



(Company Registration No. 197501110N)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an **EXTRAORDINARY GENERAL MEETING** (“EGM”) of Equation Corp Limited (the “**Company**”) will be convened on 31 October 2008 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the 32nd Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place) at 300 Jalan Bukit Ho Swee, Singapore 169566, for the purpose of considering and, if thought fit, passing with or without any modifications the following special and ordinary resolutions:-

(1) ORDINARY RESOLUTION (1) - THE PROPOSED PERFORMANCE SHARES SCHEME

RESOLVED THAT:-

- (a) a new performance share scheme to be known as the “ECL Performance Shares Scheme”, the rules of which, for the purposes of identification, have been subscribed to by the Chairman of this Meeting, under which awards (the “**Awards**”) of fully paid-up Shares will be granted, free of payment, to selected employees of the Company and its subsidiaries, including Directors of the Company, be and is hereby approved;
- (b) the Directors of the Company be and are hereby authorised to establish and administer the ECL Performance Shares Scheme;
- (c) the Directors of the Company be and are hereby authorised to allot and/or issue from time to time such number of fully paid-up Shares as may be required to be allotted and/or issued pursuant to the vesting of Awards under the ECL Performance Shares Scheme, provided that the aggregate number of Shares to be allotted and/or issued pursuant to the ECL Performance Shares Scheme and any other share based schemes of the Company shall not exceed 15% of the total issued shares from time to time.

(2) ORDINARY RESOLUTION (2) - THE PROPOSED PARTICIPATION BY MR CHNG WENG WAH, A CONTROLLING SHAREHOLDER, IN THE ECL PERFORMANCE SHARES SCHEME

RESOLVED THAT subject to and contingent upon Resolution (1) being passed, approval be and is hereby given for the participation of Mr Chng Weng Wah, a controlling shareholder of the Company, in the ECL Performance Shares Scheme.

(3) ORDINARY RESOLUTION (3) - THE PROPOSED PARTICIPATION BY MR CHNG WENG HUAT, THE ASSOCIATE OF A CONTROLLING SHAREHOLDER, IN THE ECL PERFORMANCE SHARES SCHEME

RESOLVED THAT subject to and contingent upon Resolution (1) being passed, approval be and is hereby given for the participation of Mr Chng Weng Huat, an associate of Mr Chng Weng Wah (who is a controlling shareholder of the Company), in the ECL Employee Share Option Scheme.

(4) ORDINARY RESOLUTION (4) – THE PROPOSED ECL SHARE PURCHASE MANDATE

RESOLVED THAT:-

- (a) the Directors of the Company be and are hereby authorised to purchase or otherwise acquire from time to time issued ordinary shares in the capital of the Company (“**ECL Shares**”), up to a maximum of 10% of the issued ordinary share capital of the Company as at the date of the passing of this Resolution at any price which the Directors may determine at their discretion, up to but not exceeding the Maximum Price (defined below), and such purchases and acquisitions of the ECL Shares may be effected by way of:-
- (i) an on-market share acquisition (“**Market Purchase**”) transacted on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), through one or more duly licensed stockbrokers appointed by the Company for such purpose; and/or
 - (ii) an off-market share acquisition (“**Off-Market Purchase**”) pursuant to an equal access scheme(s) as may be determined or formulated by the Directors in their discretion, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act, Chapter 50, of Singapore, and otherwise be in accordance with all other laws and regulations and rules of the SGX-ST;
- (the “**ECL Share Purchase Mandate**”);
- (b) the ECL Share Purchase Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the date on which the next annual general meeting of the Company is or is required by law to be held, whichever is the earlier;
- (c) in this Resolution, the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for an ECL Share will be determined by the Directors for the purposes to effect the purchase or acquisition of ECL Shares. The purchase price to be paid for the ECL Shares pursuant to ECL Share Purchase Mandate (both Market Purchases and Off-Market Purchases), excluding related expenses of the purchase or acquisition must not exceed: -
- (i) in the case of a market purchase of an ECL Share, 105% of the Average Closing Price of the ECL Shares; and
 - (ii) in the case of an off-market purchase of an ECL Share, 110% of the Average Closing Price of the ECL Shares,

(“**Maximum Price**”)

For the above purposes:-

“**Average Closing Price**” means the average of the last dealt prices of an ECL Share for the 5 Market Days (as defined in the Circular dated 8 October 2008) on which the ECL Shares are transacted on the SGX-ST immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Listing Manual, for any corporate action that occurs after the relevant 5-day period; and

“**date of the making of the offer**” means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each ECL Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- (d) the Directors and each of them be authorised, empowered to complete and do and execute all such things and acts as they or he may think necessary or expedient to give effect to this Resolution, with such modifications thereto (if any) as they or he shall think fit in the interests of the Company.

(5) SPECIAL RESOLUTION (5) – THE PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY

RESOLVED THAT the amendments to the Memorandum and Articles of Association of the Company, as set out in **Appendix B (*Amendments to the Memorandum and Articles of Association*)** to the Circular to shareholders of the Company dated 8 October 2008, be approved and adopted.

BY ORDER OF THE BOARD

Chng Weng Wah
Chief Executive Officer/Director
Singapore

8 October 2008

Notes:-

- (a) A shareholder of the Company entitled to attend and vote at the EGM may appoint a proxy (or in the case of a corporation, to appoint its authorised representative or proxy) to attend and vote on his behalf. A proxy need not be an ECL Shareholder and where there is more than one proxy, the proportion (expressed as a percentage of the whole) of his shareholding to be represented by each proxy must be stated.
- (b) If a proxy is to be appointed, the form must be deposited at the registered office of the Company at 8 Cross Street, #11-00 PwC Building, Singapore 048424, not less than 48 hours before the time appointed for the EGM.