PRESS RELEASE

Sainte Hélène du Lac (Savoie, France), 30 September 2019

Second share issue of €15 million: MND bolsters its equity

- Montagne & Vallée has strengthened its status as majority MND shareholder, now directly and indirectly holding 87.24% of the share capital
- Roll-out of the free issue of stock warrants to shareholders at an exercise price (€0.41) identical to that of the share issues already carried out

The shareholders of Montagne & Neige Développement (hereinafter "**MND**") **(Euronext Growth - FR0011584549 - ALMND)**, having met at the Extraordinary General Meeting of 27 September 2019, approved all of the resolutions relating to the share issue, without shareholder priority subscription rights in favour of selected persons, in an amount of €15 million subscribed by Montagne & Vallée ("M&V"), MND's majority shareholder[1].

Xavier Gallot-Lavallée, Chairman of the MND Board of Directors, made the following comments:

"With equity bolstered by €35 million, which could be increased by a further €5.45 million following the exercise of stock warrants by the end of 2020, and the restructuring of €34.8 million of short- and medium-term bank debt, the strengthening of MND's balance sheet has been successfully completed and the liquidity risk to which the company was exposed has been entirely eliminated. These operations now provide MND with the financial means to successfully implement its business plan by building on its backlog of firm orders, which amounted to €181 million at the end of June 2019."

New financial partner alongside MND's majority shareholder M&V

In mid-August, MND announced[2] the key features of its planned financial restructuring, which involves **(i)** a new financial partner alongside M&V, **(ii)** restructuring of the Company's bank debt and **(iii)** two share issues of a total amount of €35 million, subject to shareholder approval voted in an extraordinary general meeting, with a view to bolstering the Company's equity. All of these operations were completed successfully.

MND has signed an agreement with Cheyne SVC LLP and Cheyne Capital Management (UK) LLP, an alternative investment fund manager regulated by the Financial Conduct Authority ("Cheyne SVC"), which has undertaken to back MND's planned bank debt restructuring and equity increases. For this purpose, Cheydemont was formed as a holding company, in which "M&V" holds a 60% equity stake and Cheyne SVC holds the remaining 40%.

Two share issues carried out raising a total of €35 million

Following the extraordinary general meeting of 18 September 2019, which approved all the the resolutions enabling the Group's equity to be strengthened[3], the MND Board of Directors carried out the first share issue of €20 million, without shareholder priority subscription rights in favour of Cheydemont, via the issuance of 48,780,488 new shares for €0.41 per share, on 18 September 2019.

[1] As at 31 July 2019, Montagne & Vallée held 25.82% of the share capital and 40.88% of the theoretical voting rights in MND

[2] see press release of 14 August 2019

[3] namely the share capital reduction by decreasing the par value of shares and the cash capital increase without shareholder priority subscription rights in favour of Cheydemont

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During the extraordinary general meeting of shareholders held on 27 September 2019, the shareholders approved the resolutions relating to the second share issue without shareholder priority subscription rights in favour of M&V, for an amount of €15 million, also at a price of €0.41 per share.

At the end of this general meeting, the MND Board of Directors carried out the second share issue of €15 million, via the issuance of 36,585,366 new shares to M&V for a price of €0.41 per share, through the offsetting of receivables (in order to enable MND to finance its short-term operating requirements, in August 2019 M&V granted a bridge loan of a total principal amount of €15 million).

As a reminder, as part of these operations, on 6 August 2019 the French Financial Markets Authority (AMF) granted an exemption to the mandatory submission of a public tender offer pursuant to Article 234-9-2 of its General Regulation (recapitalisation of a company undergoing proven financial difficulties, subject to the approval of the general meeting of shareholders).

Change in the breakdown of capital following the second share issue carried out on 27 September 2019

Breakdown of share capital and voting rights after M&V share issue on 27 September 2019

Shareholders	Number of shares	Equity %	Number of voting rights	Voting rights %
Montagne et Vallée:	41,584,270	39.71%	46,583,174	42.46%
AUDACIA	999,364	0.95%	999,368	0.91%
Cheydemont	48,780,488	46.58%	48,780,488	44.46%
Subtotal M&V	**91,364,122**	**87.24%**	**96,363,030**	**87.83%**
EQUITY 5	85,500	0.08%	165,500	0.15%
PUBLIC	13,175,978	12.58%	13,189,608	12.02%
TREASURY SHARES	103,768	0.10%	-	-
TOTAL	**104,729,368**	**100.00%**	**109,718,138**	**100.00%**

Following this second share issue, it is planned that M&V will cancel its pledge to buy the 999,360 preference shares (2012 PS) managed by Audacia on behalf of their holders. The agreed buyback price is €0.45 per 2012 preference share, which is slightly above the expected share issue price in view of priority preference share dividends. Initially, the buyback price was set at around €3 per 2012 preference share.

M&V has pledged to convert these preference shares into ordinary shares before MND's AGM, expected to be held late December.

Free issue of stock warrants to all shareholders (except M&V and Cheydemont) on 4 October 2019

During the Extraordinary General Meeting of 18 September 2019, the MND shareholders approved the planned free issue of stock warrants, at the rate of one stock warrant per share to each shareholder, after the second share issue carried out on 27 September 2019.

These stock warrants will be exercisable from date of issue until 31 December 2020 by subscribing to one new share at €0.41, i.e. the same price as for the aforementioned share issues, in order to enable the MND shareholders to also participate in this project to strengthen equity.

These stock warrants will be negotiable and an application to be admitted for trading on Euronext Paris's Euronext Growth market will be submitted as of 4 October 2019.

M&V and Cheydemont hereby undertake to refrain from subscribing to the free stock warrants issue in respect of the shares they hold as at issue date.

Based on the shareholder breakdown as at 14 August 2019 and that of the planned transactions, exercise of all stock warrants issued would raise a further €5.45 million in capital. This transaction, which is valued at less than €8 million, will not give rise to a prospectus approved by the French financial markets authority ("AMF").

A BALO opinion (French journal of mandatory legal notices) and a press release detailing the terms of this free allocation of stock warrants will be published on Wednesday 2 October 2019, before the opening of Euronext Paris.

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Provisional schedule for the issue of stock warrants

30 September 2019	CEO announces decision regarding the terms and conditions of the stock warrant issue to shareholders
2 October 2019	Publication of BALO opinion and press release relating to the stock warrant issue Euronext publication of the issue notice
3 October 2019	Accounting day at the end of which holders of existing shares registered in their securities account will be allocated stock warrants, based on transactions carried out no later than 1 October 2019.
4 October 2019	Free issue of stock warrants (ex-date) Stock warrants admitted for trading on Euronext Growth
7 October 2019	Record date for the allocation of stock warrants, based on the most recent transactions at 3 October 2019
8 October 2019	Issue (account registration) of stock warrants with Euroclear France (Payment date) Opening of the exercise period for the stock warrants
31 December 2020	End of the exercise period for the stock warrants

Financial calendar

The publication of 2018-2019 annual revenues has been postponed to 11 October 2019, in order to finalise closing in relation to revenues, and enabling the company to inform the market of the estimated annual earnings (unaudited) for the 2018-2019 financial year (ending 30 June 2019).

11 October 2019 (instead of 30 September 2019)	Publication of 2018-2019 annual revenues (unaudited)
29 November 2019	Publication of 2018-2019 annual results (audited)

All announcements will be published after the close of the Euronext Paris market.

ABOUT MND

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). **More information : mnd-group.com**

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