

ASX ANNOUNCEMENT

15 July 2020

Performance Update

Engenco Limited (ASX:EGN) (**Engenco** or **Company**) is pleased to provide the following business update, including the effect which the COVID-19 pandemic is having on operations.

As previously announced, with the exception of CERT Training and Hedemora Turbo and Diesel, Engenco's businesses have continued to trade quite soundly during the various stages of COVID-19 restrictions. This is despite the heightened levels of general market uncertainty which have been particularly challenging.

Kevin Pallas, Engenco's Managing Director and CEO said: 'We have worked diligently to ensure business continuity in this very changeable business climate. While some parts of the business have been affected more than others, the total volume of work remained reasonably stable in the last quarter of FY20, and there appears to be satisfactory business momentum going into the new financial year.'

In the Company's 12 June 2020 market update, we advised that FY20 second half profit before tax was expected to exceed the first half. This remains valid. Due to better than anticipated trading performance over recent weeks including several strategic projects commencing profitable operation ahead of schedule, we expect that FY20 second half profit before tax will now materially exceed the first half. We are forecasting full-year profit before tax, after end of year adjustments, to be in the range of \$9 million to \$10 million. If the upper end of this range is achieved, FY20 profit before tax will be in line with the Company's FY19 profit before tax, adjusted for the gain made on the sale of non-core (wagon) assets during Fy19.

Mr Pallas added, 'Notwithstanding that our credit facilities remain undrawn, we are also in the final stages of extending their dollar limits and tenure so as to further position the Company for growth, and to ensure funding security in an uncertain economic environment.'

The Company expects to release its FY20 Annual Report before the end of August.

This announcement has been authorised for release to the ASX by the Engenco Board of Directors.

ASX ANNOUNCEMENT

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:

Kevin Pallas Managing Director and CEO T: +61 (0)3 8620 8900 E: kevin.pallas@engenco.com.au	Paul Burrows CFO and Company Secretary T: +61 (0)3 8620 8900 E: paul.burrows@engenco.com.au
---	---