



## WINKING STUDIOS LIMITED

(Company Registration No. 159882)

(Incorporated in the Cayman Islands)

13 August 2025

### Half Year Results ended 30 June 2025

#### M&A strategy fueling growth across a rapidly expanding global gaming market

Winking Studios Limited (AIM / SGX: WKS) (“**Winking Studios**” or the “**Company**” and together with its subsidiaries, the “**Group**”), one of the leading global AAA game art outsourcing studios and an established game development company, announces its unaudited results for the six-month period ended 30 June 2025 (“**1H2025**”).

#### Financial Summary

(US\$ million)	1H2025	1H2024	Change (%)
<b>Revenue</b>	<b>19.4</b>	<b>15.2</b>	<b>+27.3</b>
<b>Gross Profit</b>	<b>5.9</b>	<b>4.2</b>	<b>+38.2</b>
Gross Margin (%)	30.2	27.9	+2.3 percentage points
<b>Adjusted EBITDA</b>	<b>2.4<sup>1</sup></b>	<b>2.1<sup>2</sup></b>	<b>+17.9</b>
Adjusted EBITDA Margin (%)	12.6	13.6	(1.0) percentage points
EBITDA	2.2	1.8	+18.3
<b>Adjusted Net Profit</b>	<b>1.4</b>	<b>1.1</b>	<b>+21.1</b>
Net Profit	0.9	0.9	+2.0

#### Financial & Operational Highlights

- Strong growth in the Group’s revenue, gross profit and Adjusted EBITDA.
- Resilient game outsourcing services demand, with follow-up projects contributing 38.8% of revenue (1H2024: 44.1%).
- Healthy balance sheet with cash and cash equivalents and bond investments of US\$27.1 million and zero debt as at 30 June 2025 (31 December 2024: US\$41.3 million and zero debt).
- Largest acquisition to date in Shanghai Mineloder Digital Technology Co., Ltd. (“Mineloder”), one of Asia’s leading game art outsourcing and development studios, in April 2025.

#### Outlook

- The Board believes the Asian gaming market is experiencing a strong recovery, led by mobile gaming, which

continues to drive the demand for art outsourcing.

- The Group will continue to scale up in Southeast Asia to meet demand with top-tier talent and enhanced production capacity, including the launch of Vertic Studios in 2H2025, a new high-end art production brand of the Group for the global gaming market. Since 30 June 2025, the Group's headcount has grown from 1,312 to 1,405 as at 31 July 2025.
- Growing project pipeline with leading game developers and publishers globally, underpinned by strong indicative artist bookings totalling at least US\$49.4 million over the next 24 months (subject to final confirmation from customers) as at 30 June 2025 and of which US\$18.4 million is expected to be recognised in 2H2025.
- Strong cash position and no debt support plans to continue to execute M&A strategy, including further expansion in Western markets and to establish our UK office as a strategic foothold for long-term international expansion.

<sup>1</sup>Adjusted EBITDA in 1H2025 comprises EBITDA, with adjustments that included the Group's share-based compensation expenses, foreign exchange gains and costs of acquisition and integration.

<sup>2</sup>Adjusted EBITDA in 1H2024 comprises EBITDA, with adjustments that included the related one-off dual listing expenses on LSE, share-based payments expenses, foreign exchange gains, costs of acquisition and integration, interest income and private placement related expenses (to raise S\$27 million).

**Executive Director and Chief Executive Officer (Founder) of Winking Studios, Johnny Jan, commented:**

*"We are pleased to report healthy revenue growth in the first half of 2025, reflecting robust demand and the successful execution of our core M&A strategy. The completion of our largest acquisition to date, Mineloader, adds scale, broadens our capabilities in AAA console game art production and deepens our presence in Western markets as we actively pursue further acquisitions.*

*With a strong balance sheet, a healthy base of follow-up revenues from high-value projects and a growing pipeline of M&A opportunities, underpinned by our team's continued focus on execution and operational excellence, we are well positioned for growth in FY2025 and to create long-term value for all our stakeholders."*

**Enquiries**

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**About Winking Studios Limited (AIM and SGX: WKS)**

Headquartered in Singapore and dual-listed on the London Stock Exchange and Singapore Exchange (Trading Code: WKS), Winking Studios Limited is one of Asia's largest AAA game art outsourcing studios and an established game development company.

With over 25 years of experience and established track record, the Group provides end-to-end art outsourcing, game development services and other gaming services across various platforms for the global gaming industry via its three business segments of Art Outsourcing, Game Development and Global Publishing & Other Services.

The Group has 13 studios across Taipei, Nanjing, Suzhou, Dalian, Tianjin, Shanghai and Kuala Lumpur with over 1,400 highly skilled employees serving a global customer base that includes 22 of the top 25 game development companies in the world. For more information, please visit [www.winkingworks.com](http://www.winkingworks.com).

## CEO's Statement

The Group delivered strong financial and operational performance in 1H2025, underpinned by robust trading and the successful execution and integration of strategic acquisitions.

Since our listing on the Catalist of the Singapore Exchange in November 2023, the Group has been proactive in delivering its M&A strategy, resulting in the completion of three acquisitions. The most recent, our largest acquisition to date, was the US\$19.8 million acquisition of Mineloder in April 2025.

Demand for our art outsourcing and game development services remains robust with the Group's revenue increasing 27.3% to US\$19.4 million in 1H2025 (1H2024: US\$15.2 million), primarily driven by the US\$4.1 million revenue contribution from Mineloder. The Group's gross profit grew 38.2% to US\$5.9 million with gross profit margin increasing to 30.2% in 1H2025 (1H2024: 27.9%), driven mainly by contributions from Mineloder, which specialises in higher margin AAA games from console platforms.

While the acquisitions have been accretive to the Group's revenue performance, there was also aggregation of related administrative costs of these acquired companies, one of the key factors behind the increase in the Group's administrative expenses in 1H2025.

Adjusted EBITDA increased 17.9% to US\$2.4 million in 1H2025 (1H2024: US\$2.1 million), which reflects our resilient underlying performance. More details can be found in the CFO's Review and detailed financial statements of this announcement.

Strengthened by our market position, growing repeat revenue streams and a well-defined strategic roadmap, we remain focused on advancing our growth objectives and delivering sustainable, long-term value for our shareholders.

### **Meeting market demand through operational expansion**

Market demand was strong in the first half of the year, with accelerated momentum in the second quarter. We are seeing growth that was driven primarily by the mobile online gaming market in the East and by the console gaming market in the West, including increasing activity related to next-generation consoles.

The Switch 2 console, released in June 2025, sold over 3.5 million units in its first four days<sup>1</sup>, making it the fastest-selling Nintendo hardware ever and surpassing the original, which sold over 1.5 million units in its first week<sup>2</sup>. Winking Studios is currently engaged on multiple Switch 2 titles and is actively involved in the development of multiple next-generation PlayStation titles, alongside ongoing work on current-generation platforms.

To support rising demand, the Group continues to invest in headcount and remains on track to establish new production hubs in Southeast Asia, in line with our ambitions to expand our production footprint and meet evolving customer needs of high-quality game art and cost efficiencies, among others. We are actively recruiting top-tier talent and in 2H2025 will be launching Vertic Studios, a new high-end art production brand that caters specifically to the sophisticated needs of AAA games with substantial budgets.

Winking Studios continues to strengthen its relationships with major global game development companies, including long-standing clients such as Sony, Microsoft, EA and 2K, which has contributed to a growing pipeline of both new and follow-up projects. As at 30 June 2025, the Group has received indicative artist bookings totalling at least US\$49.4 million over the next 24 months (subject to final confirmation from customers). Of which, US\$18.4 million of the indicative bookings is expected to be recognised in 2H2025.

In March 2025, Chinese gaming giant Tencent disclosed it had 14 “evergreen titles” generating over RMB 4 billion annually<sup>3</sup>. Winking Studios has been and remains actively involved in 12 of these high-value titles, demonstrating our ongoing role in developing and supporting the longevity of some of the industry’s most prominent and commercially successful games while providing strong visibility over future revenue.

### **Accelerating growth through our M&A strategy**

A core pillar of the Company’s growth strategy, we remain committed to accelerating expansion through further strategic and targeted M&A within a highly fragmented market.

With the acquisition of Mineloder, the Group added 495 employees to its headcount, boosting the total to 1,405 employees as at 31 July 2025. Mineloder’s service offerings in console platform games and established experience and presence in the global gaming industry are also valuable additions to the Group. I am delighted with the progress being made with the integration of Mineloder, which contributed US\$4.1m revenue in 1H2025.

We are now better positioned to pursue our core strategy of expansion via acquisition, supported by stronger leverage in the rapidly growing Asian market, access to new opportunities in Europe, and a proven M&A track record that provides confidence to potential partners.

Winking Studios continues to pursue future M&A opportunities, targeting established and profitable studios in Europe and Asia that offer specialised expertise, new value propositions, access to new market segments and scalable operations. Active conversations are ongoing with targets in the UK and Europe, and a strategic focus going forward will be the establishment of our UK office to facilitate a direct presence in key Western markets, including the US and Europe.

### **Positioned to grow market share in a rapidly expanding industry**

The global gaming industry continues to expand at pace, with total market revenues expected to grow from US\$216.9 billion in 2023 to US\$345.3 billion by 2028, representing a CAGR of 9.8%\*.

The mobile games sector, which is currently a key market of Winking Studios’ art outsourcing business segment, is expected to lead the overall industry, with a CAGR of 12.7% between 2023 and 2028.

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

As the industry continues to evolve, major game development companies are increasingly outsourcing their game art and development needs to boost efficiency, reduce fixed costs and make scaling easier, contributing to a structural shift towards established external service providers such as Winking Studios.

The global game art outsourcing market grew from US\$1.8 billion in 2018 to US\$3.7 billion in 2023, representing a CAGR of 14.9%, and is expected to reach US\$7.1 billion in 2028. The mobile sector of the global game art outsourcing industry is expected to continue to outpace other game outsourcing segments, with a projected size of US\$3.6 billion in 2028 and registering a CAGR of 16.7% between 2023 and 2028.

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

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

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

### **Game outsourcing to redefine the future of game development**

The global gaming industry is undergoing a paradigm shift. In the post-COVID era, even as many global game development companies streamline internal teams, industry revenues have continued to climb – raising a fundamental question: who is building the games that are driving this sustained growth?

The answer lies in the rise of outsourcing and external development partnerships. Increasingly, game development companies are adopting a leaner, more agile approach by relying on outsourced talent to deliver high-quality game assets, features and entire modules. According to a recent industry report<sup>4</sup>, the majority of professional respondents expect to spend more than US\$6 million on outsourced development in 2025, the highest level since 2019 and a clear indicator of where the industry is heading.

This trend marks a strategic evolution in game production. Rather than housing every skillset internally, game development companies are tapping into a global network of specialised partners such as Winking Studios. This model not only enhances scalability and cost efficiency but also enables faster innovation and access to top-tier talent worldwide. Game outsourcing is no longer just a cost-saving measure – it is now a core driver of how modern games are developed, accelerating production while delivering creative excellence.

### **Outlook: positioned for sustained growth and long-term value creation**

We remain committed to delivering growth for the full year, supported by good revenue visibility and healthy, long-term market drivers.

The need for higher-quality content and more immersive gaming experiences is rising in line with the evolution of the gaming industry and the rapid advancements in technology. Crucially, the Asian gaming market, which dominates the global games industry, is growing rapidly. Despite the headcount reductions felt across the industry in 2024, we are seeing the mobile gaming sector in particular experience a strong recovery and we expect a sustained trend of increased spending on external development among game developers and publishers, playing directly to our existing strengths.

In 2H2025, a key strategic focus is accelerating the expansion of our workforce and production capacity in southeast Asia. We are actively recruiting top-tier talent to meet the surging demand in the gaming industry. A significant advancement is the launch of Vertic Studios, a new brand specialising in high-end art production.

Supported by a strong cash position and no debt, we continue to forge ahead with our M&A strategy. Another key area of focus remains targeting studios in Western markets, supported by the establishment of our UK office, which will serve as a strategic foothold for long-term international expansion.

Our vision is clear, and this period has seen material steps forward towards our aspiration of becoming the #1 game art services provider globally. With the support of the excellent team, growing international momentum and several exciting opportunities ahead, I look forward to updating stakeholders on the next stage of our growth.

Johnny Jan

Executive Director and Chief Executive Officer (Founder)

<sup>1</sup><https://www.nintendo.co.jp/corporate/release/en/2025/250611.html>

<sup>2</sup><https://www.polygon.com/2017/3/14/14921130/nintendo-switch-sales-launch-first-week>

<sup>3</sup><https://technode.com/2025/03/20/tencents-evergreen-games-signal-high-player-engagement-but-lack-of-new-ips/>

<sup>4</sup>[https://xdsummit.com/wp-content/uploads/2025/04/XDS\\_Insights-Report\\_2025.pdf](https://xdsummit.com/wp-content/uploads/2025/04/XDS_Insights-Report_2025.pdf)

## CFO's Review

### Revenue

The Group's revenue increased from US\$15.2 million in 1H2024 to US\$19.4 million in 1H2025, an increase of US\$4.2 million, representing a year-on-year growth of 27.3%, primarily driven by the revenue contribution of US\$4.1 million from the acquisition of Mineloder in 1H2025. Excluding the impact of exchange rate fluctuations, the Group's revenue would have increased by 27.1% year-on-year on a constant currency basis.

Excluding Mineloder's revenue contribution, the Group's revenue in 1H2025 remained relatively stable.

### Business Segment Review

#### Art Outsourcing

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

US\$ million	1H2025	1H2024	Change (%)
Revenue	15.9	12.6	+25.9

Historically, the majority of the Group's revenue was contributed by the Art Outsourcing business segment and in 1H2025, it accounted for 82.1% of the Group's overall revenue. Revenue from this business segment increased by US\$3.3 million or 25.9% to US\$15.9 million as compared to 1H2024, mainly due to increased orders from both new and existing clients in Mainland China, United States, Malaysia, and other regions.

#### Game Development

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

US\$ million	1H2025	1H2024	Change (%)
Revenue	3.4	2.5	+36.8

In 1H2025, this business segment contributed 17.6% of the Group's overall revenue, with a revenue growth of US\$0.9 million or 36.8% to US\$3.4 million as compared to 1H2024. The revenue growth in 1H2025 was mainly supported by stronger demand from customers in Mainland China and Australia.

#### Global Publishing and Other Services

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



US\$ million	1H2025	1H2024	Change (%)
Revenue	0.07	0.10	(33.3)

Historically, this business segment is the lowest revenue contributor and in 1H2025, it contributed revenue of US\$0.07 million or 0.3% of the Group's overall revenue, which is lower than the US\$0.10 million recognised in 1H2024.

### Geographical Segment Review

Serving a global customer base that includes 22 of the top 25 game development companies in the world, the Group has made good progress over the years to diversify our revenue base geographically. The following table depicts the revenue breakdown geographically in 1H2025 and 1H2024:

	Group Six Months Ended 30 June	
	1H2025 USD'\$000	1H2024 USD'\$000
Mainland China and Hong Kong <sup>1</sup>	7,581	5,030
Taiwan <sup>2</sup>	3,286	3,210
United States	2,851	1,862
South Korea	2,601	3,136
Japan	1,718	1,533
Other	1,348	454
<b>Total Revenue</b>	<b>19,385</b>	<b>15,225</b>

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

In 1H2025, Chinese customers from Mainland China and Hong Kong accounted for 22.8% of the Group's total revenue, while Mainland China and Hong Kong (non-China) accounted for 16.3% of the Group's total revenue. On a combined basis, Mainland China and Hong Kong accounted for 39.1% of the Group's total revenue.

In 1H2024, Chinese customers from Mainland China and Hong Kong accounted for 28.6% of the Group's total revenue, while Mainland China and Hong Kong (non-China) accounted for 4.4% of the Group's total revenue. On a combined basis, Mainland China and Hong Kong accounted for 33.0% of the Group's total revenue.

The Group continues to make good progress with our revenue diversification strategy, which saw the United States market and other regions delivering revenue growth in 1H2025 as compared to 1H2024 and we expect further diversification as we seek to build out our UK office.

<sup>1</sup> Hong Kong here refers to Hong Kong Special Administrative Region

<sup>2</sup> Taiwan here refers to the Taiwan region.

## **Gross Profit and Margin**

Corresponding to higher revenue in 1H2025, the Group's gross profit increased to US\$5.9 million, which represents a year-on-year growth of 38.2%.

The Group's gross profit margin increased to 30.2% in 1H2025 from 27.9% in 1H2024, which was mainly driven by contributions from Mineloder that specialises in higher margin AAA games from console platforms.

## **Operating Costs**

Distribution and marketing expenses increased marginally by US\$0.1 million from US\$1.0 million in 1H2024 to US\$1.1 million in 1H2025. The increase was mainly due to the ongoing distribution and marketing expenses of US\$0.1 million related to the AIM dual listing on LSE.

Administrative expenses increased by 57.9% or US\$1.6 million, from US\$2.7 million in 1H2024 to US\$4.3 million in 1H2025, which was mainly due to:

- Aggregation of administrative costs associated with the three newly acquired subsidiaries (Mineloder, Pixelline and On Point) amounted to US\$0.6 million;
- Amortisation expenses of intangible assets that amounted to US\$0.2 million generated from acquisition;
- Ongoing administrative expenses of US\$0.2 million related to the AIM dual listing on LSE; and
- Higher share-based compensation expenses of US\$0.2 million.

## **Alternative Performance Measures ("APMs")**

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

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

### ***Net Profit / Adjusted Net profit***

Overall, the Group's net profit remained relatively stable at US\$0.9 million in 1H2025 (1H2024: US\$0.9 million). On an adjusted net profit basis, the Group's 1H2025 of US\$1.4 million was higher than 1H2024 of US\$1.1 million.

### ***EBITDA / Adjusted EBITDA***

With higher depreciation and amortisation recognised in 1H2025, the Group's EBITDA of US\$2.2 million in 1H2025 was higher than US\$1.8 million in 1H2024.

In 1H2025, the Group's Adjusted EBITDA of US\$2.4 million<sup>3</sup> was higher than US\$2.1 million<sup>4</sup> in 1H2024.

It should be noted that both the Adjusted EBITDA and adjusted net profit in 1H2025 include the AIM ongoing listing expenses of US\$0.3 million, which were not incurred in 1H2024.

<sup>3</sup>Adjusted EBITDA in 1H2025 comprises EBITDA, with adjustments that included the Group's share-based compensation expenses, foreign exchange gains and costs of acquisition and integration.

<sup>4</sup>Adjusted EBITDA in 1H2024 comprises EBITDA, with adjustments that included the related dual listing expenses on LSE, share-based payments expenses, foreign exchange gains, costs of acquisition and integration, interest income and private placement related expenses (to raise S\$27 million).

## Cash flow

US\$ million	1H2025	1H2024	Change (%)
<b>Net cash generated from operating activities</b>	<b>0.6</b>	<b>0.9</b>	<b>(31.3)</b>
<b>Net cash (used in) investing activities</b>	<b>(13.5)</b>	<b>(3.6)</b>	<b>+269.5</b>
<b>Net cash (used in) financing activities</b>	<b>(0.8)</b>	<b>(1.7)</b>	<b>(53.3)</b>
<b>Net changes in cash &amp; cash equivalents</b>	<b>(13.6)</b>	<b>(4.4)</b>	<b>+208.6</b>
<b>Cash &amp; cash equivalents at beginning of financial year</b>	<b>39.8</b>	<b>16.4</b>	<b>+142.5</b>
<b>Effects of exchange rate changes on cash &amp; cash equivalents</b>	<b>(0.6)</b>	<b>(0.4)</b>	<b>+53.4</b>
<b>Cash &amp; cash equivalents at end of financial year</b>	<b>25.6</b>	<b>11.6</b>	<b>+120.3</b>

Net cash generated from operating activities was US\$0.6 million in 1H2025, as compared to US\$0.9 million generated in 1H2024. The lower cash inflow was mainly due to a reduction in working capital in 1H2025 attributed to higher contract assets during 1H2025 arising from the acquisition of Mineloder and lower trade payables resulting from an expedited payment schedule to suppliers.

Net cash used in investing activities was US\$13.5 million in 1H2025, compared to US\$3.6 million used in 1H2024, which was mainly attributable to the Group's acquisition of Mineloder.

Net cash used in financing activities was US\$0.8 million in 1H2025, compared to US\$1.7 million used in 1H2024. This reduction was a result of lower cash dividends paid during the period under review.

## Balance sheet and liquidity

	As at 30	As at 31 December	
US\$ million	June 2025	2024	Change (%)
<b>Current assets</b>	<b>39.8</b>	<b>49.8</b>	<b>(20.1)</b>
<b>Non-current assets</b>	<b>26.2</b>	<b>10.5</b>	<b>+149.8</b>
<b>Total assets</b>	<b>66.0</b>	<b>60.3</b>	<b>+9.5</b>
<b>Current liabilities</b>	<b>6.8</b>	<b>7.3</b>	<b>(6.5)</b>
<b>Non-current liabilities</b>	<b>6.3</b>	<b>3.0</b>	<b>+111.7</b>
<b>Total liabilities</b>	<b>13.1</b>	<b>10.3</b>	<b>+28.0</b>
<b>Net Assets</b>	<b>52.8</b>	<b>50.0</b>	<b>+5.7</b>

The Group's current assets decreased by approximately US\$10.0 million or 20.1% from US\$49.8 million as at 31 December 2024 to US\$39.8 million as at 30 June 2025. The key components of the Group's current assets comprise cash and cash equivalents, trade and other receivables and contract assets. Cash and cash equivalents totalled US\$25.6 million as at 30 June 2025, a decrease of US\$14.2 million or 35.7% from US\$39.8 million as at 31 December 2024. The decrease was mainly due to a US\$13.2 million payment related to the acquisition of Mineloder. As at 30 June 2025, the Group's trade and other receivables amounted to US\$8.0 million, an increase of US\$1.7 million or 26.1% from US\$6.4 million as at 31 December 2024. The increase was primarily attributable to the consolidation of receivables from the acquisition of Mineloder. Contract assets totalled US\$6.2 million as at 30 June 2025, an increase of US\$2.6 million or 71.5% from US\$3.6 million as at 31 December 2024, mainly due to the acquisition of Mineloder and a higher volume of work completed in 1H2025. Almost all of the contract assets from the previous year's output were converted into trade receivables or cash collection.

As at 30 June 2025, the Group's non-current assets increased by approximately US\$15.7 million or 149.8% from US\$10.5 million as at 31 December 2024 to US\$26.2 million as at 30 June 2025. The key components of the Group's non-current assets comprise intangible assets and right-of-use assets. Intangible assets increased significantly to US\$16.8 million as at 30 June 2025, an increase of US\$14.9 million or 770.5% from US\$1.9 million as at 31 December 2024, mainly due to the recognition of goodwill and intangible assets from the acquisition of Mineloder. Right-of-use assets increased slightly to US\$3.5 million as at 30 June 2025, an increase of US\$0.5 million or 16.5% from US\$3.0 million as at 31 December 2024, mainly due to new right-of-use assets arising from the acquisition of Mineloder.

As at 30 June 2025, the Group's current liabilities decreased by approximately US\$0.5 million or 6.5% from US\$7.3 million as at 31 December 2024 to US\$6.8 million as at 30 June 2025. The key components of the Group's current liabilities comprise trade and other payables and lease liabilities. Trade and other payables decreased to US\$4.9 million as at 30 June 2025, a decrease of US\$1.1 million or 18.2% from US\$5.9 million as at 31 December 2024, which was mainly attributable to expedited payment schedule to suppliers. Lease liabilities increased to US\$1.7 million as at 30 June 2025, an increase of US\$0.6 million or 47.7% from US\$1.2 million as at 31 December 2024, which was mainly attributable to new office lease agreements arising from the acquisition of Mineloder.

As at 30 June 2025, the Group's non-current liabilities increased by approximately US\$3.3 million or 111.7% from US\$3.0 million as at 31 December 2024 to US\$6.3 million as at 30 June 2025. The key components of the Group's non-current liabilities comprise deferred income tax liabilities and other non-current liabilities. Deferred income tax liabilities increased to US\$2.8 million as at 30 June 2025, an increase of US\$1.7 million or 155.2% from US\$1.1 million as at 31 December 2024, which was mainly attributable to the acquisition of Mineloder. The Group recognised other non-current liabilities of US\$1.7 million as at 1 April 2025, which is the share purchase consideration payable for the acquisition of Mineloder that shall be paid on 31 March 2030.

As at 30 June 2025, the Group's net asset value per ordinary share is US\$12.00 cents (as at 31 December 2024: US\$11.35 cents).

# **WINKING STUDIOS LIMITED AND ITS SUBSIDIARIES**

## **Unaudited Condensed Consolidated Interim Financial Statements**

For the Six Months Ended 30 June 2025

*(Incorporated and domiciled in Cayman Islands with limited liability No. 159882)*

*Winking Studios Limited (the “**Company**”) was listed on Catalist of the SGX-ST on 20 November 2023 and dual listed on AIM Market of the London Stock Exchange on 14 November 2024. The initial public offering of the Company on Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”).*

*This announcement has been reviewed by the Company’s Sponsor. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. 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.*

## WINKING STUDIOS LIMITED AND ITS SUBSIDIARIES

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**WINKING STUDIOS LIMITED AND ITS SUBSIDIARIES**  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

**A. Condensed Consolidated Interim Statements of Comprehensive Income**

	Note	Group Six Months Ended 30 June		Increase/ (Decrease) %
		Unaudited 1H2025 USD'\$000	Unaudited 1H2024 USD'\$000	
Revenue from contracts with customers		19,385	15,225	27.3
Cost of sales		(13,522)	(10,983)	23.1
<b>Gross profit</b>		<b>5,863</b>	<b>4,242</b>	<b>38.2</b>
Other income		156	382	(59.2)
Other gains/(losses) - net		48	(37)	229.7
Distribution and marketing		(1,069)	(1,002)	6.7
Administrative expenses		(4,314)	(2,732)	57.9
Reversal of impairment loss on financial assets	7	1	53	(98.1)
Interest income	7	339	140	142.1
Finance expenses		(71)	(39)	82.1
		(4,910)	(3,235)	51.8
<b>Profit before income tax</b>		<b>953</b>	<b>1,007</b>	<b>(5.4)</b>
Income tax expense	8	(26)	(98)	(73.5)
<b>Profit for the financial period</b>		<b>927</b>	<b>909</b>	<b>2.0</b>
<b>Other comprehensive income / (loss):</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Currency translation gains / (losses) arising from consolidation		1,575	(496)	n.m.
<b>Total comprehensive income for the financial period</b>		<b>2,502</b>	<b>413</b>	<b>505.8</b>
<b>Profit for the period attributable to:</b>				
- Equity holders of the Company		927	909	2.0
- Non-controlling interests		-	-	
		<b>927</b>	<b>909</b>	<b>2.0</b>
<b>Total comprehensive income attributable to:</b>				
- Equity holders of the Company		2,502	413	505.8
- Non-controlling interests		-	-	
		<b>2,502</b>	<b>413</b>	<b>505.8</b>
<b>Earnings per share for profit (in USD)</b>				
- Basic and diluted earnings per share	10	0.002	0.003	(35.2)

*The accompanying accounting policies and explanatory notes form an integral part of the condensed interim financial statements*



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**B. Condensed Consolidated Interim Statements of Financial Position**

		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>Unaudited 30-06-2025 USD'\$000</b>	<b>Audited 31-12-2024 USD'\$000</b>	<b>Unaudited 30-06-2025 USD'\$000</b>	<b>Audited 31-12-2024 USD'\$000</b>
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	13	25,618	39,832	8,655	29,074
Trade and other receivables		8,023	6,362	104	60
Contract assets		6,165	3,595	-	-
<b>Total current assets</b>		<b>39,806</b>	<b>49,789</b>	<b>8,759</b>	<b>29,134</b>
<b>Non-current assets</b>					
Investment in financial assets at amortised cost	13	1,456	1,461	1,456	1,461
Property, plant and equipment		1,999	1,935	-	-
Right-of-use assets		3,499	3,004	-	-
Intangible assets		16,819	1,932	415	439
Investment in subsidiaries		-	-	35,020	34,612
Deferred income tax assets		1,882	1,840	-	-
Other non-current assets		504	302	-	-
<b>Total non-current assets</b>		<b>26,159</b>	<b>10,474</b>	<b>36,891</b>	<b>36,512</b>
<b>Total assets</b>		<b>65,965</b>	<b>60,263</b>	<b>45,650</b>	<b>65,646</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables		4,860	5,940	286	20,462
Contract liabilities		168	138	-	-
Current income tax liabilities		35	17	-	-
Lease liabilities	13	1,735	1,175	-	-
<b>Total current liabilities</b>		<b>6,798</b>	<b>7,270</b>	<b>286</b>	<b>20,462</b>
<b>Non-current liabilities</b>					
Lease liabilities	13	1,779	1,886	-	-
Deferred income tax liabilities		2,835	1,111	-	-
Other non-current liabilities		1,731	-	-	-
<b>Total non-current liabilities</b>		<b>6,345</b>	<b>2,997</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>13,143</b>	<b>10,267</b>	<b>286</b>	<b>20,462</b>
<b>NET ASSETS</b>		<b>52,822</b>	<b>49,996</b>	<b>45,364</b>	<b>45,184</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital	14	13,365	13,365	13,365	13,365
Other reserves		30,928	28,943	34,882	34,476
Retained profits/(accumulated losses)		8,529	7,688	(2,883)	(2,657)
<b>Total equity</b>		<b>52,822</b>	<b>49,996</b>	<b>45,364</b>	<b>45,184</b>

*The accompanying accounting policies and explanatory notes form an integral part of the condensed interim financial statement*

**WINKING STUDIOS LIMITED AND ITS SUBSIDIARIES**  
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**C. Condensed Consolidated Interim Statements of Cash Flow**

	<b>Group</b>	
	<b>Six Months Ended</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>USD'\$000</b>	<b>USD'\$000</b>
	<b>Unaudited</b>	<b>Unaudited</b>
<b>Cash flows from operating activities</b>		
Profit before income tax	<b>953</b>	<b>1,007</b>
Adjustments for:		
- Depreciation of property, plant and equipment	397	310
- Depreciation of right-of-use assets	770	578
- Amortisation of intangible assets	329	50
- Share-based compensation expense	406	176
- Reversal of impairment loss on financial assets	(1)	(53)
- Interest income	(339)	(140)
- Finance expenses	71	39
- Losses on disposal of property, plant and equipment	192	11
- Gain arising from lease modification	(36)	-
- Exchange (gains)/losses	1,544	(39)
	<b>4,286</b>	<b>1,939</b>
Changes in working capital:		
- Contract assets	(2,248)	(855)
- Trade and other receivables	136	142
- Contract liabilities	4	50
- Trade and other payables	(1,847)	(511)
Cash generated from operations	<b>331</b>	<b>765</b>
Interest received	339	140
Income tax paid	(48)	-
<b>Net cash generated from operating activities</b>	<b>622</b>	<b>905</b>
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(185)	(148)
Proceeds from disposal of property, plant and equipment	-	19
Decrease in prepayments for equipment	(123)	-
Additions to intangible assets	(26)	(27)
Decrease in refundable deposits	9	8
Acquisition of subsidiaries, net of cash acquired	(13,159)	(2,032)
Purchase of bonds	-	(1,469)
<b>Net cash used in investing activities</b>	<b>(13,484)</b>	<b>(3,649)</b>
<b>Cash flows from financing activities</b>		
Principal payments of lease liabilities	(645)	(579)
Interest paid	(56)	(39)
Cash dividends paid	(82)	(1,059)
<b>Net cash generated from financing activities</b>	<b>(783)</b>	<b>(1,677)</b>
<b>Net changes in cash and cash equivalents</b>	<b>(13,645)</b>	<b>(4,421)</b>
<b>Cash and cash equivalents</b>		
Beginning of financial period	39,832	16,423
Effects of exchange rate changes on cash and cash equivalents	(569)	(371)
<b>End of financial period</b>	<b>25,618</b>	<b>11,631</b>

*The accompanying accounting policies and explanatory notes form an integral part of the condensed interim financial statements*

**WINKING STUDIOS LIMITED AND ITS SUBSIDIARIES**  
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**D. Condensed Consolidated Interim Statements of Changes in Equity**

	Attributable to owners of the Group					Total equity USD'\$000
	Share capital USD'\$000	Capital reserves USD'\$000	Other reserves USD'\$000	Currency translation reserve USD'\$000	Retained profits USD'\$000	
<b>Group</b>						
<b>Balance at 1 January 2025</b>						
Beginning of financial period	13,365	33,468	(2,063)	(2,462)	7,688	49,996
Profit for the period	-	-	-	-	927	927
Other comprehensive income for the period	-	-	-	1,575	-	1,575
<b>Total comprehensive income for the period</b>	-	-	-	1,575	927	2,502
Transactions with owners, recognised directly in equity						
Profit appropriations to statutory reserves	-	-	4	-	(4)	-
Cash Dividends	-	-	-	-	(82)	(82)
Share-based compensation expense	-	-	406	-	-	406
	-	-	410	-	(86)	324
<b>Balance at 30 June 2025</b>	<b>13,365</b>	<b>33,468</b>	<b>(1,653)</b>	<b>(887)</b>	<b>8,529</b>	<b>52,822</b>
<b>Balance at 1 January 2024</b>						
Beginning of financial period	8,615	8,818	(3,071)	(1,138)	8,223	21,447
Profit for the period	-	-	-	-	909	909
Other comprehensive loss for the period	-	-	-	(496)	-	(496)
<b>Total comprehensive income for the period</b>	-	-	-	(496)	909	413
Transactions with owners, recognised directly in equity						
Cash Dividends	-	-	-	-	(1,059)	(1,059)
Share-based compensation expense	-	-	176	-	-	176
	-	-	176	-	(1,059)	(883)
<b>Balance at 30 June 2024</b>	<b>8,615</b>	<b>8,818</b>	<b>(2,895)</b>	<b>(1,634)</b>	<b>8,073</b>	<b>20,977</b>

*The accompanying accounting policies and explanatory notes form an integral part of the condensed consolidated interim financial statements*

**WINKING STUDIOS LIMITED AND ITS SUBSIDIARIES**  
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**D. Condensed Consolidated Interim Statements of Changes in Equity (cont'd)**

	Attributable to owners of the Company				Total equity USD'\$000
	Share capital USD'\$000	Capital reserves USD'\$000	Other reserves USD'\$000	Accumulated losses USD'\$000	
<u>Company</u>					
<b>Balance at 1 January 2025</b>					
Beginning of financial period	13,365	33,468	1,008	(2,657)	45,184
Loss for the period	-	-	-	(144)	(144)
<b>Total comprehensive loss for the period</b>	-	-	-	(144)	(144)
Transactions with owners, recognised directly in equity					
Cash Dividends	-	-	-	(82)	(82)
Share-based compensation expense	-	-	406	-	406
	-	-	406	(82)	324
<b>Balance at 30 June 2025</b>	<b>13,365</b>	<b>33,468</b>	<b>1,414</b>	<b>(2,883)</b>	<b>45,364</b>
<b>Balance at 1 January 2024</b>					
Beginning of financial period	8,615	8,818	-	648	18,081
Loss for the period	-	-	-	(312)	(312)
<b>Total comprehensive loss for the period</b>	-	-	-	(312)	(312)
Transactions with owners, recognised directly in equity					
Cash Dividends	-	-	-	(1,059)	(1,059)
Share-based compensation expense	-	-	176	-	176
	-	-	176	(1,059)	(883)
<b>Balance at 30 June 2024</b>	<b>8,615</b>	<b>8,818</b>	<b>176</b>	<b>(723)</b>	<b>16,886</b>

*The accompanying accounting policies and explanatory notes form an integral part of the condensed consolidated interim financial statements*

**WINKING STUDIOS LIMITED AND ITS SUBSIDIARIES  
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**E. Notes to the Condensed Consolidated Interim Financial Statements**

**1 Corporate information**

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

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

The Company is an investment holding company. The Company, together with its subsidiaries (the “**Group**”) are principally engaged in the operation of art outsourcing and game development studios in the People's Republic of China (the “**PRC**”), the Republic of China (“**Taiwan**”), and Malaysia.

The Group is one of the largest **Art Outsourcing** and **Game Development** studios in Asia. Currently, the Group has employees across Singapore, Malaysia, Shanghai, Nanjing, Suzhou, Dalian, Tianjin and Taipei. Clients of our **Art Outsourcing** and **Game Development** services include 22 of the top 25 game publishers around the globe.

**2 Basis of preparation**

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with International Financial Reporting Standards (“**IFRS**” as issued by the International Accounting Standards Board, specifically IAS34 Interim Financial Reporting (“**IFRS(I)s**”). The condensed consolidated interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements for the financial year ended 31 December 2024 (“**FY2024**”).

**WINKING STUDIOS LIMITED AND ITS SUBSIDIARIES  
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**E. Notes to the Condensed Consolidated Interim Financial Statements(cont'd)**

**2 Basis of preparation(cont'd)**

**Adoption of IFRS**

The Group has transitioned from Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") to IFRS(I)s to better meet the expectations of global and international investors and shareholders, as well as to enhance the comparability of the Group's financial reports with international peers. The condensed consolidated interim financial statements for the financial period ended 30 June 2024 are the first set of condensed consolidated interim financial statements the Group prepared in accordance with IFRS.

In adopting IFRS on 1 January 2024, the Group is required to apply all of the specific transition requirements in IFRS1 First-time Adoption of IFRS. The Group's opening balance sheet has been prepared as of 1 January 2024, which is the Group's date of transition to IFRS.

The accounting policies adopted for the unaudited condensed consolidated interim financial statements for the financial period ended 30 June 2025 are consistent with those adopted in the last audited financial statements for FY2024, which were prepared in accordance with IFRS(I)s, except for the adoption of new and amended standards as set out below.

**Adoption of new or amended IFRS**

New or amended Standards and Interpretations effective for annual periods beginning on or after 1 January 2025:

1 January 2025	Amendments to:
	- IAS 21: Lack of Exchangeability

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

**Presentation Currency**

These unaudited condensed consolidated interim financial statements are presented in United States Dollars ("USD" or "US\$"), the functional currency of the Company. All amounts are rounded to the nearest thousand ("US\$'000"), unless otherwise stated.

**WINKING STUDIOS LIMITED AND ITS SUBSIDIARIES  
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**E. Notes to the Condensed Consolidated Interim Financial Statements(cont'd)**

**2.1 Critical accounting estimates, assumptions and judgements**

The preparation of financial statements requires management to make estimates, assumptions, and judgements that affect the reported amounts of assets, liabilities, income, and expenses. These are continually evaluated based on historical experience and other factors, including reasonable expectations of future events.

***Estimates of contract assets and service revenue***

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

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

Significant judgement is used to estimate the total labour hours required to complete each project. In making these estimates, management has relied on the experienced staff and also on past experience of completed projects to determine the total labour hours required to complete each project.

***Impairment of goodwill***

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

Significant judgements are used to estimate the revenue growth rate, terminal growth rate and discount rates applied in computing the recoverable amounts of different CGUs.

In making these estimates, management has relied on past performance, its expectations of market developments in Malaysia and Taiwan, and the industry trends for art outsourcing.

For its goodwill recognised, the change in the estimated recoverable amount from any reasonably possible change on the key estimates does not materially cause the recoverable amount to be lower than its carrying amount.

**3 Seasonal operations**

The Group's businesses were not affected significantly by seasonal or cyclical factors during the financial period.

**WINKING STUDIOS LIMITED AND ITS SUBSIDIARIES  
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**E. Notes to the Condensed Consolidated Interim Financial Statements(cont'd)**

**4 Segment and revenue information**

For management purposes, the Group is organised into business units based on our products and services, and has three reportable operating segments as follows:

(i) Original Equipment Manufacturer (“**Art Outsourcing Segment**”), where the Group creates and develops digital art assets as part of our provision of art outsourcing services. The Group has the capabilities to provide a wide gamut of design services, including 2D concept art, 3D modelling, 2D animation, 3D animation and visual effects, which includes environment design and game character design.

(ii) Original Design Manufacturer (“**Game Development Segment**”), where the Group provides game development services, including programming, development, design and script writing of games; and

(iii) Global Publishing and Other Services Segment, where the Group (i) releases game products developed by us as well as third party game developers on global game platforms, including PlayStation, Switch and Steam (the “**Global Publishing Segment**”); and (ii) sell our video games developed in-house and peripheral gaming products (“**Other Services Segment**”) (collectively, the “**Global Publishing and Other Services Segment**”). During the financial period ended 30 June 2025, the revenue contribution from our Other Services Segment was insignificant.

The chief operating decision maker (“**CODM**”) has been identified as the Executive Director and CEO (Founder) of the Company who reviews the Group’s internal reporting in order to assess performance and allocate resources. The CODM has allocated resources and assessed the performance of the operating segments based on these reports.



**WINKING STUDIOS LIMITED AND ITS SUBSIDIARIES**  
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**E. Notes to the Condensed Consolidated Interim Financial Statements(cont'd)**

**4 Segment and revenue information(cont'd)**

**4.1 Reportable Segments**

The segment information provided to the Executive Director for the reportable segments are as follows:

	Six Months Ended 30 June 2025			
	Art	Game	Global	Total
	Outsourcing	Development	Publishing	
	Segment	Segment	and Others	
Segment revenue	USD'\$000	USD'\$000	USD'\$000	USD'\$000
Service revenue	15,906	3,413	-	19,319
Licensing and product revenue	-	-	66	66
	<b>15,906</b>	<b>3,413</b>	<b>66</b>	<b>19,385</b>
<b>Profit before income tax</b>	<b>565</b>	<b>371</b>	<b>17</b>	<b>953</b>
<b>Significant non-cash items</b>				
Depreciation of property, plant and equipment	326	70	1	397
Depreciation of right-of-use assets	632	136	2	770
Amortisation of intangible assets	270	58	1	329
<b>Segment assets<sup>1</sup></b>	<b>52,583</b>	<b>11,282</b>	<b>218</b>	<b>64,083</b>
<b>Included in the segment assets:</b>				
Trade receivables and other receivables	6,584	1,413	26	8,023
Additions to:				
Property, plant and equipment	151	33	1	185
Right-of-use assets	352	75	1	428
Intangible assets	21	5	-	26
<b>Segment liabilities<sup>2</sup></b>	<b>8,458</b>	<b>1,815</b>	<b>35</b>	<b>10,308</b>

<sup>1</sup> Segment assets does not include deferred income tax asset.

<sup>2</sup> Segment liabilities does not include deferred income tax liabilities.

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**E. Notes to the Condensed Consolidated Interim Financial Statements(cont'd)**

**4 Segment and revenue information(cont'd)**

**4.1 Reportable Segments (cont'd)**

The segment information provided to the Executive Director for the reportable segments are as follows:

	Six Months Ended 30 June 2024			
	Art	Game	Global	Total
	Outsourcing	Development	Publishing	
	Segment	Segment	and Others	
Segment revenue	USD'\$000	USD'\$000	USD'\$000	USD'\$000
Service revenue	12,631	2,495	-	15,126
Licensing and product revenue	-	-	99	99
	<b>12,631</b>	<b>2,495</b>	<b>99</b>	<b>15,225</b>
<b>Profit before income tax</b>	<b>555</b>	<b>429</b>	<b>23</b>	<b>1,007</b>
<b>Significant non-cash items</b>				
Depreciation of property, plant and equipment	257	51	2	310
Depreciation of right-of-use assets	480	95	3	578
Amortisation of intangible assets	41	8	1	50
<b>Segment assets<sup>3</sup></b>	<b>23,127</b>	<b>4,569</b>	<b>181</b>	<b>27,877</b>
<b>Included in the segment assets:</b>				
Trade receivables and other receivables	3,356	663	26	4,045
Additions to:				
Property, plant and equipment	123	24	1	148
Right-of-use assets	150	29	1	180
Intangible assets	23	4	-	27
<b>Segment liabilities<sup>4</sup></b>	<b>6,127</b>	<b>1,210</b>	<b>48</b>	<b>7,385</b>

<sup>3</sup> Segment assets does not include deferred income tax asset.

<sup>4</sup> Segment liabilities does not include deferred income tax liabilities.

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**E. Notes to the Condensed Consolidated Interim Financial Statements (cont'd)**

**4 Segment and revenue information(cont'd)**

**4.2 Geographical information**

**Revenue**

Revenue from external customers was classified based on the customers' respective locations. Geographical information is as follows:

	<b>Group</b>	
	<b>Six Months Ended 30 June</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>USD'\$000</b>	<b>USD'\$000</b>
Mainland China and Hong Kong <sup>5</sup>	7,581	5,030
Taiwan <sup>6</sup>	3,286	3,210
United States	2,851	1,862
South Korea	2,601	3,136
Japan	1,718	1,533
Other	1,348	454
<b>Total Revenue</b>	<b>19,385</b>	<b>15,225</b>

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

In 1H2025, Chinese customers from Mainland China and Hong Kong accounted for 22.8% of the Group's total revenue, while Mainland China and Hong Kong (non-China) accounted for 16.3% of the Group's total revenue. On a combined basis, Mainland China and Hong Kong accounted for 39.1% of the Group's total revenue.

In 1H2024, Chinese customers from Mainland China and Hong Kong accounted for 28.6% of the Group's total revenue, while Mainland China and Hong Kong (non-China) accounted for 4.4% of the Group's total revenue. On a combined basis, Mainland China and Hong Kong accounted for 33.0% of the Group's total revenue.

<sup>5</sup> Hong Kong here refers to Hong Kong Special Administrative Region.

<sup>6</sup> Taiwan here refers to the Taiwan region.

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**E. Notes to the Condensed Consolidated Interim Financial Statements (cont'd)**

**4 Segment and revenue information(cont'd)**

**4.2 Geographical information(cont'd)**

**Revenue (cont'd)**

The Group continue to make good progress with our revenue diversification strategy, which saw the United States market and other region, delivering revenue growth in 1H2025 as compared to 1H2024 and we expect further diversification as we seek to build out our UK office to facilitate a direct presence in key Western markets, including the US and Europe.

**Non-current assets**

Non-current assets were classified based on the assets' respective locations. Geographical information is as follows:

	<b>Group</b>	
	<b>As at</b>	
	<b>30 June 2025</b>	<b>30 June 2024</b>
	<b>USD'\$000</b>	<b>USD'\$000</b>
Mainland China and Hong Kong	19,662	2,548
Taiwan	3,130	3,422
Others <sup>7</sup>	1,485	1,988
<b>Total</b>	<b>24,277</b>	<b>7,958</b>

**5 Property, Plant and equipment**

During the six months ended 30 June 2025, the Group acquired assets amounting to approximately US\$0.19 million (30 June 2024: US\$0.15 million) and the Group disposed of assets amounting to US\$0.19 million (30 June 2024: US\$0.03 million).

**6 Loans and borrowings**

During the six months ended 30 June 2025 and 30 June 2024, the Group does not have any banking facilities or other borrowings.

<sup>7</sup> Others here refers to the Cayman Islands, Malaysia and Singapore

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**E. Notes to the Condensed Consolidated Interim Financial Statements (cont'd)**

**7 Profit before taxation**

Profit before tax includes the following:

	<b>Group</b>	
	<b>Six Months Ended</b>	
	<b>30 June</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>USD'\$000</b>	<b>USD'\$000</b>
Government grant income	54	278
Other income from ultimate holding company	66	92
Gain arising from lease modification	36	-
Foreign exchange gains	232	12
Losses on disposal of property, plant and equipment	(192)	(11)
Reversal of impairment loss on financial assets	1	53
Interest income	339	140
Depreciation of property, plant and equipment	(397)	(310)
Depreciation of right-of-use assets	(770)	(578)
Amortisation of intangible assets	(329)	(50)

**8 Taxation**

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	<b>Group</b>	
	<b>Six Months Ended</b>	
	<b>30 June</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>USD'\$000</b>	<b>USD'\$000</b>
Current income tax	34	16
Under-provision for income taxes	32	-
Total current income tax	66	16
Deferred income tax (credit)/expense	(40)	82
Income tax expense recognised in profit or loss	<b>26</b>	<b>98</b>

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**E. Notes to the Condensed Consolidated Interim Financial Statements (cont'd)**

**9 Dividends**

	<b>Group</b>	
	<b>Six Months Ended</b>	
	<b>30 June</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>USD'\$000</b>	<b>USD'\$000</b>
No interim dividend has been proposed for 1H2025 (1H2024: Nil )	-	-

**10 Earnings per share ("EPS")**

**(a) Basic earnings per share**

	<b>Group</b>	
	<b>Six Months Ended</b>	
	<b>30 June</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>USD'\$000</b>	<b>USD'\$000</b>
Earnings per ordinary share for the period:		
Net profit attributable to equity holders of the Company (USD'000)	927	909
Weighted average number of ordinary shares ('000)	440,365	279,698
Basic earnings per share (in USD)	<b>0.002</b>	<b>0.003</b>

The weighted average number of ordinary shares outstanding for 1H2025 had been adjusted to reflect:

- (i) The placement of 108,000,000 new Shares at S\$0.25 per Share on 8 July 2024; and
- (ii) The AIM dual listing placement of 52,666,667 new Shares at £0.15 per Share (equivalent to S\$0.26) on 14 November 2024.

The total number of issued shares of the Company was 440,364,942 Shares as of 31 December 2024. No additional share issuance occurred as at 30 June 2025.

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**E. Notes to the Condensed Consolidated Interim Financial Statements (cont'd)**

**10 Earnings per share ("EPS") (cont'd)**

(b) Diluted earnings per share

	<b>Group</b>	
	<b>Six Months Ended</b>	
	<b>30 June</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>USD'\$000</b>	<b>USD'\$000</b>
Earnings per ordinary share for the period:		
Net profit attributable to equity holders of the Company (USD'000)	927	909
Weighted average number of ordinary shares ('000)	443,020	280,039
Diluted earnings per share (in USD)	<b>0.002</b>	<b>0.003</b>

**11 Net asset value per share**

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30-06-2025</b>	<b>31-12-2024</b>	<b>30-06-2025</b>	<b>31-12-2024</b>
Net asset (USD'\$000)	52,822	49,996	45,364	45,184
Number of ordinary shares ('000)	440,365	440,365	440,365	440,365
Net asset value per ordinary share (USD cents)	12.00	11.35	10.30	10.26

Net asset value per share is calculated by dividing the Group's net assets attributable to owners of the Company by the total number of issued ordinary shares as at 30 June 2025 and 31 December 2024.

**12 Related party transactions**

<b><u>Names of related parties</u></b>	<b><u>Relationship with the Company</u></b>
Acer Incorporated	Controlling Shareholder
Acer Gaming Inc.	Associate of Controlling Shareholder
Acer America Corporation	Associate of Controlling Shareholder
Directors, President and Key Management	The Group's key management and governance
Ivan Tech. Co., Ltd.	Associate of Controlling Shareholder

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**E. Notes to the Condensed Consolidated Interim Financial Statements (cont'd)**

**12 Related party transactions (cont'd)**

**(a) Transactions with related parties**

	<b>Six Months Ended</b>	
	<b>30 June</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>USD'\$000</b>	<b>USD'\$000</b>
Administrative fees to holding Companies and other related parties	7	4
Distribution and marketing fees to other related parties	-	95
Reimbursement of research and development costs from ultimate holding company	313	172
Other income from ultimate holding company	66	92
Advance payable to ultimate holding company	71	36

**(b) Key management personnel compensation**

	<b>Six Months Ended</b>	
	<b>30 June</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>USD'\$000</b>	<b>USD'\$000</b>
Short-term employee benefits	370	307
Share-based compensation	345	158
<b>Total</b>	<b>715</b>	<b>465</b>



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**E. Notes to the Condensed Consolidated Interim Financial Statements (cont'd)**

**13 Fair value of assets and liabilities**

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	30-06-2025	31-12-2024	30-06-2025	31-12-2024
	USD'\$000	USD'\$000	USD'\$000	USD'\$000
<b>Financial assets carried at amortised cost</b>				
Cash and cash equivalents	25,618	39,832	8,655	29,074
Trade and other receivables	7,445	5,825	104	60
Investment in financial assets at amortised cost	1,456	1,461	1,456	1,461
Other non-current assets - refundable deposits	422	289	-	-
	<b>34,941</b>	<b>47,407</b>	<b>10,215</b>	<b>30,595</b>
<b>Financial liabilities measured at amortised cost</b>				
Trade and other payables	4,860	5,940	286	20,462
Lease liabilities				
- Current	1,735	1,175	-	-
- Non-current	1,779	1,886	-	-
	<b>8,374</b>	<b>9,001</b>	<b>286</b>	<b>20,462</b>

**14 Share capital**

	Issued share capital	
	No. of ordinary shares	Amount USD'\$000
<b>2025</b>		
Beginning / End of financial period	<b>440,364,942</b>	<b>13,365</b>
<b>2024</b>		
Beginning of financial year	279,698,275	8,615
Shares issued (S\$0.04 per share)	108,000,000	3,185
Shares issued (S\$0.04 per share)	52,666,667	1,565
As at 31 December 2024	<b>440,364,942</b>	<b>13,365</b>

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**E. Notes to the Condensed Consolidated Interim Financial Statements (cont'd)**

**14 Share capital (cont'd)**

On 8 July 2024, the Company raised a total of S\$27.0 million through a placement, issuing 108,000,000 ordinary shares at an issue price of S\$ 0.25 per share. Prior to the placement, the total number of issued shares was 279,698,275. Following the placement, the total number of issued shares increased to 387,698,275. The proceeds from the placement resulted in an increase in total equity of US\$19,910,000, comprising an increase in share capital of US\$3,185,000 and an increase in capital reserves of US\$16,725,000.

On 14 November 2024, the Company was dual listed on the AIM Market of the LSE under the ticker symbol "WKS.LON". The Company issued 52,666,667 ordinary shares at an issue price of £0.15 per share, raising a total of £7,900,000. Prior to the dual listing, the total number of issued shares was 387,698,275. Following the dual listing, the total number of issued shares increased to 440,364,942. The proceeds from the dual listing resulted in an increase in total equity of US\$10,006,000, comprising an increase in share capital of US\$1,565,000 and an increase in capital reserves of US\$8,441,000.

As at 30 June 2024 and 30 June 2025, the Company did not hold any treasury shares and subsidiary holdings. However, the Company has outstanding warrants to be issued to brokers and advisors related to its AIM dual listing in the UK in 2024 and unvested shares Awards granted to employees, which may result in future issuance of shares.

**15 Share-based compensation ("Awards")**

**a. Winking Studios Performance Share Plan ("Winking PSP") - Plan 1:**

Grant Date: 21 April 2025

Quantity Granted: 1,950,000 shares (par value S\$0.04 per share)

Vesting Conditions: Up to 6 years of service

Grantees: Full-time employees of Winking Studios Limited Group who meet specific criteria

Currently, the grant of this Awards under the Winking Studios Performance Share Plan is scheduled to distribute shares in four annual installments from 2025 to 2028 with vesting period ranging from 2029 to 2031. Each installment is subject to different personal performance evaluation indicators, the Company's operational goals, and service tenure. The actual issuance of Awards to eligible employees will occur upon achieving these three indicators. Full-time employees who have been granted these Awards are eligible to subscribe to the allocated shares at a price of S\$ 0 per share. Employees who do not meet the vesting conditions shall not obtain the Awards pursuant to the Winking Studios Performance Share Plan.

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**E. Notes to the Condensed Consolidated Interim Financial Statements (cont'd)**

**15 Share-based compensation ("Awards") (cont'd)**

**b. Winking PSP - Plan 2:**

Grant Date: 8 April 2024

Quantity Granted: 20,808,000 shares (par value S\$0.04 per share)

Vesting Conditions: Up to 7 years of service

Grantees: Full-time employees of Winking Studios Limited Group who meet specific criteria

On 27 September 2023, Winking Studios Limited approved the "Winking Studios Performance Share Plan" at an Extraordinary General Meeting. On 8 April 2024, the Remuneration Committee resolved to issue 20,808,000 shares to eligible full-time employees. Subject to respective vesting conditions, a total of up to 12,580,000 shares will be granted to the Executive Director and CEO (Founder) Mr. Johnny Jan, 2,240,000 shares will be granted to the finance director Oliver Yen and up to 5,988,000 shares to the remaining employees.

Currently, the grant of this Awards under the Winking Studios Performance Share Plan is scheduled to distribute shares in five annual installments from 2024 to 2028 with vesting period ranging from 2026 to 2030. Each installment is subject to different personal performance evaluation indicators, the Company's operational goals, and service tenure. The actual issuance of Awards to eligible employees will occur upon achieving these three indicators. Full-time employees who have been granted these Awards are eligible to subscribe to the allocated shares at a price of S\$ 0 per share. Employees who do not meet the vesting conditions shall not obtain the Awards pursuant to the Winking Studios Performance Share Plan.

	<b>2025</b>	<b>2024</b>
	<b>No. of ordinary shares</b>	<b>No. of ordinary shares</b>
Awards <b>granted but not vested:</b>		
Balance at 1 January	20,808,000	-
Granted	1,950,000	20,808,000
Balance at 30 June	<b>22,758,000</b>	<b>20,808,000</b>

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**E. Notes to the Condensed Consolidated Interim Financial Statements (cont'd)**

**15 Share-based compensation ("Awards") (cont'd)**

**b. Winking PSP - Plan 2 (cont'd)**

Such Awards that are expected to be share-settled are measured at their fair values at the granted date. The fair value is measured based on the share price and vesting condition at the granted date by Monte Carlo method.

<b>Plan</b>	<b>Part</b>	<b>No. of Shares</b>	<b>Fair value per Shares</b>
Plan 2	A	5,328,000	S\$ 0.2393
Plan 2	B	11,800,000	S\$ 0.2125~0.2333
Plan 2	C	3,680,000	S\$ 0.1292~0.1603
Plan 1	D	1,625,000	S\$ 0.2485~0.2493
Plan 1	E	325,000	S\$ 0.2209~0.2409

**16 Warrants**

On 8 November 2024, Winking Studios Limited granted a total of 4,487,359 warrants to Grantee A & Grantee B, as part of the company's financial advisory and structuring arrangements related to its AIM dual listing in the UK in 2024. These warrants form part of the listing expenses, compensating the brokers and advisors who played a key role in the listing process. The warrants entitle the holders to subscribe for ordinary shares at £0.15 per warrant within the respective exercise periods. As of 30 June 2025, no warrants have been exercised.

<b>Warrants Issued but Not Exercised</b>	<b>No. of Warrants</b>	<b>Fair value per share as of grant date</b>
Granted (A)	83,710	£0.0591
Granted (B)	4,403,649	£0.0777
Beginning / End of 30 June 2025	<b>4,487,359</b>	

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**F. Other information required by the Appendix 7C of the Catalyst Rules**

**1 Review**

The condensed consolidated interim financial statements of Winking Studios Limited and its subsidiaries as at 30 June 2025 (comprising the statement of financial position, comprehensive income, changes in equity, and cash flows) and related notes have not been audited or reviewed by our auditors.

2 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (this is not required for any audit issue that is a material uncertainty relating to going concern):—

(a) Updates on the efforts taken to resolve each outstanding audit issue.

Not applicable. The Group's latest audited financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable. The Group's latest audited financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

3 A review of the Group's performance, sufficient for a reasonable understanding of its business. The disclosure will include significant factors affecting turnover, costs, and earnings during the current period, including applicable seasonal or cyclical factors. It will also disclosure material factors impacting cash flow, working capital, assets, or liabilities during the current period.

**1) Statements of Profit and Loss and Other Comprehensive Income**

**1H2025 vs 1H2024**

**Revenue**

The Group's revenue increased from US\$15.2 million in 1H2024 to US\$19.4 million in 1H2025, an increase of US\$4.2 million, representing a year-on-year growth of 27.3%, primarily driven by the revenue contribution of US\$4.1 million from the acquisition of Mineloder in 1H2025. Excluding the impact of exchange rate fluctuations, the Group's revenue would have increased by 27.1% year-on-year on a constant currency basis.

Excluding Mineloder's revenue contribution, the Group's revenue in 1H2025 remained relatively stable.

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**F. Other information required by the Appendix 7C of the Catalist Rules (cont'd)**

**3 Review of the performance of the group(cont'd)**

**Revenue (cont'd)**

Art Outsourcing segment: Historically, the majority of the Group's revenue was contributed by this business segment and in 1H2025, it accounted for 82.1% of the Group's overall revenue. Revenue from this business segment increased by US\$3.3 million or 25.9% to US\$15.9 million as compared to 1H2024, mainly due to increased orders from both new and existing clients in Mainland China, United States, Malaysia, and other regions.

Game Development segment: In 1H2025, this business segment contributed 17.6% of the Group's overall revenue, with a revenue growth of US\$0.9 million or 36.8% to US\$3.4 million as compared to 1H2024. The revenue growth in 1H2025 was mainly supported by stronger demand from customers in Mainland China and Australia.

Global Publishing and Other Services segment: In 1H2025, this business segment contributed revenue of US\$0.07 million or 0.3% of the Group's overall revenue, which is lower than the US\$0.10 million recognised in 1H2024.

**Gross Profit**

Corresponding to higher revenue in 1H2025, the Group's gross profit increased to US\$5.9 million, which represents a year-on-year growth of 38.2%.

The Group's gross profit margin increased to 30.2% in 1H2025 from 27.9% in 1H2024, which was mainly driven by contributions from Mineloader that specialises in higher margin AAA games from console platforms.

**Other Income**

Other income decreased by US\$0.2 million or 59.2% to US\$0.2 million in 1H2025, compared to US\$0.4 million in 1H2024. This decline was primarily due to non-recurring items recognised in 1H2024: US\$0.2 million of government grant received for Equity Market Singapore Scheme from the Monetary Authority of Singapore for our IPO listing on the Catalist of the Singapore Exchange.

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**F. Other information required by the Appendix 7C of the Catalyst Rules(cont'd)**

**3 Review of the performance of the group(cont'd)**

**Other Gains/(Losses) – Net**

The Group recorded a net other gain of US\$0.05 million in 1H2025, compared to a net loss of US\$0.04 million in 1H2024, which was primarily attributable to an increase of US\$0.2 million in foreign exchange gains, partially offset by losses of approximately US\$0.2 million arising from the disposal of assets.

**Distribution and marketing expenses**

Distribution and marketing expenses increased marginally by US\$0.1 million from US\$1.0 million in 1H2024 to US\$1.1 million in 1H2025. The increase was mainly due to the ongoing distribution and marketing expenses of US\$0.1 million related to the AIM dual listing on LSE.

**Administrative Expenses**

Administrative expenses increased by 57.9% or US\$1.6 million, from US\$2.7 million in 1H2024 to US\$4.3 million in 1H2025, which was mainly due to:

- Aggregation of administrative costs associated with the three newly acquired subsidiaries (Mineloder, Pixelline and On Point) amounted to US\$0.6 million;
- Amortisation expenses of intangible assets that amounted to US\$0.2 million generated from acquisition;
- Ongoing administrative expenses of US\$0.2 million related to the AIM dual listing on LSE; and
- Higher share-based compensation expenses of US\$0.2 million.

**Reversal of impairment loss on financial assets**

Reversal of impairment loss on financial assets decreased 98.1% from US\$0.1 million to US\$0.001 million in 1H2025, mainly attributed to the reversal of bad debt provisions previously recognised under credit impairment losses in 1H2024.

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**F. Other information required by the Appendix 7C of the Catalyst Rules (cont'd)**

**3 Review of the performance of the group(cont'd)**

**Interest Income**

Interest income increased 142.1% from US\$0.1 million in 1H2024 to US\$0.3 million in 1H2025, which was mainly attributed to a rise in cash holdings and improved investment returns during 1H2025.

**Income Tax Expenses**

Income tax expenses decreased 73.5% from US\$0.1 million to US\$0.03 million in 1H2025, mainly attributed to reversal of deferred income tax liabilities arising from the reconciliation of customer relationship amortization following the acquisition of Mineloder.

**Finance Expenses**

Finance expenses increased 82.1% from US\$0.04 million to US\$0.07 million in 1H2025, mainly attributed to interest expense on the present value of long-term liabilities recognised in connection with the acquisition of Mineloder.

As a result of the above, the Group's net profit rose slightly by 2% to US\$0.93 million in 1H2025, up from US\$0.91 million in 1H2024.

**2) Statements of Financial Position**

The comparative analysis of assets and liabilities was based on the Group's financial statements as at 31 December 2024 and 30 June 2025.

**Current assets decreased by approximately US\$10.0 million or 20.1% from US\$49.8 million as at 31 December 2024 to US\$39.8 million as at 30 June 2025, mainly due to the following:**



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**F. Other information required by the Appendix 7C of the Catalyst Rules (cont'd)**

**3 Review of the performance of the group(cont'd)**

**Cash and Cash Equivalents**

Cash and cash equivalents totalled US\$25.6 million as at 30 June 2025, a decrease of US\$14.2 million or 35.7% from US\$39.8 million as at 31 December 2024. The decrease was mainly due to a US\$13.2 million payment related to the acquisition of Mineloder.

**Trade and Other Receivables**

As at 30 June 2025, the Group's trade and other receivables amounted to US\$8.0 million, an increase of US\$1.7 million or 26.1% from US\$6.4 million as at 31 December 2024. The increase was primarily attributable to the consolidation of receivables from the acquisition of Mineloder.

**Contract Assets**

Contract assets totalled US\$6.2 million as at 30 June 2025, an increase of US\$2.6 million or 71.5% from US\$3.6 million as at 31 December 2024, mainly due to the acquisition of Mineloder and a higher volume of work completed in 1H2025. Almost all of the contract assets from the previous year's output were converted into trade receivables or cash collection.

**Non-current assets increased by approximately US\$15.7 million or 149.8% from US\$10.5 million as at 31 December 2024 to US\$26.2 million as at 30 June 2025, mainly due to the following:**

**Right-of-use Assets**

Right-of-use assets increased slightly to US\$3.5 million as at 30 June 2025, an increase of US\$0.5 million or 16.5% from US\$3.0 million as at 31 December 2024, mainly due to new right-of-use assets arising from the acquisition of Mineloder.

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**F. Other information required by the Appendix 7C of the Catalist Rules (cont'd)**

**3 Review of the performance of the group(cont'd)**

**Intangible Assets**

Intangible assets increased significantly to US\$16.8 million as at 30 June 2025, an increase of US\$14.9 million or 770.5% from US\$1.9 million as at 31 December 2024, mainly due to the recognition of goodwill and intangible assets from the acquisition of Mineloder.

**Other Non-Current Assets**

Other non-current assets amounted to US\$0.5 million as at 30 June 2025, an increase of US\$0.2 million or 66.9% from US\$0.3 million as at 31 December 2024. The increase was mainly attributable to the acquisition of Mineloder.

**Current Liabilities decreased by approximately US\$0.5 million or 6.5% from US\$7.3 million as at 31 December 2024 to US\$6.8 million as at 30 June 2025, mainly due to the following:**

**Trade and Other Payables**

Trade and other payables decreased to US\$4.9 million as at 30 June 2025, a decrease of US\$1.1 million or 18.2% from US\$5.9 million as at 31 December 2024, which was mainly attributable to expedited payment schedule to suppliers.

**Current Income Tax Liabilities**

Current income tax liabilities increased to US\$0.04 million as at 30 June 2025, an increase of US\$0.02 million or 105.9% from US\$0.02 million as at 31 December 2024, which was mainly attributable to the acquisition of Mineloder.

**Contract Liabilities**

Contract liabilities increased to US\$0.17 million as at 30 June 2025, a slight increase of US\$0.03 million or 21.7% from US\$0.14 million at 31 December 2024, which was mainly attributable to the acquisition of Mineloder.

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**F. Other information required by the Appendix 7C of the Catalyst Rules (cont'd)**

**3 Review of the performance of the group(cont'd)**

**Lease Liabilities**

Lease liabilities increased to US\$1.7 million as at 30 June 2025, an increase of US\$0.6 million or 47.7% from US\$1.2 million as at 31 December 2024, which was mainly attributable to new office lease agreements arising from the acquisition of Mineloder.

**Non-current liabilities increased by approximately US\$3.3 million or 111.7% from US\$3.0 million as at 31 December 2024 to US\$6.3 million as at 30 June 2025, mainly due to the following:**

**Deferred Income Tax Liabilities**

Deferred income tax liabilities increased to US\$2.8 million as at 30 June 2025, an increase of US\$1.7 million or 155.2% from US\$1.1 million as at 31 December 2024, which was mainly attributable to the acquisition of Mineloder.

**Other Non-Current Liabilities**

The Group recognised other non-current liabilities of US\$1.7 million as at 1 April 2025, which is the share purchase consideration payable for the acquisition of Mineloder that shall be paid on 31 March 2030.

**Equity increased by approximately US\$2.8 million or 5.7% from US\$50.0 million as at 31 December 2024 to US\$52.8 million as at 30 June 2025, mainly due to the following:**

**Other Reserves**

Other reserves increased to US\$30.9 million as at 30 June 2025, an increase of US\$2.0 million or 6.9% from US\$28.9 million as at 31 December 2024, which was mainly attributable to:

- Increase of US\$1.6 million from foreign currency translation reserve arising from the translation of financial statements of foreign operations into the Group's presentation currency in US\$; and
- Increase of US\$0.4 million from share-based compensation accruals.

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**F. Other information required by the Appendix 7C of the Catalyst Rules (cont'd)**

**3 Review of the performance of the group(cont'd)**

**Retained Profits**

Retained profits increased to US\$ 8.5 million as at 30 June 2025, an increase of US\$0.8 million or 10.9% from US\$7.7 million at 31 December 2024, which was primarily driven by net profit contribution of US\$0.9 million.

**3) Statement of Cash Flows**

**Net Cash Generated from Operating Activities**

Net cash generated from operating activities was US\$0.6 million in 1H2025, as compared to US\$0.9 million generated in 1H2024. The lower cash inflow was mainly due to a reduction in working capital in 1H2025 attributed to higher contract assets during 1H2025 arising from the acquisition of Mineloder and lower trade payables resulting from an expedited payment schedule to suppliers.

**Net Cash Used in Investing Activities**

Net cash used in investing activities was US\$13.5 million in 1H2025, compared to US\$3.6 million used in 1H2024, which was mainly attributable to the Group's acquisition of Mineloder.

**Net Cash Used in Financing Activities**

Net cash used in financing activities was US\$0.8 million in 1H2025, compared to US\$1.7 million used in 1H2024. This reduction was a result of lower cash dividends paid during the period under review.

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**F. Other information required by the Appendix 7C of the Catalyst Rules (cont'd)**

4 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

For 1H2025, the Group has recognised revenue of US\$19.4 million based on the indicative bookings of our artists by customers of at least US\$35.8 million (over the next 24 months and subject to the final confirmation from customers) as at 31 December 2024 as disclosed in our full-year results announcement for FY2024, and Annual Report 2024.

Building on this momentum, barring unforeseen circumstances, the Group expects a stronger project pipeline over the next 24 months based on indicative bookings of our artists by customers of at least US\$49.4 million (subject to the final confirmation from customers) as at 30 June 2025. Of which, US\$18.4 million of the indicative bookings is expected to be recognised in 2H2025.

5 A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

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

As the industry continues to evolve, major game development companies are increasingly outsourcing their game art and development needs to boost efficiency, reduce fixed costs and make scaling easier, contributing to a structural shift towards established external service providers such as Winking Studios.

The global game art outsourcing market grew from US\$1.8 billion in 2018 to US\$3.7 billion in 2023, representing a CAGR of 14.9%, and is expected to reach US\$7.1 billion in 2028. The mobile sector of the global game art outsourcing industry is expected to continue to outpace other game outsourcing segments, with a projected size of US\$3.6 billion in 2028 and registering a CAGR of 16.7% between 2023 and 2028.

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

The Group intends to continue with our mergers and acquisitions business strategy within our industry to strengthen our market position and expand our business scope globally.

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

**F. Other information required by the Appendix 7C of the Catalyst Rules (cont'd)**

5 A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.  
(cont'd)

With the indicative bookings and business expansion plans, the Group is of the opinion that in FY2025, there will be increased hirings to expand our talent pool, increased costs associated with marketing and administrative activities as well as investments in enhancing our technology infrastructure to better serve our customers.

The Group will continue to focus on project management and execution to deliver high-quality and cost-effective gaming services to our customers on a timely basis.

6 To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	<b>As at 30 June 2025 (Unaudited)</b>	<b>As at 31 December 2024 (Audited)</b>
Total number of issued shares	440,364,942	440,364,942

The Company did not have any treasury shares as at 30 June 2025 and 31 December 2024.

7 A statement showing all sales, transfers, cancellation and/ or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

8 A statement showing all sales, transfers, cancellation and/ or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

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**F. Other information required by the Appendix 7C of the Catalist Rules (cont'd)**

9 If no dividend has been declared/recommended, a statement to that effect.

The Board resolved not to declare an interim dividend payment for the six months ended 30 June 2025, so as to conserve cash for the Group's growth plans.

10 If the Group has obtained a general mandate from shareholders for interested person transactions ("IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company had at its annual general meeting held on 30 April 2025 obtained shareholders' approval for the renewal of the general mandate for IPTs. Save as disclosed below, there are no other IPTs equal to or above SGD 100,000 (equivalent to USD 73,746) in 1H2025.

<b>Name of Interested Persons</b>	<b>Details of Transactions</b>	<b>Aggregate value of all IPTs during the financial period under review (excluding transactions less than SGD 100,000 and transactions conducted under shareholders' mandate pursuant to Catalist Rule 920) (USD'000)</b>	<b>Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Catalist Rule 920 during the financial period (excluding transactions less than SGD 100,000) (USD'000)</b>
Acer Incorporated	Reimbursement of R&D costs from ultimate holding company	-	313
<b>Total</b>		-	313

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**F. Other information required by the Appendix 7C of the Catalyst Rules (cont'd)**

11 (a) Use of Initial Public Offering ("IPO") proceeds as at date of this announcement.

Pursuant to Rule 704(30) of the SGX-ST Listing Manual Section B: Rules of Catalyst, the Company received gross proceeds of SGD 8,000,000 (approximately net proceeds of SGD 5,076,000) ("**Net IPO Proceeds**") from the placement of new shares pursuant to the IPO on 20 November 2023.

As at the date of this announcement, the status on the use of the Net IPO Proceeds is as follows:

<b>Use of net proceeds</b>	<b>Amount in aggregate (SGD'000)</b>	<b>Balance as at 20 November 2023 (SGD'000)</b>	<b>Amount utilised from 20 November 2023 to 30 June 2025 (SGD'000)</b>	<b>Balance as at 30 June 2025 (SGD'000)</b>
Expansion of our operations globally, including establishing subsidiaries and offices and enhancing existing office and supporting infrastructure	1,000	1,000	1,000	-
Acquisitions, joint ventures and/or strategic alliances	2,240	2,240	2,240	-
Exploration of the use of AI capabilities in our art outsourcing segment	1,200	1,200	1,200	-
General working capital purposes	636	636	636	-
<b>Total</b>	<b>5,076</b>	<b>5,076</b>	<b>5,076</b>	<b>-</b>



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**F. Other information required by the Appendix 7C of the Catalyst Rules (cont'd)**

11 (b) Use of Placement (as defined in the Placement Circular) proceeds as at date of this announcement.

Pursuant to Rule 704(30) of the SGX-ST Listing Manual Section B: Rules of Catalyst, the Company received gross proceeds of SGD 27,000,000 (approximately net proceeds of SGD 26,500,000) ("**Net July Placement Proceeds**") from the placement of new shares pursuant to the Placement Circular on 8 July 2024. As at the date of this announcement, the status on the use of the Net July Placement Proceeds is as follows:

<b>Use of net proceeds</b>	<b>Amount in aggregate (SGD'000)</b>	<b>Amount utilised from 08 July 2024 to 30 June 2025 (SGD'000)</b>	<b>Balance as at 30 June 2025 (SGD'000)</b>
Corporate actions such as secondary or dual listings of the Company, potential fundraising exercises, pursuing strategic acquisitions, alliances and joint ventures to grow the Group's market share and broaden the Group's customer base	17,200	17,200	-
Enhancement of the Group's current operational capabilities, which include continuous exploration of the use of AI capabilities	4,000	335	3,665
Expansion and improvements to the Group's regional offices and supporting infrastructure as the Group continues to increase its market presence globally	2,700	282	2,418
Professional and other related fees to be incurred in relation to potential corporate exercises such as fundraising exercises, listings, strategic acquisitions, alliances and joint ventures	1,300	1,300	-
General working capital requirements of the Group	1,300	611	689
<b>Total</b>	<b>26,500</b>	<b>19,728</b>	<b>6,772</b>

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**F. Other information required by the Appendix 7C of the Catalyst Rules (cont'd)**

11 (c) Use of Placing (as defined in the AIM Admission Document) proceeds as at date of this announcement.

Pursuant to Rule 704(30) of the SGX-ST Listing Manual Section B: Rules of Catalyst, the Company received gross proceeds of SGD 13,500,000 (approximately £7.9 million) (approximately net proceeds of SGD 10,149,000) ("**Net AIM Listing Proceeds**") from the placement of new shares pursuant to the placement on 14 November 2024.

As at the date of this announcement, the status on the use of the Net AIM Listing Proceeds is as follows:

<b>Use of net proceeds</b>	<b>Amount in aggregate (SGD'000)</b>	<b>Amount utilised from 14 November 2024 to 30 Jun 2025 (SGD'000)</b>	<b>Balance as at 30 June 2025 (SGD'000)</b>
To continue actively pursuing strategic acquisitions, alliances and joint ventures in Asia and Europe to grow the Group's market share and increase operational capacity	9,537	-	9,537
To establish a stronger presence and broaden the Group's customer base in the North American and European markets, including (i) increasing the Group's marketing and business development efforts; (ii) establishing a UK-based regional office; and (iii) pursuing acquisitions of smaller studios in this region	306	-	306
Enhancement of the Group's current operational capabilities, which include continuous development and improvement of the Group's AI capabilities	306	-	306
<b>Total</b>	<b>10,149</b>	<b>-</b>	<b>10,149</b>

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**F. Other information required by the Appendix 7C of the Catalist Rules (cont'd)**

12 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company confirms that it has procured undertakings from all its directors and executive officers in the format as set out in Appendix 7H in accordance with Rule 720(1) of the Catalist Rules.

13 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to item F.3

14 Disclosures on Incorporation of Entities, acquisition and Realisation of Shares pursuant to Catalist Rule 706A.

**Acquisition of 100% of the Issued and Paid-Up Share Capital of Mineloder**

**Purchase Consideration**

On 1 April 2025, the Company acquired 100% of the issued share capital in Mineloder. The aggregate purchase consideration totals US\$19.8 million which comprised the following:

- Initial cash payment: 90% (US\$18.1 million) settled on 1 April 2025
- Balance purchase price: 10% (US\$ 1.7 million) payable on 31 March 2030 subject to the right of the Company's wholly owned subsidiary, Shanghai Winking Entertainment Ltd, to deduct monies payable from the balance purchase price in the event Mineloder suffers losses, penalties or liabilities, as prescribed under the terms of the Equity Purchase Agreements entered into on 17 January 2025.

For more information, please refer to the Company's announcements dated 17 January 2025 and 2 April 2025.

**Goodwill Recognition**

Provisional goodwill recognised amounts to US\$7.93 million. This represents the excess of the total acquisition consideration over the fair value of net identifiable assets acquired as of the acquisition date of 1 April 2025. The goodwill is attributable primarily to expected synergies from the integration of technologies and customer networks.

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**F. Other information required by the Appendix 7C of the Catalyst Rules (cont'd)**

14 Disclosures on Incorporation of Entities, acquisition and Realisation of Shares pursuant to Catalyst Rule 706A.

**Acquisition of 100% of the Issued and Paid-Up Share Capital of Mineloder (cont'd)**

**Purchase consideration**

	<b>USD'\$000</b>
Initial payment	18,108
Deferred payment	1,694
<b>Total consideration</b>	<b>19,802</b>

**Assets and liabilities recognised as a result of the acquisition**

	<b>Fair Value</b>
	<b>USD'\$000</b>
Cash and cash equivalents	4,949
Trade and other receivables	1,653
Contract assets	290
Property, plant and equipment	367
Right-of-use assets	1,005
Intangible assets	9
Other non-current assets	146
Trade and other payables	(669)
Contract liabilities	(23)
Lease liabilities	(1,005)
Deferred income tax liabilities	(1,717)
<b>Net identifiable assets acquired</b>	<b>5,005</b>
Add: Intangible assets – customer relationships	6,867
Add: Goodwill	7,930
<b>Total consideration</b>	<b>19,802</b>

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**G. Other information**

**Alternative Performance Measures (“APMs”)**

The Group reports on a number of APMs to showcase the financial performance of the Group, which are not standard accounting measures defined by the International Financial Reporting Standards (IFRS). The Directors believe these measures provide valuable additional information for users of financial information to understand the fundamental transactional performance of the Group. In particular, APMs are used to provide a clearer understanding to the users of the accounts of the Group's underlying profitability over a period of time.

**Adjusted EBITDA**

EBITDA includes operating profit as reported in the Consolidated Statement of Comprehensive Income, adjusted for amortisation and impairment of intangible assets, depreciation, and net interest. For Adjusted EBITDA, the adjustments for the six-month period ended 30 June 2025 and 30 June 2024 may include the Group's dual-listing London Stock Exchange (“LSE”) (“**LSE Dual Listing Expenses**”), share-based compensation expenses, foreign exchange gains, costs of acquisition and integration, and private placement related expenses (\$27 million) (“**Private Placement Related Expenses**”) as shown in the table below:

	1H2025	1H2024
	USD'\$000	USD'\$000
Net profit	927	909
Net interest income	(268)	(101)
Income tax expenses	26	98
<b>Earnings before interest and taxation (“EBIT”)</b>	<b>685</b>	<b>906</b>
Depreciation	1,167	887
Amortisation	329	50
<b>Earnings before interest, tax, depreciation and amortisation (“EBITDA”)</b>	<b>2,181</b>	<b>1,843</b>
LSE dual listing expenses	-	14
Share-based compensation expenses	406	176
Costs of acquisition and integration	88	8
Private placement related expenses	-	43
Foreign exchange gain	(232)	(12)
<b>Adjusted Expenses</b>	<b>262</b>	<b>229</b>
Amortisation of acquisition-related intangible assets	203	11
<b>Adjusted EBIT</b>	<b>1,150</b>	<b>1,146</b>
<b>Adjusted EBITDA</b>	<b>2,443</b>	<b>2,072</b>
Revenue from contracts with customers	19,385	15,225
Adjusted EBITDA as a % of revenue	12.6%	13.6%

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**G. Other information (cont'd)**

**Alternative Performance Measures (“APMs”)(cont'd)**

**Adjusted Net Profit**

The adjusted net profit is calculated by taking the net profit and adjusting it for certain expenses to provide a clearer picture of the Group's underlying financial performance. Key adjustments for the six-month period ended 30 June 2025 and 30 June 2024 were LSE dual listing expenses, share-based compensation expenses, costs of acquisition and integration, private placement-related expenses, foreign exchange gains, and amortisation of acquisition-related intangible assets.

	<b>Group</b>	
	<b>Six Months Ended</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>USD'\$000</b>	<b>USD'\$000</b>
<b>Net Profit</b>	927	909
LSE dual listing expenses	-	14
Share-based compensation expenses	406	176
Costs of acquisition and integration	88	8
Private placement related expenses	-	43
Foreign exchange gain	(232)	(12)
Amortisation of acquisition-related intangible assets	203	11
<b>Adjusted Expenses</b>	<b>465</b>	<b>240</b>
Tax arising on Adjusted Expenses	-	-
<b>Adjusted net profit</b>	<b>1,392</b>	<b>1,149</b>

For the avoidance of doubt, both the Adjusted EBITDA and adjusted net profit in 1H2025 include the AIM ongoing listing Expenses of US\$0.3 million, which were not incurred in 1H2024.

**Strong Focus and Niche**

The Group also has an established niche in games with online connectivity, which accounted for 82.8% of the Group's manpower usage, based on the total number of man days involved in games with online connectivity charged to customers divided by total number of days charged to customers for 1H2025.

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**G. Other information (cont'd)**

**Strong Focus and Niche (cont'd)**

According to the data for the 1H2025, the proportion of man days used by mobile games and console & PC games within the Group is 42.3% and 51.8%, respectively. This is calculated based on the total number of man days involved in mobile games or console & PC games divided by the total number of days charged to clients. For cross-platform projects, the total number of man days for the project is evenly split between mobile games and console & PC games.

**BY ORDER OF THE BOARD**

**MR. JOHNNY JAN**

Executive Director and Chief Executive Officer (Founder)

13 August 2025

**Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual**

On behalf of the Board of Directors of the Company, we the undersigned, hereby confirm to the best of our knowledge that nothing has come to our attention of the Board of Directors of the Company which may render the unaudited condensed consolidated interim financial statements of the Company and the Group for the six-month period ended 30 June 2025 to be false or misleading in any material aspect.

On behalf of the Board

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**MR. JOHNNY JAN**

Executive Director and Chief Executive Officer (Founder)

13 August 2025

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**MR. Lim Heng Choon**

Independent and Non-Executive Chairman

13 August 2025