

MND Group (FR0011584549, MND) designs and builds efficient solutions to develop mountain areas and facilitate transport in tourist and urban areas. The Group is listed on the Paris Euronext regulated market, compartment C.

Sainte Hélène du Lac (Savoie, France), 16 February 2017 (before market open)



MND signs a record 3-year €110 million master contract in China

MND Group, major provider of innovative mountain development and urban mobility solutions, has won a global contract for the turnkey development of the new Snowland resort located north-west of Beijing.

Having opened a distribution subsidiary in December 2015 and received several large orders, concluding this record 3-year €110 million master contract represents a big step forward in the Group's winning global offer strategy in China.

MND will support development of a new unique mountain resort in Asia: Snowland

MND was selected to design and equip the Snowland "Four seasons" ski resort, a new mountain destination located 130km north-west of Beijing. The development contract for the resort covers a greenfield site and includes construction of the "latest-generation" detachable ropeways, an automatic snow-making system covering all 55km of ski slopes, and safety equipment. This new destination will be able to host international competitions for Alpine Skiing. Lastly, Snowland will be developing a large array of outdoor innovative leisure facilities.

The Snowland resort also aims to become a unique mountain destination in Asia applying global best practices with regard to the environment, low operating costs, return on investment, safety and accessibility.

MND's unique strengths were decisive in winning this contract

With a view to achieving world-class customer service for its future projects, Snowland was won over by:

- **MND's ability to come up with global development solutions** for mountain locations, from design to installation and Snowland staff training;
- The Group's **Innovation**, including **its range of latest-generation detachable lifts**;
- MND's ability to provide a fully **automatic and customized snow machine** (high and low pressure) covering 55km of slopes while **consuming very little energy** and producing high-quality snow;

- **The Group's customer references for ensuring safety in** tourist locations and global competition venues such as the Sochi Olympics and the Val d'Isere World Cup;
- MND's expertise in designing **and installing the largest mountain outdoor recreational activities** area in China;
- And lastly, the Group's **production alliance with CCZMM¹**, a Chinese state-owned company acclaimed for its production capacity.

A game-changing deal that will create jobs in France and China

In order to carry out this contract properly, MND has set up a "large projects" team made up of European and local experts, and will step up recruitment by creating **new jobs at its locations in France (Savoie) and new jobs in its Chinese subsidiary**. This will increase Group headcount to over 500 people three years from now.

Equipment will be partly manufactured in the Group's factories in France (Auvergne-Rhône-Alpes), and partly in China based on the Group's alliance with CCZMM (for further details, see today's other press release). In France, MND has flexible production capacity and facilities allowing it to cope with increases in volumes required to produce specific parts.

Gradual ramp-up of the contract over 3 years

The contract is originally planned to run 3 years broken down into several phases, and additional Group revenues are estimated to gradually increase over time as follows: €20 million in 2017/2018, €40 million in 2018/2019 and the remainder in 2019/2020. The first phase involves delivery of 3 chairlifts, a recreational area for ski beginners to learn, some 15km of slopes fully equipped with a snowmaking system, safety equipment and user-friendly signage, and an outdoor leisure multi-activity area. Following the first phase, Snowland will be able to open with complete and attractive tourism facilities already on offer.

Hubert Shea, CEO of Snowland, made the following comments: *"Snowland, located at 41°N at an altitude of 2,100m, 130km from Beijing, has a snow season lasting 150 days, and boasts over 43 million high-potential customers from Beijing and Tianjin. Its strategic location and high business value make it an emerging world-class ski and mountain tourism destination. Close collaboration between Snowland and MND further entrenched the success of the Snowland project; MND stood out from other equipment suppliers and impressed Snowland leadership with its passionate and experienced team, innovative spirit, holistic and systematic industrial solutions, all-round local services and customer focus. The Snowland project will create over 500 employment opportunities in Chicheng and Chongli. Backed by all levels of government, international sport institutions and sporting communities, Snowland will prove itself invaluable in the Beijing-Tianjin-Hebei region. This destination also aims to become a popular tourism and leisure destination in terms of sport and health, as well as new city model for China, Asia and even the world at large."*

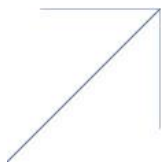
¹ ChinaCoal Zhangjiakou Coal Mining Machinery

Xavier Gallot-Lavallée, MND Chairman and Chief Executive Officer, made the following comments: *"We are very proud to have been selected by the new Snowland mountain resort and to showcase a challenging sustainable development project which will be a shop window for Asia. Winning this record contract once again demonstrates how successful our 5-year-old global offer strategy really is. This new order, which is a game-changer for the Group's operations in France and China, boosts our position as a leading player in developing mountain destinations, prior to tenders being sent out for the 2022 Winter Olympics. »*

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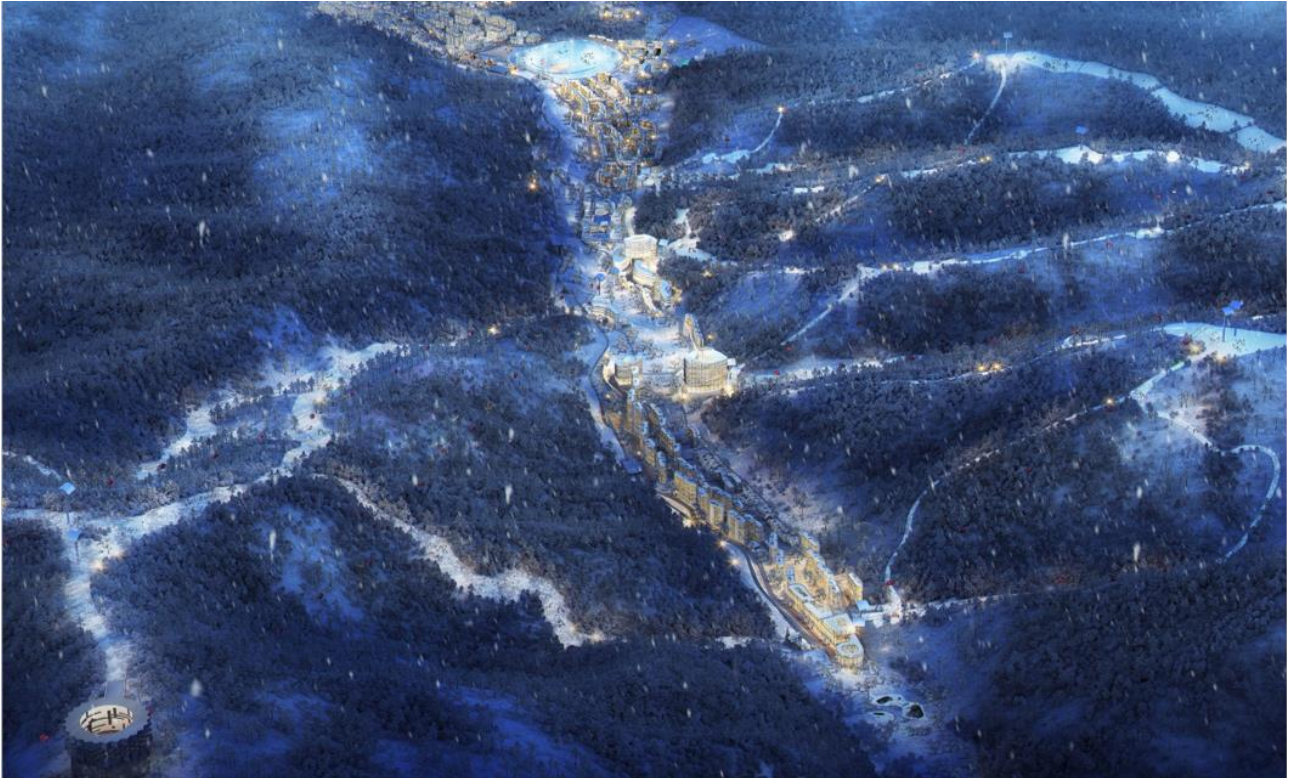
ABOUT MND GROUP

The MND Group has been based at Sainte Hélène du Lac (Savoie), in the very heart of the French Alps, since 2004. MND is one of the few market players to have a global range of products and services dedicated to the development, equipping and protection of ski resorts, leisure areas and other mountain infrastructure. Buoyed by its industrial expertise in the mountain cable transport market and by innovative technology protected by worldwide patents, the MND Group has strong growth potential in the urban cable public transport field, where it offers an unobtrusive alternative mode of urban transport. With 5 manufacturing plants in Europe, 8 distribution subsidiaries and 30 distributors worldwide, the MND Group has 350 employees and almost 3,000 customers in 49 countries.

Find all the information you need on www.mnd-bourse.com



APPENDIX : SNOWLAND PROJECT



ABOUT SNOWLAND

The Snowland Abode Holiday Resort spreads across Chicheng and Chongli counties, in the north-western part of Hebei Province, just 130km north-west of Beijing. Planning area of the project totals 116 square kilometers with projected population of 150,000 people and a sum of 10.9 billion RMB will go into building basic infrastructures.

Ski, Aviation, Wellness and Education are the four core areas – seeds that will sprout in the development of finance, technology, culture and art industries in the area, cultivating Snowland into the paragon city that is a year-round holiday destination within the next 10-15 years.

As one of the most significant investment projects in Hebei province, Snowland has received advocacy from the Zhangjiakou city Party Committee as well as the upmost support from the Chicheng and Chongli county governments ever since the project was signed and approved.

With the future completion of the Snowland project, Chicheng and Chongli counties will, to the greatest extend, be integrated into the Capital Economic Circle formed by Beijing, Tianjin and Hebei regions

