

2021 NEW YEAR'S GREETINGS



Mr. Fabrizio Giachetti
CEO
Morgan Tecnica Spa

I would like to take this occasion to wish to all our customers, business partners and friends a 2021 of good health and strong come back.

We all know how dramatic 2020 has been and how difficult the beginning of 2021 is proving to be, however, the hope and wish is that everything can return to normal within a few months. We have to be strong and positive. 2020 was also a very complicated year for Morgan Tecnica. As you may recall, Italy was the first Western country to be overwhelmed by the pandemic. In particular, the cities of Bergamo and Brescia, the exact geographic area where our headquarters are located, were the first epicenters and hardest hit. We have known the fear and pain that this ruthless virus can suddenly bring to families. However, as mentioned, we must look forward with optimism.

Morgan's strategy in managing 2020 and facing 2021 was not conservative, but, on the contrary, was an investment-oriented strategy. I remember having a meeting with our management team in March last year, when the gravity of the situation was clear, and on that occasion we made decisions on how to deal with this period. The basic idea was to consider 2020 as the year zero.

The year in which to invest in order to be ready to be in pole position to face the restart period after the crisis. We told ourselves that it made no sense to concentrate efforts and resources to try to straighten out the trend of a year that could not be straightened. It would have been much better to use this year to carry out all those projects and internal restructuring that, in periods of growth, such as the last 10 years of Morgan's history, we always tend to postpone overwhelmed by pressing commitments. So 2020, for us, perhaps going against the trend, was a year of significant investments. We have invested in our internal reorganization, in the infrastructure and equipment at our new production site, we have expanded and centralized our R&D offices, we have reorganized our organization chart by adding new managerial figures and strengthening our sales force, we have implemented new internal management software. The biggest investments have been in the research and development of new hardware and software products, which we will present very soon, and in the creation of a large internal showroom, organized and technologically equipped with professional tools for live streaming presentations and online product demos. Thanks to this show room we have already been able to organize two worldwide Virtual Shows, enabling us to directly reach our existing and potential customers at their offices and sharing with them all the latest technological development bought by Morgan Tecnica, with great success.

Looking ahead, I think 2021 will be the year of resurgence, initially with 4/5 months of hiccups then, I expect a strong and sudden growth in the second half of the year. It is clear that this global economic crisis due to the pandemic will leave permanent changes even after the recovery. Some of our habits have changed and the market and its logic will also change accordingly. For example, online purchase of apparel, a fact that has seen tremendous

growth in the last year, or of online seminars, virtual shows and online product demos. All phenomena that have suddenly become part of our daily life and from which we will never go back. A real revolution is taking place, and Morgan Tecnica does not view this change with concern, but rather as an opportunity. We want to be ready to experience this phase as protagonists and all our recent investments, especially those in the products, have been designed with this in mind.



Mr. Paolo Cartabbia
CEO
Macpi Group

Dear Valued Customers and Business Partners:

First of all, on behalf of the management and staff of the entire Macpi Group, I would like to wish you a happy and healthy New Year 2021.

I would like to sincerely express our appreciation for the kind support and collaboration you have extended during the last year.

2020 was a year with many political, economic, and health challenges worldwide, and this caused considerable changes in equipment investments under the unpleasant and unpredictable economic situation brought about by Sars-CoV-2.

In addition to such economic and health difficulties, the industry has continued to face various challenges, such as the inability to travel and visit

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customers and suppliers, sourcing and shipment problems, rapid growth of digital commerce, and government-mandated closures of many businesses for months.

The apparel industry was for sure one of the most affected sectors because in Italy, for example, all malls and shops were closed for many months during 2020. This caused consumption to stop and consequently blocked clothing production all around the world.

The consumption freeze has considerably slowed the production of clothing and, therefore, also investments in the textile sector, from machinery to fabrics and accessories.

I think that due to this global situation, a lot of production will return to Europe or will move to be geolocalized closer to the countries of consumption. The political situation between the US and China certainly did not help investments during 2020.

The industry will have to evolve faster with regards to digital development and e-commerce, and to keep up with the times.

Macpi Group, thanks to its various business divisions and diversification, has maintained good results, mainly due to new sectors such as stitch-free technology, PPE, industrial laundry, and garment logistics.

This demonstrates the importance of evolving and following the market, which was possible thanks to the 60 years of knowledge of the apparel industry that distinguish us.

Macpi Group, as always, is investing in R&D and in innovations that allow us to automate many of the processes of the apparel industry, as well as digitalizing as many internal processes as possible in order to guarantee to our customers services that are always fast, professional, and qualitative.

The machines will be built as always, guaranteeing very high performance and high quality as Made in Italy products.

During the coming year Macpi Group will participate in ISPO 2021,

Texprocess 2021, CISMA 2021, and Texcare 2021, guaranteeing its presence at the most important international trade shows in the apparel industry.

We look forward to your support in the coming year and we sincerely hope that 2021 will be a wonderful year for you all.



Ms. Mirella Sardini **President** **IMA SpA**

2020 has finally come to an end.

It was a very challenging year for business and in all areas of our lives—a year that put us to the test and forced us to change all of our habits. At the same time, it was a year that made us measure, with the greatest of difficulty, our own isolation.

We were denied opportunities to meet again, to travel, and, therefore, to have personal and physical interactions.

Despite this unpredictable situation, we worked hard and we managed to find and experience new ways of being together. "Far, but close" was our motto last year. We also organized an extraordinary digital event that allowed us to be together again with our customers and collaborators, remembering our Captain, Mr. Luciano Sardini, and sharing our enthusiasm to move forward, to continue research and development for new technological solutions that benefit our valued customers.

The aim is to be present, to make our customers feel we are always close to them even in this difficult situation, and to be ready to support them even at a distance. We have reinvented ourselves DIGITALLY to keep our customers and collaborators in close contact and to reduce distances.

Of course we have greatly missed our business trips, including visits to customers' factories with personal interactions. For this reason we are already working on new initiatives and activities for the new year.

We wish for a year that is full of hope for everyone.

We are dedicated to doing our best to embody the IMA spirit and to communicate it to all our business collaborators.

We are sure that with the diffusion of the new vaccine, we will be able to travel again and do our business in the most profitable way.

We are confident and we are sure that if everyone is confident we will re-start our activities with a great sense of safety, and of course much more aware of what we have just passed through and of the problems we can meet during our future paths.

Our goals for 2021 are to concentrate on new, unexplored markets, and on finding new customers in new sectors. The clothing industry remains our core business, but we are also trying to enter new sectors, for example, the home textiles industry and the furniture business, which are growing rapidly also due to people spending more time at home.

Of course, we want to take advantage of any opportunity that even this very bad situation creates.

This is the IMA spirit—never give up, always moving ahead to improve our business, and learning useful lessons from any situation, even from one of the worst viruses in the history of mankind.

So, we really hope that this new year can bring us back to the normality we need so much.