



EQUATION CORP LIMITED

(Company Registration Number 197501110N)

This Announcement has been reviewed by the Company's sponsor, KW Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Exchange. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The details of the contact person for the Sponsor is: -

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PROPOSED RENOUNCEABLE AND NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 529,844,255 NEW ORDINARY SHARES IN THE ISSUED SHARE CAPITAL OF EQUATION CORP LIMITED ("THE COMPANY") (THE "RIGHTS SHARES") AT AN ISSUE PRICE OF S\$0.02 FOR EACH RIGHTS SHARE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY FIVE (5) EXISTING SHARES IN THE ISSUED SHARE CAPITAL OF THE COMPANY HELD AS AT THE BOOKS CLOSURE DATE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE "RIGHTS ISSUE")

Unless otherwise specified, capitalised words in this announcement have the same meaning ascribed to them in the announcements dated 12 February and 27 February 2009 (collectively, the "Announcements") and/or the Offer Information Statement dated 10 March 2009.

A. LODGEMENT AND DESPATCH OF OFFER INFORMATION STATEMENT AND ITS ACCOMPANYING DOCUMENTS

The Board of Directors of the Company (the "Board") wishes to announce that the Offer Information Statement dated 10 March 2009 (the "OIS") in relation to the Rights Issue has been lodged on Catalodge and with the SGX-ST acting as agent on behalf of the Monetary Authority of Singapore on 10 March 2009.

Copies of the OIS, the Application Form for Rights Shares and excess Rights Shares (the "ARE") and where necessary, the Provisional Allotment Letter (the "PAL"), will be despatched by the Company to Entitled Shareholders on or around 12 March 2009. The in-principle confirmation of the Sponsor and the listing and quotation notice issued by SGX are not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company or its subsidiaries and their securities.

B. ACCEPTANCES OF PROVISIONAL ALLOTMENTS OF RIGHTS SHARES AND (IF APPLICABLE) APPLICATIONS FOR EXCESS RIGHTS SHARES

Acceptances of provisional allotments of Rights Shares and applications for excess Rights Shares under the Rights Issue may only be made:

- (i) in the case of Entitled Scripholders, on the PAL; and/or
- (ii) in the case of Entitled Depositors⁽¹⁾, on ARE or by way of an Electronic Application through an ATM of a Participating Bank.

More information on the procedures for acceptance, payment and excess application by Entitled Shareholders⁽²⁾ may be found in the OIS. Trading of the provisional allotments of Rights Shares (or “nil-paid” rights) will commence on 12 March 2009 and end at the close of trading on 20 March 2009.

Entitled Depositors who sell their “nil-paid” rights during this period need not forward the ARE to the purchasers of the provisional allotments of Rights Shares (“**Purchasers**”) as arrangements will be made by the Central Depository (Pte) Limited (“**CDP**”) for a separate Application Form for Rights Shares (the “**ARS**”) to be issued to the Purchasers. Purchasers should note that CDP will, on behalf of the Company, send the ARS accompanied by the OIS, by ORDINARY POST and at the Purchaser’s OWN RISK, to their respective Singapore addresses as recorded with CDP.

The OIS and its accompanying documents will not be despatched to Foreign Purchasers⁽³⁾. Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

Notes:

- (1) Entitled Shareholders with Shares standing to the credit of their Securities Accounts as at the Books Closure Date
- (2) The Shareholders with registered addresses in Singapore as at the Books Closure Date or those who have at least three (3) Market Days prior to the Books Closure Date, provided to the Company or CDP as the case may be, addresses in Singapore for the service of notices and documents
- (3) Persons purchasing the provisional allotments of the Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore

C. EXPECTED TIMETABLE OF KEY EVENTS

Shareholders should take note of the following important dates and times relating to the Rights Issue:

EVENT	DEADLINE
Books Closure Date	9 March 2009 at 5.00 p.m.
Expected despatch of the Offer Information Statement, ARE and PAL (as the case may be) to Entitled Shareholders	12 March 2009
Commencement of trading of "nil-paid" rights	12 March 2009
Last date and time for splitting	20 March 2009 at 5.00 p.m.
Last day for trading of "nil-paid" rights	20 March 2009
Last date and time for acceptance of and payment for Rights Shares	26 March 2009 at 5.00 p.m. ⁽⁴⁾
Last date and time for renunciation of and payment for Rights Shares	26 March 2009 at 5.00 p.m.
Last date and time for application and payment for excess Rights Shares	26 March 2009 at 5.00 p.m. ⁽⁴⁾
Expected date for issuance of Rights Shares	3 April 2009

Expected date for commencement of trading of Rights Shares 6 April 2009

Note:

⁽⁴⁾ 26 March 2009 at 9.30 p.m. for Electronic Applications

The above timetable is indicative only and is subject to change. As at the date of the OIS, the Company does not expect the above timetable to be modified. However, the Company may, in consultation with the Sponsor, Joint Managers and with the approval of the SGX-ST, modify the above timetable subject to any limitation under any applicable laws. In such an event, the Company will publicly announce the same via SGXNET.

D. WHERE TO COLLECT THE OFFER INFORMATION STATEMENT

Entitled Shareholders who do not receive the Offer Information Statement and the relevant forms within a week from the date hereof may obtain copies of the documents from:-

In the case of Entitled Depositors,

The Central Depository (Pte) Limited
4 Shenton Way #02-01
SGX Centre 2
Singapore 068807

In the case of Entitled Scripholders⁽⁵⁾,

Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte Ltd)
8 Cross Street
#11-00 PWC Building
Singapore 048424

Note:

⁽⁵⁾ Entitled Shareholders whose Shares are registered in their own names as at the Books Closure Date

Purchasers who do not receive the ARS and the OIS may also obtain copies of the same from CDP or Tricor Barbinder Share Registration Services (at the addresses stated above) or any stockbroking firm which is a member company of the SGX-ST in Singapore for the period up to the close of the Rights Issue at 5.00 p.m. on 26 March 2009.

By Order of the Board

Chng Weng Wah
Director
10 March 2009