



PRESS RELEASE

News in brief – In what has been a critical year for all of us, at Varvel Group we have continued to improve products and services, with the aim of getting back down to growth in 2021. A total absence of Coronavirus cases at the company is confirmation of excellent prevention measures and the commitment of all workers. For Christmas we have contributed by donating to AGEOP (an Italian childhood cancer parents organization).

A DIFFICULT 2020 STILL LEAVES POSITIVE SIGNS: VARVEL GROUP CELEBRATES CHRISTMAS WITH GOOD PROSPECTS FOR NEXT YEAR AND NO CASES OF COVID-19 AT THE COMPANY

We are leaving a difficult year behind us, one that has been unpredictable, without a doubt. In spite of this critical moment, Varvel Group has succeeded in tackling difficulties, thanks to its robust organization and the commitment of all those who have made such a vital contribution.

As we take stock of numbers, 2020 has indeed been marked by a fall in turnover, in line with the downturn suffered by the entire industry. However, the current rise in orders is a promising sign for an optimistic start to 2021.

It may sound crazy, but the number we are proudest of is actually zero.

Zero is the number of cases of the Coronavirus at the company. Everyone is to thank for this, staff members in particular. Everyone diligently complied with prevention measures and pursued their daily duties with a great sense of responsibility. The excellent quality of their work has also been confirmed by Local Health Authority inspection visits, from which not even a single non-conformity emerged. Therefore the Varvel model has worked well: epidemic containment measures have enabled us to work in absolute safety.

The medical emergency has also inspired us to evolve more rapidly than expected: the introduction of many digital tools, scheduled for 2021, was rolled out in advance this year. The IT infrastructure has responded to new work requirements, encouraging the transition to smart working in a short time frame. The company's existing videoconference system has been extensively leveraged for internal work and communicating with both Customers and Suppliers. New digital tools have enabled us to nurture relationships with acquired or potential customers. Despite not being able to participate in trade fairs or travel around the world, we have still succeeded in developing our network of contacts, with good results.

In terms of production, Varvel Group has continued to develop and improve its range of gearmotors, gearboxes and variators. They may not be visible from the outside, but important technical updates have been introduced, improving product quality and duration, maintaining impeccably high performance levels.

The situation of uncertainty means we are unable to make accurate forecasts for the immediate future; however, strengthened by this year's experience, we want to get back down to growth again. One of the first targets for 2021 focuses on further improving our products and level of service.



In the meantime, this will be no ordinary Christmas: we must spare a thought for others. In view of the times, we decided to allocate our Christmas gift budget to a charity initiative: on occasion of the festive holidays, we will contribute with a donation to AGEOP (an Italian childhood cancer parents organization), purchasing lots of mini-Christmas trees containing confectionery for staff.

"In this time of crisis in particular, it is important to turn to those who are close to us and understand their requirements, be they an economic partner or any other member of our community. We will only pull through these difficulties if we think and act united", Mauro Cominoli, Managing Director of Varvel, comments. "We must never let our guard down or underestimate the risks. Together we can make it."

VARVEL GROUP

The Varvel Group has been designing and producing power transmission systems for various industrial applications (like packaging, livestock feed systems and access automation and control) and for innovative applications like wind turbines and photovoltaic fields since 1955. With unrivaled experience accumulated in over sixty years of activity, a production capacity of over 500,000 gearboxes a year and a turnover of around 50 million Euros, Varvel offers customers a vast range of standard products and custom solutions for specific requirements. The entire product range is designed and made in Crespellano, near Bologna in northern Italy, where Varvel has its HQ. The company exports 70% of production through two subsidiaries (one in the USA and another in India) and a global network of over 100 commercial partners. Further information is available on the website www.varvel.com

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