

## NEWS RELEASE

### KINGSMEN REPORTS FULL YEAR NET PROFIT OF S\$9.7 MILLION

- Revenue decreases 6.8% to S\$307.2 million
- Net profit decreases 18.1% to S\$9.7 million
- Good pipeline of projects secured
- Proposes final dividend of 1.5 Singapore cents per share

### FY2017 Results Highlights

	FY2017	FY2016	Change
Revenue	S\$307.2m	S\$329.7m	-6.8%
Gross profit	S\$77.2m	S\$83.4m	-7.5%
Net profit	S\$9.7m	S\$11.9m	-18.1%
EPS	4.90 cents	6.02 cents	-18.6%

“Our market remains buoyant, especially in the exhibition, event, museum and thematic areas, and we are also deepening our reach into the hospitality, corporate interior, F&B and mall public area segments. These, together with our new initiative to manage media/entertainment themed licenses are growth areas for us. Our FY 2017 performance was impacted by the soft retail market and adverse movements in foreign exchange as well as the completion of several thematic projects and the scheduling of new projects in the pipeline. Moving forward, we will continue to strengthen our foothold in our core businesses and existing markets, as we embark on the next phase of transformation.” said **Mr Andrew Cheng, Group CEO of Kingsmen.**

*Singapore, February 22, 2018* – 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\$9.7 million for the year ended December 31, 2017 (“FY 2017”). This is a 18.1% decrease from S\$11.9 million in the previous corresponding year. Group revenue decreased 6.8% to S\$307.2 million in FY 2017, from S\$329.7 million in FY 2016.

The **Exhibitions and Thematic division** registered a revenue of S\$136.8 million in FY 2017, a decrease of S\$14.7 million or 9.7% from S\$151.5 million in FY 2016. The decrease in revenue was due to the completion of several key projects in FY 2016. The key contributors to the division’s revenue included major events and projects such as BNP Paribas WTA Finals Singapore presented by SC Global, Desaru Adventure Waterpark, Downton Abbey Touring Exhibition, Dubai Frame, Formula 1 Singapore Grand Prix, Heilan Horse Cultural Experience Pavilion, King Abdulaziz Center for World Culture, Madame Tussauds, National Day Parade 2017, TFWA Asia Pacific Exhibition & Conference 2017 and thematic projects in the region.

The **Retail & Corporate Interiors division** recorded a revenue of S\$143.2 million in FY 2017, a decrease of S\$7.3 million or 4.9% compared to S\$150.5 million in FY 2016. The decrease in revenue was due to the softer retail industry in some of the markets. The key accounts which contributed to the division’s revenue included clients and brand names such as Aldo, Birkenstock, Coach, DBS Bank, DFS Venture, Dior, Fendi, La Perla, Lululemon, Robinsons, Skechers, Tiffany & Co. and YATA.

The **Research & Design division** registered a revenue of S\$15.5 million in FY 2017, an increase of S\$0.4 million or 2.9% compared to S\$15.1 million in FY 2016. The key accounts which contributed to the division’s revenue included clients and brand names such as Burberry, Gucci, Madame Tussauds, Procter & Gamble Co., Robinsons and Tencent, and thematic projects in the region.

The **Alternative Marketing division** achieved a revenue of S\$11.8 million in FY 2017, a decrease of S\$0.9 million or 7.2% from S\$12.7 million in FY 2016. They key contributors to the division’s revenue included events and projects from clients such as DFASS, Global Young Scientists Summit, International Public Policy Association, Shinnyo-en Singapore, Starhub and Techinnovation 2017.

### Outlook for 2018 and Beyond

The Group continues to be optimistic going into 2018, given the good pipeline of contracts and demand for the Group's services. As at 31 January 2018, the Group has secured contracts of S\$84 million, of which S\$82 million is expected to be recognised in FY 2018.

Commenting on the Group's strategies going forward, Mr Cheng said: "The diverse industries we serve and ability to create and build experiences give us unique opportunities to grow. While we continue to expand our reach in our existing business areas and markets, we will also continue to widen our service offerings and identify new business areas to introduce additional earning streams to the Group. Our recently established subsidiaries Kingsmen Ventures and Kingsmen Xperience are beachheads into realising this vision. The recent tie-up with Hasbro International, Inc. for the development and operation of NERF family entertainment center attractions across Asia Pacific is the first step. We intend to build on this and grow our portfolio of media/entertainment themed licenses."

The **Exhibitions & Thematic** division is well placed to tap on opportunities across Asia and the Middle East where there is good steady demand for its services and expertise in the exhibitions, events, museums and thematic industries. The line-up of projects already secured, and are currently being pursued, provide a good base on which the division will continue to grow its business.

The Group's **Retail & Corporate Interiors** division has already expanded its market reach into the hospitality, corporate interior, F&B and mall public areas which have good growth potential and demand for specialists services. The team will continue to solidify their presence in these markets while continuing to serve clients in the more established markets of high-end luxury, affordable luxury, fast fashion and travel retail.

In line with the Group's policy of distributing its profits to reward loyal shareholders, the Board is recommending a final dividend of 1.5 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 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 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, and Wing Tai Asia.

-- END --

For more information, please contact:

Cheryl Lim  
Senior Executive, Corporate Communications  
Kingsmen Creatives Ltd.  
DID: (65) 688 043 05  
Fax: (65) 688 000 38  
Email: [cheryllim@kingsmen-int.com](mailto:cheryllim@kingsmen-int.com)