

ACQUISITIONS AND DISPOSALS :: NON-MANDATORY DISCLOSURE, CHANGES IN COMPANY'S INTEREST :: DISPOSAL OF SHARES IN A WHOLLY OWNED SUBSIDIARY - JACKSPEED AVIATION PTE. LTD.

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| Name of Announcer * | JACKSPEED CORPORATION LIMITED |
| Company Registration No. | 199300300W |
| Announcement submitted on behalf of | JACKSPEED CORPORATION LIMITED |
| Announcement is submitted with respect to * | JACKSPEED CORPORATION LIMITED |
| Announcement is submitted by * | CHEW KOK LIANG |
| Designation * | COMPANY SECRETARY |
| Date & Time of Broadcast | 01-Nov-2013 18:31:31 |
| Announcement No. | 00182 |

>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

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|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Announcement Title * | DISPOSAL OF SHARES IN A WHOLLY OWNED SUBSIDIARY - JACKSPEED AVIATION PTE. LTD. |
| Description | Please refer to the attachment. |
| Attachments |  Announcement_on_Disposal_of_JA_revised.pdf Total size =10K (2048K size limit recommended) |

JACKSPEED CORPORATION LIMITED

Registration No. 199300300W
(Incorporated in Singapore)

DISPOSAL OF SHARES IN A WHOLLY OWNED SUBSIDIARY - JACKSPEED AVIATION PTE. LTD.

1. INTRODUCTION

The Board of Directors of Jackspeed Corporation Limited (the "Company" and together with its subsidiaries, the "Group") wishes to announce that the Company had entered into a Sale and Purchase Agreement (the "Agreement") on 1 November 2013 with Mr Liang Yew Meng Jerry, (the "Purchaser") to dispose its entire 100% shareholdings in Jackspeed Aviation Pte. Ltd. ("JA") to the Purchaser (the "Disposal"). The Purchaser is a director of JA and oversees the business and operations of JA.

Pursuant to the Agreement, the Company has agreed to sell and the Purchaser has agreed to purchase 100% of the Company's shareholdings comprising of 500,000 ordinary shares of S\$1 each (the "Sale Shares") in the capital of JA for an aggregate consideration of S\$300,000, subject to the terms and conditions of the Agreement.

2. CONSIDERATION

The consideration for the Sale Shares is S\$300,000 ("Sale Consideration"). The Sale Consideration was agreed between the Company and the Purchaser on a willing buyer-willing seller basis after taking into consideration the book value of the assets of JA taken over by the Purchaser amounting to S\$111,000.

The Sale Consideration shall be payable in the following manner:

- (a) a sum of S\$150,000 equivalent to 50% of the Sale Consideration to be paid by way of cheque(s) or bank transfer upon signing of the Agreement; and
- (b) the balance Sale Consideration of S\$150,000 and the other net assets not taken over by the Purchaser amounting to S\$250,578 shall be paid in six (6) equal monthly instalments to the Company. The first instalment is payable 30 days after the completion date and the cheques for the six (6) monthly instalments shall be post-dated accordingly and delivered to the Company on the completion date.

The Company intends to use such proceeds from the Disposal for general working capital and funding of the Group's future business plans.

3. RATIONALE FOR THE DISPOSAL

JA, a Singapore incorporated company, is in the business of the manufacturing and sale of leather and fabric covers and interior refurbishment for use in the aviation industry.

The Company has determined that the existing business of JA has not provided the expected rate of return for the amount of working capital invested. The Company has evaluated its internal capabilities and resources and is of the view that it would be in the best interests to divest its interests in JA, to streamline Group's businesses and operations, and to focus on the Group's core competencies and other business plans that generate better returns, based on the current resources.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Disposal.

5. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Agreement will be made available for inspection during normal business hours at the Company's registered office at 47 Loyang Drive Singapore 508955 for a period of 3 months from the date of this announcement.

BY ORDER OF THE BOARD

Yap Kian Peng
Executive Chairman and Chief Executive Officer
1 November 2013