



**NORTHERN
CAUCASUS
RESORTS**



In St. Petersburg, 10th June, 2019

Northern Caucasus Resorts (NCR) trusts the French company MND Group to develop the Arkhyz resort as an All-season destination

At the site of the St. Petersburg International Economic Forum, Joint-Stock Company Northern Caucasus Resorts (NCR) and the French company MND Group, in the presence of the First Deputy Minister of the Russian Federation for North Caucasus Affairs, Odes Baysultanov, signed a memorandum of cooperation to jointly develop the Arkhyz resort in the Karachay-Cherkess Republic and strengthen their business relations for the projects hold by NCR.

While MND group will propose its global offer (that includes snowmaking, safety devices for ski area and avalanche, ludic snow-playground and ropeways) for NCR projects, it is planned that the main direction of interaction between the parties will be the expansion of the resort's commercial infrastructure, including through the construction of a modern outdoor amusement park. The primary focus will be on all-seasonal activities, i.e. tubing tracks, ziplines, toboggan, rope parks and other types of family entertainments. The project shall involve know-how technologies of Techfun, being part of MND Group, it focuses on solutions for arrangement of recreation sites and extreme entertainment. The project will also seek on creating more fun on ski slopes by developing snow-playgrounds for kids and families.

'Northern Caucasus Resorts are deliberately moving toward the year-round operation model and all-season occupancy, as this is the only way for us to make them a really viable project. European partners have experience in creating entertainment facilities interesting for tourists in mountain resorts, which can be conveyed to our sites as well. MND group, thanks to its global offer, is a reliable partner able to design and build attractive activities and we believe our cooperation will help us to develop bankable and family-friendly new investment opportunities,' Khasan Timizhev, the Director General of Joint-Stock Company Northern Caucasus Resorts, told after signing the memorandum.

According to its President and CEO Xavier Gallot-Lavallée, MND Group is interested in creation of the technical and commercial platform for business development in Russia. 'Northern Caucasus resorts and, in particular, Arkhyz, are a challenging opportunity for us to create a sort of "reference" amusement park using French and European experience as a guide, where you can spend your holidays both in winter and in summer, and thus show the widest range of our technical solutions to arrange active leisure,' he noted.

Terms of construction of the amusement park and the amount of required funding will be additionally determined by the parties based on the results of the analysis of the feasibility study of the project.



Background

About MND Group

In the heart of the Alps, the MND group brings together a full range of complementary skills. A key player in a sector where France excels, the group is a benchmark industrial partner in the fields of mobility, safety and leisure. Harmonious and innovative development for ropeway transport infrastructure, safety procedures, snowmaking systems and extreme sports facilities require a global approach. This industrial vision provides a relevant and effective response for multiple customers, facilitating their projects and satisfying end users. It enables the MND group to operate in all the major international markets. With its five production plants, eight international distribution subsidiaries and 30 dealers worldwide, Subsidiaries of MND Group (LST, SUFAG, TECHFUN, TAS, MBS) are dealing with 3000 customers in 49 countries of the world. MND Group is a listed company on Euronext Growth in Paris (FR0011584549 – ALMND).

About NCR

Joint-Stock Company Northern Caucasus Resorts (JSC NCR) was incorporated pursuant to the Decree of the Russian Federation Government dated October 14, 2010, No. 833, to manage the tourism and recreational special economic zones in the North Caucasus Federal District (tourist cluster). The mission of JSC NCR is to create conditions for socio-economic development of the North Caucasus Federal District through effective management of special economic zones and implementation of an integrated infrastructure business project in the tourism sector, based on the principles of sustainable use of natural resources, economic efficiency, promotion of sport and healthy lifestyle. The purpose of JSC NCR is the implementation on the territory of the North Caucasus Federal District of integrated infrastructure business project in tourism, aiming at creation and development of the tourism cluster.

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