(Company Registration No. 197501110N)
(Incorporated in the Republic of Singapore)
("Company" and together with its subsidiaries, the "Group")

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited ("**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.

The contact person for the Sponsor is Mr. Ong Hwee Li (Registered Professional, SAC Capital Private Limited).
Address: 1 Robinson Road, #21-02 AIA Tower, Singapore 048542. Telephone number: +65 6221 5590

UPDATE ON USE OF RIGHTS ISSUE PROCEEDS

*Unless otherwise defined, capitalised terms used herein shall bear the same meaning ascribed to them in the offer information statement dated 28 March 2014 in relation to the Rights Issue (the "**Offer Information Statement**" ("**OIS**")).*

The Board of Directors of Equation Corp Limited wishes to update on the utilisation of the net proceeds (after deducting related expenses incurred in connection with the Rights Issue) raised from the Rights Issue.

Intended use of net proceeds	**Amount allocated (as disclosed in the OIS) S$'000**	**Amount utilised S$'000**	**Balance S$'000**
Financing of future business ventures relating to the Group's ordinary course of business through acquisitions and/or strategic joint ventures when such opportunities arise	3,328	383	2,945
General working capital	3,328	1,377	1,951
Total	6,656	1,760	4,896

To date, the utilisation of the net proceeds arising from the Rights Issue is consistent with the intended use as disclosed in the Offer Information Statement.

The Company will make further announcement on the use of the remaining net proceeds as and when they are materially disbursed.

BY ORDER OF THE BOARD

Chng Weng Wah
Executive Director
16 October 2014