

MINCON GROUP PLC
(“Mincon” or the “Group”)

INTERIM TRADING UPDATE

Mincon Group plc (ESM:MIO AIM:MCON), the Irish engineering group specialising in the design, manufacture, sale and servicing of rock drilling tools and associated products, today provides an interim trading update for the period from 1st January 2020 to date, incorporating the third quarter to 30th September 2020.

Trading

Building on a trend noted in the Group’s interim results, we have continued with the broadening of the business during the third quarter and the Group has achieved comparable growth to H1 2020. Our total revenue increased by 12% compared with the first nine months of 2019. Revenue from the construction sector has continued to grow, although some of this growth was achieved through the sale of non-Mincon manufactured product, with a corresponding lower gross margin.

The environment in the mining sector is positive in light of the strong prices in precious metals and iron ore. Our trading in the sector, while in line with H1 2020, remains challenged by the Covid-19 pandemic due to the difficulties in shipping product, as the recovery from the initial shock of the pandemic evolves at various speeds in different regions.

All regional government Covid-19 restrictions we experienced with our factories globally during H1 2020 have now been lifted. Our factories are fully operational and are compliant with all Covid-19 measures, and we continue to focus on the health and safety of our workforce.

Although we have had a strong trading performance during 2020 to date, the effect of the Covid-19 pandemic on global trade over the coming 6 months at least, remains uncertain. As a result, the Board has decided to adopt a prudent approach by suspending the interim dividend for 2020. However, we will continue to assess our ongoing capital requirements and, in the absence of any significant adverse impact of the pandemic in our markets in the coming months, it is the Board’s intention to increase the final dividend declared in respect of the financial year 2020 so that the final dividend will be in line with the total dividend paid for 2019.

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.

Ends

9th November 2020

For further information please contact

Mincon Group plc

Joe Purcell – Chief Executive Officer

Tel: +353 (61) 361 099

Mark McNamara – Chief Financial Officer

Davy Corporate Finance (Nominated Adviser and Euronext Growth Advisor)

Anthony Farrell

Tel: +353 (1) 679 6363

Daragh O’ Reilly