraisal of the adequacy and effectiveness of the risk management and internal control systems of the Group. Deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement. Significant internal control deficiencies are reported to the Audit Committee and the Board of Directors on a timely basis to ensure prompt remediation actions are taken.

Risk management report and internal control report are submitted to the Audit Committee and the Board of Directors at least once a year. The Board of Directors had performed annual review on the effectiveness of the Group's risk management and internal control systems, including but not limited to the following:

- The Group's ability to cope with its business transformation and changing external environment;
- The scope and quality of management's ongoing monitoring of risks (including ESG risks) and of the internal control systems;
- The work of internal audit function;
- The extent and frequency of communication to the Board of Directors and/or its committees which enables it to assess the internal controls of the Group and effectiveness of risk management;
- Significant control failures or weaknesses that have been identified during the Reporting Period (including the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Group's financial performance or condition);
- The effectiveness of the Group's processes for financial reporting and compliance with the Listing Rules.

In addition, the Board's annual review includes the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit, financial reporting functions, as well as those relating to the Group's ESG performance and reporting.

The Board of Directors considers the Group's risk management and internal control systems are effective and adequate. The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Whistleblowing policy

The Board adopted a whistleblowing policy (the "Whistleblowing Policy") which provides channels and guidance to facilitate the raising of matters of concern by employees (the "Employee") and those who deal with the Group's core operations (i.e. hotels and casinos), in confidence, without fear of reprisals. No incident of fraud or misconduct that have material effect on the Group's financial statements or overall operations for the year ended 31 March 2026 has been discovered. The Whistleblowing Policy is reviewed annually by the Audit Committee to ensure its effectiveness.

Anti-corruption policy

The Board adopted an anti-corruption policy for the Group's core operations which sets out the guidelines and responsibilities of the Employees, the third parties or fiduciary capacity on behalf of the Group. The Group is committed to maintaining a high standard of integrity, openness and discipline in its business operations which outlined the Group's expectations and requirement of business ethics, as well as the investigation and reporting mechanism of suspected corruption practices.

Procedures and internal controls for the handling and dissemination of inside information

The Group complies with requirements of the SFO and the Listing Rules. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the Safe Harbours as provided in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the information to the public. The Group is committed to ensuring that information contained in announcements are not false or misleading as to a material fact, or false or misleading through the omission of a material fact in view of presenting information in a clear and balanced way, which requires equal disclosure of both positive and negative facts.

E. COMPANY SECRETARY

During the year ended 31 March 2026, Mr. Kwok Tai LAW, the Company Secretary, has taken no less than 15 hours of relevant professional training.

F. EXTERNAL AUDITOR AND AUDITOR'S REMUNERATION

The statement of the external auditor of the Company, Deloitte Touche Tohmatsu, about its reporting responsibilities for the Company's financial statements for the year ended 31 March 2026 is set out in the section headed "Independent Auditor's Report" in this annual report.

The fees paid/payable to Deloitte Touche Tohmatsu in respect of audit services and non-audit services for the year ended 31 March 2026 are analysed below:

	Fees paid/payable HK$'000
Audit and audit related services	2,850
Non-audit service	–
Total fees	**2,850**

G. COMMUNICATION WITH SHAREHOLDERS

The Company believes that effective communication with the Shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Group also recognises the importance of transparency and timely disclosure of its corporate information, which enables the Shareholders and investors to make the best investment decision.

The Company has in place a Shareholders' Communication Policy to ensure that Shareholders' views and concerns are appropriately addressed. Extensive information on the Group's activities, business strategies and developments is provided in the Company's annual reports, interim reports and other corporate communications. In addition, the Company maintains a website at *(www.palasinoholdings.com)*, as a communication platform with the Shareholders and investors, where information and updates on the Company's business developments and operations and other information are available for public access. The Shareholders and investors may send written enquiries or requests to the Company as follows:

Email address: ir@palasinogroup.eu

or

Postal address: 16/F., Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong
(For the attention of Investor Relations Executive)

Enquiries and requests will be dealt with by the Company in an informative and timely manner.

In addition, the Shareholders are encouraged to attend general meetings of the Company, which provide a valuable forum for dialogue and interaction with the management. The Board and Board Committee members and appropriate senior staff of the Group are available at the meeting to answer any questions raised by the Shareholders.

During the year ended 31 March 2026, the Company has reviewed the Shareholders' Communication Policy and considered that the policy was effectively implemented with the measures as disclosed in this section and under the section headed "Shareholders' Rights" below.

H. SHAREHOLDERS' RIGHTS

To safeguard the Shareholders' interests and rights, separate resolutions are proposed at Shareholders' meetings on each substantial issue, including the election of individual Directors, for Shareholders' consideration and voting. Besides, the Shareholders may convene an extraordinary general meeting or put forward proposals at Shareholders' meetings pursuant to the Articles as follows:

(i) Shareholder(s) holding at the date of deposit of the requisition in aggregate not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company may request the Board to convene an extraordinary general meeting by sending a written requisition to the Board at the Company's principal place of business in Hong Kong. The objects of the meeting must be stated in the written requisition.

(ii) If a Shareholder wishes to propose a person other than a retiring Director for election as a Director at a general meeting, the Shareholder (other than the person to be proposed) duly qualified to attend and vote at the general meeting shall send a written notice, duly signed by the Shareholder, of his/her intention to propose such person for election and also a notice signed by the person to be proposed of his/her willingness to be elected. These notices should be lodged at the Company's registered office or principal place of business in Hong Kong. The period for lodgement of such notices shall commence on the day after the dispatch of the notice of such general meeting and end no later than 7 days prior to the date of such general meeting.

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written requisition, notice or statement (as the case may be) to the Company's principal place of business in Hong Kong and provide their full name, contact details and identification in order to give effect thereto. The Shareholders' information may be disclosed as required by law.

All resolutions put forward at Shareholders' meetings will be voted by way of poll pursuant to the Listing Rules and the poll results will be posted on the websites of the Stock Exchange *(www.hkexnews.hk)* and the Company *(www.palasinoholdings.com)* after each Shareholders' meeting.

I. DIVIDEND POLICY

Our Directors, may at its discretion, declare dividends to our Shareholders in the future after taking into account our results of operations, earnings, financial condition, cash requirements and availability, contractual arrangements and other factors as it may deem relevant at such time. We do not have any specific dividend policy nor any pre-determined dividend payout ratio. Any final dividend for a financial year will be subject to Shareholders' approval.

J. CORPORATE CULTURE

The Group is a gaming and hotel group involving a vast number of manual labourers to provide quality services up to our service protocol. The Group's strategy is to locate the casinos close to borders and major cities.

The Company promotes healthy and responsible gaming culture. The gaming staff of the Group follows the employment policies, which strictly prohibit gaming staff from taking part in gaming activities on the premises of the Group. Additionally, the Company has put a strong emphasis on responsible gaming education through providing training to all the gaming staff on commencement of work. Gaming staff are also required to undertake refresher training periodically. Through the implementation of the above, the Company has created a strong responsible gaming culture within the team.

The Board considers that the corporate culture and the purpose, values and strategy of the Group are aligned.

K. CONSTITUTIONAL DOCUMENTS

The Articles of Association of the Company has been amended and restated with effect from 27 August 2025 in order to (i) provide the Company with the flexibility to hold its repurchased shares as treasury shares; (ii) align the Articles of Association with the relevant provisions of the Listing Rules relating to the further expansion of paperless listing regime, which provides for hybrid general meeting and electronic voting; (iii) allowing dividends to be declared and paid out of share premium account without the sanction of an ordinary resolution; (iv) provide the Company with the flexibility to pay dividends electronically; and (v) other consequential and house-keeping amendments to better align the Articles of Association with the Listing Rules and applicable laws of the Cayman Islands and are available on the respective websites of the Stock Exchange and the Company.

Save as disclosed above, there is no other change in constitutional documents of the Company during the year ended 31 March 2026.

Independent Auditor's Report

Deloitte. 德勤

TO THE MEMBERS OF PALASINO HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Palasino Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 52 to 109, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

KEY AUDIT MATTER (continued)

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of property and equipment related to a hotel operation in Germany We have identified the impairment assessment of property and equipment related to a hotel operation in Germany ("the Hotel Property"), being a single cash-generating unit, as a key audit matter due to the significant management judgement and estimation involved to determine the recoverable amount of the Hotel Property. As at 31 March 2026, the Hotel Property comprises of property and equipment related to a hotel operation in Germany with a carrying amount of approximately HK$18,278,000, as set out in Note 4 to the consolidated financial statements. The management of the Group considered there was an indication for impairment for the Hotel Property and prepared discounted cash flow projection for the hotel operation in Germany based on the financial budget approved by the directors of the Company and engaged an independent professional valuer (the "Valuer") to conduct impairment assessment on the Hotel Property as at 31 March 2026. The recoverable amount of the Hotel Property is estimated based on value in use with key assumptions adopted by the management of the Group including pre-tax discount rate and expected change in room revenue in the discounted cash flow projection. The management of the Group concluded that the carrying amount of the Hotel Property exceeds its recoverable amount based on value in use. Accordingly, impairment loss of HK$4,210,000 (2025: no impairment loss) has been recognised during the year ended 31 March 2026.	Our procedures in relation to the impairment assessment of the Hotel Property included: • Understanding the impairment assessment process of the Group, including the involvement of the Valuer engaged by management of the Group to estimate the recoverable amount based on the value in use of the Hotel Property; • Evaluating competence, capabilities, objectivity of the Valuer and obtaining an understanding of the Valuer's scope of work and their terms of engagement; • Evaluating the valuation performed by the Valuer in respect of methodologies, assumptions and data underpinning the value in use; • Assessing the reasonableness of the key assumptions adopted by management of the Group, namely the expected change in room revenue in determining the recoverable amount based on the value in use of the Hotel Property by comparing the management's expectations for the market development to relevant industry growth forecasts; • Assessing the reasonableness of the pre-tax discount rate applied by the management of the Group in the discounted cash flow projection by comparing it to our independent estimation for the discount rate based on market data and certain entity specific input data with the assistance of internal valuation experts; and • Assessing sensitivity analysis prepared by management of the Group to determine the extent of change in the key assumptions adopted in the discounted cash flow projection, namely the pre-tax discount rate and the expected change in room revenue, collectively, to assess the potential impact on the value in use.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the consolidated financial statements of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matter communicated with those charged with governance, we determine the matter that was of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Fung Suet Ngan (practising certificate number: P04690).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
23 June 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 March 2026

		Year ended 31 March	
	NOTES	**2026 HK$'000**	2025 HK$'000
Gaming revenue		**448,114**	408,799
Hotel, catering, leasing and related services revenue		**163,005**	159,345
Gaming, hotel, catering, leasing and related services revenues	6	**611,119**	568,144
Gaming tax		**(162,002)**	(148,417)
Other income	7(a)	**7,550**	8,292
Other gains and losses	7(b)	**(1,603)**	(1,137)
Inventories consumed		**(28,826)**	(26,219)
Depreciation and amortisation		**(29,602)**	(25,610)
Employee benefits expenses		**(212,247)**	(196,161)
Impairment loss on property and equipment	15	**(4,210)**	–
Other operating expenses		**(151,746)**	(144,013)
Listing expenses		**–**	(1,949)
Over-provision of real estate transfer tax on reorganisation	10	**–**	572
Finance costs	8	**(3,090)**	(3,586)
Profit before taxation	10	**25,343**	29,916
Income tax expense	9	**(11,523)**	(14,525)
Profit for the year		**13,820**	15,391
Other comprehensive income (expense)			
Item that will not be reclassified to profit or loss:			
Exchange difference arising from translation of functional currency to presentation currency		**29,791**	7,558
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(2,307)**	(1,025)
Total comprehensive income for the year		**41,304**	21,924
Profit for the year attributable to owners of the Company		**13,820**	15,391
Total comprehensive income for the year attributable to owners of the Company		**41,304**	21,924
Earnings per share	12		
Basic (HK cents)		**1.71**	1.91
Diluted (HK cents)		**N/A**	1.91

Consolidated Statement of Financial Position

At 31 March 2026

	NOTES	As at 31 March 2026 HK$'000	2025 HK$'000
Non-current assets			
Investment properties	14	4,558	4,966
Property and equipment	15	416,177	368,106
Deposits for acquisition of equipment	21	1,579	284
Deposits for gaming licence	21	11,100	10,200
Intangible assets	16	–	1,758
Right-of-use assets	17	31,843	32,011
Deferred tax asset	28	1,243	–
Pledged bank deposits	22	4,666	4,355
Restricted bank deposit	22	19,492	17,911
Bank balances	22	4,535	4,668
		495,193	444,259
Current assets			
Inventories	18	2,452	2,265
Financial assets at fair value through profit or loss ("FVTPL")	19	51,640	6,213
Trade receivables	20	6,503	8,399
Tax recoverable		4,542	2,656
Other receivables, deposits and prepayments	21	7,029	10,192
Bank deposits, bank balances and cash	22	215,442	286,855
		287,608	316,580
Current liabilities			
Trade payables	23	12,192	9,441
Other payables	24	75,635	68,321
Income tax payable		–	28
Contract liabilities	25	3,443	3,642
Lease liabilities	26	1,339	1,714
Bank borrowings	27	9,030	8,322
		101,639	91,468
Net current assets		185,969	225,112
Total assets less current liabilities		681,162	669,371

Consolidated Statement of Financial Position

At 31 March 2026

	NOTES	As at 31 March 2026 HK$'000	2025 HK$'000
Non-current liabilities			
Bank borrowings	27	34,816	45,243
Lease liabilities	26	69,212	66,277
Other payables	24	1,493	1,443
Deferred tax liabilities	28	8,462	7,142
		113,983	120,105
Net assets		567,179	549,266
Capital and reserves			
Share capital	29	8,066	8,066
Reserves		559,113	541,200
		567,179	549,266

The consolidated financial statements on pages 52 to 109 were approved by the Board of Directors on 23 June 2026 and are signed on its behalf by:

DAVID CHIU
DIRECTOR

PAVEL MARŠÍK
DIRECTOR

Consolidated Statement of Changes in Equity

For the Year Ended 31 March 2026

	Attributable to owners of the Company							
	Share capital HK$'000	Share premium HK$'000	Foreign exchange reserve HK$'000	Merger reserve HK$'000	Capital reserve HK$'000	Other reserve HK$'000 (note 1)	Retained profits HK$'000	Total HK$'000
At 31 March 2024	8,000	205,756	(79,181)	(10,799)	46,411	(77,981)	410,648	502,854
Profit for the year	–	–	–	–	–	–	15,391	15,391
Exchange difference arising from translation of functional currency to presentation currency	–	–	7,558	–	–	–	–	7,558
Exchange differences arising on translation of foreign operations	–	–	(1,025)	–	–	–	–	(1,025)
Total comprehensive income for the year	–	–	6,533	–	–	–	15,391	21,924
Issue of shares upon exercise of over-allotment options (Note 29(a))	66	17,078	–	–	–	–	–	17,144
Transaction costs attributable to the exercise of over-allotment options	–	(671)	–	–	–	–	–	(671)
Deemed contribution from shareholder (note 2)	–	–	–	–	8,015	–	–	8,015
At 31 March 2025	8,066	222,163	(72,648)	(10,799)	54,426	(77,981)	426,039	549,266
Profit for the year	–	–	–	–	–	–	13,820	13,820
Exchange difference arising from translation of functional currency to presentation currency	–	–	29,791	–	–	–	–	29,791
Exchange differences arising on translation of foreign operations	–	–	(2,307)	–	–	–	–	(2,307)
Total comprehensive income for the year	–	–	27,484	–	–	–	13,820	41,304
Dividend recognised as distribution (Note 13) (note 3)	–	(23,391)	–	–	–	–	–	(23,391)
At 31 March 2026	8,066	198,772	(45,164)	(10,799)	54,426	(77,981)	439,859	567,179

Notes:

1. The balance represents the deemed distribution for net liabilities assumed from the holding companies arising from the amalgamation of which the then holding companies of Palasino Group, a.s. ("Palasino Group"), the wholly owned subsidiary merged with Palasino Group and they ceased to exist as separate entities on 1 April 2020.

2. The amount represents (1) the portion of listing expenses and issue costs in excess of those relating to sales of shares by FEC, ultimate holding company of Palasino Holdings Limited (the "Company") and (2) the settlement of real estate transfer tax on reorganisation paid by FEC, which are treated as deemed contribution.

3. The amount represents the distribution out of share premium pursuant to the Articles of Association of the Company and in accordance with the Companies Act of the Cayman Islands.

Consolidated Statement of Cash Flows

For the Year Ended 31 March 2026

	Year ended 31 March	
	2026 HK$'000	2025 HK$'000
OPERATING ACTIVITIES		
Profit before taxation	25,343	29,916
Adjustments for:		
Finance costs	3,090	3,586
Interest income	(6,096)	(8,028)
Amortisation of intangible assets	1,802	1,128
Depreciation of property and equipment	26,721	23,272
Depreciation of right-of-use assets	1,079	1,210
Impairment loss on property and equipment	4,210	–
Fair value change on financial assets at FVTPL	(212)	–
Fair value change on investment property	811	1,334
Impairment losses reversed under expected credit loss model	113	(52)
Net loss (gain) on disposal of property and equipment	269	(10)
Net unrealised foreign exchange gain	(6,462)	(4,085)
Operating cashflows before movements in working capital	50,667	48,271
Decrease in trade receivables	1,783	2,150
Decrease in other receivables, deposits and prepayments	3,163	123
Increase in inventories	(187)	(151)
Increase in trade payables	2,751	3,130
Increase (decrease) in other payables	7,512	(11,272)
(Decrease) increase in contract liabilities	(199)	1,418
Cash generated from operations	65,490	43,669
Income taxes paid	(16,413)	(20,401)
NET CASH FROM OPERATING ACTIVITIES	49,077	23,268

Consolidated Statement of Cash Flows

For the Year Ended 31 March 2026

	Year ended 31 March	
	2026	2025
	HK$'000	HK$'000
INVESTING ACTIVITIES		
Interest received	**6,096**	8,028
Placement of deposits for acquisition of property and equipment	**(1,579)**	–
Purchase of property and equipment	**(44,465)**	(18,477)
Purchase of investment properties	**–**	(1,595)
Proceed of disposals of property and equipment	**–**	581
Purchase of financial assets at FVTPL	**(62,799)**	(6,213)
Proceed of disposals of financial assets at FVTPL	**17,059**	–
Placement of restricted bank deposit	**–**	(17,911)
NET CASH USED IN INVESTING ACTIVITIES	**(85,688)**	(35,587)
FINANCING ACTIVITIES		
Proceed from the issue of shares upon exercise of over-allotment options	**–**	17,144
Repayments of lease liabilities	**(1,623)**	(1,578)
Repayments of bank borrowings	**(12,851)**	(10,576)
Settlement of consideration payable	**(376)**	(2,143)
Interest paid	**(3,090)**	(3,586)
Dividends paid to the owners of the Company	**(23,163)**	–
Capital contribution from the ultimate holding company	**–**	660
Share issue costs paid	**–**	(3,459)
NET CASH USED IN FINANCING ACTIVITIES	**(41,103)**	(3,536)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(77,714)**	(15,855)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**291,523**	305,122
EFFECT OF FOREIGN RATE CHANGES	**6,168**	2,256
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**219,977**	291,523
Represented by:		
Bank balances (note 22)	**4,535**	4,668
Bank deposits, bank balances and cash (note 22)	**215,442**	286,855
	219,977	291,523

Notes to the Consolidated Financial Statements

For the Year Ended 31 March 2026

1. GENERAL

Palasino Holdings Limited (the "Company") is a public limited company incorporated in Cayman Islands on 6 July 2023 and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 26 March 2024. The ultimate controlling shareholder of the Company is Tan Sri Dato' David CHIU, who controls the Company through the investment holding company incorporated in the Cayman Islands, namely FEC, which shares are listed on the Stock Exchange. The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is located at 16/F, Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong.

The Company acts as an investment holding company and the operating subsidiaries, as disclosed in Note 35, are principally engaged in the hospitality and gaming business in Germany, Austria and the Czech Republic (the "Business").

The Company's functional currency is Czech Koruna ("CZK"). The consolidated financial statements are presented in Hong Kong dollars ("HK$") as the directors of the Company consider that HK$ is the most appropriate presentation currency in view of the place of listing. dollar is the most appropriate presentation currency in view of the place of listing.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (continued)

New and Amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[3]
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency[3]

1 Effective for annual periods beginning on or after a date to be determined
2 Effective for annual periods beginning on or after 1 January 2026
3 Effective for annual periods beginning on or after 1 January 2027

Except for the new HKFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of HKFRS 18) and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss. Additional disclosures required for the Group's MPMs will be disclosed in a separate note to the consolidated financial statements.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

3.2 Material accounting policy information

Revenue from contracts with customers

The Group's revenue contracts with customers consist of gaming, hotel rooms, food and beverage and other transactions.

Gaming revenue is the aggregate net difference between gaming wins and losses. The Group accounts for gaming revenue on a portfolio basis given the similar characteristics of wagers by recognising net win per gaming day.

The transaction price of hotel rooms, food and beverage, and other transactions is the net amount collected from the customer for such goods and services. The transaction price for such transactions is recorded as revenue when the good or service is transferred or rendered to the customer during their stay at the hotel or when the delivery is made for the food and beverage and other services.

Casino customers accumulate loyalty points from slot machine gaming and table gaming that entitle them to utilise the loyalty points as cashable credit on any slot machine and table gaming or use to purchase non-gaming products by utilising the Loyalty points earned under the customer loyalty programme. The promise to provide the utilising loyalty point to the customers is therefore a separate performance obligation. The transaction price is allocated between the gaming revenue and the loyalty points on a relative standalone selling price basis. The stand-alone selling price per loyalty point is estimated based on the monetary value to be given when the loyalty points are redeemed by the customers and the likelihood of redemption, as evidenced by the Group's historical experience. A contract liability is recognised for revenue relating to the loyalty points at the time of the customer awarded. Revenue from the loyalty points is recognised when the loyalty points are redeemed by the customer.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. When a fair value gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is also recognised in profit or loss. When a fair value gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is also recognised in other comprehensive income.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK$) using exchange rates prevailing at the end of the reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of foreign exchange reserve (attributed to non-controlling interests as appropriate).

Exchange differences relating to the retranslation of the Group's net assets in CZK to the Group's presentation currency (i.e. HK$) are recognised directly in other comprehensive income and accumulated in foreign exchange reserve. Such exchange differences accumulated in the foreign exchange reserve are not reclassified to profit or loss subsequently.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Government grants (continued)

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants a represented under "other income".

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before taxation" as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary difference.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Taxation (continued)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss.

Property and equipment

Property and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than freehold lands and construction in progress as described below). Property and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Freehold lands are not depreciated and are measured at cost less subsequent accumulated impairment losses.

Buildings in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Property and equipment (continued)

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use assets" in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property and equipment.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting period, with the effect of any changes in estimate accounted for a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income.

Gains and losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

If a property becomes an owner-occupied property because its use has been changed as evidenced by commencement of owner-occupation, the fair value of the property at the date of change in use is considered as the deemed cost for subsequent accounting.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Intangible asset

Intangible asset not yet available for use with finite useful Life that is acquired separately is carried at cost less any accumulated impairment losses. Amortisation for intangible asset with finite useful life commences when the asset is available for use and is recognised on a straight line basis over its estimated useful Life. The estimated useful life and amortisation method are reviewed at the end of the reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the casing amount of the asset, are recognised in profit or loss when the asset is derecognised.

Leases

The Group assesses whether a contract is or contains a lease at inception, modification date or business acquisition date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of gaming equipment that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

The Group as lessee

Right-of-use assets

The Group recognises right-of-use asset at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received; and
- any initial direct costs incurred by the Group.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Leases (continued)

The Group as lessee (continued)

<u>Lease liabilities</u>

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable; and
- variable lease payments that depend on an index or a rate.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever the lease payments change due to changes in an index or a rate, in which case the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Impairment losses on property and equipment, intangible assets and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property and equipment, intangible assets and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of property and equipment, intangible assets and right-of-use assets, are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Impairment losses on property and equipment, intangible assets and right-of-use assets (continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Financial instruments

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Amortised cost and interest income

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets at fair value through profit or loss ("FVTPL")

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income ("FVTOCI") or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of the reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

Impairment of financial assets subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade receivables, other receivables and deposits, deposits for gaming licence, pledged bank deposits, restricted bank deposit and bank balances) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at the end of the reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, and factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always assesses lifetime ECL for trade receivables.

For all other financial instruments, the Group assesses the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises Lifetime ECL The assessment of whether lifetime ECL should be recognised is based on significant increases in the Likelihood or risk of a default occurring since initial recognition.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Measurement and recognition of ECL (continued)

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Nature of financial instruments;
- Past-due status; and
- Nature, size and industry of debtors.

The grouping is regularly reviewed by the management of the Group to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount with the exception of trade receivables where the correspondence adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of a group entity after deducting all of its liabilities. Equity instruments issued by the group entities are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at amortised cost

Financial liabilities (including trade payables, other payables and bank borrowings) are subsequently measured at amortised cost, using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the management of the Group is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimate is recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next twelve months.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Impairment assessment of the property and equipment related to a hotel operation in Germany

Property and equipment are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate pre-tax discount rate. Changing the assumptions and estimates, including the pre-tax discount rate or expected change in room revenue in the cash flow projections, could materially affect the recoverable amounts.

As at 31 March 2026, the carrying amount of property and equipment subject to impairment assessment was HK$18,278,000 (2025: HK$23,140,000), after taking into account the accumulated impairment losses of HK$6,208,000 (2025: HK$1,998,000) in property and equipment that have been recognised. Details of the impairment of property and equipment are disclosed in note 15.

Deferred tax assets

As at 31 March 2026, no deferred tax asset has been recognised on the tax losses of HK$171,921,000 (2025: HK$156,226,000) and deductible temporary difference of HK$59,729,000 (2025: HK$55,745,000) due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits will be available in the future, which is a key source of estimation uncertainty especially the uncertainty on the economic condition in Europe. In cases where the actual future taxable profits generated are more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a recognition takes place.

5. SEGMENT INFORMATION

The Group is currently organised into two reportable segments – gaming operations and hotel, catering and leasing operations. Principal activities of these two reportable segments are as follows:

(i) Gaming operations – operation of casinos

(ii) Hotel, catering and leasing operations – operation of hotel, catering and related services

Reportable segments are reported in a manner consistent with the internal reporting provided to the chief executive officer of the Company, being the chief operating decision maker (the "CODM") CODM, who is responsible for allocating resources and assessing performance of the reportable segments, has been identified as the senior management that makes strategic decisions.

The CODM regularly analyses gaming operations in terms of table gaming operations and slot machine gaming operations for each casino, and the relevant revenues and operating results are reviewed as a whole for resources allocation and performance assessment. For hotel, catering and leasing operations, the CODM regularly reviews the performance on the basis of the individual hotel. For segment reporting under HKFRS 8 Operating Segments, financial information of the Group's hotels with similar economic characteristics has been aggregated into a single reportable segment named "hotel, catering and leasing operations".

5. SEGMENT INFORMATION (continued)

Segment information about these businesses is presented below:

(a) An analysis of the Groups revenue and results by reportable segments is as follows:

	Year ended 31 March 2026 HK$'000	2025 HK$'000
Segment revenue		
Gaming operations:		
recognised at a point in time	448,114	408,799
Hotel, catering and leasing operations:		
Catering operations:		
recognised at a point in time	72,224	69,976
Hotel operations:		
recognised overtime	90,525	88,656
Leasing operations:		
revenue from operating lease	256	713
	611,119	568,144
Revenue from contracts with customers:		
recognised at a point in time	520,338	478,775
recognised overtime	90,525	88,656
	610,863	567,431
Revenue from operating leases:		
lease payments	256	713
	611,119	568,144
Segment results		
Gaming operations	70,258	91,777
Hotel, catering and leasing operations	(8,491)	415
Unallocated corporate income	7,550	8,427
Unallocated corporate expenses	(43,974)	(70,703)
Profit before taxation	25,343	29,916

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment results represent the profit before taxation from each segment without allocation of certain finance costs, listing expenses, real estate transfer tax on reorganisation, other expense and corporate income and expenses. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

Notes to the Consolidated Financial Statements

For the Year Ended 31 March 2026

5. SEGMENT INFORMATION (continued)

(b) An analysis of the Group's assets and liabilities by reportable segments is as follows:

	Year ended 31 March	
	2026 **HK$'000**	2025 HK$'000
ASSETS		
Segment assets:		
– gaming operations	**200,976**	167,144
– hotel, catering and leasing operations	**248,373**	249,172
	449,349	416,316
Other unallocated assets	**333,452**	344,523
Group's total	**782,801**	760,839
LIABILITIES		
Bank borrowings:		
– hotel, catering and leasing operations	**43,846**	53,565
	43,846	53,565
Other segment liabilities:		
– gaming operations	**8,462**	1,727
– hotel, catering and leasing operations	**160,461**	145,234
	168,923	146,961
Total segment liabilities	**212,769**	200,526
Unallocated liabilities	**2,853**	11,047
Group's total	**215,622**	211,573

For the purposes of monitoring segment performances and allocating resources between segments:

(i) other unallocated assets include mainly certain property and equipment, deposits for acquisition of equipment, intangible assets, certain right-of-use assets, financial asset at FVTPL, certain other receivables, deposits and prepayments, and certain bank deposits, bank balances and cash.

(ii) unallocated liabilities include mainly certain other payables, deferred tax liabilities and certain lease liabilities.

(iii) all assets are allocated to reportable segments, other than assets not attributable to respective segments as mentioned in above (i).

(iv) all liabilities are allocated to reportable segments, other than liabilities not attributable to respective segments as mentioned in above.

5. SEGMENT INFORMATION (continued)

(c) Other segment information of the Group

Amounts included in the measurement of segment profit or loss:

For the year ended 31 March 2026

	Gaming operations HK$'000	Hotel, catering and leasing operations HK$'000	Unallocated HK$'000	Total HK$'000
Depreciation of right-of-use assets	–	791	288	1,079
Depreciation of property and equipment	15,320	10,860	541	26,721
Amortisation of intangible assets	–	–	1,802	1,802
Impairment loss on property and equipment	–	4,210	–	4,210
Net loss on disposal of property and equipment	–	–	269	269
Interest income from bank deposits	–	–	(5,142)	(5,142)
Interest income from financial assets at FVTPL	–	–	(954)	(954)
Finance costs	–	3,074	16	3,090
Income tax expense (credit)	12,711	(1,188)	–	11,523
Impairment losses recognised under ECL model, net	–	113	–	113

For the year ended 31 March 2025

	Gaming operations HK$'000	Hotel, catering and leasing operations HK$'000	Unallocated HK$'000	Total HK$'000
Depreciation of right-of-use assets	–	707	503	1,210
Depreciation of property and equipment	10,244	5,907	7,121	23,272
Amortisation of intangible assets	–	–	1,128	1,128
Net gain on disposal of property and equipment	–	–	(10)	(10)
Bank interest income	–	–	(8,028)	(8,028)
Finance costs	4	3,539	43	3,586
Income tax expense	14,521	4	–	14,525
Impairment losses reversed under ECL model, net	–	(52)	–	(52)

5. SEGMENT INFORMATION (continued)

(c) Other segment information of the Group

	Year ended 31 March	
	2026 HK$'000	2025 HK$'000
Additions to non-current assets (other than financial instruments)		
– gaming operations	42,852	16,290
– hotel, catering and leasing operations	1,488	5,410
– corporate level*	3,367	3,695
	47,707	25,395

* Amount includes additions to certain property and equipment, certain right-of-use assets and deposits for acquisition of equipment where the directors of the Group consider it impracticable to divide into individual segments.

(d) Geographical information

The Group's operations are in the Czech Republic, Germany and Austria. Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on geographical location of the assets.

	Year ended 31 March	
	2026 HK$'000	2025 HK$'000
Revenue from external customers:		
The Czech Republic	494,999	455,358
Germany	76,843	76,230
Austria	39,277	36,556
	611,119	568,144

	Year ended 31 March	
	2026 HK$'000	2025 HK$'000
Non-current assets:		
The Czech Republic	298,917	251,383
Germany	113,586	112,871
Austria	41,654	42,871
	454,157	407,125

Non-current assets exclude financial instruments and deferred tax asset.

(e) Information about major customers

During the years ended 31 March 2026 and 2025, no individual customer contributed over 10% of the total revenue of the Group.

6. REVENUE

	Year ended 31 March	
	2026	2025
	HK$'000	HK$'000
Gaming revenue from:		
– slot machine operations	**349,098**	326,432
– table gaming operations	**99,016**	82,367
	448,114	408,799
Hotel, catering, leasing and related service revenue from:		
– catering operations	**72,224**	69,976
– hotel operations	**90,525**	88,656
– leasing operations	**256**	713
	163,005	159,345
	611,119	568,144

For hotel and catering transactions, the Group generally grants credit terms ranging from 30 to 60 days to its corporate customers from the date of invoices. Other than that, transactions with patrons and individual customers are settled by cash or credit cards through payment gateways, which will generally settle the amounts with the Group within 2 days after the date of transactions. As at 31 March 2026 and 2025, all outstanding sales contracts are expected to be fulfilled within 12 months after the end of the reporting period. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

7. OTHER INCOME/OTHER GAINS AND LOSSES

		Year ended 31 March	
		2026	2025
		HK$'000	HK$'000
(a)	Other income		
	Interest income from bank deposits	**5,142**	8,028
	Interest income from financial assets at FVTPL	**954**	–
	Government grants	**1,454**	163
	Others	**–**	101
		7,550	8,292
(b)	Other gains and losses		
	Fair value change on financial assets at FVTPL	**212**	–
	Fair value change on investment property	**(811)**	(1,334)
	Net foreign exchange (loss) gain	**(622)**	135
	Net (loss) gain on disposal of property and equipment	**(269)**	10
	Impairment losses (recognised) reversed under ECL model, net	**(113)**	52
		(1,603)	(1,137)

8. FINANCE COSTS

	Year ended 31 March	
	2026	2025
	HK$'000	HK$'000
Interest on lease liabilities	**1,438**	1,379
Interest on bank borrowings	**1,652**	2,207
	3,090	3,586

9. INCOME TAX EXPENSE

	Year ended 31 March	
	2026	2025
	HK$'000	HK$'000
Current tax:		
– The Czech Republic Corporation Tax	**12,049**	13,501
– Austria Corporation Tax	**4**	4
	12,053	13,505
Deferred tax (Note 28)	**(530)**	1,020
Income tax expense	**11,523**	14,525

The Group is not subject to any income tax in the Cayman Islands pursuant to the rules and regulations in the Jurisdiction.

Withholding tax of 15% is imposed on dividends declared in respect of profits earned by the subsidiary incorporated in the Czech Republic. At 31 March 2026, the amount of distributable earnings for the Group's subsidiary incorporated in the Czech Republic in respect of which the Group has not provided for dividend withholding tax amounted to HK$635,831,000 (2025: HK$551,931,000). No deferred tax liability has been recognised in respect of these amounts because the Group is in a position in control of the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

During the year ended 31 March 2026, the Czech Republic Corporation Tax is calculated at a rate of 21% (2025: 21%) on the estimated assessable profits.

No provision (2025: no provision) for Germany Corporation Tax for the year ended 31 March 2026 as the Group either incurred tax loss or utilised tax loss for offsetting the income tax payable.

No provision (2025: no provision) for Austria Corporation Tax during the year ended 31 March 2026 as the Group incurred tax loss, however, there is a minimum corporation tax of EUR500 for a year (2025: EUR500 for a year) during the year ended 31 March 2026 for entities in a tax loss position.

9. INCOME TAX EXPENSE (continued)

The income tax expense for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

	Year ended 31 March	
	2026 HK$'000	2025 HK$'000
Profit before taxation	**25,343**	29,916
Tax at the statutory tax rate of 21% (2025: 21%) in the Czech Republic	**5,322**	6,282
Tax effect of expenses not deductible for tax purpose	**6,712**	6,987
Tax effect of income not taxable for tax purpose	**(681)**	(328)
Tax effect of tax losses not recognised	**1,958**	2,083
Effect of tax exemptions granted to Czech subsidiary (note)	**(68)**	(40)
Utilisation of deductible temporary difference previously not recognised	**(1,724)**	(463)
Minimum tax to Austria subsidiary	**4**	4
Income tax expense	**11,523**	14,525

Note: Tax exemption of approximately CZK192,000 (2025: CZK123,000) has been granted to Czech subsidiary for the year ended 31 March 2026.

10. PROFIT BEFORE TAXATION

	Year ended 31 March	
	2026 HK$'000	2025 HK$'000
Profit before taxation has been arrived at after charging (crediting):		
Staff costs		
– Directors' emoluments (Note 11)	**3,258**	3,620
– Salaries, allowances and other benefits	**208,867**	192,425
– Pension schemes contributions	**122**	116
Total staff costs	**212,247**	196,161
Auditor's remuneration		
– audit service	**2,400**	3,050
– audit-related service	**450**	1,000
– non-audit services	**–**	30
Amortisation of intangible assets	**1,802**	1,128
Depreciation of property and equipment	**26,721**	23,272
Depreciation of right-of-use assets	**1,079**	1,210
Impairment loss on property and equipment (Note 15)	**4,210**	–
Overprovision of real estate transfer tax on reorganisation (note)	**–**	(572)

Note: Upon the completion of transfer of the entire equity interest of Trans World Hotel Germany GmbH ("TWG") from Palasino Group to the Company, as part of the internal reorganisation, on 22 January 2024, TWG becomes the wholly owned subsidiary of the and the Group is liable for the estimated German real estate transfer tax of approximately EUR910,000 (equivalent to Company approximately HK$7,927,000), which has been recognised in profit or loss for the year ended 31 March 2024. During the year ended 31 March 2025, the Group received the payment notice from German tax authorities under which the real estate transfer tax is approximately EUR877,000 (equivalent to approximately HK$7,355,000). Accordingly, the Group reversed the overprovision of approximately HK$572,000 in profit or loss and the whole amount has been paid by FEC directly to the German tax authorities and recognised under capital reserve as at 31 March 2025.

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For the Year Ended 31 March 2026

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' and the chief executive's emoluments

The emoluments paid or payable to the directors of the Company by the Group during the year are as follows:

Executive director

For the year ended 31 March 2026

	Mr. Maršík HK$'000
Fee	25
Salaries, allowances and other benefits	2,341
Discretionary bonus (Note i)	225
	2,591

For the year ended 31 March 2025

	Mr. Maršík HK$'000
Fee	25
Salaries, allowances and other benefits	2,125
Discretionary bonus (Note i)	838
	2,988

Non-executive directors

For the year ended 31 March 2026

	Mr. Chiu HK$'000	Mr. Hoong HK$'000	Mr. Li(Note ii) HK$'000	Total HK$'000
Fee	25	25	17	67

For the year ended 31 March 2025

	Mr. Chiu HK$'000	Mr. Hoong HK$'000	Mr. Li(Note ii) HK$'000	Total HK$'000
Fee	25	25	19	69

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

(a) Directors' and the chief executive's emoluments (continued)

Independent non-executive directors

For the year ended 31 March 2026

	Mr. Liu HK$'000	Mr. Lam HK$'000	Ms. Ng HK$'000	Ms. Jiao HK$'000	Total HK$'000
Fee	150	150	150	150	600

For the year ended 31 March 2025

	Mr. Liu HK$'000	Mr. Lam HK$'000	Ms. Ng HK$'000	Ms. Jiao HK$'000	Total HK$'000
Fee	150	150	150	113	563

Notes:

(i) The discretionary bonus is determined by reference to the duties and responsibilities of the relevant individual within the Group and the Group's performance.

(ii) Mr. Li resigned as a non-executive director on 17 November 2025.

The executive directors and non-executive directors, emoluments shown above were for their services in connection with the management of the affairs of the Group.

The independent non-executive directors' emoluments shown above were for their services of the Company.

None of the directors nor chief executive waived or agreed to waive any emoluments during the years ended 31 March 2026 and 2025.

(b) Employees' emoluments

The five highest paid individuals included 1 director (2025: 1 director) for the year ended 31 March 2026, whose emolument is included in the disclosures in (a) above. The emoluments of the remaining 4 individuals (2025: 4 individuals) for the year ended 31 March 2026, are as follows:

	Year ended 31 March	
	2026 HK$'000	2025 HK$'000
Salaries, allowances and other benefits	4,811	4,199
Discretionary bonus (Note)	566	1,392
	5,377	5,882

Note: The discretionary bonus is determined by reference to the duties and responsibilities of the relevant individual within the Group and the Group's performance.

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

The emoluments of the highest paid employees who are not director of the Company were within the following band:

	Year ended 31 March	
	2026	2025
	HK$'000	HK$'000
HK$1,000,001 to HK$1,500,000	**3**	2
HK$1,500,001 to HK$2,000,000	**1**	2

During the year ended 31 March 2026, no emoluments (2025: no emoluments) were paid by the Group to any of the directors of the Company or the chief executive of the Group or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

12. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share from operations attributable to owners of the Company is based on the following data:

Earnings:

	Year ended 31 March	
	2026	2025
	HK$'000	HK$'000
Earnings for the purpose of basic and diluted earnings per share being profit for the year attributable to owners of the Company	**13,820**	15,391

Number of shares:

	2026	2025
	'000	'000
Weighted average number of ordinary shares for the purpose of basic earnings per share	**806,594**	806,197
Effect of dilutive potential ordinary share – over-allotment option of the global offering	**–**	388
Weighted average number of ordinary shares for the purpose of dilutive earnings per share	**806,594**	806,585

The weighted average number of ordinary shares for the purpose of basic and dilutive earnings per share for the year ended 31 March 2025 have been taken into account the over-allotment option of the global offering as set out in Note 29.

13. DIVIDENDS

	Year ended 31 March	
	2026	2025
	HK$'000	HK$'000
Dividends recognised as distribution during the year:		
2025 Final – HK2.90 cents per ordinary share	**23,391**	–

Subsequent to the end of the reporting period, a final dividend of HK2.90 cents (2025: HK2.90 cents) per ordinary share, in an aggregate amount of HK$23,391,000 (2025: HK$23,391,000) have been proposed to be paid out of the share premium account of the Company by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting and in accordance with the Companies Act of the Cayman Islands.

14. INVESTMENT PROPERTIES

	HK$'000
At 1 April 2024	14,597
Additions	1,595
Transfer to property and equipment (Note 15)	(10,186)
Fair value change	(1,334)
Exchange realignment	294
At 31 March 2025	4,966
Fair value change	(811)
Exchange realignment	403
At 31 March 2026	4,558

The investment properties represent the properties held by Retail Park Mikulov s.r.o. ("Mikulov"), which leases out a retail store (2025: five retail stores) under operating leases with rentals payable monthly. The leases typically run for an initial period of 5 years (2025: 5 - 8 years).

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in CZK which is the functional currency of Mikulov. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

In determining the fair value of the investment properties, the valuation is performed by the management of the Company. The management of the Company establish the appropriate valuation techniques and inputs to the model. The management of the Company report the findings of the valuation to the board of directors of the Company periodically to explain the cause of fluctuations in the fair value of the investment properties.

14. INVESTMENT PROPERTIES (continued)

The valuation of the investment properties, which falls under level 3 of the fair value hierarchy, was arrived at by capitalisation of future rental which is estimated by reference to comparable rental as available in the relevant markets. In the valuation, the market rentals of all lettable units of the properties are made reference to the rentals achieved by the Group in the lettable units as well as those of similar properties in the neighbourhood. The capitalisation rate adopted is by reference to the yield rates observed by the management of the Company for similar properties in the locality and adjusted for the management of the Group's knowledge of factors specific to the respective properties. The yearly comparable rental and capitalisation rate adopted in the valuation as at 31 March 2026 is CZK1,200 per square meter and 5.03% (2025: CZK1,200 per square meter and 4.24%) respectively.

The fair value measurement of Group's major investment properties and information about the fair value hierarchy at 31 March 2026 and 2025 are as follows:

The key inputs used in valuing the investment properties under the income capitalisation approach were the capitalisation rates used and market rent. A slight increase in the capitalisation rate used or a slight decrease in market rent would result in a significant decrease in the fair value of the investment properties, and vice versa.

In estimating the fair value of the properties, the highest and best use of the properties is their current use. The fair value of certain investment properties has been adjusted to exclude prepaid or accrued operating lease income to avoid double counting.

15. PROPERTY AND EQUIPMENT

	Freehold land HK$'000	Buildings under freehold land HK$'000	Buildings under leasehold land HK$'000	Office furniture, fixtures and equipment HK$'000	Motor vehicle HK$'000	Gaming equipment HK$'000	Construction in progress HK$'000	Total HK$'000
COST								
At 1 April 2024	21,495	353,992	161,687	121,698	5,792	63,568	5,182	733,414
Additions	–	1,263	–	1,632	2,063	14,946	1,344	21,248
Transfer from investment property (Note 14)	–	10,186	–	–	–	–	–	10,186
Disposals	–	–	–	(16)	(1,840)	–	–	(1,856)
Transfer	–	3,705	–	9	–	1,548	(5,262)	–
Exchange adjustments	362	9,748	5,278	4,160	179	3,418	101	23,246
At 31 March 2025	21,857	378,894	166,965	127,483	6,194	83,480	1,365	786,238
Additions	–	10	112	1,200	651	16,008	26,781	44,762
Disposals	–	–	–	(730)	–	–	–	(730)
Transfer	–	26,781	–	–	–	–	(26,781)	–
Exchange adjustments	1,461	36,973	15,033	11,540	574	6,438	670	72,689
At 31 March 2026	23,318	442,658	182,110	139,493	7,419	105,926	2,035	902,959
DEPRECIATION AND IMPAIRMENT								
At 1 April 2024	–	94,392	150,921	82,531	1,775	56,658	–	386,277
Provided for the year	–	10,515	538	5,864	1,257	5,098	–	23,272
Eliminated on disposal	–	–	–	(16)	(1,269)	–	–	(1,285)
Exchange adjustments	–	2,205	3,226	2,588	54	1,795	–	9,868
At 31 March 2025	–	107,112	154,685	90,967	1,817	63,551	–	418,132
Provided for the year	–	11,818	573	5,773	1,690	6,867	–	26,721
Impairment loss recognised in profit or loss	–	3,993	–	217	–	–	–	4,210
Eliminated on disposal	–	–	–	(461)	–	–	–	(461)
Exchange adjustments	–	10,127	13,673	8,251	232	5,897	–	38,180
At 31 March 2026	–	133,050	168,931	104,747	3,739	76,315	–	486,782
CARRYING VALUES								
At 31 March 2026	23,318	309,608	13,179	34,746	3,680	29,611	2,035	416,177
At 31 March 2025	21,857	271,782	12,280	36,516	4,377	19,929	1,365	368,106

The above items of property and equipment, except for freehold land and construction in progress, after taking into account the residual values, are depreciated on a straight-line basis on the following bases:

Office furniture, fixtures and equipment	8% – 33%
Motor vehicle	20% – 33%
Gaming equipment	20% – 25%
Buildings under leasehold land	over the lease term
Buildings under freehold land	2% – 2.5%

15. PROPERTY AND EQUIPMENT (continued)

The management of the Group concluded there was indication for impairment and conducted impairment assessment on a hotel operation in Germany, being a single cash-generating unit with a carrying amount of HK$18,278,000.

The value in use of property and equipment of such hotel operation in Germany have been determined by the management of the Group using a pre-tax discount rate of 10.00% (2025: 10.48%). The relevant assets were impaired to their recoverable amount of HK$18,278,000 (2025: HK$23,140,000), which is the carrying value at year end and an impairment loss of HK$4,210,000 (2025: no impairment) has been recognised in profit or loss during the year.

16. INTANGIBLE ASSETS

	Search engine platform HK$'000
COST	
At 1 April 2024	4,542
Exchange adjustments	66
At 31 March 2025	4,608
Exchange adjustments	(457)
Disposals	(4,151)
At 31 March 2026	–
AMORTISATION	
At 1 April 2024	1,687
Provided for the year	1,128
Exchange adjustments	35
At 31 March 2025	2,850
Provided for the year	1,802
Exchange adjustments	(501)
Eliminated on disposals	(4,151)
At 31 March 2026	–
CARRYING VALUES	
At 31 March 2026	–
At 31 March 2025	1,758

Note: The intangible asset represents the development cost incurred for the search engine optimisation platform which starts to amortise during the year ended 31 March 2024 on a straight-line basis at 33% per annum. During the year ended 31 March 2026, the intangible asset's amortisation is accelerated after the reassessment of the useful life by the management of the Group.

17. RIGHT-OF-USE ASSETS

	Office premises HK$'000	Leasehold land HK$'000	Total HK$'000
COST			
At 1 April 2024	1,905	45,869	47,774
Exchange adjustments	91	2,217	2,308
Lease reassessment	–	2,552	2,552
At 31 March 2025	1,996	50,638	52,634
Lease termination	(1,978)	–	(1,978)
Exchange adjustments	91	3,405	3,496
At 31 March 2026	109	54,043	54,152
DEPRECIATION AND IMPAIRMENT			
At 1 April 2024	830	17,325	18,155
Provided for the year	503	707	1,210
Exchange adjustments	63	1,195	1,258
At 31 March 2025	1,396	19,227	20,623
Provided for the year	288	791	1,079
Lease termination	(1,672)	–	(1,672)
Exchange adjustments	60	2,219	2,279
At 31 March 2026	72	22,237	22,309
CARRYING VALUES			
At 31 March 2026	37	31,806	31,843
At 31 March 2025	600	31,411	32,011

	Year ended 31 March	
	2026 HK$'000	2025 HK$'000
Expense relating to short-term leases	**24,481**	22,311
Expense relating to lease of low-value assets	**934**	788
Total cash outflow for leases	**28,476**	26,056

The Group leases office premises and pieces of land of hotel buildings during the years ended 31 March 2026 and 2025. Lease contracts for office premises and leasehold land are entered into for fixed term of 3 to 4 years and 42 to 66 years, without any extension nor termination options, respectively. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

During the year ended 31 March 2025, the Group entered into a new lease agreement with Annick Investment Limited ("Annick"), a fellow subsidiary of the Group for the use of office premises for 3 years. On the lease commencement, the Group recognised HK$109,000 of right-of-use assets and HK$109,000 of lease liabilities respectively.

17. RIGHT-OF-USE ASSETS (continued)

The lease payment of the leasehold land in Austria is charged at fixed amount on a monthly basis. During the year ended 31 March 2026, no lease reassessment (2025: HK$2,552,000) has been recognised as right-of-use assets and lease liabilities using the initial discount rate, respectively. The lease payment for the remaining years will be adjusted by the inflation rate at the end of each calendar year provided that the inflation rate of Austria exceeds 5% per annum.

Restrictions or covenants on leases

In addition, lease liabilities of HK$70,551,000 (2025: HK$67,991,000) are recognised with related right-of-use assets of HK$31,843,000 (2025: HK$32,011,000) as at 31 March 2026. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

18. INVENTORIES

	As at 31 March	
	2026 **HK$'000**	2025 HK$'000
Food and beverage held for sale	**2,452**	2,265

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 31 March	
	2026 **HK$'000**	2025 HK$'000
Financial assets at FVTPL	**51,640**	6,213

As at 31 March 2026, financial assets at FVTPL represented the investment in listed debt securities issued by large financial institutions and corporations to generate interest income for the Group. The Group intends to hold the assets to maturity to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

As at 31 March 2025, financial asset at FVTPL represented the investment in a money market fund issued by a financial institution which is not connected to the Group. The money market fund mainly consists of bonds, debt securities with short term maturities, as well as deposits with financial institutions.

20. TRADE RECEIVABLES

	As at 31 March	
	2026 **HK$'000**	2025 HK$'000
Trade receivables	**6,617**	8,400
Less: allowance for credit losses	**(114)**	(1)
	6,503	8,399

As at 1 April 2024, trade receivables from contracts with customers amounted to HK$10,188,000.

20. TRADE RECEIVABLES (continued)

The entire trade receivables are arising from hotel and catering operations. The Group generally grants credit terms up to 60 days to its corporate customers from the date of invoices. Transactions with individual customers are settled by cash or credit cards through payment gateways, which will generally settle the amounts with the Group within 2 days after the sales was made. An ageing analysis of the trade receivables, net of allowance for impairment losses, presented based on the invoice dates at the end of the reporting period is as follows:

	As at 31 March	
	2026 HK$'000	2025 HK$'000
Within 30 days	**6,258**	7,557
31 days to 60 days	**22**	379
Over 60 days	**223**	463
	6,503	8,399

The Group provides ECL of trade receivables as prescribed by HKFRS 9. Details of impairment assessment of trade receivables are set out in Note 33.

As at 31 March 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK$2,389,000 (2025: HK$842,000), which are past due as at the reporting date. As at the end of the reporting period, HK$274,000 (2025: HK$373,000) has been past due 90 days or more. The Group does not hold any collateral over these balances.

21. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at 31 March	
	2026 HK$'000	2025 HK$'000
Rental and utilities deposits	**723**	1,223
Deposits for acquisition of equipment	**1,579**	284
Deposits for gaming licence (note)	**11,100**	10,200
Other receivables, deposits and prepayments	**6,306**	8,969
Total	**19,708**	20,676
Presented as:		
Current	**7,029**	10,192
Non-current	**12,679**	10,484
	19,708	20,676

Note: Deposits of CZK30,000,000 (2025: CZK30,000,000) (equivalents to approximately HK$11,100,000 (2025: HK$10,200,000) as at 31 March 2026) have been placed on a special account of the Ministry of Finance of the Czech Republic as surety deposit for the casino operations. Such deposit is refundable upon the gaming licence is conclusively withdrawn or ceased and will not be realised within 12 months from the end of reporting period, therefore, the amount is classified as non-current assets.

Details of impairment assessment of other receivables and deposits are set out in Note 33.

22. BANK DEPOSITS, BANK BALANCES AND CASH/PLEDGED BANK DEPOSITS/ RESTRICTED BANK DEPOSIT

Cash and cash equivalents comprise cash held by the Group, bank balances and short-term bank deposits for the purpose of meeting the Group's short term cash commitments.

Bank balances carry variable interest at average market rates of 2.7% (2025: 2.0%) per annum as at 31 March 2026. Bank balances include a demand deposit of HK$4,535,000 (2025: HK$4,668,000) that is placed in a designated account of the bank without any restriction to use in order to fulfil the relevant loan covenant requirements as of 31 March 2026 and 2025. The management of the Group considers such demand deposit will not be withdrawn within twelve months from the end of the reporting period and accordingly such balance meets the definition of cash but is classified as non-current as at 31 March 2026 and 2025. The balance does not carry any interest as at 31 March 2026 and 2025.

Pledged bank deposits carry fixed interest rates of 0.25% and 0.50% as at 31 March 2026 (2025: 0.66%), and represent deposits pledged to banks to secure long-term bank borrowings granted to the Group, and are therefore classified as non-current assets. The pledged bank deposits will be released upon the settlement of relevant bank borrowings.

As at 31 March 2026, a restricted bank deposit of CZK52,680,000 (2025: CZK52,680,000) (equivalent to approximately HK$19,492,000 (2025: HK$17,911,000)) was placed and certain land and buildings were pledged with a bank as the security in exchange for a guarantee of CZK120,000,000 (2025: CZK120,000,000) (equivalent to approximately HK$44,400,000 (2025: HK$40,800,000)) as additional refundable gaming deposit in compliance with the requirement of New Czech Gambling Act. The restricted bank deposit is refundable upon the gaming licence is conclusively withdrawn or ceased and will not be realised within 12 months from the end of reporting period, therefore, the amount is classified as non-current assets. The restricted bank deposit carries at a fixed interest at 0.75% per annum as at 31 March 2026 (2025: 0.75%).

Details of impairment assessment of bank balances and pledged bank deposits are set out in Note 33.

23. TRADE PAYABLES

The credit period granted by suppliers ranged from 0 to 90 days. The ageing analysis of the trade payables of the Group presented based on the invoice dates. At the end of the reporting period is as follows:

	As at 31 March	
	2026 **HK$'000**	2025 HK$'000
Within 60 days	**11,800**	5,644
61 to 90 days	**392**	3,797
	12,192	9,441

24. OTHER PAYABLES

	As at 31 March	
	2026	2025
	HK$'000	HK$'000
Chips in circulation	**2,076**	2,101
Other payables and accruals	**7,347**	8,605
Refundable government subsidy	**1,126**	2,173
Deferred income (note i)	**1,553**	1,509
Other tax payables	**48,092**	40,380
Salaries payables	**16,706**	14,636
Consideration payable (note ii)	**–**	360
Dividend payable	**228**	–
	77,128	69,764
Less: Non-current portion of deferred income	**(1,493)**	(1,443)
	75,635	68,321

Notes:

(i) Trans World Hotels Austria GmbH ("TWA") was granted by the Austria Government for subsidising the construction cost of hotel building at amount of EUR200,000 (equivalent to approximately HK$1,800,000). The government grant will be amortised over the useful life of the hotel building.

(ii) The balance represented the consideration payable arising from the acquisition of a hotel building in 2015, the amount was repayable on a monthly basis from years 2015 to 2025, interest bearing at 3% per annum and secured by the property held by the Group.

25. CONTRACT LIABILITIES

	As at 31 March	
	2026	2025
	HK$'000	HK$'000
Advances received in relation to the service of hotel accommodation	**1,473**	1,915
Customer loyalty programme	**1,970**	1,727
	3,443	3,642

As at 1 April 2024, the contract liabilities amounted to HK$2,159,000.

Revenue recognised in current year relating to brought-forward contract liabilities amounted to HK$3,527,000 (2025: HK$2,057,000).

25. CONTRACT LIABILITIES (continued)

Advances received in relation to the service of hotel accommodation

Contract liabilities in relation to the service of hotel accommodation represent the advance payments received from the customers upon ordering and before provision of services, until the services are rendered and revenue are recognised.

Customer loyalty programme

The Group offers customer loyalty programme in the Group's gaming operations. Basically, the customers can earn loyalty points from slot machine gaming and table gaming. The customers can use the loyalty points as cashable credit on any slot machine gaming and table gaming or use to purchase non-gaming products by utilising the loyalty points earned under the customer loyalty programme. All loyalty points can be accumulated and will be expired in the following 6 months since the last gaming. The expiry date of the loyalty points will be automatically extended if there is a gaming betted by the customers during the 6-month period. Contract liabilities in relation to customer loyalty programme represent the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period.

The Group expects the transaction price allocated to the unsatisfied performance obligations will be recognised as revenue when the Loyalty points are redeemed.

26. LEASE LIABILITIES

	As at 31 March	
	2026 **HK$'000**	2025 HK$'000
Lease liabilities payable		
Within one year	**1,339**	1,714
More than one year, but not more than two years	**1,330**	1,510
More than two years, but not more than five years	**4,160**	3,812
More than five years	**63,722**	60,955
	70,551	67,991
Less: Amount due for settlement within 12 months shown under current liabilities	**(1,339)**	(1,714)
Amount due for settlement after 12 months shown under non-current liabilities	**69,212**	66,277

The weighted average incremental borrowing rates applied to lease liabilities is 2.10% (2025: 2.12%) as at 31 March 2026.

27. BANK BORROWINGS

	As at 31 March	
	2026	2025
	HK$'000	HK$'000
Secured bank borrowings	**43,846**	53,565
The carrying amount of the bank borrowings are repayable:		
– Within one year	**9,030**	8,322
– Within a period of more than one year, but not exceeding two years	**9,216**	8,461
– Within a period of more than two years, but not more than five years	**25,280**	35,472
– Within a period of more than five years	**320**	1,310
	43,846	53,565
Amount due within one year shown under current liabilities based on scheduled repayment dates	**(9,030)**	(8,322)
Amount shown under non-current liabilities	**34,816**	45,243

	As at 31 March	
Interest rate	**2026**	2025
	HK$'000	HK$'000
Fixed rate	**28,680**	32,896
Variable rate	**15,166**	20,669
	43,846	53,565

For the bank borrowings as at 31 March 2026, the bank borrowings amounting to HK$15,166,000 (2025: HK$20,669,000) are variable-rate borrowings which carry interest at 3-month Euro Interbank Offered Rate ("EURIBOR") + 1.95% per annum. The remaining bank borrowings amounting to HK$28,680,000 (2025: HK$32,896,000) carry fixed interest rates which were range from 1.95% to 3.85% (2025: 1.95% to 3.1%).

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

	Year ended 31 March	
	2026	2025
Effective interest rates:		
Bank borrowings	**1.95% to 4.03%**	1.95% to 4.29%

All bank borrowings are denominated in Euro ("EUR") as at the end of the year ended 31 March 2026 (2025: All bank borrowings are denominated in Euro).

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28. DEFERRED TAX LIABILITIES (ASSET)

The following is the analysis of the deferred tax balances for the financial reporting purposes:

	As at 31 March	
	2026	2025
	HK$'000	HK$'000
Deferred tax liabilities	**8,462**	7,142
Deferred tax asset	**(1,243)**	–
	7,219	7,142

The following are the major deferred tax liabilities (asset) recognised by the Group and movements during the year.

	Lease liabilities HK$'000	Right–of-use assets HK$'000	Accelerated tax allowance HK$'000	Total HK$'000
At 1 April 2024	(8,660)	8,660	5,927	5,927
Exchange adjustments	(454)	454	195	195
(Credit) charge to profit or loss	(393)	393	1,020	1,020
At 31 March 2025	(9,507)	9,507	7,142	7,142
Exchange adjustments	(465)	465	607	607
(Credit) charge to profit or loss	(463)	463	(530)	(530)
At 31 March 2026	(10,435)	10,435	7,219	7,219

The Group's unrecognised tax losses are as follows:

	Year ended 31 March	
	2026	2025
	HK$'000	HK$'000
Tax losses carry forward	**171,291**	147,330

During the years ended 31 March 2026 and 2025, all tax losses may be carried forward indefinitely. No deferred tax asset in respect of tax losses has been recognised because the amount of future taxable profit that will be available to realise such assets is uncertain.

As at 31 March 2026, the Group has deductible temporary differences of HK$59,729,000 (2025: HK$55,745,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

29. SHARE CAPITAL

	Note	Number of shares	Nominal value of ordinary shares HK$'000
Authorised: As at 1 April 2024, 31 March 2025 and 31 March 2026		2,000,000,000	20,000
Issued and fully paid: As at 1 April 2024		800,000,000	8,000
Issuance of ordinary shares on 23 April 2024	(a)	6,594,000	66
As at 31 March 2025 and 31 March 2026		806,594,000	8,066

Note:

(a) In connection with the exercise of over-allotment option of the global offering, 6,594,000 ordinary shares were issued at HK$2.6 per share for a total cash consideration, before expenses, of approximately HK$17,144,000 on 23 April 2024

30. RELATED PARTY DISCLOSURES

(i) Transactions

The Group had the following transactions with related parties during the year

Name of related parties	**Nature of transactions/ balances**	**Year ended 31 March** **2026** **HK$'000**	 2025 HK$'000
Annick	Lease payment	**38**	38
	Lease liabilities	**37**	73

* The amount represents amount less than HK$1,000.

Annick is a fellow subsidiary of the Group.

During the years ended 31 March 2026 and 2025, FECL paid expenses on behalf of the Group without charging handling fees.

Saved as the above transactions as disclosed in Notes 13, 17 and 38 to the consolidated financial statements, the Group did not have any other related party transactions.

30. RELATED PARTY DISCLOSURES (continued)

(ii) Compensation of key management personnel

The remuneration of key management during the year was as follows:

	Year ended 31 March	
	2026 HK$'000	2025 HK$'000
Short-term benefits	7,968	9,549

31. RETIREMENT BENEFIT SCHEMES

The Group has offered a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group in funds under the control of trustees. Contributions are made by both the employer and the employee based on a certain percentage of the employees' relevant income. The Group's contributions will be fully and immediately vested in the employees' accounts as their accrued benefits in the scheme. There was no contribution forfeited by the Group during the year. The contributions made by the Group relating to the above scheme amounted HK$30,000 (2025: HK$30,000).

The Group also participates in the Pension insurance of Austria (the "Austria Pension") for all its qualifying employees in Austria. The assets of the schemes are held separately from those of the Group, in funds under the control of Austria Government.

For members of the Austria Pension, the Group contributes 1.53% (2025: 1.53%) of relevant monthly payroll costs per person during the year ended 31 March 2026.

The only obligation of the Group with respect to the Austria Pension is to make the specified contributions. During the year ended 31 March 2026, the total amounts contributed by the Group to such scheme and costs charged to the profit or loss represents contributions paid or payable to the scheme by the Group at rates specified in the rules of the scheme (2025: same). The contributions made by the Group relating to the above scheme amounted to HK$92,000 (2025: HK$86,000) for the year ended 31 March 2026.

These is no statutory requirement for the Group to participate any retirement benefit scheme for the employees in the Czech Republic and Germany during the years ended 31 March 2026 and 2025.

The Group is not obligated for any payment to the retirement benefit schemes in Germany and the Czech Republic during the years ended 31 March 2026 and 2025.

32. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the group companies will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The overall strategy remains unchanged during the years ended 31 March 2026 and 2025.

The capital structure of the Group consists of net debt, which includes bank borrowings, net of cash and cash equivalents, and equity attributable to owners of the Company, comprising share capital and reserves.

The management of the Group reviews the capital structure regularly. As part of the review, the directors of the Company consider the cost and the risks associated with each class of the capital. Based on the recommendations of the management of the Group, the Group will balance its overall capital structure through issue of new shares, issue of new debt and redemption of existing debts.

33. FINANCIAL INSTRUMENTS

Categories of financial instrument

	As at 31 March	
	2026 **HK$'000**	2025 HK$'000
Financial assets		
Amortised cost	**264,305**	338,003
Financial asset at FVTPL	**51,640**	6,213
Financial liabilities		
Amortised cost	**60,744**	66,973

Financial risk management objectives and policies

The Group's financial instruments include trade receivables, other receivables and deposits, financial asset at FVTPL, bank deposits, bank balances and cash, deposits for gaming licence, pledged bank deposits, restricted bank deposit, trade payables, other payables, bank borrowings and lease liabilities.

Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risks (currency risk, interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

The Group has transactions denominated in foreign currencies for its casino and hotel operations, which expose the Group to foreign currency risk. All of the Group's receipt of its casino operations are denominated in EUR and some of the financial assets are denominated in United States Dollar ("USD") and Great British Pound ("GBP"), other than the functional currency of the group entity, during the year ended 31 March 2026 (2025: all of the Group's receipt of its casino operations are denominated in EUR and some of the financial assets are denominated in USD and GBP, other than the functional currency of the group entity).

The Group currently does not have a foreign currency hedging policy. However, management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

33. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Currency risk (continued)

The carrying amounts of the Groups foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	As at 31 March	
	2026	2025
	HK$'000	HK$'000
Assets		
EUR	**20,146**	56,419
USD	**158,319**	6,890
GBP	**85**	4
HK$	**41,254**	219,223
Polish Zloty ("PLN")	**33**	13
Liabilities		
EUR	**2,076**	2,101

The following tables detail the Group's sensitivity to a 5% weakening in the functional currencies of group entities against the relevant foreign currencies of respective group entities, while all other variables are held constant. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents the management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding monetary items denominated in foreign currencies at the year end. For a 5% strengthening of the functional currencies of group entities against the relevant foreign currencies, these would be an equal and opposite impact on profit after tax.

	Increase in profit after tax As at 31 March	
	2026	2025
	HK$'000	HK$'000
EUR	**714**	2,146
USD	**6,254**	272
GBP	**3**	–
HK$	**1,630**	8,659
PLN	**1**	1

33. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to the Group's fixed-rate pledged bank deposits, lease liabilities, and bank borrowings as at 31 March 2026 and 2025.

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank deposits and variable-rate bank borrowing as at 31 March 2026 and 2025.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuations of the Czech Republic and Germany deposit rate arising from the Group's bank balances and the 3-month EURIBOR rate arising from bank borrowings.

The Group currently does not have interest rate risk hedging policy. However, management of the Group closely monitors its exposure to future cashflow interest rate risk as a result of change on market interest rate and will consider hedging changes in market interest rates should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for variable-rate bank deposits and bank borrowing for the year. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents directors' assessment of the reasonably possible change in interest rates. If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 March 2026 would increase/decrease by HK$841,000 (2025: HK$1,343,000) respectively as a result of the Group's exposure to interest rates on its variable-rate bank deposits.

If interest rates had been increased/decreased by 50 basis points and all other variables were held constant, the Group's post-tax profit for the year ended 31 March 2026 would decrease/increase by HK$85,000 (2025: HK$103,000) as a result of the Group's exposure to interest rate on its variable-rate bank borrowings.

Credit risk and impairment assessment

The Groups credit risk is primarily attributable to trade receivables, other receivables and deposits, pledged bank deposits, restricted bank deposit and bank balances.

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge the obligations by counterparties is arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position at the end of the reporting period. The Group do not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets for the years ended 31 March 2026 and 2025.

33. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Trade receivables

In order to minimise the credit risk on trade receivables, the management of the Group has delegated a team responsible for monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the management of the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate provisions for impairment losses are made for irrecoverable amounts on trade receivable.

The Group always recognises lifetime ECL for trade receivables. To measure the ECL, the Group performs impairment assessment under the ECL model on trade receivables collectively based on shared credit risk characteristics by reference to the Group's internal credit rating.

As at 31 March 2026, the Group provided HK$114,000 impairment allowance for credit-impaired trade receivables (2025: HK$1,000).

The Group's concentration of credit risk on the top five largest debtors accounted for 66% and 49%, respectively of the total trade receivables as at 31 March 2026 and 2025, respectively.

Other receivables and deposits (inducing deposits for gaming licence)

The management of the Group make periodic individual assessment on the recoverability of significant balances based on historical settlement records (if any), past experience, and also available reasonable and supportive forward-looking information. The management of the Group believes that there is no material credit risk inherent in the Group's outstanding balance of other receivables and deposits having considered the historical settlement records, past experience, and also available reasonable and supportive forward-looking information. For the deposits for gaming licence, the amount is refundable by the Government of the Czech Republic. As at 31 March 2026 and 2025, the Group assessed that the ECL for other receivables and deposits and deposits for gaming licence was insignificant.

Bank balances/pledged bank deposits/restricted bank deposit

The credit risk for bank balances, pledged bank deposits and restricted bank deposit are limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. There has been no history of default in relation to these banks. The Group performs impairment assessment on the bank balances, pledged bank deposits and restricted bank deposit under 12-month ECL model. The management of the Group considers the risk of default is regarded as low based on the average loss rate by reference to credit ratings assigned by international credit-rating agencies. As at 31 March 2026 and 2025, the Group assessed that the ECL for bank balances and pledged bank deposits were insignificant.

33. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables	Other financial assets
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL – not credit-impaired	12-month ECL
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL – not credit-impaired	12-month ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

The tables below detail the credit risk exposures of the Group's financial assets which are subject to ECL assessment:

	Notes	External credit rating	Internal credit rating	12-month of lifetime ECL	Gross carrying amount As at 31 March 2026 HK$'000	Gross carrying amount As at 31 March 2025 HK$'000
Amortised cost						
Trade receivables	20	N/A	Low risk	Lifetime ECL	**6,503**	8,399
			Loss	Lifetime ECL	**114**	1
Other receivables and deposits	21	N/A	Low risk	12-month ECL	**2,567**	5,614
Deposits for gaming licence	21	N/A	Low risk	12-month ECL	**11,100**	10,200
Bank balances	22	A1-Aa2	N/A	12-month ECL	**196,701**	268,641
Pledged bank deposits	22	A1-Aa2	N/A	12-month ECL	**4,666**	4,355
Restricted bank deposit	22	A1-Aa2	N/A	12-month ECL	**19,492**	17,911

33. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk

In management of the liquidity risk, the Group monitor and maintain levels of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cashflows of financial liabilities based on the earliest date on which the Group can be required to pay.

The table includes both interest and principal cash flows. To the extent that interest rates are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

Liquidity tables

	Interest rate %	Less than 1 year HK$'000	1-2 years HK$'000	2-5 years HK$'000	Over 5 years HK$'000	Undiscounted cash flows HK$'000	Carrying amount HK$'000
As at 31 March 2026							
Non-derivative financial liabilities							
Trade payables	N/A	12,192	–	–	–	12,192	12,192
Other payables	N/A	4,706	–	–	–	4,706	4,706
Bank borrowings	3.2	9,732	9,732	25,760	321	45,545	43,846
		26,630	9,732	25,760	321	62,443	60,744
Lease liabilities	2.1	2,796	2,758	8,274	88,088	101,916	70,551
As at 31 March 2025							
Non-derivative financial liabilities							
Trade payables	N/A	9,441	–	–	–	9,441	9,441
Other payables	N/A	3,607	–	–	–	3,607	3,607
Consideration payable (included in other payables)	3.0	370	–	–	–	370	360
Bank borrowings	3.4	10,058	9,139	36,407	1,367	56,971	53,565
		23,476	9,139	36,407	1,367	70,389	66,973
Lease liabilities	2.1	3,079	2,835	7,628	83,762	97,304	67,991

33. FINANCIAL INSTRUMENTS (continued)

Fair value measurements of financial instruments

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. The management determines the appropriate valuation techniques and inputs for fair value measurements. In determining the fair value of the investment fund, the management of the Group have made reference to the quotation from the counterparties and used market-observables data to the extent it is available.

Relationship	As at 31 March 2026 HK$'000	 2025 HK$'000	Fair value hierarchy	Valuation technique(s) and key input(s)
Listed debt securities	51,640	–	Level 1	Quoted bid price in an active market
Money market fund	–	6,213	Level 2	Reference to net asset value provided by financial institution

(ii) Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

Except as detailed in the following table, the management considers that the carrying amounts of other financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values. Such fair values have been determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

	31/03/2026			31/03/2025		
	Carrying amount HK$'000	Fair value HK$'000	Fair value hierarchy Level	Carrying amount HK$'000	Fair value HK$'000	Fair value hierarchy Level
Financial liabilities						
Bank borrowings						
– Fixed rate	28,680	26,276	Level 2	32,896	30,647	Level 2

34. MOVEMENT ON GROUP'S LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Share issue costs payable HK$'000	Dividend payable HK$'000	Consideration payable HK$'000	Bank borrowings HK$'000	Lease liabilities HK$'000	Total HK$'000
At 1 April 2024	2,788	–	2,449	61,536	64,911	131,684
Financing cash flows	(3,459)	–	(2,143)	(12,781)	(2,957)	(21,340)
Finance costs	–	–	–	2,207	1,379	3,586
Lease reassessment	–	–	–	–	2,552	2,552
Dividend declared	–	–	–	–	–	–
Issue cost incurred	671	–	–	–	–	671
Exchange adjustments	–	–	54	2,603	2,106	4,763
At 31 March 2025	–	–	360	53,565	67,991	121,916
Financing cash flows	–	(23,163)	(376)	(14,503)	(3,061)	(41,103)
Finance costs	–	–	–	1,652	1,438	3,090
Dividend declared	–	23,391	–	–	–	23,391
Exchange adjustments	–	–	16	3,132	4,183	7,331
At 31 March 2026	**–**	**228**	**–**	**43,846**	**70,551**	**114,625**

35. PARTICULARS OF SUBSIDIARIES

Particulars of the subsidiaries as of the reporting period and the date of this report are as follows:

Name of subsidiaries	Place and date of incorporation/ establishment	Place of operation	Issued and fully paid share capital	Equity interest attributable to the Group as at 31 March		Principal activities
				2026 %	2025 %	
Palasino (Cayman) Limited ("Cayman Holdco")	Cayman Islands	Cayman Islands	HK$1	100	100	Investment holding
Palasino Group	The Czech Republic	The Czech Republic	CZK100,000,000	100	100	Casino and hotel operations and investment holding
TWG	Germany	Germany	EUR25,000	100	100	Hotel operations
TWA	Austria	Austria	EUR40,000	100	100	Hotel operations
Mikulov	The Czech Republic	The Czech Republic	CZK200,000	100	100	Investment holding
Palasino Malta Limited ("Palasino Malta")	Malta	Malta	EUR100,000	100	100	Development of online gaming
Palasino Poland Sp.z.o.o ("Palasino Poland")	Poland	Poland	PLN5,000	100	100	Inactive
Palasino (BVI) Limited ("Palasino (BVI)")	BVI	BVI	USD50,000	100	100	Inactive
Palasino Technology (HK) Limited	Hong Kong	Hong Kong	HK$1	100	100	Inactive

Except for Palasino BVI, Cayman Holdco and TWG which are directly held by the Company, all the subsidiaries are indirectly held by the Company as at 31 March 2026 and 2025.

None of the subsidiaries had issued any debt securities at 31 March 2026 and 2025.

36. PLEDGE OF ASSETS

The Group's bank borrowings, consideration payable and bank guarantee had been secured by the pledge of the Group's assets and the carrying amounts of the respective assets are as follows:

	2026 HK$'000	2025 HK$'000
Pledged bank deposits	4,666	4,355
Property and equipment	186,521	192,622
	191,187	196,977

Apart from above pledged assets, the Group also pledged the entire shareholding of TWA for the bank borrowings as at 31 March 2026 and 2025.

37. NON-CASH TRANSACTION

During the year ended 31 March 2025, FEC has paid on behalf the real estate transfer tax of approximately EUR877,000 (equivalent to approximately HK$7,355,000. This was in related to the transfer of the entire equity interest of TWG from Palasino Group to the Company as part of the internal reorganisation.

38. OPERATING LEASE ARRANGEMENTS

The Group as lessor

The Group's investment properties have committed leases for next 1 to 2 years (2025: 1 to 3 years).

Minimum lease payments receivables on leases are as follows:

	2026 HK$'000	2025 HK$'000
Within one year	393	288
In the second year	61	230
In the third year	–	38
	454	556

39. COMPARATIVES

Certain comparative figures have been updated to conform with current year's presentation.

40. SUBSEQUENT EVENTS

Subsequent events of the Group are detailed as below.

In April 2026, Retail Park Mikulov s.r.o. entered into an investment loan agreement with Raiffeisenbank for CZK34,000,000 (approximately HK$12,580,000) to finance the set-up of the Palasino Mikulov, with a 20-year term to be repaid in instalments at a fixed interest rate of 5.27% for the first three years and a floating interest rate based on prevailing market rates in the remaining years.

In April 2026, the Group entered into a sale and purchase agreement with a third party buyer to dispose 100% interest in Palasino Malta for a cash consideration of EUR190,000 (approximately HK$1,653,000). In May 2026, the Group received 50% of the consideration of EUR95,000 (approximately HK$827,000). The management of the Group is still assessing the financial impact of such disposal.

As none of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the above transaction exceeded 5%, such transaction did not constitute notifiable transactions under Chapter 14 of the Listing Rules.

40. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	2026 HK$'000	2025 HK$'000
Non-current assets		
Investments in subsidiaries	1,761,989	1,761,989
Right-of-use assets	36	72
	1,762,025	1,762,061
Current assets		
Deposits and prepayments	93	114
Amounts due from subsidiaries	191,653	221,556
Cash and cash equivalents	342	80
	192,088	221,750
Current liabilities		
Other payables	2,690	3,093
Amount due to a subsidiary	133,638	116,003
Lease liabilities	28	36
	136,356	119,132
Net current assets	55,732	102,618
Total assets less current liabilities	1,817,757	1,864,679
Non-current liability		
Lease liabilities	9	37
Net assets	1,817,748	1,864,642
Capital and reserves		
Share capital (Note 29)	8,066	8,066
Reserves	1,809,682	1,856,576
Total equity	1,817,748	1,864,642

41. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

Movement in the Company's reserves

	Share premium HK$'000	Capital reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 31 March 2024	205,756	1,670,494	(26,339)	1,849,911
Loss for the year and other comprehensive expense for the year	–	–	(17,757)	(17,757)
Total comprehensive expense for the year	–	–	(17,757)	(17,757)
Issue of shares upon exercise of over-allotment options (Note 29(a))	17,078	–	–	17,078
Transaction costs attributable to the exercise of over-allotment options	(671)	–	–	(671)
Deemed contribution from shareholder	–	8,015	–	8,015
At 31 March 2025	222,163	1,678,509	(44,096)	1,856,576
Loss for the year and other comprehensive expense for the year	–	–	(23,503)	(23,503)
Total comprehensive expense for the year	–	–	(23,503)	(23,503)
Dividend recognised as distribution (Note 13)	(23,391)	–	–	(23,391)
At 31 March 2026	198,772	1,678,509	(67,599)	1,809,682

List of Principal Properties

PROPERTY DEVELOPMENT/INVESTMENT PROPERTY

Codes of "Types of Property": H — Hospitality and Gaming
I — Investment properties

Name of property and location		Group's interest
Europe		
1.	Hotel Columbus Am Reitpfad 4, 63500 Seligenstadt, Germany	100%
2.	Hotel Freizeit Auefeld Hallenbadstraße 33, Hann. Münden 34346, District Göttingen in Lower Saxony, Germany	100%
3.	Hotel Kranichhöhe Bövingen 129, Much, District Rhein-Sieg in North Rhine-Westphalia, Germany	100%
4.	Hotel Donauwelle Am Winterhafen 13., Linz, Oberösterreich (Upper Austria), Austria	100%
5.	Hotel Savannah Chvalovice-Hatě 198 & 199, Znojmo 669 02 & Derflice, Načeratice Czech Republic	100%
6.	Palasino Furth im Wald Čěská Kubice 64 & Horní Folmava, 34532 Čěská Kubice, Czech Republic	100%
7.	Palasino Wullowitz Dolní Dvořiště 225, 38272 Dolní Dvořiště, Czech Republic	100%
8.	Palasino Excalibur City Chvalovice-Hatě 198 & 199, Znojmo 669 02 & Derflice, Načeratice Czech Republic	100%
9.	Retail Park Mikulov 28, října 1794/1a PSČ 692 01 Mikulov na Moravě Czech Republic	100%

List of Principal Properties

Approximate floor area (m²)	Types of property	Stage of completion	Expected completion (financial year)
6,845	H	Completed	Existing
11,379	H	Completed	Existing
12,009	H	Completed	Existing
10,782	H	Completed	Existing
9,240	H	Completed	Existing
2,765	H	Completed	Existing
3,445	H	Completed	Existing
3,438	H	Completed	Existing
6,086	I	Completed	Existing

Glossary

This glossary contains terms used in this annual report in connection with us and our business. Some of these terms and their meanings may not correspond to standard industry meanings or usage of such terms.

"average daily room rate"	room revenue divided by the number of rooms in use
"cage"	a secured area within a casino where records of transactions are kept, money is counted and chips can be exchanged for cash
"casino"	a facility or building offering games of chance including table games such as Roulette, Blackjack and technical games such as slot machines. In some casinos, peer-to-peer games such as poker are also available
"chip"	token that is used on casino gaming tables in lieu of cash
"dealer"	a casino employee who is responsible for providing the services at a gaming table including spinning the ball on roulette and placing the customer bets and calculating the wins, as well as shuffling and dealing the cards on card tables such as blackjack and staffs other games offered
"drop"	the amount of cash deposited in a gaming table's drop box
"drop box"	a box or container securely fixed under the gaming table that serves as a repository for cash exchanged at the gaming tables for chips
"EBITDA"	earnings before interest income, finance costs, income tax and depreciation and amortisation
"FY"	financial year ended/ending 31 March
"gaming"	in the context of an industry sector, as defined by CIC, the industry sector consisting of slot machines, live games, sports betting, poker, raffles, lottery, etc.
"gaming area" or "gaming floor"	a particular part of a facility that provides casino games consisting of slot machines, table games, poker and other casino games

Glossary

"gaming revenue"	revenue of casino gaming activities after deferring the liabilities arising from customer loyalty programs based on the relevant accounting policy before deduction of gaming tax
"gaming tax"	the percentage level of tax levied on GGR: (i) in the Czech Republic, 35% on slot machine and 30% on live games during the financial years; (ii) in Malta, 5% on all GGR plus a compliance contribution on global GGR on all slots games and live games, calculated on a sliding scale, with the annual compliance contribution becoming due ranging between EUR15,000 (equivalent to HK$130,540) and EUR375,000 (equivalent to HK$3,263,560)
"GFA"	gross floor area
"GGR" or "gross gaming revenue"	gross revenue from casino gaming activities (i.e. slot machine gross win and table game gross win), calculated before deduction of gaming tax
"live game"	live games are played by players against dealer, or against each other at land-based gaming tables or online websites
"occupancy rate"	(i) for hotel and catering operations, the number of rooms in use divided by the number of available rooms for a given period (ii) for gaming operations, number of slot machines that are actively being used by players divided by total number of slot machines available for a given period A slot machine is regarded as actively being used by players when a player logs into the slot machine during a gaming session by inserting a PAC card
"RevPAR"	revenue per available room, calculated by room revenue during a period divided by the number of available rooms of such hotel during the same period

Glossary

"slot machine turnover"	the total amount of slot machine bets made (coin in) in the slot machines
"slot machine gross win"	the total amount of slot machine bets made (coin in) minus slot machine bets paid out (coin out) that is retained as winnings
"slot machine house edge percentage"	slot machine gross win divided by slot machine turnover
"slot machines"	electromechanical game machines including mainly traditional slot machines, electromechanical roulettes and electromechanical dices
"sq.m."	square meter
"table game drop"	the total amount of drop collected in the table games drop boxes plus any cash exchanged for chips at the cage
"table game gross win"	the amount of drop that is retained as winnings
"table games"	typical casino games played by players against dealer, including roulette and card games such as blackjack, or against each other in poker cash games or tournament

PALASINO