


## HALF YEAR RESULTS \* FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT

\* Asterisks denote mandatory information

<b>Name of Announcer *</b>	JACKSPEED CORPORATION LIMITED
<b>Company Registration No.</b>	199300300W
<b>Announcement submitted on behalf of</b>	JACKSPEED CORPORATION LIMITED
<b>Announcement is submitted with respect to *</b>	JACKSPEED CORPORATION LIMITED
<b>Announcement is submitted by *</b>	Chua Sze Chyi
<b>Designation *</b>	Joint Company Secretary
<b>Date &amp; Time of Broadcast</b>	13-Oct-2011 18:50:36
<b>Announcement No.</b>	00102

## &gt;&gt; ANNOUNCEMENT DETAILS

The details of the announcement start here ...

<b>For the Financial Period Ended *</b>	31-08-2011
<b>Description</b>	Please refer to attachment.
<b>Attachments</b>	 AnnouncementOfHalfYearResultsAug2011.pdf Total size = <b>46K</b> (2048K size limit recommended)



**JACKSPEED CORPORATION LIMITED**  
(Incorporated in Singapore)  
Registration No. 190300300W

**FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE HALF YEAR ENDED 31 AUGUST 2011**

**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 AND Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding year of the immediately preceding financial year.

**Statement of Comprehensive Income**

**CONTINUING OPERATIONS**

Revenue

Cost of sales

Gross profit

**Other items of income**

Interest income

Other credits

**Other items of expenses**

Marketing and distribution costs

Administrative expenses

Finance costs

Other charges

Share of profit of associate

Profit/(loss) before tax

Income tax expense

Profit/(loss) from continuing operations

**DISCONTINUED OPERATIONS**

Loss from discontinued operations

Total profit/(loss)

Profit/(loss) attributable to owners of the parent, net of tax

Profit/(loss) attributable to non-controlling interests, net of tax

**Other comprehensive income/(loss), net of tax**

Fair value gains on available-for-sale financial assets

Exchange difference on translating foreign subsidiaries

Total comprehensive income/(loss)

**Total comprehensive income/(loss):**

Attributable to owners of the parent, net of tax

Attributable to non-controlling interests, net of tax

NA - Not applicable

Note	Group		
	Period Ended		
	31 Aug 2011 \$'000	31 Aug 2010 \$'000	Change %
	12,204	8,570	42.4
	(9,205)	(5,627)	63.6
	2,999	2,943	1.9
	59	27	118.5
1	737	121	509.1
	(530)	(612)	(13.4)
	(2,564)	(2,425)	5.7
	(163)	(6)	2,616.7
1	(31)	(276)	(88.8)
	71	-	NA
	578	(228)	(353.5)
	(153)	(166)	(7.8)
	426	(394)	(207.9)
2	(182)	(253)	(28.1)
	243	(647)	(137.6)
	34	(647)	(105.3)
	209	-	NA
	243	(647)	(137.6)
	9	-	NA
	(229)	318	(172.0)
	23	(329)	(107.0)
	(186)	(329)	(43.5)
	209	-	NA
	23	(329)	(107.0)

**Note 1****Other credits and (other charges)**

Reversal of allowance for impairment of trade and other receivables	20	80	(75.0)
Foreign exchange adjustment losses	(31)	(276)	(88.8)
Gain on disposal of plant and equipment	429	13	3,200.0
Gain on disposal of subsidiaries	210	-	NA
Gain on disposal of available-for-sale financial assets	9	-	NA
Government grant and jobs credits	69	28	146.4
Net	<b>706</b>	<b>(155)</b>	<b>(555.5)</b>

Presented in profit or loss as:

Other credits	737	121	509.1
Other charges	(31)	(276)	(88.8)
Net	<b>706</b>	<b>(155)</b>	<b>(555.5)</b>

Period Ended		
31 Aug 2011 \$'000	31 Aug 2010 \$'000	Change %
20	80	(75.0)
(31)	(276)	(88.8)
429	13	3,200.0
210	-	NA
9	-	NA
69	28	146.4
<b>706</b>	<b>(155)</b>	<b>(555.5)</b>
737	121	509.1
(31)	(276)	(88.8)
<b>706</b>	<b>(155)</b>	<b>(555.5)</b>

**Note 2****Discontinued operations**

Revenue	286	363	(21.2)
Expenses	(468)	(616)	(24.0)
Loss before tax from discontinued operations	(182)	(253)	(28.1)
Tax	-	-	NA
Loss after tax from discontinued operations	<b>(182)</b>	<b>(253)</b>	<b>(28.1)</b>

Period Ended		
31 Aug 2011 \$'000	31 Aug 2010 \$'000	Change %
286	363	(21.2)
(468)	(616)	(24.0)
(182)	(253)	(28.1)
-	-	NA
<b>(182)</b>	<b>(253)</b>	<b>(28.1)</b>

As part of the Group's continued plans to rationalise its business, the Group has undertaken the disposal of 2 wholly-owned subsidiaries, Jackson Vehicle (Singapore) Pte Ltd ("JVS") and Strategic Icon Technologies Pte Ltd ("SIT") in 1H FY2012, for a consideration of \$900,000 and \$1 respectively.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

### Statements of Financial Position

Bank borrowings and other credit facilities are secured by a mortgage on a leasehold property and covered by corporate guarantees from the Company.

- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding year of the immediately preceding financial year.

**Consolidated Statement of Cash Flows**

	Group	
	Period Ended	
	31 Aug 2011	31 Aug 2010
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Profit/(loss)	243	(647)
<u>Adjustments for:</u>		
Income tax expense	153	166
Interest income	(59)	(28)
Interest expense	166	22
Depreciation of property, plant and equipment	421	293
Depreciation of investment property	13	-
Gain on disposal of plant and equipment	(429)	(13)
Gain on disposal of subsidiary	(210)	-
Share of profit of associate	(71)	-
<b>Operating cash flows before changes in working capital</b>	<b>227</b>	<b>(207)</b>
Cash restricted in use	-	12
Inventories	(321)	671
Trade and other receivables	(48)	(272)
Finance lease receivables	(111)	-
Other assets	(328)	(849)
Trade and other payables	72	386
<b>Net cash used in operations before interest and tax</b>	<b>(509)</b>	<b>(259)</b>
Income taxes paid	(188)	(115)
<b>Net cash used in operating activities</b>	<b>(697)</b>	<b>(374)</b>
<b>Cash flows from investing activities</b>		
Acquisition of a subsidiary, net of cash acquired	(2,632)	-
Proceeds from disposal of subsidiaries, net of cash disposed	428	-
Proceeds from disposal of plant and equipment	618	15
Purchase of property, plant and equipment	(974)	(161)
Purchase of available-for-sale financial assets	(4,111)	-
Interest received	59	28
<b>Net cash used in investing activities</b>	<b>(6,612)</b>	<b>(118)</b>
<b>Cash flows from financing activities</b>		
Increase in borrowings	851	54
Proceeds from/(repayment of) finance lease payables	204	(25)
Interest paid	(166)	(22)
<b>Net cash from financing activities</b>	<b>889</b>	<b>7</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(6,420)</b>	<b>(485)</b>
Cash and cash equivalents, cash flow statement, beginning balance	11,804	12,745
Effect of exchange rate changes on cash and cash equivalents	(108)	178
<b>Cash and cash equivalents, cash flow statement, ending balance</b>	<b>5,276</b>	<b>12,438</b>

Note

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**Note 3**

In 1H FY2012, the Group acquired 60% of the issued share capital of Index Credit Pte Ltd and completed the sale of its 100% interest in JVS and SIT.

The aggregate effects of acquisition and disposal of these subsidiaries on the cash flows of the Group are as follows:

	Acquisition		Disposal
	At fair values	Carrying amounts	Carrying amounts
	\$'000	\$'000	\$'000
<b>Identifiable assets and liabilities</b>			
Cash and cash equivalents	868	868	472
Trade and other receivables	875	875	128
Finance lease receivables	9,002	9,002	-
Inventories	2,455	2,455	288
Property, plant and equipment	2,767	2,767	128
Investment in associate	231	231	-
Deferred tax assets	-	-	17
<b>Total assets</b>	<b>16,198</b>	<b>16,198</b>	<b>1,033</b>
Trade and other payables	(725)	(688)	(329)
Finance lease payables	(11,456)	(9,929)	(13)
Other financial liabilities	(704)	(2,231)	-
Income tax payable	(83)	(83)	(1)
<b>Total liabilities</b>	<b>(12,968)</b>	<b>(12,931)</b>	<b>(343)</b>
<b>Identifiable net assets acquired/(disposed)</b>	<b>3,230</b>	<b>3,267</b>	<b>690</b>
Identifiable net assets acquired/(disposed) attributable to owners of parent	1,938		690
Add: Goodwill on acquisition	1,562		
Cash consideration paid	3,500		
Less: Cash and cash equivalents in subsidiary acquired	(868)		
<b>Net cash outflow from acquisition</b>	<b>2,632</b>		
Gain on disposal			210
Cash proceeds from disposal			900
Less: Cash and cash equivalents in subsidiaries disposed			(472)
<b>Net cash inflow on disposal</b>			<b>428</b>

**Note 4****Represented by:**

Cash and cash equivalents in the consolidated cash flow statement

Cash restricted in use

Balance as per cash and cash equivalent in the statement of financial position

	31 Aug 2011 \$'000	31 Aug 2010 \$'000
Cash and cash equivalents in the consolidated cash flow statement	5,276	12,438
Cash restricted in use	12	-
<b>Balance as per cash and cash equivalent in the statement of financial position</b>	<b>5,288</b>	<b>12,438</b>

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding year of the immediately preceding financial year.

**Statements of Changes in Equity**

	Group		Company	
	31 Aug 2011 \$'000	31 Aug 2010 \$'000	31 Aug 2011 \$'000	31 Aug 2010 \$'000
<b>Share capital</b>				
Balance at beginning of the period	28,003	28,003	28,003	28,003
<b>Balance at end of the period</b>	<b>28,003</b>	<b>28,003</b>	<b>28,003</b>	<b>28,003</b>
<b>Other reserves</b>				
Balance at beginning of the period	(336)	(414)	-	-
Total comprehensive (loss)/income for the period	(220)	318	9	-
<b>Balance at end of the period</b>	<b>(556)</b>	<b>(96)</b>	<b>9</b>	<b>-</b>
<b>Accumulated losses</b>				
Balance at beginning of the period	(4,899)	(3,584)	(11,548)	(8,882)
Total comprehensive income/(loss) for the period	34	(647)	(16)	(982)
<b>Balance at end of the period</b>	<b>(4,865)</b>	<b>(4,231)</b>	<b>(11,564)</b>	<b>(9,864)</b>
<b>Equity, attributable to owners of the parent</b>	<b>22,682</b>	<b>23,676</b>	<b>16,448</b>	<b>18,139</b>
<b>Non-controlling interests</b>				
Balance at beginning of the period	431	431	-	-
Acquisition of a subsidiary	1,292	-	-	-
Total comprehensive income for the period	209	-	-	-
<b>Balance at end of the period</b>	<b>1,932</b>	<b>431</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>24,614</b>	<b>24,107</b>	<b>16,448</b>	<b>18,139</b>

- 1(d)(iii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares of the issuer, as at the end of the current financial year reported on and as at the end of the corresponding year of the immediately preceding financial year.

There was no change to the Company's issued share capital since the end of the preceding financial year.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.

209,243,000 ordinary shares were issued as at 31 August 2011 (28 February 2011: 209,243,000).

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial year reported on.

The Company does not have any treasury shares.

- 2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors of the Company.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the Group's financial statements for the current financial period compared with the audited financial statements as at 28 February 2011 except for the adoption of the applicable new and revised Financial Reporting Standards (FRS) and INT FRS that that mandatory for the financial period beginning 1 March 2011. The adoption of these FRS and INT FRS has no significant impact on the financial statements.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

- 6 Earnings per ordinary share of the group for the current financial year reported on and the corresponding year of the immediately preceding financial year, after deducting any provision for preference dividends:-

	Group	
	31 Aug 2011	31 Aug 2010
Earnings per ordinary share for the period based on profit/(loss) attributable to owners of the parent, net of tax	Cents	Cents
a) Based on weighted average number of ordinary shares of 209,243,000 (2010: 209,243,000)	0.02	(0.31)
b) On a fully diluted basis	0.02	(0.31)

- 7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

(a) current financial year reported on; and

(b) immediately preceding financial year.

	Group		Company	
	31 Aug 2011	28 Feb 2011	31 Aug 2011	28 Feb 2011
	Cents	Cents	Cents	Cents
* Net asset value per ordinary share based on issued share capital as at the end of the reporting period	11.72	11.09	7.86	7.86

\* Total equity including non-controlling interests.

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial year reported on, including (where applicable) seasonal or cyclical factors; and

b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial year reported on.

In 1H FY2012, to further expand downstream into the automotive industry, the Group acquired 60% equity in Index Credit Pte Ltd for a consideration of \$3.5 million. Index Credit Pte Ltd is a company which was incorporated on 18 September 1999 under the laws of Singapore. Index Credit is currently engaged in the business of selling, leasing and renting of commercial and motor vehicles. Index Credit is the holding company of the Index group of companies (the "Index Group") which includes a wholly owned subsidiary, Index Agency Pte Ltd and partially owned subsidiaries, Strada Automobil Pte Ltd and Index Motor Enterprise.

#### Impact of acquisition

	Period Ended		
	31 Aug 2011 \$'000	31 Aug 2010 \$'000	Change %
Revenue	5,078	-	NA
Expenses	(4,513)	-	NA
Profit before tax from acquired subsidiary	565	-	NA
Tax	(42)	-	NA
Profit after tax from acquired subsidiary	523	-	NA
Profit after tax from acquired subsidiary attributable to non-controlling interests	209	-	NA
Profit after tax from acquired subsidiary attributable to owners of the parent	314	-	NA

#### Statement of comprehensive income

##### Revenue

Group revenue from continuing operations in 1H FY2012 increased by \$3.6 million or 42% to \$12.2 million from \$8.6 million in the same period last year. This is mainly due to the revenue contributed by Index Group that was acquired in 1H FY2012. The results of Index Group are grouped under a new operating segment - Automotive segment.

The segments and the types of products and services are as follows:

- (a) Leather segment - This segment comprises sales of leather trim to car distributors, dealers, and manufacturers in automotive and aviation industries;
- (b) Accessories segment - This segment comprises sales of accessories to car distributors, dealers and Original Equipment Manufacturers in the automotive industry; and
- (c) Automotive segment - This segment comprises of sales from trading, financing and rental of motor vehicles and business of commission agents.

The Leather, Accessories and Automotive segments accounted for 36%, 22% and 42% respectively of the Group's revenue in 1H FY2012. Excluding the revenue contributed by the new Automotive segment, the Leather and Accessories segments accounted for 62% and 38% respectively of the revenue in 1H FY2012 as compared to 67% and 33% in 1H FY2011. Revenue from the Leather segment in 1H FY2012 declined as compared to the same period last year mainly due to lower sales in the Singapore market.

Revenue from continuing operations in the Accessories segment remained unchanged.

Other credits in 1H FY2012 comprised mainly the gain of S\$0.4 million from the disposal of plant and equipment and \$0.2 million from the disposal of subsidiaries, JVS and SIT.

Other charges in 1H FY2012 relates to foreign exchange adjustment losses of \$0.03 million. The foreign exchange adjustment losses of \$0.3 million in 1H FY2011 mainly arose from weakened Euro.

There are no significant changes to marketing and distribution costs and administrative expenses.

The share of profit of associate relates to an associate, Strada Automobil Pte Ltd, that was acquired through acquisition of Index Group in 1H FY2012.

#### Statement of financial position

##### Group

Property, plant and equipment increased by approximately \$2.9 million mainly due to inclusion of property, plant and equipment amounting to \$2.8 million as a result of acquisition of Index Group.

Goodwill of \$1.6 million arises from acquisition of Index Group.

In 1H FY2012, the Group purchased \$4.1 million of fixed-rated bonds which were presented as available-for-sale financial assets (current and non-current).

Inventories increased by approximately \$2.5 million mainly due to inclusion of inventory amounting to \$2.5 million as a result of acquisition of Index Group, offset by \$0.3 million inventory disposed through disposal of JVS and SIT.

Trade and other receivables increased by \$0.5 million mainly due to inclusion of trade and other receivables amounting to \$0.6 million as a result of acquisition of Index Group.

Finance lease receivables (current and non-current) relate to motor vehicle finance lease receivables of Index Credit Pte Ltd.



Other assets increased by \$0.6 million mainly due to deposit of \$0.3 million paid by a subsidiary to suppliers and inclusion of prepayments and deposits amounting to \$0.3 million as a result of acquisition of Index Group.

Other financial liabilities and finance lease payables (current and non-current) increased by \$13.2 million due to inclusion of borrowings and finance lease payables amounting to \$12.2 million as a result of acquisition of Index Group and bank loan of \$1.0 million drawn down by a subsidiary in 1H FY2012.

**Consolidated cash flow statement**

Cash and cash equivalents decreased by approximately \$6.4 million in 1H FY2012 as a result of net cash of \$2.6 million used in the acquisition of Index Group and purchase of available-for-sale financial assets of \$4.1 million.

- 9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.  
The Group did not issue any forecast or prospect statement to shareholders for the current reporting period.
- 10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting year and the next 12 months.  
The general economic sentiments have remained cautious. We do not expect to see growth in the Leather and Accessories segments for the markets in Singapore and Europe. However, as the Group continues its business rationalisation exercises, with the disposal of JVS and SIT and the acquisition of Index Group, we expect our FY2012 financial performance to be better than FY2011.
- 11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended);  
No.

(b) (i) and (ii)

**Type of dividend**

Interim  
Final  
Tax rate

Group and Company	
1H FY2012 Cents	1H FY2011 Cents
Nil	Nil
Nil	Nil
Not applicable	Not applicable

c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

d) The date the dividend is payable.  
Not applicable.

e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.  
Not applicable.

- 12 If no dividend has been declared/recommended, a statement to that effect.  
No dividend has been declared or recommended for the financial period ended 31 August 2011.

- 13 General mandate from shareholders for Interested Person Transaction pursuant to Rule 920  
There is no general mandate obtained from shareholders for Interested Person Transaction pursuant to Rule 920.

- 14 Confirmation by directors  
The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial results for the period ended 31 August 2011 to be false or misleading.

**ON BEHALF OF THE BOARD**

NEO GIM KIONG  
CHIEF EXECUTIVE OFFICER