

MND unveils its “Succeed Together 2024” Strategic Plan, driven by its Unique Brand

MND – a French industrial group specialized in ropeway mobility, snowmaking systems, mountain safety, and thrill-making leisure facilities – has unveiled its “Succeed Together 2024” strategic plan. Their ambitious goals rely on a winning synergy between MND teams and their partners, for a robust and efficient organization that serves customers.

*“This strategic plan aims to continue delivering the profitable and sustainable growth of the past twenty years by assisting mountain sites in their projects and building on the experience acquired with our historical customers to reach new markets in summer tourism or urban transportation,” explains **Xavier Gallot-Lavallée, CEO of MND.***

To respond to mountain and regional stakeholder expectations, as well as to challenges in terms of climate change, industrial players must now change the way they understand the underlying issues and expect a global, sustainable, and long-term vision from their partners. Today, MND has set its 2024 strategic roadmap aiming to assist their customers and reaffirming their ambition to be the international reference in leisure equipment and ropeway transportation in mountain and urban areas.

To provide clients and partners with facilitated access to its global offer and 4 areas of expertise, the group has come together under one brand – MND – and includes unique sales point of contacts, redeployed in a global manner in each country where the company operates.

A STRATEGIC PLAN BASED ON 4 PILLARS:

- **Customer Experience:** to provide partners with a global offer of reliable, innovative, and sustainable products and services, accessible through a single, local contact to maintain a close relationship with client teams ;
- **Operational Excellence:** to reinforce the group's industrial capabilities and performance to guarantee quality solutions and optimize manufacturing lead times thanks to *Made-in-France* expertise and production facilities located in the French Alps ;
- **Employee Engagement:** shared success is ensured through the expertise, know-how, and daily commitment of each employee under a common strategic vision within a strengthened and shared governance model ;
- **Controlled Growth:** to build tomorrow's profitable growth thanks to the recent alignment of the group's financial capacity with their long-term needs.

Xavier Gallot-Lavallée, Chief Executive Officer of MND, states:

“I am proud to present our strategic plan ‘Succeed Together 2024,’ elaborated over the past few months with the group’s employees. This strategic plan aims at delivering the profitable and sustainable growth of the past twenty years by assisting mountain sites in their projects and building on the experience acquired with our historical customers to reach new markets in summer tourism and urban transportation.

Committed to a more sustainable mountain environment, we are leveraging these development tools to meet the expectations of industry players and to change the way we commonly approach new investments and infrastructure sustainability. This fully operational and pragmatic plan is looking to bring us closer to our customers and partners, to facilitate their access to our expertise and innovative know-how, and to ensure them operational excellence and a detailed understanding of their local challenges.

Today, we are ready and able to complete all of our ongoing customer orders for 2020, and we are able to increase our performance capacity over the next few years. As the final stage in our global transformation initiated at the end of 2019, this plan will see the extension of our industrial buildings in Savoie starting in 2021, once all of our European production sites are relocated to the Auvergne-Rhône-Alpes region in France.

Our plan includes strengthening strategic partnerships, the most important of those being with the ropeway manufacturer Bartholet, which confirms our position and ambitions in the ropeway market. Our goal is to offer the most complete range of products possible — combining quality, innovation, and design to meet mobility challenges from the mountains to the urban areas.”

A GLOBAL OFFER DRIVEN BY A SINGLE BRAND, CLOSEST TO CLIENTS

To promote the group’s 4 core areas of expertise, MND chose clarity through a unique brand – MND – combined with a regional sales force to provide project owners with a single contact person.

The MND brand is based on the solid reputation of its 4 areas of expertise, changing their name:

- LST, the ropeway specialists – in a strategic alliance with Bartholet expanding its range – is now **MND ROPEWAYS**.
- SUFAG – number two worldwide for snowmaking solutions – is now **MND SNOW**.
- TAS – number one in the world for avalanche safety and risk prevention systems – is now **MND SAFETY**.
- TECHFUN – specialized in thrill-making leisure facilities with a complete range of summer and winter leisure activities and integrating a *Fun Lab*, where customized requests are developed – is now **MND LEISURE**.

To bring more clarity to their offer, MBS — the brand specialized in safety equipment for slopes, playgrounds, and training/competition areas — is now MND's Retail Division with an off- and on-line catalog of solutions. This move reinforces the group's strategic axis of global development.

In one unique brand, MND offers proven and sustainable solutions based on over 20 years of experience in mountain development by combining values of performance, audacity, trust, and enthusiasm with industrial expertise in safety, leisure, and mobility for all.

STRENGTHENING PERFORMANCE AND INDUSTRIAL CAPACITY

The group launched a transformation plan focused on operational excellence to support growth and reinforce how ongoing projects are executed and monitored.

To become a more robust organization, the group strengthened its expertise and project management skills by onboarding internal and external talents — especially in the areas of sales, sales engineering, project and operations management.

In the past few months, MND optimized logistics lead times, improved the quality of service through extended centralized warehouses, and brought together production teams, account managers, and the design office at a single location in France. This centralization will also contribute to the achievement of economies of scale in the current and subsequent financial years. They have also integrated industrial processes and a new ERP system at a group level to optimize operations, inventory, and delivery management.

Construction of a new industrial facility – doubling production capacity and located next to MND's headquarters in St. Helene-du-Lac, France – will start this autumn. It will be delivered and operational end of 2021. The new building will increase assembly areas for the Ropeways and Snow Business Lines, bring together all operations on a single site, accommodate a new production line dedicated to urban transportation projects, and strengthen customer service and training.

These new investments on MND's historical industrial site prove the company's commitment to *Made-in-France* quality and a long-term establishment at the heart of the region Auvergne-Rhône-Alpes.

Over the last ten years, MND invested nearly €20 million in its production, assembly, innovation, and administrative headquarters, all based in the French Alps.

Based on a commitment to sustainable development, MND production is carried out as close as possible to its traditional markets, with the equipment for ski resorts.

CONTROL GROWTH AND RETURN TO OPERATIONAL PROFITABILITY BY 2020/2021

To finance the company's growth, MND relies on financing from MND's shareholder and financial partner, Cheyne Capital. MND received funding for a total of €55 million over the past year, as well as support from the French government in August 2020 through an €18 million loan that is 50% counter-guaranteed by the Auvergne-Rhône-Alpes region.

As part of this financing plan, **Bruno Le Maire, Minister of the Economy, Finance and Economic Recovery, stated**¹, "*The French government has chosen to support the industrial group MND by providing €18 million... By making this choice, the French government has shown its attachment to companies who produce in France and successfully export French expertise in tourism development and urban mobility.*"

This plan is in line with MND's objective of controlled growth and profitability. It targets a return to a normal operating balance (EBITDA) as of the 2020/2021 financial year, which will end on June 30th, 2021, based on strong orders dynamic.

Over the last few months, MND has signed many new orders in its four business lines. These firm orders will be performed during fiscal years 2020 to 2022 and include urban and mountain ropeway projects; snowmaking projects in the Alps, Japan, and China; and ski-area safety projects in Europe, Central Asia, and North America.

DIVERSIFICATION, INNOVATION, AND COMMITMENT TO THE ENVIRONMENT ARE KEYS TO DEVELOPMENT

The group's recent commercial success in building 4-season thrill-making leisure facilities and urban ropeways demonstrates the relevance of the group's strategic choice of diversification from winter to summer and from mountain to cities. These choices provide the group with new, exciting international markets. The ropeway market alone will more than double, reaching €3.6 billion² by 2024. In 2024, more than a third of the market will be urban ropeways.

To make sure project owners continue to benefit from the group's latest innovations and to take into account operator and end-user challenges, MND will continue innovations in their existing product ranges.

Because MND pays close attention to key trends in environmental awareness and climate change, the group is working on the energy efficiency and seamless environmental integration of its systems. In these diverse areas of expertise, MND supports its customers and ski area operators in their efforts to reduce ecological footprints, in particular through solutions that optimize installations and equipment.

MND has reaffirmed its ambition to be a responsible, sustainable, and global industrial player with a long-term vision, in order to help its customers meet climate change challenges.

¹ See August 5, 2020 press release

² Source: New York-based Persistence Market Research Pvt. Ltd

About MND

MND is a French industrial group specializing in ropeways mobility, snowmaking systems, mountain safety, and thrill-making leisure facilities. With more than 20 years of experience in mountain development and over 3,000 customers in 49 countries, MND offers proven and sustainable solutions in safety, leisure, and mobility for all. Based in the French Alps, MND has 300 employees and relies on seven international distribution subsidiaries, as well as 28 distributors around the world. MND is listed on the Euronext Growth market in Paris (FR0011584549 – ALMND).

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