

# ASX ANNOUNCEMENT

3 March 2020

## Disposal of rail rental wagon fleet

- Completion expected in December 2020
- Net sale price of approx. A\$3.8 million
- Proceeds to be committed to ongoing expansion

Engenco Limited (ASX:EGN) (**Engenco** or **Company**), the specialist industrial engineering services group, is pleased to announce that its subsidiary, Gemco Rail Pty Ltd (**Gemco Rail**) has crystallised an unconditional sale agreement to sell its remaining rail rental wagon fleet. This transaction completes the disposal of the wagon rental fleet after having previously announced the sale of approximately two-thirds of the wagons in FY19. The sale will be finalised as existing rental agreements expire in December 2020.

The net sale proceeds of just over A\$3.8 million will be reinvested to support the Company's continued growth.

Engenco's Managing Director and CEO, Kevin Pallas, said, "We are pleased to have finalised the sale of our entire rail wagon rental fleet which were not core to our customer-centric service and maintenance model. The net sale proceeds will, amongst other growth initiatives, be utilised to support the Gemco Rail business in its ongoing growth and positioning on the East coast in particular."

### About Engenco Limited

Engenco (EGN) specialises in:

- Maintenance, repair and overhaul of heavy duty engines, powertrain, propulsion and gas compression systems
- Maintenance, repair and overhaul of locomotives
- Manufacture and maintenance of wagons, carriages and associated rail equipment
- Project management, training and workforce solutions
- Manufacture and supply of road transport and storage tankers for dry bulk products

Engenco services a diverse client base across the defence, resources, marine, power generation, rail, heavy industrial, mining and infrastructure sectors.

For further information, please contact:

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