ASX ANNOUNCEMENT

16 November 2022

2022 Annual General Meeting: Chairman's Address and Managing Director & CEO's Address

Engenco Limited (ASX:EGN) (**Company**) attaches a copy of the Chairman's address and the Managing Director & CEO's address for the 2022 Annual General Meeting held on 16 November 2022.

About Engenco Limited

Engenco 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 provisioning services
- 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.

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2022 Annual General Meeting – 16 November 2022

Address to shareholders by Vince De Santis, Chairman

Thanks Meredith and good morning ladies and gentlemen.

As Meredith has just mentioned, my name is Vince De Santis, Chairman of Engenco Limited, and on behalf of the Board and management, it's my pleasure to welcome you to the Engenco 2022 Annual General Meeting.

While I wish to extend a warm welcome to those attending online especially those who have been able to join us for the very first time as a consequence of the virtual attendance option, I'm delighted to once again chair an in-person meeting and see some familiar faces from years gone by. I'd like to thank Richard Lustig, Ric Troiano and the Baker McKenzie team for their generosity in again offering to host our meeting today – it's so nice to be back.

I'm informed that we have a quorum present and so I will formally declare the meeting open and propose that we take the Notice of Meeting as read.

Meredith has outlined the key procedural matters for today's meeting which covers the added dimension of this being a hybrid physical and virtual meeting combination, so we have some slight changes to the process we were required to follow at last year's wholly virtual AGM.

I'd like to now introduce my fellow directors.

- Engenco's Managing Director and Chief Executive Officer, Mr Kevin Pallas; and
- Our non-executive directors:
  - Mr Dale Elphinstone;
  - Ms Alison von Bibra;
  - Mr Scott Cameron; and
  - Ms Kelly Elphinstone

Also joining us today is Ms Suzanne Bell from our external auditor, KPMG. Suzanne's role as audit engagement partner has recently been assumed by Mr Andrew Hounsell under the audit partner rotation requirements. Andrew is unable to be here today however we are pleased to have Suzanne with us and available to answer any questions shareholders may have concerning the conduct of the FY22 audit, preparation and content of the auditor's report, the Company's accounting policies and auditor independence. We welcome and thank Suzanne for her attendance and also extend a special note of thanks for her excellent support and management of our audit over the past 5 years.

I'd also like to acknowledge the Engenco senior executive team which support Kevin, many of whom have also joined us today.

We have:

- Mr Paul Burrows, Chief Financial Officer and joint Company Secretary
- Ms Renee Cerveri-Tekani, Executive General Manager – People & Culture
- Mr Ron Edwards, Executive General Manager – Corporate
- Mr Tony Fritsche, Executive General Manager – Workforce Solutions

- Ms Meredith Rhimes, Joint Company Secretary and Senior Legal Counsel, who you met a few moments ago
- Mr Tony Stone, Executive General Manager – Drivetrain Power and Propulsion
- Mr Geoff Thorn, Executive General Manager – Gemco Rail

And finally, while I'll speak on the recently announced senior management changes shortly, I'd also like to welcome Mr Dean Draper, who will be commencing in the role of Chief Executive Officer from next Monday 21 November 2022.

As you will have seen in the Notice of Meeting, there are a number of items of business for consideration including the re-election of three non-executive directors and an amendment to the Company's Constitution.

However, before we consider the items in the Notice of Meeting, I would like to say a few words regarding Engenco's performance, financial position and outlook, and I will then invite Kevin to address the meeting.

We will then deal with any remaining shareholders questions which have not already been addressed during the formal items of business.

This time last year I spoke about 2021 being very similar to the high levels of uncertainty, extreme events and volatile geo-political environment that we faced in 2020, but with a few new twists. In fact, 2022 has been a continuation of that same theme – we now face among other things, war in Europe, chaotic energy markets, more widespread flooding events, significantly higher inflation, and a tightening interest rate cycle that are playing havoc with investor and consumer confidence.

Kevin will talk about our safety journey in more detail shortly but I do want to acknowledge, Murray Dobson, one of our Momentum Rail employees, who in August of this year, lost his life in a tragic workplace accident. As a result, a family has lost a husband, father and grandfather, the township of Junee in NSW lost a valued member of their community, and many others have lost a loyal friend and workmate. On behalf of all at Engenco, we extend our deepest sympathy to Murray's family and friends, and the many other people who have been affected by this tragedy.

So, while we remain committed to delivering value to our shareholders along with our many other stakeholders, the loss of a life within our organisation, on our watch, does put everything else we face as a Company into stark perspective.

I'll spend a few moments on some of the financial highlights of the past year and then I will focus on some of the main themes currently occupying our thinking.

Firstly, our finances.

We have a solid balance sheet with negligible debt and ample available borrowing capacity. Our capex spend in the last year was not as high as in recent years, but our philosophy has not changed, and we have continued our balanced approach to reinvesting and growing our business units.

We were able to maintain total dividends at 2 cents per share for the third consecutive year. We have now exhausted our franking credits and so we'll no longer be able to pay franked dividends until the Company has utilised all of its available past tax losses and recommences paying Australian income tax.

We grew our revenue by 14% over and above the prior year, with total revenue generated in the second half of FY22 exceeding $100 million for the first time in many years.

Our net profit before tax was once again down on the preceding year resulting in our earnings per share, and return on capital employed, continuing a disappointing downward trend.

Kevin will go into more detail on the operational performance of each business unit and some of our initiatives and developments and without attempting to gloss over the work we have ahead to restore our profitability and capital efficiency to where they should be, I do believe that we are continuing to build the Group's capacity and capability.

Our business is delivering high quality products and outstanding services to our customers – we wouldn't be dealing with so many Tier 1 customers if this were not the case.

Is Engenco a great business? Not yet but it can be.

Is it a better business than it was say 5 years ago? Absolutely.

How about looking back 10 years ago? There's no comparison.

I'd now like to briefly touch on some of the key themes on our radar.

- People
- Leveraging our capacity
- The illiquidity of our shares on the ASX
- ESG

People

As we said at last year's AGM, adapting one of the key tenets of the New Zealand All Blacks rugby team, better people not only make better All Blacks but in the case of Engenco, better people will also make us a better organisation tomorrow, than we are today.

We continue to do a lot of work and target our resources on lifting our employee engagement and creating a high performing environment. An employee survey carried our earlier this year produced mixed results with pockets of disappointment. Two subsequent pulse checks have shown that while we're not yet where we want to be, we are making solid improvement. We all perform at our best when we're fully engaged in what we are doing; we tend to feel more engaged when our initiative and creativity is encouraged which is a crucial element in building a culture of innovation; and therefore, if Engenco continues to improve its employee engagement, we know that it will lead to better financial and overall performance.

We also continue to invest in and focus upon our safety culture and performance; and we are making inroads. There's no hiding from our recent workplace fatality and its devastating effects and so we must do better. This has affected the Board, our Leadership and employee population deeply.

Leveraging our capacity

Over the past few years, we have been methodically lifting our capacity and capability and building out our Group platforms so that we can fulfill the needs of some of the largest and most demanding customers while remaining small enough so that their business is still important to us – it's a bit like the think global, act local mantra.

There's a flipside to that coin, and a challenge which is aptly described by another mantra – too small to be big, and too big to be small.

What does this mean?

It means that having the capacity and capability of a larger organisation also brings extra costs and overheads which we are yet to fully leverage and until we do, it is impacting our profitability.

Being too small to be big and too big to be small is something we need to overcome because when we do, the benefits will be well worth it.

Illiquidity of our shares

I think there's almost more liquidity in a hot desert than there is in the trading of Engenco shares. More than 91% of Engenco's 316 million issued shares are held by the top 20 shareholders out of the more than 900 we have on our register. And it hasn't changed much over the past few years.

Obviously, it is fantastic to have a loyal and supportive shareholder base, but the lack of liquidity makes it more difficult to attract new shareholders and challenging for existing and prospective shareholders to sell if they wish to do so.

Just as we want Engenco to be a company for whom great people want to work, we also want Engenco to be a company where investors want to invest, and this is difficult when the market for our shares is so tight.

There's an obvious solution to this which is to issue more shares which are then available to be traded. Except there's no logic to issuing shares and raising more capital if the extra capital is not required. And so we need a reason, a good reason I might add, to raise more capital and that's by growing our business, either organically or through acquisitions.

Our purchase of Eureka 4WD was a small example of growth via a business acquisition – we even paid for part of the purchase price by issuing new Engenco shares. It was the Group's first acquisition for many years and it has helped us become "match fit" to do some more.

Financial markets and the economy may be turbulent but that sort of disruption also creates opportunities.

As Team Engenco, we have up until now done a great job of defending our goals which was the sensible thing to do when under pressure as we were a few short years ago. However, because of that work, we're now able to play some more offence – we still need a good defence in the form of good capital management discipline and business processes, and we still need to deliver to the requirements and expectations of our existing customers. But we're also looking downfield, ready and willing to score some more points of our own.

To summarise:

- We're continuing to improve our capacity and capability and working hard on our employee engagement. This will improve our performance, and in doing so make Engenco an attractive place to work.
- We're too big to be small but too small to be big and so we need to leverage our capacity and effectively grow into our expanded structure.
- We can do that organically or via acquisition with the latter requiring a slightly more aggressive mindset – readjusting the balance between defence and attack with a greater emphasis on kicking some more goals.
- This will require more capital which may in turn allow us to issue more shares and in doing so, help to solve our share illiquidity challenge which will be good for existing and prospective Engenco shareholders.

And so the last piece which ties all this together is our ESG strategy.

First of all, I'd like to point out that ESG performance is not binary – its evolving and exists along a spectrum of perceptions and expectations which vary from employee to employee, investor to investor, customer to customer and so on.

Having said that, a massive percentage of global capital flows now have some form of ESG criteria attached to the decision-making process by which capital is allocated.

In regard to the environmental elements of ESG which is where a lot of the general public's attention is focused at the moment, Engenco recognises that the decarbonisation of the global economy, and the energy and transportation sectors in particular, simply cannot occur overnight and there needs to be an orderly transition. As my late father used to often say, it's about everything in moderation and balance and for Engenco, our strategy is to participate in the transition by supporting our customers as they adapt, some of whom operate in what might be referred to as old world industries, while also seeking out the new opportunities that decarbonisation and electrification present for companies such as Engenco.

In regard to the social and governance aspects of ESG, it's about living our Group values particularly the value of integrity being practised by an engaged group of employees, working in a safe and supported environment.

It's an obvious thing to say but Engenco's success, as does the success of any group or organisation, relies upon the skills and efforts of its people. Hence our commitment to keep building capability and capacity and with it, the engagement of our employees.

And on the matter of people, before I conclude, I will mention a few of our key people changes of which you're already aware.

First of all, Dean Draper. We are delighted to welcome Dean to Engenco. We think he's joining the Company at an exciting time and while it's not without its challenges, I also know that Dean is relishing the opportunity to lead our management team and the rest of the organisation to deliver upon the objectives I have outlined.

I also wish to thank and commend our outgoing MD & CEO, Kevin Pallas on 16 years of outstanding and dedicated service to Engenco. Words alone cannot fully convey the debt of gratitude owed to Kevin not to mention the support provided by Kevin's wife Janine and the rest of his family in allowing him to have committed himself to his roles at Engenco in the manner that he has. Kevin is the absolute epitome of someone who represents and lives the Engenco Group Values.

On a personal note, it has been a privilege to have worked with someone of his calibre and on behalf of his Board colleagues and the rest of the Company, we wish Kevin every success along with our best wishes in whatever he chooses to do next.

It's also goodbye to our Chief Financial Officer and joint Company Secretary, Paul Burrows. While Paul's 4 years with Engenco may be but a fraction of Kevin's much longer service, he has also made a significant contribution to the Company. Paul certainly leaves the finance function better than he had found it and for that, we extend our sincere thanks and also wish him great success in his new role. Just like Kevin, Paul leaves as a friend of Engenco and with our best wishes.

I was very pleased to introduce you to the members of our senior management team a little earlier and I'd like to thank each of them, along with their respective management teams and the rest of the Engenco organisation for their dedication and commitment in what continues to be a tough and volatile environment. Our mission of "keeping our customers moving" is what they all do each and every day.

And finally, on behalf of the Engenco Group, as custodians of your capital, we extend our sincere thanks and gratitude to you, our shareholders. Please be assured of our commitment to rewarding your support through improved performance over this year and beyond.

I will now hand over to Kevin.

ADDRESS TO SHAREHOLDERS BY KEVIN PALLAS, MANAGING DIRECTOR AND CEO

Good morning and thank you for joining us for our 2022 AGM.

It is a pleasure to address you today.

During the year, we refreshed and re-energised our vision for the company, focusing our business on the supply of innovative products and solutions for transportation and empowering our people, enabling them to excel in the delivery of value for customers whilst being committed to a strong value-set.

Fundamentally, our business helps keep our customers – and Australia's economy – moving, through servicing and extending the life of customers' equipment, supplying innovative products and services and providing tailored workforce solutions that provide essential skills and labour.

Transportation is an important industry sector in the economy that deals with the movement of people and products. We see a strong future in services required to facilitate the movement of people or goods, as well as in provision of transportation equipment and infrastructure, and through the training and provision of skilled labour.

Engenco's vision is to foster an environment where inspired people create sustainable transportation solutions. Our aim is to earn long-term sustainable shareholder returns by delivering customer value through our platforms.

Our growth strategy is built on leveraging our existing competitive advantages as well as driving innovation to further extend these advantages into the future. At the same time, we plan to maintain a diverse mix that is unburdened with underperforming businesses segments.

We are a national business having proven capability and experience around Australia with well-established facilities that offer bespoke capabilities for our customers. We strive to source, develop and adapt products and services that increase our customers' competitiveness and efficiency, and ultimately ensure their satisfaction.

Health, safety and wellbeing

Safety is core to our business. We have a strong commitment to the health, safety and well-being of our people.

I wish to say how truly saddened we are by the death in August 2022 of one of our colleagues, Murray Dobson, following a tragic incident whilst operating a customer's train service. The process of incident investigation by the authorities is expected to conclude early in 2023. I extend our sincere condolences and support to Murray's family, friends, and work colleagues at this most difficult time. Murray was a Momentum team member with many years' experience supporting SCT Logistics' North-South rail freight services.

A safe and healthy workforce remains our priority. In FY22 we further enhanced our MakeSafe program to strengthen our safety culture. This included the launch of the MakeSafe7 LOOK, THINK, ACT initiative and the MakeSafe Observation mobile phone App. Our ongoing commitment to improving safety leadership was instrumental in our business achieving a 12.7% reduction in the Total Recordable Injury Frequency Rate (TRIFR) year-on-year.

We foster a culture where all employees, contractors and visitors take personal responsibility for the health, safety and wellbeing of themselves and each other. This increased accountability and leadership enabled us to progress well, despite the extensive challenges of dealing with pandemic-related constraints, work deferrals and severe adverse natural events. We maintained COVID Safe plans that met medical advice and government requirements, ensuring a safe environment for our employees, customers and visitors.

Business Overview

In FY22, strong customer demand for our goods and services enabled 13.6% year-on-year revenue growth to $188.6 million, despite pandemic-related restrictions and other disruptions both globally and regionally. We succeeded in capturing robust demand across the Gemco Rail and Drivetrain businesses especially in Western Australia.

Net profit excluding significant items was $6.1 million, and whilst this was not satisfactory, it demonstrated the resilience of our business in what was a very tough environment with labour shortages, accelerating inflation, floods and global supply chain breakdowns. Although profit was below expectations, the result also reflected the strength of our diversity which provided stability across the group, helping to offset adverse conditions in certain markets when they occur.

The FY22 underlying result excluded a $1.6 million statutory impairment associated with Gemco Rail's Gladstone underfloor wheel lathe asset. This $4 million investment was destroyed in the March 2022 floods which also resulted in loss of production. An insurance claim for the impaired asset and lost revenue has been accepted by insurers. It is expected that the claim, when fully settled, will substantially exceed the asset impairment value recorded in FY22. A significant portion of the settlement proceeds are expected to be recorded in the first half of FY23.

Summarising business unit performance, Drivetrain met expectations with higher revenue and profit. Our workshop maintenance services steadily increased across the business but particularly in Adelaide, and recently established Kalgoorlie operations also grew significantly.

Convair revenue and earnings were lower due to severe shipping delays and labour shortages. This business now reports under the Group's Power and Propulsion division, reflecting its closer industry sector alignment with Drivetrain.

Gemco Rail revenue increased, bolstered by strong demand for rollingstock component refurbishment, especially from the Western Australian mining sector. Profit was lower especially on the east coast with adverse weather, fluctuating demand, and shipping cost increases and delays affecting operations.

Our Workforce Solutions businesses were impacted by pandemic-related restrictions and weather which severely affected rail operations services. Our talent supply chain programs improved with border restrictions being lifted.

Moving to more details at business unit level:

Our Drivetrain operations span the complete engineering product life-cycle for transportation equipment. We have strong partner agreements with tier-1 global manufacturers and are focused on expanding our product range for the off-road transportation and associated industries, including the low carbon economy.

The renewable power generation market is one sector of the low carbon economy that we are targeting. Expansion of our goods and services has driven demand, which in FY22 included the sale of novel syngas-fuelled power generation equipment in South Australia to a carbon neutral producer of urea fertiliser. This has opened a new market for Engenco, including on-site through-life maintenance services.

Customer demand was strong in FY22 and we increased revenue and profit. Operations in Adelaide and Kalgoorlie expanded and we secured our first fleet size order of Kovatera underground utility vehicles. We have established a service capability in northern Queensland to support these assets as the fleet size steadily increases. We have a good pipeline of further prospects and have received considerable market interest in the new battery-electric version.

The group continues to support the Collins Class submarine program, and there was steady maintenance activity throughout the year.

The Convair business manufactures innovative steel dry-bulk road tankers and, despite world-wide shipping disruption challenges, successfully leveraged its supply chain to deliver several German-built Feldbinder aluminium tankers into a short-supplied market. Supply disruptions were well managed as demand for dry bulk tankers and spare parts grew, responding to strong activity in the infrastructure and construction sectors.

This business remains focused on improving production efficiency, building human capacity, and easing supply chain constraints. The backlog of orders that were held up in FY22 due to shipping congestion are now being delivered in FY23 and some easing of these constraints has become evident. We are continuing to improve steel tanker design, responding to customers' demand for high-quality locally manufactured transportation products.

Our Hedemora business continued its transition from Hedemora Diesel engine support to development, supply and service of HS Turbochargers for large engines. While we plan to expand our global customer base, we experienced supply chain issues and slowed sales momentum due to the invasion of Ukraine and associated trade difficulties in affected parts of the region.

A highlight of the year was securing a US Environmental Protection Agency certificate of conformity, after extensive testing with a US Class 1 railroad operator. The certificate allows our products to be used by the major Class 1 Railroad operators in North America. Our HS Turbocharger has large market opportunities as it can provide operators' extensive 4400hp GE locomotive fleets with significant fuel savings and emissions reduction.

Gemco Rail has become Australia's largest independent full-service rollingstock maintenance provider. Its national network provides services to Australia's largest mining and freight companies. Our investment in this business, over the years, has strengthened its product offering and increased market share.

In FY22, we benefited from strong demand in Western Australia, with increased demand for railway wheels and bearings, and component maintenance for mining customers, and performed a major wagon upgrade for a grain haulage customer which significantly extended the life of its fleet.

Demand for wheelset maintenance from east coast bulk transporters was also reasonably strong, although affected by changing customer maintenance cycles and rescheduling. Steady activity continued in Victoria and in New South Wales our Hunter Valley facility is developing some exciting growth opportunities.

Although cost pressures affected margins, we are adjusting prices and containing costs to reverse margin erosion and expect to see an improvement in returns in the second half of FY23.

We have a positive outlook for the business and are increasing capabilities in Melbourne and exploring expansion in the Western Australian Pilbara region to capitalise on opportunities. We are also expanding strategic alliances to exploit opportunities as the freight rail industry adjusts to meet decarbonisation objectives.

The Workforce Solutions businesses provide diversity for the group, offering talent chain solutions that build capability, create employment and facilitate careers in transportation.

CERT Training, which provides training, assessment and recertification services for the rail industry, experienced a difficult year with COVID restrictions and trainer shortages. However, restrictions have lifted, demand has increased and trainer staff numbers are re-building. Momentum's rail provisioning activities were disrupted by severely adverse weather events, and consequently weeks of cancelled rail services reduced locomotive driver demand.

The CERT Training and Momentum businesses deliver our Street to Seat program, which provides training and employment opportunities for a diversity of people to join the rail and transportation industries. We train new recruits and place them, which helps to address skilled labour shortages. This includes Indigenous and female candidates, providing a pathway into a sustainable career. More than 80 new entrants have graduated the program and started as terminal operators and train driver assistants. This model has been welcomed by customers with great enthusiasm.

We completed the successful integration of the Eureka 4WD and truck training business, re-calibrating operations to meet corporate standards. Our Western Australian branches of Momentum, CERT and Eureka are now located together in Perth, which has reduced overheads and increased the opportunities to expand integrated services. Preparations are advancing for Eureka's national expansion in FY23.

As mentioned, difficult trading conditions persisted in the year and revenue, which included the Eureka 4WD business for the first time, was lower and profit decreased with very little pandemic support from governments in FY22. Eureka 4WD costs also rose with rising vehicle operating expenses and increased personnel costs in a tight labour market.

People and culture

The group has an ongoing strategy to develop a high-performance culture which has been instrumental, over time, in lifting team performance and positioning the company as an employer of choice in a changing modern workplace environment. The company is continuing to invest to enhance its platform to attract and retain talent, develop future business leaders from within the organisation, and foster diversity and staff engagement.

We are listening to our employees through our bi-annual engagement survey and making the changes that will have the most positive impact in creating an environment where they can be at their best. The recent rollout of our flexible working policy, our recognition program which we have named "Elevate a Workmate", and enhancing our training platform and onboarding experience, all contribute towards building a desirable workplace culture.

Group platforms

The group has also invested in technology platforms to increase efficiency, exploit data assets and provide operational scalability.

Recent developments include integrating workshop machinery with central IT systems leading to improved accuracy, reliability, and faster processing for customers; supporting the business' focus on safety and efficiency by enabling staff with mobile applications and anywhere access to core systems which have been migrated to cloud services; and implementation of SAP Analytics Cloud for greater transparency and visualisation of financial and operations planning and reporting.

Engenco has also invested significant resources in the ongoing program of work to continuously improve information security by implementing best practice methodologies, and external advice to address the significant risks represented by cyber-crime activities. Recently an external third-party product, Security Scorecard, ranked Engenco with a scorecard result of 100. Engenco is also currently aligning with ISO27001 Information Security policies and procedures and expects to be certified by mid-2023.

Group Strategy and Outlook

Our strategy to align the products and services that we offer to serve the transportation market is delivering opportunities, despite hurdles presented by adverse weather events, labour shortages and supply chain challenges, which demonstrates the robustness of the company. We have built a larger, more scalable platform, and will continue to invest to achieve medium- and longer-term outcomes that strengthen the company and increase our capability and scale.

Increasingly, we are aligning with partners to bring innovative solutions to the Australian market. One example is the development of the battery-electric Kovatera vehicle, localised by Drivetrain for Australian mining conditions, which offers our customers an opportunity to further their ESG goals and boost mine operation efficiencies.

Opportunities include expanding our Gemco Rail capability in Victoria and the Pilbara region of Western Australia to meet demand from customers, and investing in our people to drive growth. We have renewed long-term maintenance contracts with major customers, which provides sustained maintenance volumes as we expand our service network. The company also expects to benefit from geopolitical developments which have reenergised focus on the benefits of organisations using local providers instead of sourcing offshore, including for capital items such as rail wagons.

As COVID restrictions and absenteeism abate, we expect our Workforce Solutions businesses to benefit with the return of face-to-face classes and training programs that bring new personnel into the rail industry. We have recently consolidated our Western Australian Momentum, CERT and Eureka businesses which now operate from a well-positioned and resourced facility in Perth, providing opportunities to expand integrated services. The strategy of expanding through our national footprint is being realised, and we are preparing to offer our customers Eureka 4WD and truck training courses in the eastern states over the next six months.

Although trading conditions remain difficult, reasonably robust demand from transportation industry customers has continued in the first half of FY23. We anticipate that while these conditions will continue in the second half, we also expect profitability to start improving with the commencement of new projects and contribution from the investments in our operating platforms. Our strategy execution and mid-term planning have identified opportunities for continued expansion within the transportation industry, with several projects converting into significant revenue streams. We expect to achieve further revenue growth for the full year, and to generate operating profit materially in line with FY22, with progress on profit margin initiatives accelerating in the second half.

Overall, whilst profitability outcomes have been unsatisfactory during a period of global uncertainty, our revenue growth has proven to be sustainable. Our challenge is to now convert top-line growth into more acceptable returns for shareholders, which we are confident of as our efficiency platforms and margin improvement programmes manifest themselves in the context of a more stable operating environment.

On a personal note, and as most of you probably know, I decided to step down from my role at Engenco after almost 16 years of service, so that I could have some personal down-time to reflect and spend some quality time with my family. My decision was not taken lightly of-course and by complete co-incidence our CFO, Paul Burrows, decided to resign at the exact same time, which may have raised some eyebrows. But perhaps as a disappointment to the conspiracy theorists, and as the Company announced, there is no link between these two events. I thank Paul for his contribution to the company and for his partnership as we have continued on the improvement pathway. Pleasingly, a new CEO has been appointed as Vince has mentioned, and I welcome Dean as the new CEO as I pass the baton to him in the next few days.

From my perspective, it has been an honour to have lived the journey of us taking the company from an almost terminal loss-making business, more than $100m in debt and with very little market credibility – to what we have today, a well-funded and growing business well-positioned to now capitalize on the platforms and significant transportation industry opportunities that lie ahead. I must admit that during the 16-odd years the journey had many twists and turns, as we navigated through some pretty rocky waters, but as a team we always pulled through in the knowledge that we have something special, and a great company in the making if we take careful and deliberate steps. In particular, Dale Elphinstone's counsel and unwavering support right from his first involvement with the company has been crucial. Similarly, Vince De Santis' integrity and absolute dedication to making Engenco a better company for all stakeholders has had immense impact. Non-executive directors and the executive leaders, past and present, have all been part of the team leading us to this point in the journey, and their contribution and support over the years is immeasurable. Our shareholders too have been patient and supportive, whilst our customers and suppliers have been steadfast business partners. Then there are the 500 or so people in the business itself, who have been and continue to be such an integral part of this journey, and they are the real heroes. As I always say, "it is a team effort" and I am very thankful to the full team as I say farewell to the company.

I will now return you to Vince.