

CIRCULAR DATED 15 APRIL 2024

**THIS CIRCULAR (“CIRCULAR”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**IF YOU ARE IN ANY DOUBT IN RELATION TO THIS CIRCULAR OR AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

This Circular is issued by Winking Studios Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”). Unless otherwise stated, capitalised terms appearing on the cover of this Circular have the same meanings as defined herein.

The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) assumes no responsibility for the accuracy or correctness of any statements or opinions made, or reports contained, in this Circular.

Printed copies of this Circular will not be sent by post to Shareholders. Nevertheless, printed copies of the Notice of Extraordinary General Meeting, and the Proxy Form will be sent by post to Shareholders. Shareholders can access this Circular electronically via the Company’s website at the URL <https://www.winkingworks.com/en-US/> and on the website of the SGX-ST at the URL <https://www.sgx.com/securities/company-announcements>. Shareholders who require a hard copy of this Circular can request for a copy by following the instructions in the notes to the Notice of Extraordinary General Meeting.

This Circular has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”). It has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

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](mailto:sponsorship@ppcf.com.sg).



***Placement Agent to the Company in respect of the Proposed Placement***

**PRIME<sup>n</sup>**  
Partners

**PrimePartners Corporate Finance Pte. Ltd.**

(Company Registration No.: 200207389D)  
(Incorporated in the Republic of Singapore)

**CIRCULAR TO SHAREHOLDERS  
IN RELATION TO**

- (1) THE PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;**
- (2) THE PROPOSED PLACEMENT OF UP TO 108,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.25 FOR EACH PLACEMENT SHARE; AND**
- (3) THE ACER PLACEMENT**

**IMPORTANT DATES AND TIMES**

Last date and time for lodgement of Proxy Form	:	27 April 2024 at 11:00 a.m.
Date and time of Extraordinary General Meeting	:	30 April 2024 at 11:00 a.m. (or immediately after the conclusion of the AGM)
Place of Extraordinary General Meeting	:	Singapore Business Federation, 160 Robinson Road, #06-01 SBF Center, Singapore 068914

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## DEFINITIONS

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In this Circular, the following definitions shall apply throughout unless the context otherwise requires:

“Acer”	:	Acer Incorporated (宏碁股份有限公司)
“Acer Digital”	:	Acer Digital Service Co. (群碁投資股份有限公司)
“Acer Gaming”	:	Acer Gaming Inc. (宏碁遊戲股份有限公司)
“Acer Group”	:	Acer and its subsidiaries
“Acer Placees”	:	Collectively Acer Incorporated, Acer Gaming Inc., Acer SoftCapital Incorporated and Acer Digital Service Co.
“Acer Placement”	:	Has the meaning ascribed to it in Section 1.2 of this Circular
“Acer Placement Shares”	:	Has the meaning ascribed to it in Section 1.2 of this Circular
“Acer SoftCapital”	:	Acer SoftCapital Incorporated (宏碁跨世紀投資股份有限公司)
“AGM”	:	The forthcoming annual general meeting of the Company to be held at Singapore Business Federation, 160 Robinson Road, #06-01 SBF Center, Singapore 068914 on 30 April 2024 at 10:00 a.m.
“AI”	:	Artificial intelligence
“Audit Committee”	:	The audit committee of the Board
“Board”	:	The board of directors of the Company for the time being
“Catalist”	:	The Catalist of the SGX-ST, being the sponsor-supervised listing platform of the SGX-ST
“Catalist Rules”	:	Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
“Cayman Islands Companies Act”	:	The Companies Act (As Revised) of the Cayman Islands, as amended, modified or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 15 April 2024 in relation to, <i>inter alia</i> , the Proposed Placement
“Company”	:	Winking Studios Limited

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## DEFINITIONS

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<b>“Completion”</b>	:	Completion of the Proposed Placement
<b>“Completion Date”</b>	:	Has the meaning ascribed to it in Section 3.7.3 of this Circular
<b>“Conditions Precedent”</b>	:	Has the meaning ascribed to it in Section 3.7.2 of this Circular
<b>“Controlling Interest”</b>	:	The interest of the Controlling Shareholder(s)
<b>“Controlling Shareholder”</b>	:	A person who:  (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or  (b) in fact exercises control over a company
<b>“Corporate Proposals”</b>	:	Has the meaning ascribed to it in Section 1.3 of this Circular
<b>“CPF”</b>	:	Central Provident Fund
<b>“CPF Agent Bank”</b>	:	Any agent bank appointed by an investor to maintain such investor’s CPF investment account
<b>“Cut-Off Time”</b>	:	Has the meaning ascribed to it in Section 13.2 of this Circular
<b>“Directors”</b>	:	The directors of the Company for the time being
<b>“EGM”</b>	:	The extraordinary general meeting of the Company to be held on 30 April 2024 at 11:00 a.m. (or immediately after the conclusion of the AGM), notice of which is set out on pages N-1 to N-5 of this Circular
<b>“Enlarged Issued Shares”</b>	:	Has the meaning ascribed to it under Section 3.3 of this Circular
<b>“EPS”</b>	:	Earnings per share
<b>“Existing Articles”</b>	:	The existing articles of association of the Company
<b>“Existing Issued Shares”</b>	:	The existing number of issued and paid-up shares of the Company comprising 279,698,275 Shares as at the Latest Practicable Date
<b>“Existing Memorandum”</b>	:	The existing memorandum of association of the Company

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## DEFINITIONS

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<b>“Existing Memorandum and Articles of Association”</b>	:	The existing memorandum and articles of association of the Company
<b>“FY”</b>	:	Financial year ended or ending 31 December
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“Latest Practicable Date”</b>	:	8 April 2024, being the latest practicable date prior to the despatch of this Circular
<b>“Listing and Quotation Notice”</b>	:	Has the meaning ascribed to it in Section 3.6 of this Circular
<b>“MAS”</b>	:	Monetary Authority of Singapore
<b>“Mr. Chang Yi-Hao”</b>	:	Chang, Yi-Hao (張益豪)
<b>“Mr. Johnny Jan”</b>	:	Jan, Cheng-Han (詹承翰)
<b>“Mr. Kao Shu-Kuo”</b>	:	Kao, Shu-Kuo (高樹國)
<b>“Mr. Lim Heng Choon”</b>	:	Lim Heng Choon
<b>“Mr. Yang Wu Te”</b>	:	Yang Wu Te
<b>“Non-interested Directors”</b>	:	The Directors who are considered to be independent for the purposes of the Proposed Placement, being Mr. Johnny Jan, Mr. Lim Heng Choon, Mr. Chang Yi-Hao and Mr. Yang Wu Te
<b>“Notice of EGM”</b>	:	The notice of EGM which is set out on pages N-1 to N-5 of this Circular
<b>“NTA”</b>	:	Net tangible assets
<b>“Offer Document”</b>	:	The offer document of the Company dated 8 November 2023 in relation to the listing and quotation of the Shares on the Official List of Catalist
<b>“Ordinary Resolution 1”</b>	:	Has the meaning ascribed to it in Section 1.3 of this Circular
<b>“Ordinary Resolution 2”</b>	:	Has the meaning ascribed to it in Section 1.3 of this Circular
<b>“Ordinary Resolution 3”</b>	:	Has the meaning ascribed to it in Section 1.3 of this Circular

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## DEFINITIONS

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<b>“Placees”</b>	:	The placees in respect of the Proposed Placement
<b>“Placement Agent” or “PPCF”</b>	:	PrimePartners Corporate Finance Pte. Ltd.
<b>“Placement Agreement”</b>	:	Placement agreement entered into between the Placement Agent and the Company in relation to the Proposed Placement dated 9 April 2024
<b>“Placement Announcement”</b>	:	The announcement released by the Company on 10 April 2024 in relation to the Proposed Placement
<b>“Placement Commission”</b>	:	Placement commission payable by the Company to the Placement Agent to procure subscribers for the Proposed Placement, pursuant to the terms and conditions of the Placement Agreement
<b>“Placement Gross Proceeds”</b>	:	The aggregate purchase price (without deduction whatsoever) of all Placement Shares subscribed for by subscribers procured by the Placement Agent through the Proposed Placement, including any Placement Shares subscribed for by subscribers procured by the Placement Agent through sub-placement agents as the Placement Agent may in its absolute discretion engage
<b>“Placement Net Proceeds”</b>	:	Has the meaning ascribed to it in Section 5.2 of this Circular
<b>“Placement Price”</b>	:	Has the meaning ascribed to it in Section 1.1 of this Circular
<b>“Placement Shares”</b>	:	Has the meaning ascribed to it in Section 1.1 of this Circular
<b>“Proposed Increase in Authorised Share Capital”</b>	:	Has the meaning ascribed to it in Section 1.3 of this Circular
<b>“Proposed Placement”</b>	:	Has the meaning ascribed to it in Section 1.1 of this Circular
<b>“Proposed Resolutions”</b>	:	Has the meaning ascribed to it in Section 1.3 of this Circular
<b>“Proxy Form”</b>	:	The proxy form in respect of the EGM as set out in this Circular
<b>“Register of Members”</b>	:	The Register of Members of the Company

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## DEFINITIONS

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<b>“SFA”</b>	:	Securities and Futures Act 2001 of Singapore
<b>“SGX-ST”</b>	:	The Singapore Exchange Securities Trading Limited
<b>“Shareholders”</b>	:	Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by the CDP and whose Securities Accounts maintained with CDP are credited with those Shares
<b>“Shares”</b>	:	Ordinary shares of a par value of S\$0.04 each in the capital of the Company, and each a <b>“Share”</b>
<b>“Subscription Letter”</b>	:	The subscription letter entered into between Acer and the Placement Agent in relation to the subscription of the Placement Shares dated 9 April 2024
<b>“SRS”</b>	:	Supplementary Retirement Scheme
<b>“SRS investors”</b>	:	Investors who have previously purchased Shares under the SRS
<b>“Substantial Shareholder”</b>	:	A person who has an interest in one or more voting shares in a company and the total votes attached to such share(s) is not less than 5% of the total votes attached to all the voting shares in the Company
<b>“Take-over Code”</b>	:	The Singapore Code on Take-overs and Mergers
<b>“Transaction Value”</b>	:	Has the meaning ascribed to it in Section 3.7.1 of this Circular
<b>“VWAP”</b>	:	Volume-weighted average price
<b>Currencies, Units and Others</b>		
<b>“S\$” and “cents”</b>	:	Singapore dollars and cents respectively, being the lawful currency of the Republic of Singapore
<b>“US\$”</b>	:	United States Dollars, being the lawful currency of the United States of America for the time being
<b>“%” or “per cent.”</b>	:	Percentage or per centum

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## DEFINITIONS

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Unless the context otherwise requires:

The terms “**Depositor**”, “**Depository**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA. The terms “**entity at risk**”, “**associates**” and “**controlling shareholders**” shall have the meanings ascribed to them respectively in the Catalist Rules. The terms “**subsidiaries**” and “**related corporations**” shall have the meanings ascribed to them respectively in the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.

References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Catalist Rules, or any statutory or regulatory modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Catalist Rules, or any statutory or regulatory modification thereof, as the case may be, unless the context otherwise requires.

Certain Chinese names and characters, such as those of entities, properties, cities, governmental and regulatory authorities, laws and regulations and notices, have been translated into English or from English names and characters, solely for your convenience, and such translations should not be construed as representations that the English names actually represent Chinese names and characters or that the Chinese names actually represent the English names and characters.

Any discrepancies in figures included in this Circular between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day and date in this Circular is a reference to Singapore time and date, respectively, unless otherwise stated. Any reference to currency set out in this Circular is a reference to S\$ unless otherwise stated.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Rajah & Tann Singapore LLP has been appointed as the Singapore legal adviser to the Company in relation to the Corporate Proposals.

Maples and Calder (Hong Kong) LLP has been appointed as the Cayman Islands legal adviser to the Company in relation to the Corporate Proposals.



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## DEFINITIONS

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### **Cautionary Note on Forward Looking Statements**

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to, those using words such as “expect”, “seek”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements for any reasons, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

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## LETTER TO SHAREHOLDERS

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### WINKING STUDIOS LIMITED

(Incorporated in the Cayman Islands)  
(Company Registration Number: 159882)

#### Board of Directors

Mr. Johnny Jan (Executive Chairman and Chief Executive Officer)  
Mr. Kao Shu-Kuo (Non-Executive Director)  
Mr. Lim Heng Choon (Lead Independent and Non-Executive Director)  
Mr. Chang Yi-Hao (Independent and Non-Executive Director)  
Mr. Yang Wu Te (Independent and Non-Executive Director)

#### Registered Office

P.O. Box 31119 Grand  
Pavilion, Hibiscus Way  
802 West Bay Road  
Grand Cayman,  
KY1-1205  
Cayman Islands

15 April 2024

To: The Shareholders of Winking Studios Limited

Dear Sir/Madam,

- (1) **THE PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;**
- (2) **THE PROPOSED PLACEMENT OF UP TO 108,000,000 PLACEMENT SHARES AT AN ISSUE PRICE OF S\$0.25 FOR EACH PLACEMENT SHARE; AND**
- (3) **THE ACER PLACEMENT**

#### 1 INTRODUCTION

##### 1.1 Background

On 10 April 2024, the Company announced that it had entered into the Placement Agreement with the Placement Agent on 9 April 2024 and that Acer had entered into the Subscription Letter with the Placement Agent on 9 April 2024.

Pursuant to the Placement Agreement, the Company had agreed to offer, by way of placement, and the Placement Agent has agreed, on a best efforts basis, to procure subscriptions for, an aggregate of up to 108,000,000 new Shares (the “**Placement Shares**”) at an issue price of S\$0.25 for each Placement Share (the “**Placement Price**”), amounting to a maximum aggregate consideration of up to S\$27,000,000 (the “**Proposed Placement**”), subject to the approval of the Shareholders to be sought at an extraordinary general meeting.

The Proposed Placement is not underwritten and will be undertaken on the basis of the exemption(s) set out in Sections 272B(1) and/or 274 and/or 275 and/or 277 (as applicable) of the SFA.

The Placement Shares represent approximately 38.6% of the existing issued and paid-up share capital of the Company comprising 279,698,275 Shares as at the date of this announcement and will represent approximately 27.9% of the enlarged issued and paid-up share capital of the Company of 387,698,275 Shares (assuming that the maximum number of 108,000,000 Placement Shares have been placed out).

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## LETTER TO SHAREHOLDERS

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### 1.2 Acer Placement

On 9 April 2024, Acer entered into the Subscription Letter with the Placement Agent to indicate the commitment of itself as well as its nominees, namely, Acer Gaming, Acer SoftCapital and Acer Digital to subscribe for a minimum of 64,800,000 Placement Shares and up to an aggregate of 108,000,000 Placement Shares (the “**Acer Placement Shares**”), at the Placement Price for each Placement Share (the “**Acer Placement**”).

Pursuant to Rule 906(1) of the Catalist Rules, an issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than (a) 5.0% of the Group’s latest audited NTA; or (b) 5.0% of the Group’s latest audited NTA, when aggregated with other transactions entered into with the same interested person during the same financial year. As the aggregate consideration payable for the Placement Shares under the Acer Placement of up to S\$27,000,000 represents approximately 96.3% of the Group’s latest audited NTA as at 31 December 2023 of US\$21,244,000 (or approximately S\$28,032,520<sup>(1)</sup>), Shareholders’ approval is required for the Acer Placement in accordance with Chapter 9 of the Catalist Rules.

The minimum number of Acer Placement Shares of 64,800,000 Placement Shares represents approximately 60.0% of the Placement Shares and approximately 23.2% of the existing issued and paid-up share capital of the Company as at the date of this announcement and will represent approximately 16.7% of the Enlarged Issued Shares of the Company of 387,698,275 Shares (assuming that the maximum number of 108,000,000 Placement Shares have been placed out).

The maximum number of Acer Placement Shares of 108,000,000 Placement Shares represents approximately 100.0% of the Placement Shares and approximately 38.6% of the existing issued and paid-up share capital of the Company as at the date of this announcement and will represent approximately 27.9% of the Enlarged Issued Shares of the Company of 387,698,275 Shares (assuming that the maximum number of 108,000,000 Placement Shares have been placed out).

As at the Latest Practicable Date:

- (a) Acer has a deemed interest in 166,681,436 Shares, representing approximately 59.6% of the current issued share capital of the Company;
- (b) Acer Gaming has a direct interest in 142,537,815 Shares, representing approximately 51.0% of the current issued share capital of the Company;
- (c) Acer SoftCapital has a direct interest in 24,143,621 Shares, representing approximately 8.6% of the current issued share capital of the Company; and
- (d) Acer Digital does not have any direct or indirect interest in the Shares.

Further details of the Acer Placees are set out in Section 3.4 of this Circular.

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<sup>1</sup> Based on the exchange rate of US\$1: S\$1.31955 as at 1 January 2024 as extracted from Capital IQ.

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## LETTER TO SHAREHOLDERS

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Accordingly, the Acer Placees and each of their associates will be required to abstain from voting on the ordinary resolutions in relation to and in connection with approval of the Proposed Placement and the Acer Placement at the EGM, pursuant to Rules 812 and 919 of the Catalist Rules.

### 1.3 Purpose of this Circular

The Directors are convening an EGM to be held at Singapore Business Federation, 160 Robinson Road, #06-01 SBF Center, Singapore 068914 on 30 April 2024 at 11:00 a.m. (or immediately after the conclusion of the AGM), the notice of which is set out at pages N-1 to N-5 of this Circular, to seek Shareholders' approval by way of separate resolutions for the following proposals to be tabled at the EGM:

- (a) the ordinary resolution in relation to the proposed increase in authorised share capital (the **"Proposed Increase in Authorised Share Capital"** and the resolution, **"Ordinary Resolution 1"**);
- (b) the ordinary resolution in relation to the Proposed Placement (**"Ordinary Resolution 2"**); and
- (c) the ordinary resolution in respect of the Acer Placement, pursuant to Rule 812 of the Catalist Rules and Chapter 9 of the Catalist Rules (**"Ordinary Resolution 3"**),

(collectively, the **"Corporate Proposals"** and the resolutions to be tabled in connection therewith, the **"Proposed Resolutions"**).

The purpose of this Circular is to provide Shareholders with information relating to the Proposed Resolutions, and to explain the rationale for the Proposed Resolutions and to seek Shareholders' approval in relation thereto at the forthcoming EGM.

**In voting for the resolutions set out in the Notice of EGM, Shareholders should note the following:**

- (i) **the passing of Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital is not conditional upon the passing of Ordinary Resolution 2 in respect of the Proposed Placement and/or Ordinary Resolution 3 in respect of the Acer Placement. This means that even if Ordinary Resolution 2 in respect of the Proposed Placement and/or Ordinary Resolution 3 in respect of the Acer Placement are not approved by Shareholders but Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital is approved by Shareholders, Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital will still be passed;**
- (ii) **the passing of the Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement are contingent upon the passing of the Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital. This means that if Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital is not approved by Shareholders, both Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement will not be passed; and**

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## LETTER TO SHAREHOLDERS

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- (iii) the passing of Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement are inter-conditional upon the passing of one another, meaning that the passing of Ordinary Resolution 2 in respect of the Proposed Placement is conditional on the passing of Ordinary Resolution 3 in respect of the Acer Placement, and *vice versa*. This means that if any of Ordinary Resolutions 2 and 3 is not approved by Shareholders at the EGM, none of Ordinary Resolutions 2 and 3 would be passed.

The SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements made, reports contained or opinions expressed in this Circular. If a Shareholder is in any doubt as to the action he/she should take, he/she should consult his/her stockbroker, bank manager, solicitor, accountant, tax advisor or other professional adviser(s) immediately.

## 2 THE PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

### 2.1 Background and rationale

The aggregate consideration of the maximum number of Placement Shares proposed to be placed out is up to S\$27,000,000. However, as provided in clause 5 of the Existing Memorandum and article 3(1) of the Existing Articles, the authorised share capital of the Company is S\$20,000,000 divided into 500,000,000 shares of a par value of S\$0.04 each. As such, the Company wishes to increase the authorised share capital of the Company from S\$20,000,000 divided into 500,000,000 shares of a par value of S\$0.04 each to S\$1,000,000,000 divided into 25,000,000,000 shares of a par value of S\$0.04 each by the creation of an additional 24,500,000,000 shares of a par value of S\$0.04 each to rank *pari passu* in all respects with the existing Shares.

Article 4 of the Existing Memorandum and Articles of Association provides *inter alia*, that the Company may from time to time by ordinary resolution in accordance with the Cayman Islands Companies Act, alter the conditions of its Memorandum to increase its capital by such sum divided into shares of such amounts as the resolution shall prescribe.

The Proposed Increase of Authorised Share Capital is therefore necessary in view of the Proposed Placement and to facilitate future fund raising exercise and/or corporate exercises undertaken by the Group that may entail issuance of new Shares. Accordingly, the Board considers the Proposed Increase of Authorised Share Capital to be in the interest of the Company and the Shareholders.

## 3 THE PROPOSED PLACEMENT

### 3.1 Introduction

The Company intends to undertake the Proposed Placement of up to 108,000,000 Placement Shares at the Placement Price of S\$0.25 for each Placement Share. Assuming that the Placement Shares are fully subscribed at the Placement Price, the Placement Gross Proceeds will be up to S\$27,000,000.

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## LETTER TO SHAREHOLDERS

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As set out in the Placement Announcement, the Company has appointed PrimePartners Corporate Finance Pte. Ltd. as the Placement Agent pursuant to the Placement Agreement to procure Placees for up to 108,000,000 Placement Shares. Details of the Proposed Placement, including the Placement Agreement entered into between the Company and the Placement Agent, are set out in the Placement Announcement and in Section 3 of this Circular. On 9 April 2024, Acer had also entered into the Subscription Letter with the Placement Agent.

### 3.2 Placement Price

The Placement Price of S\$0.25 per Placement Share represents a discount of approximately 1.0% to the VWAP of S\$0.2524 for trades done on the SGX-ST on 9 April 2024, being the full market day on which the Placement Agreement was signed, and a discount of approximately 4.6% to the VWAP of S\$0.2620 for trades done on the Catalist for the past seven full trading days.

### 3.3 The Placement Shares

For illustration purposes only, assuming all the 108,000,000 Placement Shares are placed out, the Existing Issued Shares will increase from 279,698,275 Shares as at the Latest Practicable Date to 387,698,275 Shares (the “**Enlarged Issued Shares**”), immediately upon Completion. The Placement Shares represent approximately 38.6% of the Existing Issued Shares, and approximately 27.9% of the Enlarged Issued Shares. The Company does not have any treasury shares or subsidiary holdings.

The Placement Shares will be issued to the end-placees free from all claims, pledges, mortgages, charges, liens and encumbrances and shall rank in all respects *pari passu* with the then existing issued Shares at the time of the issue except that the Placement Shares will not rank for any dividends, rights, allotments or other distributions the record date for which falls on or before the date of the issue of the Placement Shares.

Save for the Acer Placees, it is not intended that the Placement Shares will be placed to any person who is a Director or Substantial Shareholder or any other person in the categories set out in Rule 812(1) of the Catalist Rules, unless specific Shareholders’ approval has been obtained and the relevant restricted parties (who are also Shareholders) must abstain from voting on the resolution approving such a placement.

The subscription of the Placement Shares will not result in the transfer of a Controlling Interest which would require specific Shareholders’ approval pursuant to Rule 803 of the Catalist Rules. The number of Placement Shares to be placed to any end-placee is not expected to result in any end-placee becoming a Substantial Shareholder. In the event that any end-placee becomes a Substantial Shareholder as a result of the Proposed Placement, a further announcement will be released in accordance with the Catalist Rules.

There are no share borrowing arrangements entered into for the Proposed Placement.

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### 3.4 Details of the Acer Placees and their respective subscriptions

The details of the Acer Placees as at the Latest Practicable Date are as follows:

<b>Name of the Acer Placee</b>	<b>Background of the Acer Placee and the rationale for their respective subscriptions</b>
Acer	Acer is an indirect controlling shareholder of the Company. Acer has a deemed interest in 166,681,436 Shares, representing approximately 59.6% of the current issued share capital of the Company.
Acer Gaming	Acer Gaming is a direct controlling shareholder of the Company and is a subsidiary of Acer. Acer Gaming has a direct interest in 142,537,815 Shares, representing approximately 51.0% of the current issued share capital of the Company.
Acer SoftCapital	Acer SoftCapital is a wholly owned direct subsidiary of Acer. Acer SoftCapital has a direct interest in 24,143,621 Shares, representing approximately 8.6% of the current issued share capital of the Company.
Acer Digital	Acer Digital is a wholly owned direct subsidiary of Acer. Acer Digital does not have any direct or indirect interest in the Shares.

The Acer Placees form part of the Acer Group. The Acer Group had expressed an interest, through the Acer Placees, to invest in the Company through the Acer Placement for their own respective strategic investment purposes.

Presently, the Acer Group in aggregate holds approximately 166,681,436 Shares, representing approximately 59.6% of the Company's current issued and paid-up share capital. To enable the Acer Group to continue to maintain their shareholding, in percentage terms, the Acer Group has indicated that they shall subscribe for at least a minimum of 64,800,000 Placement Shares at S\$0.25 per Placement Share amounting to S\$16,200,000 in aggregate through the Acer Placees. This will result in the Acer Group holding 231,481,436 Shares representing approximately 59.7% of the total enlarged issued and paid-up share capital of the Company after the completion of the Proposed Placement, assuming the rest of the Placement Shares are fully subscribed by independent third parties which are not related to the Acer Group.

In the event that the Proposed Placement is not fully subscribed by other investors, the Acer Group intends to subscribe for such number of Placement Shares at the Placement Price of S\$0.25 up to an aggregate subscription consideration of S\$27,000,000 through the Acer Placees, which will allow them to increase their shareholding level, in percentage terms, in the Company so as to provide the relevant funding to the Company which would be applied to the various uses disclosed in Section 5.2 of this Circular.

For illustrative purposes, assuming that the maximum of 108,000,000 Placement Shares are placed out in full to the Acer Placees, the Acer Group will hold 274,681,436 Shares in aggregate, representing approximately 70.8% of the total enlarged issued and paid-up share capital of the Company after the completion of the Proposed Placement.

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The Acer Placees and each of their associates will be required to abstain from voting on the ordinary resolutions in relation to and in connection with the approval of the Proposed Placement and Acer Placement at an EGM to be convened and shall not act as proxies nor accept appointments as proxies in relation to such resolution unless specific voting instructions had been given by the Shareholders. The Acer Placees and each of their associates will also abstain, and have undertaken to ensure that their respective associates will abstain from deliberating and making any recommendation to the Board and the Shareholders in relation to the Proposed Placement and/or the Acer Placement.

### 3.5 Specific Shareholders' Approval for the Issuance of the Placement Shares

The Proposed Placement is subject to specific Shareholders' approval under Article 12(1) of the Existing Memorandum and Articles of Association and the Catalist Rules.

(a) Article 12(1) of the Existing Memorandum and Articles of Association and Catalist Rule 805(1)

Under Article 12(1) of the Existing Memorandum and Articles of Association and Catalist Rule 805(1), an issuer must obtain prior approval of shareholders in general meeting for the issue of shares, convertible securities or the grant of options carrying rights to subscribe for shares of the issuer except where a general mandate for such issue has been previously obtained from shareholders in a general meeting.

The Company will not be relying on the general share issue mandate, assuming that it is approved by Shareholders at the upcoming annual general meeting, notice of which will be announced by the Company in due course. The Company will instead be seeking specific Shareholder's approval in relation to the allotment and issuance of the Placement Shares at the EGM.

Shareholders, by approving the Proposed Placement at the EGM to be convened, would be considered to have waived their rights of first refusal under Article 12(2) of the Existing Memorandum and Articles of Association.

(b) Catalist Rule 812

The Acer Placees fall within the restricted list of persons as set out in Rule 812(1) of the Catalist Rules. In accordance with Rule 812(2) of the Catalist Rules, specific approval from Shareholders is required for the allotment and issue of any Placement Shares to any of the Acer Placees pursuant to the Proposed Placement. Each of the Acer Placees and their respective associates must also abstain from voting on the resolution approving the Proposed Placement.

### 3.6 Additional Listing Application

The Company will, through its Sponsor, be making an application to the SGX-ST for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST. The Company will make the necessary announcements in due course upon obtaining the listing and quotation notice from the SGX-ST (the "**Listing and Quotation Notice**").



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### 3.7 Salient Terms of the Placement Agreement

#### 3.7.1 Placement Commission

In consideration of the agreement of the Placement Agent to procure end-places on a best efforts basis for the Placement Shares, the Company shall pay to the Placement Agent, a placement commission equal to 3.5% of the aggregate amount of the value payable, receivable, invested, transferred, assumed or contributed pursuant to the Proposed Placement (such aggregate amount being the “**Transaction Value**”) (excluding prevailing goods and services tax) in respect of places procured or introduced by the Placement Agent. In respect of investors introduced by the Company to the Placement Agent, the Company agrees to pay a placement commission to the Placement Agent of 0.2% of the Transaction Value (excluding the prevailing goods and services tax), subject to the first 10 investors. Thereafter, the Placement Agent will be entitled to an additional S\$1,500 fee (excluding the prevailing goods and services tax) for each additional investor introduced by the Company to the Placement Agent.

#### 3.7.2 Conditions Precedent

Completion of the Proposed Placement pursuant to the Placement Agreement is conditional upon, *inter alia*, the following conditions:

- (a) the Listing and Quotation Notice for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST being obtained from the SGX-ST and not having been revoked or amended and, where such approval is subject to conditions, to the extent that any conditions for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST are required to be fulfilled on or before Completion Date, they are so fulfilled;
- (b) necessary approval from Shareholders for the resolution to approve, *inter alia*, the Proposed Placement and subscription by and placement of Placement Shares to the relevant places as required under Rules 805, 812(1) and 906 of the Catalist Rules, being obtained at an EGM to be convened and not having lapsed or been withdrawn or revoked;
- (c) the exemptions under Sections 272B and/or 274 and/or 275 and/or 277 of the SFA being applicable to the Proposed Placement under the Placement Agreement (to the extent applicable);
- (d) the offer, allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore or any other jurisdiction, which is applicable to the Company or the Placement Agent;
- (e) the delivery to the Placement Agent on Completion Date, of a certificate, substantially in the form set out in the Placement Agreement, signed on behalf of the Company by its duly authorised officer;

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## LETTER TO SHAREHOLDERS

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- (f) the delivery of copies of such resolutions, minutes of general meeting and/or documents on Completion Date evidencing that the execution of the Placement Agreement by the Company has been validly authorised by such party, and that the issue, offer and sale of the Placement Shares having been duly approved by the Directors and/or the Shareholders;
- (g) there not having occurred, in the opinion of the Placement Agent, any event having a material adverse effect on the Group as a whole, whether or not arising from transactions in the ordinary course of business, subsequent to the date of the Placement Agreement and prior to the Completion Date; and
- (h) the representations, warranties and undertakings in clause 3 of the Placement Agreement remaining true and correct in all material respects as at the Completion Date and the Company having performed all of its obligations hereunder to the extent required to be performed on or before the Completion Date,

(collectively, the “**Conditions Precedent**”).

The Placement Agent may, but shall not be obliged to, and upon such terms as it thinks fit, waive compliance with any of the conditions contained in Sections 3.7.2(e), 3.7.2(f), 3.7.2(g) and/or 3.7.2(h) and any condition so waived shall be deemed to have been satisfied provided always that any such waiver as aforesaid shall be without prejudice to the Placement Agent’s right to elect to treat any further breach or other breach, failure or event as releasing and discharging the Company from its obligations under the Placement Agreement.

If any of the Conditions Precedent have not been satisfied on or before the date falling twelve (12) weeks after the date of the Placement Agreement, the Placement Agreement shall terminate and shall be of no further effect and no party thereto shall be under any liability to the other in respect of the Placement Agreement, save as provided in the Placement Agreement.

### **3.7.3 Completion of the Proposed Placement**

Subject to the terms and conditions of the Placement Agreement, Completion shall take place on the date falling sixty (60) business days after the EGM or such other date as the Company and the Placement Agent may agree (the “**Completion Date**”). Against delivery, procured by the Company, of the Placement Shares, the Placement Agent shall make payment to, or procure that payment is made to, the Company of the Placement Net Proceeds, on the Completion Date.

### **3.8 Confirmations by the Placement Agent**

The Placement Agent has confirmed (to the best of its knowledge and belief), that:

- (a) the commission payable by the Company to the Placement Agent for the Proposed Placement will not be shared with any of the end-placées of the Proposed Placement;
- (b) save for the Acer Placées, the Placement Agent has obtained or will obtain (as the case may be) representations from the end-placées of the Placement Shares that such end-placée is not acting in concert (as defined under The Singapore Code on Take-overs and Mergers) with any other party in their acquisition of the Placement Shares;

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## LETTER TO SHAREHOLDERS

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- (c) save for the Acer Placees, the Placement Shares will not be placed or issued to (i) any person who is a Director or a Substantial Shareholder of the Company, or who, as a result of the Proposed Placement will become a Substantial Shareholder of the Company, an interested person as defined in Chapter 9 of the Catalist Rules or any other person in the categories set out in Rule 812(1) of the Catalist Rules or (ii) one or more of the persons specified above;
- (d) the Placement Agent has obtained or will obtain (as the case may be) representations from (i) each of the end-placees that each of them and their respective directors and substantial shareholders (to the extent applicable) do not have any relationship/connections (including any business relationship) with the Company, the Directors and/or the Substantial Shareholders of the Company; and (ii) the Company that the Company and its Directors and Substantial Shareholders do not have any relationships/connections (including business relationships) with the end-placees or any of the end-placees' directors or substantial shareholders (to the extent applicable);
- (e) each of the end-placees will not acquire a controlling interest consequent to the subscription of the Placement Shares, and accordingly, the Proposed Placement will not result in the transfer of a controlling interest of the Company under Rule 803 of the Catalist Rules; and
- (f) there are no share borrowing arrangements entered into for the Proposed Placement.

### **3.9 Confirmations by the Acer Placees**

Each of the Acer Placees has confirmed, amongst other things, that:

- (a) Save for the fact that Mr. Kao Shu-Kuo, a Non-Executive Director of the Company, is presently the Chairman of the board of directors of Acer Gaming, and subject to the disclosures in the Subscription Letter, the directors and shareholders of the Acer Placees are not related to any of the Directors or Substantial Shareholders of the Company;
- (b) subject to the Subscription Letter, it is not acting in concert with and/or in accordance with the instructions of any Director(s) and/or Substantial Shareholders of the Company;
- (c) it is not subscribing for the Placement Shares as an agent for or otherwise on behalf of any other persons or entity and is subscribing for the Placement Shares solely for its own beneficial account and not with a view to another person acquiring an interest (as defined in Section 4(1) of the SFA) in the Placement Shares;
- (d) the subscription of the Placement Shares or its part thereof will not trigger the requirement under Rule 14 of Takeover Code for it and/or any parties acting in concert with it to make a mandatory general offer to acquire all the issued Shares; and
- (e) it is not subscribing for the Placement Shares with a view of such Placement Shares being subsequently offered for sale to another person.

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### 3.10 Statements of the Board in relation to the Proposed Placement

In accordance with Rule 810(1)(c) of the Catalist Rules, the Directors are of the opinion that, as of the Latest Practicable Date, after taking into consideration:

- (a) the present bank facilities available to the Group, the working capital available to the Group is sufficient to meet its present requirements; and
- (b) the present bank facilities available to the Group and the Placement Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the sufficiency of the Group's present working capital, the Company has decided to undertake the Proposed Placement to strengthen its financial position in order to meet its anticipated general working capital requirements and business expansion, including 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. Further details on the rationale for the Proposed Placement are set out in Section 5 of this Circular.

## 4 THE ACER PLACEMENT

### 4.1 As at the Latest Practicable Date:

- (a) Acer Gaming has a direct interest in 142,537,815 Shares, representing approximately 51.0% of the issued share capital of the Company;
- (b) Acer SoftCapital has a direct interest in 24,143,621 Shares, representing approximately 8.6% of the issued share capital of the Company;
- (c) Acer Digital does not hold any direct interest in the Shares; and
- (d) Acer has a deemed interest in 166,681,436 Shares, representing approximately 59.6% of the issued share capital of the Company.

4.2 Accordingly, Acer and Acer Gaming, as Controlling Shareholders of the Company, and Acer SoftCapital, Acer Digital as associates of the Controlling Shareholders of the Company, are interested persons of the Company (being the entity at risk) under Rule 904(4) of the Catalist Rules and accordingly, the Acer Placement constitutes an "interested person transaction" under Chapter 9 of the Catalist Rules.

4.3 Pursuant to Rule 906(1) of the Catalist Rules, an issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than (a) 5.0% of the Group's latest audited NTA or (b) 5.0% of the Group's latest audited NTA, when aggregated with other transactions entered into with the same interested person during the same financial year.

4.4 As the maximum aggregate consideration payable for the Placement Shares under the Acer Placement is up to S\$27,000,000, which represents approximately 96.3% of the Group's latest audited NTA as at 31 December 2023 of US\$21,244,000 (or approximately S\$28,032,520<sup>(2)</sup>, Shareholders' approval is required for the Acer Placement.

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2 Based on the exchange rate of US\$1: S\$1.31955 as at 1 January 2024 extracted from Capital IQ.

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- 4.5** The minimum number of Acer Placement Shares represents approximately 60.0% of the Placement Shares and approximately 23.2% of the existing issued and paid-up share capital of the Company as at the Latest Practicable Date and will represent approximately 16.7% of the Enlarged Issued Shares of the Company of 387,698,275 Shares (assuming that the maximum number of 108,000,000 Placement Shares have been placed out).
- 4.6** The maximum number of Acer Placement Shares represents approximately 100.0% of the Placement Shares and approximately 38.6% of the existing issued and paid-up share capital of the Company as at the Latest Practicable Date and will represent approximately 27.9% of the Enlarged Issued Shares of the Company of 387,698,275 Shares (assuming that the maximum number of 108,000,000 Placement Shares have been placed out).
- 4.7** The Company had, by way of the Offer Document, obtained Shareholders' approval for the renewal of the general mandate for interested person transactions, which is proposed to be renewed at the upcoming annual general meeting of the Company to be held on 30 April 2024. Save for the Acer Placement and as disclosed below, the Group has not entered into any interested person transactions with the Acer Group (excluding the Acer Placement) or any other interested person transactions (excluding the Acer Placement) for the current financial year ending 31 December 2024 equal to or above S\$100,000.

Name of interested person/ Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 (equivalent to approximately US\$75,740.40 <sup>3</sup> ) and transactions conducted under Shareholders' mandate pursuant to Rule 920) 1 January 2024 to the Latest Practicable Date (US\$)	Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000 (equivalent to approximately US\$75,740.40 <sup>4</sup> ) 1 January 2024 to the Latest Practicable Date (US\$)
Acer/ The holding company of Acer Gaming and indirect Controlling Shareholder (Income from AI tool development project)	NIL	132,097
Acer America Corporation/ An indirect subsidiary of Acer (Consultancy fees)	52,616	NIL

<sup>3</sup> Based on the exchange rate of SG\$1:US\$0.757404 extracted from <https://www.bloomberg.com> as at 31 December 2023 as set out in the Company's financial results announcement for the financial year ended 31 December 2023 dated 24 February 2024.

<sup>4</sup> See footnote 3 above.

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Name of interested person/ Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 (equivalent to approximately US\$75,740.40 <sup>3</sup> ) and transactions conducted under Shareholders' mandate pursuant to Rule 920) 1 January 2024 to the Latest Practicable Date (US\$)	Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000 (equivalent to approximately US\$75,740.40) <sup>4</sup> ) 1 January 2024 to the Latest Practicable Date (US\$)
Acer/ The holding company of Acer Gaming and indirect Controlling Shareholder (Rental fees for use of office space)	1,786	NIL
<b>Total</b>	<b>54,402</b>	<b>132,097</b>

Save for the Acer Placement and the transactions disclosed in this Section 4.7 of this Circular, during the period from 1 January 2024 to the Latest Practicable Date:

- (a) there are no other interested person transactions entered into by the Group with the Acer Group and its associates; and
- (b) there are no other interested person transactions entered into by the Group and other interested persons.

#### 4.8 Audit Committee's Opinion

Having considered, among other considerations, the rationale for and terms of the Acer Placement and that the Placement Price for the Acer Placement Shares will be the same as the Placement Price for Placement Shares placed to independent third party places procured by the Placement Agent for the Proposed Placement, the Audit Committee of the Company is of the view that the Acer Placement is on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

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### 5 RATIONALE FOR THE PROPOSED PLACEMENT AND THE USE OF PROCEEDS

#### 5.1 Rationale for the Proposed Placement

The Company has decided to undertake the Proposed Placement to raise funds to strengthen the Group's financial position and expand the capital base of the Group, which will in turn increase the resources available to the Company for, *inter alia*, the following purposes:

- (a) enabling the Group to be well-positioned as it continues to actively pursue corporate actions such as secondary or dual listings of the Company, potential fundraising exercises, pursue strategic acquisitions, alliances and joint ventures to grow the Group's market share and broaden the Group's customer base, as and when such opportunities arise;
- (b) the enhancements of the Group's current operational capabilities, which includes continuous exploration of the use of AI capabilities, so that the Group can keep up with technological advancements so as to maintain the delivery of high-quality services and art assets to its customers;
- (c) the expansion and improvements to the Group's existing and regional offices and supporting infrastructure as the Group continues to increase its market presence globally;
- (d) 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; and
- (e) the general working capital requirements of the Group.

The Company's controlling shareholders, Acer and Acer Gaming, remain committed to supporting the Group and its future plans and strategies. Following Acer Gaming's subscription of cornerstone shares during the Company's listing in 2023, Acer and Acer Gaming, as the Company's Controlling Shareholders, remain fully committed to supporting the Group in its future plans and strategies. This enables the Group to continuously leverage the expertise and network of Acer Group which has a presence in more than 160 countries as the Group continues to embark on its growth plans to widen its customer base and business globally.

#### 5.2 Use of Proceeds

Assuming the Proposed Placement is fully subscribed (subject to the terms and conditions of the Placement Agreement) at the Placement Price, the estimated net proceeds raised by the Company from the Proposed Placement, after deducting estimated fees and expenses (including listing and application fees, the commission payable to the Placement Agent, professional fees and other miscellaneous expenses of approximately S\$0.5 million to be incurred in connection with the Proposed Placement), would be approximately S\$26.5 million (the "**Placement Net Proceeds**").

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## LETTER TO SHAREHOLDERS

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The Company intends to apply such Placement Net Proceeds as follows:

Use of Placement Net Proceeds	Amount (S\$million)	As a % of Placement Net Proceeds
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	17.2	65.0
Enhancement of the Group's current operational capabilities, which includes continuous exploration of the use of AI capabilities	4.0	15.0
Expansion and improvements to the Group's regional offices and supporting infrastructure as the Group continues to increase its market presence globally	2.7	10.0
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	1.3	5.0
General working capital requirements of the Group	1.3	5.0
<b>Total</b>	<b>26.5</b>	<b>100.0%</b>

Shareholders should note that the actual number of Placement Shares to be issued and as such, the actual amount of Placement Net Proceeds will depend on various factors such as market conditions, as well as potential subscribers' interest in the Shares of the Company, and there is no certainty or assurance that the Company will be able to place out all or any of the Placement Shares. Upon Completion and finalisation of the actual number of Placement Shares allotted and issued, the Company will provide the actual amounts of the Placement Net Proceeds, as well as details on the use of such Placement Net Proceeds.

Pending the deployment of the Placement Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities and/or used for any other purpose on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

The Company will make periodic announcements on the utilisation of the Placement Net Proceeds as and when such proceeds are materially disbursed, and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Placement Net Proceeds in the Company's interim and full year financial results announcement(s) and in the Company's annual report(s), until such time the Placement Net Proceeds have been fully utilised. Where there is any material deviation from the stated use of the Placement Net Proceeds, the Company will announce the reasons for such deviation.



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## LETTER TO SHAREHOLDERS

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Where the Placement Net Proceeds are to be used for working capital, the Company will disclose a breakdown with specific details on the use of the Placement Net Proceeds for working capital in its announcements and annual reports.

Based on the reasonable opinion of the Directors as at the Latest Practicable date, there is no minimum amount which must be raised from the Proposed Placement, taking into consideration the intended use of the Placement Net Proceeds.

### 6 FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

The *pro forma* financial effects are purely for illustration purposes only and are therefore not necessarily indicative of the actual financial position of the Group after Completion.

The *pro forma* financial effects have been prepared based on the audited consolidated financial statements of the Group for FY2023. The financial effects of the Proposed Placement are based on the following assumptions:–

- (a) the financial effects of the Proposed Placement on the consolidated NTA per Share is computed based on the assumption that the Proposed Placement was completed on 31 December 2023;
- (b) the financial effects of the Proposed Placement on the EPS are computed based on the assumption that the Proposed Placement was completed on 1 January 2023;
- (c) the total number of issued shares of the Company as at the Latest Practicable Date comprises 279,698,275 Shares;
- (d) the Placement Shares are fully placed out; and
- (e) the expenses incurred in connection with the Proposed Placement amount to approximately S\$0.5 million, and the Placement Net Proceeds amount to approximately S\$26.5 million in aggregate, based on the Placement Price being S\$0.25.

#### 6.1 Share Capital

	Before the Proposed Placement	After Completion of the Proposed Placement
Total number of issued shares	279,698,275	387,698,275
Total issued and paid-up capital (S\$)	11,367,923 <sup>(1)</sup>	15,687,923
Capital reserves (S\$)	11,635,792 <sup>(2)</sup>	34,315,792

**Notes:**

- (1) Based on the share capital of the Company as at 31 December 2023 of US\$8,615,000 and converted to S\$ based on the exchange rate of US\$1: S\$1.31955 as at 1 January 2024, as extracted from Capital IQ.
- (2) Based on the capital reserves of the Company as at 31 December 2023 of US\$8,818,000 and converted to S\$ based on the exchange rate of US\$1: S\$1.31955 as at 1 January 2024, as extracted from Capital IQ.

## LETTER TO SHAREHOLDERS

### 6.2 NTA per Share

Assuming that the Proposed Placement had been completed on 31 December 2023, the Proposed Placement would have had the following financial effects on the Group's NTA per share as at 31 December 2023:

	Before the Proposed Placement	After Completion of the Proposed Placement
NTA (S\$)	28,032,520 <sup>(1)</sup>	54,564,120 <sup>(2)</sup>
Number of issued shares	279,698,275	387,698,275
NTA per Share (Singapore cents)	10.0	14.1

**Notes:**

- (1) The NTA of the Group is computed based on the net assets (after deducting intangible assets) of the Group as at 31 December 2023 and converted from US\$ to S\$ based on the exchange rate of US\$1: S\$1.31955 as at 1 January 2024, as extracted from Capital IQ.
- (2) The NTA after Completion of the Proposed Placement is computed by aggregating the Placement Net Proceeds of S\$26.5 million with the Company's NTA as at 31 December 2023.

### 6.3 EPS

Assuming that the Proposed Placement had been completed on 1 January 2023, the Proposed Placement would have had the following financial effects on the Group's EPS for FY2023:

	Before the Proposed Placement	After the Proposed Placement
Profit attributable to the owners of the Company (S\$)	2,390,551 <sup>(1)</sup>	2,390,551
Weighted average number of issued shares	243,381,211 <sup>(2)</sup>	351,381,211 <sup>(2)</sup>
EPS – Basic (Singapore cents)	0.98	0.68

**Notes:**

- (1) The profit attributable to the owners of the Company was converted based on the average exchange rate for FY2023, being US\$1: S\$1.34301, as extracted from Capital IQ.
- (2) For FY2023, the aforementioned weighted average number of ordinary shares outstanding had been retrospectively adjusted to account for (i) the number of ordinary shares from the redenomination of US\$ ordinary shares into New Taiwan Dollar ("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 redenomination of NTD ordinary shares to ordinary shares denominated in Singapore dollars on 8 November 2023.

## LETTER TO SHAREHOLDERS

### 7 DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

#### 7.1 Directors' Interests

The interests of the Directors in the Shares, as recorded in the Register of Directors' Shareholdings of the Company, as at the Latest Practicable Date are set out below:

Directors	Direct Interest		Deemed Interest <sup>(2)</sup>		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Mr. Johnny Jan <sup>(3)</sup>	21,268,929	7.6	2,304,731	0.8	23,573,660	8.4
Mr. Kao Shu-Kuo	300,000	0.1	–	–	300,000	0.1
Mr. Chang Yi-Hao	–	–	–	–	–	–
Mr. Yang Wu Te	–	–	–	–	–	–
Mr. Lim Heng Choon	–	–	–	–	–	–

**Notes:**

- (1) Based on 279,698,275 Shares in issue as at the Latest Practicable Date.
- (2) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.
- (3) Ms. Lee, Chiu-Hui is the spouse of Mr. Johnny Jan. Accordingly, Mr. Johnny Jan is deemed to have an interest in the Shares held by her, by virtue of Section 133(4) of the SFA.

#### 7.2 Substantial Shareholders' Interests

The interests of the Substantial Shareholders in the Shares as at the Latest Practicable Date are set out below:

Substantial Shareholders	Direct Interest		Deemed Interest <sup>(2)</sup>		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
<b>Controlling Shareholders (other than the Directors)</b>						
Acer Gaming <sup>(3)</sup>	142,537,815	51.0	–	–	142,537,815	51.0
Acer <sup>(3)(4)</sup>	–	–	166,681,436	59.6	166,681,436	59.6
<b>Substantial Shareholders (other than the Directors)</b>						
Acer SoftCapital <sup>(4)</sup>	24,143,621	8.6	–	–	24,143,621	8.6
Flying Way International Corp <sup>(5)</sup>	23,082,552	8.3	–	–	23,082,552	8.3
Mr. Cho Tai-Wei <sup>(5)</sup>	2,915,494	1.0	23,082,552	8.3	25,998,046	9.3
Mr. Cho, Tai-Ching <sup>(5)</sup>	–	–	23,082,552	8.3	23,082,552	8.3
Ms. Lee, Chiu-Hui <sup>(6)</sup>	2,304,731	0.8	21,268,929	7.6	23,573,660	8.4

**Notes:**

- (1) Based on 279,698,275 Shares in issue as at the Latest Practicable Date.
- (2) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.
- (3) As at the Latest Practicable Date, Acer holds an aggregate direct and indirect shareholding interest of 70.03% in Acer Gaming. Accordingly, Acer is deemed to have an interest in the Shares which are directly held by Acer Gaming by virtue of Section 4 of the SFA.

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## LETTER TO SHAREHOLDERS

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- (4) As at the Latest Practicable Date, Acer SoftCapital is a wholly owned subsidiary of Acer. Accordingly, Acer is deemed to have an interest in the Shares which are directly held by Acer SoftCapital by virtue of Section 4 of the SFA.
- (5) As at the Latest Practicable Date, Flying Way International Corp is owned by Mr. Cho Tai-Wei (44.0%) and Mr. Cho, Tai-Ching (40.0%), who are siblings. Accordingly, each of them is deemed to have an interest in the Shares in which Flying Way International Corp has an interest by virtue of Section 4 of the SFA.
- (6) 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.

Save as disclosed in this Circular, none of the Directors or Substantial Shareholders of the Company and their respective associates has any interest, direct or indirect, in the Proposed Placement, other than through their respective shareholdings (if any) in the Company.

### 8 NOTIFICATION UNDER SECTION 309B OF THE SFA

The Placement Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS' Notice on the Sale of Investment Products (Notice No.: SFA 04-N12) and the MAS' Notice on Recommendations on Investment Products (Notice No.: FAA-N16)).

### 9 DIRECTORS' RECOMMENDATIONS

Mr. Kao Shu-Kuo, a Non-Executive Director of the Company, is presently the Chairman of the board of directors of Acer Gaming. Accordingly, Mr. Kao Shu-Kuo will abstain from making any recommendation to Shareholders on Ordinary Resolution 2 in relation to the Proposed Placement and Ordinary Resolution 3 in relation to the Acer Placement, in his capacity as a Director.

As mentioned in Section 4.8 of this Circular, the Audit Committee is of the view that the Acer Placement is on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

#### 9.1 The Proposed Increase in Authorised Share Capital

Having considered, *inter alia*, the rationale and the information relating to the Proposed Increase in Authorised Share Capital and all other relevant facts set out in this Circular, the Directors are of the opinion that the Proposed Increase in Authorised Share Capital is in the best interests of the Shareholders and accordingly recommends that Shareholders vote in favour of the Ordinary Resolution 1 relating to the Proposed Increase in Authorised Share Capital, to be proposed at the EGM as set out in the Notice of EGM.

#### 9.2 The Proposed Placement

Having considered, *inter alia*, the rationale and the information relating to the Proposed Placement and all other relevant facts set out in this Circular, the Non-Interested Directors are of the opinion that the Proposed Placement is in the best interests of the Shareholders and accordingly recommends that Shareholders vote in favour of the Ordinary Resolution 2 relating to the Proposed Placement, to be proposed at the EGM as set out in the Notice of EGM.

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## LETTER TO SHAREHOLDERS

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### 9.3 The Acer Placement

Having considered, *inter alia*, the rationale and the information relating to the Acer Placement and all other relevant facts set out in this Circular, the Non-Interested Directors are of the opinion that the Acer Placement is in the best interests of the Shareholders and accordingly recommends that Shareholders vote in favour of the Ordinary Resolution 3 relating to the Acer Placement, to be proposed at the EGM as set out in the Notice of EGM.

### 10 EXTRAORDINARY GENERAL MEETING

The EGM will be held at Singapore Business Federation, 160 Robinson Road, #06-01 SBF Center, Singapore 068914, on Tuesday, 30 April 2024 at 11:00 a.m. (or immediately following the AGM) for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions set out in the Notice of EGM.

Printed copies of this Circular will not be sent by post to Shareholders. Instead, this Circular will be sent to Shareholders by electronic means via publication on the Company's website at the URL <https://www.winkingworks.com/en-US/> and the website of the SGX-ST at the URL <https://www.sgx.com/securities/company-announcements> on 15 April 2024. A Shareholder will need an Internet browser and PDF reader to view these documents on the Company's website and on the website of the SGX-ST. Nevertheless, printed copies of the Notice of EGM and the Proxy Form will be sent by post to Shareholders.

A Depositor shall not be regarded as a Shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least seventy-two (72) hours before the time fixed for the EGM.

### 11 ABSTENTION FROM VOTING AND/OR RECOMMENDATION TO THE BOARD AND THE SHAREHOLDERS IN RESPECT OF THE PROPOSED PLACEMENT AND THE ACER PLACEMENT

In accordance with Rules 812(1) and 812(2) of the Catalist Rules, Acer, Acer Gaming, Acer SoftCapital and their respective associates will abstain from voting at the EGM in respect of the Ordinary Resolution 2 and Ordinary Resolution 3 approving the Proposed Placement and the Acer Placement respectively.

Further, under Rule 919 of the Catalist Rules, an interested person and its associates must abstain from voting on the resolution approving the interested person transactions involving itself and its associates. Such interested persons and their associates shall not act as proxies nor accept appointments as proxies in relation to such resolution unless specific voting instructions had been given by the Shareholders. Accordingly, each of Acer, Acer Gaming and Acer SoftCapital will abstain, and has undertaken to ensure that their respective associates will abstain from (a) deliberating and making any recommendation to the Board and the Shareholders in relation to Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement; and (b) voting on Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement. Pursuant to Rule 1203(5) of the Catalist Rules, the Company will disregard any votes cast on (i) Ordinary Resolution 2 in respect of the Proposed Placement and (ii) Ordinary Resolution 3 in respect of the Acer Placement by any of Acer, Acer Gaming, Acer SoftCapital and/or their associates. Further, each of Acer, Acer Gaming, Acer SoftCapital and their respective associates undertakes to decline to accept appointment as proxies to vote at and attend the forthcoming EGM in respect of the

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## LETTER TO SHAREHOLDERS

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Ordinary Resolution 2 on the Proposed Placement and the Ordinary Resolution 3 on the Acer Placement, unless the Shareholder concerned has given specific instructions as to the manner in which his votes are to be cast at the EGM.

The Chairman of the EGM will accept appointment as proxy for any Shareholder to vote in respect of Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement where such Shareholder has given specific voting instructions in a validly completed and submitted Proxy Form as to voting, or abstention from voting, in respect of the said resolutions.

### 12 CONDITIONALITY OF THE RESOLUTIONS TO BE PASSED

In voting for the resolutions set out in the Notice of EGM, Shareholders should note the following:

- (a) the passing of Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital is not conditional upon the passing of Ordinary Resolution 2 in respect of the Proposed Placement and/or Ordinary Resolution 3 in respect of the Acer Placement. This means that even if Ordinary Resolution 2 in respect of the Proposed Placement and/or Ordinary Resolution 3 in respect of the Acer Placement are not approved by Shareholders but Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital is approved by Shareholders, Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital will be passed;
- (b) the passing of the Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement are contingent upon the passing of Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital. This means that if Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital is not approved by Shareholders, both Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement will not be passed; and
- (c) the passing of Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement are inter-conditional upon the passing of one another, meaning that the passing of Ordinary Resolution 2 in respect of the Proposed Placement is conditional on the passing of Ordinary Resolution 3 in respect of the Acer Placement, and *vice versa*. This means that if any of Ordinary Resolutions 2 and 3 is not approved by Shareholders at the EGM, none of Ordinary Resolutions 2 and 3 would be passed.

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## LETTER TO SHAREHOLDERS

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### 13 ACTION TO BE TAKEN BY SHAREHOLDERS

#### 13.1 Submission of Proxy Forms to vote

The EGM will be convened in a physical format only and there will be no option for Shareholders to participate virtually. Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf are requested to complete, sign and return the Proxy Form attached to the Notice of EGM in accordance with the instructions printed thereon as soon as possible and by completing and submitting the duly completed Proxy Form to the Company's Share Registrar, Tricor Barbinder Share Registration Services 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, Singapore 048619; or
- (b) If submitted electronically, be submitted via email to Tricor Barbinder Share Registration Services at [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com),

in either case, by no later than 11:00 a.m. (Singapore time) on 27 April 2024, and in default the Proxy Form shall not be treated as valid. Hardcopies of the Notice of EGM and Proxy Form will be sent by post to Shareholders. Shareholders may access the Proxy Form on the website of the SGX-ST at the URL <https://www.sgx.com/securities/company-announcements> and the Company's website at the URL <https://www.winkingworks.com/en-US/>, and thereafter download, complete and sign the Proxy Form, before submitting it by post to the address provided above. The completion and return of the Proxy Form by such Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.

#### 13.2 Submission of questions in advance of the EGM

Shareholders can submit substantial and relevant questions relating to the resolutions to be tabled for approval at the EGM, in advance of the EGM, to the Company in the following manner:

- (a) Shareholders may submit their questions by post, to be deposited at the Singapore headquarters of the Company at 6 Raffles Quay, #14-06, Singapore 048580; or
- (b) Shareholders may submit their questions electronically via email to [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com),

in each case, by 5:00 p.m. on 23 April 2024 (the "**Cut-Off Time**").

When submitting substantial and relevant questions electronically via email or by post, Shareholders must provide the Company with the following details to enable the Company to verify their status as Shareholders: (a) status: individual shareholder or corporate representative; (b) full name/full company name (as per CDP/CPF/SRS/Scrip-based records); (c) NRIC/FIN/Passport number/Registration number; (d) email address; and (e) contact number (optional).

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## LETTER TO SHAREHOLDERS

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Persons who hold Shares through Relevant Intermediaries (as defined under Section 181(6) of the Companies Act 1967 of Singapore) (other than CPF/SRS investors) should contact their respective Relevant Intermediaries through which they hold such Shares to submit their questions relating to the Resolutions to be tabled for approval at the EGM based on the abovementioned instructions. The Company will endeavour to address all substantial and relevant questions received from Shareholders prior to the EGM, before or during the EGM. The responses to substantial and relevant questions received from Shareholders by the Cut-Off Time will be posted on the website of the SGX-ST at the URL <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at the URL <https://www.winkingworks.com/en-US/> before 11:00 a.m. on 25 April 2024, being at least forty-eight (48) hours prior to the closing date and time for the lodgement of the Proxy Form.

The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions (relating to the Resolutions to be tabled for approval at the EGM) received after the Cut-Off Time which have not already been addressed prior to the EGM, as well as those substantial and relevant questions received at the EGM, during the EGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

### **14 CONSENT**

PrimePartners Corporate Finance Pte. Ltd., in its capacity as the Placement Agent in relation to the Proposed Placement, has given and not withdrawn its written consent to the issue of this Circular, with the inclusion of its name and all references to itself in the form and context in which they appear in this Circular.

### **15 DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Increase in Authorised Share Capital, the Proposed Placement and the Acer Placement, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.



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## LETTER TO SHAREHOLDERS

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### 16 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Singapore headquarters of the Company at 6 Raffles Quay, #14-06, Singapore 048580, during normal business hours for 3 months from the date of this Circular:

- (a) the Existing Memorandum and Articles of Association;
- (b) the Placement Agreement;
- (c) the Subscription Letter;
- (d) the audited financial statements of the Company for FY2023;
- (e) the annual report of the Company for FY2023; and
- (f) the letter of consent from the Placement Agent referred to in Section 14 (*Consent*) of this Circular.

Yours faithfully

For and on behalf of the Board of Directors of  
**WINKING STUDIOS LIMITED**

Mr. Johnny Jan  
Executive Chairman and Chief Executive Officer

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### WINKING STUDIOS LIMITED

(Company Registration No. 159882)  
(Incorporated in the Cayman Islands)

#### NOTICE OF EXTRAORDINARY GENERAL MEETING

*Unless otherwise defined, all capitalised terms herein shall bear the same meaning as used in the circular dated 15 April 2024 (the “Circular”) issued by Winking Studios Limited (the “Company”).*

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of the Company will be held at Singapore Business Federation, 160 Robinson Road, #06-01 SBF Center, Singapore 068914 on Tuesday, 30 April 2024 at 11:00 a.m. (or immediately after the conclusion of the AGM) for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions.

#### **ORDINARY RESOLUTION 1 – THE PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

##### **RESOLVED AS AN ORDINARY RESOLUTION THAT:**

- (a) The authorised share capital of the Company be increased from S\$20,000,000 divided into 500,000,000 shares of a par value of S\$0.04 each to S\$1,000,000,000 divided into 25,000,000,000 shares of a par value of S\$0.04 each by the creation of an additional 24,500,000,000 shares of a par value of S\$0.04 each to rank *pari passu* in all respects with the existing Shares; and
- (b) the Directors and each of them be and are hereby authorised to complete and do all such acts and things (including without limitation executing all such documents as may be required and instructing the registered office provider of the Company to make the necessary filings with the Registrar of Companies in the Cayman Islands) as they and/or he may consider necessary, desirable, expedient or in the interests of the Company for the purposes of giving effect to the Proposed Increase in Authorised Share Capital.

#### **ORDINARY RESOLUTION 2 – THE PROPOSED PLACEMENT OF UP TO 108,000,000 NEW ORDINARY SHARES (“PLACEMENT SHARES”) IN THE CAPITAL OF THE COMPANY AT THE PLACEMENT PRICE OF S\$0.25 FOR EACH PLACEMENT SHARE**

##### **RESOLVED AS AN ORDINARY RESOLUTION THAT:**

- (a) pursuant to Article 12(1) of the Existing Memorandum and Articles of Association and Rules 805(1) and 812(1) and Chapter 9 of the Catalist Rules, approval be and is hereby given to the Company to allot and issue up to 108,000,000 Placement Shares to the Placees, at the Placement Price of S\$0.25 for each Placement Share, on and subject to the terms of the Placement Agreement, such allotment and issue of the Placement Shares not being in reliance on the general share issue mandate obtained from Shareholders at the AGM on 30 April 2024 should the same be so obtained;
- (b) the Placement Shares be allotted and issued free from all claims, pledges, mortgages, charges, liens and encumbrances, and shall rank *pari passu* with the existing Shares and carry all rights similar to the existing Shares as at the Completion Date, except that the Placement Shares will not rank for any dividends, distributions or entitlements, the record date for which falls on or before the date of the issue of the Placement Shares;

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (c) the Directors and any one of them be and are hereby authorised and empowered to approve, implement, effect, complete and do all such acts and things (including to approve, modify, ratify, sign, seal, execute and deliver all such documents as may be required) as they or he may consider expedient, desirable, necessary or in the interests of the Company in connection with, and to give effect to, the Proposed Placement and/or this Ordinary Resolution 2; and
- (d) any Director be and is hereby authorised to instruct the share registrar and share transfer agent in Singapore (the “**Singapore Share Transfer Agent**”) (and the Singapore Share Transfer Agent be and is hereby authorised and instructed to accept and give effect to such instructions) to make entries in the register of members of the Company in connection with the Proposed Placement and that any Director be instructed to prepare, sign, seal (if required) and deliver on behalf of the Company share certificates accordingly.

### ORDINARY RESOLUTION 3 – THE ACER PLACEMENT

#### RESOLVED AS AN ORDINARY RESOLUTION THAT:

- (a) pursuant to Article 12(1) of the Existing Memorandum and Articles of Association and Rules 805 and 812 and Chapter 9 of the Catalist Rules, approval be and is hereby given to the Company to allot and issue up to 108,000,000 Placement Shares to the Acer Placees, at the Placement Price of S\$0.25 for each Placement Share;
- (b) pursuant to Chapter 9 of the Catalist Rules, approval be and is hereby given for the allotment and issue of up to 108,000,000 Placement Shares to the Acer Placees, at the Placement Price of S\$0.25 for each Placement Share as an interested person transaction under Chapter 9 of the Catalist Rules;
- (c) the Directors and any one of them be and are hereby authorised and empowered to approve, implement, effect, complete and do all such acts and things (including to approve, modify, ratify, sign, seal, execute and deliver all such documents as may be required) as they or he may consider expedient, desirable, necessary or in the interests of the Company in connection with, and to give effect to, the Acer Placement and/or this Ordinary Resolution 3; and
- (d) any Director be and is hereby authorised to instruct the Singapore Share Transfer Agent (and the Singapore Share Transfer Agent be and is hereby authorised and instructed to accept and give effect to such instructions) to make entries in the register of members of the Company in connection with the Acer Placement and that any Director be instructed to prepare, sign, seal (if required) and deliver on behalf of the Company share certificates accordingly.

In voting for the resolutions set out in the Notice of EGM, Shareholders should note the following:

- A. the passing of the Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement are contingent upon the passing of Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital. This means that if Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital is not approved by Shareholders, both Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement will not be passed;

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- B. the passing of Ordinary Resolution 1 in respect of the Proposed Increase in Authorised Share Capital is not conditional upon the passing of Ordinary Resolution 2 in respect of the Proposed Placement and/or Ordinary Resolution 3 in respect of the Acer Placement; and
- C. the passing of Ordinary Resolution 2 in respect of the Proposed Placement and Ordinary Resolution 3 in respect of the Acer Placement are inter-conditional, meaning that the passing of Ordinary Resolution 2 in respect of the Proposed Placement is conditional on the passing of Ordinary Resolution 3 in respect of the Acer Placement, and *vice versa*.

**BY ORDER OF THE BOARD**

**WINKING STUDIOS LIMITED**

Mr. Johnny Jan  
Executive Chairman and Chief Executive Officer  
15 April 2024

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### NOTES:

#### Access to Documents for the EGM

1. The Company has opted for electronic dissemination of the Circular and copies of the Circular will not be sent to Shareholders. Instead, the Circular will be sent to Shareholders by electronic means via publication on the website of the SGX-ST at the URL <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at the URL <https://www.winkingworks.com/en-US/>.
2. Printed copies of this Notice of EGM and the accompanying Proxy Form will be sent by post to Shareholders and will be published on the website of the SGX-ST at the URL <https://www.sgx.com/securities/company-announcements> and the Company's website (together with the Circular) at the URL <https://www.winkingworks.com/en-US/>.
3. Shareholders may access the Circular, this Notice of EGM and the accompanying Proxy Form at the Company's website at the URL <https://www.winkingworks.com/en-US/>. Any Shareholder who wishes to request for a printed copy of the Circular should email their request to [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com) no later than 11:00 a.m. on 22 April 2024 and provide their particulars as follows:
  - (a) Full name (for individuals)/company name (for corporates);
  - (b) NRIC or Passport Number (for individuals)/Company Registration Number (for corporates); and
  - (c) Mailing address.

#### Submission of Proxy Forms to Vote

4.
  - (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend physically, speak and vote at the EGM. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy (expressed as a percentage as a whole) shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.
  - (b) A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the proxy form. In relation to a relevant intermediary who wishes to appoint more than two proxies, it should annex to the proxy form the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of shareholding (number of Shares, class of Shares and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank who intends to appoint CPF/SRS investors as its proxies shall comply with this Note.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

5. A proxy need not be a member of the Company.
6. The instrument appointing a proxy or proxies 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, Singapore 048619; or
  - (b) If submitted electronically, be submitted via email to Tricor Barbinder Share Registration Services at [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com),

in either case, by no later than 11:00 a.m. on 27 April 2024, being not less than seventy-two (72) hours before the time appointed for the EGM.

Completion and return of the instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the EGM.

7. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and vote thereat unless his name appears on the Depository Register seventy-two (72) hours before the time appointed for the EGM.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Submission of Questions

8. Shareholders can submit substantial and relevant questions relating to the resolutions to be tabled for approval at the EGM, in advance of the EGM, to the Company in the following manner:
  - (a) Shareholders may submit their questions 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, Singapore 048619; or
  - (b) Shareholders may submit their questions electronically via email to [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com),  
in each case, by 5:00 PM on 23 April 2024.
9. When submitting substantial and relevant questions electronically via email or by post, Shareholders must provide the Company with the following details to enable the Company to verify their status as Shareholders:
  - (a) status: individual shareholder or corporate representative; (b) full name/full company name (as per CDP/CPF/SRS/Scrip-based records); (c) NRIC/FIN/Passport number/Registration number; (d) email address; and (e) contact number (optional), failing which the Company shall be entitled to regard the submission as invalid and not respond to the questions submitted.
10. Persons who hold Shares through Relevant Intermediaries (as defined under Section 181(6) of the Companies Act) (other than CPF/SRS investors) should contact their respective Relevant Intermediaries through which they hold such Shares to submit their questions relating to the resolutions to be [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com) tabled for approval at the EGM based on the abovementioned instructions.
11. The Company will endeavour to address all substantial and relevant questions received from Shareholders prior to the EGM, before or during the EGM. The responses to substantial and relevant questions received from Shareholders by the Cut-Off Time will be posted on the website of the SGX-ST at the URL <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at the URL <https://www.winkingworks.com/en-US/> before 11:00 a.m. on 25 April 2024, being at least forty-eight (48) hours prior to the closing date and time for the lodgement of the Proxy Form. The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions (relating to the resolutions to be tabled for approval at the EGM) received after the Cut-Off Time which have not already been addressed prior to the EGM, as well as those substantial and relevant questions received at the EGM, during the EGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

### Other Information

12. The Company will publish the minutes of the EGM on its corporate website at the URL <https://www.winkingworks.com/en-US/> and the website of the SGX-ST at the URL <https://www.sgx.com/securities/company-announcements> within one month after the EGM, and the minutes will include the responses to substantial and relevant questions from Shareholders which are addressed during the EGM.
13. The voting at the EGM will be conducted by poll manually.

### Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM 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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over 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 or service providers), 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 or service providers) 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.

# PROXY FORM

## WINKING STUDIOS LIMITED

(Company Registration No. 159882)  
(Incorporated in the Cayman Islands)

### PROXY FORM EXTRAORDINARY GENERAL MEETING

**IMPORTANT:**

1. A relevant intermediary (as defined in Section 181 of the Companies Act 1967 of Singapore) may appoint more than two proxies to attend, speak and vote at the EGM.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy Shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. This Proxy Form is not valid for use by CPF and SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF and SRS investors are requested to contact their respective agent banks for any queries within 7 working days prior to the EGM date with regard to their appointment as proxies.

\*I/We \_\_\_\_\_ (Name) \_\_\_\_\_ (\*NRIC/Passport/Co. Reg. No.)  
of \_\_\_\_\_ (Address)  
being a \*member/members of Winking Studios Limited (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings	
			No. of Shares	%

or failing him/her the Chairman of the extraordinary general meeting ("**EGM**") of the Company, as my/our proxy/proxies to vote on my/our behalf at the EGM to be held at Singapore Business Federation, 160 Robinson Road, #06-01 SBF Center, Singapore 068914 on Tuesday, 30 April 2024 at 11:00 AM (or immediately after the conclusion of the AGM) and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be tabled at the EGM as hereunder indicated. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the EGM and at any adjournment thereof.

Unless otherwise defined, all capitalised terms herein shall bear the same meaning as used in the circular dated 15 April 2024 issued by the Company.

ORDINARY RESOLUTIONS	For*	Against*	Abstain*
To approve the Proposed Increase in Authorised Share Capital			
To approve the Proposed Placement			
To approve the Acer Placement			

\* Voting will be conducted by poll. If you wish to exercise all your votes "For", "Against" or "Abstain" in respect of the relevant resolution, please tick (✓) in the relevant box provided. Alternatively, if you wish to exercise your votes "For", "Against" or "Abstain" in respect of the relevant resolution, please indicate the number of Shares in the boxes provided.

# The full text of the resolutions is set out in the Notice of the EGM dated 15 April 2024.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature(s) of Member(s)/Corporation's Common Seal

**IMPORTANT:**  
PLEASE READ NOTES OVERLEAF

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## PROXY FORM

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### 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. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number. 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. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.
2. (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy (expressed as a percentage as a whole) shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.  
  
(b) A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the proxy form. In relation to a relevant intermediary who wishes to appoint more than two proxies, it should annex to the proxy form the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of shareholding (number of Shares, class of Shares and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank who intends to appoint CPF/SRS investors as its proxies shall comply with this Note.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy or proxies 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, Singapore 048619; or
  - (b) If submitted electronically, be submitted via email to Tricor Barbinder Share Registration Services at [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com),

in either case, by no later than 11:00 a.m. on 27 April 2024, being not less than seventy-two (72) hours before the time appointed for the EGM.

Completion and return of the instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the EGM.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to vote thereat unless his name appears on the Depository Register seventy-two (72) hours before the time appointed for the EGM.

### 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 EGM dated 15 April 2024.