

CHANGE IN CAPITAL :: PLACEMENT :: PROPOSED ISSUE AND SUBSCRIPTION OF 41,800,000 NEW ORDINARY SHARES

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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 *	Chua Sze Chyi
Designation *	Joint Company Secretary
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>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

Announcement Title *	PROPOSED ISSUE AND SUBSCRIPTION OF 41,800,000 NEW ORDINARY SHARES
Specific shareholder's approval required? *	No
Description *	Please refer to the attachment.
Attachments	📄 Jackspeed announcement subscription individualplacees_29Feb2012_FINAL.pdf Total size =27K (2048K size limit recommended)

JACKSPEED CORPORATION LIMITED
(Incorporated In the Republic of Singapore)
(Company Reg. No.: 199300300W)

**PROPOSED ISSUE AND SUBSCRIPTION OF 41,800,000 NEW ORDINARY SHARES IN THE
CAPITAL OF JACKSPEED CORPORATION LIMITED (THE “SUBSCRIPTION”)**

1. INTRODUCTION

The Board of Directors of Jackspeed Corporation Limited (the “**Company**”) wishes to announce that the Company has, on 29 February 2012, entered into a conditional subscription agreement (the “**Subscription Agreement**”) with the placees set out in the table below (the “**Subscribers**”) where the Company has agreed to allot and issue to the Subscribers, and the Subscribers have agreed to subscribe and pay for, in aggregate 41,800,000 new ordinary shares (the “**Subscription Shares**”) in the share capital of the Company at a subscription price of S\$0.0795 per Subscription Share (the “**Subscription Price**”), subject to and upon the terms and conditions of the Subscription Agreement:

Name of Subscribers	Number of Subscription Shares
TAN GHUAT WOON	6,600,000
TNG KUM CHOE	12,400,000
LEE HONG NGIE	10,100,000
LI HUNG	1,300,000
ZHANG YUNQI	2,000,000
TAN HIOK SEN	3,100,000
WEE SIEW JOO DOROTHY	4,400,000
LIM SER MUI	1,900,000
Total	41,800,000

The Subscription Price represents a discount of approximately 9.97% to the volume-weighted average price (“**VWAP**”) of S\$0.0883 for each ordinary share in the capital of the Company (“**Share**”), based on trades done on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 24 February 2012 (being the full market day preceding the date on which the Subscription Agreement was signed) and 27 February 2012 (being the last market day on which trading halt on the Shares was being effected).

The Subscription Shares, when issued and delivered, shall be free from all claims, charges, liens and other encumbrances and shall rank *pari passu* in all respects with the Shares existing as at the date of issue of the Subscription Shares except for any dividends, rights, allotments, distributions or other entitlements the record date of which falls on or before the date of issue.

The Subscription Shares will be issued pursuant to the general mandate (“**General Mandate**”) granted by the shareholders of the Company by ordinary resolution pursuant to Rule 806 of the SGX-ST Listing Manual at the Company’s Annual General Meeting (“**AGM**”) on 28 June 2011. The General Mandate authorises the Directors of the Company to issue up to 20% of the issued share capital of the Company as at 28 June 2011 if the new shares are not issued on a pro-rata basis to all existing shareholders of the Company, provided that such price shall not represent more than 10% discount to the weighted average price per Share determined in accordance with the requirements of the SGX-

ST. There was no issuance of shares since 28 June 2011 up to the date of this announcement. The 41,800,000 Subscription Shares represent 19.98% of the total number of issued Shares of 209,243,579 Shares as at the date of the approval of the General Mandate and the date of this announcement, and 16.65% of the enlarged number of issued Shares immediately after the completion of the Subscription (assuming all the 41,800,000 Subscription Shares are issued).

2. ABOUT THE SUBSCRIBERS

Details of the Subscribers, the number of Subscription Shares to be subscribed by each Subscriber and the aggregate Subscription Price to be paid by each Subscriber are set out below:

Name of Subscribers	Number of Subscription Shares	Aggregate Subscription Price (S\$)
TAN GHUAT WOON	6,600,000	524,700
TNG KUM CHOE	12,400,000	985,800
LEE HONG NGIE	10,100,000	802,950
LI HUNG	1,300,000	103,350
ZHANG YUNQI	2,000,000	159,000
TAN HIOK SEN	3,100,000	246,450
WEE SIEW JOO DOROTHY	4,400,000	349,800
LIM SER MUI	1,900,000	151,050
Total	41,800,000	3,323,100

Each of the Subscribers are individual investors and were introduced to the Company by a business associate of the Company. The proposed Subscription is for each of the Subscribers' financial investment purposes.

The Subscribers have no connection (including business relationships) with the Company, its Directors and substantial shareholders, and are not persons to whom the Company is prohibited from issuing shares to, as provided for by Rule 812 of the Listing Manual of the SGX-ST.

Under the terms of the Subscription Agreement, each Subscriber has represented, warranted and undertaken to and for the benefit of the Company that none of them are related in any way whatsoever and they are not acting in concert in relation to the subscription by them of the Subscription Shares.

Upon the Subscription being completed, none of the Subscribers will be interested in more than 5% of the enlarged issued and paid-up share capital of the Company.

3. CONDITIONS PRECEDENT TO COMPLETION

The obligations of the Company and the Subscribers under the Subscription Agreement are conditional upon, *inter alia*, the receipt of in-principle approval for the admission of all the Subscription Shares to the Official List of the SGX-ST and the listing and quotation of all the Subscription Shares on the SGX-ST being obtained from the SGX-ST and not being revoked or amended and, to the extent that any conditions for the listing and quotation of the Subscription Shares on the Main Board of the SGX-ST are required to be fulfilled on or before Completion Date, they are so fulfilled on or before that date to the satisfaction of SGX-ST or waived by SGX-ST.

If any of the conditions precedent under the Subscription Agreement is not satisfied on or before the Completion Date or such other date as the parties may agree, the Subscription Agreement shall ipso facto cease and determine thereafter and none of the parties shall have any claim against the other for costs, expenses, damages, losses, compensation or otherwise.

Completion of the Subscription is to take place on a date not later than 1 (one) month from the date of the Subscription Agreement or such other date as the parties hereto may agree in writing.

The Company will be making an application to the SGX-ST for the listing and quotation of the Subscription Shares on the Main Board of the SGX-ST. The Company will make the appropriate announcement when such approval-in-principle is received.

4. USE OF NET PROCEEDS

The Subscription will allow the Company to raise estimated net proceeds (the “**Net Proceeds**”) of up to approximately S\$3 million (after deducting expenses incurred in connection with the Subscription) assuming all the 41,800,000 Subscription Shares are issued.

The Company intends to use 100% of the Net Proceeds for general working capital purposes.

5. FINANCIAL EFFECTS

As at the date of this announcement, the Company has an issued and paid-up share capital of S\$28,002,544 comprising 209,243,579 Shares. Upon completion of the Subscription, the issued and paid-up share capital of the Company will increase to S\$31,325,644, comprising 251,043,579 Shares. The 41,800,000 Subscription Shares represent 19.98% of the total number of issued Shares of 209,243,579 Shares as at the date of this announcement, and 16.65% of the enlarged number of issued Shares immediately after the completion of the Subscription.

Based on the latest audited financial statements of the Group for the year ended 28 February 2011, the Group's consolidated net asset value per Share and loss per Share was approximately 11.09 cents and 0.63 cents respectively. Assuming that the Subscription had been effected on 1 March 2010 and that all the 41,800,000 Subscription Shares are issued on the same date, the Group's consolidated net asset value per Share and loss per Share, after adjusting for the issue of the Subscription Shares, would be approximately 9.24 cents and 0.52 cents respectively.

6. GENERAL

The Subscription Shares will not be placed to any of the persons set out as restricted persons under Rule 812(1) of the Listing Manual of the SGX-ST, save for persons which fall within the exception under Rule 812(3) of the Listing Manual of the SGX-ST.

None of the Directors of the Company nor (in so far as the Directors of the Company are aware) any substantial shareholder of the Company or their respective associates has any interest, whether direct or indirect, in the Subscription.

The Company will be applying to the SGX-ST for the dealing in, listing and quotation of the Subscription Shares on the Official List of the SGX-ST and will make the necessary announcements once the approval-in-principal of the listing and quotation of the Subscription Shares have been obtained from the SGX-ST.

7. DOCUMENTS FOR INSPECTION

A copy of the Subscription Agreement is available for inspection during the normal business hours at the registered office of the Company at 47 Loyang Drive Singapore 508955, for a period of three months from the date of this announcement.

By order of the Board

Yap Kian Peng
Executive Chairman and Chief Executive Officer
29 February 2012