

NEWS RELEASE

KINGSMEN'S RECOVERY MOMENTUM CONTINUES

- Revenue increases 4.5% to S\$122.4 million
- Net loss lowers to S\$1.5 million
- Core business remains robust
- Inflationary pressures rise amidst tight rein on cost management
- Pipeline of projects secured at S\$284 million

1H 2022 Results Highlights

	1H 2022	1H 2021	Change
Revenue	S\$122.4m	S\$117.1m	4.5%
Gross profit	S\$26.1m	S\$23.4m	11.5%
Net loss	-S\$1.5m	-S\$1.7m	-9.4%

“We are not out of the woods, but are encouraged to see a pick up in the volume of work and expect a strong second half performance as we drive forward in our recovery.

Our first half saw the continued impact of various lockdowns, restrictions and disruptions on our business volume, but our core business remains robust and we are seeing many more projects confirmed and coming onstream. We will continue to keep a tight rein on cost management and focus on improving efficiency and delivery to end the year positively and position ourselves well for the future.” said **Mr Andrew Cheng, Group CEO of Kingsmen.**

Singapore, August 11, 2022 – Kingsmen Creatives Ltd. (“Kingsmen”) (“金明创新”), and its subsidiaries (the “Group”), a leading communication design and production group in Asia Pacific, the Middle East and America, today announced a net loss of S\$1.5 million for the six months ended June 30, 2022 (“1H 2022”) compared to a net loss of S\$1.7 million for the previous corresponding period (“1H 2021”). Group revenue increased 4.5% to S\$122.4 million in 1H 2022, from S\$117.1 million in 1H 2021.

The **Exhibitions, Thematic & Attractions division** registered a revenue of S\$50.6 million in 1H 2022, an increase of S\$5.0 million or 10.9% from S\$45.6 million in 1H 2021. The increase in revenue was mainly due to the gradual return of physical trade shows, conferences and events as travel restrictions and social distancing requirements due to the COVID-19 pandemic eased.

The **Retail & Corporate Interiors division** recorded a revenue of S\$64.3 million in both 1H 2022 and 1H 2021. The division benefitted from opportunities that emerged as companies moved forward in their business plans to refresh or launch new concepts to stay relevant in the new environment. However, the execution of some projects was delayed due to ongoing disruption and restrictions.

The **Research & Design division** achieved a revenue of S\$5.8 million in 1H 2022, a decrease of S\$0.2 million or 3.7% from S\$6.0 million in 1H 2021. The division secured and delivered new design solutions to clients, which helped to mitigate the impact of projects that were put on hold.

The **Alternative Marketing division** registered a revenue of S\$1.6 million in 1H 2022, an increase of S\$0.5 million or 47.9% compared to S\$1.1 million in 1H 2021. The continuing return of face-to-face brand activation events and conferences enabled the division to secure and execute projects that contributed positively to its revenue.

Outlook for the rest of 2022 and beyond

Sharing the Group's outlook for the rest of 2022 and beyond, Mr Cheng said: "Our markets are returning and evolving, with more purpose driven, creative and experientially focused projects. This bodes well for us as we are squarely positioned at the apex of what the markets need and what we can create and deliver.

The exhibition and events business is seeing a return, with more shows back on the calendar and new ones being planned. Niche and branded pop-up, activation and engagement events, as well as sporting events have bounced back strongly and we are experiencing an increase in enquiries.

The thematic attractions market continues to be buoyant with a good pipeline and the team is busy managing and delivering multiple committed projects.

Our Retail & Corporate Interiors division is encountering good enquiries and projects from existing and new clients across the region, as they move to deliver new and exciting customer experiences and engagement platforms, especially in branded pop-up/experiential installations, and sectors such as F&B and corporate offices.

Our Research & Design division is busy, fulfilling and meeting enquiries for new experiences and engagement concepts. We will continue to enhance our creative capabilities as the market evolves, and to meet our clients' needs of the future.

The attractions industry continues to be impacted by modest international travel numbers but we see this improving as there is good demand for activity and engagement platforms. We will continue our push of branded intellectual property concepts in the overseas markets, and develop and introduce new unique experiences.

Overall, we see a growing return of clients and opportunities, amidst the current uncertainties and new challenges in the market. We will therefore focus on managing costs and operations tightly, while we continue our drive to enhance capabilities in creativity, ideas and experiential solutions that excite clients and meet the market's evolving needs."

As at 31 July 2022, the Group has secured contracts of S\$284 million, of which S\$247 million is expected to be recognised in 2022.

About Kingsmen Creatives Ltd.

Listed on the Mainboard of the Singapore Exchange, Kingsmen is a leading communication design and production group. Established in 1976, the Group has a network of 21 offices and full service facilities serving global clients in Exhibitions, Thematic & Attractions, Retail & Corporate Interiors, Research & Design, and Alternative Marketing.

Kingsmen's seamless end-to-end solutions, through its vertically and horizontally integrated service offerings, coupled with its network of offices and partners, provide clients the benefits of flexibility, speed and value. Building on its design-led, quality and service-driven culture, the Group has established a reputation and visible brand that is synonymous with creative and innovative solutions.

The Group serves a long-standing base of clients from diverse industries including well-known names such as Chanel, Changi Airport Group, DBS, Gucci, Hong Kong & Shanghai Disneyland, LVMH Group, Ralph Lauren, Resorts World Sentosa, Singapore GP, TAG Heuer, Tax Free World Association, Tiffany & Co. and Universal Studios.

For more information, please visit: <http://www.kingsmen-int.com/>.

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