

ANNOUNCEMENT

Joint venture and incorporation of associated company – AAPICO Jackspeed Co., Ltd

The Board of Directors (the "**Board**") of Jackspeed Corporation Limited (the "**Company**") refers to the announcement made on 5 July 2006 regarding the incorporation, on 23 June 2006, of an associated company of the Company, AAPICO Jackspeed Co., Ltd (the "**Transaction**") as a joint venture between the Company and AAPICO Hitech Public Co., Ltd ("**AAPICO**").

AAPICO has, as of 7 July 2006, a deemed interest over 20% of the issued and paid-up share capital of the Company through its wholly owned subsidiary, AAPICO Investment Pte Ltd.

The Board would like to announce that as the Transaction is between the Company and its controlling shareholder, AAPICO, the Transaction constitutes an interested person transaction. The Company's proportion of the paid-up share capital of Thai Baht 20 million, which is Thai Baht 8 million, represents 1.6% of the audited net tangible assets of the Group as at 28 February 2006. The Company's audit committee has reviewed the terms of the Transaction and is of the view that (i) the risks and rewards of the Transaction are in proportion to the equity of the Company and AAPICO, and (ii) the Transaction is on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

BY ORDER OF THE BOARD

**KHOO SOO FANG
LOW MEI MEI MAUREEN
COMPANY SECRETARIES
10 JULY 2006
SINGAPORE**