

## NEWS RELEASE

### KINGSMEN RETURNS TO PROFITABILITY - RECORDS NET PROFIT OF S\$1.0 MILLION IN FY2021

- Revenue at S\$273.2 million
- Core business remains robust
- Continues tight rein on operations and cost management
- Pipeline of projects in the region remains strong at S\$140 million

#### FY2021 Results Highlights

	FY2021	FY2020	Change
Revenue	S\$273.2m	S\$287.0m	-4.8%
Gross Profit	S\$58.9m	S\$66.0m	-10.7%
Net Profit	S\$1.0m	-\$11.1m	n/m
EPS	0.50 cents	-5.50 cents	n/m

Note: n/m denotes not meaningful

“We continue to see a good volume of work and are back in the black in 2021 with a net profit of S\$1.0 million, despite the various lockdowns, restrictions and disruptions in our markets, which impacted our full recovery.

Our core business remains robust. With business operations resized, a continued tight rein on cost management and a greater focus on supply chain delivery, we have been able to better adapt to changing market conditions, while looking for opportunities to expand our client base and expand our service offerings to the market.” said **Mr Andrew Cheng, Group CEO of Kingsmen.**

*Singapore, March 1, 2022* – 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\$1.0 million for the year ended December 31, 2021 (“FY2021”) compared to a net loss of S\$11.1 million for the previous corresponding year (“FY2020”). Group revenue declined 4.8% to S\$273.2 million in FY2021, from S\$287.0 million in FY2020.

The **Exhibitions, Thematic & Attractions division** registered a revenue of S\$108.8 million in FY2021, a decrease of S\$39.7 million or 26.7% from S\$148.5 million in FY2020. The decrease in revenue was mainly due to the cancellation and postponement of physical trade shows, conferences and events by clients and the restriction of operations for experiential attractions, as the division continued to face headwinds due to international travel restrictions and strict capacity constraints. Amid the pandemic, the growing demand for hybrid digital/virtual trade shows, conferences and events has enabled the division to secure some of these new projects. These, coupled with the division's continued work on government related COVID-19 projects and multiple thematic projects, have helped to partially offset the fall in revenue.

The **Retail & Corporate Interiors division** recorded a revenue of S\$148.4 million in FY2021, an increase of S\$28.5 million or 23.8% compared to S\$119.9 million in FY2020. The division has remained agile and resilient during the ongoing challenges of delays, disruptions and restrictions to project execution, and managed to capture new opportunities that emerged, which contributed positively to its revenue.

The **Research & Design division** achieved a revenue of S\$13.0 million in FY2021, a decrease of S\$2.0 million or 13.6% from S\$15.0 million in FY2020. Although some projects were put on hold, the division continued to secure new projects and see numerous projects proceeding or completed as planned.

The **Alternative Marketing division** registered a revenue of S\$2.9 million in FY2021, a decrease of S\$0.6 million or 15.9% compared to S\$3.5 million in FY2020. The division was impacted by the fall in demand for brand activation events and projects following cancellation and postponement by clients.

#### Outlook for 2022 and Beyond

Sharing the Group's outlook for 2022 and beyond, Mr Cheng said: "We are seeing a return of the market and clients in our sectors, despite the ongoing uncertainty. Market needs have however evolved, with greater awareness and demand for consumer experiences, and the importance of end to end consumer journeys.

The exhibition and events business is seeing a gradual return, with several events already back on the calendar and new ones planned for the year. While clients continue to be cautious, they are increasing their enquiries, for participation, as well as for new ideas to engage audiences. This bodes well for the recovery of this sector.

The thematic attractions market continues to be buoyant, with 2022 expected to be a busy year for the team who is focused on managing and delivering multiple committed projects, while continuing to build the pipeline for new orders.

Our Retails & Corporate Interiors division has seen growing enquiries and committed projects from existing and new clients, as they look to refresh or launch a new look to stay relevant in the new environment. There is also a clear push for new solutions in customer experience and engagement, especially in branded pop-up/experiential installations, as well as in sectors such as F&B and corporate offices.

Our Research & Design division continues to be busy, fulfilling and meeting enquiries for new experiences and engagement concepts, as clients move forward in their plans and investments for the future.

The attractions industry, continues to be severely impacted by international travel restrictions and strict capacity constraints. There is pent up demand for activity and engagement opportunities and we expect the industry to rebound once the restrictions and constraints are lifted. We are therefore continuing our push to expand our branded intellectual property concepts in the overseas markets, as well as develop and introduce new unique experiences that meet the changing needs of consumers and lifestyles.

As the playbook for the new environment emerges, it is increasingly clear that differentiated experiences and engagement will be the future drivers of our business. We will therefore refocus our efforts to enhance and build stronger capabilities in creativity and ideas, and experiential hybrid solutions. We will reshape our supply chain and ecosystem of partners to deliver holistic O2O (online-to-offline & vice versa) experiences for our clients.”

As at 31 January 2022, the Group has secured contracts of S\$140 million, of which S\$128 million is expected to be recognised in 2022.

## **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 & Attractions, 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, 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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For more information, please contact:

Khoo How Huai

Senior Manager, Group Finance

Kingsmen Creatives Ltd.

DID: (65) 6880 0090

Email: [khoohowhuai@kingsmen-int.com](mailto:khoohowhuai@kingsmen-int.com)