



Kingsmen Creatives Ltd.

(REG.No. 200210790Z)

PROPOSED ACQUISITION OF 175,500 ORDINARY SHARES REPRESENTING APPROXIMATELY 11.7% OF THE TOTAL NUMBER OF ISSUED SHARES IN THE SHARE CAPITAL OF KINGSMEN (NORTH ASIA) LIMITED

The board of directors (the “**Directors**”) of Kingsmen Creatives Ltd. (the “**Company**”) wishes to announce that the Company has on 3 December 2010 entered into a sale and purchase agreement (“**SPA**”) with Tan Ai Lin (the “**Vendor**”) for the proposed acquisition by the Company of 175,500 ordinary shares (the “**Shares**”) in the share capital of Kingsmen (North Asia) Limited (“**KNA**”) of HKD1.00 each (the “**Sale Shares**”), representing approximately 11.7% of the total number of issued shares in the share capital of KNA (the “**Proposed Acquisition**”).

KNA is a company incorporated in Hong Kong and having its registered office at 728 Topsail Plaza, 11 On Sum Street, Shatin, New Territories, Hong Kong. KNA owns the entire issued share capital of each of Kingsmen Beijing Co., Limited, Kingsmen Shanghai Co., Limited and Kingsmen Macao Limited. KNA also holds 98.0% and 93.0% direct interest in each of Kingsmen Hong Kong Limited and Kingsmen Taiwan (International) Co., Ltd respectively. As at the date of this announcement, the shareholders of KNA are the Company, the Vendor and Peok Chong Eng, which hold 80.5%, 11.7% and 7.8% of the share capital of KNA respectively.

Upon the completion (the “**Completion**”) of the Proposed Acquisition, the Company will increase its shareholding in KNA from 1,207,500 Shares, representing 80.5% of the share capital of KNA to 1,383,000 Shares, representing 92.2% of the share capital of KNA.

The consideration for the Proposed Acquisition shall be HK\$22,253,500 to be satisfied wholly in cash (the “**Consideration**”), determined on a willing-buyer and willing-seller basis and taking into account the valuation (the “**Valuation**”) conducted by an independent valuer, RSM Nelson Wheeler Consulting Limited, jointly commissioned by the Company and the Vendor. The Consideration shall be payable by the Company upon the Completion, by way of a cheque, cashier’s order or bank draft.

The Proposed Acquisition is not expected to have any material financial impact on the consolidated net tangible assets per share and consolidated earnings per share of the Company for the current financial year.

None of the Directors of the Company has any interest, direct or indirect, in the Proposed Acquisition and the Company has not received any notification from any of its controlling shareholders that they have any interest, direct or indirect, in the Proposed Acquisition.

A copy of the SPA and the Valuation are available for inspection during normal office hours at the registered office of the Company for a period of three (3) months from the date of this announcement.

By Order of the Board

Simon Ong Chin Sim
Group Managing Director
6 December 2010