

**JACKSPEED CORPORATION LIMITED**  
(Registration No: 199300300W)

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**INCREASE IN SHAREHOLDING IN SUBSIDIARY, JACKSPEED INDUSTRIES SDN BHD**

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The Board of Directors of Jackspeed Corporation Limited ("the Company") wishes to announce that the Company has increased its shareholdings in its subsidiary, Jackspeed Industries Sdn Bhd ("JMI") from 70% to 100% by acquiring 150,000 ordinary shares of par value RM1.00 each from an existing shareholder, Mr Armin Baniaz Bin Pahamin for a total consideration of RM 1.00.

Consequential to the said acquisition, the Company holds 500,000 ordinary shares, representing 100% of the issued and paid-up capital of JMI.

The above acquisition of shares in JMI follows the Company's initiatives to streamline its operations. JMI specialises in the sale of leather seats to automotive manufacturers in Malaysia. With this, its businesses will be consolidated into the operations of Jackspeed Leather Special Manufacturer (M) Sdn Bhd.

The above transaction is not expected to have any material impact on the net earnings per share or net tangible assets per share of the Company for the financial year ending 28 February 2007.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction.

BY ORDER OF THE BOARD

KHOO SOO FANG  
LOW MEI MEI MAUREEN  
COMPANY SECRETARIES  
14 DECEMBER 2006  
SINGAPORE