



EQUATION CORP LIMITED
(Co. Reg. No. 197501110N)

**INCORPORATION OF A NEW SUBSIDIARY – EQUATION SOLAR
MANAGEMENT PTE. LTD. (“ESM”)**

Equation Corp Limited (the "Company") wishes to announce that it has incorporated and subscribed for 51% equity in a new subsidiary in Singapore, ESM. The remaining 49% of the paid-up share capital of ESM is held by a non-related Singapore partner.

ESM's principal activities are to provide business management and consultancy services for solar energy related businesses.

ESM has an initial issued and paid-up share capital of S\$2,000.

The investment in ESM was funded through internal resources and is not expected to have any material effect on the earnings per share and consolidated net tangible assets per share of the Group for the current financial year.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction save for their interest (if any) in the share capital of the Company.

By Order of the Board

Chng Weng Wah
Director
2 May 2008