

# Message from the President



## Dear Shareholders of Univentures Public Company Limited,

In 2020, Thai business sector as a whole face challenges the severe economic contraction, mainly due to the outbreak of Coronavirus 2019 (“COVID-19”) occurring around the world since February 2020. It has brought full enforcement of strict disease control measures in many countries around the world, including Thailand, for example, the Lockdown measure, Social Distancing, the policy to close travel to and from the country, etc. Such disease control measures affect Thailand’s key economic driving activities in 2020, including tourism, export, private investment and private consumption. The Bank of Thailand predicts Thai economy in 2020 is likely to contract by -7.8%.

Amid the severe global economic contraction, fierce business competition and a slowdown in purchasing power of both domestic and foreign consumers, caused by the outbreak of

the COVID-19 virus as mentioned above. In the fiscal year 2020, UV Group has adjusted its business strategies to drive revenues and results of operations of each business to be in line with its business plan and appropriate under the circumstances, without interruption of business. For property investment and development businesses that operated by GRAND UNITY Development Company Limited (“GRAND UNITY”) focuses on selling condominium units to target customers through all online channels. This is coupled with the sale of luxury and premium condominium units through international sales agents who have business networks and customer bases in many countries. As well as organizing promotional activities to meet the needs of buyers and the competition that changes in each period and invested in developing smartphone application to increase communication channels and listen to customers’ opinions which is beneficial to the development of

products and services to be more efficient and meet customer needs even more. As a result, in the fiscal year 2020, GRAND UNITY was able to close the sale of 2 condominium projects, namely U Delight Ratchavibha and U Delight Residence Riverfront Rama 3, while the construction of MAZARINE Ratchayothin project completed and start ownership transfer to buyers since July 2020 as planned. In addition, GRAND UNITY has launched new condominium projects in budget and economy level in 2 new locations to support the expansion of the community along the skytrain line extensions around the city. These include the DENIM Chatuchak Project locates on Vibhavadi-Rangsit Road, Soi 3, near Mo Chit BTS station and the CIELA Charoen Nakhon Project locates on Somdet Chao Phraya Road, near Golden Line Monorail.

The advancement of the related real estate business in the fiscal year 2020, Forward System Company Limited maintained its revenue and profit significantly increased from the previous year, while Senses Property Management Company Limited is able to expand the customer base for residential building management and condominium juristic person to a similar number according to the target with a total of 11 projects as of September 2020. The zinc oxide business operated by Thai-Lysaght Company Limited (“TL”) found that in addition to the continued fluctuations in the price of zinc ingot in the London Metal Exchange from the previous year, in 2020 TL will face more pressure caused by the reduction in the production capacity of the tire manufacturers who are one of the current TL’s major customers, following the slowdown in the domestic and foreign automotive industry during the COVID-19 outbreak. However, TL has adjusted its business strategy to mitigate the effects of the business slowdown with continuous improvement of machinery and production processes of furnace to increase efficiency and reduce energy costs, resulting in increased zinc oxide yield while using natural gas in the production process decreases. In addition, TL continues to implement strategies to increase its competitiveness to be ready for future market conditions by maintaining good relationships with existing customers, along with continuing research and development of nano zinc oxide with educational institutions to expand the new customer base in the cosmetics, textiles and electronics industries. As well as never stops in maintaining product quality under the production standards that have been certified by international quality standards. In 2020, TL received a Thailand Trust Mark certificate (T MARK) from the Department of International Trade Promotion, Ministry of Commerce. T MARK brand is given to Thai entrepreneurs who are committed to improving the quality of products and services in terms of quality production processes, taking into account the environmental impact, being socially responsible, good governance in business operations and fair labor in accordance with Thai labor standards

As the Thai economy in 2020 shrinks significantly from many factors which affects the performance of all business sectors, including the business of UV Group inevitably. As a result, in the fiscal year 2020 (1 October 2019 - 30 September 2020), UV Group had total revenue from business operation of 4,386.3 million Baht. Its main revenue comes from revenue from property for sale business in total of 2,732.8 million Baht or 62% of total revenue, followed by revenue from zinc oxide business of 1,061.2 million Baht or 24% of total revenue and revenue from property leasing business, hotel business, and other business in total of 592.3 million Baht or 14% of total revenue, with net profit attributable to the parent company for the fiscal year 2020 totaling 62.5 million Baht.

Because Thai economy in the future is still highly uncertain, depending on the impact of COVID-19 virus outbreak in the future and other related factors both economic, social and political. Therefore, in addition to business management with caution under the risk management policy and principles of good corporate governance that the management and employees of UV Group will work together with determination under the close supervision of the Board of Directors and the Subcommittees to drive the business of UV Group to grow and compete in the business, create appropriate returns to shareholders according to the plan that has been set out for the fiscal year 2021. The Company continues to seek investment opportunities in potential businesses, capable of generating an appropriate return on investment to diversify business risks and create a balance of investments for the benefit and sustainable growth of the Company’s investment business together with continuous personnel potential development which is a key factor in driving UV Group’s performance in achieving its business goals and the corporate responsibility towards society and the environment that are planned continuously and sustainably.

I would like to give my appreciation to the Board of Directors and all Subcommittees that provided support and recommendations beneficial to operating businesses and activities of UV Group in the fiscal year 2020, as well as to executives and employees who were major supporting factor that drove the Company to progress continuously, and to all related individuals and stakeholders who provided trust and support over the previous management period. The Company sincerely hopes that it will continue to receive such great support in order for UV Group to grow sustainably and provide proper returns to shareholders with consideration of all stakeholders under good corporate governance which the Company gives importance to and adhered for operating its business as always.



**(Mr. Worawat Srisa-an)**

**President**