

FOR IMMEDIATE RELEASE

Acer raises stake in Winking Studios; reflecting confidence in its prospects

- *Acer's deemed interest in the Group to increase to 59.59% post-transaction.*

SINGAPORE, 18 March 2024 – In a move reflecting its confidence in **Winking Studios Limited** (“**Winking Studios**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), Acer SoftCapital Incorporated (“**Acer Soft**”), a wholly owned subsidiary of the Company’s controlling shareholder, Acer Incorporated (“**Acer**”), has entered into separate conditional Share Purchase Agreements (“**SPA**”) on 7 and 15 March 2024 to acquire a total of 18,730,476 shares in the Company.

The two (2) married deals, which involved the Company’s shareholders Cathay Venture Inc, and Taiwan Cooperative Venture Capital Corporation, are carried out at a total consideration of approximately S\$3.7 million. Following the completion of both SPAs, Acer’s total deemed interest in the Company will increase to 59.59%, further cementing its position as the controlling shareholder of Winking Studios, which is Asia’s third largest¹ game art outsourcing studio.

Executive Chairman and Chief Executive Officer, Mr Johnny Jan (詹承翰) said, “*Acer’s move underscores its ongoing commitment and confidence in our Company’s growth potential. The current challenges in the gaming industry have accelerated a shift towards art outsourcing as the ideal solution for game developers to control costs while maintaining the quality of their game graphics. We are very encouraged by Acer’s strong backing. Not only does it put us in a strong position to capitalise on these trends but it also paves the way for us to explore opportunities that will enhance our competitive edge in end-to-end art outsourcing and game development services.*”

The Group registered healthy topline growth across its business segments in its recent financial year ended 31 December 2023, as announced in its latest results announcement. Following a slight pullback in the gaming industry post-Covid-19 the market is set to recover by 2.8% to US\$189.3

¹ According to the report titled “Global Game Art Outsourcing Industry Report” dated 28 September 2023 prepared by China Insights Industry Consultancy Limited

billion in 2024², with the game art outsourcing market projected to reach US\$6.3 billion by 2027¹.

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Issued for and on behalf of Winking Studios Limited

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About Winking Studios Limited

Winking Studios Limited (“**Winking Studios**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), is one of Asia's largest game art outsourcing studios and an established game development company. With over 26 years of experience, the Group’s three business segments include the Art Outsourcing Segment, which is its largest segment and involves the creation and development of digital art assets including 2D concept art, 3D modelling, 2D animation, 3D animation and visual effects, such as environment design and game character design. Its two other complementary business segments are the Game Development Segment, where the Group provides game development services, including programming, development, design and script writing of games; and the Global Publishing and Other Services Segment, which involves the release of games products produced by the Group as well as third party game developers on global game platforms, including PlayStation, Switch and Steam, and the sale of the Group’s in-house developed video games and peripheral gaming products.

Headquartered in Singapore, the Group has seven studios across Nanjing, Shanghai and Taipei with over 700 employees including 600 designers and artists serving a global customer base. It is majority owned by Acer Gaming Inc., a subsidiary of Acer Incorporated, which has an extensive network of relationships in the game development and art outsourcing industries, as well as an in-depth understanding of the game industry in Asia.

This press release has been reviewed by the Company’s sponsor PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”). This press release has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and the Exchange assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release. The contact person for the Sponsor is Ms. Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

² 23 January 2024, Reuters – Video-game market recovery to pick up steam in 2024 on strong console sales - report

