New York, NY, January 31, 2016 (GLOBE NEWSWIRE) -- Evercel, Inc. (OTC: EVRC) EVERCEL announces the closing of the sale of its Thermal Business to TSC Auto ID Technology Co., Ltd.

Evercel (EVRC) has successfully closed the sale of the Printronix thermal printer business to TSC Auto ID Technology Co., Ltd (“TSC”). The transaction was structured as the sale of the stock of Printronix, Inc. and the concurrent sale of certain assets related to the thermal printer business. Thirty employees transitioned with the sale. The Printronix line matrix printer business and all other business operations not directly related to the thermal printer business were spun off into a new subsidiary of Evercel, Printronix, LLC, prior to the sale to TSC.

In connection with the transaction, TSC retired all $28m of Printronix bank debt. Following the sale, Printronix, LLC is debt-free, (except for a mortgage on the Singapore facility, see below) and will continue to operate globally under the brand Printronix. Evercel will receive approximately $15m of net cash proceeds upfront from the sale with an additional amount payable at various stages over the next 2 years if TSC achieves certain sales milestones. If all such amounts are received, it is expected that the total proceeds to Evercel will be at least equal to the $18m Evercel originally invested in Printronix.

Unrelated to the transaction with TSC, the sale of Printronix’s Singapore manufacturing facility has received government approval and is expected to close by April. Printronix will use the bulk of the after-tax proceeds from this sale to build out a rented manufacturing facility in Malaysia. The new facility is expected to result in lower manufacturing costs and overhead.

Over the next year, Evercel expects to optimize the operations of Printronix, LLC to focus solely on the line matrix printer business, where it is the global leader. Please refer to our October 23rd annual investor letter for more information on this business.

*About Evercel: New York City based Evercel is a publicly traded holding company that oversees and manages subsidiary companies. Due to Evercel’s limited number of shareholders and its decision at present not to register with the SEC, Evercel is not obligated to report business or financial information. Evercel chooses to voluntarily report information periodically.*