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MaxiTRANS announces sale of MTC

MaxiTRANS Industries Limited (ASX:MXI) is one of Australia's largest suppliers of truck and trailer parts to the road transport industry in Australia as well as the largest supplier of locally manufactured, high quality heavy road transport trailer solutions, including trailer repairs and service, in Australia and New Zealand.

MaxiTRANS has entered into an equity transfer agreement with Zhejiang Huazheng New Materials Co. Ltd for the sale of MaxiTRANS' 80% shareholding in the MTC panel manufacturing business in China. MaxiTRANS will receive RMB 39.9M (approx. AUD 8M) under the terms of the sale which includes the repayment from the minority shareholders of a RMB 6.1M loan.

The sale will complete once relevant filings and registrations have been accepted by the Ministry of Commerce and the Administration for Industry and Commerce in China. It is expected these filings and registrations will be completed within 3 months.

MaxiTRANS has also signed a long-term supply agreement for the continuing supply of products to the group by MTC that will take effect from the completion of the sale.

MaxiTRANS remains committed to the strategic initiative of "Growth in New Markets" by actively pursuing geographical expansion in both China and South East Asia.

Dean Jenkins
Managing Director & CEO