

WAIVER::WAIVER FROM COMPLIANCE WITH RULE 1018(2) OF THE MAINBOARD RULES

Issuer & Securities

Issuer/ Manager

JACKSPEED CORPORATION LIMITED

Securities

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Announcement Details

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Waiver

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Designation

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Description (Please provide a detailed description of the event in the box below)

Please refer to the attachment.

Attachments

[Jackspeed Corporation Limited - Application Announcement.pdf](#)

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JACKSPEED CORPORATION LIMITED
(Registration No. 199300300W)
(Incorporated in the Republic of Singapore)

**PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF
THE TARGET GROUP**

**WAIVER FROM COMPLIANCE WITH RULE 1018(2) OF THE MAINBOARD RULES OF THE
LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED IN
RESPECT OF THE MEETING OF REQUIREMENTS OF A NEW LISTING**

1. INTRODUCTION

- 1.1 The board of directors (“**Board**”) of Jackspeed Corporation Limited (“**Company**”) refers to its earlier announcements dated 3 January 2020 in relation to the Company being deemed to be a cash company; its announcements dated 4 July 2021 and 12 November 2021 in relation to the Proposed Acquisition, its announcements dated 21 April 2021, 7 December 2021 and 24 February 2022 in relation to the Company’s application for extension of time to meet the requirements of a new listing under the rules of the SGX (“**Previous Announcements**”).
- 1.2 Unless otherwise expressly defined herein, all capitalised terms and references have the same meaning as ascribed to them in the Previous Announcements.

2. APPLICATION TO THE SGX-ST

- 2.1 The Board wishes to inform the Shareholders of the Company that it has, on 6 July 2022, made an application to the SGX-ST to seek the following further extension of time (the “**July Extension**”):
- (a) the submission of the reverse takeover application (“**RTO Application**”) to the SGX-ST by no later than November 2022;
 - (b) the Company convening the extraordinary general meeting by February 2023 to seek the approval of the shareholders for the Proposed Acquisition; and
 - (c) Completion of the Proposed Acquisition by February 2023.

3. FURTHER INFORMATION ON THE TARGET, TARGET GROUP AND PRE-CLEARANCE TO THE SGX-ST

- 3.1 As part of the Restructuring, the Target will acquire certain subsidiaries (collectively, “**Target Subsidiaries**” and, together with the Target, the “**Target Group**”) of FSN Asia Private Limited (“**FSNA**”). The Target Group will be formed pursuant to a restructuring exercise (the “**Restructuring**”) which entails, amongst others, the following:
- (a) incorporation of the Target; and
 - (b) the transfer of FSNA’s Business (as defined below) to the Target.

FSNA will enter into a business transfer agreement with the Target for the transfer of FSNA’s business, assets and liabilities to the Target (“**FSNA’s Business**”). The transfer of FSNA’s Business will include the transfer of shares held in by FSNA in its subsidiaries

and associated companies to the Target. The consideration for the transfer of FSNA's Business will be satisfied by issuance of fully paid shares in the Target to FSNA, which will nominate its shareholders to receive such shares in the Target in the proportion each of the FSNA's shareholders hold their shares in FSNA. It is envisaged that pursuant to the share purchase agreement dated 1 July 2021, the Company will then acquire all the shares in the Target from FSNA's shareholders.

- 3.2 The Target refers to a company to be incorporated in Singapore pursuant the Restructuring. For the avoidance of doubt, FSNA is in the midst of formulating the Restructuring plans and the Target has yet to be incorporated. It is envisaged that the Target will be incorporated prior to lodgement of the circular in relation to the Proposed Acquisition due to certain foreign shareholders' tax implications arising from the Restructuring and as such, FSNA is unable to provide the identity of the Target at this juncture.
- 3.3 It is envisaged that, pursuant to the Restructuring, the Target Group will have certain principal business operations held by two of the Target Subsidiaries (collectively, the "**Relevant Businesses**") which have adopted the use of ownership structures to comply with the relevant foreign ownership restrictions in the respective countries where the Relevant Businesses operate ("**Structures**").
- 3.4 The Relevant Businesses relate to the provision of cross-border digital marketing services, comprising two (2) main categories, namely, creative agency services and performance marketing services. Creative agency services relate to the creation of advertising content and media planning, while performance marketing services involve targeting the right audience and optimizing advertising efficiency. It is envisioned that, following completion of the Proposed Acquisition, the Company's business and assets are to comprise only the business and assets of the Target Group.
- 3.5 By way of a pre-clearance letter dated 13 December 2021 ("**Pre-clearance Letter**"), the financial adviser to the Company in respect of the Proposed Acquisition, Novus Corporate Finance Pte. Ltd. ("**Novus**"), had consulted the SGX-ST on the suitability of the Structures used by the Relevant Businesses.

4. REASONS FOR THE JULY EXTENSION

- 4.1 The Board wishes to inform the Shareholders that:
 - (a) since December 2021, FSNA has been working with Novus and the relevant working professionals to respond to certain queries raised by the SGX-ST IPO Admissions team ("**IPO Admissions**") in respect of the Pre-clearance Letter;
 - (b) as at the date of this announcement, FSNA has not submitted its responses to certain queries from IPO Admissions in respect of the Pre-clearance Letter pending clarification of its assessment of control over the Relevant Businesses, the details of which are set out below, and accordingly the Pre-clearance process has not been concluded yet. Subject to the implementation of the Remedies (as defined herein), FSNA would be in a position to respond to the queries from IPO Admissions in respect of the Pre-clearance Letter at such time;
 - (c) the reasons for the July Extension are due to the following:
 - (i) historically, the Relevant Businesses were consolidated as subsidiary corporations of FSNA from the respective dates that FSNA was deemed to be able to exert control of each of the Relevant Businesses in accordance with the applicable accounting standards (the "**Accounting Standards**");

- (ii) in connection with its preparation for the Proposed Acquisition, FSNA had, among others, discussed with the auditors to the Target Group (the “**Auditors**”) and had formed the view that it would need to further enhance the measures in place to establish its control over the Relevant Businesses as defined under the Accounting Standards;
- (iii) FSNA had subsequently engaged an audit firm from among the big 4 audit firms provide technical accounting support to FSNA in its assessment of control under the Accounting Standards over the Relevant Businesses, while continuing to engage with the Auditors on the aforementioned issues (the “**Assessment**”);
- (iv) pursuant to the Assessment and further discussions with the Auditors, certain additional remedies had been proposed for FSNA to enhance and conclusively demonstrate the establishment of control over the Relevant Businesses (the “**Remedies**”);
- (v) the Company understands from FSNA that with the Remedies and in place, FSNA, as the largest shareholder of the Relevant Businesses, would satisfy the requirements of the Accounting Standards in the assessment of control over the Relevant Businesses, and on this basis the Auditors are of the view that control over the Relevant Businesses in accordance with the Accounting Standards would be established going forward; and
- (vi) as at the date of the July Extension, the Remedies had been partially implemented and FSNA was in the midst of, among others, liaising with the local partner of one of the Target Subsidiaries to facilitate the execution of the outstanding Remedy (the “**Outstanding Remedy**”) as well as concurrently working with the Auditors to conclude on the appropriate accounting treatment with regards to its control over the Relevant Businesses.

4.2 Based on the above and discussions with FSNA, and given the complexity of the issues relating to FSNA’s control over YDM Thailand and Clever Group, it was expected that more time would be required to address the SGX-ST’s queries on the Pre-clearance Letter, and accordingly the Company would not be in a position to submit the RTO Application by 25 February 2022 or to complete the Proposed RTO by 30 June 2022. For the foregoing reasons, the Company had made the application for the July Extension to the SGX-ST.

5. FURTHER EXTENSION

The Board also wishes to inform the Shareholders of the Company that it intends to seek the following further extension of time from the SGX-ST, and will in due course make an application for the same to the SGX-ST:

- (a) the submission of the RTO Application to the SGX-ST on or around the 1st week of April 2023;
- (b) the Company convening the extraordinary general meeting on or around the 1st week of June 2023 to seek the approval of the shareholders for the Proposed Acquisition; and
- (c) the completion of the Proposed Acquisition by end of June 2023.

6. FURTHER INFORMATION

The Company will make the necessary announcements as and when there are further material developments on the Proposed Acquisition and other matters contemplated by this announcement.

7. CAUTIONARY STATEMENT

Shareholders are advised to exercise caution when dealing in the securities of the Company as the Proposed Acquisition is subject to certain conditions and there is no certainty or assurance as at the date of this announcement that the Proposed Acquisition will be completed. The Company will make the necessary announcements when there are further developments on the Proposed Acquisition. Shareholders of the Company are advised to read this announcement and any further announcements by the Company carefully. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board of Directors
JACKSPEED CORPORATION LIMITED

Yap Kian Peng
Executive Deputy Chairman and Chief Executive Officer
23 August 2022