

Engenco

Engenco Limited Investor Presentation March 2017



Financial Results Highlights

Engenco Group

\$ ' 000

Revenue from continuing operations

EBITDA from continuing operations

EBIT from continuing operations

Profit / (loss) after tax from continuing operations

Profit / (loss) from discontinued operations, net of tax

Total profit / (loss) after tax

Net operating cash flow

Net assets

Net cash / (debt)

FY16

FY16

FY17

H1

H2

H1

65,295

67,469

62,426

4,614

2,108

5,556

2,130

506

3,790

2,688

(191)

3,425

(824)

2,467

(538)

1,864

2,276

2,887

6,286

4,768

5,801

47,250

49,094

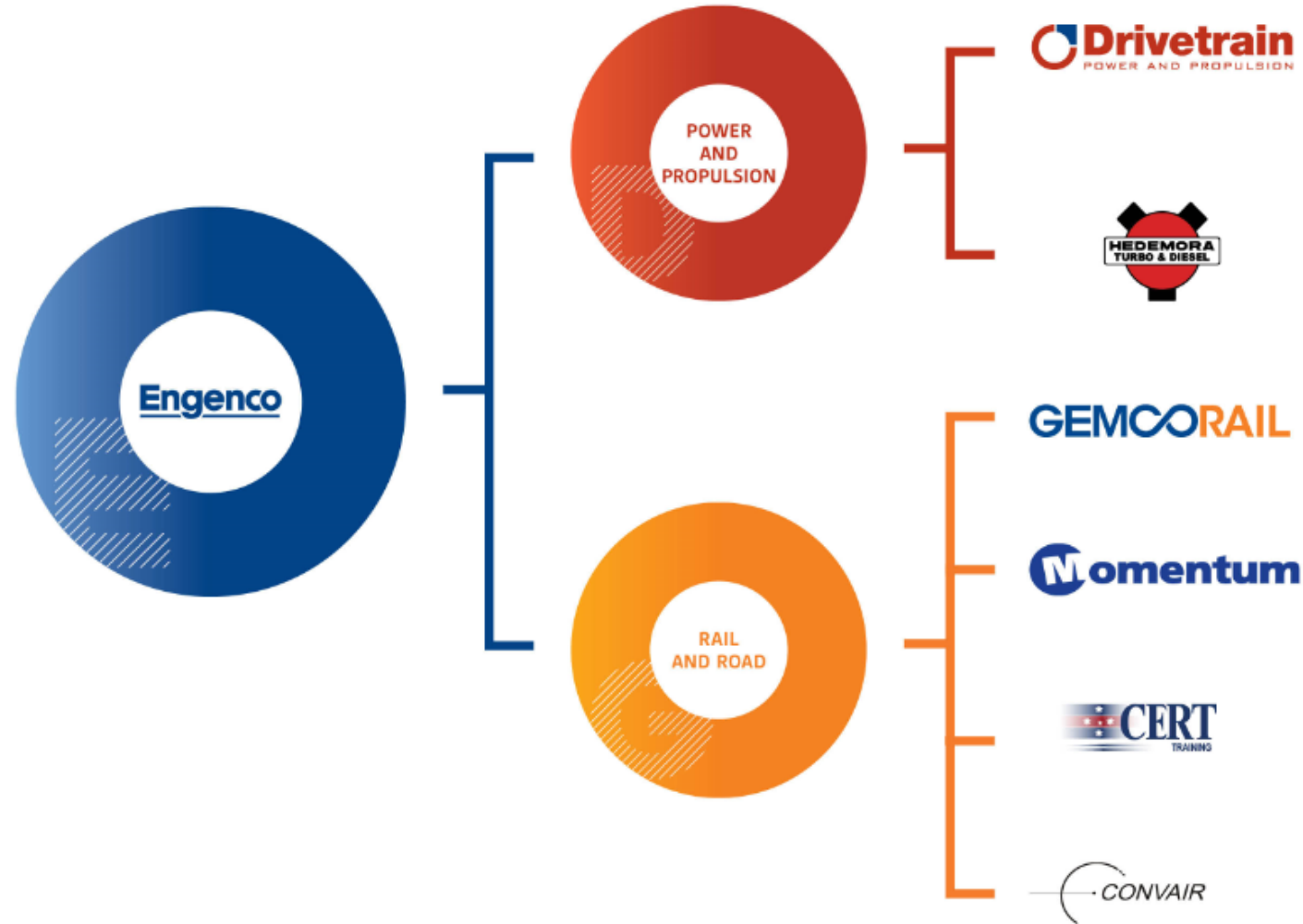
51,516

(10,246)

(5,368)

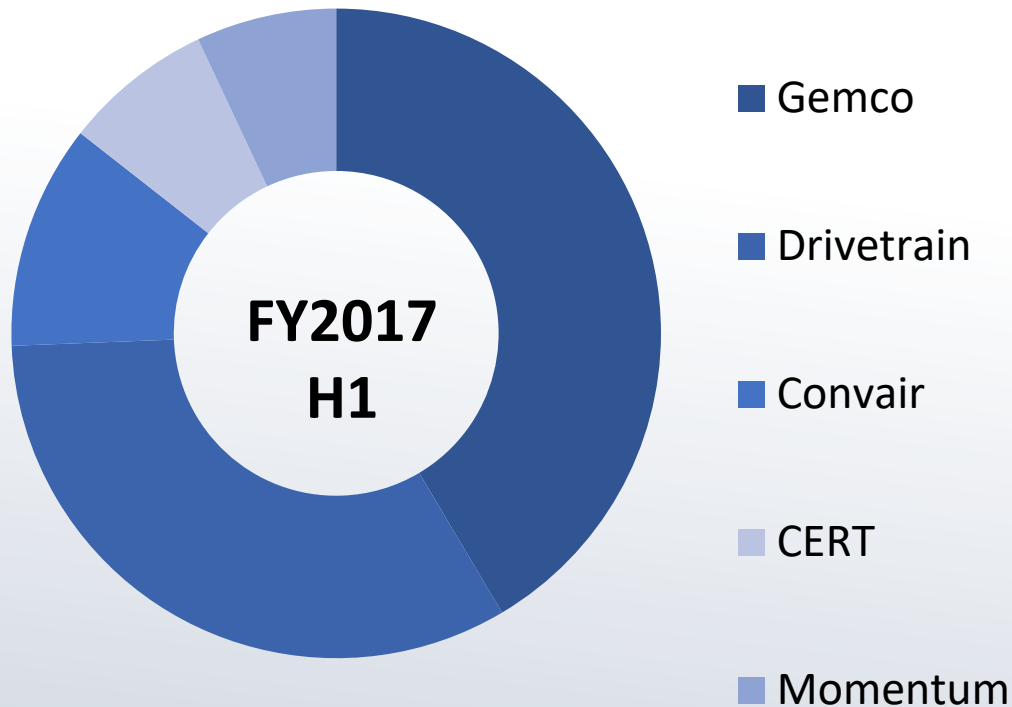
4,255

Group Structure

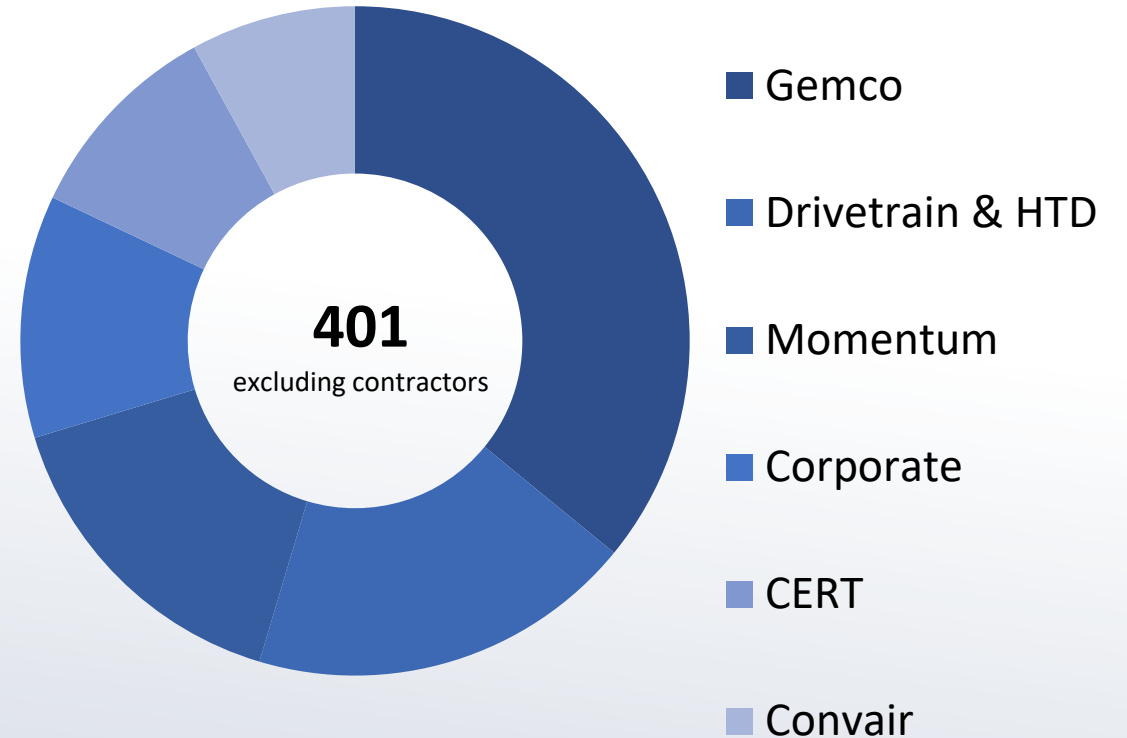


Revenue Split by Business Unit

(Continuing Operations)



Employees by Business Unit 31 December 2016



Funding Facilities Overview

Financier	Facility type/limit	Drawdown @ 31 Dec 2016	Maturity
Elph Facility	\$15m revolving credit facility	\$7.5m	30 April 2018
Commonwealth Bank of Australia	\$2m multi-option facility (cash-backed)	\$1.9m	30 June 2018
Nordea Bank AB	SEK 12m overdraft facility	Nil	Rolling
Cash and Cash Equivalents at 31 December 2016		\$12.1M	

- ✓ Cash generation performance has been strong
- ✓ Substantial debt reduction achieved – now net cash positive position
- ✓ Significant headroom and flexibility available to address growth opportunities

Business Unit Operational Highlights



Segment Operational Performance

FY17 H1
(‘000)

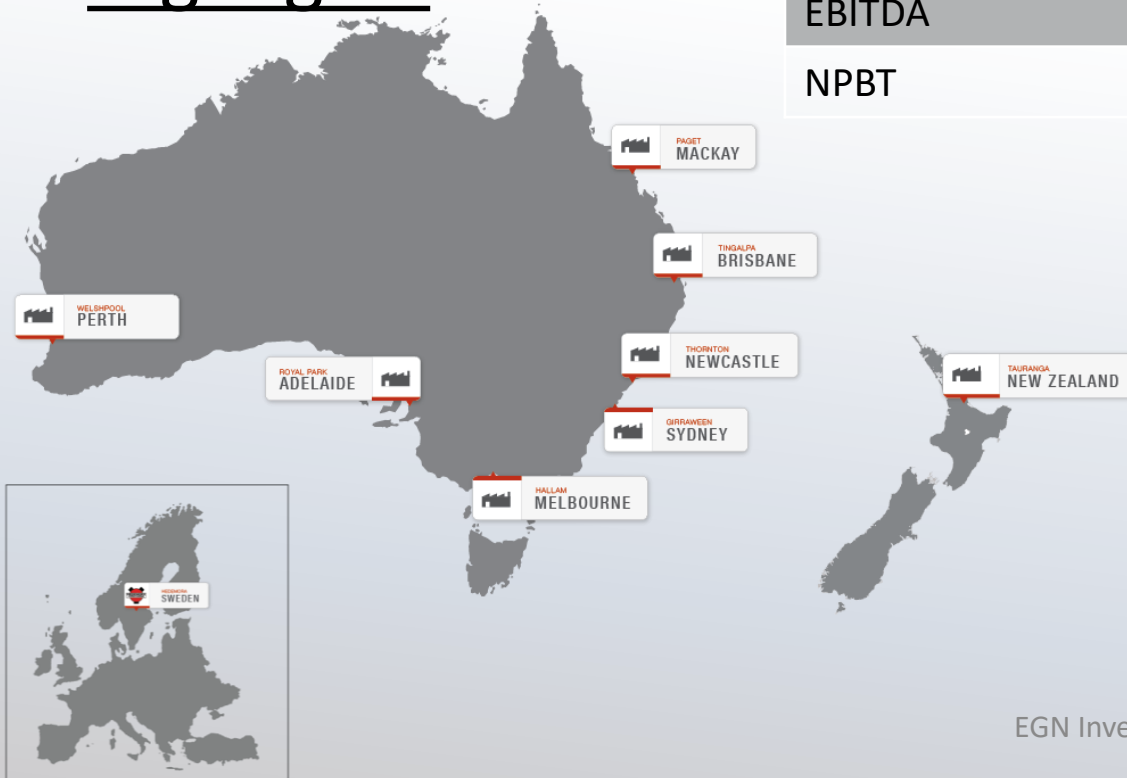
Revenue	20,562
EBITDA	2,540
NPBT	2,236

Services and Products include

- Maintenance, Repair and Overhaul
- Design, Installation and Commissioning
- Genuine component and spare parts distribution
- Technical and engineering services in remote locations
- Equipment life extension

Opportunities

- Resumption of mining customers' operational expenditure
- Strengthened distribution agreements
- Expanded services and complementary product range
- Gas compression innovations
- Technical and engineering services in remote locations
- New-generation large engine turbocharger
- New defence projects



Business Unit Operational Highlights:

GEMCORAIL

Segment Operational Performance

FY17 H1
('000)

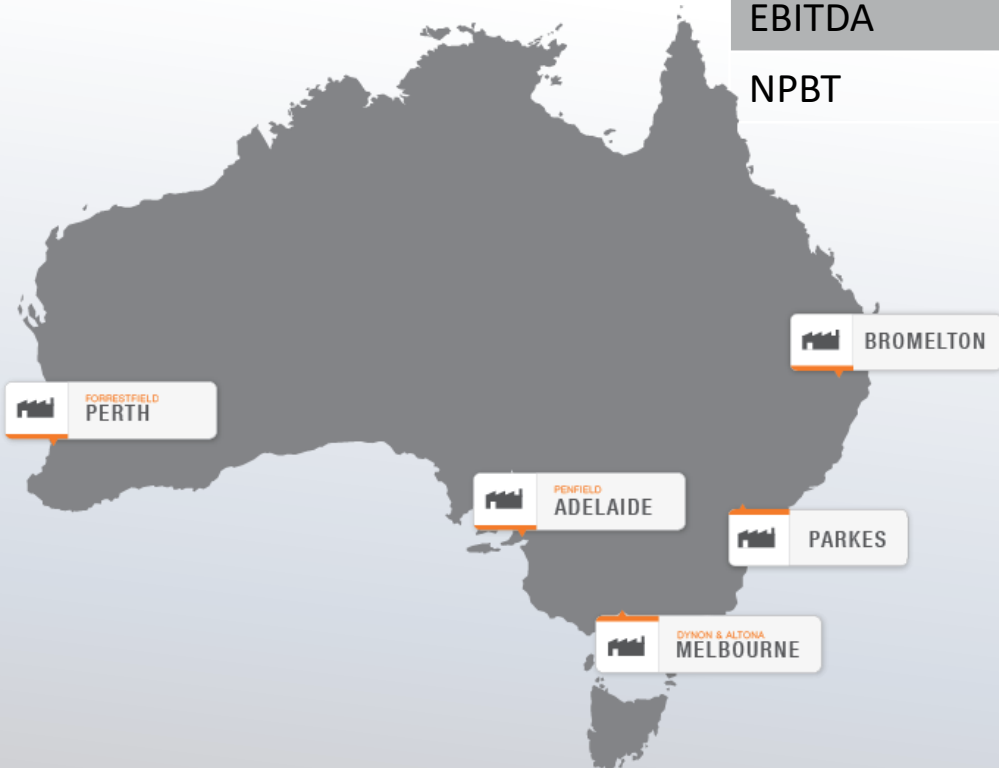
Revenue	25,898
EBITDA	5,298
NPBT	4,229

Services and Products include

- Rail fleet management
- Wagon maintenance, manufacture, and refurbishment
- Locomotive maintenance and refurbishment
- Wheelset, bearings, and bogies services
- Engineering services
- Above and below rail products

Opportunities

- Strategic location and prime facilities attracting key customers
- Miners seeking alternatives
- Growth in customers' fleet utilisation
- Strategic partnerships and collaborations with global rail component and product OEMs
- Road to Rail freight migration
- Passenger segment set to grow



Business Unit Operational Highlights:



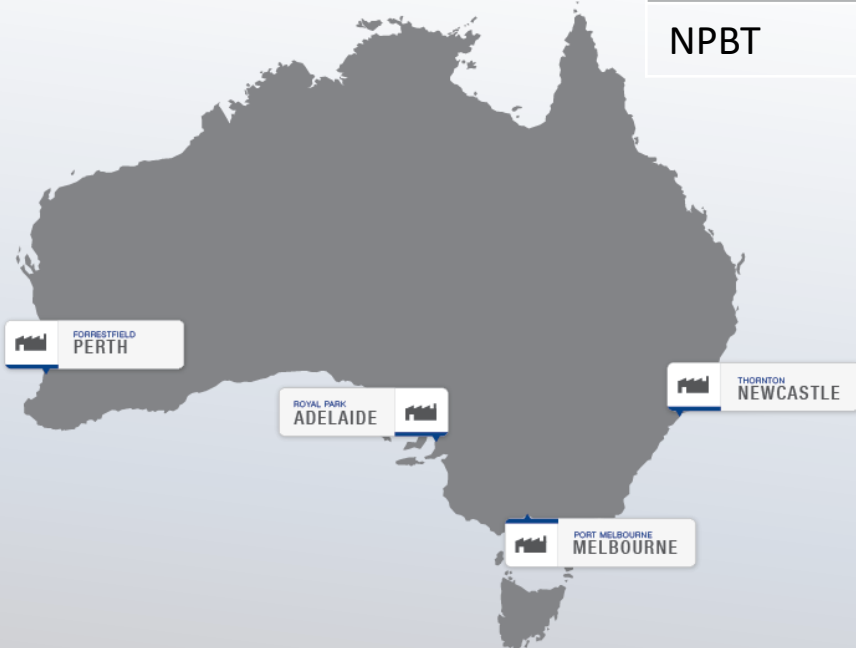
Segment Operational Performance	FY17 H1 ('000)
Revenue	4,366
EBITDA	766
NPBT	744

Services include

- Highly skilled rail operations personnel provision
- Track protection services
- Rail infrastructure maintenance services
- Specialist equipment rental

Opportunities

- Freight rail operators seeking flexible staffing arrangements
- National rail construction spend forecast to increase
- Victoria rail infrastructure projects underway
- Miners seeking operational alternatives



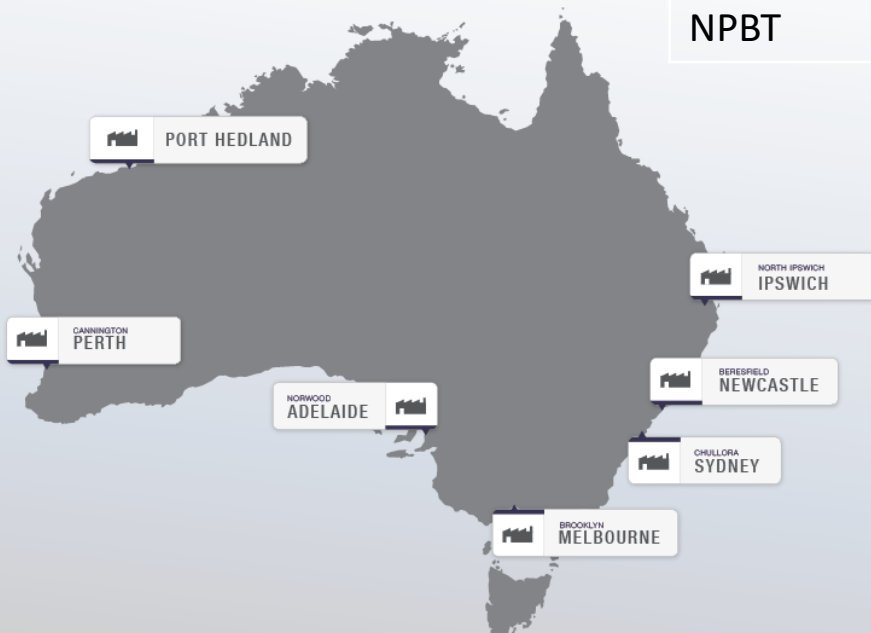
Business Unit Operational Highlights:



Segment Operational Performance	FY17 H1 ('000)
Revenue	4,646
EBITDA	635
NPBT	581

Services include

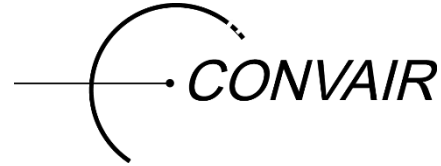
- Nationally Recognised Training
- Skills requirements analysis
- Development and implementation of training programs



Opportunities

- National Regulator focussing on compliance
- Customers demanding quality training outcomes
- Expansion of scope into aligned skills training
- Re-skilling of ex-auto workers
- Potential increase in Government funding for training programmes
- International consulting

Business Unit Operational Highlights:



Segment Operational Performance	FY17 H1 ('000)
Revenue	6,984
EBITDA	515
NPBT	399

Services and Products include

- Manufacture/ Fabrication
- Specialised engineering and custom design
- Maintenance, Repair, and Overhaul
- Plant, Equipment, and Component Sales

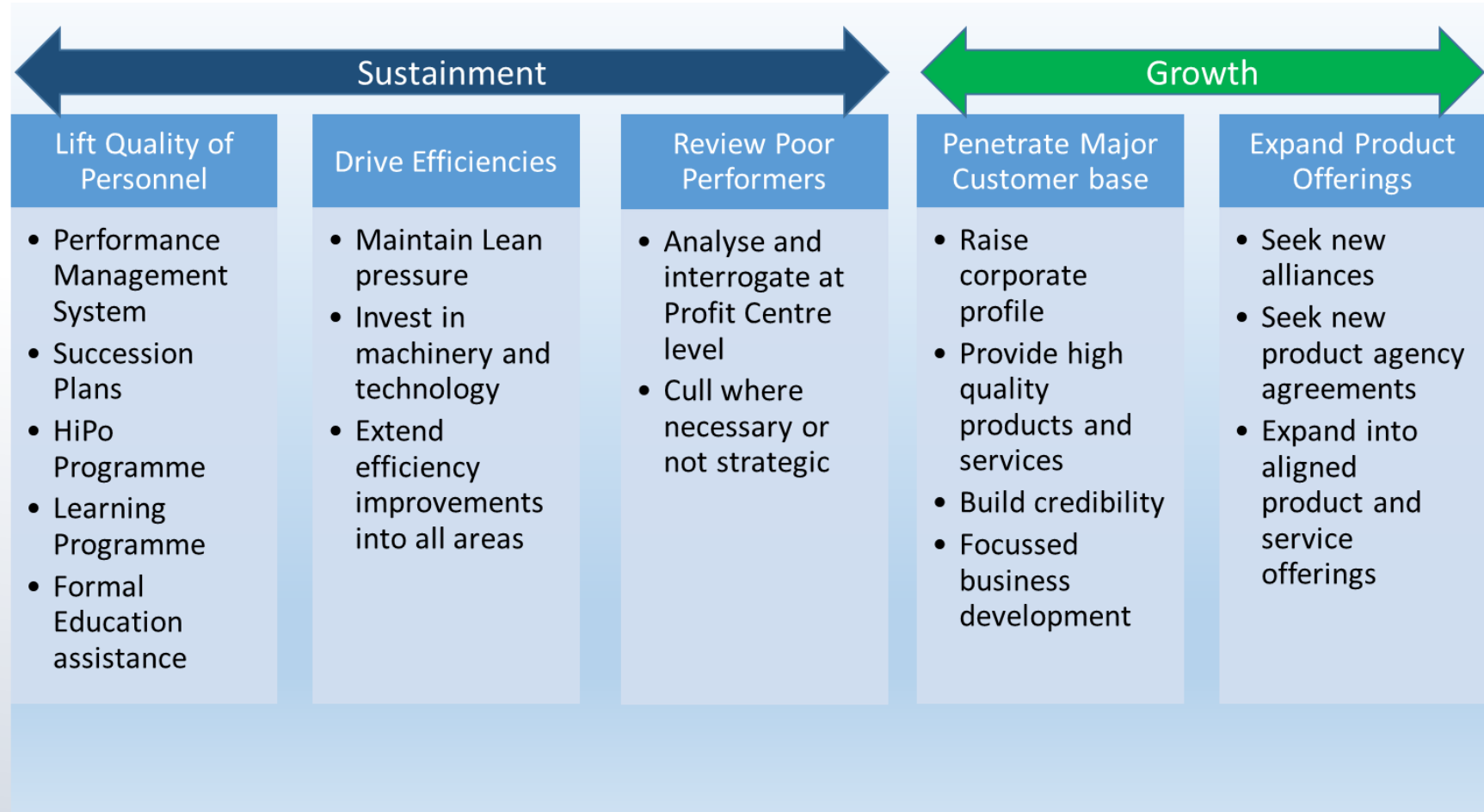
Opportunities

- Australian construction industry resurgence
- Depreciated AUD
- Convair spares and components dealer network development in Australia and New Zealand
- New dry and wet bulk transport technologies and products
- Fleet maintenance service offering



Group Strategy

Key Elements Summary



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