WINKING

Scaling Growth, Advancing Ambitions

WINKING STUDIOS LIMITED

ANNUAL REPORT 2024

OVERVIEW

STRATEGIC REPORT

SUSTAINABILITY REPORT

CORPORATE GOVERNANCE REPORT

FINANCIAL CONTENTS

CORPORATE INFORMATION

SINGAPORE HEADQUARTERS
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WEBSITE & EMAIL
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Email: ir@winkingworks.com

BOARD OF DIRECTORS
Lim Heng Choon
Independent and Non-Executive Chairman

Johnny Jan
Executive Director and Chief Executive Officer (Founder)

Oliver Yen
Finance Director and Group Chief Financial Officer

Kao Shu-Kuo
Non-Executive Director

Daniel Widdicombe
Independent and Non-Executive Director

Chang Yi-Hao
Independent and Non-Executive Director

Yang Wu Te
Independent Non-Executive Director

Audit, Risk and Disclosure Committee
Lim Heng Choon (Chairman)
Daniel Widdicombe
Chang Yi-Hao
Yang Wu Te

AIM Compliance Committee
Daniel Widdicombe (Chairman)
Lim Heng Choon
Chang Yi-Hao

Nominating Committee
Yang Wu Te (Chairman)
Lim Heng Choon
Chang Yi-Hao

Remuneration Committee
Chang Yi-Hao (Chairman)
Lim Heng Choon
Yang Wu Te

SPONSOR
PrimePartners Corporate Finance Pte. Ltd.
16 Collyer Quay
#10-00 Collyer Quay Centre
Singapore 049318

NOMINATED ADVISER (NOMAD)
Strand Hanson Limited
26 Mount Row, London, UK, W1K 3SQ

INDEPENDENT AUDITORS AND REPORTING ACCOUNTANT
PricewaterhouseCoopers LLP
7 Straits View
Level 12, Marina One East Tower
Singapore 018936

Partner-in-Charge: Alex Toh Wee Keong
Appointed from financial year 2020

SHARE REGISTRAR AND SHARE TRANSFER OFFICE
Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte. Ltd.)
9 Raffles Place
#26-01, Republic Plaza, Tower 1
Singapore 048619

JOINT COMPANY SECRETARIES
Yoo Loo Ping (ACS, ACG)
(Member of the Chartered Secretaries Institute of Singapore)

Cheng Lisa (ACS, ACG)
(Member of the Chartered Secretaries Institute of Singapore)

INVESTOR & MEDIA RELATIONS
8PR Asia Pte Ltd
114 Lavender Street CT Hub 2, #09-51,
Singapore 338729
alex.tan@8prasia.com

Alma PR Ltd
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WKS@almastrategic.com

FY2024 HIGHLIGHTS

Demand for services remained strong in FY2024

Revenue

US$31.9M

+11.2% before FX

Excluding the basis of constant currency, revenue growth would be 8.9%

Resilient operating performance

Adjusted EBITDA

US$4.8M

Includes ongoing listing expenses (SGX) and distribution and marketing costs of U$1.2m not incurred in FY2023

Strong Focus & Niche

Manpower Usage

85.9%

Our Manpower Usage for Games with Online Connectivity (such as Mobile, Console and PC)

High repeat revenues from follow-up projects

Follow-Up projects

~41%

Percentage of Revenue from **Follow-Up** status projects

Strong project pipeline

Indicative bookings

US$35.8M

Indicative bookings of our artists by customers over next 24 months (from 31 December 2024), subject to changes depending on the final confirmation from customers

Robust investor support driving global growth ambitions

Total proceeds raised in FY2024

US$29.9M

US$19.9m (or S$27.0m at S$0.25 per share) in Singapore,
US$10.0m (or £7.9m at 15 pence per share) via dual listing on LSE

Accelerating M&A strategy

M&A

2 Acquisitions

On Point Creative in Taipei in April 2024, Pixelline in Kuala Lumpur in June 2024

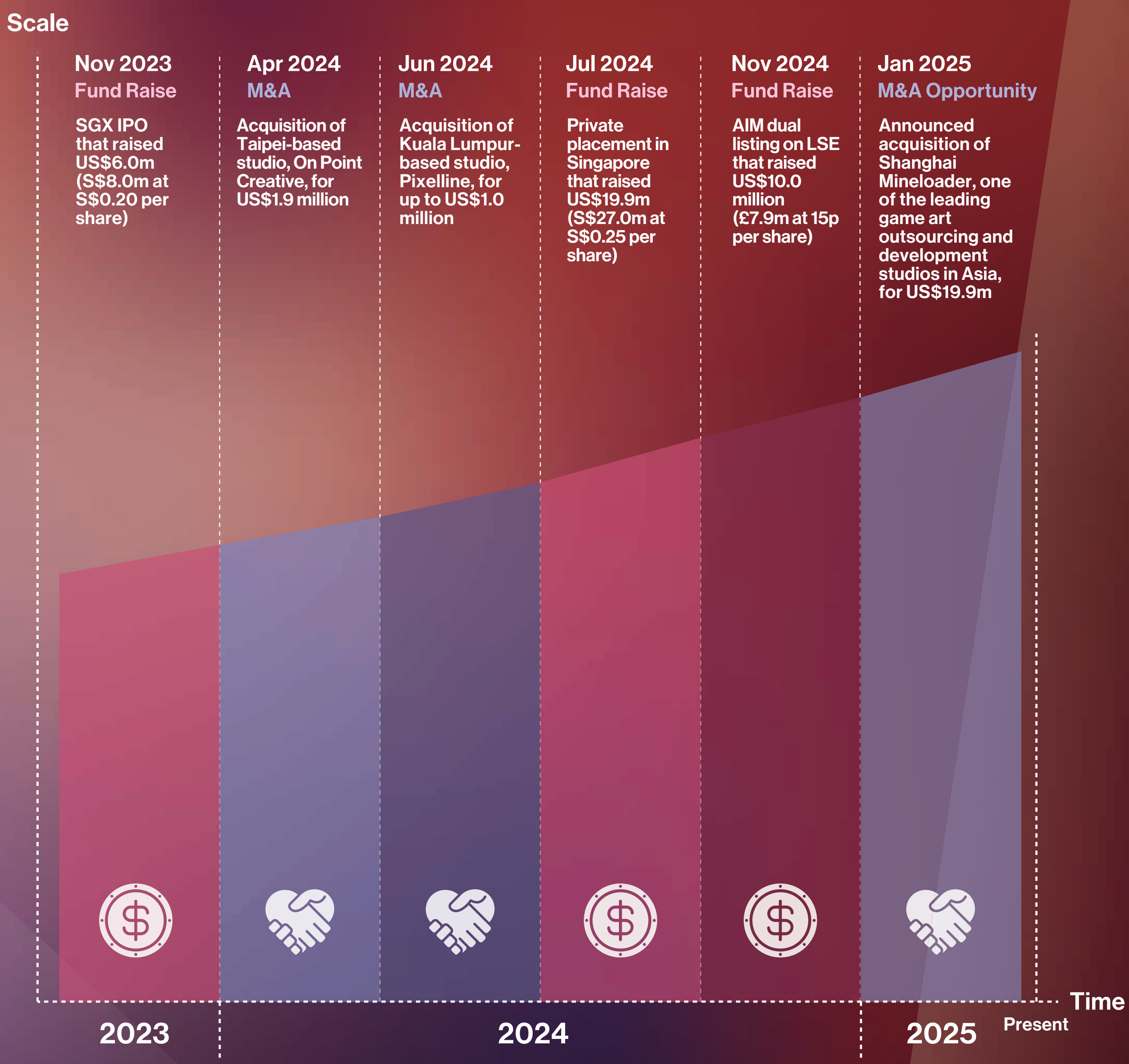
Prudent financial approach with a healthy cash position

Cash and cash equivalents and bond investments

US$41.3M

and zero borrowings as of 31 December 2024

STRATEGIC HIGHLIGHTS



WHO WE ARE & OUR GLOBAL PRESENCE

4th Largest Game Art Outsourcing Studio in The World*

Actively pursuing 'buy and build' strategy for rapid expansion

*Source: China Insights Consultancy (August 2024)

25+ Year
Group Operating history

800+
Employees (as at 31 December 2024)

LARGE Global Clients
Blue chip customers

OUR MISSION TO BECOME:
#1 ART SERVICES PROVIDER IN THE WORLD

ART OUTSOURCING SERVICES

83% of FY2024 Group revenues

- Conceptualisation
- Development
- Creation of digital art assets

GAME DEVELOPMENT SERVICES

17% of FY2024 Group revenues

- Conceptualisation
- Programming and script writing
- Testing, post-release support and maintenance services

OTHER SERVICES

<1% of FY2024 Group revenues

- Publishing, sale of in-house developed games and peripherals

ESTABLISHED, LONGSTANDING COLLABORATIONS WITH 22 / TOP 25 GLOBAL GAME DEVELOPMENT COMPANIES INCLUDING

OUR PRINCIPAL OPERATING TERRITORIES

OUR BUSINESS MODEL

WHY CUSTOMERS COME TO WINKING STUDIOS

Benefits of outsourcing and our differentiated value propositions

Cost pressures on video games industry

- AAA title and multi-year Mobile franchises development costs can reach up to US$200m
- Competitive forces on graphical realism
- Growing need to localise products and innovate
- Pressure on release cycles

Winking offers...

- Cost efficiency (reduced fixed overheads) and scale with quality
- Flexible delivery (scale projects rapidly up/down)
- Focus on core competencies
- Comprehensive services with in-house capabilities and centralised resources
- Dedicated project managers simplifies the communication process, saving time and reducing costs for our clients

ALIGNED WITH THE MEGATRENDS OF THE GLOBAL GAMING INDUSTRY

INVESTMENT CASE

'Work-for-Hire' business model

Limited product risk

Outsourcing is central to Game Development industry

Compelling cost advantage

Focus on high-growth Mobile/Online titles

Long-term, repeat revenues

8-10% historical organic growth*

Taking relative market share

Established presence in Asia

Rich talent pool, scale delivery

24+ months indicative bookings

Good revenue visibility

acer **

Significant shareholder (64.2%), with extensive network of relationships in Game Development and Art Outsourcing industries.

Fragmented market

Consolidation opportunity

WINKING

Our Mission to become:

#1 Art Services Provider in the World

*Art outsourcing
**References Acer Gaming Inc and Acer SoftCapital Inc.

LEADERSHIP

Mr. Lim Heng Choon
Independent and Non-Executive Chairman

Mr. Lim Heng Choon was first appointed as an Independent Director on 17 May 2023 and was re-designated as the Lead Independent and Non-Executive Director on 21 July 2023. Following dual listing in London AIM, Mr. Lim was re-designated as the Company's Independent and Non-Executive Chairman on 14 November 2024. Mr. Lim served as Chief Financial Officer and executive director of Centific Global Solutions, Inc (formerly Pactera Technologies NA, Inc.) since 2022, he is also the founder and managing director of Hyperion Connect Pte. Ltd, a boutique consulting firm focusing on corporate advisory projects, since 2018. Mr. Lim started his career at the Boston Consulting Group before joining Southern Bank Berhad and then Hisoft Technology International Limited, where he served in a multitude of roles including, Head of Strategic Planning/Corporate Development, Acting Chief Financial Officer, Chief Operating Officer and M&A Advisor. Mr. Lim also co-founded International Liquid Packaging Solutions Pte. Ltd., a start-up company in the business of industrial green packaging. Mr. Lim graduated from Monash University Australia in 1996 with a Bachelor of Engineering before obtaining a Master's in Business Administration from the Kellogg School of Management, Northwestern University, USA in 2001.

Mr. Johnny Jan
Executive Director and Chief Executive Officer (Founder)

Mr. Johnny Jan has over 26 years of experience in the art outsourcing and game development industries, having started his career in Japan before launching WindThunder Era Co., Ltd in 2000. In 2004, he founded the Group's art outsourcing and game development studios in Mainland China, prior to the incorporation of the Company in 2005. He then grew the Group's footprint across the rest of East and Southeast Asia. He is also a director of the Taiwan Game Industry Promotion Alliance. Mr. Jan obtained a Bachelor's degree in business administration from the Central University of Taiwan in 2000 and a Master's degree in Business Administration from the National University of Singapore in 2024.

Mr. Oliver Yen
Finance Director and Group Chief Financial Officer

Mr. Oliver Yen was appointed to the Board on 14 November 2024. He joined the Group in 2014 and has more than 20 years of experience within the game development and game publishing industry. Mr. Yen has been responsible for all finance related areas since joining the Group, overseeing its treasury function, audit and taxation matters. From 2000 to 2013, he was the Vice General Manager of the General Management Office in Softstar Entertainment Inc., a Taiwanese listed game development and game publishing company. Mr. Yen currently serves as independent non-executive director for two listed companies in Taiwan, Otsuka Information Technology Corp. and Patec Precision Industry Co., Ltd. Mr. Yen graduated from the Tunghai University School of Management with a Bachelor's degree in Business Administration.

Mr. Kao Shu-Kuo
Non-Executive Director

Mr. Kao Shu-Kuo was appointed to the Board of Directors of the Company on 17 May 2023 and he also the Chairman of the board of directors of Acer Gaming Inc. He started his career at the Acer Group in 1995 and became Acer's Chief Operating Officer in May 2023, having served as Co-Chief Operating Officer since November 2018. He has served in various positions in project management and branding of IT devices. His broad area of expertise ranges from product research and development to sales and marketing. Mr. Kao studied Electrical Engineering at Taiwan's National Tsing Hua University, and holds an MBA from National Chung Hsing University.

Mr. Daniel Widdicombe
Independent and Non-Executive Director

Mr. Daniel Widdicombe was appointed to the Board on 14 November 2024. Since 2021, Mr. Widdicombe has served as Chief Financial Officer of Devolver Digital Inc., a U.S. video game publisher and developer listed on AIM. Previously, Mr. Widdicombe was Head of Investment Banking at China Construction Bank in London, the CFO at both Chinadotcom Ltd., listed on NASDAQ, and I-Quest Corporation Ltd. and Managing Director at Bear Stearns. His experience also includes acting as Independent Non-Executive Board Director at AVIC-CCBI Aviation Industry Investment Fund Management GP Ltd., and Corgi International Ltd. listed on NASDAQ, as well as Non-Executive Director at Middle Earth Advertising Ltd. Mr. Widdicombe holds an MA Honours degree in Mandarin Chinese from the University of Edinburgh.

Mr. Chang Yi-Hao
Independent and Non-Executive Director

Mr. Chang Yi-Hao was appointed to the Board on 29 September 2021. Previously, Mr. Chang was the President of Kunlun Gaming, which is one of the business units within Kunlun Tech Co., Ltd., a global gaming distribution company, where he managed the marketing and operations teams across Asia. There, he acted as the primary liaison with platforms such as the Apple Store, Google Play, and Facebook and for secured licensing of internationally renowned games and intellectual properties for distribution in the Chinese market. Mr. Chang then founded Howard Marketing Co., Ltd, an Internet marketing and media agency. Mr. Chang obtained a Bachelor's degree from the Tsinghua University of Taiwan (Department of Electrical Engineering/Department of Economics) in 1997 before obtaining a Master's in business administration from the National Taiwan University, Graduate School of Business in 2001.

Mr. Yang Wu Te
Independent and Non-Executive Director

Mr. Yang Wu Te was appointed to the Board on 17 May 2023. Mr. Yang is an experienced private banking executive, having held several leadership positions at international financial institutes including Bankers Trust Co. Ltd. (now Deutsche Bank), the Private Banking Group, The Chase Manhattan Bank N.A. (now JPMorgan Chase & Co), Taishin International Bank and Merrill Lynch International Bank Limited. Between 2013 and 2020, Mr. Yang served as Executive Director/Relationship Manager of the private banking arm of Bank Julius Baer & Co. Ltd. Mr. Yang graduated from the China College of Municipal Administration, Taiwan in 1979 with a certificate in Business and Industrial Administration.

Ms. Tina Li
General Manager of Art Outsourcing Segment

Ms. Tina Li is the General Manager of the Art Outsourcing Segment. She is responsible for overseeing the expansion and growth of the Group's businesses. She began her career in Nanjing Solitary Advertising Design Co., Ltd as a graphic designer from March 2000 to February 2001, before joining Xiamen Xin Rui Shi Multimedia Co., Ltd (Nanjing Office) as an art designer from March 2001 to December 2003. She subsequently joined the Group in December 2003 as an art designer, becoming an employee of Shanghai Winking upon its incorporation in January 2004 before being promoted to the role of General Manager of Shanghai Winking's Nanjing branch, a position which she held from August 2004 to January 2010. From January 2010 till present, she has been the General Manager of Nanjing Winking. She has also been the head of the Art Outsourcing Segment from January 2021 to present. Ms. Li is also the registered person in-charge of each of Nanjing Winking, the Nanjing Branch of Shanghai Winking and the Shanghai Branch of Nanjing Winking. She obtained a Master's degree in Software Engineering from Shanghai Fudan University in 2011.

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholders,

On behalf of the Board of Directors, it is my pleasure to present the annual report for the financial year ended 31 December 2024 ("FY2024"). This also marks my inaugural message to shareholders as Chairman of the Company.

Amidst global economic uncertainties and evolving industry dynamics within the gaming industry, we remained steadfast in our commitment to strategic leadership, sustainable growth, and governance excellence.

FY2024 has been a landmark year for Winking Studios, driven by strategic expansion and financial milestones spearheaded by our Founder and CEO, Johnny. Our successful acquisitions in Taipei and Kuala Lumpur have strengthened our regional presence, while our private placement in Singapore has bolstered our growth ambitions. Additionally, our dual listing on the AIM market of the London Stock Exchange in November 2024 marks a significant achievement, providing us with a stronger financial foundation to accelerate our global expansion and innovation in the gaming industry.

Commitment to Sustainability

At Winking Studios, sustainability remains a core pillar of our long-term strategy. We recognize our responsibility to integrate environmental, social, and governance (ESG) considerations into our business operations to ensure that our sustainability goals translate into a tangible and positive impact.

As we move forward, we remain committed to advancing an ESG agenda that creates lasting value for our stakeholders.

Strengthening Governance

In line with our commitment to diversity of thought and corporate governance, we are pleased to welcome new directors, Mr. Daniel Widdicombe and Mr. Oliver Yen, to our Board. Each new director brings unique strengths that complement our existing leadership, which will support our strategic vision, business resiliency and governance excellence as we navigate the evolving business environment.

On behalf of the Board, I would like to extend the Board's sincere appreciation to our employees for their dedication and contributions. Their commitment and passion have been instrumental in strengthening our Group's unique value propositions and driving our continued progress in the gaming industry.

To our shareholders, we extend our deepest gratitude for your trust, patience, and steadfast support. Your confidence in our vision to become the world's number 1 art services group in the gaming industry fuels our ambition.

Together, we will continue to uphold our commitments, deliver sustainable value, and shape an exciting future ahead.

Thank You!

Mr. Lim Heng Choon
Independent and Non-Executive Chairman

CEO'S REVIEW

As we move forward, we remain committed to driving both organic and inorganic growth while enhancing our operational capabilities to ensure we deliver long-term, sustainable value for our shareholders.

Mr. Johnny Jan
Executive Director and Chief Executive Officer (Founder)

FY2024 has been another pivotal year for Winking Studios, underpinned by our dual listing on the AIM market of the London Stock Exchange in November 2024, a major strategic milestone that raised US$10.0 million (GBP7.9 million) to support our global growth ambitions.

This listing reinforces our presence in the UK and Europe while establishing a strong platform to expand our international strategy into the US and other key Western markets. It further connects us with a sophisticated investor base renowned for its deep expertise in the gaming industry, aligning us with like-minded investors as we expand.

In July 2024, we completed a private placement of US$19.9 million (SGD27.0 million) in Singapore, that was well supported by our controlling shareholders, the Company's management team and investors across Singapore, Malaysia and Taiwan. With growing interest and recognition from the investment community, we are heartened by this vote of confidence and we will continue to actively expand our network and market presence with our global ambitions.

From a performance perspective, demand for our outsourced gaming services remained strong as revenue increased 8.9% in FY2024 to US$31.9 million and 11.2% on a constant currency basis. Our acquisition of two art outsourcing studios, On Point Creative and Pixelline, in FY2024, contributed US$1.3 million of revenue.

Gross profit increased slightly to US$9.5 million in FY2024, with the Group's profit margin dipping slightly due to the integration of the two newly acquired art outsourcing studios, On Point Creative and Pixelline, during the financial year.

Despite higher expenses incurred for marketing and promotional expenses as well as ongoing listing expenses on the Singapore Exchange (SGX), the Group remained profitable with adjusted EBITDA of US$4.8 million in FY2024, reflecting our resilient operating performance. More details of our financial results in FY2024 can be found in the CFO's Review and detailed financial statements.

In line with our dividend policy and commitment to reward shareholders, we have proposed a dividend of SGD0.024 cents (GBP0.014 pence) per share in FY2024, subject to Shareholders' approval at the Company's forthcoming annual general meeting ("AGM"). We will be looking to strategically deploy the Group's cash resources through targeted acquisitions and investments, aiming to enhance our market positions and drive long-term shareholder value.

With strengthening foundations, a clear strategic roadmap and a determined approach to expand our value propositions, we have and will continue to be proactive in pursuing our growth ambitions. As we move forward, we remain committed to driving both organic and inorganic growth while enhancing our operational capabilities to ensure we deliver long-term, sustainable value for our shareholders.

Poised to grow market share in a rapidly expanding industry*

The global gaming industry continues to expand at pace, with total market revenues expected to grow from US$ 216.9 billion in 2023 to US$ 345.3 billion by 2028, representing a CAGR of 9.8%. The mobile games sector, currently a key market of Winking Studios' art outsourcing business segment, is expected to lead the overall industry, with a CAGR of 12.7% between 2023 and 2028.

This growth is underpinned by the increasing demand from players for high-quality, regularly-updated content, immersive visuals and complex character models and environments – all of which require significant investment in art and development services.

As the industry evolves, major game studios are outsourcing more of their art and development needs to increase efficiency, reduce fixed costs and make scaling easier, driving a structural shift towards established external service providers like Winking Studios.

The global game art outsourcing market grew from US$1.8 billion in 2018 to US$3.7 billion in 2023, representing a CAGR of 14.9%, and is expected to reach US$7.1 billion in 2028. The mobile sector of the global game art outsourcing industry is expected to continue to outpace other game outsourcing segments, increasing from 46% of the US$3.7 billion market in 2023 to more than 50% of the US$7.1 billion market in 2028.

It is a similar story in game development outsourcing, a market which grew from US$6.4 billion in 2018 to US$9.9 billion in 2023, representing a CAGR of 8.9%. Driven by the increased scope and complexity of games, this figure is expected to grow to US$17.8 billion by 2028, representing a CAGR of 12.5%.

As one of the top four global game art outsourcing providers, Winking Studios is well-positioned to continue to capture market share in this rapidly expanding industry.

*All statistics and forecasts in this section are sourced from China Insights Consultancy (August 2024)

A clear growth strategy - delivering at pace

With the aspiration of becoming Number 1 art services provider globally, Winking Studios is one of the leading global providers of game art outsourcing and development services, specialising in concept art, 3D modeling, animation and full-cycle game development.

With established, long-standing relationships with 22 of the top 25 global game developers, Winking Studios benefits from repeat revenue streams as game developers and publishers increasingly adopt live-service models, requiring continuous content updates, expansions, and seasonal events – driving sustained demand of follow-up projects for outsourced game art and development support.

Currently, Winking Studios has nine studios across Kuala Lumpur, Taipei, Shanghai, Nanjing and Suzhou and a backend office in Singapore. The Group has over 800 highly skilled employees in total. (as at 31 December 2024)

At the heart of Winking Studios' growth strategy is a dual focus on strengthening our presence in Asia while expanding into key international markets, both developed and emerging, across different market segments of the gaming industry.

Strengthening business development and marketing efforts in Europe, the UK and the US remains a key priority, as these regions present significant opportunities in terms of market share for a company like Winking Studios, with established capabilities and cost efficiencies in Asia.

By growing our global footprint, the Company aims to capitalise on the strong momentum in the game art and development outsourcing industries, leveraging over 25 years of expertise and a rich pool of high-value relationships built over that time. These include partnerships with leading game publishers, platforms, and key industry stakeholders, as well as the extensive network of our major shareholder Acer, which continues to provide valuable financial support and strategic counsel.

Building a global leader with robust investor support and proactive M&A strategy

The international game art and development outsourcing markets are highly fragmented, providing a significant opportunity for an ambitious listed group like Winking Studios to act as a global consolidator to drive synergies and expand our value propositions.

Recognising M&A as a core pillar of the Company's growth strategy, we believe it is essential to leverage the collective strength of capital markets to accelerate our global business expansion, which led to our listings in Singapore and London over the past two years.

With the funds raised from our capital market activities, we swiftly advanced our acquisition strategy with the acquisitions of On Point Creative and Pixelline in April and June 2024 respectively. In January 2025, we announced the proposed acquisition of Mineloader, one of the leading game art outsourcing and development studios in Asia, for an aggregate consideration of approximately US$19.9 million (S$27.2 million), our largest acquisition to date.

Combined with the Group's existing headcount of over 800, Mineloader's team of more than 460 employees will be a valuable addition, boosting our service offerings in console platform games and providing revenue diversity.

With Winking Studios' growing market presence in Japan, Mineloader's established experience and presence in this key gaming market is also a notable value add to the Group.

These acquisitions demonstrate our commitment to accelerating expansion through strategic and targeted investments.

Post integration of these acquisitions, we believe that there are also opportunities for increased business synergies, resource integration and cross-selling, driving enhanced economies of scale.

Moving ahead, we remain focused on exploring the acquisitions of established and profitable studios that offer specialised expertise, new value propositions, access to new market segments, and scalable operations.

Outlook for 2025

The Group is focused on delivering long-term, sustainable value creation through a combination of organic growth, strategic acquisitions and operational efficiencies.

We expect to complete the acquisition of Mineloader before the end of second quarter of 2025, subject to the fulfillment of certain conditions precedent, expanding our headcount, increasing our market share in the game art outsourcing industry, and enhancing our value propositions in our targeted markets. The acquisition will also support our broader goal of increasing market share in Western markets, where demand for game art and development services continues to grow.

Beyond this, we continue to pursue a robust pipeline of M&A opportunities, leveraging our 25+ years of industry experience and established networks in the global gaming industry to identify high-quality acquisition targets that align with our strategic objectives.

A particular focus is to establish new production hubs in Southeast Asia. The region's strong talent pool and cost efficiencies provide an opportunity to further strengthen our competitive advantages while improving scalability and service delivery. Expanding our production footprint in this way will allow us to better meet the evolving needs of our customers.

To further diversity the revenue base and secure new customers and projects through strategic ventures and alliances, 2025 will also see us further accelerate our business development efforts in the US, Europe, the UK, and Japan. While these initiatives will likely increase our near-term operating costs, we believe that they are essential investments to strengthen our long-term competitiveness and drive sustainable growth.

From an operational perspective, we are committed to continuing to optimise performance by leveraging the synergies within our growing network of studios in Asia. By improving resource integration and expanding cross-selling opportunities, we aim to enhance efficiency and maximise the value we deliver to our customers.

Growth and an exciting long-term opportunity ahead

Gaming has emerged as a dominant force in global entertainment, transforming from a niche hobby into a mainstream lifestyle for billions around the world.

With rapid advancements in technology, gamers are increasingly expecting higher-quality, more immersive gaming experiences. As a company committed to innovation and excellence for over two decades, Winking Studios is well-positioned to capitalise on this global megatrend with our high-quality work and cost efficiency.

Following our Catalist listing on the SGX, and our admission to AIM market in the UK in 2023 and 2024 respectively, Winking Studios has truly evolved to its next phase of strategic growth. Milestones like these naturally invite reflection.

From our origins before the turn of the millennium to where we stand today, it has been an extraordinary adventure – characterised by incredible achievements, resilience in the face of challenges and lasting relationships with remarkable people. We have learned a great deal along the way, and while we have come this far, I believe we have never been more focused or aligned in our goals as an organisation.

With a clear vision, an ambitious path forward and the right people on board, there is no doubt in my mind that our best years are ahead of us. I am excited for what lies ahead and look forward to updating our stakeholders on our further accomplishments in the months and years ahead.

Thank you

Finally, as we close another busy year of 2024, I want to extend my heartfelt thanks to the entire Winking Studios team for their hard work, creativity and dedication. They have been instrumental in driving progress towards our strategic ambitions. I am similarly grateful to our shareholders, whose trust and continued support enable us to pursue new opportunities and bring our vision closer to reality.

Johnny Jan
Executive Director and
Chief Executive Officer
(Founder)

OUR STRATEGY

CLEAR GROWTH STRATEGY DELIVERING AT PACE

OUR MISSION TO BECOME:

#1 ART SERVICES PROVIDER IN THE WORLD

ACQUISITIONS

- Increase Art Outsourcing capacity in Asia with targeted valuations of 7-10x EBITDA Multiple
- Grow customer base across classification (i.e. AAA), platform (i.e. console) and geography (i.e. the West)
- Build out UK hub to facilitate direct presence in Western markets including the US and Europe

ORGANIC GROWTH

- With the total global development expenditure in the gaming industry expected to increase to US$55.3 billion in 2028, registering a CAGR of 9.8% between 2023 and 2028*, our niche in game with online connectivity provide good repeat revenue and growth opportunities.
- The rich talent pool in Asia, combined with Winking Studio's established market presence, provide a solid foundation for growth and scalable delivery, making expansion easier and more efficient.

STRATEGIC PARTNERSHIP acer

- Supportive of acquisition strategy
- Since emerging as a strategic investor, Acer has participated in all of Winking Studios' fund raising activities for our global ambitions
- Leverage Acer's extensive network of industry relationships
- AI Collaboration – Genmotion.AI

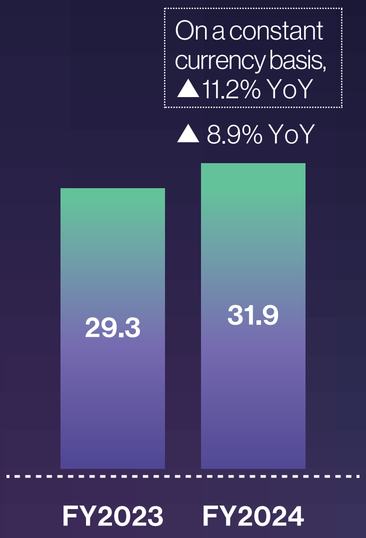
* Source: China Insights Consultancy (August 2024)

KEY PERFORMANCE INDICATORS

KEY FINANCIAL HIGHLIGHTS FOR FY2024

Revenue

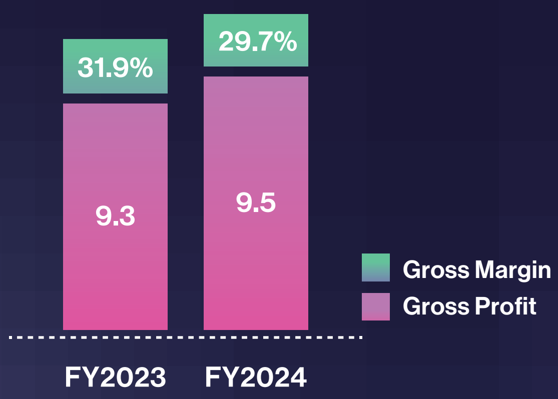
US$ million



- Despite challenging market conditions within the global gaming industry in recent years, the Group continue to achieve resilient revenue growth with our focus and niche on Games with Online Connectivity (such as Mobile, Console and PC). Additionally, we saw increased orders from both new and existing clients in Taiwan, Japan, South Korea.
- Our acquisition of two art outsourcing studios, On Point Creative and Pixelline, in FY2024, contributed US$1.3 million of revenue.
- On a constant currency basis, Group revenue growth would have increased to 11.2% YoY as there was a negative impact of 2.3% to Group revenue growth in FY2024 due to currency exchange rate fluctuations when converting local currency in operating markets to the reporting currency in USD, whereby certain foreign currencies depreciated against US$ during FY2024.

Gross Profit/Gross Margin

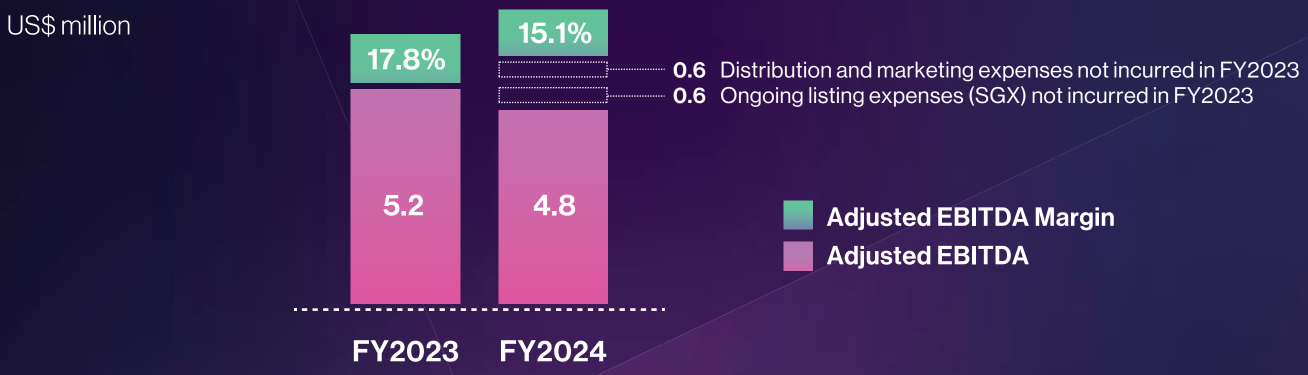
US$ million



- Group's gross margin would have increased to 33.3% in FY2024, assuming the exclusion of the two acquisitions, On Point Creative and Pixelline.
- Gross profit margin in FY2024 was affected by lower gross profit margin from the two newly-acquired art outsourcing studios, namely On Point Creative and Pixelline, mainly due to sub-optimal efficiency linked to teething issues that arose from the integration process post-acquisition.

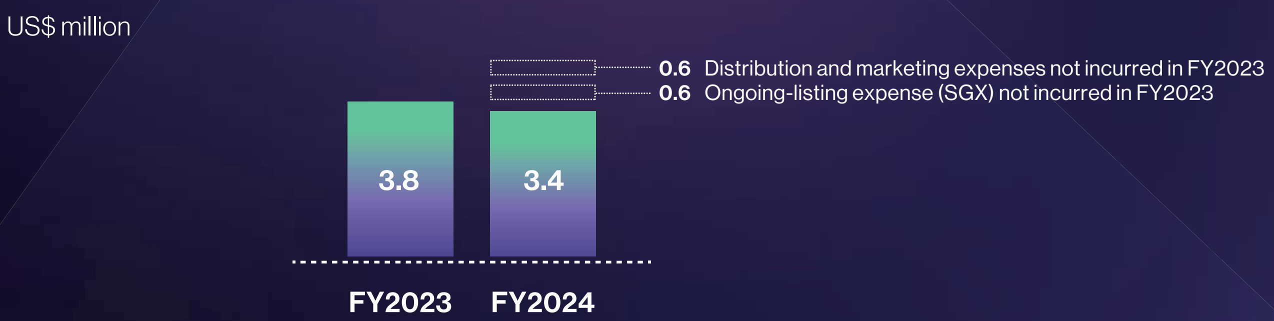
ALTERNATIVE PERFORMANCE MEASURES FOR FY2024

Adjusted EBITDA



- Adjusted EBITDA in FY2024 comprises EBITDA, adjusted with an aggregate value of US$2.8 million that included the Group's IPO expenses (SGX), Dual Listing expenses on London Stock Exchange ("LSE"), Share-based compensation expenses, Foreign exchange gains/losses, Costs of acquisition and integration, and Private Placement Related Expenses (to raise US$19.9 million (S$27 million) in Singapore).
- It is noted that Adjusted EBITDA in FY2024 includes ongoing listing expenses (SGX) and distribution and marketing costs of $1.2 million not incurred in FY2023.

Adjusted Net Profit



- Adjusted net profit in FY2024 comprises net profit, adjusted with an aggregate value of US$2.8 million that included IPO expenses (SGX), Dual Listing expenses on London Stock Exchange ("LSE"), Share-based payments expenses, Foreign exchange gains/losses, Costs of acquisition and integration, Amortisation of acquisition-related intangible assets, and Private Placement Related Expenses (to raise US$19.9 million (S$27 million) in Singapore).
- It is noted that Adjusted net profit in FY2024 includes ongoing listing expenses (SGX) and distribution and marketing costs of $1.2 million not incurred in FY2023.

CFO'S REVIEW

Revenue

As one of the leading global provider of game art outsourcing and development services, Winking Studios provides end-to-end art outsourcing, game development services and other gaming services across various platforms for the global gaming industry via our three business segments of Art Outsourcing, Game Development and Global Publishing & Other Services.

In FY2024, the Group posted revenue growth of 8.9% to US$31.9 million as compared to FY2023's revenue of S$29.3 million. The Group's revenue growth would have increased to 11.2% year-on-year if not for the negative impact of approximately 2.3 percentage points due to currency exchange rate fluctuations when converting local currency in operating markets to the reporting currency in US$, whereby certain foreign currencies depreciated against US$ during FY2024.

Business Segment Review

Art Outsourcing

This business segment is involved in the creation and development of digital art assets. The Group has the capabilities to provide a wide range of design services including 2D concept art, 3D modelling, 2D animation, 3D animation and visual effects, which includes environment design and game character design.

US$ million	FY2024	FY2023	Change (%)
Revenue	26.4	24.1	+9.5

Historically, majority of the Group's revenue is contributed by this business segment and in FY2024, it accounted for 82.8% of the Group's overall revenue.

Revenue from this business segment increased by 9.5% or US$2.3 million to US$26.4 million, mainly due to increased orders from both new and existing clients, in particularly those in Taiwan, Japan, and South Korea. Our acquisition of the two art outsourcing studios, On Point Creative and Pixelline, in FY2024, contributed US$1.3 million of revenue under this business segment.

Game Development

This business segment provides programming, game development, design and script writing services.

US$ million	FY2024	FY2023	Change (%)
Revenue	5.3	5.0	+6.1

In FY2024, this business segment contributed 16.6% of the Group's overall revenue, representing a revenue growth of 6.1% or US$0.3 million to US$5.3 million, driven by higher orders from existing customers.

Global Publishing and Other Services

This business segment is involved in the release of game products produced by the Group as well as third party game developers on global game platforms such as PlayStation, Switch and Steam. It is also involved in the sale of the Group's in-house developed video game products and peripheral gaming products.

US$ million	FY2024	FY2023	Change (%)
Revenue	0.2	0.2	Not meaningful

In FY2024, this business segment contributed revenue of US$0.2 million or 1% of the Group's overall revenue, comparable to that recognised in FY2023.

Geographical Segment Review

Serving a global customer base that includes 22 of the top 25 game publishers in the world, the Group has made good progress over the years to diversify our revenue base geographically; while Mainland China and Hong Kong remain key markets, revenue contributions from other regions have expanded. The following table depicts the revenue breakdown geographically in FY2023 and FY2024:

	Group Financial years ended 31 December	
	2024	**2023**
	USD'$000	USD'$000
Mainland China and Hong Kong*	11,078	11,964
Taiwan**	7,044	5,339
South Korea	6,176	5,479
United States	3,487	4,908
Japan	3,299	1,385
Other	815	206
Total Revenue	**31,899**	**29,281**

* Hong Kong here refers to Hong Kong Special Administrative Region.
** Taiwan here refers to the Taiwan region.

Revenue from Mainland China and Hong Kong is contributed by two segments; one is from Chinese customers in China and Hong Kong, and the other is from Mainland China and Hong Kong (non-China) that comprises (i) Chinese subsidiaries from European and American customers and (ii) overseas subsidiaries of Chinese customers.

In FY2024, revenue contribution from Mainland China and Hong Kong (non-China) increased to 9.6% (FY2023: 7.1%) of overall revenue, while revenue from Chinese customers in Mainland China and Hong Kong declined to 25.1% (FY2023: 33.8%) of total revenue.

The Taiwanese market, South Korean market and Japanese market delivered revenue growth and particularly, revenue contribution from the Japanese market experienced significant growth in FY2024 mainly due to increased marketing and promotional activities.

Gross profit and margin

With higher revenue in FY2024, the Group registered higher gross profit of US$9.5 million with a gross margin of 29.7%.

Gross profit margin in FY2024 was affected by lower gross profit margin from the two newly-acquired art outsourcing studios, namely On Point Creative and Pixelline, mainly due to sub-optimal efficiency linked to teething issues that arose from the integration process post-acquisition.

Excluding the two newly-acquired companies, the Group's gross profit margin would have increased to 33.3% in FY2024.

Operating costs

The Group's distribution and marketing expenses increased 39.5% or US$0.6 million from US$1.5 million in FY2023 to US$2.2 million in FY2024. The increase was mainly due to more investments in marketing and promotional activities to expand into overseas markets, resulting in increased business travel costs, and costs related to marketing activities.

Administrative expenses increased 43.0% or US$2.7 million, to US$9.1 million in FY2024 (FY2023: US$6.4 million), which was mainly due to the increase in share-based compensation expenses of US$1.0 million, ongoing listing expenses on the SGX of US$0.6 million and expenses of US$2.5 million related to the dual listing on the AIM market.

EBITDA/Adjusted EBITDA

With higher operating costs in FY2024, the Group recognised lower EBITDA of US$2.0 million in FY2024, as compared to US$3.2 million in FY2023.

However, the Group's Adjusted EBITDA for the period, calculated as set out below, was US$4.8 million in FY2024 (FY2023: US$5.2 million), and it should be noted that Adjusted EBITDA for FY2024 includes ongoing listing expenses (SGX) and distribution and marketing costs of US$1.2 million not incurred in FY2023.

Adjusted EBITDA is calculated by adding back certain expenses to EBITDA, namely: one-off listing expenses (in relation to admission of the Company's ordinary shares to trading on AIM/the SGX), share-based compensation expenses, foreign exchange gains/losses, costs of acquisition and integration, and private placement related expenses (to raise US$19.9 million (S$27 million) in Singapore). In FY2024, such expenses amounted to US$2.8 million (FY2023: US$2.0 million).

Alternative performance measures (APMs)

The Group also reports on a number of APMs to showcase the financial performance of the Group, which are not standard accounting measures defined by the International Financial Reporting Standards ("IFRS"). The Directors believe that these measures provide valuable additional financial information for users to understand the fundamental transactional performance of the Group.

In particular, APMs are used to provide the users of the accounts a clearer understanding of the Group's underlying profitability over a period of time.

US$(m)	FY2024	FY2023	Change (%)
Revenue	**31.9**	**29.3**	**+8.9**
Revenue growth before FX			**+11.2**
Adjusted EBITDA	**4.8**	**5.2**	**(7.6)**
Adjusted EBITDA Margin	**15.1%**	**17.8%**	**(2.7)**
EBITDA	**2.0**	**3.2**	**(37.4)**
Adjusted net profit	**3.4**	**3.8**	**(10.0)**
Adjusted net profit margin	**10.6%**	**12.8%**	**(2.2)**
Net profit	**0.5**	**1.8**	**(70.5)**
Proposed Dividend per share (SGD cents per share)*	0.024	0.5	
(GBP pence per share)*	0.014	–	**n.m**
Adjusted expenses	2.8**	2.0	**+41.3**
SGX IPO Expenses	**–**	**2.0**	**n.m**
LSE Dual Listing Expenses	**2.5**	**–**	**n.m**
Share-based compensation expenses	**1.0**	**–**	**n.m**
Costs of acquisition and integration	**0.1**	**–**	**n.m**
Private Placement Related Expenses	**0.1**	**–**	**n.m**
Exchange Gains or Losses	**(0.8)**	(<0.1)	**n.m**

* Subject to approval by shareholders at the upcoming AGM and the final dividend payout will be subjected to the prevailing exchange rate
** Due to rounding

Net Profit/Adjusted Net profit

Overall, the Group's net profit was lower at US$0.5 million in FY2024 (FY2023: US$1.8 million).

On an adjusted net profit basis, the Group posted US$3.4 million in FY2024 (FY2023: US$3.8 million), which includes ongoing listing expenses (SGX) and distribution and marketing costs of US$1.2 million not incurred in FY2023.

Adjusted expenses

Adjusted expenses in FY2024 include the Group's AIM dual listing expenses on the LSE, share-based compensation expenses, foreign exchange gains/losses, costs of acquisition and integration, amortisation of acquisition-related intangible assets, and private placement-related expenses (to raise US$19.9 million (S$27.0 million) in Singapore in July 2024).

Cash Flow

US$ million	FY2024	FY2023	Change (%)
Net cash generated from operating activities	0.6	3.5	(81.7)
Net cash (used in) investing activities	(3.7)	(0.5)	+593.0
Net cash generated from financing activities	27.0	7.5	+260.7
Net increase in cash & cash equivalents	23.9	10.4	+129.5
Cash & cash equivalents at beginning of financial year	16.4	6.1	+171.1
Effects of exchange rate changes on cash & cash equivalents	(0.5)	(0.1)	+823.6
Cash & cash equivalents at end of financial year	39.8	16.4	+142.5

Net cash generated from operating activities was US$0.6 million during FY2024, as compared to US$3.5 million generated during FY2023, which is primarily due to a lower profitability that was weighed down by the AIM dual listing expenses and a US$1.9 million reduction in working capital in FY2024 that was a result of higher revenue in the second half of 2024 and a quicker conversion of contract assets into receivables compared to the same period in FY2023.

Net cash used in investing activities was US$3.7 million in FY2024, compared to US$0.5 million in FY2023. This increase was primarily due to two acquisitions for US$2.0 million (net) and the purchase of bonds for US$1.5 million.

Net cash generated from financing activities increased significantly from US$7.5 million in FY2023 to US$27.0 million in FY2024, representing a net increase of US$19.5 million. The significant increase in cash flow from financing activities in FY2024 was primarily driven by proceeds raised from the private placement in Singapore (July 2024) and the AIM dual listing on LSE (November 2024), reflecting the Group's M&A strategy and global ambitions. However, this was partially offset by dividend payments during the year.

Balance sheet and liquidity			
US$ million	**FY2024**	**FY2023**	**Change (%)**
Cash and cash equivalents	39.8	16.4	+142.5
Trade and other receivables	6.4	3.9	+64.1
Contract assets	3.6	3.5	+3.6
Current Assets	49.8	23.8	+109.5
Investment in Financial Assets at Amortised Cost	1.5	0.0	n.m
Intangible assets	1.9	0.2	+851.7
Property, plant and equipment	1.9	2.3	(14.2)
Right-of-use assets	3.0	2.5	+18.0
Deferred income tax assets & Other non-current assets	2.1	1.7	+23.7
Non-current assets	10.5	6.7	+55.5
Total assets	60.3	30.5	+97.6
Trade payables	5.9	5.4	+10.0
Lease liabilities & other liabilities	1.3	1.0	+28.3
Current liabilities	7.3	6.4	+12.9
Net Current assets	42.5	17.3	+145.4
Long term Lease & deferred tax liabilities	3.0	2.6	+14.5
Net Assets	50.0	21.4	+133.1

As at 31 December 2024, the Group's total equity increased 133.1% to US$50.0 million, mainly due to the private placement in Singapore (July 2024) and the AIM dual listing on LSE (November 2024) which raised aggregate gross proceeds of US$29.9 million. Consequently, the Group's cash position improved to US$39.8 million as at 31 December 2024.

Trade and other receivables increased by US$2.5 million, primarily driven by higher revenue in the second half of 2024 and a quicker conversion of contract assets into receivables compared to the same period in FY2023.

The increase in intangible assets was due to the completion of the acquisitions of the two art outsourcing studios in FY2024.

In FY2024, an additional US$1.5 million in bonds was purchased to generate additional income from un-utilised funds.

Sustainability Report

BOARD STATEMENT

The Board of Directors (**"Board"**) of Winking Studios Limited (**"Company"** and together with its subsidiaries, **"Group"** or **"Winking Studios"**) is pleased to present our second annual Sustainability Report (**"Report"**) for the financial year ended on 31 December 2024 (**"FY2024"**). This report reflects our steadfast commitment to industry-leading sustainability practices and long-term value creation, even as we navigate an increasingly dynamic global business environment.

Winking Studios continues to be a leading force in the gaming industry. While we have expanded our service offerings over the years, our core business remains centered on innovative art outsourcing and full-cycle game development services.

Founded in 2004, Winking Studios has strategically expanded its operations across key hubs in Asia. From the onset, we have taken pride in delivering tailored art and development solutions to meet the diverse needs of our clients. Our success in crafting such solutions has enabled us to collaborate with a broad spectrum of partners, from emerging studios to some of the most prominent publishers in the gaming space. To support our international clientele, we have strategically positioned our headquarters in Singapore whilst maintaining a strong presence in Shanghai, Nanjing, Taipei and Kuala Lumpur.

In 2024 we significantly broadened our global footprint and service capabilities with the acquisition of On Point Creative Co., Ltd. (**"On Point"**) in the Taipei and Pixelline Production Sdn. Bhd. (**"Pixelline"**) in Kuala Lumpur. These strategic acquisitions enhance our capacity in art outsourcing, game development, and 3D animation, positioning the Group for future growth and entry into new markets. On top of our extensive network of talent, we have also developed an affinity for excellence in our organisation. This dedication has led to lasting collaborations with industry giants such as MiHoYo, Electronic Arts, Tencent, and Activision Blizzard. Our contributions can be seen across the AAA gaming landscape, with our work featured in acclaimed and award-winning titles such as *Assassin's Creed, Genshin Impact, and FIFA.*

In line with our commitment to innovation, Winking Studios is pleased to announce our collaboration with Acer Incorporated on a joint AI development project. As detailed in our 5 December 2024 announcement, we have entered in the second phase of the Joint AI Development Project at end of FY2024. This initiative centers on "GenMotion.AI", an advanced system that leverages gaming industry training data to generate high-quality 3D animations from text input. While still in its early stages, "GenMotion.AI" shows immense promise, and we look forward to sharing further updates in due course.

Winking Studios marked a major milestone by securing listings on the Catalist board of the Singapore Exchange (**"SGX"**) on 20 November 2023 and the London Stock Exchange (**"LSE"**) on 14 November 2024. Notably, we became the first gaming-related company to be listed on SGX. Our presence on the LSE underscores our global recognition and provides us with expanded opportunities through enhanced market visibility. To date, we have collaborated with 22 of the world's top 25 game development companies, and we are committed to strengthening these partnerships.

As a global industry leader, we recognise the impact of our operations on local communities and are dedicated to driving positive change. Our sustainability philosophy is built on meaningful, targeted action. Corporate social responsibility (**"CSR"**) remains a priority, and we actively seek opportunities to support and uplift local communities. Additionally, we are committed to reduce our environmental impact through initiatives that monitor, manage and minimise our water and energy consumption. Ultimately, we believe that change must be driven from within, and by adopting the best-in-class sustainability practices, we aim to inspire greater awareness, responsibility and proactive engagement across the industry.

We acknowledge that adapting to climate-change presents challenges including rising mean temperatures, evolving regulatory requirements and increasing occurrences of extreme weather conditions. However, at Winking Studios, we view these challenges as opportunities for growth and transformation. Our approach includes implementing water and energy-efficient fixtures and fittings, enhance recycling initiatives, advancing digitalisation efforts and incorporating energy-saving Light-Emitting Diode (**"LED"**) lighting.

Since our inception, Winking Studios has been guided by the core values of creativity, integrity and innovation. These values drive our passionate team, and combined with our extensive network of collaborators, keep us at the forefront of the gaming industry while ensuring long-term value creation for all our stakeholders.

We greatly appreciate the support provided by all our stakeholders along this journey and look forward to working with all stakeholders to build a sustainable future together.

On behalf of the Board

Johnny Jan
Executive Director and
Chief Executive Officer
(Founder)

ABOUT THIS REPORT

Scope of Report

Winking Studios is the third-largest art outsourcing and game development studios in Asia and fourth largest globally. This Report encompasses the entire operations and activities of the Group and its subsidiaries across multiple jurisdictions, including Greater China and Southeast Asia, providing a comprehensive view of corporate sustainability.

This Report encapsulates key aspects of Winking Studios' Environmental, Social and Governance (**"ESG"**) performance for FY2024. It covers financial performance and stability, environmental stewardship with a focus on energy efficiency and waste management, social initiatives that include employee well-being and welfare, community engagement through corporate social responsibility, and robust governance practices that emphasise transparency and ethical conduct.

This Report reaffirms Winking Studios' unwavering commitment to sustainability, accountability, and responsible business practices within the art outsourcing and game development sector.

Reporting Standards and Frameworks

The International Financial Reporting Standards Sustainability Disclosure Standards (**"IFRS SDS"**) issued by the International Sustainability Standards Board (**"ISSB"**) – comprising IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (**"IFRS S1"**) and IFRS S2 Climate-related Disclosures (**"IFRS S2"**) – provide a comprehensive framework for sustainability disclosures focused on the needs of investors and financial markets. This Report complies with the climate-related requirements of IFRS SDS, the sustainability reporting requirements of Rules 711A and 711B of the Singapore Exchange Securities Trading Limited (**"SGX-ST"**) Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") and Practice Note 7F Sustainability Reporting Guide.

This Report has been approved by the Board and is prepared with reference to the Global Reporting Initiative (**"GRI"**) Standards 2021. The GRI Standards 2021 was identified as the framework of choice as it is not only widely recognised as the global benchmark for sustainability reporting, but it also provides guiding principles on report content and quality, as well as recommends specific key performance indicators and disclosures pertaining to material sustainability topics.

The IFRS SDS builds on the recommendations of the Task Force on Climate-related Financial Disclosures (**"TCFD"**). They aim to establish a comprehensive global framework for sustainability-related financial disclosures, addressing the needs of capital markets and the demand for consistent, comparable, and verifiable information regarding the exposure to, and management of, sustainability-related risks and opportunities.

Report Content and Quality

This Report provides an integrated overview of the Group's initiatives and strategies related to sustainability and responsible business development. Through its policies, practices, and actions, the Group seeks to address key concerns and issues that stakeholders encounter and prioritise.

Strong fundamentals in content quality and proper presentation have been established by applying the following GRI reporting principles:

Reporting Principles	
Accuracy & Completeness	Quantitative and qualitative information have been provided with a sufficient level of accuracy and attention to detail, enabling stakeholders to assess the Group's performance and impact.
Balance	The Group strives to present an unbiased depiction of its performance, reflecting both positive and negative aspects, as well as impacts, while distinguishing fact from interpretation to ensure a fair and just assessment.
Clarity	All information and data disclosed are clear, understandable, and accessible to relevant stakeholders across various platforms and media.
Comparability	Current information and performance metrics are reported in a manner that allows stakeholders to compare them against the Group's objectives, goals, past performance, and relevant industry peers.
Timeliness	This Report is produced annually to provide stakeholders with readily accessible insights into the Group's impacts and performance, facilitating informed and prompt decision-making.
Verifiability	Precision and authenticity remain of paramount importance, and all data, information, and processes involved in the preparation of this Report have been gathered, compiled, and analysed in a trustworthy and reliable manner.

Restatements

The total number of new hires by gender, age group and location, as well as employee turnover by age group, was restated due to a reporting discrepancy.

Internal Review and External Assurance

In compliance with SGX-ST Listing Rule 711B on Sustainability Reporting, the Group has conducted an internal review of its sustainability reporting processes to ensure their adequacy and effectiveness. External assurance has not been sought for this reporting period; however, it may be considered in the future.

Feedback

The Group remains committed to its staunch duty and dedication to creating positive impacts and long-term, sustainable value. Stakeholders are encouraged to provide input and feedback on the sustainability report by sharing their thoughts, concerns, and suggestions for improvement. For any inquiries regarding this Report, the Group's sustainability practices, or any relevant feedback, please contact Investor Relations via email at ir@winkingworks.com.

SUSTAINABILITY GOVERNANCE

Winking Studios recognises that sustainability is essential for the Group's long-term success and the creation of value for all stakeholders. The Group's commitment to sustainability is embedded within its governance framework, ensuring that sustainability considerations are integrated into decision-making processes at all levels.

The Board provides effective oversight of the Group's sustainability strategy, goals, and performance. Additionally, it offers guidance on governance and risk management processes to address climate-related risks and opportunities (**"CRROs"**). The Sustainability Governance Structure, illustrated below, outlines the relevant roles, responsibilities, and personnel involved.

The Group Chief Financial Officer (**"CFO"**) also serves as the Chief Sustainability Officer (**"CSO"**), leading the Group's sustainability function and reporting directly to the Sustainability Steering Committee (**"SSC"**). The CSO is responsible for developing and implementing the sustainability strategy, ensuring its alignment with the overall business strategy, and coordinating with departments to integrate sustainability into business activities and operations.

Board of Directors

Sustainability Steering Committee	Roles & Responsibilities
• Chief Executive Officer (CEO) • Group Chief Financial Officer/Chief Sustainability Officer • General Manager (GM)	• Focuses on sustainability matters • Sets overarching sustainability goals, policies and strategies

Sustainability Working Group	Roles & Responsibilities
• Group Finance • Chief Operating Officer (COO) • Sustainability Coordinator	• Implements sustainability initiatives, manages data collection, ensures compliance with standards • Collaborates with departments to embed sustainability operationally

In accordance with Rule 720(6) of the Catalist Rules, which mandates that all directors undergo training on sustainability matters as prescribed by the Exchange, six out of seven Board members have successfully completed sustainability training courses provided by the Singapore Institute of Directors as of 19 March 2025. Oliver Yen, who was appointed on 14 November 2024, will complete the required sustainability training within one year of his appointment.

STAKEHOLDER ENGAGEMENT

Winking Studios remains heavily invested in its stakeholder's needs and wants. The Group believes that accounting for stakeholder feedback is integral to crafting a targeted and impactful sustainability strategy. Hence, Winking Studios has committed to engaging with all stakeholders through all available channels to obtain the most up-to-date and accurate feedback. The feedback obtained will be incorporated into the Group's sustainability strategy and decision-making processes which ultimately improves the Group's sustainability performance.

<table>
<tr><th>Stakeholders</th><th>Engagement Channels</th><th>Frequency</th><th>Key Concerns</th></tr>
<tr><td rowspan="4">Employees</td><td>Performance appraisals</td><td>Annual</td><td rowspan="4">• Remuneration & benefits
• Employee safety & well-being
• Training & development opportunities
• Fair & competitive employment practices
• Job security & workplace safety</td></tr>
<tr><td>Internal and external training programmes</td><td>Ad-hoc</td></tr>
<tr><td>Digital feedback and communication platforms</td><td>Ad-hoc</td></tr>
<tr><td>Regular meetings</td><td>Monthly</td></tr>
<tr><td rowspan="3">Customers</td><td>Customer Feedback Surveys</td><td>Ad-hoc</td><td rowspan="3">• Product & service quality
• Project timeline and execution
• Competitive pricing
• Customer data protection
• Sustainability efforts</td></tr>
<tr><td>Social media</td><td>Ad-hoc</td></tr>
<tr><td>Informal dialogues</td><td>Ad-hoc</td></tr>
<tr><td rowspan="3">Suppliers</td><td>Supplier Pre-assessment</td><td>Ad-hoc</td><td rowspan="3">• Fair payment terms
• Payment timeliness
• Sustainability efforts</td></tr>
<tr><td>Supplier Performance Evaluation</td><td>Ad-hoc</td></tr>
<tr><td>Meetings/discussions</td><td>Ad-hoc</td></tr>
<tr><td rowspan="4">Investors</td><td>Investor Relations</td><td>Ad-hoc</td><td rowspan="4">• Business ethics
• Sustainability efforts
• Corporate governance
• Financial performance and growth
• Risk management
• Business strategies & performance</td></tr>
<tr><td>Annual General Meetings</td><td>Annual</td></tr>
<tr><td>Corporate Announcements</td><td>Ad-hoc</td></tr>
<tr><td>Company Website</td><td>Ad-hoc</td></tr>
<tr><td rowspan="2">Government/ Regulatory Body</td><td>Annual Report & Sustainability Report</td><td>Annual</td><td rowspan="2">• Compliance with laws and regulations
• Anti-corruption
• Implementation of policies
• Good corporate governance, ethics, and transparency
• Sustainability reporting</td></tr>
<tr><td>Submission of statutory reports</td><td>Ad-hoc</td></tr>
<tr><td rowspan="2">Local Communities</td><td>Corporate Social Responsibility Report</td><td>Annual</td><td rowspan="2">• Social welfare</td></tr>
<tr><td>Community service programs</td><td>Ad-hoc</td></tr>
</table>

SUSTAINABILITY COMMITMENTS AND APPROACH

Materiality Assessment

The Group places a heavy emphasis on ensuring its sustainability strategy is effective and impactful. Hence, Winking Studios is committed to an intensive process that identifies and prioritises sustainability issues that are most relevant to its stakeholders. The Group's materiality assessment process involves assessing stakeholders' impact on the business, economically or socially. More specifically, the process aims to identify associated risks and opportunities based on the metrics of severity and likelihood.

After the topics have been identified, those that rank highly for impact, risk magnitude, or opportunities are given more priority when the Group crafts its sustainability strategy and its objectives.

This methodology consists of the following key steps:

Understanding Organisational Context

Before formulating its sustainability strategy, the Group prioritises setting clear parameters to guide its development. A key aspect of this process is understanding the most effective way to engage stakeholders and gather meaningful feedback. The Group also considers industry changes, regulatory developments and emerging sustainability best practices as part of its feedback sessions. Additionally, the Group also conducts a comparative analysis with its industry peers and sector benchmarks to assess its current competitiveness and sustainability positioning.

Stakeholder Engagement

Following these assessments, the Group actively engages with its stakeholders which includes employees, customers, vendors, investors, and local communities, to understand their expectations and concerns regarding sustainability. The insights gathered are then incorporated into the Group's sustainability initiatives to ensure they remain relevant and impactful.

For more details on how the Group gathers and interprets stakeholder input, please refer to the "Stakeholder Engagement" section above.

Issue Identification

After assessing stakeholder expectations and concerns, the Group identifies relevant sustainability issues. This process incorporates established sustainability standards such as GRI, TCFD and the United Nations Sustainable Development Goals ("**UN SDGs**"). Industry reports and peer benchmarks are also considered to provide a comprehensive understanding of relevant sustainability matters.

On top of consulting external sources, the Group conducts an internal analysis of its business operations, risk profile, long-term value creation, and strategic goals. This evaluation is guided by key management personnel and external consultants, ensuring that sustainability priorities align with the Group's core business activities, strategies and core values. The goal is to integrate sustainable practices without compromising competitiveness.

The material topics identified are categorised into three areas: environmental, social, and governance.

Issue Prioritisation

Material sustainability issues identified by the Group are prioritised using a risk assessment matrix that comprises two factors: likelihood of occurrence and severity of impact. This assessment considers both business activities and external influences, weighing the probability of an issue arising against the potential disruption it could cause. By using this approach, the Group ensures that each sustainability topic is appropriately addressed based on its significance and potential impact.

Validation

The Sustainability Steering Committee (**"SSC"**) finalises the ESG material topics, considering emerging trends and changes in the business and regulatory environment. Relevant data and insights from internal sources are analysed to quantify concerns and assess their implications.

Additionally, input, guidance, and validation from external consultants further enhance the Group's understanding of material sustainability topics. This collaborative approach ensures alignment with best practices, evolving regulations, and sustainability trends.

Approval

The results of the FY2024 materiality assessment, including targets, metrics and initiatives, are presented to the Board for approval before being published in Winking Studios' annual Sustainability Report.

Following the materiality assessment conducted by the SSC, as the Group transitions into FY2025, two new material topics have been added, while Waste Management has been removed. As a result, the Group has identified a total of 15 material topics. This continued focus underscores its commitment to addressing key issues that matter most to stakeholders and aligning sustainability initiatives with their expectations. The reasons for these changes in the Group's material topics are as follows:

Material Topics	Reasons	Status
Labour/Management Relations	As the Group continues to expand through acquisitions and operational growth, significant organisational changes may occur. These developments can impact employment conditions, workforce stability, and collective bargaining processes, making it essential to address labour and management relations proactively.	**Added**
Procurement Practices	This topic has been included to strengthen transparency in the Group's supply chain and procurement activities across its subsidiaries in different regions. With ongoing expansion, responsible and sustainable procurement is crucial to ensuring ethical sourcing, supplier diversity, and compliance with global sustainability standards.	**Added**

Based on Winking Studios' FY2024 materiality assessment, the following key sustainability topics have been identified as most material to the Group's business and categorised into three levels of priority: Highly Critical, Critical, and Moderate.

Highly Critical Material Issues	Critical Material Issues	Moderate Material Issues
Tax	Climate Change - Emissions	Diversity & Equal Opportunities
Information Security & Data Privacy	Employment Practices	Procurement Practices
Contribution to Society – Local Communities	Labour/ Management Relations	Water & Effluents
Occupational Health & Safety	Energy Efficiency	Training & Education
Economic Performance		Business Ethics (including Anti-corruption)
Market Presence		

Environmental **Social** **Governance**

The Group's material topics for FY2024, along with the associated climate-related risks and opportunities that could affect Winking Studio's prospects are presented below:

Material Topics	Summary of Impact	Summary of Management Approach	Climate-related Risk and Opportunities Identified under IFRS SDS
Energy Efficiency/ Climate Change – Emissions	• Use of electricity results in GHG emissions which contributes to climate change.	• Monitor electricity consumption regularly. • Replace lights with LEDs and install energy-efficient air conditioners. • Remote work reduces commuting time which decreased carbon footprint and energy consumption.	• Rising electricity tariffs/inefficient energy use/increase regulatory obligations increase operational costs. • Carbon tax policies raise compliance costs. • Invest in energy-saving technologies to reduce costs and reduce environmental impact. • Competitive advantage through lower carbon intensity and cost savings from energy efficiency.
Water & Effluents	• Expansion of operations without efficient water management may lead to higher consumption and strain on natural resources.	• Implement water-saving devices • Educate employees on water conservation practices.	• Increased compliance costs from implementation of stricter water usage regulation. • Improved operational efficiency and reduced costs from better water management.
Waste Management	• Excessive waste contributes to the depletion of natural resources.	• Focuses on reducing, reusing, and recycling materials while ensuring compliance with relevant regulations.	• Stricter waste disposal and recycling regulations (e.g., e-waste laws, carbon taxes) may increase compliance costs. • Climate change can disrupt the supply of raw materials (e.g., electronic components), increasing costs. • Optimising digital workflows and minimising electronic waste can lower material costs and disposal expenses.
Employment Practices	• Provide employment opportunities, enhancing livelihoods. • Competitive salaries and benefits reduce turnover costs.	• Cultivate a supportive and inclusive Group culture that values teamwork, respect, diversity, and open communication. • Review remuneration package, to attract and retain talent.	

Material Topics	Summary of Impact	Summary of Management Approach	Climate-related Risk and Opportunities Identified under IFRS SDS
Labour/ Management Relations	• Transparent and fair communication on work conditions, shifts, and policies improves employee satisfaction and fosters trust and productivity.	• Maintain transparent communication and implement fair labour policies.	
Occupational Health and Safety	• Prioritise occupational health and safety to enhance well-being, reduce absenteeism, and improve morale, productivity, and social stability.	• Ensure a safe working environment through safety training, and compliance with occupational health standards.	
Training & Education	• Enhance employee skills, employability, and social mobility to foster inclusion and human capital development.	• Invest in continuous learning programmes, professional development opportunities, and skills enhancement initiatives.	
Diversity and Equal Opportunity	• Creates a diverse and inclusive work culture leading to higher employee satisfaction and retention.	• Promote an inclusive workplace culture, implement anti-discrimination policies, and ensure equal opportunities for all employees.	
Contribution to Society – Local Communities	• Providing employment and skills development in local communities.	• Engage with local communities through outreach programmes, partnerships, and initiatives that support social and economic development.	
Market Presence	• Investments in new regions can stimulate economic activity, supporting local businesses and services.	• Enhance presence in key markets by delivering quality products/services and building strong customer relationships.	

Material Topics	Summary of Impact	Summary of Management Approach	Climate-related Risk and Opportunities Identified under IFRS SDS
Procurement Practices	• Hiring locally supports regional businesses.	• Implement responsible procurement practices, prioritise local suppliers, and ensure supply chain sustainability.	
Business Ethics (including Anti-corruption)	• Fosters a culture of integrity, boosting employee morale and attracting talent. • Promotes healthy competition and innovation within the industry.	• Promote ethical conduct and integrity through anti-corruption policies, training, and strong governance practices.	
Tax	• Increase administrative expenses due to compliance with tax regulations across operation regions. • Contributes to public services and infrastructure through fulfilment of tax obligations.	• Ensure compliance with tax laws and regulations, transparency in reporting, and responsible tax management practices.	
Information Security & Data Privacy	• Strengthens client confidence enhancing business growth. • Increased security protocols may result in higher digital footprint.	• Safeguard data privacy through robust security measures, employee training, and compliance with data protection regulations.	• Maintaining high-security data centers requires significant energy consumption and cooling, contributing to carbon emissions.
Financial Performance	• Generate employment opportunities, contributing to economic growth in regions where it operates.	• Maintain financial stability through prudent financial management, revenue growth, and cost efficiency measures.	• Extensive use of computing resources can lead to significant energy consumption, contributing to carbon emissions.

Risk Management

The material factors identified by the Group encompasses various risks and opportunities relevant to Winking Studios. The Group's environmental risk management process focuses on identifying, assessing, prioritising and documenting material impacts, including but not limited to climate-related risks, key controls, and mitigation measures.

By strengthening business sustainability, this process enables the Group to mitigate material impacts while addressing industry-specific risks and opportunities in the art outsourcing and full-cycle game development sector. This approach helps Winking Studios to effectively manage climate-related challenges and capitalise on emerging opportunities.

Overseen by the Board in collaboration with the SSC and the Sustainability Working Group, the process ensures robust governance. Once climate risks and opportunities are identified, the Board reviews existing strategies, targets, and controls to maintain alignment with climate-related objectives. Furthermore, the Sustainability Coordinator consolidates and manages data collection related to identified climate risks and opportunities, ensuring effective response and collaboration across departments.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS ("UN SDGS")

The United Nations Sustainable Development Goals were established as part of the 2030 Agenda for Sustainable Development, a framework designed to promote progress in three key areas: people, planet and prosperity[1] . The UN SDGs provide guidance and a call to action that improving global conditions requires simultaneous changes in the world economy, environment and social aspects.

For Winking Studios, these goals are integral to shaping its sustainability strategy while addressing stakeholder concerns. By aligning its initiatives with the UN SDGs, the Group ensures its efforts drive positive, impactful and targeted change. Currently, the UN SDGs comprises 17 goals, of which Winking Studios has identified 12 as highly relevant to its business and sustainability objectives. Moving forward, Winking Studios remains committed to these goals, leveraging its talented workforce to further advance its sustainability commitments.

1

GOAL 1: Reducing our Negative Environmental Impact

Contributions to SDGs

Key Performances

As Winking Studios enters its second year of sustainability reporting, the Group is proud to announce that it has seen a reduction in its Scope 1 GHG emissions in FY2024 compared to FY2023. Here are the Group's Scope 1 GHG emissions and electricity intensity over the past two years:

	FY2024	FY2023
Scope 1 GHG emissions	Nil	7.5 kCO_2e
Electricity intensity	1,792.16 kWh/employee	1,656.68 kWh/employee

The Group's Scope 1 GHG emissions were eliminated following the sale of its entire vehicle fleet. Despite this reduction, electricity intensity increased to 1,792.16 kWh/employee in FY2024, compared to 1,656.68 kWh/employee in FY2023. Nonetheless, the Group remains committed to reducing its emissions and optimising energy consumption in alignment with the UN SDGs. In the coming years, the Group anticipates a decline in emissions intensity as its sustainability policies continue to take effect.

[1]https://sdgs.un.org/2030agenda

Current Practices

- Implementation of office policies designed to minimise energy consumption by restricting the use of lighting and air-conditioning based on specific weather conditions and timeframes. Additionally, polices also mandate switching off lights and air-conditioning after designated hours.
- Transitioning to modern, more energy and water efficient equipment and fixtures to enhance resource conservation.
- Conducting regular maintenance and inspections of water systems, air-conditioning, units and related facilities to prevent leaks and reduce excessive electricity and water usage.
- Cultivate sustainable waste management practices in daily operations, such as paperless workflows, digitalisation and remote work adoption.

Targets

- Raise further awareness and cultivate habits geared towards energy, water savings and waste reduction and management with relevant stakeholders.
- Increase investment on energy, water savings and waste reduction and management infrastructure.

2

GOAL 2: Cultivating Fairness, Safety, and Inclusivity in a Workplace

Contributions to SDGs

Key Performance Indicators

- Zero recorded incidents of material non-compliance with applicable laws and regulations.
- A diverse and growing workforce, encompassing various age, ethnicities and genders.
- High average training hours and strong participation across all employee categories and gender.
- Extensive internal training programmes provided to all employees.

Current Practices

- Ensuring fair, equal and comprehensive compensation package across genders, including medical check-ups, insurance coverage, childcare leave and retirement benefits.
- Ongoing employee welfare and engagement initiatives geared towards both physical and mental well-being.
- Regular, inclusive training programmes that are accessible to all employees, regardless of region, gender, and employee categories.
- A diverse range of training opportunities including upskilling programmes, financial subsidies, professional certification support, job rotations and career development pathways.
- Systematic risk assessment to identify potential hazards and implement mitigation actions, including trainings on fire safety, first aid and occupational health and safety.

Targets

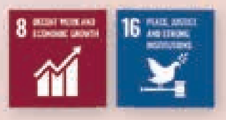
In FY2024, the Company achieved its set targets and remains committed to sustaining the following:

- Maintain zero incidents of material non-compliance with applicable laws and regulations.
- Maintain and enhance workforce diversity across gender, region and age.
- Further increase employees' training opportunities by broadening the scope of training programmes and increasing accessibility for employees.

3

GOAL 3: Instilling Corporate Transparency and Accountability

Contributions to SDGs



Key Performance Indicators

- Zero confirmed public cases or incidents of corruption involving the Group or its employees.
- Zero significant instances of non-compliance with laws and regulations of which either fines or non-monetary sanctions were incurred.
- Zero reported incidents of discrimination.

Current Practices

- A robust whistleblowing mechanism that allows for anonymous reporting and suggestions to strengthen corporate governance.
- Timely communication of corporate governance policies and procedures including business ethics.
- Comprehensive training programmes related to business ethics and anti-corruption for governance body members, employees, and business partners.
- Proactive engagement with tax authorities for compliance communication, collaborative issues resolution and tax filing transparency.
- Active participation in tax public policy advocacy through stakeholder consultations, advocacy efforts and information sharing and collaboration.

Targets

In FY2024, the Company met the targets below and remains dedicated to upholding these targets continuously.

- Maintain zero confirmed public cases or incidents regarding corruption brought against Group or its employees.
- Maintain zero significant instances of non-compliance with laws and regulations of which either fines or non-monetary sanctions were incurred.
- Maintain zero incidents of discrimination.

ENVIRONMENTAL

Winking Studios recognises the impact of its business activities on climate change and is committed to reducing its environmental footprint through sustainable practices. As part of its ongoing sustainability efforts, the Group seeks to implement initiatives that minimise its ecological impact while fostering a culture of environmental responsibility among its employees. The Group firmly believes that the success of its sustainability initiatives depends on collective action, and as such, ensures that its sustainability philosophy is effectively communicated across its workforce.

Strategy

Winking Studios has adopted a strategic approach to reducing energy consumption and emissions, focusing on the following key initiatives:

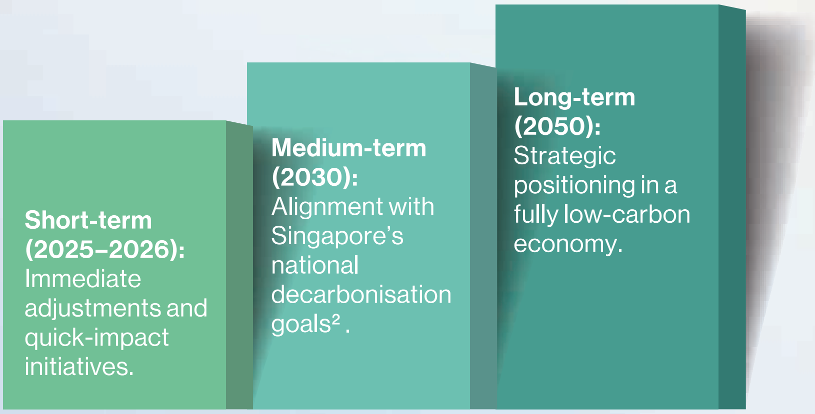
Incorporating energy-efficient appliances in all operational offices.

Upgrading amenities such as lighting and air-conditioning systems to smart technologies for optimised energy usage.

Promoting eco-friendly commuting options and remote work policies to minimise office-related energy consumption.

In addition to these initiatives, Winking Studios takes a proactive stance in assessing and managing climate-related risks, ensuring resilience in an evolving regulatory and environmental landscape. The Group is committed to transitioning towards a low-carbon economy through sustainable practices while simultaneously mitigating risks associated with climate change.

For the financial year ended 31 December 2024, the Group has identified climate related risks and opportunities across three timeframes:



Key climate-related risks identified include rising mean temperatures, transition risks associated with increased GHG emission pricing and stricter emissions-reporting obligations. Recognising these challenges, Winking Studios actively seeks climate-related opportunities to enhance its resilience. This includes strengthening recycling initiatives, advancing digitalisation efforts, and implementing stricter energy-efficiency regulations for office appliances.

To systematically assess and manage climate-related risks and opportunities, Winking Studios employs climate scenario analysis as a strategic tool. Based on projections from the Intergovernmental Panel on Climate Change (**"IPCC"**), the Group has aligned its assessment with the following two scenarios:

Best-case scenario

Global average temperatures rise by less than 2°C, reflecting effective climate mitigation efforts.

Business-as-usual scenario

No significant mitigation actions are taken, leading to a temperature increase of over 4°C by the end of the century.

[2]https://www.nccs.gov.sg/singapores-climate-action/singapores-climate-targets/overview/

These two scenarios serve as the foundation for the Group to identify risks and opportunities. Based on these insights, the Group formulates a sustainability strategy focused on climate resilience, incorporating both operational and financial planning:

Scenario	Paris-aligned scenario (Below 2°C)	No mitigation scenario (4°C)
Description	Global collaboration successfully curtails CO_2e emissions through mitigation strategies, limiting temperature rise.	Unchecked CO_2e emissions persist until Year 2100, exacerbating extreme weather patterns and climate instability.
Rationale	Evaluates transition risks within an economy adapting to a low-carbon future, incorporating measures required to cap global warming below 2°C.	Assesses physical risks in a high-emission trajectory, reflecting a future with minimal climate policy enforcement.
Underlying model	Evaluates transition risks within an economy adapting to a low-carbon future, incorporating measures required to cap global warming below 2°C.	Assesses physical risks in a high-emission trajectory, reflecting a future with minimal climate policy enforcement.
Assumptions	• Widespread adoption of renewable energy, technological innovation, enhanced climate regulations, and evolving consumer preferences. • Anticipated climate impacts, including temperature rise and intensifying extreme weather events. • Global cooperation in climate action, fostering a transition to a low-carbon economy.	• Persistent greenhouse gas emissions with minimal regulatory oversight. • Limited advancements in clean energy technology and weak international climate collaboration.

In FY2024, members of the SSC conducted a reassessment to identify CRRO impacting the Group as a whole. This reassessment was structured in alignment with the TCFD CRROs register and was evaluated and finalised by the SSC. Utilising scenario analysis models, the Group identified four key climate-related risks and two climate-related opportunities. The corresponding risk mitigation measures and strategies to leverage these opportunities are summarised below:

Transition Risks

Increased Pricing of GHG Emissions

The Ministry of Environment (Taiwan) set a carbon fee of NT$300/t$CO_2e$, effective January 1, 2025[3]. Mainland China's carbon prices exceeded 100 yuan/tonne in April 2024[4]. Malaysia plans to introduce a carbon tax in 2026[5]. A RMB30/NT$130 increase in carbon tax per tonne may raise electricity prices by 1%[6].

Energy costs may fluctuate, and carbon tax may increase electricity tariffs as power companies pass on the cost to end users.

Impact

Carbon pricing mechanism could affect electricity costs as the Group relies on energy-intensive processes (e.g. data centers) and suppliers passing on costs from higher carbon price may lead to increased expenses for goods and services.

Existing Mitigating Action

The Group, though not currently subject to carbon pricing schemes, views rising carbon policies as a climate risk. It is committed to reducing per capita emissions to minimise environmental impact and future carbon tax risks.

Transition Risks

Enhanced emissions-reporting obligations
More stringent regulations and requirements concerning GHG emissions reporting pose a transitional risk to the Group, including obligations related to reporting as outlined in GRI2021 Standards and IFRS SDS.

Impact
Evolving emissions-reporting regulations will raise the Group's indirect costs, including professional fees and compliance expenses. IFRS SDS-related costs may increase by 10-50% in the medium to long-term. the financial impact, at 0.1% of operational costs, is deemed immaterial.

Existing Mitigating Action
The Group monitors regulatory requirements and assesses compliance capacity. During the year, internal personnel received carbon emissions training, and external audit firms were engaged to verify reports for accuracy and compliance.

Physical Risks

Changes in precipitation patterns and extreme variability in weather patterns, such as floods caused by frequent and heavy rainfall
Climate change projections suggest an increase in the frequency of intense precipitation events which could cause an increased intensity and frequency of flood events.

Impact
More frequent and severe climate events may raise maintenance costs and insurance premiums for the Group's offices, also disrupting transportation and employee commutes.

Existing Mitigating Action

The Group has enhanced network security for remote work, especially during severe weather, reducing commuting needs. It has also strengthened disaster response with offsite backups, remote work capabilities, prevention drills, and emergency plans to ensure business continuity.

Rising mean temperatures
The global warming trend continues with a warming rate of 0.26°C/decade in China[7] . Moreover, the annual average temperature in Taiwan is projected to increase by 1.8°C and 3.4°C by the middle and end of this century respectively in the worst-case scenario[8] .

Impact
A 1°C temperature rise increases air conditioning use, raising energy costs and heat-related risks, potentially lowering productivity in the long-term. This may lead to a 4-5% rise in electricity consumption and a projected 20% increase in tariffs. However, the financial impact, at 2% of the Group's operational costs, is deemed immaterial.

Existing Mitigating Action
The Group has adopted energy-saving measures, including regular maintenance of air conditioning and LED lighting upgrades, and a lunch break lights-off policy in the Taipei office. It promotes sustainable commuting in Nanjing and has discontinued company vehicles in Shanghai. Additionally, the Nanjing office launched a tree-planting initiative to support carbon neutrality.

[3]Retrieved from: https://www.moenv.gov.tw/en/375192F88A851A76/ed49e408-fb08-482f-b4b7-50ebe56af0ea.
[4]Retrieved from: https://www.clearbluemarkets.com/knowledge-base/chinas-carbon-market-the-evolution-challenges-and-opportunities.
[5]Retrieved from: https://www.green.earth/news/malaysia-to-introduce-carbon-tax-in-2026-eyes-green-transition.
[6]Retrieved from: https://www.nccs.gov.sg/singapores-climate-action/mitigation-efforts/carbontax/.
[7]The statement regarding the global warming trend and a warming rate of 0.26°C/decade in China was sourced from the "Blue Book on Climate Change of China 2023".
[8]It was extracted from the statement provided by the Taiwan Climate Change Science Team. This team comprises departments from Taiwan's Ministry of Science and Technology, Meteorological Department, Department of Earth Sciences at National Taiwan Normal University, and Taiwan Disaster Prevention and Reduction Technology Center.

Opportunity – Resource Efficiency

Use of more efficient modes of transport/recycling/digitalisation
Initiatives and efforts in business practices and corporate events aimed at maximising resource efficiency and promoting sustainability.

Impact
By optimising resource efficiency and embracing sustainable practices, it is expected to reduce operational costs and increase profit margin of the Group.

Strategic Response

The Group promotes sustainable commuting through public transport, bicycles, and electric vehicles while expanding its overseas workforce to reduce international travel. It implements office recycling programs, with Taipei using a unified system. Additionally, it encourages electronic documents, online signatures, and review systems to minimise paper use.

Opportunity – Resilience

Adoption of energy-efficiency measures
Initiatives and efforts in corporate practices to foster resilience and advocate for sustainability.

Impact
Reducing energy consumption lowers electricity expenses. Cost reductions across the Group are estimated to range from 5% to 10% in the short to medium term.

Strategic Response

The Group promotes energy efficiency and plans to strengthen green procurement. The Taipei office uses LED lighting and enforces lights-off policies during lunch breaks and after hours to conserve energy.

This is the first year the Group has conducted a financial impact analysis of the identified CRROs. The potential financial impact figures over various time horizons are presented as follows:

Climate-related Risks and Opportunities	Potential Financial Impact (USD)		
	Short-Term (1-2 Years)	Medium-Term (by 2030)	Long-Term (by 2050)
Enhanced emissions-reporting obligations [increased costs]		16,571	22,597
Rising mean temperatures [increased costs]			248,534
Adoption of energy-efficient measures [cost savings]	196,756	186,401	

Metrics and Targets – Greenhouse Gas Emissions

In FY2024, the Group sold its entire fleet of vehicles in Shanghai, thereby eliminating its Scope 1 GHG emissions. This decision was driven by sustainability considerations, as alternative transportation options contribute to lower pollution levels.

The Group's Scope 2 GHG emissions, in comparison to FY2023, are outlined below:

Operating Margin (OM) Grid Emission Factor (GEF)[9]	
Taipei	0.48 kg CO_2/kWh
Shanghai, Suzhou and Nanjing	0.90 kg CO_2/kWh
Singapore	0.41 kg CO_2/kWh[10]
Kuala Lumpur	0.77 kg CO_2/kWh[11]

Pollutant	CO_2	
Financial Year	FY2024	FY2023
Electricity Consumed (kWh)[12]	1,516,164	1,216,000
Total Scope 2 GHG Emissions (tCO_2e)	**1138.03**	**942.36**
Number of Employees	846	734
Scope 2 GHG Intensity (tCO_2e/employee)	**1.35**	**1.28**

[9]Retrieved from: Japan International Cooperation Agency (JICA) Climate-FIT Version 4.0 published in March 2023, Table 3 - Grid Emission Factors.
[10]Retrieved from: https://www.ema.gov.sg/resources/singapore-energy-statistics/chapter2.
[11]Retrieved from: https://myenergystats.st.gov.my/documents/d/guest/grid-emission-factor-gef-in-malaysia.
[12]There are missing electricity bills for January, February, and April from Kuala Lumpur-based Pixelline Production.

In FY2024, the Group recorded an increase in Scope 2 GHG intensity to 1.35 tCO_2e per employee (FY2023: 1.28 tCO_2e per employee). GHG intensity measures the number of emissions generated per unit of activity or output. The increase in GHG intensity was primarily driven by increased electricity consumption. This rise in electricity consumption can be attributed to two key factors. Firstly, the inclusion of electricity consumption from the Group's Singapore operations, which was not accounted for in the previous year's calculations. Secondly, the expansion of the Taipei office, where the addition of an extra floor has led to greater usage of both communal and personal equipment, contributing to higher electricity consumption. As a recent addition to the Group, some sustainability initiatives have yet to be fully implemented across its operations. Nevertheless, the Group remains committed to enhancing its sustainability performance and will continue working towards improving environmental impact management across all business units.

In FY2024, the Group reported its Scope 3 GHG emissions from business travel by air for the first time. This disclosure reflects the Group's commitment to enhancing transparency in carbon accounting and strengthening its sustainability performance. The Group's total GHG emissions performance in FY2024, compared to FY2023, is outlined below.

Financial Year	FY2024	FY2023
Scope 1 Emissions	Nil	0.0075
Scope 2 Emissions	1138.03	942.36
Scope 3 Emissions	104.62	–
Total GHG Emissions (tCO_2e)	**1,242.65**	**942.37**
Number of Employees	846	734
GHG Intensity (tCO_2e/employee)	**1.47**	**1.28**

Moving forward, the Group aims to progressively include emissions from rail travel and road transport, as well as refine data collection processes and implement sustainable travel policies to mitigate the environmental impact of business travel.

Energy Efficiency

Winking Studios is committed to fostering a sustainable work environment and integrating conscientious conservation efforts into its daily operations and business activities. The Group's energy consumption and intensities[13] for FY2024, in comparison to FY2023, are outlined below:

Financial Year	FY2024	FY2023
Electricity Consumed (kWh)	1,516,164	1,216,000
Number of Employees	846	734
Electricity Intensity (kWh/employee)	**1,792.16**	**1,656.68**

[13]Due to the fact that the electricity consumption in the Singapore office is essentially based on the entire building and cannot be individually measured, and also because of the relatively small number of employees, there have been no implemented methods to reduce electricity usage.

In FY2024, electricity intensity per employee increased by 8%, attributed to the expansion of studios and operations. The growing workforce led to higher energy consumption across office spaces, computing systems, and production processes, contributing to the overall rise in energy intensity.

Nevertheless, the Group remains committed to reducing energy consumption and improving energy efficiency by fostering awareness among employees. The Group's offices in Taipei and Nanjing have embedded a culture of environmental responsibility by actively promoting the following key sustainability initiatives across business operations:

Taipei Office

- Adjust the office air-conditioning system to 26°C to conserve energy.
- Encourage employees to turn off lights and air-conditioning when leaving the office or conference rooms.
- Require employees to switch off computer equipment when leaving, unless a remote connection is necessary.
- Replace office lighting with LED tubes to improve energy efficiency.
- Install automatic controls for signboards and display cabinets in public areas to regulate lighting times.

Nanjing Office

Air-conditioning management:

- Turn off 20 minutes before leaving work.
- Usage limited to 9:30 AM - 11:30 AM & 2:00 PM - 4:00 PM (max 4 hours per day).
- Only in use when temperature exceeds 26°C in summer or falls below 15°C in winter.
- Keep doors and windows closed while in use.
- Upgrade to energy-efficient models.

Office equipment usage:

- Adopt efficient power management strategies for company computers. For instance, set monitors to turn off during brief breaks, enable sleep mode after periods of inactivity, and promote hibernation for prolonged non-use. These measures can save at least 1 kWh of electricity per day while also extending the computers' lifespan.
- Connect printers to the network to reduce idle time and energy consumption.
- Place reminders to turn off equipment when not in use.
- Power switches turned off before weekends, business trips, or long breaks.

Lighting efficiency:

- Maximise natural light whenever possible.
- Turn off lights when not needed and place reminders near switches.
- Install energy-saving lighting for areas requiring extended illumination.
- Minimise night-time lighting in public areas.

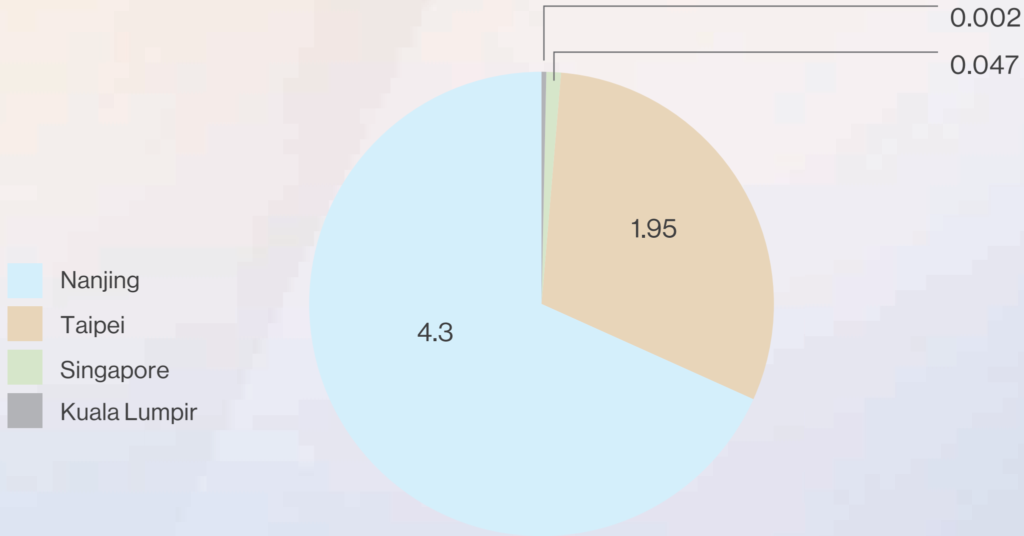
Sustainability initiatives:

- Reduce disposable tableware use and avoid disposable plates and cups at company receptions.

Water & Effluents

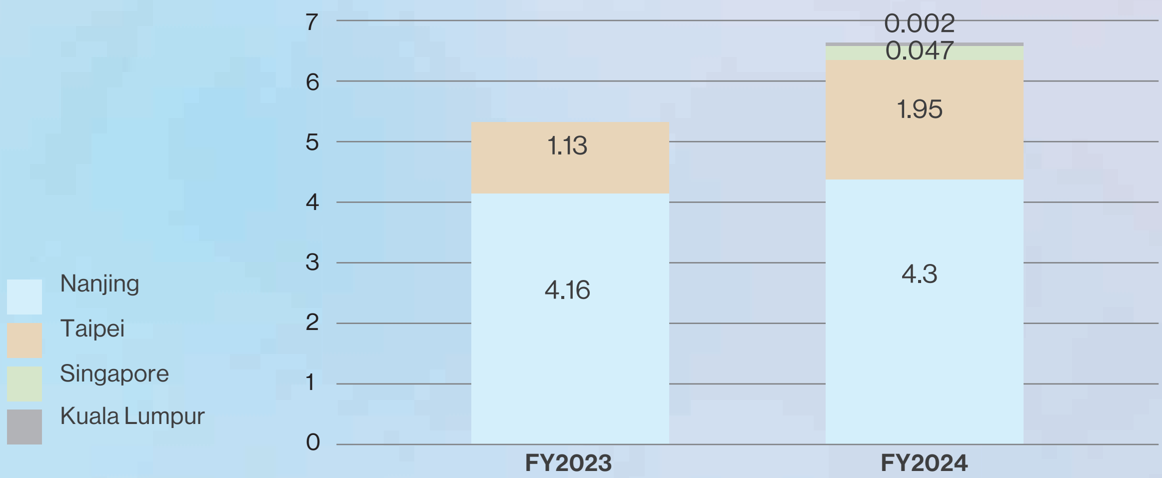
For its water usage, the Group does not have its own internal water sources and relies on third-party water suppliers in the areas in which it operates. In FY2024, the Group's total water consumption amounted to 6.30 megalitres[14] . Here is the breakdown of the Group's water consumption by location:

Water Consumption (ML)



From the graph, most of the Group's water usage comes out of its Nanjing office which accounts for 4.30 megalitres while the Taipei office which includes On Point's Taipei office accounts for 1.95 megalitres.
Here is a year-on-year comparison of the Group's water usage:

Water Usage (ML)



[14]Water consumption in the Group's Shanghai offices cannot be individually measured for Winking Studios and can only be measured for the entire building. Due to the small number of employees, the Group has not yet implemented any water-saving measures in the Shanghai offices.

In FY2024, the Group's water consumption increased to 6.30 megalitres (FY2023: 5.29 megalitres), primarily due to the acquisition of On Point and Pixelline, as well as the expansion of the workforce at existing locations. A total of 112 employees were added to the Group from FY2023, contributing to higher overall water usage. The Group's water intensity has increased from 0.0072 ML/Employee in FY2023 to 0.0075 ML/Employee in FY2024.

Recognising that a growing workforce amplifies its environmental responsibility, Winking Studios remains dedicated to strengthening its water management practices. To better regulate water consumption, the Group has implemented policies encouraging employees to conserve water. Furthermore, the Group has installed water-saving devices on public area faucets to minimise water waste. Moreover, the Group's largest office in Nanjing has undergone facilities improvements, including the installation of water-efficient toilets and faucets, as well as water-saving drinking dispensers.

In addition, the Group has developed a water conservation policy to raise employee awareness on the importance of water conservation. Finally, the Group aims to strengthen its water usage monitoring to identify further opportunities for improving its water conservation strategy.

Waste Management

Winking Studios recognises the importance of responsible waste management in reducing environmental impact. The Group's waste management strategy focuses on reducing, reusing, and recycling materials while ensuring compliance with relevant regulations.

The Group generates two main types of waste: office waste and electronic waste. Employees are encouraged to minimise paper usage, adopt a paperless approach and embrace digitalisation. Office-wide initiatives, such as double-sided printing as the default setting and use of digital collaboration tools, further support waste reduction efforts. Recognising the environmental risks associated with electronic waste, the Group ensures responsible disposal of outdated or non-functional electronic equipment. All electronic waste is collected and disposed of in accordance with local waste management regulations and through certified e-waste recyclers.

In FY2024, the Group primarily reported qualitative waste management efforts as quantitative tracking systems were not yet in place.

Moving forward, the Group is committed to improving data collection processes to enable the reporting of waste generation, recycling rates, and disposal metrics. Future Sustainability Reports will incorporate these figures to enhance transparency and accountability.

As part of our broader sustainability efforts, the Group will explore innovative waste reduction strategies. By continuously refining its waste management strategies, Winking Studios aims to align with industry best practices and contribute to a more sustainable environment.

Our Performance & Targets

In FY2024, the Group's target achievements compared to the previous reporting year are presented below. Moving forward, Winking Studios remains committed to minimising its carbon footprint and improving environmental performance by proactively implementing climate actions that contribute positively to the environment. The Group plans to establish the following targets, using FY2023 as the base year, as part of its dedication to integrating environmental value into business practices.

Material Topics	Short-Term Targets (1 – 2 years)	Medium-Term Targets (2030)	Long-Term Targets (2050)	FY2024 Performance
Greenhouse Gas Emissions	• Reduce Scope 2 emissions by practising sustainability habits and adopting for energy-efficient fixtures and fittings. • Reduce business travel emissions by 2%.	• Reduce Scope 2 emission intensity by 10%.	• Aim to offset any remaining emissions through activities like carbon offset projects or investments in renewable energy projects. • Aim to power Group's operations with renewable energy sources.	• Scope 2 emissions intensity increased by 4.8%.
Energy Efficiency	• Achieve a 5% reduction in electricity consumption intensity. • Adopt higher ratings/ticks of energy-efficient fixtures and fittings in office premises.	• Reduce energy consumption intensity by 10%. • Upgrade to more than 80% LED lighting in all offices and studios.	• Replace outdated equipment and upgrade to energy-efficient equipment.	• Electricity intensity increased by 8%.

Material Topics	Short-Term Targets (1 – 2 years)	Medium-Term Targets (2030)	Long-Term Targets (2050)	FY2024 Performance
Water & Effluents	• Install water-efficient technologies to reduce water consumption intensity by 2%. • Conduct employee awareness programmes on water conservation best practices.	• Reduce water consumption intensity by 3%.	• Reduce water consumption intensity by 4%. • Install real-time water monitoring sensors to track consumption and identify leaks early. • Identify, assess and implement water saving systems like rainwater harvesting and low-flow plumbing fixtures.	• Water intensity increased by 4%.
Waste Management	• Implement a tracking system to measure office and electronic waste generation. • Reduce paper usage by 5% through digitalisation initiatives.	• Publish quantitative waste data in the annual Sustainability Report. • Achieve a minimum of 10% reduction in general office waste.	• Attain a near-paperless work environment through full-scale digital adoption. • Continuously enhance waste reduction efforts in alignment with industry best practices and circular economy principles.	• In progress of implementing a tracking system to measure waste generated by the Group.

SOCIAL

Winking Studios recognises that the core of its business success lies in delivering high-quality products to its clients. As quality output is directly linked to its employees, the Group is committed to fostering a supportive and inclusive work environment that empowers employees to reach their full potential.

Employment Practices

The Group believes that a positive and collaborative work environment is integral to driving innovation, enhancing the Group's flexibility and ensuring high-quality deliverables. A welcoming and inclusive workforce will allow the Group to attract diverse talent from various backgrounds, strengthening its ability to recruit and retain top industry professionals.

Above all, the Group prioritises fair employment practices, which involve non-discriminatory hiring and advancement opportunities based on merit, employee welfare and safety, and the maintenance of labour practices in accordance with local laws and regulations. The Group believes that adherence to these core tenets of fair employment practices will enable it to cultivate a company culture that is conducive to employees' growth and well-being.

In FY2024, Winking Studios is proud to report zero recorded incidents of discrimination. The Group remains steadfast in its commitment to maintaining an inclusive and fair workplace, continuously striving for zero cases of discrimination in the years ahead.

Employee Headcount (by Gender and Office Location)

The detailed employment profile as of 31 December 2024 is as follows:

Workforce	FY2023		FY2024	
	No. of Headcount	% of Total Headcount	No. of Headcount	% of Total Headcount
By Gender				
Male	464	63.22	534	63.12
Female	270	36.78	312	36.88
By Location				
Southeast Asia	3	0.41	24	2.84
Greater China	731	99.59	816	96.45
Americas and Europe	0	0.00	6	0.71
TOTAL	**734**	**100.00**	**846**	**100.00**

In FY2024, the Group continued to grow and diversity its workforce to include employees from the Americas and Europe. This change in employee demographics reflects the Group's ongoing commitment to fostering a diverse and inclusive workplace.

The Group added 112 employees from FY2023, bringing the total employee count to 846, of whom 63.12% are male and 36.88% are female. The Group does not employ any part-time workers.

Despite the Group's expansion, the Greater China region remains the largest contributor to its workforce. Moving forward, the Group aims to further enhance its regional diversity through continued international expansion initiatives.

New Employee Hires (by Gender, Age Group, Region)

Workforce	FY2023		FY2024	
	No. of New Hires	Rate of New Hires (%)	No. of New Hires	Rate of new Hires (%)[15]
By Gender				
Male	124	17.21	138	17.47
Female	53	7.36	77	9.75
By Age Group				
Less than 30 years old	142	19.71	149	18.86
30-50 years old	35	4.86	65	8.23
Older than 50 years old	0	0.00	1	0.13
By Region				
Southeast Asia	1	0.14	4	0.51
Greater China	176	24.43	205	24.95
Americas and Europe	0	0.00	6	0.76
TOTAL	**177**	**24.57**	**215**	**27.22**

In FY2024, Winking Studios welcomed a total of 215 new hires, comprising 138 males (64.19%) and 77 females (35.81%).

The majority of the Group's new hires are under the age of 30, reflecting Winking Studio's commitment to nurturing young talent. The Great China region accounted for the highest number of new hires, driven by the Group's large-scale operations in the region and strong partnerships with local universities, which facilitate talent recruitment and development.

[15]The rate of new employee hires during FY2024 was calculated by: Number of new hires by gender or age group or region/Average number of employees.

Employee Turnover (by Gender, Age Group, Region)

Workforce	FY2023 No. of Leavers	FY2023 Rate of Employee Turnover (%)	FY2024 No. of Leavers	FY2024 Rate of Employee Turnover (%)[16]
By Gender				
Male	123	17.07	153	19.37
Female	56	7.77	68	8.60
By Age Group				
Less than 30 years old	129	17.90	181	22.91
30-50 years old	49	6.80	39	4.93
Older than 50 years old	1	0.14	1	0.13
By Region				
Southeast Asia	0	0.00	2	0.25
Greater China	179	24.84	218	27.59
Americas and Europe	0	0.00	1	0.13
TOTAL	**179**	**24.84**	**221**	**27.97**

In FY2024, Winking Studios observed an overall employee turnover rate of 27.97%. A total of 221 employees left the Group, comprising 153 males and 68 females. Due to the scale of operations that the Group has in Greater China, this region experienced the highest number of leavers.

Benefits

Winking Studios is committed to supporting its employees by offering a comprehensive suite of benefits designed to enhance their well-being, job performance and personal development. The Group prioritises employee health by providing access to medical services and ensuring comprehensive healthcare coverage. At Winking Studios Taipei, an on-site health service system has been implemented, offering employees two doctor visits, 12 on-site nurse consultations, and two health consultations annually. By bringing healthcare services directly to the offices, the Group aims to facilitate timely detection or treatment of health issues. Furthermore, the Group's full-time employees are provided with health insurance, ensuring they receive necessary medical support when needed.

At Winking Studios, the Group recognises the vital role of family in employee's lives. Hence, all eligible employees are entitled to parental leave, enabling them to spend quality time with their families. In FY2024, 24 male and 21 female employees were eligible for the Group's parental leave scheme. Of these, 2 male and 10 female employees utilised the parental leave. The Group is pleased to report that all 12 employees who took parental leave returned to work after the leave period, which brings the Group's return to work rate[17] to 100%.

[16]The rate of employee turnover during FY2024 was calculated by: Number of employees who left the Group by gender or age group or region/Average number of employees.
[17]Return to work rate is calculated by total number of employees that did return to work after parental leave/Total number of employees due to return to work after taking parental leave.

Furthermore, there are 1 male and 6 female employees who after returning from parental leave are still employed after 12 months with the Group.

Here is a graph detailing key benefits that the Group provides at its main offices:

Taipei Office	Shanghai Office	Nanjing Office
• Monthly on-site nursing services to regularly care for employees' physical and mental well-being. • Free lunch provided on the last Wednesday of each month known as "Winking Studios Day". • Install additional vending machines and provide employees with a monthly beverage allowance of NTD200. • Offer flexible working hours and hybrid office arrangements to attract talent. • Actively participate in government, vocational training institutions, and school-sponsored job matching events to build a strong employer brand and corporate image.	• Prepare holiday and birthday gifts to employees. • Organise departmental activities and year-end banquet. • Provide afternoon tea to employees.	• Offer medical and commercial insurance coverage. • Organise a variety of employee activities to foster a sense of belonging among staff.

Labour/Management Relations

The Group prioritises open and transparent communication with employees, ensuring fairness and inclusivity in decision making in significant operational changes. As a global art outsourcing company, maintaining a stable and collaborative work environment is essential to driving creativity and productivity. The Group strictly adheres to local labour regulations, with minimum notice periods of 60 days in Taipei, 30 days in Nanjing and Shanghai, and 8 weeks in Kuala Lumpur, prior to implementation of significant operational changes that could substantially affect them. These notice periods provide employees and their representatives sufficient time to prepare for changes, ensuring smooth transitions with minimal disruption.

For employees covered under collective bargaining agreements, the Group complies with relevant local labour laws, which outline specific notice periods, consultation process, and negotiation in agreements. In Taipei, the Group follows the "Law Source Retrieving System Labour Laws and Regulations" established by central authorities.

Beyond regulatory compliance, the Group fosters a respectful workplace culture, engaging employees through regular dialogue sessions and transparent communication. By upholding these principles, Winking Studios promotes a fair, stable, and engaging work environment that supports both employee well-being and long-term organisational success.

Occupational Health & Safety

At its core, a conducive workplace is one that can provide its employees with peace of mind, allowing them to focus solely on their work as their welfare is well taken care of. Winking Studios believes that a robust occupational health and safety framework is integral to providing its employee welfare and maintaining high-quality output.

The Group's occupational health and safety policy is built on the tenets of continuous improvement and risk mitigation. Winking Studios has established an occupational health and safety management system that actively monitors incidents across its offices, ensuring a safe and secure working environment.

A key component of the Group's health and safety strategy includes regular health check-ups and on-site medical consultations. After each screening session, employees are assessed using a risk matrix based to identify any health concerns. Employees who are categorised as higher risk receive further consultation to explore possible workplace accommodations that can support their well-being. Furthermore, employees are protected from any reprisal should they choose to remove themselves from any work-related situations they perceive as hazardous. Any reported incidents are treated with the utmost severity and thorough investigate and appropriate corrective actions taken as needed. To further enhance workplace safety, the Group conducts fire safety training, evacuation drills and first aid training.

In FY2024, there were zero recorded fatalities or work-related injuries and/or ill health across all offices. Moreover, through comprehensive health and safety assessments, no high-risk work-related hazards were identified. The Group remains steadfast in its commitment to maintaining a safe, supportive, and risk-free work environment for all employees.

Training & Education

Winking Studios aims to continuously upskill by adopting the best practices to ensure they can continue to produce the highest quality deliverables. In FY2024, 98.6% of the Group's employees received an annual performance and career development review.

Besides annual performance and career development review, the Group provides tailored training opportunities to enhance employees' competencies. For instance, employees in the Singapore office received anti-corruption training, equipping them with the knowledge to identify and report unethical practices. Furthermore, in the Shanghai office, accounting training is provided in conjunction with the Ministry of Finance. Through these initiatives, the Group aims to not only help its employees become more specialised in their given role but also transform them into more well-rounded employees with a general skillset to complement their specialised skills.

In FY2024, the Group has committed to fostering continuous learning, and average training hours are outlined below, categorised by gender and employee level:

Category	FY2023 Average Training Hours	FY2024 Average Training Hours
By Gender		
Male	56.11	41.53
Female	55.77	37.41
By Employee Category		
Senior Management Level (Positions at Director and above level)	26.21	24.14
Middle Management Level (Managerial Positions)	68.80	21.78
Executive Level	56.56	41.98

In FY2024, average training hours declined across categories. FY2023 figures were estimates due to initial sustainability reporting, while FY2024 data is based on actual attendance records for greater accuracy. The Group has set FY2024 as the baseline year for future comparisons.

Diversity & Equal Opportunities

The Group believes that cultivating a diverse workforce provides its employees with the opportunity to interact and learn from other cultures. Additionally, the Group believes that a diverse workforce is one that is more robust and responsive, as it has a wider array of skills to deal with problems. A large part of the Group's strategy to cultivate a diverse workforce is ensuring all employee can rise within the Group.

The table below shows the renumeration ratio between women to men by employee group, in all the Group's significant locations. The Group defines its significant locations by deciding which of its offices serve as execution hubs for its core business and thus have a significant role in revenue, contribution and market coverage. These locations also tend to have long-term operational plans.

FY2024
Ratio of renumeration of women to men by region[18]

	Nanjing	Suzhou	Shanghai	Taipei	Kuala Lumpur
Middle Management Level	0.65	NA[19]	1.30	0.99	0.73
Executive Level	0.98	0.73	0.69	0.93	0.77

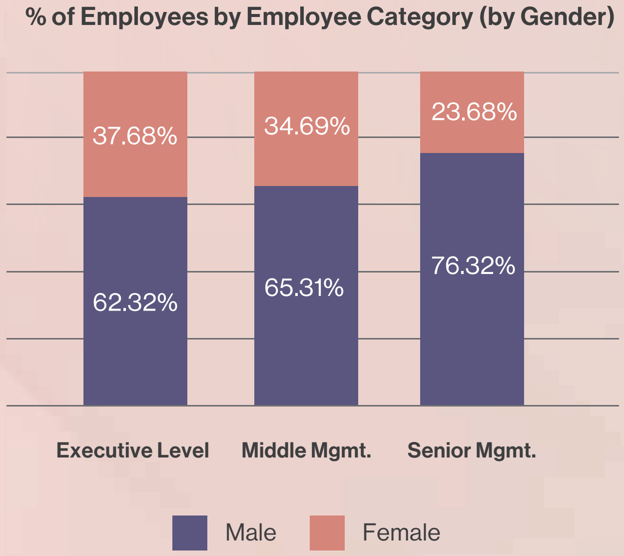
Moving forward, the Group remains committed to narrow this gap by maintaining equitable opportunities for all employees.

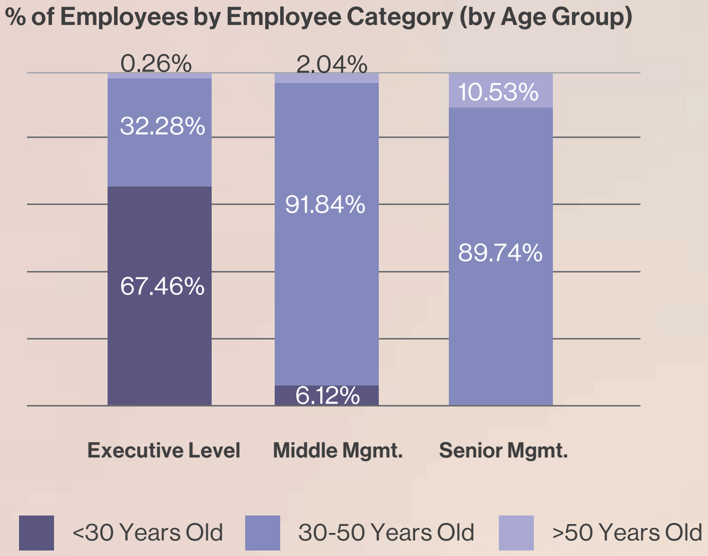
For the Group's governance body, Winking Studios strive for a diverse demographic representation, ensuring a broad range of skills and expertise. A comprehensive overview of the Group's governance body (i.e., the Board of Directors) is provided below:

Workforce	FY2023	FY2024
	Percentage (%) of Individuals Within the Governance Body	
By Gender		
Male	78.57	100.00
Female	21.43	0.00
By Age Group		
Less than 30 years old	3.57	0.00
30 – 50 years old	85.72	28.57
Older than 50 years old	10.71	71.43

[18] Though the Group has a significant presence in.
[19] This figure is NA as the Suzhou entity does not have any female in the middle management level.

The table below details the breakdown of the Group's employee distribution for each employee category by gender and age group for each class of employee:





Winking Studios recognises that attracting and retaining top talent requires a competitive remuneration and benefits structure. The Group's remuneration rates are updated annually to be in line with industry and market standards. Beyond monetary compensation, the Group believes that fostering a positive and supportive work environment is equally essential.

To complement its competitive remuneration, Winking Studios has developed a comprehensive benefits package aimed at enhancing employee well-being and job satisfaction. By prioritising both financial and non-financial incentives, the Group remains committed to creating a workplace that supports, motivates, and retains its talented workforce.

Contribution to Society – Local Communities

For FY2024, the Group strengthened its commitment to giving back to the local communities where it operates. Winking Studios believes in making a positive difference in the areas where it operates and aims to contribute to local communities in any way shape or form.

Building on its previous contributions to disaster relief funds and underrepresented communities in FY2023, the Group remains dedicated to fostering positive change. The Group continues its monetary contributions to the "Elephant Circle Project" in Taipei, which provides education and nutritious meals to vulnerable children, and its employees also held a heartwarming Christmas event for them. The Group also hosted its first-ever blood donation in Taipei, bringing vital support to the community.

Singapore Red Cross Volunteers

Taipei Blood Donation

Additionally, the Group makes an effort to create a difference in all countries it operates in. For Singapore, the Group's employees participate as Red Cross volunteers, which sees them doing community visits as well as donating household staple goods to the less fortunate. In Shanghai, the Group collaborated with Jilin Province Orphan School to donate streetlights to make their campus safer, a total of 16 streetlights were donated. Finally, in Nanjing, the Group's employees participated in a tree planting campaign, to ensure that the environment remains liveable for all.

Taipei "Elephant Circle Project" for vulnerable children

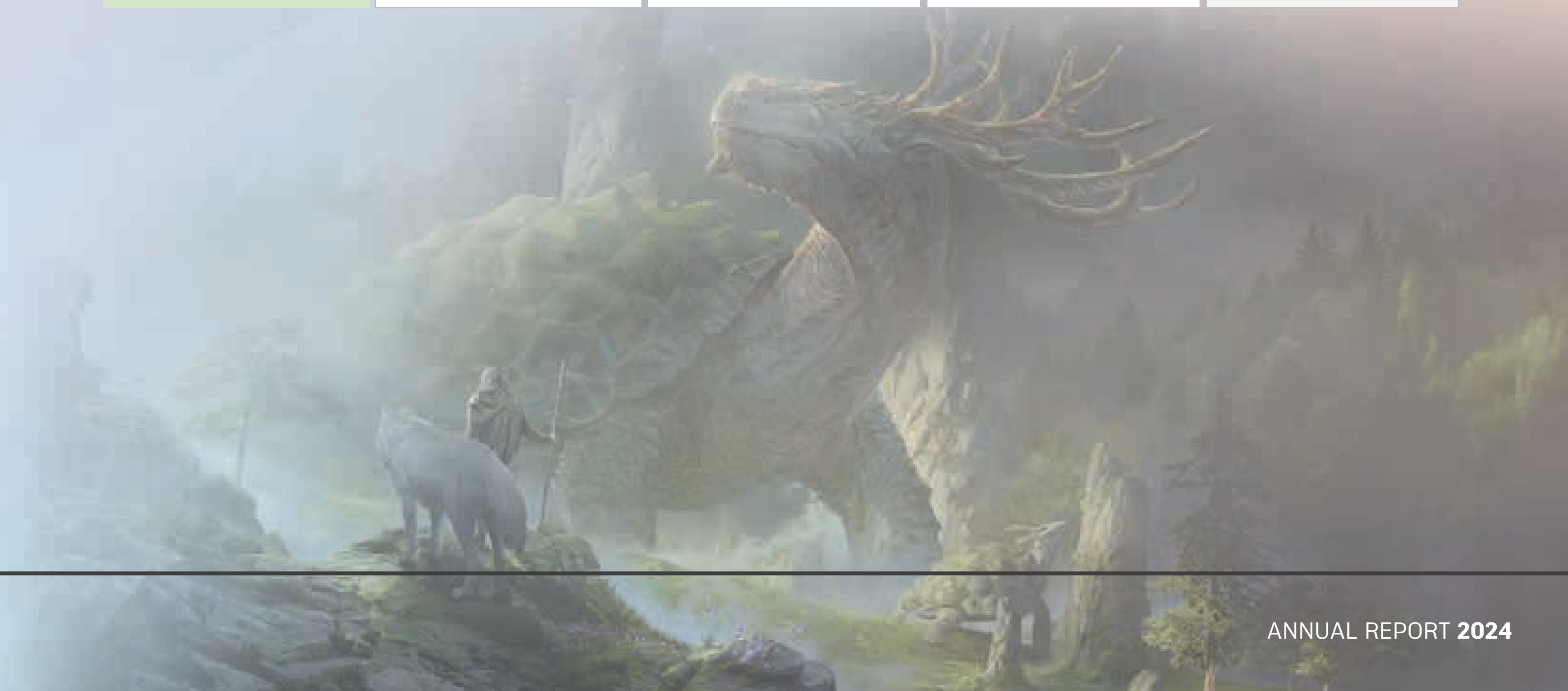
Nanjing Tree Planting Campaign

Our Performance & Targets

In FY2024, the Group's target achievements compared to the previous reporting year are presented below. Moving forward, as part of its ongoing efforts to align objectives with the strategic goal of promoting fair job opportunities and fostering a collaborative mindset in the future workforce, the Group remains dedicated to corporate social responsibility and creating meaningful social impact. In support of these commitments, the following targets have been established. Except for Training & Education, which uses FY2024 as the base year, all other material topics use FY2023 as the base year.

<table>
<tr><th>Material Topics</th><th>Short-Term Targets (1 – 2 years)</th><th>Medium-Term Targets (2030)</th><th>Long-Term Targets (2050)</th><th>Target Achievements in FY2024 vs FY2023</th></tr>
<tr><td>Employment Practices</td><td>• Maintain employee turnover rates around 24-25%.
• Implement flexible working hours and remote work options for all eligible employees.</td><td>• Maintain employee turnover rates around 24-25%.
• Increase the representation of underrepresented groups in new hires by 5%.</td><td>• Become an employer of choice in the industry, recognised for its ethical employment practices, employee satisfaction, and workplace culture.
• Develop an AI workforce transition strategy to support employees impacted by technological advancements.</td><td>• Target was partially met. The employee turnover rate was 27.97%.
• Hybrid working options are offered to eligible employees.</td></tr>
<tr><td>Labour/ Management Relations</td><td colspan="3">• Provide employees with a minimum 30 days' notice for major organisational changes.</td><td>• New material topic identified in FY2024, with no targets set in the previous reporting period.</td></tr>
<tr><td>Occupational Health & Safety</td><td colspan="3">• Maintain zero incidents of material non-compliance with applicable laws and regulations.
• Maintain zero incidents related to work-related injuries, fatalities, or ill-health.</td><td>• Achieved.</td></tr>
</table>

Material Topics	Short-Term Targets (1 – 2 years)	Medium-Term Targets (2030)	Long-Term Targets (2050)	Target Achievements in FY2024 vs FY2023
Training & Education	• Increase the average training hours by 5%. • Ensure that all employees receive at least 44 hours of training per year. • Conduct at least 1 company-wide training sessions per year on critical skills.	• Increase the average training hours by 10%. • Implement a mentorship programme with at least 3% of employees participating.	• Achieve full employee participation rate in annual training and education programmes. • Become a leader in sustainable workforce training, supporting employees in lifelong learning initiatives beyond company requirements.	• Average training hours have reduced by 29%. • Both male and female employees received less than 44 training hours per year.
Diversity & Equal Opportunities	• At least 30% of women in mid-level and senior positions.	• At least 16% female representation in Senior Management Level.		• Achieved.
Contribution to Society – Local Communities	• Organise at least 6 community outreach programmes per year (e.g. environmental cleanups, education workshops). • Ensure that at least 85% of new hires are from the local community.	• Increase the number of community engagement activities by 8%.	• Aim to achieve net-positive social impact in all operational regions. • Increase the number of community engagement activities by 10%.	• Achieved.



GOVERNANCE

Market Presence

A significant part of Winking Studios' operations is the job creation that results from its presence in key areas. The Group is driven by the belief that a strong market presence unlocks greater opportunities, positioning it as a leader in the gaming industry. As the Group expands and reinvest in the communities it operates, these regions stand to benefit significantly from the economic contributions and developments brought by the Group's activities.

The Group measures its economic impact on local communities through local hiring initiatives and the provision of competitive remuneration packages. Winking Studios ensures equal pay for entry-level positions across all its locations, including Singapore, Kuala Lumpur, Taipei, Shanghai, and Nanjing, without discrimination based on location.

In locations such as Taipei, Shanghai, Nanjing and Kuala Lumpur, a minimum wage scheme is in place. By offering higher-than-average entry-level wages, Winking Studios aims to make a substantial economic contribution to the communities where it operates.

In FY2024, the ratio of the average executive-level wage compared to the local minimum wage in each area is displayed below. The minimum wage figures are derived from the respective jurisdictions' hourly minimum wage, using a proxy of eight working hours per day and 22 working days per month.

	FY2023			FY2024				
Region	Taipei	Shanghai	Nanjing	Taipei	Shanghai	Nanjing	Kuala Lumpur	Suzhou
Ratio	1.11	0.60	0.72	1.65	3.34	2.01	3.53	1.94

The Group is committed to fair and ethical labour practices, ensuring that all workers involved in its operations—including those who are not direct employees of Winking Studios—receive wages above the legally mandated minimum. This commitment ensures full compliance with relevant labour laws and reinforces the Group's dedication to responsible employment practices.

Finally, the Group believes in creating opportunities for local employees to advance within the organisation and develop their careers professionally. In addition to prioritising local hiring, the Group emphasises internal promotions as a means of recognising and rewarding dedicated and skilled employees.

As of FY2024, 94.59% of the Group's employees who are director level and above are local to the office in which they work in, with 35 out of 37 director level and above positions in the Group being held by local talent. By hiring and promoting local talent, the Group plays an active role in strengthening local economies. Additionally, these efforts contribute to poverty reduction, increasing domestic production and reducing unemployment, further reinforcing the Group's positive social impact on the communities in which it operates.

Procurement Practices

The Group is committed to responsible procurement practices that contribute to local economic development, strengthen supply chain resilience, and promote sustainability. By integrating local sourcing strategies, the Group enhances operational efficiency while minimising environmental impact. A substantial portion of the procurement budget is allocated to local suppliers across the studios. In the Taipei studio, 96% of procurement expenditure is directed towards local suppliers, while the Shanghai studio allocates 50% to local sourcing. Similarly, the Nanjing studio prioritises local procurement, with 98% of its budget spent on local suppliers. Notably, for the newly acquired studios, Taipei-based On Point and Kuala Lumpur-based Pixelline, 100% of procurement is sourced locally. This commitment minimises logistical emissions, support regional businesses, and strengthens supply chain reliability.

Local suppliers are defined as organisations or individuals operating within the same geographic market as the reporting entity, supplying products or services directly without cross-border transactions. This procurement strategy enhances business continuity, reduce transportation-related carbon emissions and fosters long-term supplier partnerships.

The Group's key operational hubs drive critical functions such as production, research and development, sales, and customer support contributing to revenue growth, market expansion, and efficient supply chain management. By prioritising local procurement, supplier engagement, and operational efficiency, the Group reinforces supply chain sustainability while fostering economic resilience in the communities where it operates.

Business Ethics (including Anti-corruption)

From its inception, the Group has built its success on the strong foundation of ethical business conduct and integrity. The ethical principles embedded in the Group's business conduct have enabled it to thrive in a dynamic and ever-changing gaming industry.

Given its extensive collaboration with some of the largest gaming studios worldwide, the Group upholds strict ethical standards and expects all employees to act responsibly. This commitment fosters a culture of trust between the Group and its partners. To reinforce these principles, the Group has developed a comprehensive ethical framework, which is formally communicated to all its governing bodies. In FY2024, the Group's anti-corruption policies and procedures have been communicated to all members of the Board, similar to FY2023.

As part of its commitment to ethical business practices, the Group prioritises anti-corruption training for its employees. Among the Group's workforce, 88.30% have been communicated on its anti-corruption policies, ensuring awareness and adherence to its strict ethical guidelines. The table below provides the breakdown of the different employee groups and the percentage of each that the Group has communicated its anti-corruption policies to in FY2023 and FY2024.

Location	FY	Senior Management	Middle Management	Executive Level	Total Employees	Percentage
Southeast Asia	2023	2	0	1	4	75.00%
	2024	3	2	2	7	29.17%
Greater China	2023	26	23	37	86	10.94%
	2024	34	39	667	740	94.15%
America / Europe	2024	0	0	0	0	0.00%

However, the Group does not just stop at communicating its anti-corruption policies to its employees, it also aims to train the employees that are more likely to be targeted by corruption to recognise it so that they may either report or avoid it should it happen to them. The tables below below provides the breakdown of the different employee groups and the percentage of each that received employees trained in anti-corruption in FY2023 and FY2024.

Location	FY	Senior Management	Middle Management	Executive Level	Total Employees	Percentage
Southeast Asia	2023	2	0	1	3	100.00%
	2024	3	0	1	4	16.67%
Greater China	2023	25	23	37	85	11.63%
	2024	14	5	9	28	3.43%
America / Europe	2024	0	0	0	0	0.00%

Due to recent acquisitions made by the Group during the year, the implementation of the Group's anti-corruption policies and training has not yet been extended to the newly acquired entities. As a result, this has led to a decrease in the reported figures, as reflected in the tables above.

Beyond internal training, the Group aims to maintain ethicality between itself and its business partners. The Group achieves this by communicating its anti-corruption policies and encouraging adherence to the Group's high standards. This proactive approach helps strengthen integrity throughout its business ecosystem. In FY2024, the anti-corruption policies and procedures were communicated to 100 suppliers and clients by the Group (i.e. 30%) compared to FY2023 where the Nanjing office has communicated this policy to 55 (i.e. 29%) of its clients.

In FY2024, the Group recorded zero incidents of corruption, maintaining the same clean record as FY2023. This reflects the effectiveness of the Group's anti-corruption measures and its unwavering commitment to ethical business practices.

To further safeguard against corruption and unethical behaviour, the Group has established an anonymous whistleblowing mechanism, allowing its stakeholders to report suspected corporate governance violations, fraud, corruption, or criminal activities involving company personnel. The whistleblowing channel also serves as a platform for stakeholders to suggest improvements to the Group's corporate governance policies. By maintaining a transparent and accountable environment, the Group continues to protect the rights of its stakeholders and business partners while upholding the highest ethical standards.

Tax

The Group believes that a transparent and robust tax policy enables it to contribute to the economies of the regions in which it operates. Beyond compliance, the Group views responsible tax management as essential for fostering long-term, sustainable relationships with business partners and governing bodies.

The CFO is responsible for the annual review, formulation, and implementation of the Group's tax strategy. This ensures that tax governance remains aligned with the Group's overall strategy while maintaining strong compliance and risk management practices.

Since FY2023, the Group has engaged the Big Four accounting firms to conduct Tax Provision Reviews, reinforcing its commitment to robust and transparent tax management. The Group's tax strategy is designed to increase shareholder value while mitigating tax-related risks by ensuring compliance with all relevant regulatory requirements. Through prudent tax planning, the Group effectively manages its tax obligations, enabling reinvestment in innovation, technology, and sustainability-driven initiatives.

Maintaining error- and corruption-free tax policies and strategies remains a priority. To uphold high standards, the Group undergoes regular third-party audits to continuously improve its tax policies. Additionally, ongoing tax training programs are conducted to ensure that employees remain informed about the regulations and tax requirements.

Finally, the Group recognises that stakeholder engagement is integral to its tax policies. It actively engages with tax authorities to address potential compliance matters and works closely with external stakeholders to gather feedback on its tax practices. The insights from the stakeholder engagements are analysed and reviewed to refine the Group tax strategies.

Information Security & Data Privacy

Information security and data privacy are integral to maintaining trust between the Group and its various stakeholders and collaborators. The Group is committed to safeguarding sensitive data by implementing comprehensive security measures and adhering to the highest industry standards.

As a testament to this commitment, the Group has obtained ISO 27001 certification from the British Standards Institution, demonstrating its ability to protect sensitive data through a structured framework of information security controls and risk management. This certification demonstrates the Group's competency in protecting sensitive data by designing and implementing a coherent and comprehensive suite of information security controls and other forms of risk treatment for any risks deemed unacceptable.

Furthermore, the Group has deployed anti-virus software and firewalls across all company devices and conducts regular vulnerability testing to ensure that its security infrastructure remains robust and effective. Additionally, an incident reporting protocol has been established to address potential cyber incidents and data breaches. Employees receive regular training on these topics to enhance their ability to identify and respond to security risks effectively.

In FY2024, there were zero recorded significant instances of non-compliance with data privacy laws and regulations, with no fines or non-monetary sanctions reported across its operations.

With a strong focus on trust and long-term collaborations, the Group remains dedicated to protecting stakeholders' sensitive information, not only as a key component of its ESG strategy but also as a fundamental pillar in preserving strong industry relationships.

Directors' Remuneration

In FY2024, the Group successfully listed on the AIM of LSE and is required to disclose its directors' remuneration in accordance with the Alternative Investment Market Rule 19. Disclosure requirements in relation to directors' and chief executive officers' remuneration is also set out under Rule 1204(10D) of the Catalist Rules. Accordingly, the directors' remuneration and its details are outlined below:

Board of Directors	Position
Mr. Lim Heng Choon	Independent and Non-Executive Chairman
Mr. Johnny Jan	Founder and CEO
Mr. Kao Shu-Kuo	Non-Executive Director
Mr. Chang Yi-Hao	Independent Non-Executive Director
Mr. Yang Wu Te	Independent Non-Executive Director
Mr. Daniel Widdicombe	Independent Non-Executive Director
Mr. Oliver Yen	Finance Director and Group Chief Financial Officer

Board of Directors	Base Salary (USD)	Bonuses & performance-related incentives (USD)	Stock options/ share-based payments (USD)	Pension contributions (USD)	Directors' Fee (USD)	Total (USD)
Mr. Lim Heng Choon	-	-	-	-	27,000	27,000
Mr. Johnny Jan	219,368	360,323	329,444	-	-	909,135
Mr. Kao Shu-Kuo	-	-	-	-	-	-
Mr. Chang Yi-Hao	-	-	-	-	27,000	27,000
Mr. Yang Wu Te	-	-	-	-	27,000	27,000
Mr. Daniel Widdicombe	-	-	-	-	8,351	8,351
Mr. Oliver Yen	95,444	35,248	61,749	3,364	-	195,805

Mr Kao is a Board representative of Acer Gaming Inc., a controlling shareholder of the Company, and Acer Gaming Inc. has waived Directors' Fees from the Company

Economic Performance

Winking Studios upholds its commitment to fostering sustainable economic development and creating long-term value for its diverse network of stakeholders. The Group provides a comprehensive overview of its financial performance, highlighting key metrics such as revenue generation, operational expenses, and overall profitability.

Beyond financial success, Winking Studios drives positive economic impact through initiatives that promote job creation, responsible tax practices and strong corporate governance. Through the integration of environmental stewardship, social responsibility and transparency into its operations, the Group reinforces its dedication to supporting local economies and fostering sustainable communities.

		FY2024 (USD)	FY2023 (USD)
Economic Value Generated		31,898,808	25,698,470
Economic Value Distributed	**Operating Costs**	12,316,707	7,263,210
	Employee Wages & Benefits	21,314,780	17,987,981
	Capital Providers	1,060,000	0
	Government	1,329,275	831,283
	Communities	0	4,623
Economic Value Distributed/Retained		-4,121,954	-388,627

By integrating sustainable economic practices into its core business strategy, the Group aims to drive resilient growth and reinforce its role as a responsible corporate entity within the industry.

In FY2024, the Group recorded total pension expenses of USD 1,748,559, with employers contributing 10% of the employee's salary towards retirement benefits. Participation in retirement plans is mandatory, ensuring compliance with relevant regulations and providing financial security for employees in their post-employment years. This approach reflects the Group's commitment to employee welfare and long-term financial sustainability.

Our Performance & Targets

In FY2024, the Group's target achievements compared to the previous reporting year are presented below. Moving forward, Winking Studios remains committed to fostering sustainable growth, strengthening business ethics, and enhancing governance practices within its operations. The Group plans to establish the following targets, using FY2023 as the base year, as part of its dedication to integrating responsible business practices into its operations.

<table>
<tr><th>Material Topics</th><th>Short-Term Targets (1 – 2 years)</th><th>Medium-Term Targets (2030)</th><th>Long-Term Targets (2050)</th><th>Target Achievements in FY2024 vs FY2023</th></tr>
<tr><td>Market Presence</td><td>• Maintain fair, equal entry-level wages without gender discrimination.
• Maintain proportion of senior management hired from local population.</td><td>• Ensure at least 85% of leadership positions are filled by locally hired talent.</td><td>• To be a leading organisation in creating local job opportunities and ensuring fair compensation within the industry.</td><td>• Achieved.</td></tr>
<tr><td>Procurement Practices</td><td>• At least 75% of total procurement spending allocated to local suppliers.</td><td>• Increase procurement from local suppliers to 80% of total spending.
• Establish sustainable procurement policies that prioritise suppliers with ethical, environmental, and social responsibility standards.</td><td>• Transition towards a climate-positive procurement, where suppliers actively contribute to environmental restoration.</td><td>• New material topic identified in FY2024, with no targets set in the previous reporting period.</td></tr>
<tr><td rowspan="2">Business Ethics (including Anti-corruption)</td><td colspan="3">• Maintain zero confirmed cases of corruption, bribery and fraud.
• Maintain zero significant instances of non-compliance with laws and regulations.
• Maintain zero incidents of discrimination.</td><td>• Achieved.</td></tr>
<tr><td>• Conduct anti-corruption training for at least 10% of employees.
• Communicate anti-corruption policies to 90% of employees and 50% of business partners.</td><td colspan="2">• Conduct anti-corruption training for all employees of the Group.
• Communicate anti-corruption policies to all employees and business partners of the Group.</td><td>• 88.30% of employees and 30% of business partners have been communicated with the Group's anti- corruption policies.
• 3.78% of employees have received anti-corruption training.</td></tr>
</table>

Material Topics	Short-Term Targets (1 – 2 years)	Medium-Term Targets (2030)	Long-Term Targets (2050)	Target Achievements in FY2024 vs FY2023
Tax	• Continue engaging with tax authorities and policymakers to advocate for fair, equitable tax policies.	• Implement due diligence checks on tax compliance for all major business partners. • Establish a green tax strategy, leveraging incentives for renewable energy, carbon reduction, and sustainability investments. • Maintain a 100% corruption-free tax record across all jurisdictions.	• Maintain a 100% corruption-free tax record across all jurisdictions. • Maintain and improve green tax strategy to further leverage incentives for renewable energy, carbon reduction, and sustainability investments.	• Achieved.
Information Security & Data Privacy	• Maintain a 100% incident-free record for major data breaches and cyberattacks. • Ensure 100% compliance with data privacy regulations.			• Achieved.
Economic Performance	• Increase revenue by 6% through product innovation, market expansion and strategic partnerships. • Improve operational efficiency and cost-effectiveness by reducing expenses by 5%.	• Increase revenue by 8% through product innovation, market expansion and strategic partnerships. • Increase ESG impact through raising contributions to local communities by 5%.	• Aim to achieve net-positive economic impact (i.e. financial success directly benefits employees, communities, and the environment). • Increase ESG impact through raising contributions to local communities by 10%.	• Revenue has increased by 24% whereas operating expenses have increased by 70%.

GRI CONTENT INDEX

Statement of use	**Winking Studios Limited has reported with reference to the GRI Standards for the period from 1 January 2024 to 31 December 2024**
GRI used	**GRI 1: Foundation 2021**
Applicable GRI Sector Standard	**Not applicable**

GRI Standard	Disclosure Number & Title	Section Reference
General Disclosures		
GRI 2 : General Disclosures 2021	2-1 Organisational details	Annual Report: Corporate Profile
	2-2 Entities included in the organisation's sustainability reporting	Sustainability Report: About this report
	2-3 Reporting period, frequency and contact point	Sustainability Report: About this report
	2-4 Restatements of information	Sustainability Report: Restatement
	2-5 External assurance	Winking Studios has not sought external assurance for this reporting period and may consider it in the future.
	2-6 Activities, value chain and other business relationships	Annual Report: Corporate Governance
	2-7 Employees	Sustainability Report: Social
	2-8 Workers who are not employees	There was a total of 106 workers who are not employees, including 1 person in Kuala Lumpur, 100 people in Taipei, 3 people in Shanghai, and 2 people in Nanjing office. They performed work duties as outsourcing/ IT contractors and interns.
	2-9 Governance structure and composition	Annual Report: Corporate Governance Sustainability Report: Sustainability Governance
	2-10 Nomination and selection of the highest governance body	Annual Report: Corporate Governance
	2-11 Chair of the highest governance body	Annual Report: Corporate Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	Annual Report: Corporate Governance
	2-13 Delegation of responsibility for managing impacts	Annual Report: Corporate Governance Sustainability Report: Sustainability Governance
	2-14 Role of the highest governance body in sustainability reporting	Annual Report: Corporate Governance
	2-15 Conflicts of interest	Annual Report: Corporate Governance
	2-16 Communication of critical concerns	Annual Report: Corporate Governance
	2-17 Collective knowledge of the highest governance body	Annual Report: Corporate Governance
	2-18 Evaluation of the performance of the highest governance body	Annual Report: Corporate Governance

GRI Standard	Disclosure Number & Title	Section Reference
General Disclosures		
GRI 2 : General Disclosures 2021	2-19 Remuneration policies	Annual Report: Corporate Governance
	2-20 Process to determine remuneration	Annual Report: Corporate Governance
	2-21 Annual total compensation ratio	This covers confidential information and are not to be disclosed due to confidentiality reasons.
	2-22 Statement on sustainable development strategy	Annual Report: Corporate Governance Statement Sustainability Report: Sustainability Governance
	2-23 Policy commitments	Annual Report: Corporate Governance Sustainability Report: Governance – Business Ethics
	2-24 Embedding policy commitments	Annual Report: Corporate Governance Sustainability Report: Governance – Business Ethics
	2-25 Processes to remediate negative impacts	Annual Report: Corporate Governance
	2-26 Mechanisms for seeking advice and raising concerns	Annual Report: Corporate Governance
	2-27 Compliance with laws and regulations	Annual Report: Corporate Governance Sustainability Report: Governance – Business Ethics
	2-28 Membership associations	• Taiwan Computer Association • Taiwan Game Industry Promotion Alliance
	2-29 Approach to stakeholder engagement	Sustainability Report: Stakeholder Engagement
	2-30 Collective bargaining agreements	13.95% (118 employees) of total employees were covered by collective bargaining agreement.
GRI 3 : Material Topics 2021	3-1 Process to determine material topics	Sustainability Report: Materiality Assessment
	3-2 List of material topics	
	3-3 Management of material topics	
Economic Performance		
GRI 3 : Material Topics 2021	3-3 Management of material topics	Sustainability Report: Economic Performance
GRI 201 : Economic Performance 2016	201-1 Direct economic value generated and distributed	
	201-2 Financial implications and other risks and opportunities due to climate change	
	201-3 Defined benefit plan obligations and other retirement plans	
Procurement Practices		
GRI 3 : Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 204 : Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainability Report: Procurement Practices

GRI Standard	Disclosure Number & Title	Section Reference
Energy Efficiency		
GRI 3 : Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 302 : Energy 2016	302-1 Energy consumption within the organisation	Sustainability Report: Energy Efficiency
	302-3 Energy intensity	
	302-4 Reduction of energy consumption	
Water & Effluents		
GRI 3 : Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 303 : Water and Effluents	305-5 Water consumption	Sustainability Report: Water & Effluents
Greenhouse Gas Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 305 : Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability Report: Greenhouse Gas Emissions
	305-3 Other indirect (Scope 3) GHG emissions	
	305-4 GHG emissions intensity	
	305-5 Reduction of GHG emissions	
Employment Practices		
GRI 3 : Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 401 : Employment 2016	401-1 New employee hires and employee turnover	Sustainability Report: Employment Practices
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	
	401-3 Parental leave	
Labour/ Management Relations		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 402: Labour/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Sustainability Report: Labour/Management Relations
Occupational Health & Safety		
GRI 3 : Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 403 : Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability Report: Occupational Health & Safety
	403-5 Worker training on occupational health and safety	
	403-6 Promotion of worker health	
	403-9 Work-related injuries	
	403-10 Work-related ill health	

GRI Standard	Disclosure Number & Title	Section Reference
Training & Education		
GRI 3 : Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 404 : Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Report: Training & Development
	404-2 Programmes for upgrading employee skills and transition assistance programmes	
	404-3 Percentage of employees receiving regular performance and career development reviews	
Diversity & Equal Opportunities		
GRI 3 : Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 405 : Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability Report: Diversity & Equal Opportunities
Contribution to Society – Local Communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 413 : Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Sustainability Report: Contribution to Society - Local Communities
Market Presence		
GRI 3 : Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 202 : Market Presence 2016	202-1 Ratios of standard entry wage by gender compared to local minimum wage	Sustainability Report: Market Presence
	202-2 Proportion of senior management hired from the local community	
Business Ethics (including Anti-corruption)		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	Sustainability Report: Business Ethics (including Anti-corruption)
GRI 205 : Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedure	
	205-3 Confirmed incidents of corruption and actions taken	
Tax		
GRI 3 : Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 207 Tax 2019	207-1 Approach to tax	Sustainability Report: Tax
	207-2 Tax governance, control, and risk management	
	207-3 Stakeholder engagement and management of concerns related to tax	
	207-4 Country-by-country reporting	
Information Security & Data Privacy		
GRI 3 : Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	Sustainability Report: Information Security & Data Privacy

CORPORATE GOVERNANCE REPORT

INTRODUCTION

The Board of Directors (the "**Board**") of Winking Studios Limited (the "**Company**", and together with its subsidiaries, the "**Group**") are committed to uphold good corporate governance. This commitment and continuous support of the Code of Corporate Governance 2018 (the "**Code**") can be seen from the Directors' and Management's effort to observe high standards of transparency, accountability and integrity in managing the Group's business in order to create value for its stakeholders and safeguard the Group's assets in accordance with the requirements of the Code.

The Company has complied with the principles and recommendations of the Code, the accompanying Practice Guidance and other applicable laws, rules and regulations, including the Listing Manual Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") ("**Catalist Rules**") and the Board is pleased to report compliance of the Company with the Code except where otherwise stated and explained.

For the financial year ended 31 December 2024 ("**FY2024**"), the Group has conformed to the Principles of the Code and strives to comply with the Provisions set out in the Code and where it has deviated from the Provisions set out in the Code, appropriate explanations are provided and the Company will continue to assess its needs and implement appropriate measures accordingly.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: ***The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.***

The Company is headed by an effective Board, comprising individuals with diversified backgrounds and who collectively brings with them a wide range of experience, to lead and manage the Group. The Board is responsible for the overall management and success of the Group to protect shareholders' interests and enhance long-term shareholders' value.

Apart from its statutory responsibilities, the principal functions of the Board are, inter alia, to:

(i) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;

(ii) establish a framework of prudent and effective controls which enables risk to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;

(iii) review performance of Management, the Company's financial performance, risk management processes and systems, human resource requirements and corporate governance practices;

(iv) identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;

(v) set the Group's values and standards (including ethical standards), and ensure that obligations to the shareholders and other stakeholders are understood and met; and

(vi) consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation.

All Directors objectively discharge their duties and responsibilities at all times as fiduciaries in the best interests of the Company. The Board puts in place a code of conduct and ethics, set desired organisational culture and ensures proper accountability within the Group. Where a Director faces a conflict of interest, he would recuse himself from discussions and decisions involving and relating to the issues of conflict.

To assist in the execution of its responsibilities, the Board has established Board Committees, namely Audit, Risk and Disclosure Committee ("**ARDC**"), Nominating Committee ("**NC**"), Remuneration Committee ("**RC**") and AIM Compliance Committee ("**ACC**"). These Board Committees function with clearly defined terms of references (which set out their compositions, authorities and duties) and operating procedures, which are reviewed by the Board on a regular basis to enhance the effectiveness of these Board Committees. The roles and responsibilities of these Board Committees are provided for in the latter sections of this Corporate Governance Report.

The Board meets on a regular basis as and when necessary, to address any specific significant matters that may arise.

The Company will conduct comprehensive and tailored induction orientation programme for incoming Directors to familiarise them with the Group's business and governance practices. The Company will also arrange for any newly appointed Directors, who has no prior experience serving as Director of a listed company on SGX-ST ("**First-time Director**"), to attend appropriate courses, conferences or seminars, such as the mandatory First-time Director training organised by approved institutions such as the Singapore Institute of Directors within one (1) year of appointment in accordance with Rule 406(3)(a) of the Catalist Rules and trainings in areas such as accounting, legal and industry-specific knowledge. The cost of such training will be borne by the Company.

A newly appointed Director will be furnished with a formal letter of appointment and upon his/her appointment be given opportunities to receive appropriate briefing or material to ensure that he/she is aware of the roles and responsibilities of a Director of a public listed company in Singapore and training to familiarise himself/herself with the Group's business and governance practices. All newly appointed directors will also be provided with a briefing on the AIM Rules for Companies by the Company's Nominated Adviser prior to their appointment. First-time Directors will receive relevant training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST to meet the Mandatory Training requirements under Rule 406(3)(a) and Practice Note 4D of the Catalist Rules.

Mr. Oliver Yen and Mr. Daniel Widdicombe were appointed as the Finance Director and Group Chief Financial Officer, and Independent and Non-Executive Director respectively with effect from 14 November 2024.

To-date, Mr. Daniel Widdicombe has completed the mandatory First-time Director training. Mr. Oliver Yen will complete the training by 13 November 2025.

The Directors are provided with information relating to corporate conduct and governance including continuing disclosure requirements as required by the Catalist Rules, disclosure of interests in securities, restrictions on disclosure of confidential or price sensitive information, etc. The Board receives updates from the Management and professionals such as the Auditors and Company Secretary, in relation to any changes in accounting standards, Catalist Rules, regulatory requirements, corporate governance guidelines and best practices on a regular basis.

All Directors are also encouraged to receive regular training such as professional development on new laws, regulations and changing commercial risks from time to time which are relevant to the Group, so as to enable them to contribute effectively to the Board or Board Committees. The training courses related to the aforesaid will be arranged and funded by the Company.

Pursuant to the Amended and Restated Memorandum and Articles of Association of the Company, the Directors of the Company may participate in any meeting of the Board or any Board Committees, which may be held by means of telephone, electronic or other communication facilities, allowing all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

The number of Board and Board Committees meetings held during FY2024 and the attendance of each Director where relevant is as follows:

Type of meetings	Board	ARDC	ACC	RC	NC
No. of meetings	5	7	0	3	2
Attendance					
Johnny Jan[#1]	5	n.a.*	n.a.*	n.a.*	n.a.*
Kao Shu-Kuo	5	n.a.*	n.a.*	n.a.*	n.a.*
Lim Heng Choon[#2]	5 (Chairman)	7 (Chairman)	0	3	2
Chang Yi-Hao	5	7	0	3 (Chairman)	2
Yang Wu Te	5	7	n.a.*	3	2 (Chairman)
Oliver Yen[#3]	2	n.a.*	n.a.*	n.a.*	n.a.*
Daniel Widdicombe[#4]	2	3	0 (Chairman)	n.a.*	n.a.*

* n.a: not applicable

#1 Mr. Jan relinquished as Executive Chairman, and remains as Executive Director and Chief Executive Officer (Founder) with effect from 14 November 2024

#2 Mr. Lim was re-designated as Independent and Non-Executive Chairman with effect from 14 November 2024

#3 Mr. Yen was appointed as Finance Director and Group Chief Financial Officer with effect from 14 November 2024

#4 Mr. Widdicombe was appointed as Independent and Non-Executive Director with effect from 14 November 2024

Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company.

The Board has identified the following areas for which the Board has direct responsibility for decision making within the Group:

- Approval of the Group's major investments/divestment and funding decisions;
- Approval of the Group's interim and full-year financial result announcements for release to the SGX-ST;
- Approval of any agreement which is not in the ordinary course of business;
- Approval of any major borrowings or corporate guarantees in relation to borrowings;
- Entering into any profit-sharing arrangement;
- Entering into any foreign exchange hedging transactions;
- Appointment or removal of any executive officers and legal representative;
- Incorporation or dissolution of any subsidiary;
- Issuance of shares or declaration of dividends and other returns to Shareholders;
- Approval of the annual report and audited financial statements;

- Convening of general meetings;
- Approval of corporate strategies;
- Approval of material acquisitions and disposal of assets;
- Approval of transactions involving interested person;
- Appointment of new Directors; and
- Approval of announcements or press releases concerning the Group for release to the SGX-ST.

The Management provides the Board with complete, adequate and timely information prior to meetings to enable the Directors to make timely decisions, effectively discharge its duties and make a balanced and informed assessment of the performance, position and prospects of the Company.

The Board has separate and independent access to the executive officers of the Group at all times. Request for information is dealt with promptly by the Management. In addition, the Board is kept informed of all material events and transactions as and when they occur to enable the Board to function effectively and to fulfil its responsibilities. The information made available to the Directors include interim and full-year financial results, progress reports of the Group's operations, corporate development, regulatory updates, business developments and audit reports. The Management also consults Board members regularly whenever necessary and appropriate. The Board is issued with Board papers in a timely manner prior to Board meetings to enable Directors to consider the issues and to obtain additional information or explanation from the Management, if necessary.

The calendar of Board and Board Committees meetings are planned in advance. Draft agendas for meetings of the Board and Board Committees are also circulated in advance to the respective Chairman of the Board and Board Committees, in order for them to comment on the items on the agenda and/or review the usefulness and relevance of the items in the proposed agendas.

The Directors also have separate and independent access to the Company Secretaries. The role of the Company Secretaries and/or their representatives are to administer, attend and prepare minutes of Board and Board Committee meetings, assist the Chairman of the various meetings in ensuring that meeting procedures are followed and that the Company's Amended and Restated Memorandum and Articles of Association of the Company, Catalist Rules and other relevant rules and regulations applicable to the Company are complied with. The Company Secretaries and their representatives attend all Board and Board Committee meetings. The decision in relation to the appointment and removal of the Company Secretary is decided by the Board as a whole.

The Board in fulfilling its responsibilities could as a group or as individuals, when deemed fit, direct the Company to appoint independent professional advisers or seek professional advice and the costs will be borne by the Company.

Board Composition and Guidance

Principle 2: ***The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.***

The current Board consists of seven (7) members comprising two (2) Executive Directors, one of whom is also the Chief Executive Officer ("**CEO**") and Founder of the Company, one (1) Non-Executive Director and four (4) Non-Executive and Independent Directors:

Name of Director	Designation	ARDC	ACC	NC	RC
Lim Heng Choon	Independent and Non-Executive Chairman	Chairman	Member	Member	Member
Johnny Jan	Executive Director and Chief Executive Officer (Founder)	–	–	–	–
Oliver Yen	Finance Director and Group Chief Financial Officer	–	–	–	–
Kao Shu-Kuo	Non-Executive Director	–	–	–	–
Chang Yi-Hao	Independent and Non-Executive Director	Member	Member	Member	Chairman
Yang Wu Te	Independent and Non-Executive Director	Member	–	Chairman	Member
Daniel Widdicombe	Independent and Non-Executive Director	Member	Chairman	–	–

The Board considers an "Independent Director" as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporation, its substantial shareholders of not less than 5% of the total votes attached to all voting shares (excluding treasury shares) in the Company, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement to the best interests of the Company.

On an annual basis, each Independent Director is required to complete a 'Confirmation of Independence' form to confirm his independence. The form was drawn up based on the definitions and guidelines set forth in the Code and the NC Guide issued by the Singapore Institute of Directors. The Directors are required to disclose to the Board any such relationship as and when it arises and the Board will state the reasons if it determines that a director is independent notwithstanding the existence of relationships or circumstances which may appear otherwise.

The NC has reviewed the forms completed by each Independent Director and is satisfied that all the Independent Directors of the Company are independent in accordance with Provision 2.1 of the Code and Rule 406(3)(d) of the Catalist Rules.

The Board regularly examines its size and after taking into account the scope and nature of the Group's operations, the diversified background and experience of the Directors that provide core competencies in areas such as finance or accounting, legal, business or management experience, industry knowledge, strategic planning experience and customer based experience or knowledge. The Board is satisfied that it is of an appropriate size to facilitate effective decision-making.

Notwithstanding that the Company has not adopted a formal board diversity policy, the Company recognises and embraces the importance and benefits of having a diverse Board to enhance the quality of its performance. The NC notes the recommendation of the Code and considers all aspects of diversity, including skills, experience, gender, knowledge and other relevant factors. Hence, the NC is of the view that the Board currently comprises Directors who have the appropriate balance and diversity of skills, expertise and experience, knowledge of the industry the Group operates in and collectively possess the necessary core competencies for effective functioning and informed decision-making. The NC is looking into setting up of a formal board diversity policy by 2025. The current Board was constituted during the listing of the Company on 20 November 2023 and subsequent Board composition made on 14 November 2024 (with the appointment of new 2 Directors on Board). The Board's target to have at least one female director by May 2032. In addition, the Board is seeking candidates with skills and experience in various environmental, social and governance ("**ESG**") aspects to enhance our sustainability efforts. The NC and the Board plan to seek such candidates from various sources including through the Company's extensive networks. Target timeline for such Board composition enhancement is by May 2029. The profile of each current Director including their academic and professional qualifications and other appointments is presented on pages 86 of this Annual Report.

Although all the Directors have an equal responsibility for the Group's operations, the role of the Non-Executive and Independent Directors is particularly important in ensuring that the strategies proposed by Management are constructively challenged, taking into account the long-term interests of shareholders. The Non-Executive and Independent Directors participate actively during Board meetings and would constructively challenge and help to develop proposals on short-term and long-term business strategies and review the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance.

To-date, none of the Independent Directors have served on the Board beyond nine years from the date of his appointment.

Executive Chairman and Chief Executive Officer

Principle 3: ***There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.***

There is a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Company's business. Mr. Lim Heng Choon is the Independent and Non-Executive Chairman of the Company, and Mr. Johnny Jan is the Executive Director and Chief Executive Officer (Founder) of the Company. The Chairman and Chief Executive Officer (CEO) of the Company are separate persons and are not related. The Board has established and set out in writing the division of the roles and responsibilities between the Independent Non-Executive Chairman and the CEO to ensure an appropriate balance of power and authority, increased accountability and greater capacity of the Board for independent decision making, thus no individual represents a considerable concentration of power.

As the CEO of the Company, Mr. Johnny Jan is responsible for the effective management and supervision of daily business operations of the Group in accordance with the strategies, policies, budget and business plans as approved by the Board. The major decisions are made in consultation with the Board, a majority of which comprises Independent and Non-Executive Directors. The Board is of the opinion that the process of decision-making by the Board has been independent and has been based on collective decision without any individual or small group of individuals dominating the Board's decision-making.

In addition, the Independent and Non-Executive Chairman, Mr. Lim Heng Choon, ensures that Board meetings are held at least half yearly during the financial year and as and when necessary, sets Board meeting agenda, promotes a culture of at least openness and debate at the Board level and ensures that adequate time is available for discussion of all agenda items, in particular strategic issues. He ensures that Board members are provided with complete, adequate and timely information on a regular basis to enable them to be fully cognizant of the affairs of the Group as well as effective communication with shareholders. He encourages constructive relations and effective contribution within the Board and between the Board and the Management. He also takes a leading role in ensuring that the Company strives to achieve and maintain high standards of corporate governance and an appropriate balance of power, increased accountability, and presence of independent decision making. He is available to shareholders who may have concerns with regards to the Group and for which contacts through the normal channels of communication with the Management has failed to resolve issues or for which such contact is inappropriate or inadequate.

As the Independent and Non-Executive Chairman is not part of the management and is independent, no lead independent director has been appointed. The Independent and Non-Executive Directors meet at least once a year, without the presence of Management so as to facilitate a more effective evaluation of the Management.

Board Membership

Principle 4: ***The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.***

The Company has established a NC to make recommendations to the Board on all board appointments and re-appointments. The NC comprises the following three (3) Directors, all of whom are Independent and Non-Executive Directors:

Mr. Yang Wu Te (Chairman)

Mr. Lim Heng Choon (Member)

Mr. Chang Yi-Hao (Member)

The Company is in compliance with Provision 4.2 of the Code, where Mr. Yang Wu Te, an Independent and Non-Executive Director of the Company, is also the Chairman of the NC.

The NC is governed by the NC's Terms of Reference which describes the duties and functions of the NC. The main objective of the NC is to build a strong and independent Board and ensure a formal and transparent process for the appointment and reappointment of directors, taking into account the need for progressive renewal of the Board.

The NC is guided by its terms of reference, including but not limited to the key responsibilities as follows:

1) making recommendations to the Board on relevant matters relating to: (i) the review of board succession plans for directors, in particular, the appointment and/or replacement of the CEO and executive officers; (ii) the process and criteria for evaluation of the performance of the Board, the Board committees and the individual Directors; (iii) the review of training and professional development programs for the Board and the individual Directors; and (iv) the appointment and re-appointment of the Directors (including alternate Directors, if applicable), including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates;

2) reviewing and determining annually, and as and when circumstances require, if a Director is independent, in accordance with the Code and any other salient factors;

3) reviewing the composition of the Board annually to ensure that the Board and the Board committees are of an appropriate size, comprise Directors who as a group provide an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate, and are of an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company and provide core competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge;

4) setting the objectives for achieving board diversity and reviewing the Company's progress towards achieving these objectives;

5) ensuring that Independent and Non-Executive Directors disclose their relationships with the Company, related corporations, substantial shareholders or officers, if any, which may affect their independence and review such disclosures from the Directors and highlight these to the Board as required;

6) ensuring that newly appointed Directors are aware of their duties and obligations, as well as deciding whether a Director is able to and has been adequately carrying out his/her duties as a Director. Where a Director holds a significant number of listed company directorships and principal commitments which involve significant time commitment, to provide a reasoned assessment of the ability of the Director to diligently discharge his/her duties, taking into consideration the Director's number of listed company board representation and other principal commitments; and

7) reviewing and approving the new employment of employees of the Group who are relatives of any of the Directors, Chief Executive Officer or Substantial Shareholders and their proposed terms of their employment.

In accordance with Rule 720(4) of the Catalist Rules, all directors must submit themselves for re-nomination and reappointment at least once every three (3) years. A retiring Director shall be eligible for re-election by the shareholders of the Company at the Annual General Meeting ("**AGM**"), and prior to nominating a retiring Director for re-election, the NC will evaluate the Director's contribution and performance taking into consideration factors such as attendance, preparedness, participation and any other factors as may be determined by the NC.

The NC has recommended and the Board has approved to table for shareholders' approval the re-election of Mr. Oliver Yen, Mr. Daniel Widdicombe and Mr. Chang Yi-Hao as Directors of the Company at the forthcoming AGM. The details of directors who will retire by rotation at the forthcoming AGM scheduled to be held on 30 April 2025 are disclosed in the "Additional Information on Directors seeking re-election" on pages 87 to 90 of this Corporate Governance Report.

The NC has affirmed that Mr. Yang Wu Te, Mr. Lim Heng Choon, Mr. Chang Yi-Hao and Mr. Daniel Widdicombe are independent. Each of them has abstained from the NC/Board's determination of his independence. There is no director who is deemed independent by the Board, despite, the existence of a relationship as stated in the Code.

Despite some of the Directors having other board representations, the NC is satisfied that these Directors are able to and have adequately carried out their duties as Directors of the Company by attending the Board and Board Committees and to attend to the decision-making within the Group as and when necessary. In this respect, the Board is of the view that it is not necessary to adopt internal guidelines to address the competing time commitments that are faced when Directors serve on multiple boards or to determine the maximum number of listed company board representations which any Director may hold.

Currently, no Alternate Director is appointed on the Board.

In the search and nomination process for new Directors, the NC identifies the key attributes that an incoming Director should have, which is based on a matrix of the attributes of the existing Board and the requirements of the Group. After the Board endorsed the key attributes, the NC taps on the resources of the Directors' personal contacts and recommendations of potential candidates and proceed with the shortlisting process. The NC will consider each candidate based on the key attributes determined after taking into consideration the qualification and experience of such candidate, his/her ability to increase the effectiveness of the Board and to add value to the Group's business in line with its strategic objectives. The NC will recommend the suitable candidate to the Board for approval. If the candidates identified from this process are not suitable, executive recruitment agencies may be appointed to assist in the search process.

Key information regarding the Directors is set out below:

Name of Director	Date of First Appointment	Date of Last Re-election	Present Directorships or Chairmanships in Other Listed Companies and Principal Commitment	Past Directorships or Chairmanships in Other Listed Companies and Principal Commitment over the preceding five (5) years
Mr. Johnny Jan	17 May 2023	30 April 2024	• Winking Art Pte. Ltd. • Winking Art Limited • Winking Entertainment Corporation • Winking Skywalker Entertainment Limited • Shanghai Winking Entertainment Ltd • Shanghai Wishing Entertainment Ltd	• Jiangsu Nuanyi Information Technology Co., Ltd. • Winking 23 Ching Corp • Yahyel Future Entertainment Inc • Winking Entertainment Investment Limited • Nanjing Winking Entertainment Ltd • Winking Entertainment (HK) Limited
Mr. Kao Shu-Kuo	17 May 2023	30 April 2024	• Acer Gadget Inc. • Acer Gaming Inc. • Altos Computing Inc. • DropZone (Hong Kong) Limited • Acer Global Merchandise Philippines Inc.	–
Mr. Chang Yi-Hao	17 May 2023	30 April 2024	• Big Data Co., Ltd. • Treasure Sage Sabah Sdn Bhd • Rainbow Path Global Ltd • Treasure Sage Ltd • Insight Digital World Co., Ltd. • Howard Digital Marketing Co., Ltd.	–
Mr. Yang Wu Te	17 May 2023	30 April 2024	–	–
Mr. Lim Heng Choon	17 May 2023	30 April 2024	• Centific Global Solutions, Inc • edgeTech Venture Ltd • Esports Business Network Sdn Bhd • Global Vision Holdings • Hyperion Connect Ltd • International Liquid Packaging Solutions Pte Ltd • KDH Design Inc • KDH Design Co Ltd • Liho Besuto Sdn Bhd • Awesome Realty Sdn Bhd	• Go Game Malaysia Sdn Bhd • IG-Interactive Pte Ltd • IG-Interactive Sdn Bhd • Ritamix Global Limited Pte Ltd
Mr. Oliver Yen	14 November 2024	–	• Winking Art Pte. Ltd. • On Point Creative Co., Ltd. • Pixelline Art Sdn. Bhd. • Patec Precision Industry Co., Ltd. • Otsuka Information Technology Co., Ltd	• Nanjing Nuanyi Information Technology Co., Ltd. • Playeo Technology (Pingtan) Co., Ltd. • Shanghai Winking Entertainment Limited • Winking Studios Limited
Mr. Daniel Widdicombe	14 November 2024	–	• Devolver Digital Inc.	• Highgate School Ltd • Arnold House School Ltd • AVIC-CCBI Aviation Industry Investment Fund Management GP Ltd

Additional Information on Directors Seeking Re-election

Pursuant to Rule 720(5) of the Catalist Rules, the information as set out in Appendix 7F to the Catalist Rules relating the Directors who are being eligible for re-election at the forthcoming AGM, is set out below:

Name of Director	Mr. Oliver Yen	Mr. Daniel Widdicombe	Mr. Chang Yi-Hao
Date of appointment	14 November 2024	14 November 2024	17 May 2023
Date of last re-appointment	N.A.	N.A.	30 April 2024
Age	57	58	50
Country of principal residence	Republic of China ("**Taiwan**")	United Kingdom	Republic of China ("**Taiwan**")
The Board's comments on the NC's recommendation for re-election	The Board has accepted the NC's recommendation, who has reviewed and considered Mr. Oliver Yen's performance as the Finance Director and Group Chief Financial Officer of the Company.	The Board has accepted the NC's recommendation, who has reviewed and considered Mr. Daniel Widdicombe performance as Independent and Non-executive Director, of the Company.	The Board has accepted the NC's recommendation, who has reviewed and considered Mr. Chang Yi-Hao's performance as an Independent and Non-Executive Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Executive and responsible for all finance related areas of the Group and is in charge of overseeing the Group's treasury function, audit and taxation matters.	Non-Executive	Non-Executive
Job title	Finance Director and Group Chief Financial Officer	Independent and Non-executive Director	Independent and Non-Executive Director, Chairman of the Remuneration Committee, and Member of the Audit, Risk and Disclosure Committee, Nominating Committee and AIM Compliance Committee.
Professional qualifications	Bachelor of Business	MA Honours degree in Mandarin Chinese	Master of Business Administration
Working experience and occupation(s) during the past 10 years	• January 2021 to present – Winking Art Pte. Ltd. – Director • April 2024 to present – On Point Creative Co., Ltd. – Director • May 2024 to present – Pixelline Art Sdn. Bhd. – Director • November 2013 to present – Patec Precision Industry Co., Ltd. – Director • June 2007 to present – Otsuka Information Technology Co., Ltd – Director	• May 2021 to present – Devolver Digital Inc. – Executive Director and Chief Financial Officer • April 2012 to January 2020 – China Construction Bank Ltd – Head of Investment Banking • September 2022 to August 2024 – Highgate School Ltd – Independent Non-Executive Director • June 2014 to July 2022 – Arnold House School Ltd – Independent Non-Executive Director • January 2011 to December 2019 – AVIC-CCBI Aviation Industry Investment Fund Management GP Ltd – Independent Non-Executive Director	• January 2024 to Present – Insight Digital World Co., Ltd. – Executive Chairman and Chief Executive Officer • September 2018 to Present – Howard Digital Marketing Co., Ltd. – Executive Chairman and Chief Executive Officer • August 2012 to March 2017 – Kunlun Tech Co Ltd – President, Kunlun Gaming

Name of Director	Mr. Oliver Yen	Mr. Daniel Widdicombe	Mr. Chang Yi-Hao
	• November 2024 to present – Winking Studios Limited – Finance Director and Group Chief Executive Officer • December 2014 to November 2024 – Winking Studios Limited – Chief Financial Officer • December 2019 to February 2021 – Nanjing Nuanyi Information Technology Co., Ltd. – Director • May 2019 to April 2020 – Playeo Technology (Pingtan) Co., Ltd. – Director • March 2016 to August 2020 – Shanghai Winking Entertainment Limited – Director • July 2018 to September 2021 – Winking Studios Limited – Director		
Shareholding interest in the listed issuer and its subsidiaries	2,722,063 ordinary shares in Winking Studios Limited (direct interest)	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Catalist Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments Including Directorships	Present principal Commitment • Winking Art Pte. Ltd. • On Point Creative Co., Ltd. • Pixelline Art Sdn. Bhd. • Patec Precision Industry Co., Ltd. • Otsuka Information Technology Co., Ltd	Nil	– Big Data Co., Ltd. – Treasure Sage Sabah Sdn Bhd – Rainbow Path Global Ltd – Treasure Sage Ltd – Insight Digital World Co., Ltd. – Howard Digital Marketing Co., Ltd.

Mr. Oliver Yen, Mr. Daniel Widdicombe and Mr. Chang Yi-Hao had responded negative to items (a) to (k) listed in Appendix 7F of the Catalist Rules, as follows:

		Mr. Oliver Yen	Mr. Daniel Widdicombe	Mr Chang Yi-Hao
a.	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
b.	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
c.	Whether there is any unsatisfied judgment against him?	No	No	No
d.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
e.	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
f.	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No

		Mr. Oliver Yen	Mr. Daniel Widdicombe	Mr Chang Yi-Hao
g.	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
h.	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
i.	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
j.	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:	No	No	No
	1) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
	2) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
	3) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
	4) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No	No	No
	in connection with any matter occurring or arising during that period when he was so concerned with the entity of business trust?			
k.	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

Board Performance

Principle 5: ***The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.***

The performance evaluation was conducted for the Board as a whole, each of the Board Committees (namely the ARDC, ACC, NC and RC) and individual Directors in FY2024 for assessing the contribution by the Chairman and each of the Board Committees members to the effectiveness of the Board. This evaluation exercise reviews the effectiveness of the Board as a whole and of its Board Committees and provides an opportunity to obtain constructive feedback from each Director and Board Committee member on whether procedures and processes had allowed him to discharge his duties effectively. They were also encouraged to propose changes which may be made to enhance the effectiveness of the Board and Board Committees.

The performance evaluation for FY2024 was conducted by having all Directors complete a questionnaire, which included questions on the Board and Board Committees' composition and effectiveness as well as process and contribution, timeliness of Board information and accountability. The Company Secretary collated and submitted the questionnaire results to the NC Chairman. The NC discussed the results of the performance evaluation and tabled the appropriate improvements to be taken up with the Chairman of the Board and of each Board Committees. No external facilitator had been engaged by the Board for this purpose in FY2024. The assessment criteria for FY2024 was considered adequate for the aforementioned measures. The NC is of the view that the performance of the Board as a whole, the Board Committees and individual Directors were satisfactory and had met the respective performance objectives as set out for FY2024. The NC has reviewed from time-to-time commitments and efforts contributed by each of the Directors to the affairs of the Company through their participation and contributions at the Board and Board Committee meetings.

The assessment criteria for each Board Committee focuses on the nature of the respective roles and responsibilities of the ARDC, ACC, NC and RC.

The annual assessment of individual Directors considers, among others, each Director's attendance as well as generation of constructive debate/participation for meetings of the Board and Board Committees, contribution, initiative, responsiveness of Director, and the Company's business, and the Directors' self-assessment. Selected performance criteria will not change from year to year unless they are deemed necessary and the Board is able to justify the changes.

For avoidance of doubt, each member of the NC will abstain from voting on any resolution in respect of the assessment of his performance or renomination as Director.

The Board has not engaged any external consultant to conduct an assessment of the performance of the Board, each Board Committees and each individual Directors. Where relevant and when the need arises, the NC will consider such an engagement at the Company's expense.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: ***The Board has be a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and Key Management Personnel. No director is involved in deciding his or her own remuneration.***

The RC comprises the following three (3) Directors, all of whom including the Chairman of the RC, are Independent and Non-Executive Directors:

Mr. Chang Yi-Hao (Chairman)

Mr. Lim Heng Choon (Member)

Mr. Yang Wu Te (Member)

The RC is governed by the RC's Terms of Reference which describes the duties and powers of the RC.

The main objective of the RC is to establish a formal and transparent procedure for developing policies on director and executive remuneration and attract, motivate and retain a pool of talented directors and executives through attractive and competitive remuneration packages.

The RC is guided by its terms of reference, including but not limited to the key responsibilities as follows:

1) reviewing and recommending to the Board, in consultation with the Chairman of the Board, for endorsement, a comprehensive remuneration policy framework and guidelines for remuneration of the Directors and other persons having authority and responsibility for planning, directing and controlling the activities of the Company ("**Key Management Personnel**");

2) reviewing and recommending to the Board, for endorsement, the specific remuneration packages for each of the Directors and Key Management Personnel;

3) considering all aspects of remuneration (including but not limited to directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits-in-kind and termination payments), including termination terms, to ensure they are fair and reasonable;

4) ensuring that the level and structure of remuneration of the Board and Key Management Personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives;

5) ensuring that a significant and appropriate proportion of the Executive Directors' and Key Management Personnel's remuneration is structured so as to link rewards to corporate and individual performance, and that performance related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company;

6) ensuring that the remuneration of the Non-Executive Directors is appropriate to their level of contribution, taking into account factors such as effort, time spent and responsibilities;

7) reviewing the remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation and the statements in the annual report with a view to achieving clear disclosure of the same;

8) reviewing and approving the design of all share option plans, employee share option schemes and/or other equity based plans and benefits-in-kind;

9) in the case of service contracts and employment contracts, reviewing the Company's obligations arising in the event of termination of the Executive Directors' or Key Management Personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with a view to being fair and avoiding the reward of poor performance;

10) approving performance targets for assessing the performance of each of the Key Management Personnel and recommend such targets as well as employee specific remuneration packages for each of such Key Management Personnel, for endorsement by the Board; and

11) conducting an annual review of and approving the remuneration of employees of the Group who are relatives of any of the Directors, Chief Executive Officer or Substantial Shareholders (including bonuses, increments and/or promotions) and to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities.

The RC also periodically considers and reviews remuneration packages in order to maintain their attractiveness, to retain and motivate the Directors to provide good stewardship of the Company and Key Management Personnel to successfully manage the Company, and to align the level and structure of remuneration with the long-term interests and risk policies of the Company.

If a member of the RC has an interest in a matter being reviewed or considered by the RC, the respective directors will abstain from voting on the matter and will not be involved in the discussion in deciding their own remuneration.

The RC has full authority to engage any external independent professional advice on matters relating to remuneration as and when the need arise. The expense of such service shall be borne by the Company. No external remuneration consultant was engaged in FY2024.

Level and Mix of Remuneration

Principle 7: ***The level and structure of remuneration of the Board and Key Management Personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.***

The RC noted that there should be appropriate and meaningful measures for the purpose of assessing the performance of Executive Directors and Executive Officers. In setting remuneration packages for Executive Directors and Executive Officers, the performance related elements of remuneration form a portion of the total remuneration package to link rewards to corporate and individual performance. This is to align the Executive Directors' interests with those of shareholders of the Company and to promote the long-term success of the Group and the Company. The RC will also take into consideration the risk policies of the Company, as well as the pay and employment conditions within the industry and in comparable companies.

The Independent and Non-Executive Directors are paid Directors' fees taking into account factors including but not limited to contribution, effort and time spent, and the responsibilities of the Independent and Non-Executive Directors. Independent and Non-Executive Directors are not over-compensated to the extent that their independence may be compromised. The Directors' fees payable to the Independent and Non-Executive Directors of the Company each year are subject to the approval of the Company's shareholders at the AGM.

The Executive Directors currently includes Mr. Johnny Jan, the Executive Director and Chief Executive Officer (Founder), who is paid in accordance with his Service Agreement with the Company.

The service agreement with Mr. Johnny Jan ("**Service Agreement**") took effect from 20 November 2023, being the listing date and shall continue for a period of three (3) years ("**Initial Term**") and shall thereafter continue from year to year (unless otherwise terminated by either party giving not less than six (6) months' prior written notice to the other). The Service Agreement are subject to review by the RC as and when required. The RC may recommend the Company to consider the use of contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Director and Executive Officers in exceptional circumstances of misstatement of financial results or misconduct resulting in financial loss to the Company.

The RC also terminates the Service Agreement of the Executive Director, if, he is amongst others, disqualified to act as Executive Director under any applicable laws or regulations, guilty of dishonesty, gross misconduct or willful neglect of duty, commits any continued material breach of the terms of his Service Agreement, guilty of conduct likely to bring himself or any member of the Group into disrepute, becomes bankrupt or is convicted of any criminal offence. The RC may additionally terminate the Service Agreement if the Executive Director fail to perform his obligations under the Service Agreement.

The Service Agreement also provide that the Executive Director shall not without the prior written consent of the Company during the continuance of his employment be engaged or interested either directly or indirectly in any capacity in any trade, business, occupation or activities which may hinder or otherwise interfere with the performance of his duties or which may conflict with the interests and business of the Group.

In addition, the Company has also entered into employment agreement with each of Finance Director and Group Chief Financial Officer, Mr. Oliver Yen and General Manager of Art Outsourcing Segment, Ms. Tina Li. Each of Mr. Johnny Jan, Mr. Oliver Yen, and Ms. Tina Li is entitled to a basic monthly salary and an annual fixed bonus ("**Fixed Bonus**") as well as an annual incentive bonus ("**Incentive Bonus**") of a sum calculated based on the consolidated profits after tax ("**PAT**") of the Group based on the audited financial statements for the relevant financial year, before deducting such Incentive Bonus and after deducting PAT attributable to non-controlling interests and excluding extraordinary items which are not in the ordinary course of business, if any, provided always that if their employment is for less than a full financial year of the Group, the Fixed Bonus and Incentive Bonus for that financial year shall be apportioned in respect of the actual number of days of employment on the basis of a 365-day financial year.

Disclosure of Remuneration

Principle 8: ***The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.***

The details of the remuneration of each Directors, and the CEO of the Company for FY2024, are disclosed below.

Board	Remuneration Bands	Base Salary (USD'000)	Bonuses & performance-related incentives (USD'000)	Stock options/ share-based payments (USD'000)	Pension contributions (USD'000)	Directors' Fee (USD'000)	Total (USD'000)
Mr. Johnny Jan	D	219.3	360.3	329.4	–	–	909.00
Mr. Kao Shu-Kuo	–	–	–	–	–	–	–
Mr. Oliver Yen	B	95.4	35.2	61.7	3.3	–	195.6
Mr. Chang Yi-Hao	A	–	–	–	–	27.0	27.0
Mr. Lim Heng Choon	A	–	–	–	–	27.0	27.0
Mr. Yang Wu Te	A	–	–	–	–	27.0	27.0
Mr. Daniel Widdicombe	A	–	–	–	–	8.3	8.3

The Group has only one (1) Executive Officer who is not Director or the CEO during FY2024. The details of the remuneration of Executive Officer of the Group (who are not Director or the CEO) for FY2024 are as follows:

Key Management	Remuneration Bands	Base Salary (USD)	Bonuses & performance-related incentives (USD)	Stock options/ share-based payments (USD)	Pension contributions (USD)	Directors' Fee (USD)	Total (USD)
Ms.Tina Li	B	214.4	74.8	101.4	–	–	390.6

Remuneration bands:
"A" refers to remuneration of up to S$250,000 per annum.
"B" refers to remuneration from S$250,001 to S$500,000 per annum.
"C" refers to remuneration from S$500,001 to S$750,000 per annum.
"D" refers to remuneration from S$750,001 to S$1,000,000 per annum.

None of the Directors and the top one (1) Executive Officer (who is not Director or CEO) had received any termination, retirement and post-employment benefits for FY2024. There is no employee who is an immediate family member of a Director, CEO or substantial shareholder whose remuneration exceeds S$100,000 for FY2024. The RC has reviewed and approved the remuneration packages of the Executive Directors and Executive Officer, having regard to their contributions as well as the financial performance and commercial needs of the Group and has ensured that the Executive Directors and Executive Officer are adequate but not excessively remunerated. The RC will consider and deliberate on the performance conditions to which the Executive Directors' and Executive Officer's entitlement to short term and long-term incentive schemes are subject and make the necessary disclosures, if any.

During 2024, the Company paid basic salaries and allowances to Executive Directors and Executive Officer.

The Company has adopted an employee performance share plan known as the Winking Studios Performance Share Plan. The objectives of the Winking Studios Performance Share Plan are as follows:

(a) to retain key employees and executive directors of our Group whose contributions are essential to the long-term growth and profitability of our Group;

(b) to instill loyalty to, and a stronger identification by the Participants with the long-term goals of, our Company;

(c) to attract potential employees with relevant skills to contribute to our Group and to create value for our Shareholders; and

(d) to align the interests of the Participants with the interests of our Shareholders. The Winking Studios Performance Share Plan complies with the relevant rules as set out in Chapter 8 of the Catalist Rules.

    (a) Mr. Chang Yi-Hao is the chairman of the RC committee, responsible for administering The Winking Studios Performance Share Plan.

(b) The table below presents the restricted employee shares ("Awards") granted under the Winking Studios Performance Share Plan as of 31 December 2024.

Name of participant	Awards granted during financial year under review (including terms)	Aggregate Awards granted since commencement of scheme to end of financial year under review	Aggregate Awards exercised since commencement of scheme to end of financial year under review	Aggregate Awards outstanding as at end of financial year under review
Johnny Jan	12,580,000	12,580,000	–	12,580,000
Oliver Yen	2,240,000	2,240,000	–	2,240,000

(c) No Awards under the Winking Studios Performance Share Plan were granted at a discount during the financial year.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: ***The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.***

The Board regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as determine the Company's levels of risk tolerance and risk policies as well as overseeing the Management in the design, implementation and monitoring of the risk management and internal control systems to control, manage and mitigate these risks. The Management reviews the risk management and internal control systems and highlights all significant matters to the ARDC and Board from time to time.

The Board acknowledges that it is responsible to ensure that the Company maintains an adequate system of risk management and internal controls to safeguard the assets of the Group. In addition, it is essential to maintain adequate accounting records, develop and maintain an effective control environment within the Group. The Board recognises that all internal control systems contain inherent limitations and no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Nevertheless, the Board strives to identify key risk areas in every aspect of the Group and improve internal controls to mitigate such risks in order to achieve the overall business objective of the Group and enhance long term shareholders' value. The Board, with the concurrence of the ARDC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology risks) and risk management systems are adequate and effective for FY2024.

Winking had established the internal audit function before listing on the SGX-ST. The Group conducts and reviews the adequacy and effectiveness of the Group's internal controls on a regular basis in light of the size and complexity of the Group's operations. The Group regularly or irregularly reports to the audit committee and the board of directors.

The Company engaged Baker Tilly Consultancy (Singapore) Pte. Ltd. as internal auditor to conduct and review the adequacy and effectiveness of the Group's internal controls on a regular basis in light of the size and complexity of the Group's operations.

The ARDC, with the participation of the Board, has reviewed the adequacy and effectiveness of the Group's internal controls that address financial, operational, compliance and information technology risks and risk management systems for the type and volume of business that the Group currently operates.

The Board would ensure that there is an on-going process for identifying, evaluating and managing significant risks covering financial aspects, compliance risks and other operational areas of the Group.

For FY2024, the Board has received assurances from the CEO and the Group CFO that (a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and (b) the Group's risk management and internal control systems are adequate and sufficiently effective.

The ARDC have reviewed the report issued by the internal auditor and their recommendations, the various management controls put in place, the Board, with concurrence from the ARDC, are satisfied with the Group's internal controls and are of the opinion that the internal controls maintained by the Group in addressing critical and significant risks relating to financial, operational, compliance and information technology risks and risk management systems are adequate and effective as at 31 December 2024 for the type and volume of business that the Group currently operates. The Board will continue to enhance and improve the existing internal controls framework to identify and mitigate these risks. The ARDC will also commission an annual internal audit to satisfy itself that the Group's internal controls are robust and effective to address any significant internal control weaknesses that may arise.

The Board recognises that the risk management and internal control systems established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives.

The Board and the ARDC of the Company held the view that the review of the Group's risk management and internal controls systems could be subsumed under ARDC.

Audit, Risk and Disclosure Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The ARDC comprises the following four (4) Directors, all of whom are Non-Executive and Independent Directors:

Mr. Lim Heng Choon (Chairman)

Mr. Chang Yi-Hao (Member)

Mr. Yang Wu Te (Member)

Mr. Daniel Widdicombe (Member)

None of the ARDC members is a former partner or director of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

The Board ensures that the members of the ARDC are appropriately qualified to discharge their responsibilities. The Chairman of the ARDC, Mr. Lim Heng Choon and members of the ARDC, Mr. Chang Yi-Hao, Mr. Yang Wu Te and Mr Daniel Widdicombe possess the requisite industrial, accounting and financial management expertise and experience.

The ARDC is governed by the ARDC's Terms of Reference which describes the duties and powers of the ARDC.

The main objective of the ARDC shall be to assist the Board in discharging its statutory and other responsibilities relating to (i) the quality of the audit of the Company's internal audit function and of its external auditors; (ii) the integrity of the financial information presented by management to shareholders, regulators and the general public; and (iii) the adequacy of the Company's financial, compliance, administrative and operating controls, as well as internal accounting controls.

The ARDC carries out its duties in accordance with the written terms of reference of the ARDC, which includes but not limited to the key responsibilities as follows:

1) assisting the Board in discharging its statutory responsibilities on financing and accounting matters;

2) reviewing the assurance from the CEO and CFO on the financial records and financial statements of the Group;

3) reviewing significant financial reporting issues and judgements so as to ensure the integrity of the financial statements, which includes reviewing and discussing with the external auditors any issues and concerns arising from the audits, any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on the Group's financial performance or financial position and the Management's response to such issues;

4) reviewing any formal announcements relating to the financial performance and ensuring that the outcome of the review the Group's key financial risk areas are disclosed in the annual reports, and if the findings are material, to be announced via SGXNet and RNS in accordance with Catalist Rules and AIM Rules;

5) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and its cost effectiveness, and the independence and objectivity of the external auditors;

6) reviewing the external auditors' audit plan and audit report, and the external auditors' evaluation of the system of internal financial controls, as well as reviewing the Company's implementation of any recommendations to address any control weaknesses highlighted by the external auditors;

7) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting, responsible for oversight and monitoring of whistleblowing, or other matters to be safely raised, independently investigated and appropriately followed up on, ensuring the Company publicly discloses and clearly communicates to the employees the existence of a whistle-blowing policy and procedures for raising such concerns and in particular;

8) reviewing the key financial risk areas, the risk management structure and any oversight of the risk management process and activities to mitigate and manage risk at acceptable levels determined by the Board;

9) reviewing at least annually the adequacy and effectiveness of the risk management and internal controls systems, including financial, operational, compliance and information technology controls, and, where necessary and appropriate, provide a statement on the Board's comment on the adequacy and effectiveness of the Company's internal controls;

10) reviewing any interested person transactions and monitoring the procedures established to regulate interested person transactions, including ensuring compliance with the Company's internal control system and the relevant provisions of the Catalist Rules, as well as all conflicts of interests to ensure that proper measures to mitigate such conflicts of interests have been put in place;

11) reviewing transactions undertaken by the Group which fall within the scope of Chapter 10 of the Catalist Rules and Rules 12 or 13 of the Aim Rules;

12) to be the primary reporting line of the internal audit function and ensuring that the internal audit function has direct and unrestricted access to the Chairman of the Board and the ARDC;

13) ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company;

14) reviewing the scope and results of the internal audit procedures, and at least annually, the adequacy, effectiveness, independence, scope and results of the internal audit function;

15) ensuring the internal audit function is independent, effective and adequately resourced, is staffed with persons with the relevant qualifications and experience, and deciding on the appointment, termination and remuneration of the head of the internal audit function;

16) meeting with the external auditors and internal auditors, in each case without the presence of the Management, at least annually;

17) reviewing the assistance, coordination and co-operation given to the Group's Management to the internal and external auditors;

18) reviewing the nature, extent and costs of non-audit services performed by the external auditors, to ensure their independence and objectivity;

19) appraising and reporting to the Board on the audits undertaken by the external auditors and internal auditors, and the adequacy of disclosure of information;

20) where necessary, commissioning an independent audit on internal controls and risk management systems for the assurance of the ARDC, or where it is not satisfied with the systems of internal controls and risk management;

21) making recommendations to the Board on: (i) the proposals to shareholders on the appointment, re-appointment and removal of the external auditors; and (ii) the remuneration and terms of engagement of the external auditors;

22) undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters arising and requiring the attention of the ARDC;

23) monitoring the measures undertaken by the Group to mitigate and to the extent possible remediate non-compliance by the Group, including non-compliances in respect of land use issues, and having oversight of and reviewing such measures to monitor and to the extent possible prevent further recurrence of non-compliances;

24) reviewing changes in accounting policies and practices, major risk areas and significant adjustments arising from audits, compliance statutory and regulatory requirements including the accounting standards, the Catalist Rules and AIM Rules, and concerns and issues arising from audits including any matters which the external auditors may wish to discuss in the absence of the Management;

25) reviewing and approving all hedging policies implemented by the Group (if any) and conducting periodic review of foreign exchange transactions and hedging policies and procedures;

26) reviewing and establishing procedures for receipt, retention and treatment of complaints received by the Group, including among others, criminal offences involving the Group or the employees, and/or questionable accounting, auditing, business, safety or other matters that impact negatively on the Group, and ensuring that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and

27) undertaking generally such other functions and duties as may be required by law or the Catalist Rules and AIM Rules, and amendments made thereto from time to time.

The ARDC met with the internal auditors and external auditors without the presence of Management in respect of FY2024 audit to review matters that might be raised privately and also review the independence of the external auditor, annually. The ARDC has also reviewed the assistance given by the Management to the external and internal auditors. The Board, with the concurrence of the ARDC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology risks) and risk management systems were adequate and effective for FY2024.

Apart from the duties listed above, the ARDC will ensure that arrangements are in place for employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The ARDC will commission and review the findings of internal investigations into such matters or matters where there is any suspected fraud or irregularity, or failure of internal controls, or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results and financial position. The ARDC will also ensure that the appropriate follow-up actions are taken. In the event that a member of the ARDC is interested in any matter being considered by the ARDC, he will abstain from reviewing and deliberating on that particular transaction or voting on that particular resolution.

The ARDC has full access to and cooperation of the Management and external auditors, and full discretion to invite any Director or Executive Officers to attend the meetings and has been given reasonable resources to enable it to discharge its functions properly.

The Company has paid or is payable on the following aggregate amount of fees to PricewaterhouseCoopers LLP and its network firm, collectively the external auditors, for services rendered in for the financial year ended 31 December 2024:

Services	Amount (SGD$)
Audit service	321,072
Non-audit services	672,440
Total	993,512

The ARDC had reviewed all audit and non-audit fees (if any) paid to PricewaterhouseCoopers LLP, the scope of services, the qualification, the independence and the objectivity of the external auditors. PricewaterhouseCoopers LLP has confirmed that they are public accounting firm registered with the Accounting and Corporate Regulatory Authority and provided a confirmation on their independence to the ARDC.

The ARDC is satisfied with Pricewaterhouse Coopers LLP's confirmation of independence and is of the view that PricewaterhouseCoopers LLP is able to meet the audit requirements and statutory obligation of the Company.

The Company has complied with Rules 712 and 716 of the Catalist Rules in relation to the appointment of its external auditors.

ARDC had met with the external auditors without the presence of Management to review the adequacy of the audit arrangements, with emphasis on the scope and quality of the audit and the independence and objectivity of the auditors.

The Group's has outsourced its internal audit function in FY2024 to Baker Tilly Consultancy (Singapore) Pte. Ltd. (the "**Internal Auditor**"), an independent internal audit service provider who reports directly to the ARDC on audit matters. The ARDC reviews and approves the annual internal audit plans and resources to ensure that the Internal Auditor has adequate resources to perform its function. Internal audit reports are also given to the external auditors to ensure efficient use of resources and to avoid duplication of efforts. The Internal Auditor has unfettered access to all the Group's documents, records, properties and personnel, including access to ARDC, and has appropriate standing within the Company, to effectively discharge its responsibilities.

The ARDC is satisfied that the internal audit function is independent, effective, adequately qualified (given, inter alia, its adherence to standards set by internationally recognised professional bodies) and adequately resourced.

Pursuant to Rule 711B(3) of the Catalist Rules, the Company's sustainability reporting process has been subjected to internal review.

The Group has in place a Whistle-Blowing Policy to enable persons employed by the Group to report any suspicion or possible improprieties in matters of financial reporting, non-compliance with regulations, policies and fraud, etc, to the members of ARDC in writing for resolution, without any prejudicial implications for these employees. The ARDC will, depending on the nature of the concern, initiate inquiries to determine whether an investigation is appropriate and the form that it should take.

The Whistle-Blowing Policy also serves to ensure that any issues or complaints raised will be dealt with swiftly and effectively. The ARDC has been vested with the power and authority to receive, investigate and enforce appropriate action whenever any such non-compliance matter is brought to the ARDC's attention. The Group has designated an independent function to investigate whistle-blowing reports made in good faith and ensures that the identity of the whistle-blower is kept confidential and the Company is committed to ensure protection of the whistle-blower against detrimental or unfair treatment.

In FY2024, there were no reports received through the whistle-blowing mechanism.

The ARDC has reviewed all Interested Person Transactions during FY2024 and is of the opinion that Chapter 9 of the Catalist Rules has been complied with.

To keep abreast of the changes in accounting standards and issues which have a direct impact on financial statements, advice is sought from the external auditors when they attend the ARDC meetings half-yearly, where applicable.

AIM Compliance Committee ("ACC")

The ACC comprises the following three (3) Directors, all of whom are Non-Executive and Independent Directors:

Mr. Daniel Widdicombe (Chairman)

Mr. Lim Heng Choon (Member)

Mr. Chang Yi-Hao (Member)

The general purpose of the ACC is to monitor and report on compliance with the AIM Rules from time to time.The ACC carries out its duties with the written terms of reference of the ACC, which includes but not limited to the key responsibilities as follows:

1) ensure that the Company has in place at all times sufficient procedures, resources and controls to enable its compliance with AIM Rules;

2) ensure that the executive directors are communicating as necessary with the Company's nominated adviser (the "**Nomad**") regarding ongoing compliance with the AIM Rules and in relation to proposed or potential transactions;

3) ensure that advice from the Nomad is appropriately recorded and taken into account;

4) ensure that all announcements made have been verified by the Company and approved by the Nomad whose name must be on all regulatory material announcements made via a regulatory news service;

5) monitor press coverage to ensure that executive directors are not including price sensitive information in any press briefings, social media posts or media interviews;

6) question the executive directors to ascertain the reasons for any unusual movement in the Company's share price;

7) ensure that the Nomad is supplied with information on the Company's financial condition on a regular and timely basis and any other developments in the Company from time to time;

8) assess (with the assistance of the Nomad and the Company's other advisers) whether the executive directors are aware of their AIM responsibilities from time to time and, where any deficiencies are noted, arranging for the Nomad to brief the director(s) concerned (provided that this will not imply that the members of the ACC have professional expertise in the interpretation and application of the AIM Rules);

9) circulate to the other members of the Board details of any rule changes which are notified to the Chair of the ACC (the "**Chair**") by the Nomad and provided the Nomad notifies any such changes to the Chair it will be his responsibility to circulate these changes to the rest of the Board;

10) meet with the executive directors at least every six months to discuss and confirm that the AIM Rules have been complied with in the period. Keep the minutes of these meetings and send a copy to the Nomad;

11) in the event that the meeting with executive directors has identified any actual or possible non-compliance issues, these should be discussed immediately with the Nomad to determine the course of action to be taken;

12) be responsible for the Company's response to any investigation launched by AIM into the Company's affairs;

13) approving a statement in the Company's interim statement and annual accounts, confirming the Company's compliance with the AIM Rules;

14) ensuring that the Company has a director that is available at any time to be contacted by the Nomad to deal with any reasonable request pursuant to the AIM Rules; and

15) ensuring that the Company has sufficient procedures in place to approve any share dealing by the directors/employees of the Company and to ensure all share dealings are disclosed without delay in accordance with Rules 17 and 21 of the AIM Rules.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: ***The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.***

Engagement with Shareholders

Principle 12: ***The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.***

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Shareholders

Principle 13: ***The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.***

In line with the continuous disclosure obligations of the Company pursuant to the Catalist Rules and AIM Rules, the Company is committed to engage in regular and effective communication with its shareholders and ensures that all shareholders should be equally informed of all major developments of the Group which would likely materially affect the price or value of the Company's shares to facilitate the shareholders to exercise their ownership rights.

The Company does not practise selective disclosure as all material and price-sensitive information is released through SGXNet and Regulatory News Service ("RNS").

The Group believes that a high standard of transparent corporate disclosure is crucial to raising the level of corporate governance. The information is disseminated to shareholders of the Company on a timely basis through:

- announcements and/or press release released through SGXNet and RNS;
- annual reports and circulars prepared and issued to all shareholders of the Company; and
- the official corporate website of the Company (www.winkingworks.com).

To keep shareholders and stakeholders of the Company updated on the latest announcements, press releases and stock details of the Company, the shareholders and potential investors or stakeholders have 24-hour access to the Company's website. In addition, the Company currently does not have an investor relations policy. The shareholders and potential investors or stakeholders may subscribe for automated email alerts services from the Company's website to receive email alerts on the latest announcements and press releases disclosed via SGXNet and RNS. Enquiries may also be posed to the Company's investor relations by email.

When the opportunities arise, the Company will consider holding analyst briefings or investor roadshows to meet institutional and retail investors as well as to solicit and understand the view of shareholders and stakeholders.

All shareholders of the Company are given the opportunity to participate, voice their views or opinions and ask Directors or the Management questions regarding the Company and the Group in general meeting of the Company. The Board of the Company, including the Chairpersons of ARDC, ACC, RC and NC will be present at general meetings to address any questions or concerns of shareholders at general meetings. The external auditors will also be invited to attend the AGM to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report.

The Company prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and Management. The Company will publish the minutes of the forthcoming AGM via SGXNet and RNS within one (1) month from the AGM in accordance with Catalist Rules and AIM Rules. Such minutes are also available to shareholders on its corporate website as soon as practicable.

There are separate resolutions at the general meetings to address each distinct issue. Each item of special business included in the notice of the general meetings will be accompanied by full explanation of the effects of a proposed resolution. The Company's Amended and Restated Memorandum and Articles of Association allow a shareholder or a depositor to appoint not more than two (2) proxies to attend and vote in absentia at general meetings through proxy forms deposited at least 72 hours before the general meeting. However, as the authentication of shareholder identity information and other related security issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail, email or fax. Where the member is the Central Depository (Pte) Limited (or its nominee as notified in writing to the Company), it can appoint more than 2 proxies. Proxies need not be a shareholder of the Company.

The Board will put all resolutions to vote by poll and make an announcement of the detailed results showing the numbers of votes cast for and against each resolution and the respective percentages. Shareholders will be briefed on the rules, including poll voting procedures that govern general meetings of shareholders.

In establishing the Group's dividend policy, the Board aims to maximise total shareholder return, which it considers achievable in the short to medium term through primarily focusing on business growth. The Board therefore expects that the majority of the Group's earnings will be applied towards the further growth of the business both organically and through acquisitions. However, it intends to implement a conservative annual dividend policy with approximately 5-15 per cent. of its annual distributable profits expected to be distributed by way of an annual dividend. The quantum and payment of future dividends will remain at the Board's discretion and subject to applicable laws, rules and regulations, including inter alia, the Cayman Islands Companies Act and the Company's Memorandum and Articles. In particular, no inference should or can be made from any of the foregoing statements as to the actual future profitability of the Company or the ability of the Company to pay dividends, and the dividend policy shall in no way constitute a legally binding commitment by the Company in respect of its future dividends. The Board has recommended a dividend of SGD0.00024 per ordinary share to be paid in cash for FY2024.

The Company's strategy and key areas of focus in relation to the management of stakeholder relationships during the year are set out in the Company's Sustainability Report.

The Company will update the shareholders on its corporate development through SGXNet and RNS announcements and its annual report. All materials presented in general meetings will be uploaded on SGXNet and RNS.

For enquiries, Shareholders and all other parties can contact the Company at ir@winkingworks.com.

MATERIAL CONTRACTS

Save for the Service Agreement entered into with Mr. Johnny Jan, there were no material contracts entered into by the Group involving the interests of any Director or controlling shareholder, which are either still subsisting at the end of the financial year or if not subsisting, entered into since the end of the previous financial year.

INTERESTED PERSON TRANSACTIONS

There were no interested person transactions equal to or exceeding S$100,000 in aggregate between the Company or its subsidiaries with any of its interested persons (as defined in Chapter 9 of the Catalist Rules) other than the following interested person transaction entered into during FY2024:

Name of interested party	Details of Transactions	Aggregate value of all interested person transaction during the financial period under review (excluding transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules) (USD'000)	Aggregate value of all interested person transaction conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules (USD'000)
Acer America Corporation	Distribution and marketing fees	Not applicable	181
Acer Incorporated	Reimbursement of research and development costs	Not applicable	755
Acer Incorporated	Other income	Not applicable	242
Acer Incorporated	Providing Services	Not applicable	99
Total			1,277

DEALING IN SECURITIES

The Company has complied with Rule 1204(19) of the Catalist Rules in relation to the best practices on dealings in the securities:

(a) The Company has devised and adopted its own internal compliance code to provide guidance to its officers with regards to dealings by the Company and its officers in its securities;

(b) Officers of the Company do not deal in the Company's securities on short-term considerations; and

(c) The Company and its officers do not deal in the Company's shares (i) during the periods commencing one (1) month before the announcement of the Company's financial results for its half yearly and full year financial statements, ending on the date of the announcement of the relevant results, and (ii) if they are in possession of unpublished price-sensitive information of the Group.

In addition, the Directors and Management are expected to observe the insider trading laws at all times even when dealing in securities within permitted trading period.

USE OF PROCEEDS

(a) Use of Initial Public Offering ("**IPO**") proceeds as at date of this report

The Company raised total net proceeds from the initial public offering of S$8,000,000 (approximately net proceeds of SGD5,076,000) ("**Net IPO Proceeds**") from the placement of new shares pursuant to the IPO on 20 November 2023. As at the date of this report, the status on the use of the Net IPO Proceeds is as follows:

	Allocation of IPO Proceeds (as disclosed in the Offer Document) S$'000	Amount utilized as at the date of this annual report S$'000	Balance as at the date of this annual report S$'000
Expansion of our operations globally, including establishing subsidiaries and offices and enhancing existing office and supporting infrastructure	1,000	1,000	–
Acquisitions, joint ventures and/or strategic alliances	2,240	2,240	–
Exploration of the use of AI capabilities in our art outsourcing segment	1,200	1,165	35
General working capital purposes (a)	636	636	–
Total	**5,076**	**5,041**	**35**

Note:

(a) Payment of ongoing SGX listing expenses.

(b) Use of Placement (as defined in the Placement Circular) dated 15 April 2024 proceeds as at date of this report

Pursuant to Rule 704(30) of the SGX-ST Listing Manual Section B: Rules of Catalist, the Board wishes to announce the Company received gross proceeds of SGD27,000,000 (approximately net proceeds of SGD 26,500,000) ("**Net July Placement Proceeds**") from the placement of new shares pursuant to the Placement Circular on 8 July 2024.

	Allocation of Placement Circular Proceeds (as disclosed in the Offer Document) S$'000	Amount utilized as at the date of this annual report S$'000	Balance as at the date of this annual report S$'000
Corporate actions such as secondary or dual listings of the Company, potential fundraising exercises, pursuing strategic acquisitions, alliances and joint ventures to grow the Group's market share and broaden the Group's customer base	17,200	17,200	–
Enhancement of the Group's current operational capabilities, which include continuous exploration of the use of AI capabilities	4,000	–	4,000
Expansion and improvements to the Group's regional offices and supporting infrastructure as the Group continues to increase its market presence globally	2,700	214	2,486
Professional and other related fees to be incurred in relation to potential corporate exercises such as fundraising exercises, listings, strategic acquisitions, alliances and joint ventures	1,300	1,300	–
General working capital requirements of the Group (b)	1,300	332	968
Total	**26,500**	**19,046**	**7,454**

Note:

(b) Payment of ongoing SGX listing expenses.

(c) Use of Placing (as defined in the AIM Admission Document) proceeds as at date of this announcement. Pursuant to Rule 704(30) of the SGX-ST Listing Manual Section B: Rules of Catalist, the Board wishes to announce the Company received gross proceeds of SGD13,500,000 (approximately £7.9 million) (approximately net proceeds of SGD10,149,000) ("**Net AIM Listing Proceeds**") from the placement of new shares pursuant to the placing on 14 November 2024.

	Allocation of Placement Circular Proceeds (as disclosed in the Offer Document) S$'000	Amount utilized as at the date of this annual report S$'000	Balance as at the date of this annual report S$'000
To continue actively pursuing strategic acquisitions, alliances and joint ventures in Asia and Europe to grow the Group's market share and increase operational capacity	9,537	–	9,537
To establish a stronger presence and broaden the Group's customer base in the North American and European markets, including (i) increasing the Group's marketing and business development efforts; (ii) establishing a UK-based regional hub; and (iii) pursuing acquisitions of smaller studios in this region	306	–	306
Enhancement of the Group's current operational capabilities, which include continuous development and improvement of the Group's AI capabilities	306	–	306
Total	**10,149**	**–**	**10,149**

NON-SPONSOR FEES

PrimePartners Corporate Finance Pte. Ltd. ("**PPCF**") is the Company's continuing sponsor since listed on the Catalist Board of the SGX-ST on 20 November 2023. Non-sponsor fee paid to the Company's Sponsor, PPCF was S$290,748 for FY2024.

FINANCIAL CONTENTS

DIRECTORS' STATEMENT

for the financial year ended 31 December 2024

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2024 and the balance sheet of the Company as at 31 December 2024.

In the opinion of the directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 119 to 174 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Group and the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Johnny Jan	
Kao Shu-Kuo	
Lim Heng Choon	
Chang Yi-Hao	
Yang Wu Te	
Oliver Yen	(Appointed on 14 November 2024)
Daniel Widdicombe	(Appointed on 14 November 2024)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share options" in this statement.

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director	
	At 31.12.2024	At 01.01.2024 or date of appointment, if later
Winking Studios Limited		
(No. of ordinary shares)		
Johnny Jan	21,935,596	21,268,929
Kao Shu-Kuo	300,000	300,000
Oliver Yen	2,722,063	2,722,063

(b) According to the register of directors' shareholdings, the directors holding office at the end of the financial year had no interests in the options to subscribe for ordinary shares of the Company or its related corporations, other than as disclosed under "Share Options" in this statement.

(c) Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

(d) There was no change in any of the above-mentioned interests in the Company between the end of the financial year and on 21 January 2025.

Share options

(a) Restricted Employee Shares ("RSU")

On 8 April 2024, Winking Studios Limited (the "Company", together with its subsidiaries the "Group") announces the grant of share awards ("Awards") pursuant to the Winking Studios Performance Share Plan ("Winking PSP") to employees of the Group.

The shares will be vested in five different tranches, subject to performance target and tenure of service, with vesting period ranging from 2026 to 2030, as set out below:

Tranche	Up to % of Awards	Vesting date/End of Performance Period
Tranche 1	25.60	2026
Tranche 2	18.60	2027
Tranche 3	18.60	2028
Tranche 4	18.60	2029
Tranche 5	18.60	2030

Share options (Continued)

(a) Restricted Employee Shares ("RSU") (Continued)

The Winking PSP is scheduled to distribute Awards in five annual installments from 2024 to 2028 with vesting period ranging from 2026 to 2030. Each installment is subject to different personal performance evaluation indicators, the Company's operational goals, and service tenure. The actual issuance of shares to eligible employees will occur upon achieving these three indicators.

Full-time employees granted these Awards can subscribe to the allocated shares at a price of SGD 0 per share. Employees who do not meet the vesting conditions shall not obtain the shares pursuant to the Winking PSP. As of 31 December 2024, no shares have been issued.

The total fair value of the RSU granted was estimated to be SGD 4,444,000 using the Monte Carlo method. Details of the RSU granted to directors of the Company are as follows:

	No. of unissued ordinary shares of the Company under Winking RSU			
Name of director	**Granted in financial year ended 31.12.2024**	**Aggregate granted since commencement of scheme to 31.12.2024**	**Aggregate exercised since commencement of scheme to 31.12.2024**	**Aggregate outstanding as at 31.12.2024**
Johnny Jan	12,580,000	12,580,000	–	12,580,000
Oliver Yen	2,240,000	2,240,000	–	2,240,000

No RSU have been granted to controlling shareholders of the Company or their associates (as defined in the Listing Manual of Singapore Exchange Securities Trading Limited).

(b) Share options outstanding

The number of unissued ordinary shares of the Company under RSU in relation to the Winking Studios Performance Share Plan outstanding at the end of the financial year was as follows:

	No. of unissued ordinary shares under RSU at 31.12.2024	**Exercise price**	**Vesting date**
	5,328,000	–	8.4.2027
	3,870,000	–	8.4.2028
RSU	3,870,000	–	8.4.2029
	3,870,000	–	8.4.2030
	3,870,000	–	8.4.2031

Audit Committee

The members of the Audit Committee at the end of the financial year were as follows:

Lim Heng Choon (Chairman)
Chang Yi-Hao
Yang Wu Te
Daniel Widdicombe

All members of the Audit Committee were non-executive directors.

The Audit Committee carried out its functions and reviewed, *inter alia*:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor;
- the independence and objectivity of the independent auditor;
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2024 before their submission to the Board of Directors; and
- interested person transaction as defined under Chapter 9 of the Catalist Rules to ensure that they are on normal commercial terms and not prejudicial to the interest of the Company or its shareholders.

The Audit Committee confirmed that it has undertaken a review of all non-audit services provided by the independent auditor to the Group and is satisfied that the nature and extent of such services would not affect the independence of the independent auditor.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director or executive office to attend its meetings. The independent auditor has unrestricted access to the Audit Committee.

The Audit Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept the reappointment.

On behalf of the directors

Johnny Jan
Executive Director and
Chief Executive Officer (Founder)

Lim Heng Choon
Independent Director and
Non-Executive Chairman

7 April 2025

INDEPENDENT AUDITOR'S REPORT

to the members of Winking Studios Limited

Our Opinion

In our opinion, the accompanying consolidated financial statements of Winking Studios Limited and its subsidiaries ("the Group") and the balance sheet of the Company present fairly, in all material aspects, the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024, and the consolidated financial performance, consolidated changes in equity and consolidated cash flows for the financial year then ended in accordance with IFRS Accounting Standards ("IFRS").

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2024;
- the balance sheets of the Company and the Group as at 31 December 2024;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Our Audit Approach (Continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year ended 31 December 2024. These matters were 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 these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Recognition of service revenue Refer to Note 4 to the financial statements. Service revenue of U$31.7mil (2023: U$29.1mil) contributes approximately 99.4% (2023: 99.5%) of total revenue. The service revenue comprises of Art Outsourcing segment and Game Development segment which contributed U$26.4mil (2023: U$24.1mil) and U$5.3mil (2023: U$5.0mil) respectively. The Group recognises service revenue over time by reference to the price specified in the contract and the measure of progress towards complete satisfaction of the performance obligation. The measure of progress is determined based on the actual labour hours acknowledged by customers relative to the total contractual expected labour hours agreed with customers. Management has relied on past experience of completed projects to determine the total contractual expected labour hours to be agreed with the customers. We focused on the recognition of service revenue specifically on accuracy and cut-off assertions because of the use of significant effort to determine the extent of satisfaction of the performance obligation due to the voluminous number of contracts.	Our audit procedures included the following: • Evaluate the appropriateness of the Group's revenue recognition policies in accordance with IFRS 15; • Obtain understanding of revenue recognition processes and evaluate the design and test the effectiveness of the relevant internal controls over recognition of service revenue; • Obtain and review, on a sample basis, sales contract to assess the performance obligation; • Test on a sample basis, the price and actual labour hours acknowledged by customers; and • Recompute the measure of progress and the revenue recognised for the year. Based on the above procedures performed, we have not noted material exceptions to management's recognition of service revenue for the financial year ended 31 December 2024. We also found the disclosure on the method used by management in recognising service revenue in Note 3 to be appropriate.

Our Audit Approach (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment of goodwill Refer to Note 16 to the financial statements. The Group has a goodwill of USD1.04 million as at 31 December 2024, which represented the amount of purchase consideration in excess of the fair value of the identifiable assets acquired and liabilities assumed on acquisition of On Point Creative Co., Ltd. and Pixelline Production Sdn. Bhd. during the financial year. The recoverable amount of goodwill has to be reviewed annually regardless of whether there is any indication of impairment. The Group has determined the recoverable amounts of the cash generating units ("CGUs") in which goodwill is attributable to, using the value-in-use model. We focused on goodwill impairment assessment performed by management due to the significant judgements required in estimating the revenue growth rate, discount rate and terminal growth rate, in computing the recoverable amount of the CGUs.	Our audit procedures included the following: • Assess the appropriateness of key assumptions made by the management in their cash flow projections, including revenue growth rate, based on our knowledge of the business and industry and taking into consideration historical performance and the CGU's expected future operating performance; • With the assistance of our valuation specialist, assess the reasonableness of the discount rate and terminal growth rate used by management; • Perform sensitivity analysis to assess the impact on the recoverable amount by reasonable possible changes in the estimated revenue growth rate, discount rate and terminal growth rate; • Compare the recoverable amounts based on the value-in-use model and the carrying value of the CGUs in which goodwill is attributable to; and • Review management's disclosures in the consolidated financial statements. Based on the above procedures performed, we have not noted any indicators of goodwill impairment as at 31 December 2024. We also found the disclosure on the method used by management in the assessment of impairment of goodwill in Note 3 to be appropriate.

Other Information

Management is responsible for the other information. The other information comprises all the sections of the annual report but does not include the consolidated financial statements, 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 Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of consolidated financial statements in accordance with IFRS and for such internal control as management determines 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, management is 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 management either intends to liquidate the Group or to cease operations, or has 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 are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism 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.

- 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 management.

- Conclude on the appropriateness of management's 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 financial information 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.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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 safeguard applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters 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 Alex Toh Wee Keong.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore,
7 April 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the financial year ended 31 December 2024

	Note	2024 USD'000	2023 USD'000
Revenue from contracts with customers	4	31,899	29,281
Cost of sales	7	(22,435)	(19,947)
Gross profit		9,464	9,334
Other income	5	861	124
Other gains/(losses) – net	6	886	13
Distribution and marketing	7	(2,160)	(1,548)
Administrative expenses	7	(9,105)	(6,368)
Expected credit gains/(losses)	26	23	(111)
Interest income		465	68
Finance expenses	9	(80)	(89)
		(9,110)	(7,911)
Profit before income tax		354	1,423
Income tax credit	10(a)	171	357
Profit for the year		525	1,780
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation losses arising from consolidation	10(c)	(1,324)	(76)
Total comprehensive (loss)/income for the year		(799)	1,704
Profit for the year attributable to:			
– Equity holders of the Company		525	1,780
Total comprehensive (loss)/income attributable to:			
– Equity holders of the Company		(799)	1,704
Earnings per share for profit attributable to equity holders of the Company			
(Expressed in dollar per share)			
– Basic and diluted earnings per share	11	0.0015	0.0073

The accompanying notes form an integral part of these financial statements.

BALANCE SHEETS
as at 31 December 2024

	Note	Group 2024 USD'000	Group 2023 USD'000	Company 2024 USD'000	Company 2023 USD'000
ASSETS					
Current assets					
Cash and bank balances	12	39,832	16,423	29,074	5,549
Trade and other receivables	13	6,362	3,876	60	399
Contract assets	4	3,595	3,469	–	–
		49,789	23,768	29,134	5,948
Non-current assets					
Property, plant and equipment	14	1,935	2,255	–	–
Right-of-use assets	15	3,004	2,545	–	–
Intangible assets	16	1,932	203	439	–
Investment in subsidiaries	17	–	–	34,612	12,588
Other non-current assets	18	302	249	–	–
Deferred income tax assets	20	1,840	1,483	–	–
Financial assets, at amortised cost	21	1,461	–	1,461	–
		10,474	6,735	36,512	12,588
Total assets		60,263	30,503	65,646	18,536
LIABILITIES					
Current liabilities					
Trade and other payables	19	5,940	5,402	20,462	455
Contract liabilities	4	138	44	–	–
Current income tax liabilities	10(b)	17	63	–	–
Lease liabilities	15	1,175	930	–	–
		7,270	6,439	20,462	455
Non-current liabilities					
Lease liabilities	15	1,886	1,687	–	–
Deferred income tax liabilities	20	1,111	930	–	–
		2,997	2,617	–	–
Total liabilities		10,267	9,056	20,462	455
NET ASSETS		49,996	21,447	45,184	18,081
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	22	13,365	8,615	13,365	8,615
Other reserves	23	28,943	4,609	34,476	8,818
Retained profits/(accumulated losses)		7,688	8,223	(2,657)	648
Total equity		49,996	21,447	45,184	18,081

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 December 2024

		Attributable to owners of the Group					
				Other reserves			
	Note	Share capital USD'000	Capital reserves USD'000	Other reserves USD'000	Currency translation reserve USD'000	Retained profits USD'000	Total USD'000
2024							
Beginning of financial year		8,615	8,818	(3,071)	(1,138)	8,223	21,447
Profit for the year		–	–	–	–	525	525
Other comprehensive loss for the year		–	–	–	(1,324)	–	(1,324)
Total comprehensive income for the year		–	–	–	(1,324)	525	(799)
Transactions with owners, recognised directly in equity							
Issuance of new shares pursuant to dual listing on AIM		1,565	8,441	–	–	–	10,006
Share issue expenses		–	(516)	–	–	–	(516)
Cash capital increase		3,185	16,725	–	–	–	19,910
Share-based compensation expense	23(b)(iii)	–	–	1,008	–	–	1,008
Cash Dividends	25	–	–	–	–	(1,060)	(1,060)
		4,750	24,650	1,008	–	(1,060)	29,348
End of financial year		13,365	33,468	(2,063)	(2,462)	7,688	49,996
2023							
Beginning of financial year		5,226	1,967	(3,071)	(1,062)	8,070	11,130
Profit for the year		–	–	–	–	1,780	1,780
Other comprehensive loss for the year		–	–	–	(76)	–	(76)
Total comprehensive income for the year		–	–	–	(76)	1,780	1,704
Transactions with owners, recognised directly in equity							
Issuance of new shares pursuant to IPO		1,193	4,773	–	–	–	5,966
Share issue expenses		–	(377)	–	–	–	(377)
Cash capital increase		569	2,455	–	–	–	3,024
Repurchase and cancellation of outstanding USD ordinary shares		(7,422)	–	–	–	–	(7,422)
Issuance of new shares		7,422	–	–	–	–	7,422
Declaration and issuance of scrip dividend		1,627	–	–	–	(1,627)	–
		3,389	6,851	–	–	(1,627)	8,613
End of financial year		8,615	8,818	(3,071)	(1,138)	8,223	21,447

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 31 December 2024

	Note	2024 USD'000	2023 USD'000
Cash flows from operating activities			
Profit before income tax		354	1,423
Adjustments for:			
– Depreciation of property, plant and equipment	7	660	611
– Depreciation of right-of-use assets	7	1,212	1,110
– Amortisation of intangible assets	7	186	74
– Share-based compensation expense		1,008	–
– Expected credit losses	26	(23)	111
– Interest income		(465)	(68)
– Finance expenses	9	80	89
- (Gains)/losses on disposal of property, plant and equipment	6	(6)	9
– Income from disposal of intellectual property previously not capitalised		(323)	–
– Exchange losses/(gains)		(597)	73
		2,086	3,432
Changes in working capital:			
– Contract assets		(221)	(546)
– Trade and other receivables		(2,210)	(350)
– Contract liabilities		95	(90)
– Trade and other payables		453	976
Cash generated from operations		203	3,422
Interest received		465	68
Income tax paid	10(b)	(32)	(21)
Net cash generated from operating activities		636	3,469
Cash flows from investing activities			
Additions to property, plant and equipment	14	(400)	(630)
Proceeds from disposal of property, plant and equipment		33	17
Proceeds from disposal of intellectual property previously not capitalised		323	–
Decrease in prepayments for equipment		3	98
Additions to intangible assets		(142)	(38)
Acquisition of a subsidiary, net of cash acquired		(2,032)	–
(Increase)/decrease in refundable deposits		(55)	12
Purchase of bonds		(1,479)	–
Net cash used in investing activities		(3,749)	(541)
Cash flows from financing activities			
Proceeds from share issuance, net of share issue expenses	22, 23	29,400	8,613
Cash dividends paid	25	(1,060)	–
Principal payments of lease liabilities		(1,230)	(1,031)
Interest paid		(80)	(89)
Net cash generated from financing activities		27,030	7,493
Net changes in cash and cash equivalents		23,917	10,421
Cash and cash equivalents			
Beginning of financial year		16,423	6,057
Effects of currency translation on cash and cash equivalents		(508)	(55)
End of financial year	12	39,832	16,423

The accompanying notes form an integral part of these financial statements.

Reconciliation of liabilities arising from financing activities

	Beginning of financial year USD'000	Principal and interest payments USD'000	Acquisition of subsidiary (Note 30) USD'000	Non-cash changes			End of financial year USD'000
				Addition USD'000	Interest expense on lease liabilities USD'000	Foreign exchange movement USD'000	
Lease liabilities							
2024	2,617	(1,310)	115	1,667	80	(108)	3,061
2023	2,797	(1,120)	–	855	89	(4)	2,617

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2024

1. GENERAL INFORMATION

Winking Studios Limited (the "Company") was incorporated in the Cayman Islands on 15 December 2005 pursuant to the Cayman Islands Companies Act as an exempted company with limited liability, under the name "Winking Entertainment Ltd". The Company was listed on the Catalist of Singapore Exchange Securities Trading Limited (the "SGX-ST") on 20 November 2023 and on the AIM of London Stock Exchange plc ("LSE") on 14 November 2024.

The address of the Company's registered office is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The Company is an investment holding company. The Company, together with its subsidiaries (as listed in Note 17) (collectively referred herein as, the "Group"), are principally engaged in the operation of Art Outsourcing and Game Development studios in the People's Republic of China (the "PRC").

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") under the historical cost convention, except as disclosed in the accounting policies below.

These financial statements for the financial year ended 31 December 2024 are the first set of financial statements the Group prepared in accordance with IFRSs. The Group's previously issued financial statements for periods up to and including the financial year ended 31 December 2023 were prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s"). IFRSs comprise standards and interpretations that are equivalent to SFRS(I)s. Financial statements that have been prepared in accordance and complied with SFRS(I)s are deemed to have also complied with IFRSs.

In adopting IFRSs on 1 January 2024, the Group is required to apply all of the specific transition requirements in IFRS 1 First-time Adoption of IFRS. The Group's opening balance sheet has been prepared as of 1 January 2023, which is the Group's date of transition to IFRSs ("date of transition"). The accounting policies adopted are consistent with those of the previous financial year, which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out below, and the specific requirements of IFRS 1. The adoption of these new standards, amendments and interpretations has no significant impact to the Group.

The preparation of financial statements in conformity with IFRSs requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The area involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2024

On 1 January 2024, the Group has adopted the new or amended IFRSs and International Financial Reporting Interpretations Committee ("IFRIC") Interpretations that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRSs and IFRIC Interpretations.

The adoption of these new or amended IFRSs and IFRIC Interpretations did not result in the substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.1 Basis of preparation (Continued)

Interpretations and amendments to published standards effective in 2024 (Continued)

The following are the other new and amended Standards and Interpretations that should be disclosed in the Basis of preparation note if the changes in accounting policy had a material effect on the current or prior periods, or may have a material effect on the future periods:

Effective for annual periods beginning on or after 1 January 2024:

1 January 2024 — Amendments to:
- IAS 1: Classification of Liabilities as Current or Non-current
- IAS 1: Non-current Liabilities with Covenants
- IAS 7 and IFRS 7: Supplier Finance Arrangements
- IFRS 16: Lease Liability in a Sale and Leaseback

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

The following are the new or amended Standards and Interpretations (issued by the IASB up to 31 October 2024) that are not yet applicable but may be early adopted for the current financial year:

Annual periods commencing on	Description
1 January 2025	Amendments to IAS 21: Lack of Exchangeability
1 January 2026	Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments
	Annual Improvements to IFRS Accounting Standards – Volume 11
1 January 2027	IFRS 18: Presentation and Disclosure in Financial Statements
	IFRS 19: Subsidiaries without Public Accountability: Disclosures

The new or amended accounting Standards and Interpretations listed above are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2.2 Revenue recognition

Revenue is recognised when or as the control of the service is transferred to the customer. Depending on the terms of the contract and laws that apply to the contract, control of the services may be transferred over time.

(a) Revenue from service and Others

(i) Revenue from service

The Group's revenue from providing art outsourcing, technical support and game development and other related services is recognised when the individual performance obligation is fulfilled over time. Service revenue is based on the price specified in the contract. The stage of completion is determined based on the actual labour hours acknowledged by customers relative to the total contractual expected labour hours agreed with customers.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Revenue recognition (Continued)

(a) Revenue from service and Others (Continued)

(i) Revenue from service (Continued)

The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(ii) Others

- The Group entered into contracts with customers to grant a licence of intellectual property to the customer. The Group recognises revenue when the performance obligation has been satisfied.

- The Group is engaged in sales of video games and sales of peripheral products of the games. Sales are recognised when control of the products has transferred, that is, the customer has control of the product and obtained most residual benefit, and there is no unfulfilled obligation that could affect the customer acceptance of the products.

(b) Interest income

Interest income from financial assets at amortised cost is recognised using the effective interest rate method.

2.3 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of RSU is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the RSU granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

At each balance sheet date, the Group revises its estimates of the number of shares under RSU that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the other reserve.

When the RSU are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to the share capital account, when new ordinary shares are issued, or to the “treasury shares” account, when treasury shares are re-issued to the employees.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 Leases

When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

(a) *Right-of-use assets*

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

(b) *Lease liabilities*

The initial measurement of a lease liability is measured at the present value of the lease payments discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include fixed payment (including in-substance fixed payments), less any lease incentives receivables.

Lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities shall be remeasured when:

(i) There is a change in future lease payments arising from changes in an index or rate;

(ii) There is a change in the Group's assessment of whether it will exercise an extension option; or

(iii) There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liabilities are remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(c) *Short-term and low value leases*

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 Leases (Continued)

(d) *Variable lease payments*

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments. Details of the variable lease payments are disclosed in Note 15.

2.5 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.6 Government grants

Grants from the government are recognised as a receivable at their fair value when there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Property, plant and equipment

(a) *Measurement*

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is 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. Cost also includes borrowing costs (refer to Note 2.9 on borrowing cost).

(b) *Depreciation*

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Computers and electronic equipment	3 – 5 years
Leasehold improvements	1.5 – 5 years
Motor vehicles	5 years

Assets under construction are not depreciated.

The residual values, estimated useful lives and depreciation methods of property, plant and equipment are reviewed, and adjusted if appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) *Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) *Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “other gains/(losses) – net”. Any amount in revaluation reserve relating to that item is transferred to retained profits directly.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.8 Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the entity sold.

(b) Acquired computer software licences

Acquired computer software licences are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 3 to 5 years.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2.9 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.10 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.11 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.11 Impairment of non-financial assets (Continued)

(a) *Goodwill* (Continued)

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) *Intangible assets*
Property, plant and equipment
Right-of-use assets
Investments in subsidiaries

Intangible assets, property, plant and equipment, right-of-use assets and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.12 Financial assets

(a) *Classification and measurement*

The Group classifies its financial assets at amortised cost.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

Debt instruments mainly comprise of cash and bank balances, trade and other receivables, contract assets, other non-current assets-refundable deposits and financial assets, at amortised cost.

There are three subsequent measurement categories, depending on the Group's business model in managing the assets and the cash flow characteristic of the assets. The Group managed these group of financial assets by collecting the contractual cash flow and these cash flows represents solely payment of principal and interest. Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(b) *Impairment*

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 26 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by the IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.12 Financial assets (Continued)

(c) *Recognition and derecognition* (Continued)

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.13 Warrants

The Company issued warrants that are exercisable into ordinary shares of the Company as a consideration in return of the Company's advisor and broker discharging their services to the Company ("Warrants"). The value of the services received in exchange for the Warrants is recognised as an expense with a corresponding increase in the "other reserves". The total amount recognised is determined by reference to the fair value as of the date of issuance of the Warrants.

When the Warrants are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the other reserve are credited to the share capital account, when new ordinary shares are issued.

2.14 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognized at fair value, and subsequently measured at amortised cost using the effective interest rate.

2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.17 Dividends to the Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.18 Currency translation

(a) *Functional and presentation currency*

Items included in the consolidated financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in United States Dollar ("USD"), which is the functional currency of the Company.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity instruments), contract assets and financial liabilities. However, in the consolidated financial statements, currency translation differences arising from other currency instruments designated and qualifying as net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other gains/(losses) – net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) *Translation of Group entities' financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors of the Company.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.20 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any re-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.20 Group accounting (Continued)

(a) *Subsidiaries* (Continued)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary result in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific IFRS.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Estimates of contract assets and service revenue

The Group recognises contract assets and service revenue when the individual performance obligation is fulfilled over time. Service revenue is based on the price specified in the contract. The stage of completion is determined based on the actual labour hours acknowledged by customers relative to the total contractual expected labour hours agreed with customers.

Management has to estimate the total labour hours to complete the service, which are contractually agreed with customers and used to determine the Group's recognition of art outsourcing revenue.

Management has relied on past experience of completed projects to determine the total contractual expected labour hours to be agreed with the customers.

Please refer to Note 4 for more details about the transactions.

(ii) Impairment of goodwill

The Group tests annually for impairment of goodwill, or more frequently if there are indications that goodwill might be impaired. An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU.

In performing the impairment assessment of the carrying amount of goodwill, the recoverable amounts of the cash generating units ("CGUs") in which goodwill is attributable to, are determined using value-in-use ("VIU") calculation.

Significant judgements are used to estimate the revenue growth rates, terminal growth rates and discount rates applied in computing the recoverable amounts of respective CGUs. Please refer to Note 16 for details.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(ii) Impairment of goodwill (Continued)

In making these estimates, management has relied on past performance, its expectations of market developments in Malaysia and Taiwan, the industry trends for art outsourcing. Specific estimates are disclosed in Note 16. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs.

The Group prepares cash flow forecasts derived from the most recent financial results and takes into account industry growth forecasts for the next five years and extrapolates cash flows for the following five years with a terminal growth rate of 2% after this. The carrying amount of goodwill as at 31 December 2024 was US$1.04 million (31 December 2023: Nil) with no impairment adjustment required for 2024.

Management has also performed a sensitivity analysis on the key estimates. The recoverable amounts remain higher than the carrying amounts as at 31 December 2024 and no impairment loss is recognised.

4. REVENUE FROM CONTRACT WITH CUSTOMERS

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the performance of services over time. Disaggregation of the Group's revenue is set out below.

	Group	
	2024 **USD'000**	**2023** **USD'000**
Service revenue	31,708	29,120
Other	191	161
Total	31,899	29,281

(b) Contract assets and liabilities

The Group has recognised the following revenue-related contract assets and liabilities:

	Group		
	31 December		1 January
	2024 **USD'000**	**2023** **USD'000**	**2023** **USD'000**
Contract assets	3,595	3,469	2,975
Contract liabilities	138	44	137

Contract assets relate to art outsourcing, technical support and game development contracts. The contract assets balance increased as the Group provided more services ahead of the agreed payment schedules.

Contract liabilities for art outsourcing, technical support and game development contracts have increased due to the negotiation of higher prepayments and an increase in overall contract activity.

4. REVENUE FROM CONTRACT WITH CUSTOMERS (CONTINUED)

(b) *Contract assets and liabilities* (Continued)

(i) *Revenue recognised in relation to contract liabilities*

	Group 2024 USD'000	Group 2023 USD'000
Revenue recognised in current period that was included in the contract liability balance at the beginning of the period		
– Service revenue	44	137

(ii) *Unsatisfied performance obligations*

All art outsourcing contracts are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

(c) *Trade receivables from contracts with customers*

	Note	Group 31 December 2024 USD'000	Group 31 December 2023 USD'000	Group 1 January 2023 USD'000
Current assets				
Trade receivables from contracts with customers	13	5,612	3,499	3,372
Loss allowance	13	(44)	(69)	(59)
		5,568	3,430	3,313

5. OTHER INCOME

	Group 2024 USD'000	Group 2023 USD'000
Government grant income	296	51
Income from disposal of intellectual property previously not capitalised	323	–
Other income from ultimate holding company	242	–
Others	–	73
	861	124

6. OTHER GAINS/(LOSSES) – NET

	Group 2024 USD'000	Group 2023 USD'000
Foreign exchange gains	828	22
Gains/(losses) on disposal of property, plant and equipment	6	(9)
Fair value gains on financial assets	52	–
	886	13

7. EXPENSES BY NATURE

	Group 2024 USD'000	Group 2023 USD'000
Employee compensation (Note 8)	20,971	17,692
Auditors' remuneration paid/payable to:		
– Auditor of the Company	216	188
– Other auditors	21	22
Other fees paid/payable to:		
– Auditor of the Company	450	336
Subcontract Expense	3,766	3,410
Depreciation of property, plant and equipment (Note 14)	660	611
Depreciation of right-of-use assets (Note 15)	1,212	1,110
Amortisation charges on intangible assets (Note 16)	186	74
Professional fees	3,093	1,929
Share-based professional fees	442	–
Welfare expenses	344	463
Travel expenses	447	206
Other expenses	1,892	1,822
Total cost of sales, distribution and marketing costs and administrative expenses	33,700	27,863

8. EMPLOYEE COMPENSATION

	Group 2024 USD'000	Group 2023 USD'000
Wages and salaries	16,653	14,631
Employer's contribution to defined contribution plans	1,749	1,609
Share-based compensation expense (Note 23)	566	–
Other social security contribution	1,267	992
Other personnel expenses	736	460
	20,971	17,692

The Group's PRC subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the PRC are based on certain percentage of employees' monthly salaries and wages.

8. EMPLOYEE COMPENSATION (CONTINUED)

The Group's Taiwan subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with Republic of China nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

For the financial years ended 31 December 2024 and 2023, the pension costs under defined contribution pension plans of the Group amounted to USD1,749,000 and USD1,379,170 respectively.

9. FINANCE EXPENSES

	Group	
	2024 USD'000	2023 USD'000
Interest expense on lease liabilities (Note 15)	80	89

10. INCOME TAXES

(a) Income tax credit

	Group	
	2024 USD'000	2023 USD'000
Tax expense attributable to profit/(loss) is made up of:		
Current income tax	20	51
(Over)/under provision of current income taxes	(33)	9
Total current income tax (credit)/expense	(13)	60
Deferred income tax credit (Note 20)	(158)	(417)
	(171)	(357)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the standard rate of income tax as follows:

	Group	
	2024 USD'000	2023 USD'000
Profit before income tax	354	1,423
Tax calculated at the applicable tax rate	64	302
Effect of:		
– expenses not deductible for tax purposes	12	23
– income not subject to tax	(8)	(57)
– expenses relating to technical improvements deduction	(12)	(16)
– temporary differences not recognised as deferred tax assets	(77)	(9)
– taxable loss not recognised as deferred tax assets	520	–
– (over)/under provision of income taxes in prior financial year	(33)	9
– utilisation of previously unrecognised tax losses	(637)	(609)
Tax credit	(171)	(357)

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

10. INCOME TAXES (CONTINUED)

(b) Movement in current income tax liabilities

	Group		Company	
	2024 USD'000	2023 USD'000	2024 USD'000	2023 USD'000
Beginning of financial year	63	24	–	–
Currency translation differences	(1)	–	–	–
Income tax paid	(32)	(21)	–	–
Tax expense	(13)	60	–	–
End of financial year	17	63	–	–

(c) The tax credit/(charge) relating to each component of other comprehensive income is as follows:

Group	2024			2023		
	Before tax $'000	Tax charge $'000	After tax $'000	Before tax $'000	Tax charge $'000	After tax $'000
Currency translation differences arising from consolidation	(1,324)	–	(1,324)	(76)	–	(76)
Other comprehensive income	(1,324)	–	(1,324)	(76)	–	(76)

(e) OECD Pillar Two model rules

The Group is not within the scope of the OECD Pillar Two model rules.

(f) Tax incentive

Certain subsidiaries of the Group qualified for a preferential tax policy implemented by the PRC government as follows:

The subsidiaries of the Group, Shanghai Winking Entertainment Limited, Shanghai Wishing Entertainment Ltd. and Nanjing Winking Entertainment Limited, were entitled to the reduction or exemption of enterprise income tax under the 'Announcement of the Preferential Income Tax Policies for Micro and Small Enterprises and Individual Industrial and Commercial Households' promulgated by the Ministry of Finance and the State Taxation Administration of the People's Republic of China. The subsidiaries were also entitled to a higher deduction of 175% to 200% for the expenses relating to technical improvements that have been incurred by an enterprise during the research and development activity.

11. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing net profit for the financial year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at the end of the financial year.

	Group	
	2024	2023
Net profit attributable to equity holders of the Company (USD'000)	525	1,780
Weighted average number of ordinary shares ('000)	338,997	243,381
Basic earnings per share (in USD)	0.0015	0.0073

For the financial year ended 31 December 2023, the aforementioned weighted average number of ordinary shares outstanding had been retrospectively adjusted to account for (i) the number of ordinary shares from the conversion of US dollar ordinary shares into NTD ordinary shares, (ii) from the capitalisation of capital reserve, (iii) from the issuance of scrip dividends by capitalisation of the Company's retained profits on 17 May 2023, and (iv) the number of ordinary shares from the conversion of NTD ordinary shares to Singapore Dollar ("SGD") ordinary shares on 1 November 2023.

On 8 July 2024, the Company allotted and issued 108,000,000 shares by way of a placement at an issue price of S$0.25 per share in July 2024. Following such issuance the total issued share capital of the Company was 387,698,275 shares.

On 14 November 2024, the Company allotted and issued 52,666,667 shares by way of a placement, pursuant to AIM dual listing, at an issue price of £0.15 per share (or approximately S$0.26). Following such issuance the total issued share capital of the Company was 440,364,942 shares. Please refer to Note 22 for details.

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

	Group	
	2024	2023
Net profit attributable to equity holders of the Company (USD'000)	525	1,780
Weighted average number of ordinary shares ('000)	340,383	243,381
Diluted earnings per share (in USD)	0.0015	0.0073

12. CASH AND BANK BALANCES

	Group		Company	
	2024 USD'000	2023 USD'000	2024 USD'000	2023 USD'000
Cash at bank and on hand	39,826	14,343	29,074	5,549
Short term bank deposits	6	2,080	–	–
	39,832	16,423	29,074	5,549

13. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 USD'000	2023 USD'000	2024 USD'000	2023 USD'000
Trade receivables:				
– Non-related parties	5,591	3,499	–	–
– Related parties	21	–	–	–
Less: Loss allowance (Note 26)	(44)	(69)	–	–
	5,568	3,430	–	–
Other receivables				
– Subsidiaries	–	–	30	386
– Non-related parties	257	173	30	13
	257	173	60	399
Prepayments	537	273	–	–
Total	6,362	3,876	60	399

As at 31 December 2024 and 2023, trade receivables were all from contracts with customers.

The Group has no trade receivables pledged to others.

The Group did not hold any collateral for trade receivables.

14. PROPERTY, PLANT AND EQUIPMENT

	Computers and electronic equipment USD'000	Leasehold improvements USD'000	Motor vehicles USD'000	Asset under construction USD'000	Total USD'000
Group					
2024					
Cost					
Beginning of financial year	2,608	935	44	138	3,725
Additions	364	36	–	–	400
Disposals	(99)	(54)	(43)	–	(196)
Acquisition of subsidiary (Note 30)	38	14	–	–	52
Currency translation differences	(108)	(36)	(1)	(7)	(152)
End of financial year	2,803	895	–	131	3,829
Accumulated depreciation					
Beginning of financial year	(1,123)	(303)	(44)	–	(1,470)
Depreciation charge	(498)	(162)	–	–	(660)
Disposals	80	50	39	–	169
Currency translation differences	46	16	5	–	67
End of financial year	(1,495)	(399)	–	–	(1,894)
Net book value					
End of financial year	1,308	496	–	131	1,935

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Computers and electronic equipment USD'000	Leasehold improvements USD'000	Motor vehicles USD'000	Asset under construction USD'000	Total USD'000
Group					
2023					
Cost					
Beginning of financial year	2,325	628	45	269	3,267
Additions	417	19	–	194	630
Disposals	(102)	(12)	–	–	(114)
Reclassification	–	318	–	(318)	–
Currency translation differences	(32)	(18)	(1)	(7)	(58)
End of financial year	2,608	935	44	138	3,725
Accumulated depreciation					
Beginning of financial year	(750)	(165)	(45)	–	(960)
Depreciation charge	(461)	(150)	–	–	(611)
Disposals	77	11	–	–	88
Currency translation differences	11	1	1	–	13
End of financial year	(1,123)	(303)	(44)	–	(1,470)
Net book value					
End of financial year	1,485	632	–	138	2,255

As at 31 December 2024 and 2023, there is no property, plant and equipment for the Company.

15. LEASES – THE GROUP AS A LESSEE

Nature of the Group and the Company's leasing activities

Leasehold building

The Group leases office premises. Rental contracts are typically contracted for periods of 1 to 5 year(s). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants.

(a) Carrying amounts

Amounts recognised in the consolidated statements of financial position

The consolidated statements of financial position show the following amounts relating to leases:

	Group		Company	
	2024 USD'000	2023 USD'000	2024 USD'000	2023 USD'000
Right-of-use assets				
– Buildings	3,004	2,545	–	–
Lease liabilities				
Current	1,175	930	–	–
Non-current	1,886	1,687	–	–
	3,061	2,617	–	–

15. LEASES – THE GROUP AS A LESSEE (CONTINUED)

(b) Depreciation charge during the year

The carrying amount of right-of-use assets and the depreciation charge are as follows:

	Group	
	2024 USD'000	2023 USD'000
Beginning of financial year	2,545	2,804
Addition	1,667	855
Depreciation charge	(1,212)	(1,110)
Acquisition of subsidiary (Note 30)	112	–
Currency translation differences	(108)	(4)
End of financial year	3,004	2,545

(c) Interest expense

	Group	
	2024 USD'000	2023 USD'000
Interest expense on lease liabilities (Note 9)	80	89

(d) Lease expense not capitalised in lease liabilities

	Group	
	2024 USD'000	2023 USD'000
Lease expense – short-term leases	51	10
Lease expense – low-value leases	24	6
Total	75	16

(e) The Group's total cash outflow for all leases was USD1,385,000 (2023: USD1,136,000).

(f) Addition of ROU assets during the financial year 2024 was USD1,667,000 (2023: USD855,000).

(g) Future cash outflow which are not capitalised in lease liabilities

(i) Extension options

The leases for certain leasehold buildings contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise the extension option. The Group negotiates extension options to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

16. INTANGIBLE ASSETS

	Group 31 December 2024 $'000	Group 31 December 2023 $'000	Company 31 December 2024 $'000	Company 31 December 2023 $'000
Composition:				
Computer software licences	305	203	–	–
Patent right	–	–	–	–
Trademark	–	–	–	–
Goodwill	1,038	–	177	–
Customer relationships	589	–	262	–
	1,932	203	439	–

	Computer software licences USD'000	Patent right USD'000	Trademark USD'000	Goodwill USD'000	Customer Relationships USD'000	Total USD'000
Group						
2024						
Cost						
Beginning of financial year	1,424	2	55	–	–	1,481
Additions	142	–	–	–	–	142
Disposal	(137)	–	(36)	–	–	(173)
Acquisition of subsidiary (Note 30)	104	7	–	1,049	652	1812
Currency translation differences	(42)	–	(1)	(11)	(5)	(59)
End of financial year	1,491	9	18	1,038	647	3,203
Accumulated amortisation						
Beginning of financial year	(1,221)	(2)	(55)	–	–	(1,278)
Amortisation charge	(120)	(7)	–	–	(59)	(186)
Disposal	137	–	36	–	–	173
Currency translation differences	18	–	1	–	1	20
End of financial year	(1,186)	(9)	(18)	–	(58)	(1,271)
Net book value						
End of financial year	305	–	–	1,038	589	1,932

16. INTANGIBLE ASSETS (CONTINUED)

	Computer software licences USD'000	Patent right USD'000	Trademark USD'000	Goodwill USD'000	Customer Relationships USD'000	Total USD'000
Group						
2023						
Cost						
Beginning of financial year	1,296	31	56	–	–	1,383
Additions	38	–	–	–	–	38
Disposal	–	(29)	–	–	–	(29)
Currency translation differences	90	–	(1)	–	–	89
End of financial year	1,424	2	55	–	–	1,481
Accumulated amortisation						
Beginning of financial year	(1,053)	(31)	(56)	–	–	(1,140)
Amortisation charge	(74)	–	–	–	–	(74)
Disposal	–	29	–	–	–	29
Currency translation differences	(94)	–	1	–	–	(93)
End of financial year	(1,221)	(2)	(55)	–	–	(1,278)
Net book value						
End of financial year	203	–	–	–	–	203

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to countries of operation and business segments.

A segment-level summary of the goodwill allocation is as follows:

	31 December 2024 USD'000	31 December 2023 USD'000
Malaysia	177	–
Taiwan	861	–
	1,038	–

The recoverable amount of a CGU was determined based on value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using the estimated growth rates stated below. The growth rate did not exceed the long-term average growth rate for the art outsourcing business in which the CGUs operate.

16. INTANGIBLE ASSETS (CONTINUED)

Key assumptions used for value-in-use calculations:

	Malaysia	Taiwan
31 December 2024		
Revenue growth rate	8.00%	5.50%
Terminal growth rate[1]	2.00%	2.00%
Discount rate[2]	24.83%	18.04%

1 Weighted average growth rate used to extrapolate cash flows beyond the budget period

2 Pre-tax discount rate applied to the pre-tax cash flow projections

Management determined budgeted revenue growth rate based on past performance and its expectations of market developments. The terminal growth rates used were consistent with forecasts included in industry reports. The discount rates used were pre-tax and reflected specific risks relating to the relevant segments.

As at 31 December 2024 and 2023, there is no intangible assets for the Company.

Amortisation expense included in the statement of comprehensive income is analysed as follows:

	Group	
	2024 USD'000	2023 USD'000
Cost of sales	48	7
Administrative expenses	138	67
	186	74

17. INVESTMENTS IN SUBSIDIARIES

The investments in subsidiaries represent unquoted equity shares at cost.

	Company	
	2024 USD'000	2023 USD'000
Equity investments at cost		
Beginning of financial year	12,588	9,981
Acquisition of subsidiaries (Note 30)	1,874	–
Additions	22,650	2,607
Disposal	(2,500)	–
End of financial year	34,612	12,588

17. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The subsidiaries held by the Company are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group 2024 %	2023 %	Notes
Directly held					
Shanghai Winking Entertainment Limited	People's Republic of China	Investment holding, Art outsourcing and Game development headquarter	100	100	(iii)
Nanjing Winking Entertainment Limited	People's Republic of China	Art outsourcing	100	100	(iii)
Winking Entertainment (HK) Ltd.[1]	Hongkong	Game development, management and sales	–	100	(ii), (iv)
Winking Art Pte. Ltd.	Singapore	Art outsourcing	100	100	(ii), (iv)
Winking Entertainment Corporation	Taiwan	Intellectual property licensing	100	100	(i)
Winking Skywalker Entertainment Ltd.	Hongkong	Intellectual property licensing	100	100	(ii), (iv)
On Point Creative Co., Ltd.	Taiwan	Art outsourcing	100	–	(i)
Pixelline Art Sdn. Bhd.	Malaysia	Art outsourcing	100	–	(ii), (iv)
Indirectly held					
Shanghai Wishing Entertainment Ltd.	People's Republic of China	Group administration, PRC's Intellectual property licensing	100	100	(iii)
Winking Entertainment Investment Ltd.[2]	Hongkong	Original intellectual licensing development, Intellectual property licensing	–	100	(ii), (iv)
Winking Art Limited	Hongkong	Art outsourcing	100	100	(ii), (iv)
On Point Creative (HK) Company Limited	Hongkong	Art outsourcing	100	–	(ii), (iv)
On Point Creative (Suzhou) Co., Ltd.	People's Republic of China	Art outsourcing	100	–	(iii)

1 Winking Entertainment (HK) Ltd. was dissolved in 2024.
2 Winking Entertainment Investment Ltd. was dissolved in 2024.

17. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Notes:

(i) Audited by PricewaterhouseCoopers Taiwan for local statutory purposes.

(ii) These subsidiaries are audited by other accounting firms for local statutory purposes.

(iii) Under the PRC laws, these subsidiaries are not required to appoint an auditor. The Company had appointed PricewaterhouseCoopers LLP, Singapore to perform audit/review work in respect of the Group (comprising the Company and subsidiaries) for consolidation purpose in accordance with the IFRSs.

(iv) In accordance with Rule 716 of The Singapore Exchange Securities Trading Limited – Listing Rules, the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of difference auditors of its subsidiaries would not compromise the standard and effectiveness of the audit of the Company.

18. OTHER NON-CURRENT ASSETS

	Group		Company	
	2024 USD'000	2023 USD'000	2024 USD'000	2023 USD'000
Prepayments for equipment	13	15	–	–
Refundable deposits	289	234	–	–
	302	249	–	–

19. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 USD'000	2023 USD'000	2024 USD'000	2023 USD'000
Current				
Trade payables to:				
– non-related parties	1,497	1,459	–	–
– related parties	–	–	59	–
	1,497	1,459	59	–
Other payables:				
– salaries and bonuses payable	2,972	2,857	–	–
– social insurance and provident fund payable	212	136	–	–
– service charge payable	363	393	295	381
– other payables to ultimate holding corporation	–	2		–
– other payables to subsidiaries	–	–	20,094	59
– other payables to associate of ultimate holding corporation	13	–	–	–
– others	883	555	14	15
	4,443	3,943	20,403	455
Total	5,940	5,402	20,462	455

20. DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority.

The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group 31 December		Company 31 December	
	2024 USD'000	2023 USD'000	2024 USD'000	2023 USD'000
Deferred tax assets	1,840	1,483	–	–
Deferred tax liabilities	(1,111)	(930)	–	–
Net deferred tax assets	729	553	–	–

The movement in the net deferred income tax account is as follows:

	Group		Company	
	2024 USD'000	2023 USD'000	2024 USD'000	2023 USD'000
Beginning of financial year	553	136	–	–
Currency translation differences	(16)	–	–	–
Acquisition of subsidiary (Note 30)	34	–	–	–
Tax charged to profit or loss (Note 10(a))	158	417	–	–
End of financial year	729	553	–	–

The Group has unrecognised tax losses of USD10,466,000 and USD7,626,000 as at 31 December 2024 and 2023, respectively, which can be carried forward and used to offset against future taxable income subject to those companies meeting certain statutory requirements. Tax losses amounting to USD10,466,000 will expire between 1 January 2025 to 31 December 2034.

20. DEFERRED INCOME TAXES (CONTINUED)

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

Group

Deferred income tax liabilities

	Service revenue USD'000	Right-of-use assets USD'000	Customer relationship USD'000	Total USD'000
2024				
Beginning of financial year	(675)	(255)	–	(930)
Acquisition of subsidiary (Note 30)	–	–	(73)	(73)
Currency translation differences	19	7	1	27
(Charged)/credited to profit or loss	(63)	(80)	8	(135)
End of financial year	(719)	(328)	(64)	(1,111)
2023				
Beginning of financial year	(682)	(210)	–	(892)
Currency translation differences	13	4	–	17
Charged to profit or loss	(6)	(49)	–	(55)
End of financial year	(675)	(255)	–	(930)

Deferred income tax assets

	Accrued expenses USD'000	Tax losses USD'000	Lease liabilities USD'000	Total USD'000
2024				
Beginning of financial year	154	1,075	254	1,483
Acquisition of subsidiary (Note 30)	–	107	–	107
Currency translation differences	(4)	(32)	(7)	(43)
Credited to profit or loss	87	126	80	293
End of financial year	237	1,276	327	1,840
2023				
Beginning of financial year	108	710	210	1,028
Currency translation differences	(2)	(13)	(4)	(19)
Credited to profit or loss	48	378	48	474
End of financial year	154	1,075	254	1,483

With effect from 1 January 2018, the PRC tax regulation allows a company, which had qualified as a technology-based small-and-medium-sized enterprise ("TSME"), to carry forward the unutilised tax losses (including those losses relating to 5 years prior to it qualifying as a TSME) for a period of up to 10 years.

21. FINANCIAL ASSETS, AT AMORTISED COST

	Group and Company	
	2024 USD'000	2023 USD'000
Financial assets, at amortised cost	1,461	–

	2024 USD'000	2023 USD'000
Non-current		
Unlisted USD6.204% fixed rate notes due 10 November 2028	369	–
Unlisted USD5.015% fixed rate notes due 22 July 2033	507	–
Unlisted USD6.400% fixed rate notes due 15 May 2038	585	–
End of financial year	1,461	–

The fair values of non-current fixed rate notes are USD1,400,000 (2023: Nil). The fair values are based on quoted prices for fixed interest rate notes as at 31 December 2024. The fair values are within Level 1 of the fair value hierarchy.

22. SHARE CAPITAL

	Issued share capital	
	No. of ordinary shares share	Amount USD'000
2024		
Beginning of financial year	279,698,275	8,615
Shares issued	108,000,000	3,185
Issuance of shares upon listing	52,666,667	1,565
End of financial year	440,364,942	13,365
2023		
Beginning of financial year	15,701,932	5,226
Cash capital increase	1,744,659	569
Declaration and issuance of scrip dividend	5,000,000	1,627
Repurchase and cancellation of outstanding USD ordinary shares	(22,446,591)	(7,422)
Shares issued	239,698,275	7,422
Issuance of shares upon listing	40,000,000	1,193
End of financial year	279,698,275	8,615

On 10 January 2023, the Company issued 1,744,659 ordinary shares with par value NTD 10 per share to various of investors for a cash consideration of USD3,022,980 constituting of share capital of USD568,392 and capital reserves of USD2,454,588. The rights and obligations of all the ordinary shares issued are the same. All represent issued ordinary shares fully paid-up with par value of NTD$10 per share.

On 17 May 2023, the Company declared and issued scrip dividends where it issued 5,000,000 ordinary shares of a par value of NTD 10 per share by capitalising its retained profits of USD1,626,550.

On 1 November 2023, the Company repurchased and cancelled its previously issued 22,446,591 ordinary shares with par value of NTD 10 per share from the existing shareholders for a consideration of USD7,422,000. The consideration was fulfilled via issuance of 239,698,275 ordinary shares with par value of SGD 0.04 per share.

22. SHARE CAPITAL (CONTINUED)

On 20 November 2023, pursuant to the Company's initial public offering ("IPO"), the Company issued 40,000,000 ordinary shares by way of a placement and cornerstone tranche, with par value SGD 0.04 per share at SGD 0.20 for each placement share and each cornerstone share. The placement and cornerstone tranche were fully subscribed, and the proceeds resulted in an increase in total equity of USD5,966,400 constituting share capital of USD1,193,280 and capital reserves of USD4,773,120.

On 8 July 2024, the Company raised a total of SGD 27.0 million through a placement, issuing 108,000,000 ordinary shares at an issue price of SGD 0.25 per share. Prior to the placement, the total number of issued shares was 279,698,275. Following the placement, the total number of issued shares increased to 387,698,275. The proceeds from the placement resulted in an increase in total equity of USD19,910,000, comprising an increase in share capital of USD3,185,000 and an increase in capital reserves of USD16,725,000.

On 14 November 2024, the Company was listed on the AIM Market of the LSE under the ticker symbol "WKS.LON". The Company issued 52,666,667 ordinary shares at an issue price of GBP 0.15 per share, raising a total of GBP 7,900,000. Prior to the dual listing, the total number of issued shares was 387,698,275. Following the dual listing, the total number of issued shares increased to 440,364,942. The proceeds from the dual listing resulted in an increase in total equity of USD10,006,000, comprising an increase in share capital of USD1,565,000 and an increase in capital reserves of USD8,441,000.

The Company did not hold any treasury shares and subsidiary holdings as at 31 December 2024. There are no outstanding convertibles, treasury shares or subsidiary holdings held by the Company as at 31 December 2024.

(a) Restricted Employee Shares ("RSU")

On 8 April 2024, Winking Studios Limited (the "Company", together with its subsidiaries the "Group") announces the grant of share awards ("Awards") pursuant to the Winking Studios Performance Share Plan ("Winking PSP") to employees of the Group.

The shares will be vested in five different tranches, subject to performance target and tenure of service, with vesting period ranging from 2026 to 2030, as set out below:

Tranche	Up to % of Awards	Vesting date/End of Performance Period
Tranche 1	25.60	2026
Tranche 2	18.60	2027
Tranche 3	18.60	2028
Tranche 4	18.60	2029
Tranche 5	18.60	2030

The Winking PSP is scheduled to distribute Awards in five annual installments from 2024 to 2028 with vesting period ranging from 2026 to 2030. Each installment is subject to different personal performance evaluation indicators, the Company's operational goals, and service tenure. The actual issuance of shares to eligible employees will occur upon achieving these three indicators.

Full-time employees granted these Awards can subscribe to the allocated shares at a price of SGD 0 per share. Employees who do not meet the vesting conditions shall not obtain the shares pursuant to the Winking PSP. As of 31 December 2024, no shares have been issued.

22. SHARE CAPITAL (CONTINUED)

(a) Restricted Employee Shares ("RSU") (Continued)

Movements in the number of unissued ordinary shares under the Winking PSP and their exercise prices are as follows:

	← No. of ordinary shares under RSU →						
	Beginning of financial year	Granted during financial year	Forfeited during financial year	Exercised during financial year	End of financial year	Exercise price	Vesting date
Group and Company							
2024							
Tranche 1	–	5,328,000	–	–	5,328,000	–	8.4.2027
Tranche 2	–	3,870,000	–	–	3,870,000	–	8.4.2028
Tranche 3	–	3,870,000	–	–	3,870,000	–	8.4.2029
Tranche 4	–	3,870,000	–	–	3,870,000	–	8.4.2030
Tranche 5	–	3,870,000	–	–	3,870,000	–	8.4.2031
	–	20,808,000	–	–	20,808,000		

None of the Awards for 20,808,000 shares are exercisable at the balance sheet date.

The fair value of Awards granted on 8 April 2024, determined using the Monte Carlo Method was SGD 4,444,000 (equivalent to USD3,294,000). The significant inputs into the model were the share price of SGD 0.2550 at the grant date, expected term of 3.73 years, standard deviation of expected share price returns of 39.71%, the option life shown above and the annual risk-free interest rate of 3.29%. The volatility measured on the standard deviation of expected share price returns was estimated based on statistical analysis of share prices over the last three years.

23. OTHER RESERVES

		Group		Company	
		31 December		31 December	
		2024	2023	2024	2023
		USD'000	USD'000	USD'000	USD'000
(a)	Composition:				
	Capital reserves	33,468	8,818	33,468	8,818
	Currency translation reserve	(2,462)	(1,138)	–	–
	Other reserves	(2,063)	(3,071)	1,008	–
		28,943	4,609	34,476	8,818
(b)	Movement:				
	(i) Capital reserve				
	Beginning of financial year	8,818	1,967	8,818	1,967
	Issuance of new shares pursuant to IPO	8,441	4,773	8,441	4,773
	Share issue expenses	(516)	(377)	(516)	(377)
	Cash capital increase	16,725	2,455	16,725	2,455
	End of financial year	33,468	8,818	33,468	8,818
	(ii) Currency translation reserve				
	Beginning of financial year	(1,138)	(1,062)	–	–
	Net currency translation differences of financial statements of foreign subsidiaries	(1,324)	(76)	–	–
	End of financial year	(2,462)	(1,138)	–	–
	(iii) Other reserves				
	Beginning of financial year	(3,071)	(3,071)	–	–
	Value of employee services (Note 8)	566	–	566	–
	Issuance of warrants	442	–	442	–
	End of financial year	(2,063)	(3,071)	1,008	–

Pursuant to the Company's Articles of Incorporation, capital reserve arising from paid-in capital in excess of par value on issuance of common stocks and capital contributions can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership.

Other reserves are non-distributable.

24. RETAINED PROFITS

(a) Retained profits of the Group and the Company are distributable.

(b) Movement in retained profits for the Company is as follows:

	Company	
	2024	2023
	$'000	$'000
Beginning of financial year	648	2,581
Net losses	(2,245)	(306)
Retained profits transferred to capital	–	(1,627)
Dividends paid (Note 25)	(1,060)	–
End of financial year	(2,657)	648

25. DIVIDENDS

	Group	
	2024	2023
	USD'000	USD'000
Special dividend paid in respect of the previous financial year of SGD 0.5 cents (2023: Nil) per ordinary share	1,060	–
Total dividends paid	1,060	–

At the Annual General Meeting on 30 April 2025, a special dividend of SGD 0.024 cents per share amounting to a total of USD77,000 will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2025.

26. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

Risk management is carried out by a central treasury department (Group treasury) under policies approved by the management. Group treasury is mainly responsible for identifying, evaluating and hedging financial risks. Group Treasury measures actual exposures against the limits set and prepare regular report to the Board of Directors.

26. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk

(i) *Currency risk*

The Group operates internationally and is exposed to currency risk arising from the transactions of the Company and its subsidiaries in various currency, primarily the USD, the Chinese Renminbi ("RMB") and the New Taiwan Dollar ("NTD") other than their respective functional currencies ("foreign currencies").

Management has set up a policy to require group companies to manage their currency risk against their functional currency. The companies are required to manage their entire currency risk exposure with the Group treasury. Currency risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

The Group's currency exposure based on the information provided to key management is as follows:

	NTD USD'000	RMB USD'000
Group		
2024		
Financial assets		
Cash and bank balances	4,752	24,186
Trade and other receivables	2,267	2,364
Receivables from holding corporations/subsidiaries	165	25,700
Total financial assets	7,184	52,250
Financial liabilities		
Trade and other payables	(1,018)	(3,155)
Payable from holding corporations/subsidiaries	(165)	(25,700)
Total financial liabilities	(1,183)	(28,855)
Net financial assets	6,001	23,395
Less: Net financial assets denominated in the respective entities' functional currency	(6,000)	(2,865)
Net currency exposure	1	20,530

26. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (Continued)

(i) *Currency risk* (Continued)

	NTD USD'000	RMB USD'000
Group		
2023		
Financial assets		
Cash and bank balances	2,288	3,727
Trade and other receivables	1,563	1,083
Receivables from holding corporations/subsidiaries	141	1,095
Total financial assets	3,992	5,905
Financial liabilities		
Trade and other payables	(882)	(3,116)
Payable from holding corporations/subsidiaries	(141)	(1,095)
Total financial liabilities	(1,023)	(4,211)
Net financial assets	2,969	1,694
Less: Net financial assets denominated in the respective entities' functional currency	(3,078)	(787)
Net currency exposure	(109)	907

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as NTD and RMB. If the NTD and RMB strengthened/weakened against the USD by 1% (2023: 1%) and 1% (2023: 1%) respectively with all other variables profit after tax, the effects arising from the net financial asset would increase/decrease the total return by USD205,310 (2023: USD7,980) respectively.

There was no significant currency risk on the transactions of the Company.

(ii) *Equity price risk*

There was no significant equity price risk on the transactions of the Group.

(iii) *Cash flow and fair value interest rate risk*

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group.

Credit exposure to an new counterparty is restricted by credit limits that are approved by the Head of Credit Control based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the Head of Credit Control.

26. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

As the Group does not hold collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet.

The movements in credit loss allowance are as follows:

	Group		
	Contract assets USD'000	**Trade receivables USD'000**	**Total USD'000**
2024			
Beginning of financial year	–	69	69
Asset acquired/originated	–	(23)	(23)
Written off	–	–	–
Effect of foreign exchange	–	(2)	(2)
End of financial year	–	44	44
2023			
Beginning of financial year	–	59	59
Asset acquired/originated	–	111	111
Written off	–	(97)	(97)
Effect of foreign exchange	–	(4)	(4)
End of financial year	–	69	69

(i) Trade receivables and contract assets

The Group uses a loss rate methodology to measure the lifetime expected credit loss allowance for trade receivables and contract assets.

In measuring the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. The contract assets relate to unbilled work in progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group considers a financial asset as default if the counterparty fails to make contractual payments within 90 days when they fall due, and writes off the financial asset when a debtor fails to make contractual payments greater than 365 days past due. Where receivables are written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

26. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

(i) *Trade receivables and contract assets* (Continued)

The Group's credit risk exposure in relation to trade receivables and contract assets under IFRS 9 as at 31 December 2023 and 2024 are set out in the provision matrix as follows:

	Without past due	0 to 30 days	Group 31 days to 90 days	> 91 days	Total
2024					
Expected loss rate	0.56%	1.36%	4.55%	100%	
Total book value (USD'000)					
– Trade receivables	5,360	220	22	10	5,612
– Contract assets	3,595	–	–	–	3,595
	8,955	220	22	10	9,207
Loss allowance	30	3	1	10	44
2023					
Expected loss rate	0.73%	0.83%	3.14%	100%	
Total book value (USD'000)					
– Trade receivables	3,386	4	67	42	3,499
– Contract assets	3,469	–	–	–	3,469
	6,855	4	67	42	6,968
Loss allowance	24	–	3	42	69

(ii) *Cash and bank balance*

The Group and the Company held cash and bank balances of USD39,832,000 and USD29,074,000 respectively (2023: USD16,423,000 and USD5,549,000) with banks which are rated AAA and AA+ based on Standard & Poor and are considered to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and the ability to close out market positions at a short notice. At the balance sheet date, assets held by the Group and the Company for managing liquidity risk included cash and checking accounts and demand deposits as disclosed in Note 12.

Management monitors rolling forecasts of the liquidity reserve (comprises undrawn borrowing facility and cash and bank balances (Note 12) of the Group on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group in accordance with the practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these obligations, monitoring liquidity ratios and maintaining debt financing plans.

26. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (Continued)

The table below analyses non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Group		
	Less than 1 year USD'000	Over 1 year USD'000	Total USD'000
2024			
Non-derivative financial liabilities			
– Trade and other payables	5,940	–	5,940
– Lease liabilities (include current and non-current)	1,293	1,956	3,249
2023			
Non-derivative financial liabilities			
– Trade and other payables	5,402	–	5,402
– Lease liabilities (include current and non-current)	1,041	1,751	2,792

	Company		
	Less than 1 year USD'000	Over 1 year USD'000	Total USD'000
2024			
Non-derivative financial liabilities			
– Trade and other payables	20,462	–	20,462
2023			
Non-derivative financial liabilities			
– Trade and other payables	455	–	455

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payments, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The Group monitors capital on the basis of the debt ratio. This ratio is calculated as total liabilities divided by total assets.

	Group		Company	
	2024 USD'000	2023 USD'000	2024 USD'000	2023 USD'000
Total liabilities	10,267	9,056	20,462	455
Total assets	60,263	30,503	65,646	18,536
Debt ratio	17%	30%	31%	2%

26. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurements

The Group did not hold financial and non-financial instruments measured at fair value as at 31 December 2023 and 2024.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments are as follows:

	Group		Company	
	2024 USD'000	2023 USD'000	2024 USD'000	2023 USD'000
Financial assets				
Cash and cash equivalents	39,832	16,423	29,074	5,549
Trade and other receivables	5,825	3,603	60	399
Other non-current assets – refundable deposits	289	234	–	–
Financial assets, at amortised cost	1,461	–	1,461	–
	47,407	20,260	30,595	5,948
Financial liabilities				
Financial liabilities, at amortised cost				
Trade and other payables	5,940	5,402	20,462	455
Lease liabilities				
– Current	1,175	930	–	–
– Non-current	1,886	1,687	–	–
	9,001	8,019	20,462	455

27. IMMEDIATE AND ULTIMATE HOLDING CORPORATIONS

The Company's immediate holding corporation is Acer Gaming Inc., incorporated in Taiwan. The ultimate holding corporation is Acer Incorporated, incorporated in Taiwan.

28. RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

	Group	
	2024 USD'000	2023 USD'000
Sales of goods and/or services to ultimate holding corporation	99	49
Administrative fees from ultimate holding corporation	7	8
Advance payables to ultimate holding corporation	–	2
Reimbursement of research and development costs from ultimate holding company	755	–
Other income from ultimate holding corporation	242	–
Distribution and marketing fees from associate of ultimate holding corporation	181	107

Other related parties comprise mainly companies which are controlled by the Group's key management personnel and their close family members.

Outstanding balances at 31 December 2024, arising from sale/purchase of goods and services, are unsecured and receivable/payable within 12 months from balance sheet date and are disclosed in Note 13 and 19 respectively.

Key management personnel compensation

	Group	
	2024 USD'000	2023 USD'000
Short-term employee benefits	1,092	992
Share-based compensation expense	493	–

29. SEGMENT INFORMATION

The chief operating decision maker ("CODM") has been identified as the Executive Director of the Company who review the Group's internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

The Group is principally engaged in art outsourcing. Information reported to CODM, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group. For the financial years ended 31 December 2023 and 2024, there are three operating segments based on business type: (1) Original Equipment Manufacturer ("Art Outsourcing Segment"), (2) Original Design Manufacturer ("Game Development Segment") and (3) Global Publishing and Others.

The CODM assess performance of the operating segments based on a measure of profit/(loss) before income tax.

29. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Executive Director for the reportable segments are as follows:

	Group			
	Art Outsourcing Segment USD'000	**Game Development Segment USD'000**	**Global Publishing and Others USD'000**	**Total USD'000**
2024				
Segment revenue				
Service revenue	26,408	5,300	–	31,708
Licencing and product revenue	–	–	191	191
	26,408	5,300	191	31,899
Segment expenses				
Subcontract expense	3,555	153	58	3,766
Employee compensation	17,713	2,710	548	20,971
Profit before income tax	(374)	663	65	354
Significant non-cash items				
Depreciation of property, plant and equipment	546	110	4	660
Depreciation of right-of-use assets	1,004	201	7	1,212
Amortisation of intangible assets	154	31	1	186
Segment assets	48,366	9,707	350	58,423
Included in the segment assets:				
Trade and other receivables	5,267	1,057	38	6,362
Additions to:				
Property, plant and equipment	374	75	3	452
Right-of-use assets	1,473	296	10	1,779
Intangible assets	1,928	24	2	1,954
Segment liabilities	7,580	1,521	55	9,156

29. SEGMENT INFORMATION (CONTINUED)

	Group			
	Art Outsourcing Segment USD'000	Game Development Segment USD'000	Global Publishing and Others USD'000	Total USD'000
2023				
Segment revenue				
Service revenue	24,124	4,996	–	29,120
Licencing and product revenue	–	–	161	161
	24,124	4,996	161	29,281
Segment expenses				
Subcontract expense	3,110	257	42	3,410
Employee compensation	14,983	2,327	382	17,692
Profit before income tax	646	1,115	(338)	1,423
Significant non-cash items				
Depreciation of property, plant and equipment	503	104	4	611
Depreciation of right-of-use assets	915	189	6	1,110
Amortisation of intangible assets	61	13	–	74
Segment assets	23,909	4,951	160	29,020
Included in the segment assets:				
Trade and other receivables	3,193	662	21	3,876
Additions to:				
Property, plant and equipment	520	107	3	630
Right-of-use assets	704	146	5	855
Intangible assets	31	6	1	38
Segment liabilities	6,695	1,386	45	8,126

29. SEGMENT INFORMATION (CONTINUED)

Reconciliation

(a) Segment assets

The amounts reported to the Executive Director with respect to total assets are measured in a manner consistent with that of the financial statements. All assets are allocated to reportable segments other than deferred income tax assets.

Segment assets are reconciled to total assets as follows:

	Group	
	2024 USD'000	**2023 USD'000**
Art Outsourcing Segment assets	48,366	23,909
Game Development Segment assets	9,707	4,951
Global Publishing and Others Segment assets	350	160
	58,423	29,020
Unallocated:		
– Deferred income tax assets	1,840	1,483
Total assets	60,263	30,503

(b) Segment liabilities

The amounts provided to the Executive Director with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated to the reportable segments other than deferred income tax liabilities and derivative financial instruments.

Segment liabilities are reconciled to total liabilities as follows:

	Group	
	2024 USD'000	**2023 USD'000**
Art Outsourcing Segment liabilities	7,580	6,695
Game Development Segment liabilities	1521	1,386
Global Publishing and Others Segment liabilities	55	45
	9,156	8,126
Unallocated:		
– Deferred income tax liabilities	1,111	930
Total liabilities	10,267	9,056

29. SEGMENT INFORMATION (CONTINUED)

Revenue from external customers were classified based on the customers' locations. Geographical information is as follows:

	Group 2024 USD'000	Group 2023 USD'000
Mainland China and Hong Kong	11,078	11,964
Taiwan	7,044	5,339
South Korea	6,176	5,479
United States	3,487	4,908
Japan	3,299	1,385
Other	815	206
	31,899	29,281

Non-current assets were classified based on the assets' locations. Geographical information is as follows:

	Group 2024 USD'000	Group 2023 USD'000
Mainland China and Hong Kong	4,351	2,855
Taiwan	2,297	2,355
Other	1,986	42
	8,634	5,252

Details of the revenue from individual customers that exceed 10% of net sale revenue in the statements of comprehensive income for the reported period are as follows:

	2024 USD'000	2024 %	2023 USD'000	2023 %
Customer T	**5,293**	**17**	3,446	12
Customer Z	**4,137**	**13**	1,650	6
Customer EE	**3,296**	**10**	2,685	9
	12,726		7,781	

30. BUSINESS COMBINATIONS

(a) Acquisition of of 100% of the issued and paid-up share capital of On Point Creative Co., Ltd.

On 28 December 2023, the Company entered into a sale and purchase agreement (the "Sale and Purchase Agreement") with Game Hours, Inc. (the "Vendor"), in relation to the purchase of 100% of the issued and paid-up share capital of On Point Creative Co., Ltd (the "Target Company"), for an aggregate purchase consideration of NTD 59,900,000.

As of 1 April 2024, in accordance with the terms and conditions of the Sale and Purchase Agreement, the purchase consideration has been fully satisfied in cash paid by the Group to the Vendor.

Details of the consideration paid, the assets acquired and liabilities assumed and the effects on the cash flows of the Group, at the acquisition date, are as follows:

		USD'000
(i)	Purchase consideration	
	Consideration transferred for the business	1,874
(ii)	Effect on cash flows of the Group	
	Cash paid (as above)	1,874
	Less: Cash and bank balances in subsidiary acquired	(342)
	Cash outflow on acquisition	1,532

		At fair value USD'000
(iii)	Identifiable assets acquired and liabilities assumed	
	Cash and bank balances	342
	Trade and other receivables (Note (v) below)	344
	Current income tax assets	1
	Property, plant and equipment (Note 14)	32
	Intangible assets (Note 16(a) and note (vi) below)	460
	Deferred income tax assets (Note 20)	107
	Other non-current assets	27
	Right-of-use assets (Note 15(b))	112
	Total assets	1,425
	Trade and other payables	(234)
	Current income tax liabilities	(1)
	Lease liabilities	(115)
	Deferred tax liabilities (Note 20)	(73)
	Total liabilities	(423)
	Total identifiable net assets	1,002
	Add: Goodwill (Note 16 and Note (vii) below)	872
	Consideration transferred for the business	1,874

30. BUSINESS COMBINATIONS (CONTINUED)

(a) Acquisition of of 100% of the issued and paid-up share capital of On Point Creative Co., Ltd. (Continued)

(iv) Acquisition-related costs

Acquisition-related costs of USD16,563 are included in “administrative expenses” in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

(v) Acquired receivables

The fair value of trade and other receivables is USD344,000 and includes trade receivables with a fair value of USD335,000.

(vi) Fair values

The fair value of the acquired identifiable intangible assets of USD460,000 (included customer relationships) was finalised during the year. No adjustments were required to be recognised.

(vii) Goodwill

The goodwill of USD872,000 arising from the acquisition is attributable to synergies that are expected to arise after the Company’s acquisition of the subsidiary.

(viii) Revenue and profit contribution

The acquired business contributed revenue of USD888,000 and net loss of USD1,038,000 to the Group for the period from 1 April 2024 to 31 December 2024.

(b) Acquisition of the business and certain assets of Pixelline Production Sdn. Bhd.

On 27 June 2024, the Group entered into a business sale agreement (the “Business Sale Agreement”) with Pixelline Production Sdn. Bhd. (the “Vendor” or “Pixelline Production”), in connection with the purchase of the business of Pixelline Production, as well as certain assets of Pixelline Production, which comprise the Business and certain equipment, machinery, furniture, fixtures, computer software, trademarks and goodwill.

The aggregate purchase consideration payable by the Company in connection with the acquisition is up to USD1,000,000, comprising the following:

(i) Pursuant to the Business Sale Agreement, an upfront cash payment of USD300,000 (“Upfront Cash Consideration”), to be paid by the Company to the Vendor on Completion; and

(ii) Pursuant to the earn-out agreements with each of the Vendor Shareholders (collectively, the “Earn-out Agreements”), earn-out amounts to be paid in various tranches by the Group to shareholders of the Vendor of up to USD500,000 (collectively the “Earn-out Payments”), subject to Pixelline Art fulfilling certain financial targets in respect of the financial years ending 31 December 2024, 31 December 2025 and 31 December 2026, as well as onetime payments to be paid by the Group to shareholders of the Vendor of USD200,000, subject to the due execution of the employment agreement to be entered into between the respective Vendor Shareholder and Pixelline Art, the respective Vendor Shareholder having ensured and procured the commencement of the transfer of the employees of Pixelline Production who have accepted the offer of employment by Pixelline Art, to Pixelline Art, and the respective Vendor Shareholder having facilitated the completion of the transfer of the Pixelline Production Business and Assets (the “One-Time Payments”).

30. BUSINESS COMBINATIONS (CONTINUED)

(b) Acquisition of the business and certain assets of Pixelline Production Sdn. Bhd. (Continued)

Details of the consideration paid, the assets acquired and liabilities assumed and the effects on the cash flows of the Group, at the acquisition date, are as follows:

		USD'000
(i)	Purchase consideration	
	Consideration transferred for the business	500
(ii)	Effect on cash flows of the Group	
	Cash paid (as above)	500
	Less: Cash and bank balances in subsidiary acquired	–
	Cash outflow on acquisition	500

		At fair value USD'000
(iii)	Identifiable assets acquired and liabilities assumed	
	Property, plant and equipment (Note 14)	20
	Intangible assets (Note 16(a) and note (v) below)	303
	Total identifiable net assets	323
	Add: Goodwill (Note 16(a) and Note (vi) below)	177
	Consideration transferred for the business	500

(iv) Acquisition-related costs

Acquisition-related costs of USD34,493 are included in "administrative expenses" in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

(v) Fair values

The fair value of the acquired identifiable intangible assets of USD303,000 (included customer relationships) was finalised during the year. No adjustments were required to be recognised.

(vi) Goodwill

The goodwill of USD177,000 arising from the acquisition is attributable to synergies that are expected to arise after the Company's acquisition of the business and certain assets.

(vii) Revenue and profit contribution

The acquired business contributed revenue of USD370,000 and net loss of USD187,000 to the Group from the period from 28 June 2024 to 31 December 2024.

31. SIGNIFICANT EVENTS

On 17 January 2025, the Company announced its proposal to acquire 100% of the equity interest in Shanghai Mineloader Digital Technology Co., Ltd (the "Target Company") for an aggregate consideration of approximately RMB146 million (approximately US$19.9 million or SGD 27.2 million or GBP 16.3 million). The acquisition is expected to be completed before the end of 1H 2025, subject to the satisfaction of various conditions precedents, including the full payment of the Target Company's equity, shareholder approvals, and the execution of confidentiality and intellectual property agreements.

The acquisition will be funded using the Company's internal cash resources, with approximately RMB131.4 million (approximately US$17.9 million or SGD 24.5 million or GBP 14.7 million) being paid as an upfront payment, and the remaining balance to be paid on the fifth anniversary following completion of the transaction, contingent on the satisfaction of certain conditions and performance targets.

Furthermore, as part of the acquisition, the Company has entered into performance-based incentive agreements with key management personnel of the Target Company, pursuant to which new incentive shares in the capital of the Company amounting to a value of up to RMB24.0 million (approximately US$3.3 million or SGD 4.5 million or GBP 2.7 million) will be issued over the financial years ending 31 December 2025 to 31 December 2030, subject to the fulfilment of performance targets and terms as prescribed under the performance-based incentive agreements.

The Board believes the acquisition will create substantial business synergies and cross-selling opportunities, facilitating scalable growth and enhancing the Company's competitive position in the global gaming services industry.

32. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2025 and which the Group has not early adopted.

Amendments to IAS 21 – Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)

IAS 21 is amended to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments (effective for annual reporting periods beginning on or after 1 January 2026)

IFRS 9 and IFRS 7 are amended to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

32. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

IFRS 18 – Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027)

IFRS 18 replaces IAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance (comprising of the statement of profit or loss and other comprehensive income) and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the group's net profit, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:

    - Foreign exchange differences currently aggregated in the line item 'other gains/(losses) – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

    - IFRS 18 has specific requirements on the category in which derivative gains or losses are recognised – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the group currently recognises some gains or losses in operating profit and others in finance costs, there might be a change to where these gains or losses are recognised, and the group is currently evaluating the need for change.

- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.

- The group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

    - management-defined performance measures;

    - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and

    - for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1-1.

32. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

IFRS 18 – Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027) (Continued)

- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures (effective for annual reporting periods beginning on or after 1 January 2027)

IFRS 19 allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements; and it applies instead the reduced disclosure requirements in IFRS 19.

IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The Group does not expect this standard to have an impact on its operations or financial statements.

33. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Winking Studios Limited on 7 April 2025.

SHAREHOLDING STATISTICS

as at 19 March 2025

CLASS OF SHARES	:	Ordinary Shares
NUMBER OF SHARES	:	440,364,942
NUMBER OF ORDINARY SHAREHOLDERS	:	The number of ordinary shareholders as at 19 March 2025 is 99
VOTING RIGHTS	:	1 vote for each Ordinary Share held
TREASURY SHARES	:	Nil
SUBSIDIARY HOLDINGS	:	Nil

The aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding : 0%

DISTRIBUTION OF SHAREHOLDINGS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	0	0.00	0	0.00
100 – 1,000	10	10.10	5,400	0.00
1,001 – 10,000	25	25.25	156,900	0.03
10,001 – 1,000,000	50	50.51	6,455,734	1.47
1,000,001 and above	14	14.14	433,746,908	98.50
Total	99	100.00	440,364,942	100.00

LIST OF 20 LARGEST REGISTERED SHAREHOLDERS

No.	Name	No. of Shares	%
1	KGI SECURITIES (SINGAPORE) PTE. LTD	172,842,608	39.25
2	ACER GAMING INC.	142,537,815	32.37
3	COMPUTERSHARE COMPANY NOMINEES LTD	57,464,867	13.05
4	JAN CHENG-HAN @ JOHNY JAN	21,268,929	4.83
5	UOB KAY HIAN PTE LTD	10,161,700	2.31
6	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	9,154,632	2.08
7	CITIBANK NOMINEES SINGAPORE PTE LTD	6,103,022	1.39
8	SNSI INVESTMENT FUND LTD.	3,484,151	0.79
9	DBS NOMINEES PTE LTD	3,086,516	0.70
10	LEE CHIU-HUI	2,304,731	0.52
11	ASDEW ACQUISITIONS PTE LTD	1,894,800	0.43
12	MAYBANK SECURITIES PTE. LTD.	1,316,600	0.30
13	CHEN, SHU-KUEI	1,086,537	0.25
14	LIN PENG WEN	1,040,000	0.24
15	HSBC (SINGAPORE) NOMINEES PTE LTD	892,900	0.20
16	CHEN PO-AN	499,033	0.11
17	LIM KHAI (LIN KAI)	492,000	0.11
18	KHOO SIEW HWA	400,000	0.09
19	KHOO SOO BENG	362,700	0.08
20	OCBC SECURITIES PRIVATE LTD	313,000	0.07
	Total:	**436,706,541**	99.17

SUBSTANTIAL SHAREHOLDERS

		Direct Interest		Deemed Interest[2]		Total Interest	
No	Substantial Shareholders	No. of Shares	%[1]	No. of Shares	%[1]	No. of Shares	%[1]
1.	Acer Gaming Inc.[3][4]	142,537,815	32.40	110,200,000	25.02	252,737,815	57.39
2.	Acer Incorporated[3][5]	–	–	282,546,436	64.16	282,546,436	64.16
3.	Acer SoftCapital Incorporated[5]	–	–	29,808,621	6.77	29,808,621	6.77
4.	Flying Way International Corp[6]	–	–	23,082,552	5.24	23,082,552	5.24
5.	Mr. Cho Tai-Wei[6][7]	–	–	26,669,146	6.06	26,669,146	6.06
6.	Mr. Cho Tai-Ching[6][8]	–	–	23,082,552	5.24	23,082,552	5.24
7.	Mr. Johnny Jan[9]	21,268,929	4.83	2,971,398	0.67	24,240,327	5.50
8.	Ms. Lee, Chiu-Hui[10]	2,304,731	0.52	21,935,596	4.98	24,240,237	5.50

Notes:

(1) Based on 440,364,942 shares in the capital of the Company (the "**Shares**").

(2) Deemed interests refer to interests determined pursuant to Section 4 of the Securities and Futures Act 2001 of Singapore (the "**SFA**").

(3) Acer Incorporated ("**Acer**") holds an aggregate direct and indirect shareholding interest of 70.03% in Acer Gaming Inc. ("**Acer Gaming**"). Accordingly, by virtue of Section 4 of the SFA, Acer is deemed to have an interest in the 252,737,815 Shares which are held by Acer Gaming. The percentage level of Acer Incorporated's shareholding interest in the Company had increased from approximately 59.59% to approximately 62.56% immediately following the completion of the placement of 108,000,000 shares in the capital of the Company on 8 July 2024 (the "**July Placement**") and subsequently increased further from approximately 62.56% to approximately 64.16% immediately following the completion of the dual listing of the Company on AIM of the London Stock Exchange ("**AIM Listing**"), as disclosed in the admission document dated 8 November 2024 in connection with its AIM Listing (the "**Admission Document**") and in the substantial shareholding notification of Acer Incorporated released after the AIM Listing.

(4) Acer Gaming has a deemed interest in 70,200,000 Shares and 40,000,000 Shares that are held through its nominee accounts maintained with KGI Securities (Singapore) Pte. Ltd. and Computershare Company Nominees Ltd. respectively. The percentage level of Acer Gaming Inc's shareholding interest in the Company had increased from approximately 50.96% to approximately 54.87% immediately following the completion of the July Placement and subsequently increased further from approximately 54.87% to approximately 57.39% immediately following the completion of the AIM Listing, as disclosed in the Admission Document and in the substantial shareholding notification of Acer Gaming released after the AIM Listing.

(5) Acer SoftCapital Incorporated ("**Acer SoftCapital**") is a wholly owned subsidiary of Acer. Accordingly, by virtue of Section 4 of the SFA, Acer is deemed to have an interest in the 29,808,621 Shares which Acer SoftCapital holds through its nominee account maintained with KGI Securities (Singapore) Pte. Ltd. The percentage level of Acer SoftCapital's shareholding interest in the Company had decreased from approximately 8.63% to approximately 7.69% immediately following the completion of the July Placement and subsequently decreased further from approximately 7.69% to approximately 6.77% immediately following the completion of the AIM Listing, as disclosed in the Admission Document and in the substantial shareholding notification of Acer SoftCapital released after the AIM Listing.

(6) Flying Way International Corp ("**Flying Way**") is deemed to have an interest in the Shares which Flying Way holds through its nominee account maintained with KGI Securities (Singapore) Pte. Ltd. Flying Way is owned by Mr. Cho Tai-Wei (44.0%) and Mr. Cho Tai-Ching (40.0%), who are siblings. Accordingly, by virtue of Section 4 of the SFA, each of them is deemed to have an interest in the Shares in which Flying Way has an interest in. The percentage level of Flying Way shareholding interest in the Company had decreased from approximately 8.3% to approximately 5.95% immediately following the completion of the July Placement and subsequently decreased further from approximately 5.95% to approximately 5.24% immediately following the completion of the AIM Listing, as disclosed in the Admission Document and in the substantial shareholding notification of Flying Way released after the AIM Listing.

(7) Mr. Cho Tai-Wei is deemed to have an interest in the 3,586,596 Shares which are held through his nominee account maintained with KGI Securities (Singapore) Pte. Ltd. The percentage level of Mr. Cho Tai-Wei's shareholding interest in the Company had decreased from approximately 9.54% to approximately 6.88% immediately following the completion of the July Placement and subsequently decreased further from approximately 6.88% to approximately 6.06% immediately following the completion of the AIM Listing, as disclosed in the Admission Document and in the substantial shareholding notification of Mr. Cho Tai-Wei released after the AIM Listing.

(8) The percentage level of Mr. Cho Tai-Ching's shareholding interest in the Company had decreased from approximately 8.3% to approximately 5.95% immediately following the completion of the July Placement and subsequently decreased further from approximately 5.95% to approximately 5.24% immediately following the completion of the AIM Listing, as disclosed in the Admission Document and/or in the substantial shareholding notification of Mr. Cho Tai-Ching released after the AIM Listing.

(9) Mr. Johnny Jan's deemed interest in the Shares arises as follows: (a) Ms. Lee, Chiu-Hui is the spouse of Mr. Johnny Jan and accordingly, he is deemed to have an interest in the 2,304,731 Shares directly held by her, by virtue of Section 133(4) of the SFA; (b) Mr. Johnny Jan also has a deemed interest in 666,667 Shares that are held through his nominee account maintained with SP Angel Corporate Finance LLP. The percentage level of Mr. Johnny Jan's shareholding interest in the Company had decreased from approximately 8.43% to approximately 6.08% immediately following the completion of the July Placement and subsequently decreased further from approximately 6.08% to approximately 5.5% immediately following the completion of the AIM Listing, as disclosed in the Admission Document and in the substantial shareholding notification of Mr. Johnny Jan released after the AIM Listing.

(10) Ms. Lee, Chiu-Hui is the spouse of Mr. Johnny Jan. Accordingly, she is deemed to have an interest in the Shares held by him, by virtue of Section 133(4) of the SFA. The percentage level of Lee, Chiu-Hui's shareholding interest in the Company had decreased from approximately 8.43% to approximately 6.08% immediately following the completion of the July Placement and subsequently decreased further from approximately 6.08% to approximately 5.5% immediately following the completion of the AIM Listing, as disclosed in the substantial shareholding notification of Ms. Lee, Chiu-Hui released after the AIM Listing.

COMPLIANCE WITH RULE 723 OF THE SGX-ST LISTING MANUAL SECTION B: RULES OF CATALIST

Based on information available and to the best knowledge of the Directors, as at 19 March 2025, approximately 24.41% of the ordinary shares of the Company are held by the public. The Company is therefore in compliance with Rule 723 of the SGX-ST Listing Manual Section B: Rules of Catalist of Singapore Exchange Securities Trading Limited.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING of Winking Studios Limited ("**Company**") will be held at One Farrer Hotel, Level 6 Spottiswoode, 1 Farrer Park Station Road, Singapore 217562 on Wednesday, 30 April 2025 at 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' Statement and the Independent Auditor's Report thereon. **(Resolution 1)**

2. To declare a first and final dividend of S$0.00024 per ordinary share one-tier tax exempt for the financial year ended 31 December 2024. **(Resolution 2)**

3. To re-elect Mr Oliver Yen (Yen, Chun Te), who is retiring pursuant to Article 85(6) of the Company's Amended and Restated Memorandum and Articles of Association, as a director. **(Resolution 3)**

   (See Explanatory Note 1)

4. To re-elect Mr Daniel Widdicombe, who is retiring pursuant to Article 85(6) of the Company's Amended and Restated Memorandum and Articles of Association, as a director. **(Resolution 4)**

   Mr Daniel Widdicombe will, upon re-election as a Director of the Company remain as Independent and Non-Executive Director, Chairman of the AIM Compliance Committee and a member of the Audit, Risk and Disclosure Committee and will be considered independent for the purposes of Rule 704(7) of Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Catalist Rules**").

   (See Explanatory Note 1)

5. To re-elect Mr Chang Yi-Hao, who is retiring pursuant to Article 85(6) of the Company's Amended and Restated Memorandum and Articles of Association, as a director. **(Resolution 5)**

   Mr Chang Yi-Hao will, upon re-election as a Director of the Company remain as Independent and Non-Executive Director, Chairman of the Remuneration Committee and member of Audit, Risk and Disclosure Committee, Nominating Committee and AIM Compliance Committee and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

   (See Explanatory Note 1)

6. To approve the payment of Directors' fees of US$8,350.68 for the financial year ended 31 December 2024. **(Resolution 6)**

7. To approve the payment of Directors' fees of US$184,500.00 for the financial year ending 31 December 2025, to be paid half yearly in arrears. **(Resolution 7)**

8. To re-appoint Messrs PricewaterhouseCoopers LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 8)**

9. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as Ordinary Resolutions with or without modifications:

10. **AUTHORITY TO ALLOT AND ISSUE SHARES** **(Resolution 9)**

That, pursuant to Article 12 of the Amended and Restated Memorandum and Articles of Association of the Company ("**M&AA**") and Rule 806 of the Catalist Rules, authority be and is hereby given to the Directors of the Company to, subject to (b) below:

(a) (i) allot and issue shares in the capital of the Company ("**Shares**") (whether by way of rights, bonus or otherwise); and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) notwithstanding the authority conferred by this Resolution may have ceased to be in force, issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:

(1) the aggregate number of Shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued pursuant to this Resolution does not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Resolution is passed, after adjusting for:

(i) new Shares arising from the conversion or exercise of Instruments or any convertible securities;

(ii) new Shares arising from exercising share options or vesting of share awards, provided that the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(iii) any subsequent bonus issue, consolidation or subdivision of Shares.

Adjustments in accordance with Rule 806(3)(a) or Rule 806(3)(b) are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate.

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), and all applicable legal requirements under the M&AA for the time being; and

(4) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

(See Explanatory Note 2)

11. **PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS** **(Resolution 10)**

(a) approval be and is hereby given, for the purposes of Chapter 9 of the Catalist Rules, for the Company, its subsidiaries and associated companies that are entities at risk (as defined in Chapter 9 of the Catalist Rules), or any of them, to enter into any of the mandated transactions described in the Appendix (as defined below) with the relevant mandated interested persons, provided that such transactions are made on normal commercial terms, are not prejudicial to the interests of the Company and its minority shareholders and in accordance with the review procedures for such mandated interested person transactions as set out in the appendix (the "**Appendix**") to this Notice of AGM dated 7 April 2025 (the "**Shareholders' IPT General Mandate**");

(b) the approval given under the Shareholders' IPT General Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company (unless revoked or varied by the Company in general meeting) or the date by which the next annual general meeting is required by law to be held, whichever is the earlier; and

(c) the directors of the Company and the Audit, Risk and Disclosure Committee (as defined in the Appendix) of the Company be and are hereby authorised to take such action as they deem proper in respect of such methods and procedures, and/or to modify or implement such methods and procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Catalist Rules which may be prescribed by the SGX-ST from time to time.

(See Explanatory Note 3)

By Order of the Board

Yoo Loo Ping
Company Secretary

Date: 7 April 2025

Explanatory Notes on resolutions to be passed:

1) Detailed information on Mr Oliver Yen (Yen, Chun Te), Mr Daniel Widdicombe and Mr Chang Yi-Hao who are proposed to be re-elected as Directors of the Company can be found under sections "Board of Directors" and "Additional Information on Directors seeking re-election" in the Company's Annual Report for the financial year ended 31 December 2024.

2) Ordinary Resolution 9 proposed above, if passed, will authorise and empower the Directors from the date of this annual general meeting until the conclusion of the next annual general meeting, or the date by which the next annual general meeting of the Company is required by law to be held, or when revoked or varied by the Company in general meeting, whichever is earlier, to allot and issue shares in the Company. The maximum number of shares which the Directors may issue under this resolution shall not exceed the quantum as set out in the Resolution.

3) Ordinary Resolution 10 proposed above, if passed, will authorise the entities at risk to enter into the Mandated Transactions (as defined in the Appendix) with the Mandated Interested Persons (as defined in the Appendix) and will empower the directors of the Company to do all acts necessary to give effect to the Shareholders' IPT General Mandate as set out in the Appendix. This authority will continue to be in force until the conclusion of the next annual general meeting of the Company (unless revoked or varied by the Company in general meeting) or the date by which the next annual general meeting is required by law to be held, whichever is the earlier. Please refer to the Appendix for details relating to the said Shareholders' IPT General Mandate.

IMPORTANT NOTES FOR SHAREHOLDERS:

For holders of United Kingdom Depository Interests ("**UK DI**")

(1) Participation in the forthcoming Annual General Meeting ("**AGM**") via live webcast

UK DI holders will not be able to attend the AGM in person. UK DI holders may instead participate in the AGM by:–

a. observing to the proceedings of the AGM through a live audio-visual webcast;

b. submitting questions in advance of the AGM or live during the AGM via text box;

(2) Pre-registration for AGM

UK DI holders who wish to follow the proceedings of the AGM must pre-register by email to ir@winkingworks.com by 26 April 2025, 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) ("**Pre-Registration Deadline**") providing name and email address. An email with instructions on how to join the live webcast of the AGM proceedings will be sent to the registered UK DI holders via email by 27 April 2025, 4:00 p.m. (Singapore time)/9:00 a.m. (UK time). UK DI holders must not forward the email instruction to other persons who are not entitled to attend the AGM proceedings. This is also to avoid any technical disruptions or overload to the AGM proceedings.

UK DI holders who have registered by the Pre-Registration Deadline but did not receive the aforementioned email by 27 April 2025, 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) should contact the Company by email at ir@winkingworks.com.

(3) Submission of Questions

UK DI holders may submit questions relating to the Resolutions to be tabled at the AGM in advance of the AGM, and must do so by 5:00 p.m. (Singapore time)/10:00 a.m. (UK time) on 14 April 2025 in the following manner:

a. If submitted by post, be lodged at Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol, UK, BS99 6ZZ; or

b. If submitted electronically, be submitted via email to sg.is.proxy@vistra.com.

UK DI holders submitting questions are required to state: (a) their full name; and (b) their identification/registration number, and (c) the manner in which his/her/its shares in the Company are held, failing which the Company shall be entitled to regard the submission as invalid and not respond to the questions submitted.

The Company will endeavour to address all substantial and relevant questions submitted prior to the AGM by publishing the responses to such questions on the Company's corporate website and on SGXNet by 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) on 25 April 2025 or during the AGM.

During the AGM itself, UK DI holders may submit text-based questions via the text box provided during the AGM live webcast. The Company will address substantial and relevant questions which have not already been addressed prior to the AGM, as well as those received live at the AGM itself, as it can. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

(4) Voting at the AGM

Holders of UK DI will not be permitted to vote at the Meeting. For their votes to be counted, they must either:

- submit a CREST Voting Instruction to the Company's agent in accordance with the instructions below; or complete, sign and return their Form of Instruction appointing Computershare Company Nominees Limited (the "**Custodian**") to vote the underlying Ordinary Shares on their behalf at the AGM to Computershare Investor Services PLC by 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) on 25 April 2025, being three (3) working days prior to the date of the AGM in the following manner:

    a. If submitted by post, be lodged at Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol, UK, BS99 6ZZ; or

    b. If submitted electronically, be submitted via email to !UKALLDITeam2@computershare.co.uk.

Holders of UK DI in Crest may issue a voting instruction through the CREST electronic voting service in accordance with the procedures described in the CREST Manual (available from https://my.euroclear.com/euilegal.html). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting services provider(s), who will be able to take the appropriate action on their behalf.

In order for instructions made using the CREST service to be valid, the appropriate CREST message (a CREST Voting Instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & International Limited (**EUI**) and must contain the information required for such instructions, as described in the CREST Manual.

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the issuer's agent (ID 3RA50) no later than 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) on 25 April 2025. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the issuer's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of each CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that the CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST service by any particular time. In this regard, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Voting Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

For SGX-Catalist investors

1. Members of the Company are invited to attend physically at the forthcoming AGM. There will be no option for members to participate virtually. Printed copies of this Notice of AGM and the proxy form ("**Proxy Form**") will be sent by post to members. The Notice of AGM and Proxy Form will also be accessible on the Company's website at the URL https://www.winkingworks.com/en-US/ and on SGXNet at the URL https://www.sgx.com/securities/company-announcements. For members who prefer to receive a printed copy of the Appendix and/or the Annual Report, please email the request to sg.is.proxy@vistra.com no later than 10:00 a.m. (Singapore time)/3:00 a.m. (UK time) on 14 April 2025.

2. Members (including Supplementary Retirement Scheme investors ("**SRS Investors**")) may participate in the AGM by:

   (a) attending the AGM in person;

   (b) raising questions at the AGM or submitting questions in advance of the AGM; and/or

   (c) voting at the AGM:

      (i) themselves personally; or

      (ii) through their duly appointed proxy(ies).

   SRS Investors who wish to appoint the Chairman of the AGM or such other person as proxy should approach their respective SRS Operators to submit their votes by 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) on 21 April 2025, being seven (7) working days prior to the date of the AGM.

3. A Depositor (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore) shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the AGM. Depositors who are individuals and who wish to attend the AGM in person need not take any further action and can attend and vote at the AGM without the lodgement of any Proxy Form.

4. Members, including SRS investors, attending the AGM in person will need to register in person at the registration counter(s) outside the AGM venue on the day of the event. Please bring along your NRIC/passport to enable the Company to verify your identity. The Company reserves the right to refuse admittance to the AGM if the attendee's identity cannot be verified accurately.

5. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.

   Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

6. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant Intermediary" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967:

   (a) a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

7. A proxy need not be a member of the Company. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

8. The Proxy Form, duly executed, must be submitted to the Company in the following manner:

   (a) If submitted by post, be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 9 Raffles Place, #26-01 Republic Plaza, Tower I, Singapore 048619; or

   (b) If submitted electronically, be submitted via email to Tricor Barbinder Share Registration Services at sg.is.proxy@vistra.com,

   in either case, by 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) on 27 April 2025, being no later than 72 hours before the time set for the AGM. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with applicable laws or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the Proxy Form.

9. The Proxy Form is not valid for use by investors holding Shares through Relevant Intermediaries (including SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them.

10. Members and SRS investors may submit questions relating to the resolutions to be tabled at the AGM in advance of the AGM, and must do so in the following manner by 5:00 p.m. (Singapore time)/10:00 a.m. (UK time) on 14 April 2025:

   (a) by email to sg.is.proxy@vistra.com; or

   (b) by post to the registered office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 9 Raffles Place, #26-01 Republic Plaza, Tower I, Singapore 048619.

   Members and SRS investors submitting questions are required to state: (a) their full name; and (b) their identification/registration number, and (c) the manner in which his/her/its shares in the Company are held (e.g. via CDP, SRS and/or scrip), failing which the Company shall be entitled to regard the submission as invalid and not respond to the questions submitted.

   The Company will endeavour to address all substantial and relevant questions submitted prior to the AGM by publishing the responses to such questions on the Company's corporate website and on SGXNet by 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) on 25 April 2025 or during the AGM.

11. For questions addressed during the AGM, the responses to such questions will be included in the minutes of the AGM which will be published on the Company's corporate website at the URL https://www.winkingworks.com/en-US/ and also on SGXNet at the URL https://www.sgx.com/securities/company-announcements within one month after the date of the AGM.

PERSONAL DATA PRIVACY

Where a member of the Company submits any question prior to or at the AGM or an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

WINKING STUDIOS LIMITED
(Company Registration No. 159882)
(Incorporated in the Cayman Islands)

IMPORTANT:
1. A Relevant Intermediary may appoint more than two proxies to attend the Annual General Meeting ("**AGM**") and vote (please see note 2(b) for the definition of "**Relevant Intermediary**").
2. This Proxy Form is not valid for use by investors holding shares in the Company through Relevant Intermediaries ("**Investors**") (including SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. Supplementary Retirement Scheme ("**SRS**") investors who hold shares through SRS Operators:
   (a) may vote at the AGM if they are appointed as proxies by their respective SRS Operators, and should contact their respective SRS Operators if they have any queries regarding their appointment as proxies; or
   (b) may appoint the Chairman of the AGM or such other person as proxy to vote on their behalf at the AGM, in which case they should contact their SRS Operators to submit their votes not less than seven (7) working days before the AGM (i.e. by 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) on 21 April 2025).
4. Investors holding shares of the Company ("**Shares**") through Relevant Intermediaries (other than SRS investors) and who wish to participate in the AGM by (a) attending the AGM in person; (b) submitting questions to the Company in advance of, or at, the AGM; and/or (c) voting at the AGM, should contact the Relevant Intermediary through which they hold such Shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.
5. By submitting this Proxy Form, a member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 7 April 2025.
6. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of proxies to vote on his/her/its behalf at the AGM.

ANNUAL GENERAL MEETING
PROXY FORM

*I/We (Name) ______________________ (*NRIC/Passport No./Company Registration No.) ______________ of

(Address) ____

being a member of Winking Studios Limited (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport No	Proportion of shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport No	Proportion of shareholdings (%)

or failing the person(s), referred to above, the Chairman of the Annual General Meeting ("**AGM**"), as *my/our *proxy/proxies to attend, speak and or vote on *my/our behalf at the AGM of the Company to be held at One Farrer Hotel, Level 6 Spottiswoode, 1 Farrer Park Station Road, Singapore 217562 on Wednesday, 30 April 2025 at 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Resolutions set out in the Notice of AGM as indicated hereunder. In the absence of specific instructions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the AGM.

No.	Resolutions	For**	Against**	Abstain**
ORDINARY BUSINESS				
1.	To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2024, together with the Directors' Statement and the Independent Auditor's Report thereon.			
2.	To declare a first and final dividend of S$0.00024 per ordinary share one-tier tax exempt for the financial year ended 31 December 2024.			
3.	To re-elect Mr Oliver Yen (Yen, Chun Te) as a Director.			
4.	To re-elect Mr Daniel Widdicombe as a Director.			
5.	To re-elect Mr Chang Yi-Hao as a Director.			
6.	To approve the payment of Directors' fees of US$8,350.68 for the financial year ended 31 December 2024.			
7.	To approve the payment of Directors' fees of US$184,500.00 for the financial year ending 31 December 2025, to be paid half yearly in arrears.			
8.	To re-appoint Messrs PricewaterhouseCoopers LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
SPECIAL BUSINESS				
9.	To authorise the Directors to allot and issue shares.			
10.	To approve the proposed renewal of the general mandate for interested person transactions.			

* Please delete accordingly.
** If you wish to exercise all your votes "For" or "Against" or "Abstain", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ________ day of ________________ 2025

Total Number of Shares Held	

____
Signature/Common Seal of Member

IMPORTANT NOTES

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the Proxy Form shall be deemed to relate to all the shares held by you.

2. (a) A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend and vote at the AGM. Where such member appoint two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the Proxy Form.

   (b) A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form. A proxy need not to be a member of the Company.

   "**Relevant Intermediary**" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore.

3. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act 1967 of Singapore or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the Proxy Form.

4. The Proxy Form, duly executed, must be submitted to the Company in the following manner:

   (a) If submitted by post, be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 9 Raffles Place, #26-01 Republic Plaza, Tower I, Singapore 048619; or

   (b) If submitted electronically, be submitted via email to Tricor Barbinder Share Registration Services at sg.is.proxy@vistra.com,

   in either case, by 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) on 27 April 2025, being no later than 72 hours before the time set for the AGM. A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before sending it by email to the email address provided above.

   Members are strongly encouraged to submit completed proxy forms electronically via email.

5. Completion and return of the Proxy Form shall not preclude a member from participating at the AGM if he/she so wishes. Any appointment of a proxy(ies) for the AGM shall be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person(s) appointed under the Proxy Form, to the AGM.

6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with applicable laws.

IMPORTANT INFORMATION FOR UK DEPOSITARY INTERESTS HOLDERS:

Form of Instruction must be returned to the Company's UK registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, England not later than 25 April 2025 at 4:00 p.m. (Singapore time)/9:00 a.m. (UK time) (being not later than three (3) working days before the time appointed for holding the AGM).

GENERAL

The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of Shares entered in the Depository Register, the Company may reject any Proxy Form lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 7 April 2025.

WINKING

WINKING STUDIOS LIMITED
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