

## NEWS RELEASE

### KINGSMEN REPORTS HALF YEAR NET PROFIT OF S\$1.8 MILLION

- Revenue increases 17.7% to S\$172.8 million
- Pipeline of projects secured remains strong at S\$320 million
- Profit impacted by investments in new business segment
- Proposes interim dividend of 1.0 Singapore cent per share

### 1H 2019 Results Highlights

	1H 2019	1H 2018	Change
Revenue	S\$172.8m	S\$146.8m	+17.7%
Gross profit	S\$38.8m	S\$35.7m	+8.6%
Net profit	S\$1.8m	S\$3.0m	-39.9%
EPS	0.88 cents	1.48 cents	-40.5%

“We continue to see demand in the market for differentiated experiences. The fundamentals of our core businesses remain strong as we accelerate our expansion into the branded experiential attractions segment. The investments made in the world’s first NERF Action Xperience centre opening in Singapore in the fourth quarter of 2019 and other experiential attractions had an impact on our first half results. Looking ahead, we are confident about the growth potential of our business areas as we continue to transform our processes to keep relevant while taking on opportunities in emerging market segments.” said **Mr Andrew Cheng, Group CEO of Kingsmen.**

*Singapore, August 8, 2019* – 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 profit of S\$1.8 million for the six months ended June 30, 2019 (“1H 2019”), a 39.9% decrease from the previous corresponding period (“1H 2018”). Group revenue increased 17.7% to S\$172.8 million in 1H 2019, from S\$146.8 million in 1H 2018.

Commenting on the Group’s performance, Mr Cheng said: “We continue to accelerate our plans to redefine our service offerings. Our Exhibitions and Thematic division is still driven by strong industry demand and we will expand efforts to expand our portfolio globally. On the Retail and Corporate Interiors front, we continue to diversify our footprint and establish new and clear points of differentiation. As our markets evolve, we will deepen the capabilities of our people. We believe our strong business fundamentals and drive to transform will enable us to deliver new levels of consumer experiences for our clients and their customers.”

The **Exhibitions and Thematic division** registered a revenue of S\$83.2 million in 1H 2019, an increase of S\$18.1 million or 27.8% from S\$65.1 million in 1H 2018. The key contributors to the division’s revenue included major events and projects such as Changi Experience Studio, Money 2020 Asia 2019, Shenzhen Binhai Tencent Exhibition Centre, Singapore Bicentennial Event, Singapore Motorshow 2019, SMBC Singapore Open 2019, TFWA Asia Pacific Exhibition & Conference 2019 and thematic projects in the region.

The **Retail & Corporate Interiors division** recorded a revenue of S\$79.3 million in 1H 2019, an increase of S\$9.4 million or 13.4% compared to S\$69.9 million in 1H 2018. The key accounts which contributed to the division’s revenue included clients and brand names such as Coach, Fendi, Hanoi French Hospital, Kate Spade, Lululemon, Michael Kors, Ralph Lauren, Tiffany & Co., and Van Cleef & Arpels.

The **Research & Design division** achieved a revenue of S\$8.1 million in 1H 2019, an increase of S\$0.8 million or 10.8% from S\$7.3 million in 1H 2018. The key accounts which contributed to the division's revenue included clients and brand names such as Burberry, Gucci, Procter & Gamble Co. and TAG Heuer, and thematic projects in the region.

The **Alternative Marketing division** registered a revenue of S\$2.3 million in 1H 2019, a decrease of S\$2.2 million or 49.0% compared to S\$4.5 million in 1H 2018. The key contributors to the division's revenue included events and projects from clients such as Automobile Association of Singapore, National Council on Problem Gambling and Singapore Cruise Centre.

#### Outlook for 2019 and Beyond

The Group remains well-positioned to meet the evolving needs of its clients with its broad range of service offerings and expertise. The Group will continue to serve its clients in its core businesses while continuing to expand its reach and presence into the branded experiential attractions, focusing on the three broad areas of active play, edutainment and live events. The diverse industries that the Group serves and the ability to create and build unique and engaging experiences put the Group in a good position with opportunities for growth.

As at 31 July 2019, the Group has secured contracts of S\$320 million, of which S\$274 million is expected to be recognised in FY2019. Barring unforeseen circumstances, the Group expects FY2019 to be a profitable year.

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 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, 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.

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

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