



NEWS RELEASE

KINGSMEN REPORTS NET PROFIT OF S\$17.2 MILLION

- Revenue increases 13.6% to S\$336.4 million
- Revenue growth driven by the Exhibitions & Museums, Retail & Corporate Interiors and Research & Design divisions
- Net Profit affected by one-off costs in relation to settlement of legal case in China, as announced in 1HFY2014
- Pipeline of projects in the region remains strong
- Proposes final dividend of 2.5 Singapore cents per share

FY2014 Results Highlights

| | FY2014 | FY2013 | Change |
|--------------|------------|------------|---------|
| Revenue | S\$336.4m | S\$296.2m | + 13.6% |
| Gross profit | S\$84.8m | S\$76.0m | + 11.7% |
| Net profit | S\$17.2m | S\$17.8m | - 3.3% |
| Diluted EPS | 8.84 cents | 9.21 cents | - 4.0% |

“2014 was another busy year for us as we sought to complete numerous projects throughout the region. Our revenue grew a healthy 13.6% to S\$336.4 million for the year. Unfortunately, our bottom line was affected by one-off costs in relation to the settlement of a legal case in China. Moving forward, we remain bullish about the Group’s prospects given the continued demand for our expertise and services. Our teams are busy fulfilling committed projects around the region, and with the on-going SG50 celebrations in full swing, we expect to do more work in Singapore this year. Our unique business model and strong reputation for quality and delivery enables us to capitalise on opportunities for the continued and sustainable growth of our business.” said **Mr Benedict Soh, Executive Chairman of Kingsmen.**

Singapore, February 25, 2015 – Kingsmen Creatives Ltd. (“Kingsmen”) (“金明创新”), and its subsidiaries (“the Group”), a leading communication design and production group in Asia Pacific and the Middle East, today announced a full year net profit of S\$17.2 million for the year ended December 31, 2014 (“FY2014”). This is a 3.3% decrease from the previous corresponding year, despite a 13.6% increase in Group revenue to S\$336.4 million in FY2014, from S\$296.2 million in the previous corresponding year.

Commenting on the Group’s performance, Mr Soh said: “The dip in net profit is a result of a one-off settlement for costs for the legal case in China, which we announced in the first half of the year. Without these costs, we would have continued to deliver positive growth in our bottom line. All our offices are bullish about the prospects for 2015 and we continue to secure new contracts in all our business divisions. We expect 2015 to be another busy one for us. More importantly, we take a long-term view to the growth prospects for our business and continue to build and invest in facilities, processes and manpower. The acquisition of our Johor facility is complete and we now have the ability to better plan and enhance our production capabilities to meet increasing demand for our products and services around the world.”

The Group’s Exhibitions & Museums division performed well in FY2014, with a revenue of S\$136.4 million in FY2014, a 31.9% increase over the S\$103.4 million recorded in FY2013. This growth was primarily driven by contribution from major projects such as Formula 1 Singapore Grand Prix 2014, Formula E Championship @ Putrajaya Malaysia, SportsHub, Singapore Airshow 2014, Food & Hotel Asia 2014, Tax Free Asia Pacific 2014, WTA Finals Singapore 2014 and thematic projects in China.

Revenue from the Retail & Corporate Interiors division increased by 4.6% to S\$174.3 million in FY2014. Key contributors to the division’s revenue were key accounts such as Christian Dior, Fendi, H&M, Lotte Group, Shilla, Tiffany & Co. and Uniqlo, as the division continued to see strong demand for its interior design and fit-out services in the region during the year.

The Research & Design division continued to do well in FY2014, recording a 13.5% increase in revenue to S\$12.9 million. Key accounts which contributed to the division's revenue included clients such as Burberry, Metro, Shilla and SKII.

The Alternative Marketing division saw a 14.4% dip in revenue to S\$12.7 million in FY2014, from S\$14.8 million in FY2013. This decrease was due to the non-recurrence of a major one-off project which took place in FY2013. Key accounts that contributed to the division's revenue in FY2014 include BMW, Health Promotion Board, Heineken, Jurong Health, OCBC and StarHub.

Outlook for 2015 and Beyond

The Group is confident of performing well in FY2015, given the strong pipeline of contracts and demand for the Group's services. As at 31 January 2015, the Group has secured contracts of approximately S\$137 million, of which S\$119 million is expected to be recognised in FY2015.

The Group's Exhibitions & Museums division is expected to do well in FY2015 in view of the exciting line-up of projects and attractions that will be built in Asia and the Middle East. This coupled with the SG50 celebrations in Singapore and the rise of Asia as an important location for key lifestyle and sporting events augur well for the Group's business.

On the Retail & Corporate Interiors front, the Group expects to maintain its momentum, as more mid-tier and fast fashion brands enter the Asian markets and expand rapidly in the city centres. These developments, alongside the rise of travel, are resulting in the rapid building and refurbishment of airports in Asia. This in turn has resulted in travel retail becoming a key expansion strategy for luxury brands.

In line with the Group's policy of distributing its profits to reward loyal shareholders, the Board is recommending a final dividend of 2.5 Singapore cents per ordinary share.

About Kingsmen Creatives Ltd.

Listed on the Main Board of the Singapore Exchange, Kingsmen is a leading communication design and production group. Established in 1976, the Group has a network of 18 offices and full service facilities serving global clients in Exhibitions & Museums, Retail & Corporate Interiors, Research & Design, and Alternative Marketing.

Kingsmen's "one-stop-shop" solution, through its vertically and horizontally integrated service offerings coupled with its network of offices and partners, provides 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 BMW, Burberry, DBS Bank, FJ Benjamin Group, Gucci, Hong Kong Disneyland, LVMH, Ralph Lauren, Resorts World Sentosa, Robinsons Group, TAG Heuer, Tiffany & Co., Universal Studios Singapore and Wing Tai Asia.

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