



Jan 2023

Recap & Outlook for 2023

Winter into Spring

Dear Friends,

Welcome to 2023! Here at Violetech and GGINK Group, we would like to express our sincerest appreciation for the opportunity to serve you, and also share our reflections.

2022 had been a year of turbulences and challenges. Global economic activity experienced a broad-based and sharper-than-expected slowdown. In China, strict Zero-Covid policies made most economic activities sluggish and vulnerable. Amid weakening geopolitical and macro economic fundamentals, pigment industry experienced an unusually chilly winter.

Despite all the challenges 2022 threw in our way, Violetech and GGINK Group managed to maintain a relatively stable supply, and at the same time, laid down quite a few ground works for future growth:

1. Major acquisition and becoming the largest PV23 supplier

In 2022, Violetech completed its acquisition of Ningxia Hongyuan New Materials Co.,Ltd (later renamed Ningxia Violetech New Materials Co.,Ltd). With this new addition, Violetech's PV23 production increased to 2,000 MT/year (crude and fine). As of June 2022, Violetech has become the single largest supplier of PV23 on a global scale.





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2. Installation of MVR system for energy optimization

Violetech is conscious about contribution towards climate & environment protection. To boost energy efficiency, reduce carbon emission, and prevent leakage of pollutants into the water, we installed MVR system for both of our production sites in Shanxi and Ningxia. Since installation, the system has proved to be cost effective and reliable, cutting our energy consumption for evaporation & desalination process by more than 30%.

3. 'National High-tech Enterprise' qualification

Awarded jointly by State Science & Technology Department, State Finance Department and Tax Bureau of the local government, "National High-tech Enterprise" is one of the highest innovation related qualifications/award for enterprises by the Chinese government. A company must meet a strict set of criteria in terms of innovation capability, R&D investment in order to be recognized. In Dec 2022, Violetech was awarded the honor, reflecting the national recognition of our technology and innovations.

Looking to 2023, the cost-of-living crisis, tightening financial conditions in UK, US, and Eurozone still weigh heavily on the new year outlook. But as China rapidly reopens from the pandemic, and economic recovery in the ASEAN countries begin to gain momentum, we do see potential bright spots. As your pigment supplier, we will continue improving ourselves to serve you better. With a humble heart, we hope to work with you again in the new year, and together, to bring about a more colorful and vibrant future.

