

18 February 2004

**The Manager  
Company Announcements Office  
Australian Stock Exchange Limited**

Dear Sir

**re: Autron Corporation's strategic growth to be boosted by cost-plus financing facility. Proposed issue of one warrant for every three shares as benefit to shareholders.**

Autron Corporation announces that it has accepted an attractive proposed cost-plus financing facility (the "Facility") from a group of banks led by KBC Bank. The financing would help the Company fund its strategic and organic growth.

To further facilitate participation by its shareholders, the Company is also proposing a renounceable issue of up to 231,610,963 warrants at an issue price of S\$0.02 per warrant ("Warrants Issue"). Each warrant will carry the right to subscribe for one new share in the company at an exercise price of S\$0.18 each. As and when the warrants are exercised, the liquidity of the Company will be further improved.

The proposed Facility is for a term not exceeding three years, with an option to extend for a further period of two years. The Facility comprises:

- proposed transferable loan facilities (TLF) for an aggregate principal amount of US\$9.4 million;
- A proposed revolving credit facility (RCF) for a principal amount of US\$3.6 million.

The aggregate net proceeds of the proposed Warrants Issue and the Facility, after deducting estimated expenses is estimated to be A\$19 million and will be used to refinance an existing mortgage loan and for the Company's corporate and working capital purposes.

The Warrants Issue is subject to the in-principle approval for the listing and the quotation for the warrants and the new shares on the Australian Stock Exchange ("ASX") and the Singapore Exchange Securities Trading Limited ("SGX-ST").

The Warrants Issue is being underwritten by Group Executive Chairman, Mr C L Tan, for no fee.

Enclosed for release to the market is a copy of the Company's detailed press release and a duly completed Appendix 3B "New Issue Announcement".

**Registered Office**

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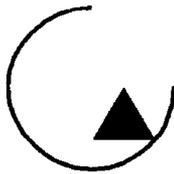
Email : [enquiries@autroncom.com](mailto:enquiries@autroncom.com) Website: <http://www.autroncom.com> ABN 25 002 876 182

Yours faithfully  
Autron Corporation Limited



Dr Lim Boh Soon  
Group Corporate Director

copy to: The Singapore Exchange Securities Trading Limited  
for the attention of Ms June Sim/Ms Darrell Lam



**Autron Corporation's strategic growth to be boosted by  
cost-plus financing facility  
Proposed issue of one warrant for every three shares as  
benefit to shareholders**

Singapore, 18 February 2004 – Autron Corporation Limited (“Autron Corporation”) is pleased to announce that it has accepted an attractive proposed cost-plus financing facility (the “Facility”) from a group of banks led by KBC Bank (“KBC”). This would help the Company fund its strategic and organic growth.

The Company plans to facilitate further participation by its shareholders in the Company, by way of a renounceable issue of 231,610,963 warrants at an issue price of S\$0.02 per warrant (“Warrants Issue”). Each warrant will carry the right to subscribe for one new share in the company at an exercise price of S\$0.18 each As and when the warrants are exercised, the liquidity of the Company will be further improved.

The proposed Facility is for a term not exceeding three years, with an option to extend for a further period of two years. The Facility comprises :

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- a proposed revolving credit facility (RCF) for a principal amount of US\$3.6 million.

The aggregate net proceeds of the proposed Warrants Issue and the Facility, after deducting estimated expenses is estimated to be A\$19 million and will be used to refinance an existing mortgage loan and for the Company's corporate and working capital purposes.

The Warrants Issue is subject to the in-principle approval for the listing and the quotation for the warrants and the new shares on the Australian Stock Exchange (“ASX”) and the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The Warrants Issue is being underwritten by Mr Tan Cheng Leong, the Group Executive Chairman of the Company, for no fee.

Autron Corporation continues to build on the momentum created from the last financial year. It has recently put in place various higher margin, value-added products and services which it had announced last year to further strengthen its core business model.

**Global Headquarters**

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These initiatives include the fast growing recycling and reconditioned equipment business which would be expanded to include a new refurbishing facility in Thailand in 2004; the establishment of time-efficient spare parts and materials hub strategically located throughout its extensive network; the further boosting of its expanded product lines, software consultancy and design services, as well as the further expansion of its equipment manufacturing business (in collaboration with its principals) through its production arm, IC Equipment Pte Ltd.

Dr Lim Boh Soon, Autron Corporation's Group Corporate Director, explained: "The strong foundation we have embedded into our core distribution business for the last 25 years in terms of experience and expertise, our network and track record, and our vast expanse of customer base, now enable us to deliver these new exciting value-added solutions to our customers. As the manufacturing process at the factory level becomes more complex and demanding, the Company's role as an equipment provider in the manufacturing supply chain now becomes even more challenging. Our constant development and delivery of new and varied value-added products and services will not only continue, but more importantly, will allow us to further strengthen our relationship with both our customers and principals. We expect these initiatives to fully translate into good business volume and profit for the Company over the next several years."

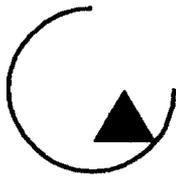
Explaining further this financial exercise, Mr Eric Lim, Group Financial Controller of Autron Corporation said: "There are various benefits in adopting an equity-linked structure. Firstly, the capital raising enables the Company to secure medium term funding at lower interest cost. Secondly, we are facilitating further participation in the growth of the Company by all shareholders through the issue of attractively priced warrants. Thirdly, the proceeds from any exercise of the warrants may be a source for the repayment of the Facility as well as for our future funding needs. There will also be no immediate earnings per share dilution. The end result is a balanced capital structure that provides the Company with the requisite amount of funds."

Mr Lim added: "To date, we are happy to say the Company has generated adequate cash flow from operations and existing banking facilities to finance the Company's strategic expansions. This Facility however comes in very handy and will allow us to boost our new activities even further as we gather pace to ride the potential upside of the overall business cycle. Our ability to capitalize on the Facility which results in lower cost of funding is a testament to the confidence shown by the financial market especially the banking community".

Mr Tan commented, "We have reached an efficient level in the management of our balance sheet where we no longer see our bankers as just providing working capital but as strategic business partners with whom we are constantly working together to reduce our cost structure and continue to support our business initiatives. Specifically, in order to enhance the financial terms for the delivery of the products and services of the

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**AUTRON CORPORATION LIMITED**

Company, we are finalizing various innovative financial packages with several commercial banks with whom we have long established relationships in Hong Kong and Singapore. These specially tailored solutions will enhance our overall relationships with our customers, and we anticipate, result in improvements in our sales volume and profit margins.

“We see Autron Corporation in Asia today as not only a channel for the best technology, products and services in the electronics manufacturing industry, but one that also delivers these products and services packaged in the best financial terms such as pricing and credit support.”

KBC Bank (Singapore) Limited has been appointed manager of the Warrants Issue (for the Singapore offering) and arranger of the Facility.

Attached to this announcement, for the purpose of lodgment with ASX, is a duly completed Appendix 3B “New Issue Announcement”.

*Autron Corporation Limited (Reuters AAT.AX and AAT.SI; Bloomberg AAT AU and AAT SP) is headquartered in Singapore and dual-listed on the ASX and SGX-ST. The Company distributes capital equipment to the electronics manufacturing services industry through its 30 sales and service centres in Greater China and South East Asia. Major principals include Assembléon and Speedline. Our global headquarters is located at 53 Serangoon North Avenue 4 Singapore 555852. Please visit us on the web at [www.autroncorp.com](http://www.autroncorp.com)*

*Autron Corporation Limited is not related to Autron Electronics Pty Ltd*

**Issued by:**

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# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Autron Corporation Limited

ABN

25 002 876 182

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | Options to subscribe for ordinary shares (referred to as warrants in the attached announcement in accordance with Singapore market practice). |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | Approximately 231,610,963   |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Exercisable at S\$0.18 each and expiring on the third anniversary of their date of issue.   |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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| <p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul> | <p>Not applicable.</p> <p>Shares issued upon exercise of the options will rank pari passu with all other fully paid ordinary shares on issue from their date of allotment, save in respect of any dividends, rights or other distributions for which the record date falls before the date of the exercise of the options.</p>   |        |        |             |                            |                      |  |
|--|--|--------|--------|-------------|----------------------------|----------------------|--|
| <p>5 Issue price or consideration</p>  | <p>\$\$0.02 per option on application.</p>   |        |        |             |                            |                      |  |
| <p>6 Purpose of the issue<br/>         (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>   | <p>The proceeds of the issue will be used to assist in refinancing an existing mortgage loan and provide corporate and working capital.</p>  |        |        |             |                            |                      |  |
| <p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>  | <p>To be advised.</p>  |        |        |             |                            |                      |  |
| <p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>   | <table border="1"> <thead> <tr> <th data-bbox="686 1433 989 1478">Number</th> <th data-bbox="989 1433 1279 1478">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1478 989 1545">694,832,890</td> <td data-bbox="989 1478 1279 1545">Full paid ordinary shares.</td> </tr> <tr> <td data-bbox="686 1545 989 1697">231,610,963 (Approx)</td> <td data-bbox="989 1545 1279 1697">Options for which quotation will be sought</td> </tr> </tbody> </table> | Number | +Class | 694,832,890 | Full paid ordinary shares. | 231,610,963 (Approx) | Options for which quotation will be sought |
| Number   | +Class   |        |        |             |                            |                      |  |
| 694,832,890  | Full paid ordinary shares.   |        |        |             |                            |                      |  |
| 231,610,963 (Approx)   | Options for which quotation will be sought   |        |        |             |                            |                      |  |

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+ See chapter 19 for defined terms.

|   | Number         | +Class |
|---|----------------|--------|
| 9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable) |                |        |
| 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)         | To be advised. |        |

## Part 2 - Bonus issue or pro rata issue

|  |  |
|--|--|
| 11 Is security holder approval required?   | No.  |
| 12 Is the issue renounceable or non-renounceable?  | Renounceable.  |
| 13 Ratio in which the +securities will be offered  | 1 option for every 3 fully paid ordinary shares held.      |
| 14 +Class of +securities to which the offer relates  | Fully paid ordinary shares.                                |
| 15 +Record date to determine entitlements  | To be advised.   |
| 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?  | No.  |
| 17 Policy for deciding entitlements in relation to fractions   | Fractions will be disregarded.                             |
| 18 Names of countries in which the entity has +security holders who will not be sent new issue documents<br><br><small>Note: Security holders must be told how their entitlements are to be dealt with.<br/>Cross reference: rule 7.7.</small> | Countries other than Australia, New Zealand and Singapore. |
| 19 Closing date for receipt of acceptances or renunciations  | To be advised.   |

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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|    |   |                                       |
|----|---|---------------------------------------|
| 20 | Names of any underwriters   | Tan Cheng Leong                       |
| 21 | Amount of any underwriting fee or commission  | Nil.                                  |
| 22 | Names of any brokers to the issue   | Not applicable.                       |
| 23 | Fee or commission payable to the broker to the issue  | Not applicable.                       |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders   | Not applicable.                       |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting  | Not applicable.                       |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled  | To be advised.                        |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | To be advised.                        |
| 28 | Date rights trading will begin (if applicable)  | To be advised.                        |
| 29 | Date rights trading will end (if applicable)  | To be advised.                        |
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker?   | Details to be included in prospectus. |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?  | Details to be included in prospectus. |

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+ See chapter 19 for defined terms.

- 32 How do <sup>+</sup>security holders dispose of their entitlements (except by sale through a broker)? Details to be included in prospectus.
- 33 <sup>+</sup>Despatch date To be advised.

### **Part 3 - Quotation of securities**

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of securities  
(tick one)
- (a)  Securities described in Part 1
- (b)  All other securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### **Entities that have ticked box 34(a)**

#### **Additional securities forming a new class of securities**

*Tick to indicate you are providing the information or documents*

- 35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders
- 36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional <sup>+</sup>securities

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<sup>+</sup> See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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**Entities that have ticked box 34(b)**

38 Number of securities for which  
 +quotation is sought

|  |
|--|
|  |
|--|

39 Class of +securities for which  
 quotation is sought

|  |
|--|
|  |
|--|

40 Do the +securities rank equally in all  
 respects from the date of allotment  
 with an existing +class of quoted  
 +securities?

If the additional securities do not  
 rank equally, please state:

- the date from which they do
- the extent to which they  
 participate for the next dividend,  
 (in the case of a trust,  
 distribution) or interest payment
- the extent to which they do not  
 rank equally, other than in  
 relation to the next dividend,  
 distribution or interest payment

|  |
|--|
|  |
|--|

41 Reason for request for quotation  
 now

Example: In the case of restricted securities, end of  
 restriction period

(if issued upon conversion of  
 another security, clearly identify that  
 other security)

|  |
|--|
|  |
|--|

|   | Number | +Class |
|---|--------|--------|
| 42 Number and +class of all +securities<br>quoted on ASX ( <i>including</i> the<br>securities in clause 38) |        |        |

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+ See chapter 19 for defined terms.

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: .....  
(Company secretary)

Date 18 FEBRUARY 2004.

Print name: Mourice Garbutt.....

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+ See chapter 19 for defined terms.