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Palasino Holdings Limited
百樂皇宮控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2536)

ANNOUNCEMENT OF RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

INTERIM RESULTS

The board (the "Board") of directors (the "Directors") of Palasino Holdings Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 September 2026 ("1H FY2027"). These unaudited condensed consolidated financial statements have been reviewed by the Company's audit committee (the "Audit Committee") prior to recommending them to the Board for approval.

BUSINESS OVERVIEW

- Against the backdrop of elevated energy and fuel prices, which adversely affected the spending appetite of consumers in Central Europe, the Group experienced a decline in both table gaming and slot machine performance during the period.

- To address these challenges, the Group rolled out a range of customer incentive and loyalty programmes aimed at rewarding and retaining existing patrons. In addition, the Group invested heavily in marketing and promotional activities to attract and acquire new customers.

- The Group is actively looking at other European and Asian jurisdictions for land-based casino opportunities to expand the business.

FINANCIAL HIGHLIGHTS

- Gaming, hotel, catering, leasing and related services revenues were approximately HK$293.3 million for the 1H FY2027, which represented a decrease of approximately HK$11.9 million or 4%, compared to approximately HK$305.2 million for the six months ended 30 September 2025 ("1H FY2026"). The gaming revenues for 1H FY2027 were approximately HK$204.1 million, a decrease of 7%, compared to approximately HK$218.4 million for 1H FY2026. The decrease was attributable to softened consumer discretionary spending amid ongoing spike in energy cost hence less disposable income.

  Revenues from hotel operations, consisted of room revenue and hotel-related service revenue, for 1H FY2027 were approximately HK$51.9 million, an increase of 4%, compared to approximately HK$49.7 million for 1H FY2026. The increase was driven by increases in both average daily room rate by 1% and average occupancy rate by 2% among the hotel properties. RevPAR increased by 2% among all hotels.

- Profit attributable to owners of the Company was approximately HK$7.2 million for the 1H FY2027, compared to profit attributable to owners of the Company of approximately HK$11.6 million for the 1H FY2026. The Group's newly established casino, Palasino Mikulov, commenced business operations in late March 2026 and remains in the early stage of its ramp-up. Excluding the results of Palasino Mikulov, the Group would have achieved a profit of approximately HK$22.1 million for the 1H FY2027.

- Total comprehensive expense was approximately HK$5.6 million for the 1H FY2027, compared to total comprehensive income of approximately HK$48.8 million for the 1H FY2026.

- Basic earnings per share attributable to owners of the Company was HK0.90 cents for the 1H FY2027, compared to basic earnings per share attributable to owners of the Company of HK1.44 cents for the 1H FY2026.

- The Group generated adjusted EBITDA*(Note)*, a non-HKFRS measure, of approximately HK$20.9 million for the 1H FY2027, compared to HK$31.2 million for the 1H FY2026.

- The Board did not recommend the payment of an interim dividend in respect of 1H FY2027.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

		Six months ended 30 September	
		2026	2025
	NOTES	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Gaming revenue		**204,076**	218,447
Hotel, catering, leasing and related services revenue		**89,273**	86,772
Gaming, hotel, catering, leasing and related services revenues	*4*	**293,349**	305,219
Gaming tax		**(74,605)**	(79,702)
Other income	*5(a)*	**3,878**	2,975
Other gains and losses	*5(b)*	**12**	(1,551)
Inventories consumed		**(15,101)**	(14,797)
Depreciation and amortisation		**(14,405)**	(15,490)
Employee benefits expenses		**(106,870)**	(104,379)
Impairment loss on property and equipment		**(1,347)**	–
Other operating expenses		**(74,669)**	(73,731)
Finance costs	*6*	**(1,663)**	(1,671)
Profit before taxation	*8*	**8,579**	16,873
Income tax expense	*7*	**(1,338)**	(5,268)
Profit for the period		**7,241**	11,605
Other comprehensive (expense) income			
Item that will not be reclassified to profit or loss:			
Exchange difference arising from translation of functional currency to presentation currency		**(11,728)**	40,391
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(1,098)**	(3,241)
Total comprehensive (expense) income for the period		**(5,585)**	48,755
Earnings per share	*9*		
Basic (HK cents)		**0.90**	1.44

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 SEPTEMBER 2026

	NOTES	At 30 September 2026 HK$'000 (Unaudited)	At 31 March 2026 HK$'000 (Audited)
Non-current assets			
Investment properties		**4,435**	4,558
Property and equipment		**397,477**	416,177
Deposits for acquisition of equipment		**2,213**	1,579
Deposits for gaming licence		**10,800**	11,100
Right-of-use assets		**30,360**	31,843
Deferred tax asset		**1,538**	1,243
Pledged bank deposits		**4,498**	4,666
Restricted bank deposit	*11*	**18,965**	19,492
Bank balances		**–**	4,535
		470,286	495,193
Current assets			
Inventories		**2,464**	2,452
Financial assets at fair value through profit or loss ("FVTPL")	*12*	**73,293**	51,640
Trade receivables	*13*	**5,783**	6,503
Tax recoverable		**10,052**	4,542
Other receivables, deposits and prepayments		**8,926**	7,029
Bank deposits, bank balances and cash		**170,997**	215,442
		271,515	287,608
Current liabilities			
Trade payables	*14*	**8,402**	12,192
Other payables		**69,881**	75,635
Contract liabilities		**2,040**	3,443
Lease liabilities		**1,296**	1,339
Bank borrowings	*15*	**9,563**	9,030
		91,182	101,639
Net current assets		**180,333**	185,969
Total assets less current liabilities		**650,619**	681,162

	NOTES	**At 30 September 2026** ***HK$'000*** **(Unaudited)**	At 31 March 2026 *HK$'000* (Audited)
Non-current liabilities			
Bank borrowings	*15*	**36,299**	34,816
Lease liabilities		**66,493**	69,212
Other payables		**1,390**	1,493
Deferred tax liabilities		**8,234**	8,462
		112,416	113,983
Net assets		**538,203**	567,179
Capital and reserves			
Share capital		**8,066**	8,066
Reserves		**530,137**	559,113
Total Equity		**538,203**	567,179

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain properties, which are measured at fair values, as appropriate.

Other than additional accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 March 2026.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. 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".

Revenue and segment information about these businesses is presented below:

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

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Segment revenue		
Gaming operations:		
recognised at a point in time	**204,076**	218,447
Hotel, catering and leasing operations:		
Hotel operations:		
recognised over time	**51,889**	49,735
Catering operations:		
recognised at a point in time	**37,213**	36,940
Leasing operations:		
revenue from operating lease	**171**	97
	293,349	305,219
Revenue from contracts with customers:		
recognised at a point in time	**241,289**	255,387
recognised over time	**51,889**	49,735
	293,178	305,122
Revenue from operating leases:		
lease payments	**171**	97
	293,349	305,219
Segment results		
Gaming operations	**25,520**	40,337
Hotel, catering and leasing operations	**2,612**	(28)
Unallocated corporate income	**3,878**	3,877
Unallocated corporate expenses	**(23,431)**	(27,313)
Profit before taxation	**8,579**	16,873
Hotel, catering and leasing operations before interest expense, depreciation and income tax expense	**9,315**	7,934

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, reversal of the over-provision of 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.

(b) Geographical information

The Group's operations are mainly 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.

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue from external customers:		
The Czech Republic	**226,946**	242,849
Germany	**41,755**	40,576
Austria	**24,648**	21,794
	293,349	305,219

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Non-current assets:		
The Czech Republic	**292,605**	298,917
Germany	**103,258**	113,586
Austria	**40,142**	41,654
	436,005	454,157

Non-current assets exclude financial instruments.

(c) Information about major customers

There is no customer who contributes more than 10% of the total revenue of the Group during the six months ended 30 September 2026 (six months ended 30 September 2025: no customer who contributes more than 10%).

4. REVENUE

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Gaming revenue from:		
– slot machine operations	**161,024**	171,026
– table gaming operations	**43,052**	47,421
	204,076	218,447
Hotel, catering, leasing and related service income from:		
– hotel operations	**51,889**	49,735
– catering operations	**37,213**	36,940
– leasing operations	**171**	97
	89,273	86,772
	293,349	305,219

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 30 September 2026, all outstanding sales contracts are expected to be fulfilled within 12 months after the end of the reporting period (30 September 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 are not disclosed.

5. OTHER INCOME/OTHER GAINS AND LOSSES

		Six months ended 30 September	
		2026	2025
		HK$'000	*HK$'000*
		(Unaudited)	(Unaudited)
(a)	Other income		
	Bank interest income	**3,741**	2,788
	Government grants	**35**	68
	Others	**102**	119
		3,878	2,975

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
(b) Other gains and losses		
Fair value change on investment property	**–**	(834)
Fair value change on financial assets at FVTPL	**(2,229)**	902
Foreign exchange gain (loss), net	**571**	(1,665)
Loss on disposal of property and equipment	**–**	(278)
Gain on disposal of a subsidiary	**1,666**	–
Impairment losses reversed under expected credit loss model, net	**–**	1
Recovery of bad debts written off	**4**	323
	12	(1,551)

6. FINANCE COSTS

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest on lease liabilities	**720**	728
Interest on bank and other borrowings	**943**	943
	1,663	1,671

7. INCOME TAX EXPENSE

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current tax:		
– The Czech Republic Corporation Tax	**1,672**	5,266
– Austria Corporation Tax	**–**	2
	1,672	5,268
Deferred tax	**(334)**	–
Income tax expense	**1,338**	5,268

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 30 September 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$590,111,000 (as at 31 March 2026: HK$635,831,000). 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 six months ended 30 September 2026, the Czech Republic Corporation Tax is calculated at a rate of 21% (six months ended 30 September 2025: 21%) on the estimated assessable profits.

No provision (six months ended 30 September 2025: no provision) for Germany corporation tax for the six months ended 30 September 2026 as the Group either incurred tax loss or utilised tax loss for offsetting the income tax payable.

No provision (six months ended 30 September 2025: no provision) for Austria Corporation Tax during the six months ended 30 September 2026 as the Group either incurred tax loss or utilised tax loss for offsetting the income tax payable, however, there is a minimum Corporation Tax of EUR500 for a year (six months ended 30 September 2025: EUR500 for a year) during the six months ended 30 September 2026 for entities in a tax loss position.

8. PROFIT BEFORE TAXATION

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit before taxation has been arrived at after charging:		
Amortisation of intangible assets	**–**	1,814
Depreciation of property and equipment	**13,984**	13,147
Depreciation of right-of-use assets	**421**	529

9. EARNINGS PER SHARE

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

Earnings:

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Earnings for the purpose of basic earnings per share being profit for the period attributable to owners of the Company	**7,241**	11,605

Number of shares:

	Six months ended 30 September	
	2026	2025
	'000	*'000*
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares for the purpose of basic earnings per share	**806,594**	806,594

No diluted earnings per share for both six months ended 30 September 2026 and 2025 were presented as there were no potential ordinary shares in issue for both periods.

10. DIVIDENDS

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Dividends recognised as distribution during the period:		
Final dividend for the year ended 31 March 2026 of HK2.9 cents (six months ended 30 September 2025: HK2.9 cents final dividend for the year ended 31 March 2025)	**23,391**	23,391

11. RESTRICTED BANK DEPOSIT

As at 30 September 2026, a restricted bank deposit of CZK52,680,000 (as at 31 March 2026: CZK52,680,000) (equivalent to approximately HK$18,965,000 (as at 31 March 2026: HK$19,492,000)) was placed and certain land and buildings were pledged with a bank as the security in exchange for a guarantee of CZK120,000,000 (as at 31 March 2026: CZK120,000,000) (equivalent to approximately HK$43,200,000 (as at 31 March 2026: HK$44,400,000)) 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 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 of 0.75% per annum as at 30 September 2026 (as at 31 March 2026: 0.75%).

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	At	
	30 September	At 31 March
	2026	2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Financial assets at FVTPL	**73,293**	51,640

As at 30 September 2026 and 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.

13. TRADE RECEIVABLES

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade receivables	**5,893**	6,617
Less: allowance for credit losses	**(110)**	(114)
	5,783	6,503

The entire trade receivables are arising from hotel and catering operations. The Group generally grants credit terms ranging from 30 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 were 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:

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 30 days	**5,477**	6,258
31 days to 60 days	**47**	22
Over 60 days	**259**	223
	5,783	6,503

14. 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:

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 60 days	**8,402**	11,800
61 to 90 days	**–**	392
	8,402	12,192

15. BANK BORROWINGS

	At 30 September 2026 *HK$'000* (Unaudited)	At 31 March 2026 *HK$'000* (Audited)
Secured bank borrowings	**45,862**	43,846
The carrying amount of the bank borrowings are repayable:		
– Within one year	**9,563**	9,030
– Within a period of more than one year, but not exceeding two years	**9,644**	9,216
– Within a period of more than two years, but not more than five years	**17,730**	25,280
– Within a period of more than five years	**8,925**	320
	45,862	43,846
Amount due within one year shown under current liabilities based on scheduled repayment dates	**(9,563)**	(9,030)
Amount shown under non-current liabilities	**36,299**	34,816

Interest rate	At 30 September 2026 *HK$'000* (Unaudited)	At 31 March 2026 *HK$'000* (Audited)
Fixed rate	**36,712**	28,680
Variable rate	**9,150**	15,166
	45,862	43,846

For the bank borrowings as at 30 September 2026, the bank borrowings amounting to HK$9,150,000 (as at 31 March 2026: HK$15,166,000) 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$36,712,000 (as at 31 March 2026: HK$28,680,000) carry fixed interest rates which ranged from 1.95% to 5.27% (as at 31 March 2026: 1.95% to 3.85%).

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

	At 30 September 2026 (Unaudited)	At 31 March 2026 (Audited)
Effective interest rates:		
Bank borrowings	**1.95% to 5.27%**	1.95% to 4.03%

A total of approximately HK$33.8 million of bank borrowings are denominated in Euro ("EUR") as at 30 September 2026 (as at 31 March 2026: all bank borrowings are denominated in EUR).

16. EVENTS AFTER THE REPORTING PERIOD

There are no subsequent events exceeded 5% of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules, which constitute to notifiable transaction under Chapter 14 of the Listing Rules.

FINANCIAL REVIEW

Net Revenues

Our net revenues consisted of the following:

	1H FY2027	1H FY2026	% Change
	HK$'000	*HK$'000*	
Gaming	**204,076**	218,447	(7%)
Hotel, catering and related services	**89,102**	86,675	3%
Leasing	**171**	97	76%
	293,349	305,219	(4%)
Gaming tax	**(74,605)**	(79,702)	(6%)
Total net revenues	**218,744**	225,517	(3%)

Total net revenues were approximately HK$218.7 million for 1H FY2027, a decrease of 3%, compared to approximately HK$225.5 million for 1H FY2026. The decrease was mainly driven by decreases in gaming revenues.

Our gaming revenues for 1H FY2027 were approximately HK$204.1 million, a decrease of 7%, compared to approximately HK$218.4 million for 1H FY2026. The decrease was attributable to softened consumer discretionary spending amid ongoing spike in energy cost hence less disposable income. There was lower average spend per visitor. The company invested to increase the visitation of mass and new players, the marketing cost increased correspondingly which are expected to payback in longer run.

The following table summarises the results of our casino operation:

	1H FY2027	1H FY2026
	HK$'000	*HK$'000*
Gaming revenue from:		
– slot machine operations	**161,024**	171,026
– table gaming operations	**43,052**	47,421
	204,076	218,447

	1H FY2027	1H FY2026
Slot Machines		
Turnover (HK$'000)	**3,435,324**	3,468,233
Gross win (HK$'000)	**169,763**	175,183
Average slot win per machine per day (HK$)*(Note 1)*	**1,348**	1,510
House edge percentage (%)*(Note 2)*	**4.9%**	5.1%
Occupancy rates of slot machines		
– Overall*(Note 3)*	**17.3%**	20.3%
– Peak hours (8 p.m. to 12 a.m.)*(Note 4)*	**60.8%**	70.4%
Tables		
Drop (HK$'000)	**172,026**	186,583
Gross win (HK$'000)	**47,928**	50,276
Average daily gross win per table (HK$)*(Note 1)*	**4,224**	4,820
Hold percentage (%)*(Note 2)*	**27.9%**	26.9%

The following table summarises the results of our casino operation: (continued)

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

Our hotel, catering and related service revenue consisted of the following:

	1H FY2027	1H FY2026	% Change
	HK$'000	*HK$'000*	
Hotel operations	**51,889**	49,735	4%
Catering operations	**37,213**	36,940	1%
Total hotel, catering and related service revenue	**89,102**	86,675	3%

Our revenues from hotel operations, consisted of room revenue and hotel-related service revenue, for 1H FY2027 were approximately HK$51.9 million, an increase of 4%, compared to approximately HK$49.7 million for 1H FY2026. The increase in room revenue was driven by increases in both average daily room rate by 1% and average occupancy rate by 2% among the hotel properties. RevPAR increased by 2% among all hotels.

The revenues from catering operations for 1H FY2027 were approximately HK$37.2 million, an increase of 1%, compared to approximately HK$36.9 million for 1H FY2026. An overall increase of 3% for the total hotel, catering and related service revenue.

The following table summarises the results of our hotel operation:

	1H FY2027	1H FY2026	% Change
Average Daily Room Rate (HK$)[(Note 1)]			
Hotel Columbus	**735**	681	
Hotel Auefeld	**712**	736	
Hotel Kranichhöhe	**716**	734	
Hotel Donauwelle	**762**	797	
Hotel Savannah	**681**	663	
Average of all hotels	**729**	722	1%
Average occupancy rate (%)[(Note 2)]			
Hotel Columbus	**33**	38	
Hotel Auefeld	**64**	61	
Hotel Kranichhöhe	**65**	66	
Hotel Donauwelle	**70**	63	
Hotel Savannah	**64**	66	
Average of all hotels	**60**	59	2%
Room Revenue (HK$'000)[(Note 3)]			
Hotel Columbus	**5,235**	5,354	
Hotel Auefeld	**7,753**	7,349	
Hotel Kranichhöhe	**9,177**	9,182	
Hotel Donauwelle	**17,182**	15,284	
Hotel Savannah	**6,286**	4,867	
Average of all hotels	**9,127**	8,407	9%
RevPAR (HK$)[(Note 4)]			
Hotel Columbus	**246**	261	
Hotel Auefeld	**456**	449	
Hotel Kranichhöhe	**469**	487	
Hotel Donauwelle	**533**	505	
Hotel Savannah	**435**	439	
Average of all hotels	**436**	428	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. Our other income for 1H FY2027 was approximately HK$3.9 million, an increase of 30%, compared to approximately HK$3.0 million for 1H FY2026. The increase was mainly due to interest received from fixed deposits.

Other gains and losses

Other gains mainly consisted of net foreign exchange gain and gain on disposals of a subsidiary and mark-to-market fair value loss on financial assets at FVTPL. Net foreign exchange gain of HK$0.6 million was primarily driven by appreciation of HKD against EUR where majority of the Group's revenue was denominated in EUR. Operating costs were largely denominated in EUR and CZK, in which CZK mildly depreciated against HKD during the period, largely offset the appreciation in CZK against EUR. The financial assets recorded a mark-to-market fair value loss mainly resulted from the effect on USD interest hike against price of financial asset. The loss on FVTPL was offset by the gain on disposal of Malta subsidiary.

Impairment loss on property and equipment

The Group assesses the carrying value of the Group-owned operating casinos and hotels during 1H FY2027 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$1.3 million was recognised for a hotel for 1H FY2027.

Operating expenses

Operating expenses were approximately HK$212.7 million for 1H FY2027, an increase of 1%, compared to approximately HK$210.1 million for 1H FY2026. The increase was primarily driven by increases in employee benefits expenses. A breakdown of the operating expenses is set out below.

	1H FY2027	1H FY2026	% Change
	HK$'000	*HK$'000*	
Employee benefits expenses	**106,870**	104,379	2%
Other operating expenses	**74,669**	73,731	1%
Inventories consumed	**15,101**	14,797	2%
Depreciation and amortisation	**14,405**	15,490	(7%)
Finance costs	**1,663**	1,671	N.M.
Total operating expenses	**212,708**	210,068	1%

N.M. — Not meaningful

Employee benefits expenses were approximately HK$106.9 million for 1H FY2027, an increase of 2%, compared to approximately HK$104.4 million for 1H FY2026. The increase was primarily driven by inflation on casual labour salary and employee benefit as well as additional staff hire for new casino Palasino Mikulov.

Other operating expenses, including rental expenses of slot machines, were approximately HK$74.7 million for 1H FY2027, an increase of 1%, compared to approximately HK$73.7 million for 1H FY2026. Rental expenses for slot machines increased by HK$2.0 million mainly for slot machines acquired for Palasino Mikulov casino.

Inventories consumed consisted primarily of the cost of food and beverage for the catering operations. The cost of inventories consumed was approximately HK$15.1 million for 1H FY2027, an increase of 2%, compared to approximately HK$14.8 million for 1H FY2026. The increase was primarily due to elevated food cost.

Depreciation and amortisation for 1H FY2027 were approximately HK$14.4 million, a decrease of 7%, compared to approximately HK$15.5 million for 1H FY2026. The decrease was primarily driven by the disposal of interest in online gaming license Palasino Malta which partly offset by the depreciation from slot machines acquired for Palasino Mikulov casino.

Finance costs were approximately HK$1.7 million for 1H FY2027, largely consistent compared to 1H FY2026.

Profit for the period

As a result of the combined effect of the above factors, profit for 1H FY2027 was approximately HK$7.2 million, a decrease of 38%, compared to approximately HK$11.6 million for 1H FY2026.

LIQUIDITY AND FINANCIAL RESOURCES

The equity attributable to owners of the Company as at 30 September 2026 decreased to approximately HK$538.2 million, a decrease of 5% over that as at 31 March 2026 of approximately HK$567.2 million while the Group's total assets employed decreased to approximately HK$741.8 million as at 30 September 2026 as compared to approximately HK$782.8 million as at 31 March 2026.

The following table sets out the Group's bank and cash balances and bank borrowings as at 30 September 2026.

	As at 30 September 2026	As at 31 March 2026
	HK$'000	*HK$'000*
Bank borrowings		
Due within 1 year	**9,563**	9,030
Due 1-2 years	**9,644**	9,216
Due 2-5 years	**17,730**	25,280
Due more than 5 years	**8,925**	320
Total bank loans borrowings	**45,862**	43,846
Bank deposits, bank balances and cash	**170,997**	219,977
Liquidity position	**170,997**	215,442
Net cash	**125,135**	176,131

As at 30 September 2026, the Group had a total of approximately HK$33.8 million of bank borrowings denominated in EUR, and 20% of the bank borrowings were with floating rates while the remaining had fixed rates.

The Group had a restricted bank deposit of approximately HK$19.0 million and certain land and buildings pledged with a bank as security in order to instruct a bank to issue a guarantee of CZK120,000,000 (equivalent to approximately HK$43.2 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 fixed interest rate of 0.75% per annum as at 30 September 2026.

FOREIGN EXCHANGE MANAGEMENT

The majority of revenue is denominated in EUR while costs are largely denominated in EUR and CZK. The value of the EUR against the CZK fluctuates depending to a large extent on domestic and international economic and political developments as well as supply and demand in the local market. It is difficult to predict how market forces or government policies may impact the exchange rate between the CZK and the EUR or other currencies in the future. Foreign currency payments are received from our customers during daily operations, and there are borrowing and loan balances in different currencies. The fluctuation in exchange rates may significantly reduce revenue which is presented in HKD in the consolidated statements of profit or loss and other comprehensive income. As such, the results of operations are subject to fluctuations in currency exchange rates which may cause volatility and may make it difficult to compare the results of operations.

The Group does not currently maintain a foreign currency hedging policy to hedge against exposure to currency risk. However, management of the Group manages foreign currency risk by maximising share of costs denominated in EUR, closely monitoring the movement of foreign currency rates and will consider hedging significant foreign currency exposure should the need arise.

CAPITAL EXPENDITURE

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

During 1H FY2027, the Group incurred capital expenditure of approximately HK$3.9 million, including (i) the general renovation and maintenance of the hotels and casinos of approximately HK$0.1 million; (ii) the upgrade and replacement of property and equipment of approximately HK$2.0 million; and (iii) the development of Palasino Mikulov of approximately HK$1.8 million. Such amounts of capital expenditure were funded by cash generated from operations and net proceeds from IPO in accordance with the planned use of proceeds, as appropriate.

CAPITAL COMMITMENTS

The capital commitments were mainly capital expenditure for the acquisition of property and equipment contracted for but not provided in the consolidated financial statements. As at 30 September 2026, the Group's capital commitments amounted to approximately HK$3.7 million (as at 31 March 2026: nil), primarily attributable to the implementation of new casino system and development of Palasino Mikulov. The capital commitments will be financed through cash and cash equivalents, bank loan and the listing proceeds from the global offering in accordance with the planned use of proceeds, as appropriate.

CHARGES ON COMPANY ASSETS

As at 30 September 2026, the Group had approximately HK$4.5 million, HK$227.2 million and HK$4.4 million of bank deposits, property and equipment and investment properties pledged as security, respectively, for bank loans entered into in Germany and Austria and a bank guarantee entered into in the Czech Republic in compliance with the requirement of the Czech Gambling Act.

Apart from the above pledged assets, the Group also pledged the entire shareholding of Trans World Hotels Austria GmbH and Retail Park Mikulov s.r.o for bank borrowings as at 30 September 2026.

GEARING RATIO

As at 30 September 2026, the Group had a gearing ratio of approximately 8.5% (as at 31 March 2026: approximately 7.7%). Gearing ratio is calculated based on the total bank borrowings divided by the total equity as at the end of each financial year/reporting period and multiplied by 100%. The increase in the gearing ratio as at 30 September 2026 resulted primarily from the decrease in total equity as a result of the addition of bank borrowing made and the drop in total comprehensive income earned for 1H FY2027.

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

Save as disclosed in this interim results announcement, during the six months ended 30 September 2026, the Group disposed 100% of its interest in Palasino Malta for a cash consideration of EUR190,000 (approximately HK$1,680,000). In May 2026, the Group received 50% of the consideration of EUR95,000 (approximately HK$840,000). Besides, the Group did not have any significant investments, material acquisitions or other disposals of subsidiaries, associates or joint ventures.

CONTINGENT LIABILITIES

As at 30 September 2026, the Group did not have any contingent liabilities.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2026, the Group employed 727 employees (as at 31 March 2026: 696) mainly in the Czech Republic, Germany and Austria. Employee costs amounted to approximately HK$106.9 million for 1H FY2027 (1H FY2026: HK$104.4 million).

The Group provides 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 interim results announcement.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this interim results announcement, during the six months ended 30 September 2026, the Group did not have any plans for material investments or capital assets which are legally binding.

USE OF LISTING PROCEEDS

The net proceeds (the "Net Proceeds") from the global offering and the exercise of over-allotment options amounted to approximately HK$209.4 million after deduction of the underwriting commission and other expenses borne by the Company. As at 31 March 2026, the unutilised Net Proceeds were approximately HK$142.8 million. During the 1H FY2027, the Company had utilised approximately HK$6.9 million of the Net Proceeds in accordance with the revised intended use set out in the annual report of the Company dated 22 July 2026 (the "2026 Annual Report"), and there are currently no concrete plans to utilise the Net Proceeds otherwise than as stated in the 2026 Annual Report. The following table sets out a breakdown of the use of proceeds:

		Planned allocation of Unutilised Net Proceeds as of 31 March 2026 (HK$ million)	Actual usage during 1H FY2027 (HK$ million)	Unutilised Net Proceeds as at 30 September 2026 (HK$ million)	Expected timeline for utilisation of the remaining proceeds (HK$ million)			
					For the year ending 31 March			
Major Categories		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	29%	41.2	1.7	39.5	18.5	10.0	11.0	39.5
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	44%	62.8	–	62.8	36.5	16.0	10.3	62.8
Additional working capital and other general corporate purposes of which:								
– Development of Palasino Mikulov	18%	26.2	1.8	24.4	13.1	10.0	1.3	24.4
– General working capital and other general corporate purposes	9%	12.6	3.4	9.2	3.6	4.8	0.8	9.2
	100%	142.8	6.9	135.9	71.7	40.8	23.4	135.9

As outlined in the prospectus of the Company dated 18 March 2024 (the "Prospectus"), 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 licensed 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.

To optimise investment returns, we allocated a portion of the unutilised Net Proceeds to listed debt securities, high yield bonds and money market fund, fixed-income instruments, and exchanged for USD to capitalise on comparatively higher interest rates. We remain mindful that higher yields typically come with increased risk. We will closely monitor the evolving market conditions to ensure a balanced approach between risks and returns.

The Company will issue announcements in compliance with the relevant Listing Rules as appropriate.

PROSPECTS AND OUTLOOK

Amid ongoing economic and political uncertainties in Europe, coupled with sustained increases in energy and fuel costs, European consumers continue to experience pressure on their disposable income. In addition, the implementation of responsible gaming measures and the mandatory panic button requirements imposed by the Czech Republic have presented further challenges to player visitation and the retention of high-value patrons.

Against this backdrop, the Group experienced a decline in both table gaming and slot machine performance during the period. To proactively address these challenges, the Group launched a range of customer incentive programmes to reward loyal patrons and invested in extensive marketing and promotional activities, including billboard advertising campaigns and high-profile events such as live boxing matches, with the objective of attracting new customers to its casinos.

Although turnover from slot machines and drop from gaming tables decreased by 0.9% and 7.8%, respectively, the effectiveness of these marketing initiatives was evidenced by a 7.4% increase in slot machine attendance during the six-month period. The Group believes that building a sustainable customer base requires continued investment in player acquisition and, over time, the cultivation of these new customers into loyal patrons.

At the same time, the Group intends to leverage this period to rejuvenate the Palasino Resorts portfolio and further enhance its product offerings and customer experience, while positioning the business to capture new growth opportunities.

On the hospitality front, hotel revenue increased by 4% during the six-month period, reflecting the effectiveness of the Group's sales and marketing initiatives. Overall occupancy across the Group's hotels improved by 2%, while average daily room rates increased by 1% and Revenue per Available Room ("RevPAR") rose by 2%. Going forward, the Group will continue to maintain disciplined cost management, pursue automation opportunities to enhance operational efficiency, and further strengthen its focus on the Meetings, Incentives, Conferences and Exhibitions ("MICE") segment.

In support of the Group's long-term growth strategy, management will continue to evaluate the expansion of Phase 2 of Palasino Mikulov, with the aim of delivering a more comprehensive casino and entertainment experience for patrons across Europe.

Looking ahead, the Group remains cautiously optimistic. It will continue to evaluate strategic investment opportunities, including acquisitions of additional gaming floor space, modernisation of its gaming machine portfolio, and expansion into selected geographic markets. The Group will remain committed to broadening its customer appeal, attracting new patrons, and delivering high-quality hospitality and entertainment experiences, while cautiously maintain our cost control over operations to create a sustainable long-term value for its shareholders.

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 they help the management compare financial results across accounting periods.

Adjusted net profit (non-HKFRS measure) is calculated as net profit (HKFRS measure) after elimination of listing expenses and real estate transfer tax on reorganisation. Adjusted EBITDA (non-HKFRS measure) is defined by the Company as profit/loss for the period without considering depreciation and amortisation, income tax, finance costs and interest income. 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 to profit for the period, 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 loss/profit from operations or any other measure 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 to profit for each of the periods indicated:

	1H FY2027	1H FY2026
	HK$'000	*HK$'000*
Profit for the period	**7,241**	11,605
Add:		
Depreciation and amortisation	**14,405**	15,490
Income tax	**1,338**	5,268
Finance costs	**1,663**	1,671
Less:		
Bank Interest income	**3,741**	2,788
Adjusted EBITDA (non-HKFRS measure)	**20,906**	31,246
Add:		
Online gaming expenses	**350**	7,526
Adjusted property EBITDA (non-HKFRS measure)	**21,256**	38,772

The Group recorded adjusted property EBITDA (non-HKFRS measure) of approximately HK$21.3 million for 1H FY2027, a decrease of 45%, compared to approximately HK$38.8 million for 1H FY2026.

The decrease was primarily attributable to the operation of Palasino Mikulov, which officially opened in March 2026 and is in its early stage of operation. It recorded a loss in adjusted property EBITDA of approximately HK$13.9 million for 1H FY2027. In addition, the Group has launched ranges of customer incentive programmes and loyalty programmes to reward patrons. The Group continued to invest in marketing and promotions to recruit new customers. The Group will monitor the performance closely.

SUBSEQUENT EVENT

Save as disclosed in this interim results announcement, there is no material subsequent event undertaken by the Company or by the Group after the reporting period and up to the date of this interim results announcement.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

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. 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 six months ended 30 September 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.

AUDIT COMMITTEE

The Audit Committee, comprising three of the Company's independent non-executive directors, namely Dr. Ngai Wing LIU, Mr. Kam Choi Rox LAM and Ms. Sin Kiu NG, has reviewed the accounting principles, standards and practices adopted by the Company, and discussed matters relating to auditing, risk management and internal control and financial reporting, including the review of the unaudited consolidated interim results of the Group for the six months ended 30 September 2026.

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 (including sale of treasury shares, if any) during the six months ended 30 September 2026. As at 30 September 2026 and the date of this announcement, there were no treasury shares (as defined in the Listing Rules) held by the Company.

PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange at *www.hkexnews.hk* and on the website of the Company at *www.palasinoholdings.com*. The interim report of the Company for the six months ended 30 September 2026 will be despatched to the Shareholders, if necessary, and published on the websites of the Stock Exchange and the Company in due course.

By order of the Board of
Palasino Holdings Limited
Oi Wai WONG
Company Secretary

Hong Kong, 26 November 2026

As at the date of this announcement, the Board comprises (i) Mr. Pavel MARŠÍK as executive director; (ii) Tan Sri Dato' David CHIU and Mr. Cheong Thard HOONG as non-executive directors; and (iii) Dr. Ngai Wing LIU, Mr. Kam Choi Rox LAM, Ms. Sin Kiu NG and Ms. Chuchu Tracy LI as independent non-executive directors.