



(Company Registration No. 197501110N)  
(the "Company")

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## **PRESS RELEASE**

### **SGX-listed Equation Corp Limited's Associate DiSa Digital Safety GmbH Launches Revolutionary End-to-End Digital Anti-Theft Solution**

- **Revolutionary anti-theft system can help retailers reduce losses due to theft and costs incurred for theft prevention**
- **DiSa Anti-Theft System won two prestigious awards at the 2009 Plus X Award Technology in Cologne, Germany.**

**Singapore, 10 June 2009 – SGX Catalist-listed Equation Corp Limited** ("Equation" or the "Company") today announced that its Germany-based associate company, **DiSa Digital Safety GmbH** ("DiSa GmbH") has launched a revolutionary and award-winning Anti-Theft System ("DiSa") that could help retailers save costs incurred from rampant theft of small electronic devices and from theft prevention.

Invented and patented by Mr Eddie Chng, Chief Executive Officer of Equation, the DiSa system is an end-to-end solution which allow small electronic devices, in the likes of flashcards, USB sticks, mobile phones and MP3 players, to be encrypted with a security code at the point of manufacturing and later decoded only after the consumer has paid for the devices at the point of sale. Stolen devices, which are encrypted by the DiSa system, would not work unless they are decoded by the specific activator. Hence this would prevent the devices from being stolen at any point of the supply chain.

This method of theft deterrence would help retailers, manufacturers and even suppliers, to save substantially on an annual basis, as it would change the way these small electronic devices are packaged in the stores. Additionally, retailers would also save on operating costs incurred on theft prevention and security personnel, and hence would be able to pass on the cost savings ultimately to the consumer.

Chief Executive Officer, Mr Eddie Chng said, "Currently retailers use huge plastic boxes to encase small electronics items to deter theft. The encasing and opening up of such plastic boxes is a very labour intensive and expensive process in Europe. At the same time, these huge plastic boxes also take up expensive retail space. Using such crime deterrent methods would mean that retailers have to fork out huge amount of money, which would directly impact on their revenue."

According to key findings from the Global Retail Barometer, Bamfield, J. (2008) Nottingham: Centre for Retail Research, data collected from 920 of the largest retail corporations with a combined sales of US\$814 billion covering 36 countries in North America, Europe, Latin America, Africa and Asia-Pacific, showed that global loss prevention costs amounted to US\$25.48 billion. Out of this amount, security employees accounted for 54.8% of loss prevention spending, while spending on security equipment amounted to 31.6%. In 2008, retailers across the globe apprehended 5.3 million store thieves. Globally, customer theft (shoplifting), dishonest employees, employees' theft, vendors' crime and fraud were among the biggest problems affecting losses in retail revenue.

At the retail stores, retailers would have literature and signs informing consumers of the anti-theft system installed in these stores. In such literature, it would be clearly spelt out that unless the consumer pays for the devices and have the devices decoded with the activator at the cashier terminals in the stores, the devices that they have taken off the shelves would not work.

Separately, the DiSa Anti-Theft System was awarded two certificates for its innovative features at the recent 2009 Plus X Award Technology in Cologne,

Germany. The Plus X Awards were presented to established and extraordinary brands such as Panasonic, Sony, Canon, BOSE, Phillips, etc. Only products of the highest quality will pass the strict organisers' jury process where winning brands and products were tested stringently based on their value for money and consumer friendliness, apart from their innovative feature or novelty design, ease-of-use, ecology and/or ergonomics.

Active promotion of the DiSa system has resulted in positive responses from major retailers in Germany and trials are currently underway. MediMax, a major retailer with more than 100 stores throughout Germany, has participated in the trials in 13 stores across 2 cities in Germany, and another major retailer is set to begin trials in July 2009 across many stores. DiSa Digital Safety GmbH would expect that the system would be fully implemented with some of these retailers by 2010.

"We believe the huge cost savings that is brought about by using the DiSa system would be a key attraction for many major retailers in Germany, and possibly later, in the rest of Europe, to adopt this system in all their stores. This not only saves costs, it also improves the efficiency of their sales staff in their stores," Mr Chng commented.

DiSa Digital Safety GmbH is a German-based digital security systems developer, who is also involved in the marketing, sales and distribution of such systems. DiSa Digital Safety GmbH is also engaged in general commercial and technical consultancy business. DiSa Digital Safety GmbH is 62.5%-owned by M3 Electronic GmbH, which in turn, is a 70%-owned subsidiary of Equation.

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*On behalf of Equation Corp Limited and DiSa Digital Safety GmbH*

**SPRG**

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### About Equation Corp Limited

Listed on SGX-Sesdaq (now known as Catalist) since 24 March 1992, Equation Corp Limited ('Equation' or the 'Group') is an investment holding company, with its subsidiaries and associates involved in various business activities, consisting of integrated recycling and processing services of electronic waste, property investment, technology, construction materials, ownership and management of vessels, energy auditing, energy performance contracting and solar energy consultancy services.

While pursuing a long term corporate involvement in the electronic waste and environmental related business, the Group's strategic business approach is to create new growth drivers to boost the Group's earnings base.

With continued efforts to explore and evaluate business synergies within its business activities, Equation seeks to prudently enhance its business operations, with a focus on cash conservation and efficient risk management.