

NEWS RELEASE

KINGSMEN REPORTS 19.4% INCREASE IN 1H 2017 NET PROFIT TO S\$2.7 MILLION

- Revenue decreases 2.9% to S\$145.0 million
- Net profit increases 19.4% to S\$2.7 million
- Expects growth in second half, given pipeline of projects secured
- Proposes interim dividend of 1.0 Singapore cent per share

1H 2017 Results Highlights

	1H 2017	1H 2016	Change
Revenue	S\$145.0m	S\$149.4m	-2.9%
Gross profit	S\$35.3m	S\$34.3m	+3.0%
Net profit	S\$2.7m	S\$2.3m	+19.4%
EPS	1.38 cents	1.17 cents	+17.9%

“Amidst the uncertainties and changes in our markets, we see opportunities for us to grow and prosper. Our capabilities are evolving and becoming stronger, as we adapt to changes in the marketplace and clients’ needs. We have also explored new and exciting areas, and have now incorporated two entities; Kingsmen Ventures in Singapore and Kingsmen Xperience in USA to pursue these opportunities. Kingsmen Ventures will be exploring opportunities for us to enter into strategic acquisitions and partnerships as we push to expand our geographical reach and services that we can offer to our clients. Kingsmen Xperience will pursue opportunities to create and own media/entertainment themed licenses, and also develop and market intellectual property for themed attractions and lifestyle parks. This move is the step forward in our strategy to expand into new and engaging experiential segments, even as we continue to enhance our core offerings. This new area of business holds much promise and demonstrates our confidence in developing and growing it.” said **Mr Andrew Cheng, Group CEO of Kingsmen.**

Singapore, August 10, 2017 – 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 net profit of S\$2.7 million for the six months ended June 30, 2017 (“1H 2017”), a 19.4% increase from the previous corresponding period (“1H 2016”). Group revenue decreased 2.9% to S\$145.0 million in 1H 2017, from S\$149.4 million in 1H 2016.

Commenting on the Group’s performance, Mr Cheng said: “We continue to push hard and that has enabled us to secure and complete more projects in the Retail & Corporate Interiors segment in the first half, even as we continue to expand our presence in the corporate interiors, food & beverage and travel retail areas. Our Exhibitions and Thematic division continues to actively pursue new leads and is successfully securing new businesses. We see growing demand for engaging, diverse, and original experiences from the market and clients. We will continue to enhance our capabilities and productivity, and invest in training to empower our staff to meet their needs. Through the exploring of new and complementary businesses to strengthen our service offerings, we will be even better placed to create value for our stakeholders.”

The **Exhibitions and Thematic division** registered a revenue of S\$59.4 million in 1H 2017, a 19.5% decrease due to the completion of several key projects in FY 2016. The key contributors to the division’s revenue in 1H 2017 included major events and projects such as Art Stage Singapore 2017, Desaru Adventure Waterpark, Dubai Frame, Heilan Horse Cultural Experience Pavilion, Jakarta Aquarium, King Abdulaziz Center for World Culture, Madame Tussauds, Singapore Maritime Gallery, SMBC Singapore Open 2017 and thematic projects in the region.

The **Retail & Corporate Interiors division** recorded a 12.7% increase in revenue to S\$74.0 million in 1H 2017. The division continues to see good demand for its services from the corporate interior, food & beverage and travel retail segments. Key accounts for the division included DBS Bank, DFS Venture, Dior, Dubai Duty Free, Fendi, La Perla, Robinsons, Tiffany & Co. and YATA.

The Group's **Research & Design division** registered a revenue of S\$6.7 million in 1H 2017, compared to S\$6.0 million in 1H 2016. Key accounts which contributed to the division's revenue included clients and brand names such as Burberry, Madame Tussauds, Procter & Gamble Co., Robinsons and Tencent, and thematic projects in the region.

The **Alternative Marketing division** achieved a 23.6% increase in revenue to S\$4.8 million in 1H 2017. Key contributors to the division's revenue included events and projects from clients such as DFASS, Global Young Scientists Summit, International Public Policy Association, Procter & Gamble Co. and Starhub.

Outlook for 2017 and Beyond

The Group expects to continue its growth, given the pipeline of contracts and demand for the Group's services. The Group's entry into the new intellectual property development and ownership business areas also provide new and exciting possibilities and earning streams for the Group. As at 31 July 2017, the Group has secured contracts of S\$245 million, of which S\$232 million is expected to be recognised in FY 2017. Its strong fundamentals and innovative culture continue to position the Group well, to capitalise on opportunities in the region and beyond.

The **Exhibitions & Thematic** division remains well-positioned to capitalise on opportunities that arise within the exhibition, event, museum and thematic industries across the Asia Pacific and Middle East region. Given the dynamic nature of the industry, Kingsmen's well-established reputation and skill sets, together with the line-up of projects and attractions already secured, will enable the division to continue its growth.

The Group's **Retail & Corporate Interiors** division continues to see opportunities within the industry amid the evolving environment. It will continue to pursue opportunities in the high-end and affordable luxury retail, fast fashion retail, travel retail, corporate interior and food & beverage segments with new and existing clients.

In line with the Group's policy of distributing its profits to reward loyal shareholders, the Board is recommending an interim dividend of 1.0 Singapore cent 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 19 offices and full service facilities serving global clients in Exhibitions & Thematic, 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 BMW, Chanel, Changi Airport Group, DBS, FJ Benjamin Group, Gucci, Hong Kong & Shanghai Disneyland, LVMH Group, Ralph Lauren, Resorts World Sentosa, Robinsons Group, Singapore GP, TAG Heuer, Tax Free World Association, Tiffany & Co., Universal Studios, Wanda and Wing Tai Asia.

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