

Asset Acquisitions and Disposals::Proposed Acquisition of Freehold Property**Issuer & Securities**

Issuer/ Manager	JACKSPEED CORPORATION LIMITED
Securities	JACKSPEED CORPORATION LIMITED - SG1075914679 - J17
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Announcement Details

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Submitted By (Co./ Ind. Name)	Chew Kok Liang
Designation	Company Secretary
Description (Please provide a detailed description of the event in the box below)	Please refer to the attachment.
Attachments	📎 Announcement_Proposed Acquisition of PropertyHenderson_Final.pdf Total size =119K



JACKSPEED CORPORATION LIMITED

Registration No. 199300300W

(Incorporated in Singapore)

(The “**Company**”)

PROPOSED ACQUISITION OF FREEHOLD PROPERTY

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**”) of the Company wishes to announce that the Company has on 24 September 2014 entered into an Option to Purchase (the “**Option**”) with Indocom International Pte Ltd (the “**Vendor**”) for the proposed acquisition of a freehold property located at 221 Henderson Road #06-15 Henderson Building Singapore 159557 (the “**Property**”) (the “**Proposed Acquisition**”).
- 1.2 For the purpose of this announcement, the term “**Group**” shall mean the Company and its subsidiaries.

2. THE PROPERTY

The Property is an industrial B1 freehold unit with an estimated gross floor area of 2,454 square feet.

3. THE CONSIDERATION

The consideration for the Property is S\$2,208,600 (the “**Purchase Consideration**”). The Purchase Consideration was agreed between the Company and the Vendor on a willing buyer-willing seller basis, and based on indicative valuations ranging from S\$2.0 million to S\$2.3 million obtained through United Overseas Bank Limited.

4. MATERIAL CONDITIONS OF THE PROPOSED ACQUISITION

- 4.1 In accordance with the terms of the Proposed Acquisition, a cheque for 1% Option Fee amounting to S\$22,080 has been paid by the Company.
- 4.2 The Option shall expire at 4.00 p.m. on the 8th day of October 2014 (“**Expiry Date**”) and will be null and void if not exercised in the manner on or before the Expiry Date.
- 4.3 Upon the exercise of the Option, the Company shall pay 5% of the Purchase Consideration (less the Option Fee) amounting to S\$88,350. The remaining 95% of the Purchase Consideration shall be paid upon the completion of the Proposed Acquisition.

4. MATERIAL CONDITIONS OF THE PROPOSED ACQUISITION (CONT'D)

4.4 The Proposed Acquisition is subject to the fulfilment of certain conditions precedent including but not limited to the following:

- (i) the Company's solicitors having received satisfactory replies to their usual legal requisitions and applications for Interpretation Plans to the various Government Departments and relevant competent authorities; and
- (ii) the Company having given full access to the Property four (4) weeks after the date of exercise of the Option for renovation work purposes and the balance Purchase Consideration of S\$2,098,170 being placed in an escrow account maintained by the Company's lawyer.

4.5 The Proposed Acquisition shall be completed within eight (8) weeks from the date of the exercise of the Option (the "**Completion Date**").

5. RATIONALE FOR THE PROPOSED ACQUISITION

Referring to the announcements dated 27 June 2014 and 24 July 2014, the Company has entered into an agreement to dispose its leasehold property at 47 Loyang Drive Singapore 508955 (the "**Disposal**"). In view of the Disposal, the corporate office of the Company will be re-located to the Property.

6. SOURCE OF FUNDS FOR THE PROPOSED ACQUISITION

The Proposed Acquisition will be funded through the Company's internal sources. In addition, the Company will also consider and evaluate various financing alternatives, including but not limited to external bank borrowings.

7. RELATIVE FIGURES COMPUTED PURSUANT TO RULE 1006 OF THE LISTING MANUAL

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual in respect of the Proposed Acquisition and based on the latest announced consolidated financial statements of the Group for the financial year ended 28 February 2014 ("**FY2014**") are as follows:

Rule		Property (S\$'000)	Group (S\$'000)	Relative figures
1006(a)	Net asset value of the assets to be disposed of, compared with the group's net asset value.	Not applicable	31,242	Not applicable
1006(b)	The net profits attributable to the assets acquired, compared with the group's net profits.	Not applicable	742	Not applicable

7. RELATIVE FIGURES COMPUTED PURSUANT TO RULE 1006 OF THE LISTING MANUAL (CONT'D)

Rule		Property (S\$'000)	Group (S\$'000)	Relative figures
1006(c)	The aggregate value of the consideration given, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	2,209	15,565*	14.19%
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable	Not applicable	Not applicable

* Based on the volume weighted average closing price per share on 22 September 2014, being the last market day prior to the Proposed Acquisition.

As the relative figures calculated on the bases set out in Rule 1006(a) to Rule 1006(d) exceed 5% but less than 20%, the aforesaid Proposed Acquisition is a discloseable transaction under Rule 1010 of the Listing Manual of the SGX-ST, for which the approval of the shareholders of the Company is not required.

8. FINANCIAL EFFECTS

There are no material financial effects of the Proposed Acquisition on the net tangible assets per share and the earnings per share of the Company.

9. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or Controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition.

10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the agreement will be made available for inspection by shareholders of the Company from 8.30am to 5.30 p.m. from Monday to Friday at the Company's registered office at 47 Loyang Drive Singapore 508955 for a period of 3 months from the date of the announcement.

BY ORDER OF THE BOARD

YAP KIAN PENG
Executive Deputy Chairman and Chief Executive Officer
24 September 2014