



## TRADING UPDATE

MaxiTRANS Industries Limited ('MXI') is Australia's leading supplier of safe and efficient trailing equipment solutions to the road transport industry.

In conjunction with the release of the results for the half year ended 31 December 2017 in February this year, the MXI Board advised shareholders that it entered the second half of the financial year with a strong order book in Australia and New Zealand and it expected further growth from the MaxiPARTS business.

Since that time, orders have continued to be strong and a number of significant opportunities remain in the market. However, a combination of a significantly different and complex mix of trailers built in Australia in the second half of FY18 together with the introduction of new labour to suit that production volume and mix has not enabled us to leverage the operational efficiencies gained in the first half. This has impacted gross margins in the Australian trailer business in the second half of FY18. The business is currently working to restore these efficiencies and is confident of returning to improved profitability in the short term.

In our China business, a labour dispute has impacted the second half performance.

On a positive note, the MaxiPARTS business continues to deliver improved growth and profitability.

As a result of these developments, the Board is of the opinion that, based on unaudited internal management accounts and projections, net profit after tax for the full year ending 30 June 2018 is likely to be in a range of \$9.8 million to \$10.4 million. Furthermore, the Company is also currently conducting a review of the carrying value of all assets at 30 June, 2018 in accordance with its policies and relevant accounting standards.

The Board remains confident that the Company's strategies will produce solid returns.

For more information, please contact the Managing Director, Mr. Dean Jenkins, or the Chief Financial Officer, Mr. Campbell Richards on (03) 8368 1100. Alternatively, you may wish to visit our website at [www.maxitrans.com.au](http://www.maxitrans.com.au).

**Dean Jenkins**  
**Managing Director**  
**14 May, 2018**