



**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: -

Name : Mr Hoon Tai Meng (Registered Professional, KW Capital Pte. Ltd.)  
Address : 80 Raffles Place, #25-01 UOB Plaza 1, Singapore 048624  
Tel : 6238 3377

**PROPOSED RENOUNCEABLE AND NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 530,604,255 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**

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*Unless otherwise specified, capitalised words in this announcement have the same meaning ascribed to them in the announcement dated 12 February 2009 (the "Announcement").*

**A. RECEIPT OF IN-PRINCIPLE CONFIRMATION FROM THE SPONSOR**

Further to the Announcement, the Board of Directors of the Company (the "Board") is pleased to announce that on 23 February 2009, the Sponsor had given the Company its in-principle confirmation to the Rights Issue.

The in-principle confirmation of the Sponsor is 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. RECEIPT OF THE LISTING AND QUOTATION NOTICE FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST") FOR THE LISTING AND QUOTATION OF THE RIGHTS SHARES ON CATALIST**

The Board is also pleased to announce that the SGX-ST had, on 27 February 2009, issued to the

Sponsor the listing and quotation notice for the listing and quotation of up to 530,604,255 Rights Shares.

Please note that the issuance by SGX-ST of the listing and quotation notice is not an indication of the merits of the Rights Issue, the Rights Shares, the Company or its subsidiaries and their securities.

Information on the details of the Rights Issue will be provided in the OIS to be despatched to Shareholders in due course.

### **C. NOTICE OF BOOKS CLOSURE DATE**

NOTICE IS HEREBY GIVEN THAT the Register of Members and the Share Transfer Books of the Company will be closed at 5.00 p.m. on 9 March 2009 (the "Books Closure Date") for the purpose of determining the provisional allotments of Rights Shares under the Rights Issue to Shareholders of the Company whose registered addresses with The Central Depository (Pte) Limited ("CDP") or the Company's Share Registrar, Tricor Barbinder Share Registration Services, as the case may be, are in Singapore as at the Books Closure Date or who have, at least three (3) market days prior to the Books Closure Date, provided to CDP or the Company's Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents) ("Entitled Shareholders").

Duly completed and stamped valid transfers (in respect of Shares not registered in the name of CDP) together with all relevant documents of title received by Tricor Barbinder Share Registration Services at its address stated below prior to 5.00 p.m. on the Books Closure Date will, subject to the Articles of Association of the Company, be registered to determine the Entitled Shareholders' entitlements under the Rights Issue.

Entitled Shareholders (being depositors) whose Securities Accounts with CDP are credited with Shares in the Company as at 5.00 p.m. on the Books Closure Date will be provisionally allotted the Rights Shares under the Rights Issue on the basis of the number of Shares standing to the credit of their securities accounts with CDP as at 5.00 p.m. on the Books Closure Date.

Entitled Shareholders (being scripholders) whose names appear in the Register of Members of the Company as at 5.00 p.m. on the Books Closure Date will be provisionally allotted the Rights Shares under the Rights Issue on the basis of the number of Shares held by them as stated in the Register of Members of the Company as at 5.00 p.m. on the Books Closure Date.

Shareholders with registered addresses outside Singapore as at the Books Closure Date who wish to be eligible to participate in the Rights Issue may provide an address in Singapore for the service of notices and documents, by notifying in writing (as the case may be):

- (a) CDP (if they have Securities Accounts with CDP) at 4, Shenton Way, #02-01 SGX Centre 2, Singapore 068807; or
- (b) Tricor Barbinder Share Registration Services at 8 Cross Street, #11-00 PWC Building, Singapore 048424,

not later than three (3) Market Days before the Books Closure Date.

**D. APPOINTMENT OF JOINT MANAGER**

The Board also wishes to announce that SAC Capital Private Limited has been appointed by the Company as a Joint Manager, together with KBC Bank N.V., Singapore Branch, for the Rights Issue.

By Order of the Board

**Chng Weng Wah**

Director

27 February 2009