

NEWS RELEASE

KINGSMEN RECORDS NET PROFIT OF S\$0.6 MILLION IN 1H 2023

- Revenue increases 17.5% to S\$143.8 million
- Expects growth momentum to continue
- Maintains tight rein on cost management amidst rising inflationary pressures
- Pipeline of projects secured stands strong at S\$314 million

1H 2023 Results Highlights

	1H 2023	1H 2022	Change
Revenue	S\$143.8m	S\$122.4m	17.5%
Gross Profit	S\$32.8m	S\$26.1m	25.5%
Net Profit	S\$0.6m	-\$1.5m	n/m
EPS	0.30 cents	-0.77 cents	n/m

Note: n/m denotes not meaningful

“We have returned to sustainable profitability and expect a robust second half performance, as our teams are busy fulfilling contracts secured and pursuing a strong pipeline of potential projects. Our focus will now be on managing costs and our supply chain amidst rising inflationary pressures, and improving efficiency and operational delivery to derive better returns for our efforts. We continue to see good demand for our solutions and services by the market, and by clients who are moving ahead with their business plans.” said **Andrew Cheng, Group CEO of Kingsmen**.

Singapore, August 10, 2023 – Kingsmen Creatives Ltd. (“Kingsmen”) (“金明创新”), and its subsidiaries (the “Group”), a leading creator of experiences, today announced a net profit of S\$0.6 million for the six months ended June 30, 2023 (“1H 2023”) compared to a net loss of S\$1.5 million for the previous corresponding period (“1H 2022”). Group revenue increased 17.5% to S\$143.8 million in 1H 2023, from S\$122.4 million in 1H 2022.

The **Exhibitions, Thematic & Attractions division** registered a revenue of S\$65.4 million in 1H 2023, an increase of S\$14.8 million or 29.2% from S\$50.6 million in 1H 2022. The increase in revenue was mainly due to the increasing return of physical trade shows, conferences and events amidst the essential need for good face-to-face interactions to promote audience engagement.

The **Retail & Corporate Interiors division** recorded a revenue of S\$66.1 million in 1H 2023, an increase of S\$1.7 million or 2.6% compared to S\$64.4 million in 1H 2022. The division witnessed a heightened volume of projects as clients continue to accelerate their business plans to refresh or launch new concepts to engage audiences in the new environment.

The **Research & Design division** achieved a revenue of S\$7.4 million in 1H 2023, an increase of S\$1.6 million or 27.7% from S\$5.8 million in 1H 2022. The division's innovative and experiential design solutions opened up new opportunities and provided a good pipeline of projects which the division worked on to create new and exciting customer experiences and engagement platforms for its clients.

The **Experiential Marketing division** registered a revenue of S\$4.9 million in 1H 2023, an increase of S\$3.3 million or 202.1% compared to S\$1.6 million in 1H 2022. The division benefitted from the accelerated resumption of face-to-face brand activation events and conferences and managed to capture and deliver multiple projects that contributed positively to its revenue.

Outlook for the rest of 2023 and beyond

Sharing the Group's outlook for the rest of 2023 and beyond, Mr Cheng said: "We see a fundamental shift in clients' demands. Our ability to create and deliver differentiated customer experiences; leveraging on strategic insights through market research, experiential-driven platforms and storytelling will stand us in good stead to capitalise on opportunities in the new market environment.

The exhibition and events business has returned, with new shows being planned and clients looking to deliver more pop-ups, activation and engagement events for their customers.

The thematic attractions market remains buoyant with a good pipeline of projects coming on-stream across the region. The team is busy managing and delivering multiple committed projects.

Our Retail & Corporate Interiors division is seeing good enquiries and projects from existing and new clients. There is strong demand from global brands to refresh their boutiques and expand their presence in the region, as well as introduce new and exciting experiences and engagement platforms for their customers.

Our Research & Design division is busy, fulfilling and meeting enquiries for new experiences and engagement concepts. We will continue to enhance our creative capabilities as the market evolves, to deliver more experiential solutions.

The attractions industry is starting to see modest recovery. Demand for face-to-face engagement platforms has returned and we will push branded intellectual property concepts in the overseas markets and introduce new unique experiences.

Overall, we see good opportunities across all sectors of our business, with a strong emphasis on engagement and experiential solutions. Market conditions however are evolving and we will adopt a prudent approach to managing costs and operations. We will continue to enhance our capabilities in creativity and experiential solutions as core areas of differentiation to meet market needs.”

As at 31 July 2023, the Group has secured contracts of S\$314 million, of which S\$264 million is expected to be recognised in 2023.



About Kingsmen Creatives Ltd.

Listed on the Mainboard of the Singapore Exchange, Kingsmen is a leading creator of experiences. Established in 1976, the Group has a network of offices and full service facilities serving global clients in Exhibitions, Thematic & Attractions, Retail & Corporate Interiors, Research & Design, and Experiential Marketing.

Kingsmen's creative capabilities and 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, Gucci, Hong Kong & Shanghai Disneyland, LVMH Group, Ralph Lauren, Resorts World Sentosa, Singapore GP, TAG Heuer, Tax Free World Association, Tiffany & Co. and Universal Studios.

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

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