



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

This announcement has been reviewed by the Company's Sponsor, KW Capital Pte Ltd ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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.

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INCORPORATION OF A WHOLLY FOREIGN-OWNED ENTITY IN SHENZHEN, PRC.

The Board of Directors of Equation Corp Limited wishes to announce that a wholly foreign-owned entity, Technology Technologies (Shenzhen) Limited ("TTSL"), has been set up with a registered capital of US\$100,000 in Shenzhen, PRC. The interest in TTSL is held through a wholly-owned subsidiary, Disa Digital Safety Pte. Ltd. (formerly known as Ternary Technologies Pte Ltd).

The purpose of setting up TTSL is to replace the current Representative Office of Disa Digital Safety Pte. Ltd. in Shenzhen, PRC and to commercialise some of the business activities. The principal activity of TTSL involved trading of electronic products, research & development and market promotion in relation to the Group's sales in China.

The incorporation of TTSL is not expected to have any material impact on the earnings and net tangible assets of the Group for the financial year ending 30 June 2010.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect in the foregoing, save through interests in the Company.

BY ORDER OF THE BOARD

Toh Hock Ghim
Director
24 March 2010