PRESS RELEASE
14 May 2021, Sainte-Hélène-du-Lac, France

2020/2021 half-year results

- Solid resilience in activity, decline limited to -5%
- Operational break-even target (adjusted EBITDA) achieved in H1

Outlook for second-half 2020/2021

- Sustained business momentum since early 2021:
  €72.9m order backlog at end-April, up 56% since end-2020
- Stable annual turnover and operational break-even (adjusted EBITDA) as expected in 2020/2021 financial year

MND (Euronext Growth - FR0011584549 - ALMND), a French industrial group specialized in ropeway mobility, snowmaking systems, mountain safety and thrill-making leisure facilities, has published its half-year results (1 July to 31 December, 2020) in respect of the 2020/2021 financial year ending 30 June, 2021. The half-year financial statements, presented in summary form below, were approved by the Board of Directors at its meeting on 10 May 2021. The 2020/2021 half-year report is available in the Investors section of MND's website.

FIRST-HALF 2020/2021 FINANCIAL RESULTS

In €m - IFRS Unaudited consolidated data	H1 2019/2020	H1 2020/2021	Change
Turnover	**29.5**	**28.2**	**-€1.4m**
Gross profit[1]	**9.4**	**9.7**	**+€0.4m**
Gross margin (%)	*32%*	*35%*	
Adjusted EBITDA[2]	**-13.8**	**0.2**	**+€14.0m**
Current operating income	-16.5	-2.2	
Operating profit	-16.7	-2.9	
Net financial profit/loss[3]	-2.4	-5.6	
Net profit	**-19.2**	**-8.2**	**+€11.0m**

[1] Gross profit: turnover – purchases consumed

[2] Adjusted EBITDA: Adjusted EBITDA refers to earnings before deducting interest and tax, amortization, provisions for fixed assets (but after provisions for stocks and trade receivables), and adjustment for non-recurring exceptional items.

[3] Net financial profit/loss: cost of net financial debt + other financial income and expense

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SOUND RESILIENCE IN H1 2020/2021: DECLINE IN ACTIVITY LIMITED TO -5%

In H1 2020/2021, MND reported consolidated turnover of €28.2m, down slightly by -5% compared with H1 2019/2020. In a business environment marked, for mountain professionals, by the legal closure of European ski lift facilities for more than a year, MND showed resilience by capitalizing on its all-season multiple activity offer and its international presence across all continents.

The "Snowmaking and Ropeways" business posted H1 2020/2021 turnover of €17.1m, up +6%[4]. The half-year was marked mainly by the installation of snowmaking systems for international ski areas in France, Italy, Austria, Switzerland and Japan.

The "Safety & Leisure" business posted half-year turnover of €11.0m, down -18%[4], mainly due to the decline in sales of products and services associated with the operation of ski areas[5].

Geographically, MND Group generated 41% of its first-half 2020/2021 business in France (vs. 40% for the full 2019/2020 financial year), 40% in Europe (outside France) (vs. 41% in 2019/2020) and 19% in the rest of the world (vs. 19% in 2019/2020).

ADJUSTED EBITDA AT BREAK-EVEN IN H1 2020/2021

In addition to the satisfactory levels of activity despite the health and economic crisis, H1 2020/2021 was marked by the deployment of the **Succeed Together 2024** strategic plan. The latter is aimed at driving the Group's commercial and industrial transformation to put MND back on track to a continuous and profitable growth.

The plan's Operational Excellence component as demonstrated by regrouped business lines with their industrial onshoring in France, has now started to produce initial results with gross profit up +4% in value terms. The gross margin increased by +3 points to 35% versus 32% in H1 2019/20.

Thanks to controlled operating expenses (-10% decline in external expenses over the period) and the first economies of scale linked to the rationalization of several industrial sites and distribution subsidiaries, the Group reached break-even at the operating level in H1 2020/2021. Adjusted EBITDA totaled +€0.2m versus negative EBITDA of -€13.8m in H1 2019/2020.

Reaching break-even at the operating level was also made possible partly in relation with the French government support measures for companies and the Mountain sector in response to the pandemic and the legal closure of ski lift facilities.

After booking depreciation, amortization and provisions, the current operating loss came to -€2.2m versus -€16.5m in H1 2019/2020. Other operating income and expense were limited to -€0.6m for the first half, resulting in an operating loss of -€2.9m.

The net financial loss came to -€5.6m at end-December 2020. In particular, it includes the restructuring of financial debt during the financial year, debt issuance expenses and bond redemption and exchange allowances.

Lastly, the net loss came to -€8.2m in H1 2020/2021, reflecting a significant improvement of +€11.0m versus H1 2019/2020.

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[4] versus -4% for the "Snowmaking and Ropeways" and -5% for the "Safety & Leisure" business communicated on 24 February 2021, during its half-year turnover publication (not audited).

[5] 70% decline in the occupancy rate in France for the 2020-2021 end-of-year holiday period versus 2019-2020, and an 80-90% loss in turnover for the mountain ecosystem, largely at a standstill. Source: *Domaines Skiables de France*, press release of 8 January 2021.

BALANCE SHEET POSITION AS OF 31 DECEMBER 2020

In €m - IFRS Unaudited consolidated data	30/06 2020	31/12 2020
Non-current assets	**37.7**	**36.5**
Current assets	**43.4**	**49.2**
o/w stocks	18.5	19.0
o/w customer receivables	11.4	16.1
Cash	**5.6**	**7.3**
TOTAL ASSETS	**86.7**	**93.1**

In €m - IFRS Unaudited consolidated data	30/06 2020	31/12 2020
Shareholder equity	**-52.4**	**-54.1**
Financial debt	**80.5**	**98.6**
Lease debt (IFRS 16)	**6.5**	**5.4**
Current liabilities	**48.7**	**40.0**
Other liabilities[5]	**3.4**	**3.2**
TOTAL LIABILITIES	**86.7**	**93.1**

The consolidation of MND's financial position, which was started in mid-2019, continued in H1 2020/2021. At end-July 2020, the Group secured €38m in new financing from the French government, the Auvergne-Rhône-Alpes region and its financial partner, Cheyne Capital.

As of 31 December 2020, MND's consolidated shareholder equity amounted to -€54.1m, compared with -€52.4m at end-June 2020. MND parent-company shareholder equity (statutory accounts) totaled €16.0m at 31 December 2020, versus €10.8m at 30 June 2020.

Net financial debt (excluding IFRS 16 lease debt) amounted to €91.3m at end-December 2020, compared with €74.9m at end-June 2020, of which €7.3m in available cash.

Against the backdrop of the health crisis and the conclusion of the financing transactions carried out during the first half, MND Group benefited on the part of Cheyne Capital from a suspension in the calculation of financial covenants for the quarterly periods ended as of 30 September 2020, as of 31 December 2020 and as of 31 March 2021.

The company reviewed its liquidity risk and considered that it is in a position to fund business activities for the next twelve months.

ROBUST BUSINESS PERFORMANCE IN EARLY 2021

The Group's firm order backlog stood at €46.6m on 31 December 2020, an increase of 9% on end-June[6]. Orders to be billed in H2 2020/2021 accounted for €14.4m in the order backlog at end-December.

Following a slowdown in Q2 and Q3 of the 2020/2021 financial year (October 2020 to March 2021), driven by the legal closure of ski lift facilities, order intake has returned to particularly robust levels for several weeks. In this context, MND recently recorded several successes. These include the development of a 10-seater gondola lift and a 6-seater chairlift in the ski resort of Mamison (Russia)

[5] Other non-current liabilities

[6] Order backlog of €42.7m at 30 June, 2020, restated for Chinese contracts (see press release of 30 October, 2020).

for a total amount of €17.5m and the construction of the first-of-its-kind detachable chairlift in Waterville (United States) for $9m.

All told, MND has recorded nearly €35m in new firm orders since the start of 2021. At 30 April, 2021, the firm order backlog increased to €72.9m versus €46.6m at end-December 2020, up +56% in four months.

This business momentum, which supplements the major contracts won in 2020 – particularly in urban transport with the construction of the second city cable car network line in Saint-Denis (Réunion) and the new city and tourist cable car of Huy (Belgium) – puts the Group in a solid position to start the next 2021/2022 financial year.

OUTLOOK FOR H2 2020/2021

The health crisis continued to weigh on business levels in Q3 2020/2021, particularly in France and Europe. However, the gradual improvement in visibility and the sound business momentum seen in recent weeks, driven by the Group's international presence, points to 2020/2021 annual turnover at the same level as that of the previous financial year (reminder: €40.3m in 2019/2020 turnover).

Thanks to the operating and industrial performance plan, coupled with the effects of savings measures and French government support to companies, MND confirms its operational break-even target (adjusted EBITDA) for the 2020/2021 financial year.

Xavier Gallot-Lavallée, Chairman and Chief Executive Officer of MND:

"*Our first-half 2020/2021 performance is a testament to the success of our **Succeed Together 2024** industrial and commercial transformation plan. In a highly disrupted environment, the Group has successfully limited the decline in its activity, expanded its gross margin and achieved operational break-even despite the fact that the impacts of all initiatives implemented are yet to fully kick in.*

In addition to this resilience, the current business momentum and the Group's multiple strengths – diversified, all-season activities, ramp-up in urban transport, international presence and solutions that prioritize environmental factors – point to a continuation of this virtuous trajectory in 2021/2022."

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Appendices

Definitions of financial indicators not codified by accounting standards bodies

This section details the financial indicators used by the Group that are not codified by accounting standards bodies.

Order backlog

The order backlog represents turnover not yet realized on orders already received (purchase orders or contracts signed) and takes IFRS 15 into account.

The order backlog at the closing of the financial year is calculated as follows: order backlog at the start of the financial year + new orders received in the financial year – cancellations of orders recorded in the financial year – turnover recognized in the financial year.

The order backlog may also vary in line with changes in the scope of consolidation, adjustments to contractual prices and currency translation effects.

Adjusted EBITDA

The Group uses adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) as its performance indicator to measure the Group's performance independently of its financing and depreciation and amortization policy.

Adjusted EBITDA refers to earnings before deducting interest and tax, amortization, provisions for fixed assets (but after provisions for stocks and trade receivables), and adjustment for non-recurring exceptional items.

In €m - IFRS Unaudited consolidated data	H1 2019/2020	H1 2020/2021
Current operating income	**-16.5**	**-2.2**
Depreciation and amortization	2.8	2.4
EBITDA	**-13.8**	**0.2**
Non-recurring exceptional items	0	0
ADJUSTED EBITDA	**-13.8**	**0.2**

About MND

MND is a French industrial group specialised in ropeway mobility, snowmaking systems, mountain safety and thrill-making leisure facilities. With over 3,000 customers in 49 countries, MND contributes every day through its four core businesses to mobility, leisure activities and the safety of all, while offering proven and lasting solutions based on its experience in mountain activities. Based in Savoie, MND is staffed by 300 employees and relies on seven international distribution subsidiaries and 28 distributors to develop its business activities around the world. MND is listed on the Euronext Growth market in Paris (FR0011584549 – ALMND).

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