



(Company Registration No. 197501110N)
(Incorporated in Singapore)

*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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- (1) **THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID UP SHARE CAPITAL OF TERNARY TECHNOLOGIES PTE. LTD. BY THE COMPANY AS AN INTERESTED PERSON TRANSACTION ("PROPOSED ACQUISITION")**
- (2) **THE PROPOSED ALLOTMENT AND ISSUANCE OF UP TO 852,272,727 NEW SHARES PURSUANT TO THE PROPOSED ACQUISITION ("PROPOSED SHARE ISSUE"); AND**
- (3) **THE PROPOSED PAYMENT OF A ROYALTY FEE BY TERNARY TECHNOLOGIES PTE. LTD. TO MR. CHNG WENG WAH, PURSUANT TO A LICENCE AGREEMENT DATED 17 APRIL 2009, AS AN INTERESTED PERSON TRANSACTION ("PROPOSED ROYALTY FEE").**

(COLLECTIVELY THE "PROPOSALS")

1. INTRODUCTION

- 1.1 The Board of Directors ("**Directors**") of Equation Corp Limited ("**Company**") refers to the announcement dated 21 December 2009 in relation to the approval of shareholders of the Company for the Proposals as well as the announcement dated 4 January 2010 in relation to the approval-in-principle from the Sponsor for the listing and quotation of up to 852,272,727 new shares in the Company ("**Prior Announcements**").

Capitalised terms in this announcement will bear the same meanings given in the Prior Announcements and the circular to shareholders of the Company dated 4 December 2009 ("**Circular**") unless otherwise defined.

2. ISSUANCE AND ALLOTMENT OF THE CONSIDERATION SHARES PURSUANT TO THE COMPLETION OF THE PROPOSED ACQUISITION

Further to the Prior Announcements, the Directors wish to announce the following allotment and issue of 184,659,091 new shares in the capital of the Company ("**Consideration Shares**") in connection with the payment of the Purchase Consideration pursuant to the completion of the Proposed Acquisition:

Date of allotment	Name of allottee	No. of Consideration Shares allotted
14 Jan 2010	Hianto Dharmaputra Sunardy Tay Beng Wee Tan Soon Hoon Tan Hong Kiat Cheng Kwee Kiang Tan Hui Song Chow Sou Chian Larry Charles Leck Tin Hong Mr. Chng Wong Cheah Wei Eugene Tay Kim Kee Lin Jian Nan Tan Boon Hwee Han Yang Kwang Iparla Overseas Limited Fine Able Investments Limited	4,302,557 4,302,557 1,071,023 19,038,352 8,605,114 4,302,557 10,433,238 17,210,227 55,471,591 1,791,193 4,302,557 4,302,557 18,096,591 10,433,238 2,252,841 18,742,898
Total		184,659,091

The Consideration Shares will rank *pari passu* in all respects with the existing shares in the capital of the Company. Following the issue of the Consideration Shares, the total number of issued shares in the capital of the Company is increased to 2,015,375,222 shares.

3. DIRECTORS RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

By Order of the Board

Toh Hock Ghim
Director

14 January 2010