

**MINCON GROUP PLC**  
("Mincon" or the "Group")

**Q3 2022 TRADING UPDATE**

Mincon Group plc (Euronext:MIO; AIM:MCON), the Irish engineering group specialising in the design, manufacture, sale and servicing of rock drilling tools and associated consumable products, today provides a trading update for the 9 months to 30th September 2022.

The very strong revenue growth reported in the Group's half year results to 30 June 2022 has continued in the past quarter, and revenues for the first nine months are 25% ahead of 2021. Our revenue growth has been mostly organic, supported by currency tailwinds, price increases and some contribution from acquisitions. The construction industry has experienced the highest level of growth, though it is pleasing to see double digit growth in mining revenue, the Group's largest industry, and this is when we exclude the positive currency tailwinds. We also experienced positive growth in waterwell/geothermal industry revenues during the first nine months of the year.

During the past quarter we made significant progress in reducing our order backlog. This will facilitate production and logistics planning, and in particular enable us to significantly reduce air freight from our factories to our customer centres in the final quarter.

We introduced price increases in H1 2022 across all markets and regions of the Group. While the effect of these in the past quarter has improved margins compared to the first half of 2022, they have been offset to some extent by higher energy prices in our factories and energy related surcharges on raw materials. Nevertheless, we remain positive about achieving an improved margin percentage for the second half of this year.

During October, we were pleased to have commissioned new heat treatment technology in Shannon, the Group's largest factory. This new technology will significantly reduce energy consumption in this critical process which will serve to mitigate the higher fuel prices. We remain steadfastly committed to continuing the search for new technologies to further reduce our overall energy consumption.

The Group's strategy for improved technologies for the industries, and thus better margins in the long-term for Mincon, took a positive step forward during October when commercial drilling of our Greenhammer system commenced with a significant customer in a large gold mine in Western Australia.

**Joe Purcell, CEO of Mincon, commented:**

*"I'm pleased to report that Mincon has managed to negotiate a challenging market environment and achieve further growth in the third quarter. In addition, the first commercial drilling with our Greenhammer system with a customer in Australia marks another significant milestone, and I look forward to the system demonstrating its superior capabilities in the months ahead. We are confident that the Greenhammer system will be a step change in terms of technology and efficiency in the hard rock mining environment."*

**Ends**

**1<sup>st</sup> November 2022**

**For further information please contact**

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**Forward looking statements**

Any forward-looking statements made in this document represent the Board's best judgment as to what may occur in the future. However, the Group's actual results for the current and future financial periods and corporate developments will depend on a number of economic, competitive and other factors, some of which will be outside the control of the Group. Such factors could cause the Group's actual results for future periods to differ materially from those expressed in any forward-looking statements included in this announcement.