



Kingsmen Creatives Ltd.
(REG.No. 200210790Z)

ARBITRATION PROCEEDINGS

The board of directors of Kingsmen Creatives Ltd. (the “**Company**”) wishes to announce that arbitration proceedings between its subsidiary company, Kingsmen Exhibits Pte Ltd and a sub-contractor, Hup Lian Engineering Pte Ltd (“**the Proceedings**”), in respect of the Supply, Fabricate and Install of Structural Steel For Design and Build of Themed Facade and Area Development Works to Dreamworks Zone Package 1 and Dreamworks Zone Package 2 at Universal Studios Singapore, have commenced.

An arbitrator has been appointed for the proceedings and the parties are in the process of finalising the administrative and logistical aspect of the proceedings. The Proceedings involve both claims and cross claims between the parties. Pending the filing of the formal documentation for the Proceedings, the nature and extent of the claims and cross claims are not definite. Given the current stage of the Proceedings, the Company believes that the Proceedings are unlikely to have a material adverse impact on the Company’s operations in the current and forthcoming financial year. The Company intends to vigorously prosecute its claims and defend against any cross claims in the Proceedings but there is no assurance that the outcome will be favourable.

The Company intends to keep its shareholders informed of the progress of the Proceedings and will endeavour to make further announcements as and when appropriate.

By Order of the Board

Simon Ong Chin Sim
Group Managing Director
3 December 2010