Securities Investors Association (Singapore)
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Email: admin@sias.org.sg www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y

Issuer: Jackspeed Corporation Limited

Stock code: J17

Meeting details:
Date: 25 June 2021
Time: 9.30 a.m.

Due to the current COVID-19 pandemic, SIAS encourage shareholders to participate at AGMs via other means and not to attend any AGM physically. Where the AGM is webcast, they can stay on top of their investments by watching the webcast and submitting their question to the company in advance. Senior citizens should avoid attending AGMs altogether and stay home.

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Q1. As noted in the letter to shareholders, the company has been actively seeking an acquisition to "maximise shareholders' value" since the disposal of its former business and business assets in January 2020.

It was also disclosed that the company had been in discussions on projects since January 2020 although the company's efforts have been hampered by the COVID-19 pandemic.

(i) **Can the board elaborate further on how it is sourcing for new businesses/assets? Who is leading the search?**

(ii) **Is the company engaging a professional investment bank or reputable broker in its search for businesses/assets that are suitable for a listed company?**

(iii) **What is the involvement of the independent directors in the search?**

(iv) **Can the board help shareholders understand its expertise and experience in deal sourcing, due diligence and deal structuring?**

(v) **What is the focus of the company's search, in terms of industry/sector, geography and deal size?**

Q2. As a cash company with no operation, the group generated no revenue and recorded a loss of $0.5 million in FY2021 mainly due to administrative expenses (comprising mainly stock exchange listing fees, professional fees, director fees, staff expenses and statutory expenses).

As at the end of the financial year, the company's liabilities exceed total assets by $0.3 million. The independent auditors drew attention to a material uncertainty related to going concern. The company's continuation as a going concern is dependent on the related party (Jackspeed Holdings Pte. Ltd.) providing financial support to enable the company to continue in operation and to settle its liabilities as and when they fall due.

The company became a cash company on 3 January 2020. Under Rule 1018(2) of the Listing Manual of SGX-ST, the exchange will proceed to remove the company from the Official List if it is unable to meet the requirements for a new listing within 12 months from the time it became a cash company.

On 21 April 2021, the company had received approval from the Singapore Exchange Securities Trading Limited ("SGX-ST") on the Company's application for an extension of time of up to 21 July 2021 to comply with Rule 1018 of the listing manual of SGX-ST.

(i) **Can the board elaborate further on the progress it has made in the search for new businesses/assets? Is the company in advanced negotiation with any parties?**

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(ii) **Other than travel restrictions due to the pandemic, what has caused the delay in the group's search?**

(iii) **With approximately 5 weeks left to comply with Rule 1018, is there sufficient time for the company to comply with Rule 1018?**

Q3. On page 20 of the annual report, the company showed the remuneration of the directors (reproduced below):

The remuneration of Directors for FY2021 is as follows:

Directors	Remuneration Band	Base Salary (%)[1]	Bonus (%)	Directors' Fee (%)[2]	Allowance (%)	Total (%)
Yap Kian Peng	Below S$250,000	–	–	100	–	100
Chua Sze Chyi		–	–	100	–	100
Chin Yew Choong David		–	–	100	–	100
Toh Tiong San		–	–	100	–	100

(1) Includes employer's Central Provision Fund contributions.
(2) Directors' fees paid in arrears were approved by shareholders at the AGM held on 26 June 2020.

(Source: company annual report)

It is noted that all four directors only received directors' fees as the group no longer has any operating unit. The company has stated that there are no key management personnel for the same reason.

In Note 3B (page 49 - Related party relationships and transactions: Key management compensation), it was disclosed that the remuneration and fees for directors in FY2021 were $129,000 and $196,000 respectively.

	2021 $'000	2020 $'000
Remuneration of directors of the Company	129	1,087
Fees to directors of the Company	196	196

(i) **Can the board/remuneration committee help shareholders understand the discrepancy between the disclosure in the Corporate Governance report (page 20) and Note 3B to the financial statement (page 49)?** The former stated that all directors only received fees while the latter shows that $129,000 was paid out as "remuneration"/salary in FY2021.

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(ii) **Given that the group has no operations in FY2021, and that the audit fees have been reduced from $91,000 (FY2019) to $30,000 (FY2021), has the board considered a similar reduction in directors' fees?**

^On 1 October 2020, the Accounting and Corporate Regulatory Authority ("ACRA"), the Monetary Authority of Singapore ("MAS") and Singapore Exchange Regulation ("SGX RegCo") published an updated checklist to guide listed entities on the conduct of general meetings arising from the latest updates from the Multi-Ministry Taskforce.

Issuers may continue to conduct their general meetings held on or before 30 June 2021 via electronic means, and are encouraged to do so.

Issuers who, after due consideration of public health and other risks, wish to provide for physical attendance at their general meetings must ensure that they implement all relevant measures to comply with the safe management measures imposed by the Singapore Government.

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Can't attend the AGM or view the webcast? Check out the latest questions on the annual reports of listed companies on SIAS website

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^ Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation (https://www.sgx.com/media-centre/20201001-guidance-conduct-general-meetings-amid-evolving-covid-19-situation)