

GOODYEAR

รายงานประจำปี 2562
ANNUAL REPORT 2019





NEW CARGO MAX



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Message from the Chairman

To the Shareholders of Goodyear (Thailand) Public Company Limited.



2019 was a year of challenges, with many external factors that influenced our business. Our team performed major accomplishment that will power up the business in a leading position over the coming years.

Looking forward to the trends of transportation and mobility in the future, it becomes clearer that the electric vehicles are gaining acceptance as battery technology improves offering a longer mileage range. We are managing our plans to promptly embrace the changes and to be positioned to ensure the company success in the near- and long-term future.

As always, we remain confident in a future of growth and success for our valued customers, investors and for everyone who is a part of Goodyear family.

Thank you for your continued support throughout 52-year journey.

Dr. Dhiraphorn Srifuengfung
Chairman



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Message from the Managing Director

To the Shareholders of Goodyear (Thailand) Public Company Limited.



In 2019, Goodyear Thailand and the tire industry continued to face challenging economic conditions, with declining domestic and international demand and higher costs. The aviation business also faced the impact of the grounding of the Boeing 737 Max, that caused a reduction of our new radial tire production.

Most of the challenges were external, and even though our results were affected by these conditions, our team has delivered significant accomplishments that have strengthened our position in the market.

Our consumer replacement business outperformed the market, following the successful rollout of the new connected business model launched at the end of 2018. The increase in sales registered during the second part of 2019 in a declining market, is very encouraging and confirms the strengths of the relationships with our customers and the preference for our premium products by Thai consumers.

We continued to upgrade our consumer product portfolio with the launch of four new products, including the new premium light truck tire Cargo Max, specifically designed for Thai pick-up and van users. An innovative and comprehensive marketing and media campaign with Muay Thai legend Buakaw Banchamek as Goodyear brand ambassador, started to be deployed in December 2019 and will continue throughout the year 2020.

Significant progress has also been made to secure new premium nominations with strategic Original Equipment Manufacturers that will result in increased and optimized production levels and higher sales, in addition to an increased demand pull from consumers during the tire replacement cycles.

While the grounding of the Boeing 737 impacted our new radial production, the industry trend toward the shift from bias to radial tires will continue and will offer opportunities like the recent win of the Thai Airways Boeing 777 fleet.

Through the challenges and external volatile market environment, we are taking the necessary decisions to strengthen our business and to position it for the success in the long term. I am looking forward to the growth opportunities ahead, leveraging the power of the Goodyear brand and the skills and passion of our associates. We will continue to develop high premium quality products and will work to shape a brighter future for our associates, our customers

Thank you for your continued trust, confidence and support.

Mr. Luca Crepaccioli
Managing Director



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Report of the Audit Committee

The role and responsibility of the Audit Committee is to perform duties and roles in accordance with the Best Practices Guidelines for the Audit Committee issued by the Stock Exchange of Thailand (SET), provisions of the Public Companies Limited Act of 1992 (B.E. 2535) and the Securities and Exchange Act of 1992 (B.E. 2535). The Audit Committee of the Company consists of (a) Mr. Athaporn Khaimarn, The Chairman of Audit Committee (b) Mr. Yeap Swee Chuan Member of Audit Committee (c) Ms. Chanapun Juangroongruangkit Member of Audit Committee. In 2019, there were four audit committee meetings, with internal auditors in charge of finance and finance director attending meetings with the company's external auditors, Price Waterhouse Coopers ABAS Co., Ltd. The Audit Committee is pleased to report our audited results in 2019 to the Board of Directors and shareholders as follows:

1. The Audit Committee reviewed quarterly financial statements and annual financial statements in conjunction with the Management, with internal auditors, financial regulators and finance director attending joint meetings with the Company's external auditors, Price Waterhouse Coopers ABAS Co., Ltd. The Company's financial report were accurate, reliable, complete and sufficient information disclosure in time and in accordance with the financial reporting standards. applicable laws and regulations

2. Reviewed the internal control systems, the Audit Committee has reviewed the results of audits from internal auditors and external auditors. The Company's internal control system, The Internal Audit Report and Internal Control Assessment found that the Company had an appropriate internal control system and sufficient for business operations, and the report was reported directly to the Board of Directors.

3. Consideration of connected transactions or transactions that may have conflicts of interest, the Audit Committee considers the reasonableness of connected transactions or transactions that may have conflicts of interest. To consider the appropriateness of the item. benefits to the Company, including maintaining the rights of shareholders, which review connected transactions. The Audit Committee deemed that the disclosure was complete, sufficient with terms and conditions, transactions and fair prices before proposing to the Board of Directors' meeting to consider and approve before entering the transaction.

4. Internal Audit Supervision the Audit Committee reviewed the audited reports on various internal audit plan, complaints and compliance, as well as guidelines for improving the necessary operational processes and related to matters that need to be resolved.

5. The Audit Committee has considered the appointment of the company's auditor and meeting with the auditors and proposed the appointment of Price Waterhouse Coopers ABAS Co., Ltd., which is independent and experienced in accurate and reliable auditing the Company's financial statements. In addition, the company has considered the auditor's remuneration. In 2019. The Audit Committee also attended meetings with auditors and internal audit agencies without management participation to acknowledge the auditor's audit plan and presenting key audit matters in the auditor's report.

6. Anti-corruption oversight The Audit Committee reviewed the internal operating processes and control systems that cover the prevention of corruption fraud, as well as support the whistleblowing process.

According to the aforementioned actions, in 2019, the Audit Committee has completely performed in accordance with the regulations of the Audit Committee and report the results of the Audit Committee's meeting to the Board of Directors for acknowledgement in every Board of Directors' meeting.

Mr. Athaporn Khaimarn
Chairman of the Audit Committee



1. Policy and Overall Business Operation

Goodyear (Thailand) Public Company Limited is an affiliated Company of The Goodyear Tire & Rubber Company, USA, which joined capital to establish the Company with the Sri Fuengfung Family. The Company registered as a Limited Company according to the Civil and Commercial Code on July 25, 1968 with registered capital of 60 million Baht in order to operate a business that produces and distributes private automobile tires, small and large truck tires for commercial purposes, aviation tires, and aviation tire retreads to meet the need of the domestic market as well as exports. At present, the Company has a registered capital of 74 million Baht. The head office and manufacturing plant are located at 50/9 Phaholyothin Road, Km 36, Khlong Nueng Subdistrict, Khlong Luang District, Pathum Thani Province, Thailand.

1.1 Vision, Goal, Objective, Strategy

The Goodyear Strategy Roadmap outlines how we will win with consumers, customers, associates, and shareholders. It defines our focus areas and identifies what we will do – together and individually – to achieve our goal.

The Strategy Roadmap identifies where we need to go next as a company. It builds on what we do well, acknowledges the progress we have made, and guides how we will continue to win in a rapidly changing and increasingly competitive environment.

It states our goal clearly and directly: **Deliver sustainable revenue and profit growth while increasing the value of our brand.**

Our Strategy Roadmap defines who we are in one simple phrase: **ONE TEAM Driving Performance** – on the road, in the marketplace and throughout the company.



1.2 Important Changes and Developments

Power to control the company

The company has not registered any relevant change in its shareholding structure.

The nature of business in the past year

Consumers Tires

The Company has continued to roll out the connected business model that has the primarily objective to make the tire purchasing process easier for our customers and consumers.

The combined power of the elements of the connected business model helps us earn the confidence of the consumers and customers.

The launch in Thailand of new products, the appointment of additional aligned distributors, the opening of 4 new Goodyear Autocare stores and the increased presence of Goodyear content in the social media are the first steps of an integrated approach that will enable us to stay closer to customers and consumers and create value for all stakeholders.



The Company has released the following four new consumer tires



Assurance Duraplus 2



Wrangler AT Silenttrac



Eagle F1 Asymmetric 5



Cargo Max



“Goodyear Autocare” Service Center

Goodyear Autocare is an international standardized tire service center that provides comprehensive car maintenance services with world-class quality products, modern tools with a team of professional technicians. At the end of 2019, there were 77 Goodyear Autocare stores in Thailand of which 4 opened during in the last 12 months.

1.3 The Company's Shareholding Structure

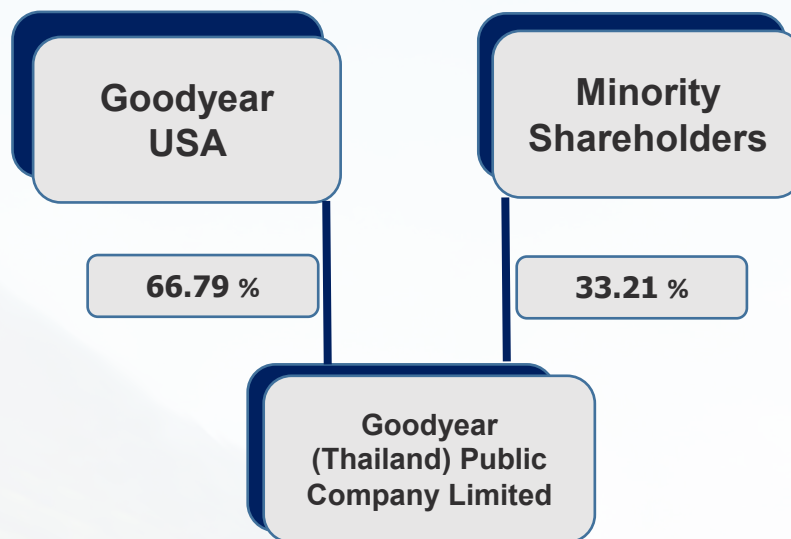
Goodyear Thailand has a registered capital of 74,000,000 Baht with a par value of 10 Baht per share, 7,400,000 shares, all of which are common stock with voting rights, and one share equals one vote. Goodyear Thailand is an affiliated company of The Goodyear Tire and Rubber Company, which holds 4,942,418 shares, representing 66.79% of the Company's total shares. Minority shareholders hold the remaining 33.21% of the shares.

The Goodyear Tire and Rubber Company is one of the world's largest tire manufacturers, with 47 manufacturing facilities in 21 countries around the world. Goodyear has two innovation centers located in Akron, Ohio, USA and Colmar-Berg in Luxembourg. Its two Innovation Centers strive to develop state-of-the-art products and services that set the technology and performance standard for the industry.





Goodyear Thailand's Ownership



1.4 Relationship with the Business Group of Major Shareholders

The Goodyear Tire & Rubber Company has granted the right to use its trademark, production patents and technical services, machinery, raw materials, information technology and management. This includes the operating policy for Goodyear Thailand as mentioned in the details in the Connected Transactions section.



2. Nature of Business Operations

2.1 Revenue Structure of Goodyear Thailand

Goodyear Thailand operations include the manufacturing, distribution, and sales of consumer and aviation tires for domestic and export markets.

Aviation tires are the Company's main export and the amount of revenue from domestic aviation tires has no material significance. There is no material difference between business segment reporting and geographical segment reporting in evaluating the performance of the business. Therefore, the Company presents the financial information in geographic segment based solely on the market where the products are sold.

For the year ended 31 December 2019, the classification between domestic and export sales is as follows:

(Million Baht)







Sales Revenue	2019	%	2018	%	2017	%
Domestic	1,440	37.00	1,373	35.58	1,734	43.35
Export	2,452	63.00	2,486	64.42	2,266	56.65
Total	3,892	100.00	3,859	100.00	4,000	100.00

2.2 Products and Services




Goodyear's products divide into 2 primary categories, which are:

Automotive Tire Products: The Company's manufactures high-quality premium consumer products. Innovation and safety are two important values that characterize Goodyear as a company with the objective to meet customer needs at every level. The transfer of technology that the Company receives regularly from The Goodyear Tire & Rubber Company, USA and Goodyear International Corporation Test Center, Luxemburg results in a consistent development of products both in quality and design. It ensures motorists that the tires they use are high quality and provide a safe drive. The Company's products have always been well recognized for superior quality and performance in both domestic and international markets.

The main product groups in Thailand are:

-  Passenger Car Tires
-  SUV Tires
-  Run On Flat Tires
-  Pickup Truck Tires
-  Sport Tires
-  Commercial Tires

Aviation Tire Products Goodyear is well-known for aviation tire products for more than a century both in radial and bias tires. Goodyear has manufacturing plants for aviation tires in Danville, USA, Sao Paulo, Brazil and Thailand. Our market was chosen to be the production base for aviation tires in the Asia Pacific region. This includes:

-  General Aviation Tires
-  Commercial Aviation Tires and
-  Retread

2.3 Investment Promotion

The company received the Investment Promotion Certificate from the Board of Investment for aircraft radial tires in 2017. The key benefits received are Exemption of import duty on machinery as approved by the Board of Directors, exemption from various duties, including exemption of corporate income tax for net profits for a period of 8 years from the date of first earning business from the operation promoted. In 2019, due to the financial results, the company has not yet started using the privilege of exemption from corporate income tax.



Revenue classified by promoted and non-promoted business of investment are as follows:

(Million Baht)

For the year ended 31 Dec.	Revenue received Investment promotion		Revenue not received Investment promotion		Total Revenue	
	2019	2018	2019	2018	2019	2018
	Baht.	Baht.	Baht.	Baht.	Baht.	Baht.
Domestic Sales Revenue	3,497,928	-	1,436,172,283	1,372,857,317	1,439,670,211	1,372,857,317
Export Sales Revenue	265,061,715	109,071,335	2,187,463,643	2,376,916,417	2,452,525,358	2,485,987,752
	268,559,643	109,071,335	3,623,635,926	3,749,773,734	3,892,195,569	3,858,845,069

2.4 Marketing and Competition environment

(1) Marketing activities for Automotive Tire Products

The main marketing activities have been concentrated in expansion of distribution and in the introduction of technologically advanced new products:



Marketing activities for the year 2019

1. Expansion the network of Goodyear Autocare Service Centers
2. Expansion of the Distribution Channels
3. Launch of 4 new products
4. Brand communication focusing on the new social media channels to reach consumers in a wider range.



Comparative explanations with competitors in general

★ Goodyear Thailand is a leading premium tire manufacturer for leading carmakers and tires for the product range includes passenger cars, 4x4 and SUVs tires, light truck Tires.

★ **Customer Group and Distribution Channels** are in accordance with consumption patterns.



The Replacement Market is the market where consumers purchase tires to replace original equipment tires. Goodyear distributes its products to consumers through domestic tire dealers and distributors.



The Original Equipment Market is a distribution channel for automotive manufacturing plants.



The Export Market relates to Goodyear affiliate companies in all regions of the world.

The Domestic and Export sales proportion is indicated in the revenue structure in the section 2.1 above.

Competition Environment

Gross National Product, Consumer Confidence Index have continued growth when comparing to 2018. However, in 2019, the tire replacement market continued to decline with consumers becoming more uncertain about the future of the economy and continued to defer the replacement of tires.

In an intensively competitive market environment, Goodyear successfully expanded the Goodyear Autocare network, increased the brand distribution and launched four new products.

The OE market has also suffered with a decline in new vehicle production (-7.1%) and new vehicle sales (-3.3%).

- ★ The Trends of The Industry and future Competition conditions
- ★ Estimated number of competitors, Competition Status and Potential

Estimated number of competitors, Competition Status and Potential

The offer of consumer tires in Thailand very broad but a significant portion in the market is a represented by a few leading brands that like Goodyear established their presence in Thailand since many years. There have been minor changes in the market structure in the past years and it is likely to expect a similar trend in the near future.



(2) Aviation Tires Products

Aviation Marketing and Competition Environment

In 2019 the industry trend of shifting from bias technology to radial one continues. Manufacturers are competing against each other on new generation of radial tire development to meet airline customer's rising requests on landing performance and retreadability, and to be in line with OEM's new aircraft development as well. Overall, aviation Tire market remains highly competitive and with high technical threshold.

Goodyear activities in 2019 were focused on the continuous efforts of providing leading service and the best products to our customers.

The great challenge in 2019 was the unexpected global grounding of Boeing 737Max since March which significantly impacted the radial new tire production planning. With Goodyear's advanced technology and consistent high-level service, the company won additional contracts like the one with the Thai Airways B777 fleet. Focusing on commercial airline category, the company has succeeded to maintain existing contractual customers as well as winning new fleets. Moreover, the company also made further progress on the growth of distribution channel of general aviation and business jet categories in the year.

Customer Group and Distribution Channels

The main customer groups are commercial airline customers in Thailand, Asia-Pacific region and private plane customers.

The distribution channels are mainly export market and domestic market. For the international market, the Company distributes its products through Goodyear affiliate companies. In terms of domestic distribution, Goodyear (Thailand) manages that distribution. The market demand varies according to economic conditions and tourism in each country, which directly affects the increase, or decrease in the number airline flights.

 The Domestic and Export sales proportion, please see the revenue structure in the section 2.1 above.

2.5 Procurement of Products and Services

(a) Characteristics of Product Acquisition

Goodyear has a manufacturing plant that manufactures automotive tires, aviation tires and retreaded aircraft tires located in Pathum Thani province.

Procurement of Raw material or Products for sales

The Company acquires raw materials to use in production from various sources. The Goodyear Tire & Rubber Company in USA or the Goodyear Innovation Center of Luxembourg must inspect and approve all materials prior to use in production. The main raw materials that are important for production are natural rubber, synthetic rubber, nylon fabric, various chemicals, Oil Pigment, carbon black, steel cord, bead wire and other raw materials.

The procurement proportion for raw material supplies from domestic manufacture was 43% and import was 57% of all raw materials procured.

(b) The Environmental Impact from the Production Process or the Disposal of Waste

(1) Waste Management Policies arising from Tire Production processes

Waste generated by the production process includes non-hazardous waste. This includes plastics and rubber, wood chips, metals and hazardous waste, including contaminated cloth, expired chemicals, used oil, used light bulbs, copier ink cartridges, contaminated containers, and paint containers

Goodyear systematically handles both types of waste in the factory. There is a waste disposal facility to separate each type of waste to be disposed of according to the process and standards. Independent auditors monitor it at least 2 times a year in compliance with the law to ensure that Goodyear's production goods do not pollute or affect the environment of surrounding communities.

(2) Checking the Effluent Quality of the Production Process.

The Company invested in the construction and operation of a wastewater treatment system by using an activated sludge treatment system to treat wastewater from the production process. The water quality check implemented after wastewater treatment to ensure that the water released into public meets the required quality standards. The parameters tested include pH, BOD, COD, suspensions (SS), hydrogen sulfide (H₂S), and oil and grease by an external inspector every month.



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(3) Inspection of Air Quality Due to Factory Exhaust

The Company checked the amount of air released from the factory's ventilation chimney. The parameters checked include the amount of dust (TSP), sulfur dioxide (SO₂), nitrogen oxides (NO_x as NO₂), carbon monoxide (CO), the amount of smoke (Opacity), and oxygen (O₂). An external inspector inspects these every 6 months.

Disputes or Litigation about the Environment and Solutions to such Disputes

Goodyear has no complaints in 2019 and 3 years prior from the environmental community. The Company issued a letter to check for complaints at Pathumthani Provincial Industry Office and Klong Luang municipal office

2.6 Non-Delivered Work, High Net Worth and Time-Consuming Work Only

-None-



3. Risk Factors

3.1 Business Risk Factors

1. Financial Risk

a) Exchange Rate Risk

The Company does not have a policy to use financial derivatives to manage risk from foreign exchange rates fluctuations. However, the executives may consider using forward exchange contracts to hedge against possible foreign exchange fluctuation risk in certain cases.

As of 31 December 2019, the Company does not have any open Foreign Exchange Forward Contract.

b) Interest Rate Risk

The company received interest income from cash and cash equivalents, and short-term investments. Therefore, the Company managed interest rate risk by depositing cash, cash equivalents and investments that are subject to different maturity periods and interest rates. The company does not have assets with significant interest rates reference.

c) Credit Risk

The Company has no concentrations of credit risk from accounts receivable. Since the Company has a large number of customers that include manufacturing customers, distributors and consumers, the Management believes that there is no risk in granting credit to accounts receivable because the amount reserved for debt repayment is higher than the credit granted.

The Company has no concentrations of credit risk associated with its cash and cash equivalents. The Company makes deposits with several reliable financial institutions. The Company's policy is to limit the risk by distributing deposits, not limiting deposits to one financial institution and for excess cash to invest in low-risk investments or highly reliable investments that are due within 90 days. The Company has never suffered any loss from such investments.

d) Liquidity Risk

The company manages an adequate amount of cash and investments in marketable securities by finding funding sources, demonstrated by having a sufficiently funded borrowing and the ability to close the market position.

2. Raw Material Risk

The Company procures raw materials for production both domestically and internationally. Natural rubber, synthetic rubber, carbon black, polyester and chemicals are important raw materials in automotive tire production. Raw materials are procured from both domestic and foreign manufacturers. The Company set a policy regarding raw material procurement quality assessment, systematic management of raw materials, the preparation for raw material shortages and volatility of raw material prices. The Company partnered with Goodyear's affiliated companies in ASEAN countries to prevent and manage the risk of raw material shortages and the volatility of raw material prices. This collaboration ensures the Company's confidence in the preparation plans that deal with problems and risk and this collaboration also creates confidence that the Company can handle raw material shortages, which will reduce damage to the Company's production.

3.2 Market Risk

1. Original Equipment Market (OEM)

Market risk in the Original Equipment Market varies according to the automotive industry. The demand for OEM tires depends on the volume of production of automotive manufacturers with domestic production base. Goodyear has assessed the risk and mitigated by increasing sales in other markets as well as looking into the future customer base in OEM market.



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2. Replacement Markets

The demand for tires in the replacement market depends on the Thailand car parc and number of kilometers driven. The number of registered vehicles in Thailand has continued to increase during the past years but consumers have started to delay the replacement of tires.

The number of available tire brands and distributors in Thailand has increased. This has also created higher competition. In particular, the market for tires from other brands, which use lower pricing strategies to increase higher competition in the market.

The volatility of the price of raw materials is also an element that significantly influences the company profitability. The related risk is mitigated with an accurate pricing strategy.

The political instability is also considering an important factor affecting the overall market growth.

Due to uncertain market conditions, Goodyear has implemented strategies to expand distribution channels and to increase brand awareness, maintaining operational flexibility.

3. Aviation Tire Market

Risk factors in the aviation tire market in regards to export markets are associated with the economic conditions of Europe and the Americas and these economic conditions may affect the volume of flights. However, in the Asia Pacific region, the aviation industry is steadily growing. The increase in the number of aircrafts in China, Indonesia and India has helped compensate for exports in other markets.

Presently, the domestic demand for radial tires is increasing. The company manages the demand by importing these types of tires from the affiliated companies of Goodyear to meet the needs of all customers groups.

4. Risk of Securities Investors

The Goodyear Tire and Rubber Company is registered and located in the United States who is the major shareholder of the Company, who holds 66.79% of the Company issued shares. Therefore, the Company is under the control of The Goodyear Tire and Rubber Company in regards to the Company's operations and management. The Company relies on The Goodyear Tire and Rubber Company cooperation in terms of production technology, raw material technology, product development, product distribution, information technology and administration. Because of this reliance, the Company has risk regarding the continued business operations if there is a change to the Company's major shareholder.



4. Assets Used in Business Operations

4.1 Main Fixed Assets

The main fixed assets of the company as of December 31, 2562 are as follows:

Type of Assets	Ownership	Book Value (Thousand Baht)	Obligation
1) Land and Building	Company owned	999,988.00	No obligation
2) Machinery, Equipment and Tools	Company owned	2,444,658.00	No obligation
3) Furniture, Fixtures, and Office Equipment	Company owned	19,189.00	No obligation
4) Vehicle	Company owned	8,411.00	No obligation
5) Construction in progress and assets under installation	Company owned	566,187.00	No obligation
Total		4,038,433.00	

4.2 Intangible assets (patents, concessions, copyrights, trademarks)

-None-



5. Legal Dispute

5.1 Cases that may have a negative impact on assets

The company does not have a case that may have a negative impact on the company's assets that are higher than 5 percent of the shareholders' equity at the end of the latest fiscal year, including no lawsuit with an amount higher than 10% of current assets at the end of the last fiscal year

5.2 Cases that have a significant impact on business operations. (Not significant in numbers)

The company has no lawsuits that significantly affect the company's business operations.

5.3 Cases that is not a normal business practice of the company

The company has no lawsuits arising from normal business operations of the company.



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6. General Information and Significant Information

6.1 General Information

Company Name	Goodyear (Thailand) Public Company Limit
Registration Number	0107537001188 (Former Bor Mor Jor. 365)
Nature of Business	Manufacture, distribute, and sale of ground tires, aviation tires and retreading aviation tires for domestic and export market
Head Office and Factory	50/9 Paholyothin Road Km. 36, Tambol Khlong Nueng, Amphoe Khlongluang, Pathumthani 12120, Thailand
Number of Employees	849 Persons (as of 31 December 2019)
Tel:	0-2909-8080
Fax:	0-2909-8097
Homepage	www.goodyear.co.th
Registered Capital	74,000,000 Baht (as of 31 December 2019)
Paid-up Capital	74,000,000 Baht
Number of Issued	
Ordinary Shares	7,400,000 shares; Par Value 10 Baht
Details of Juristic persons that the company holds more than 10% Shareholding	-None-
References	
Registrar	Thailand Securities Depository Co., Ltd. 62 The Stock Exchange of Thailand Building, Rachadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel: 0-2229-2800 Fax: 0-2359-1259
Auditor	Mr. Chaisiri Ruangritchai CPA No. 4526 PricewaterhouseCoopers ABAS Limited 179/74-80 South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120 Tel: 0-2344-1000 or 0-2286-9999 Fax: 0-2286-5050
Legal Advisor	Tilleke & Gibbins International Ltd. Supalai Grand Tower, 26th Floor, 1011 Rama 3 Road, Chongnonsi, Yannawa, Bangkok 10120, Thailand Tel: 0-2056-5555 Fax: 0-2056-5678

6.2 Other Significant Information

-None-



Management and Corporate Governance



7. Securities and shareholder information

7.1 Capital and Paid-up capital

Company Name	Goodyear (Thailand) Public Company Limit
Registered Capital	74,000,000 Baht
Paid-up Capital	74,000,000 Baht
Ordinary Shares	7,400,000 shares
Share Value	10 Baht
Registered Stock Exchange	The Stock Exchange of Thailand
Securities Symbol	GYT

Other types of shares that have different rights or conditions from ordinary shares
-None-

Agreement between shareholders
-None-

7.2 Shareholder

(1) Top 10 shareholders at the latest book closing date on 13 February 2020

Major Shareholders	Number of shares	Percentage
1. The Goodyear Tire & Rubber Company	4,942,418	66.79%
2. Boonpermpoon Co., Ltd.	419,160	5.66%
3. BNP Paribas Securities Services, London Branch	350,600	4.74%
4. Srikiri Enterprise Co. Ltd.	209,864	2.84%
5. Sri Brothers Co., Ltd.	208,240	2.81%
6. Boon Song Co., Ltd.	141,900	1.92%
7. Aberdeen Open-Fund (1) Aberdeen Standard Growth (3) Aberdeen Standard Smart Capital RMF (1) Aberdeen Standard Small cap	94,100	1.27%
8. Thai NVDR Co., Ltd.	84,500	1.14%
9. Tejapaibul Co., Ltd.	73,480	0.99%
10. Ms.Darawan Salak	33,200	0.45%

(2) A group of major shareholders whose actions have a significant influence on the company's management policy or operations

Major Shareholders	Number of Share	% Share
The Goodyear Tire & Rubber Company	4,942,418	66.79%

(3) Agreement between major shareholders (Shareholding Agreement) in matters affecting the issuance and offering of securities or company management

-None-



7.3 Issuance of other securities

-None-

7.4 Dividend Payment

The company does not set a dividend payment policy. According to the company's regulation regarding dividend payment stating that no dividends will be distributing from other types of funds other than profits. This includes retained earnings in the event that the company has an accumulated loss.

Earnings Period	1/1/2019 - 31/12/2019	1/1/2018 - 31/12/2018	1/1/2017 - 31/12/2017
Net profit (MB)	-60.60	33.80	138.04
Net profit/share (Baht) (EPS)	-8.19	4.57	18.65
Dividend per share (DPS)	0	5	20
Dividend yield (%)	0	5.43	4.9
Dividend payout ratio (%)	0	109	107
Total Dividend Payment (MB)	0	37	148

Dividend Payment information during the past 3 years of the company



8. Management Structure

8.1. Board of Directors

Name lists and positions of directors as of 31 December 2019

Information about the biography of directors, please refer to attachment 1

Authorized directors who sign to bind the company

Mr. Luca Crepaccioli and Mr. Phiphat Vorapipat jointly sign and stamp with the company's seal

Name	Positon	Annual General Meeting of Shareholders Year 2013	The number of meetings attended the Committee Year 2019 5 times	The number of meetings attended the Audit Committee meeting Year 2019 4 time	The number of meetings attended the Nomination and Governance Committee Year 2019 4 time
1. Dr. Dhiraphorn Srifuengfung	Chairman of the Board	Yes	5/5	-	4/4
	Nomination and Corporate Governance Committee				
2. Mr. Luca Crepaccioli	Executive Director	Yes	5/5	-	4/4
	Nomination and Corporate Governance Committee				
3. Mr. Phiphat Vorapipat	Executive Director	Yes	5/5	-	-
4. Mr. Andrew Michael Cooper	Director	Yes	5/5	-	-
5. Mr. Michael Martens	Director	Yes	4/5*	-	-
6. Mr. Wee Hong Kek	Director	Yes	5/5	-	-
7. Mr. Athaporn Khaimarn	Independent Director	Yes	5/5	4/4	-
	Chairman of the Audit Committee				
8. Mr. Yeap Swee Chuan	Independent Director	Yes	3/5*	3/4*	3/4*
	Audit Committee				
	Chairman of the Nomination and Governance Committee				
9. Ms. Chanapun Juangroongruangkit	Independent Director	Yes	5/5	4/4	4/4
	Audit Committee				
	Nomination and Governance Committee				

Remark:

*Mr. Michael Martens absent from the Board of Directors Meeting No. 4/2019 due to urgent business trip

*Mr. Yeap Swee Chuan absent from the Meeting due to urgent business trip

- The Board of Directors Meeting No. 4/2019 and 5/2019,
- Audit Committee Meeting No. 4/2019
- Nomination and Governance Committee Meeting No. 4/2019



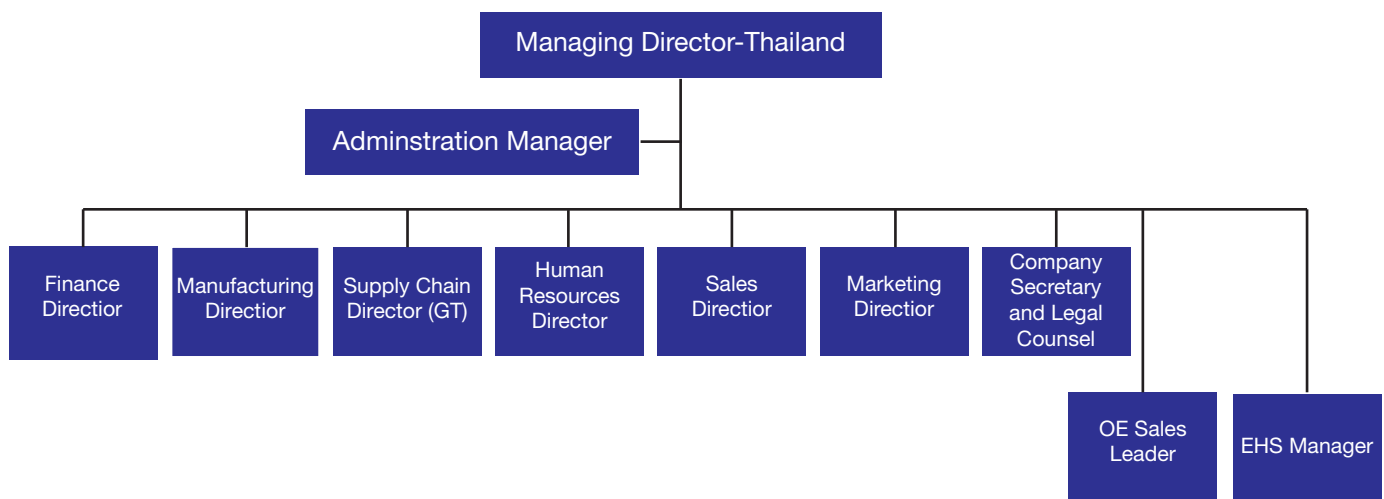
8.2 Executive

Name lists and position of Executives

Name of Executive*	Position
Ms. Justyna Gebaska	Financial Director
Mr. Omer Tezgorucu	Production Director
On Recruitment Process	Supply Chain Director
Mr. Panu Ratcharoen	Human Resources Director
On Recruitment Process	Sales Director
Ms. Ladda Simuang	Marketing Lead
Ms. Napat Tanyakulsajja	Company Secretary & Legal Counsel, Thailand and Vietnam

* According to the definition announced by the SEC: Executive means director, manager, or the first four executives succeeding the manager and every person holding the position equivalent to the fourth rank including person holding executive position in Accounting or Finance Department whose rank is over departmental manager or equivalent

Organization Chart



8.3 Company secretary

The Board of Directors has appointed (From 11 November 2013) Ms. Napat Tanyakulsajja to be the Company Secretary to perform the duties of the Board of Directors' Secretary, Secretary of the Audit Committee and Secretary of the Nomination and Corporate Governance Committee. The qualifications of the person holding the position of company secretary appear in Attachment 1, with the duties as specified in the Securities and Exchange Act. To prepare and maintain important documents of the company such as the registration of directors, Notice of the shareholders' meeting, Notice of the Board of Directors Meeting, Minutes of the shareholders' meeting, Board meeting report and the company's annual report. This includes maintaining reports of interests reported by directors or executives and send copies to the Chairman and the Chairman of the Audit Committee as required by law.

In addition, the company secretary has other duties as assigned by the board of directors as follows:

- (1) Provide advice, coordinate and follow up to make sure that the Board of Directors have followed the objectives, the Company's Article of Association, the Board's resolutions, Shareholders' resolutions, legal requirements and any related regulations.
- (2) Duties in conducting the meetings of the Board of Directors Sub-committees and shareholders' meetings
- (3) Arrange for orientation and provide advice to newly appointed directors.
- (4) Suggest the necessary and appropriate training courses for members of the Board.
- (5) Coordinate with the Company's departments to follow the resolutions of the Board of Directors, resolutions of the Shareholders' Meeting, and coordinate with any outside agencies that oversee listed companies



(6) Supervise the Company's management, which includes the preparation and storage of important Company documents

(7) Encourage directors, executives and employees to have a good understanding of Good Corporate Governance and the Company Business Ethics as well as follow up the compliance in these areas. Review Good Corporate Governance and the business ethics of the Company to be in accordance with the law, international practices and the practices of leading companies on a regular basis

(8) Ensure that the Company treats all shareholders equally, fairly and in compliance with the law and strengthens relationships with minority shareholders

(9) Be a central agency for coordinating complaints with the individuals involved when complaints go through the complaint handling system

(10) Other duties as assigned by the Company

8.4 Remuneration for Directors and Executives

The Nomination and Corporate Governance Committee considered remuneration for the directors by taking into account the type, size, and relevance of the Company's performance in line with the market norm and the industry as well as the appropriateness of the duties and responsibilities of the Board of Directors. The Chairman of the Board of Directors and the directors who reside in Thailand and do not receive a salary from the Company are entitled to the directors' remuneration.

(1) Monetary Remuneration for Directors and Executives for the year 2019 are as follows:

Committees	Remuneration	Bonus	Other non-monetary Remuneration
Board of Directors			
Chairman	500,000	none	none
Committee	350,000	none	none
Audit Committee			
Chairman	350,000	none	none
Committee	300,000	none	none
Nomination and Corporate Governance Committee			
Chairman	100,000	none	none
Committee	75,000	none	none

The above remuneration for directors and executives includes salaries, Meeting Allowance and other remunerations, which has been approved by the 51th shareholders' meeting on 30 April 2019

Individual payment details are as follows:

Name	Position	Directors' remuneration for the year 2019
1. Dr. Dhiraphorn Srifuengfung	Chairman of the Board	575,000.00
	Nomination and Corporate Governance Committee	
2. Mr. Athaporn Khaimarn	Independent Director	700,000.00
	Chairman of the Audit Committee	
3. Mr. Yeap Swee Chuan	Independent Director	750,000.00
	Audit Committee	
	Chairman of the Nomination and Governance Committee	
4. Ms. Chanapun Juangroongruangkit	Independent Director	725,000.00
	Audit Committee	
	Nomination and Governance Committee	

**NEW CARGO MAX****(2) Directors' and key management's compensation**

For the years ended 31 December	2019 Baht	2018 Baht
Salaries and other short-term employee benefits	43,554,094	45,404,338
Employee benefit obligations	1,517,793	6,555,771
	<u>45,071,887</u>	<u>51,960,109</u>

8.5 Personnel

As of 31 December 2019

(1) Number of employees

The total employees of the company 849 employees.

(2) Number of employees

Number of employees in each line of work

Office staff 94 people

Production staff 755 people

(3) The total employees' compensation of the year 2019 is 656 million baht*

Characteristics of compensation to employees

a) Short-term employee benefits

Short-term employee benefits are benefits expecting to pay within 12 months after the end of the accounting period such as salary and bonus.

b) Contribution Program

The company will contribute to the provident fund voluntarily. The contribution rate will vary according to the employee's age.

c) Retirement benefits

Retirement benefit plans determine the amount of retirement benefits that employees will receive, which usually depends on factors such as age, number of years of service and retirement compensation

(4) Employee Development Policy

1. Recruiting and retaining quality personnel. The company pays an importance on the recruitment of potential employees that are in line with the goals and the company's growth strategy. These is an important element of bringing in the best and talented team, which will leads to sustainable organization development.

2. Human Resource Development

The company provides internal training through online and offline courses, including personnel development plans in which employees are involved in formulating guidelines for the development of their capabilities with supervisors providing advice through the Individual Development Plan ("IDP").



9. Corporate Governance

9.1 Corporate Governance Policy

The Corporate Governance Policy of the Company abide by basic legal practice and covers the guidelines of the Principles of Good Corporate Governance for Listed Companies 2017 (CG Code) covering 5 categories of practices, which are:

1. The Equitable Treatment of Shareholders
2. Taking into account the Role of Stakeholders
3. Disclosure of Information and Transparency
4. Responsibilities of the Board of Directors
5. Code of Business Ethics

Report on compliance with Corporate Governance policies in the past year

1. The Equitable Treatment of Shareholders

The company provided important and necessary information for shareholders by allocated the meeting time and provided equal opportunities for shareholders to express opinions. Ask questions and exercise the right to select directors The Company allows the shareholders to send questions in advance to the company secretary before the date of the general meeting of shareholders.

The shareholders have the right to delegate representatives to attend the meeting and exercise their voting rights. They can choose to authorize independent directors to be representatives at the annual general meeting of shareholders and the company has attached the biography of the independent directors together with the documents for notifying the shareholders' meeting. During the meeting, the company allows shareholders to use ballots in every agenda for transparency and review in the event of any dispute later. In appointing the directors of the company, the company gives shareholders the opportunity to exercise the right to appoint individual directors.

In addition, the company provides a channel to contact the shareholders via gyth_coscaughtyear.com

2. Taking into account the Role of Stakeholders

The company has established policies that are in line with the consideration of the roles of stakeholders in the Code of Business Conduct. Stakeholders can access the Code of Conduct through <https://corporate.goodyear.com/documents/bcm/gy-business-conduct-manual.pdf>

The Company has guidelines to treat its competitors fairly and complies with competition law. The Company also makes in-depth studies, and analyzes the Company's competitors in accordance with the laws and the highest ethical standards.

3. Disclosure of Information and Transparency

The company discloses important information related to the company, which includes financial information and general non-financial information that is accurate, complete, timely and transparent. The company disclosed information through various communication channels on the company website at www.goodyear.co.th including the publication on the website of the Stock Exchange of Thailand as well, such as Form 56-1, Annual Report and Financial Statements so that investors and related parties can be thoroughly informed.

4. Responsibilities of the Board of Directors

The Board of Directors shall be aware of conflicts of interest, connected transactions, and carefully review the appropriateness every time in compliance with the regulations of the Stock Exchange of Thailand. The price and conditions shall be as if making a transaction with a third party and the details, value, reasons// necessity shall be disclosed every time a transaction occurs.

In the case of connected transactions or trading of assets with significant transactions size in accordance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, the board of directors must consider the said transaction including disclosing that transaction to the Stock Exchange of Thailand in accordance with the specified criteria.

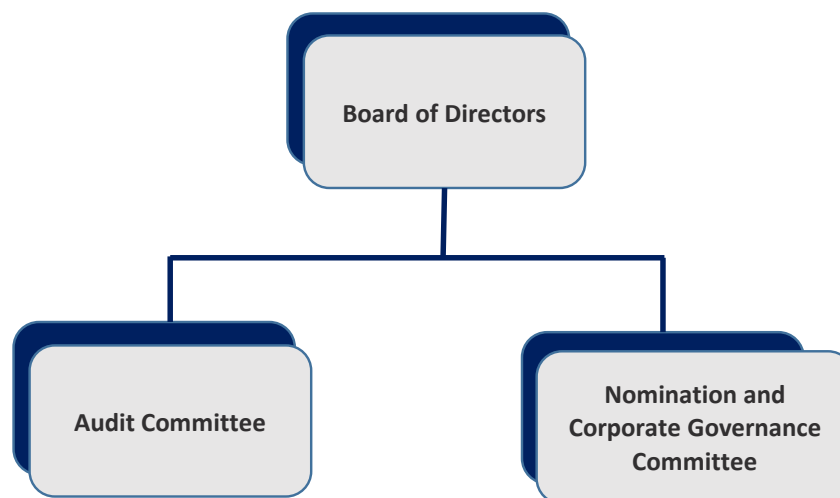


5. Code of Business Ethics

One of the mission which is the cornerstone of the company in doing business is “We are committed to acting with honesty and respect”. The Guide to the Code of Business Conduct of the Company consists of details about the behavior that the employees of the company should act as an employee, treatment to Business Partners, and employees. The Company Executives are responsible for better understanding including following the guidelines set out in this guide along with reporting to the company in case of suspicious behavior that constitutes a violation of the law, the code or the violation of these policies.

9.2 Sub-Committees

Board of Directors Structure and Sub-Committees



a) Board of Directors

Details about the Board of Directors Please refer to section 8.1.

The duties of the Board of Directors are as follows:

1. To be leaders and manage the Company according to the assigned Vision.
2. Must comply with the law, objectives, Article of Association of the Company and the resolutions of the Shareholders' Meeting.
3. To consider and approve important items such as new investment projects or trading of materially significant assets according to the rules of the Stock Exchange of Thailand, the Securities and Exchange Commission, the Stock Exchange and any actions required by law.
4. To supervise the ethical conduct of business.
5. To set up a reliable accounting system, financial reporting, and auditing. This includes supervising and monitoring the process of evaluating the appropriateness of internal controls and internal audits to be effective.
6. The Board of Directors has the authority to approve the following items.
 - (1) The appointment and removal of employees of the Company.
 - (2) Determine the payment of monetary rewards for employees, workers, or any person who does anything for the Company whether that person is a regular worker or not.
 - (3) Determine interim dividends for shareholders.

In the performance of duties, the Board of Directors may assign one or several directors or other persons to act on behalf of the Board of Directors.

In entering into the following transactions, the Approval will make by the Shareholders' Meeting with a vote of no less than three quarters of the total number of votes from shareholders that attend the meeting and have the right to vote.

- (1) The sale or transfer of the business of the Company, in whole or a significant part, to other people.
- (2) The acquisition of or the acceptance to transfer a business from other companies or private companies to the Company.
- (3) Entering into, amending or terminating contracts related to the lease of the Company's business, in whole or a significant part. Assigning other people to manage the Company's business or merging the business with other persons, with the objective to share profits and losses.



The Meeting of the Board of Directors

The Board of Directors shall hold a meeting at least 3 times per time, with a meeting date set in advance throughout the year. Special meeting may be hold as deemed necessary in organizing board meetings

Duties of the Chairman of the Board

1. Convene the meeting and set the agenda as stipulated in the Articles of Association of the Company. The meeting's invitation, the meeting's agenda and the meeting's documents must submit to the directors at least 7 days in advance so that the directors have time to study them in advance.

2. The Chairman serves as the Chairman of the Meeting and is responsible for overseeing and allocating sufficient time for the discussion of each agenda item, to express independent opinions on important issues by taking into account the interests of shareholders and stakeholders. A quorum in the Meeting of the Board of Directors must consist of no less than half of the total number of directors, a resolution shall be made with a majority vote of the directors that attend the meeting, and one director has one vote.

Connected Transactions Report

The company requires the Directors, Executive Committee, and Executives according to the definition of the Securities and Exchange Commission and the Stock Exchange Market to report personnel or related persons the Connected Transactions when taking office or changing. The information will be review every year in accordance with the rules and procedures for reporting conflict of interest of directors and executives as specified by the Securities and Exchange Commission and the Stock Exchange of Thailand.

Orientation of New Director

Each newly appointed director will be adequately informed of the Company's information, regulations and business information relevant to his/her duties as a director. On top of that, the Board of Directors encourages directors to develop their knowledge of their duties by agreeing that directors should receive at least one basic training course from the Thai Institute of Directors Association (IOD).

Director Training and Knowledge Development

Name	Course	Trainee
Mr. Luca Crepaccioli	Director Accreditation Program (DAP 158/2019)	Thai Institute of Directors
Mr. Wee Hong Kek	Director Accreditation Program (DAP 166/2019)	Thai Institute of Directors

Report of Securities Holding

The company requires the directors and executives according to the definition of the Securities and Exchange Commission and the Stock Exchange of Thailand to report their shareholding Spouse / husband and wife and minor children to the Board of Directors in the quarterly board meeting.

Report of Directors' Securities Holding Spouse / Husband and Wife Relationship and minor child as of 31 December 2019

Name	Position	Holding of Company Securities by Executive's Spouse / Husband and Wife Relationship and minor child as of 31 December 2019	Holding of Company Securities by Executive's Spouse / Husband and Wife Relationship and minor child as of 31 December 2018	Increase / Decrease during the year
1. Dr. Dhiraphorn Srifuengfung	Chairman of the Board	-	-	-
	Nomination and Corporate Governance Committee			
Spouse / Husband and Wife Relationship		1,200	1,200	-



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Name	Position	Holding of Company Securities by Executive's Spouse / Husband and Wife Relationship and minor child as of 31 December 2019	Holding of Company Securities by Executive's Spouse / Husband and Wife Relationship and minor child as of 31 December 2018	Increase / Decrease during the year
2. Mr. Luca Crepaccioli	Executive Director	-	-	-
	Nomination and Corporate Governance Committee			
3. Mr. Phiphat Vorapipat	Executive Director	-	-	-
4. Mr. Andrew Michael Cooper	Director	-	-	-
5. Mr. Michael Martens	Director	-	-	-
6. Mr. Wee Hong Kek	Director	-	-	-
7. Mr. Athaporn Khaimarn	Independent Director	-	-	-
	Chairman of the Audit Committee			
8. Mr. Yeap Swee Chuan	Independent Director	-	-	-
	Audit Committee			
	Chairman of the Nomination and Governance Committee			
9. Ms. Chanapun Juangroongruangkit	Independent Director	-	-	-
	Audit Committee			
	Nomination and Governance Committee			

Name	Position	Holding of Company Securities by Executive's Spouse / Husband and Wife Relationship and minor child as of 31 December 2019	Holding of Company Securities by Executive's Spouse / Husband and Wife Relationship and minor child as of 31 December 2018	Increase / Decrease during the year
Ms. Justyna Gebaska	Financial Director	-	-	-
Mr. Omer Tezgorucu	Production Director	-	-	-
On Recruitment Process	Supply Chain Director	-	-	-
Mr. Panu Ratcharoen	Human Resources Director	-	-	-
On Recruitment Process	Sales Director	-	-	-
Ms. Ladda Simuang	Marketing Lead	-	-	-
Ms. Napat Tanyakulsajja	Company Secretary & Legal Counsel, Thailand and Vietnam	-	-	-

The Performance Evaluation of the Board of Directors

The committee will evaluate the individual performance and the entire committee once a year (Self-Assessment) to check the board's performance and improve it to be in line with the company's policy. The company's secretary is responsible for sending assessment forms to directors for evaluation and return to the company. The company will not disclose the name of the evaluated director to allow the directors to be independent in the evaluation and the company presents the evaluation results to the board of directors meeting.

**Part 1: Directors Self-Assessment Evaluation Form**

- (1) Qualifications of Directors
- (2) Position of Directors
- (3) Directors' Remuneration
- (4) Meeting Attendance
- (5) Roles, Duties, and Responsibilities of the Directors
- (6) Training and various information

Part 2: Board Performance Evaluation Form

- (1) The Structure and Qualifications of the Board
- (2) Roles, Duties, and Responsibilities of the Board
- (3) The Meeting of the Board of Directors
- (4) The Work of the Director
- (5) Relationship with Management
- (6) Self-Development of Directors
- (7) Monitoring the Process of Financial Reporting and Internal Control
- (8) Compliance with Business Ethics

In the year 2019, the evaluation result concluded that the Board of Directors and the Sub-Committees perform their duties completely and effectively

(b) The Audit Committee

- | | |
|--|----------------------|
| 1. Mr. Athaporn Khaimarn | Independent Director |
| (Chairman of the Audit Committee and audit committee with knowledge and experience in reviewing financial statements of the company) | |
| 2. Mr. Yeap Swee Chuan | Independent Director |
| 3. Ms. Chanapun Juangroongruangkit | Independent Director |

The Duties of the Audit Committee

1. Review to ensure that the company has accurate and sufficient financial reporting.
2. Review to ensure that the company has an appropriate and effective internal control and internal audit systems and consider the independence of the internal audit department As well as granting approval for consideration, appointment, transfer Termination of the head of the internal audit department or any other department responsible for internal auditing.

The Duties and Responsibilities of the Audit Committee are as follows:

1. Review the Company's financial reports to make sure they are accurate and adequate.
2. Review the Company's internal control system and the internal audit to be appropriate and effective and consider the independence of the internal audit unit, which includes the consideration of approval to appoint, transfer, and terminate the Head of the internal audit unit or any other agency responsible for internal audits.
3. Review the Company's compliance with the laws of Securities and the Stock Exchange, regulations of the Stock Exchange of Thailand and laws related to the business of the Company.
4. Consider, select and nominate persons, which are independent in order to act as the Company's auditor and propose the remuneration of such persons. This includes attend meetings with the auditors, without management in attendance at least once a year.
5. Consider connected transactions or transactions that may have conflicts of interest to be in accordance with the laws and regulations of the Stock Exchange in order to ensure that these transactions are reasonable and give maximum benefit to the Company.
6. Prepare the Audit Committee's report and disclose the report in the Company's Annual Report. The report must be signed by the Chairman of the Audit Committee and consist of at least the following information.
 - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report.
 - (b) an opinion on the adequacy of the Company's internal control system.
 - (c) an opinion on the compliance with the laws on securities and the regulations of the stock exchange, or any laws relating to the business of the Company.
 - (d) an opinion on the suitability of the auditor.
 - (e) an opinion on the transactions that may lead to conflicts of interest.
 - (f) the number of meetings the Audit Committee held and the attendance of each member of the Audit Committee.
 - (g) an opinion or overall observation that the Audit Committee received by performing the duties under the Charter.



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(h) other items that the shareholders and general investors should know under the scope of duties and responsibilities assigned by the Board of Directors.

7. Perform any other tasks as assigned by the Board of Directors with the approval of the Audit Committee.

(C) The Nomination and Corporate Governance Committee

- | | |
|------------------------------------|---|
| 1. Mr. Yeap Swee Chuan | Chairman of the Nomination and Governance Committee |
| 2. Mr. Luca Crepaccioli | Executive Director |
| 3. Dr. Dhiraphorn Srfuengfung | Chairman of the Board |
| 4. Ms. Chanapun Juangroongruangkit | Independent Director |

The members of the Nomination and Corporate Governance Committee shall hold a position for a term of three years. In the case that a member of the Committee resigns before a complete term, the member must notify the Company one month in advance, along with a reason for resignation. The director who appointed in place of the resigning member will be in office for the remainder of the term of the member who resigned or vacated the position.

The Duties and Responsibilities of the Nomination and Governance Committee are as follows:

1. Evaluate, select or make recommendations to the Board of Directors regarding the selection of directors
2. Prepare principles for selecting new directors, screening, and recruiting persons who are completely qualified to be directors.
3. Consider the nomination of directors for approval by the shareholders.
4. Consider and make recommendations to the Board of Directors regarding structure, size and the composition of the Board. This includes the skills of the Board of Directors for the effective performance for Board of Directors.
5. Select directors who need to be replacing in the Company Shareholders' Meeting.
6. Report the results of the evaluation of the Board of Directors.
7. Develop and review the principles of operation and give an opinion regarding the changes made by the Board of Directors at least once a year.
8. Consider and give an opinion on good governance from time to time.
9. Consider the disclosure of information related to the Annual Report regarding the Board of Directors' activities.
10. Perform other duties as assigned by the Board of Directors from time to time.

9.3 The Nomination and Appointment of Directors and Management of the Company

(1) Independent Director

According to the Principles of Good Corporate Governance, the listed companies must have independent directors no less than one third of the total number of directors in order to provide independent opinion about the Company's major business. The Company has three independent directors from nine directors or a percentage of 33.33% according to the smallest number of independent directors required. The Company's independent directors are as below.

1. Mr. Athaporn Khaimarn
2. Mr. Yeap Swee Chuan
3. Ms. Chanapun Juangroongruangkit

The Company has defined the qualifications of independent directors as follows:

1. Have no business or work related to the Company that may affect its independent decisions.
2. Do not hold more than 0.5% of the paid-up capital of the Company, subsidiaries, associated companies or related companies, which includes shares held by related persons.
3. Do not participate in the management of the Company, subsidiaries, affiliated companies, related companies or major shareholders of the Company. Include not being workers or employees who receive a regular salary from the Company, subsidiaries, or related companies. In addition, must not be a consultant who receives a regular salary from the Company, subsidiaries, affiliated companies or major shareholders of the Company.
4. Have no benefit or interest, whether direct or indirect, whether regarding finances or management in the Company, subsidiaries, affiliated companies or major shareholders of the Company.
5. Are not relate to or close relatives of the top executives or major shareholders of the Company.
6. Must be a person who has passed the recruitment process of the Board of Directors.



(2) The Nomination Process

The company selects directors by nominating. When considered and approved by the Nomination and Corporate Governance Committee and Board of Directors, the shareholders will be considering and approve the appointment of the directors of the company. The minority investors can exercise their rights to vote at the shareholders' meeting to appoint directors. Currently, the Board of Directors consists of 9 members who are knowledgeable, capable, and experienced in various related businesses, which are shareholders' representatives. The number of independent committees is equal to or not less than one-third of the board.

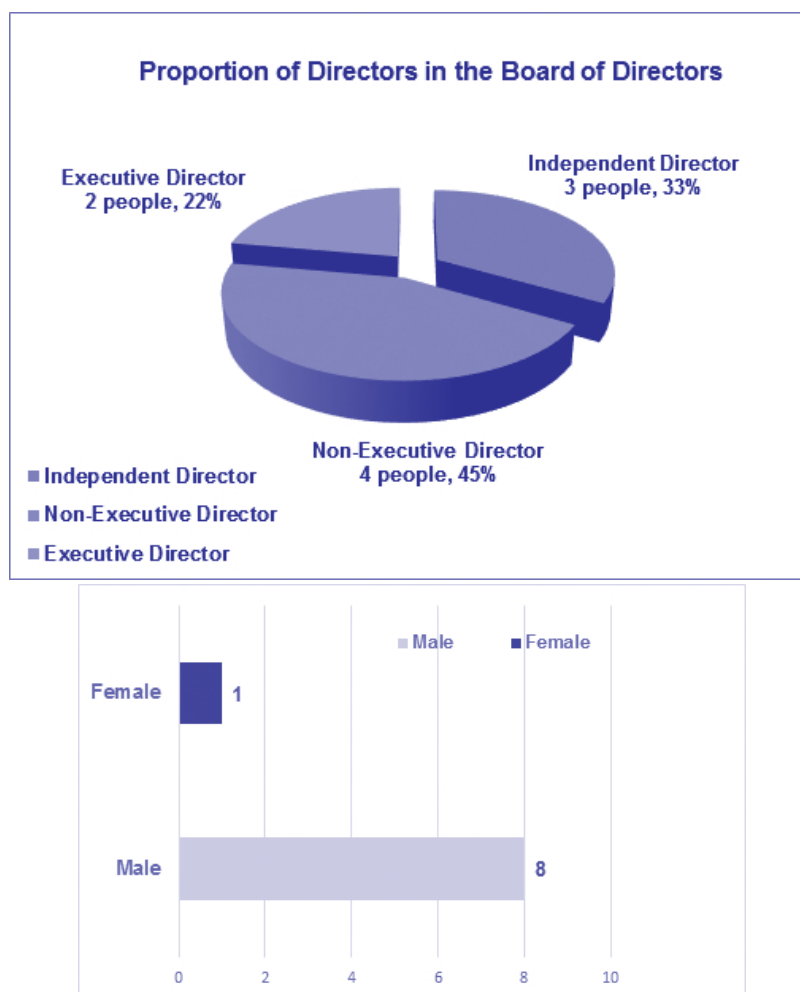
The selection and appointment of the board of directors will be through the shareholders' meeting under the following criteria:

1. Each shareholder has one vote for each share.
2. The Election of Directors will be done by voting for individual or multiple directors at a time, as the shareholders' meeting deems appropriate. For each voting, the shareholders must vote with the number of shares held. The votes may not be divided to any person, no matter how much.
3. The persons who receive the most votes in descending order shall be elected as director, equal to the number elected at that time.

In this regard, the company has specified clear and transparent criteria in accordance with good corporate governance regarding equitable treatment of shareholders. Giving shareholders opportunities to propose agenda items for the Annual General Meeting of Shareholders and the names of directors in advance in order to enable the shareholders to participate in the Company's business operations and select an appropriate person to be the director of the Company. The Company has published the information on the Company's website at www.goodyear.co.th/news and the website of the Stock Exchange of Thailand.

Diversity Policy of the Board of Directors

The Board of Directors considers the benefits of the diversity of the Board of Directors in terms of gender, age, educational background, Professional experience, skills and knowledge. Therefore, the recruitment and consideration of the appointment of the directors of the company base on knowledge, capability, and use selection criteria, which take into account the benefits of diversity as well.



**Executive Recruitment**

The management team will search for executives when they have vacancies. This is in accordance with the rules and the regulations of the company.

9.4 Supervision of operations of subsidiaries and associated companies

The company does not have operations of subsidiaries and associated companies. Therefore, there is no disclosure in this section

9.5 Supervision on the use of Insider Information

The Company recognizes the importance of protecting the use of insider information. Employees at every level of the Company must use insider information carefully. The Company's information and documents must be kept and not to be disclosed to third parties. Insider information must only be used within the framework of the assigned duties and responsibilities.

The Company's directors, executives and employees are prohibiting from using the Company's insider information for their own personal benefit. Insider information must disclose only to related persons such as the auditor or legal counsel. Important information will disclose to shareholders in accordance with the rules and regulations of the Stock Exchange of Thailand.

The Company has established a policy to avoid trading securities using insider information in the Company's Code of Conduct. This summarized as follows:

- Executives, employees, and family members or agencies that are aware of insider information must not disclose important internal information about Goodyear to third parties or persons who are not involved.
- Executives, employees, family members or agencies that are aware of insider information are prohibiting from using this information to obtain personal financial benefits or disclose this information for the financial benefit of others.
- Executives, employees, residents, family members or agencies that are aware of insider information are prohibited from trading Company securities or leading others to purchase, sell or transfer Goodyear securities for themselves or for the benefit of members of their own family for a one-month period prior to the public disclosure of Goodyear's important information such as quarterly earnings or annual earnings.

9.6 Auditor's Remuneration

The Audit Committee reviewed the approval of the Company's three auditors based on the performance, the auditors' independence, and the audit fees of the auditor at Meeting No. 1/2019. The Shareholders' Meeting No. 51. approved on April 30, 2019. The following persons from the PricewaterhouseCoopers ABAS Company Limited were approved appointment as the Company's auditors for the year 2019. One of the following public accountants shall be the auditor and provide opinions on the Company's financial statements.

Name of auditors	Certified Public Accountant Registration No.	Years of Company's certification during the past 5 years
1. Mr. Chaisiri Ruangritchai	4526	2 years (2018-2019)
2. Mr. Prasit Yuengsrikul	4174	-
3. Miss Varaporn Vorathitikul	4474	-

Auditor's fee	Year 2019
Audit Fees	1,900,000 Baht
Other Services Fees	-None-



9.7 The application of the Principles of Good Corporate Governance for Listed Companies 2017

Principles of good corporate governance for listed companies

The Securities and Exchange Commission (“SEC”) has issued the Good Corporate Governance Principles for Listed Companies 2017 (CG Code) in order for the Board of Directors to apply the principles in accordance with Apply or Explain principles as suitable for the business of the company. The Goodyear Board of Directors reviewed the implementation of the CG Code and fully aware of the roles and responsibilities of organizational leadership and fully understanding the implementation of the CG Code and assigned the Nominating Committee and Corporate Governance to oversee the compliance with the Principles of the CG Code.

Goodyear has not yet applied for the Board of Directors to regulate the Independent Directors to hold their positions 9 years from the date of being first appointed as Independent Directors. In the event that the independent directors remain in position, the Board of Directors should reasonably consider the necessity.

Explanations

The Board of Directors consists of 9 members with 3 independent directors, each of whom is an expert in finance together with automotive business for a long time. The company is not yet able to select independent directors with equal qualifications and experience for replacement. However, the company has prepared a plan to discuss the selection of independent directors in order to inherit the position in the future.

9.8 Compliance with other Good Corporate Governance Principles

In 2019, the company received the quality assessment from the shareholders’ meeting with a full 100 scores by the Thai Investors Association (TIA). The Company has organized the shareholders’ meeting as follows:

The Quality Assessment of Shareholders’ Meeting Arrangement

(1) Before The meeting

1.1 Allowing shareholders to propose meeting agendas in advance and nominate qualified persons for consideration as directors before the meeting date. This include reporting such matters along with the criteria for consideration through the news system of the Stock Exchange of Thailand and the Goodyear website

1.2 Disseminate meeting invitations in Thai and English on the company website and notify via the news system of the Stock Exchange at least 21 days in advance for the Thai language and not less than 7 days for English. The company provided information and details of locations, dates and times for the meeting, and providing complete details about the agenda or matters to decide at the meeting. The company has sent the meeting notice and related documents to all shareholders and the registrar at least 14 days in advance of the meeting and local newspaper announcements for 3 consecutive days at least 3 days before the meeting date.

1.3 The Company provided opportunities for shareholders to propose agenda items and send any questions that they would like the Company to clarify regarding agenda items to the Company prior to the meeting date.

1.4 The Company proposed the 3 Independents Director name lists in the proxy form and explained the shareholders each Director has any conflicts of interest in any agenda.

(2) Proceeding on the meeting date

2.1 The company use the barcode system for registration, vote counting, and showing results to proceed the meeting quickly and accurately.

2.2 On the meeting date, the company require every director include sub-committee to attend the meeting to answer questions and record in the minutes of the meeting so that the shareholders attended the meeting can easily trace back later. The company provide opportunities to shareholders to exercise their rights to attend the meeting, ask questions, in which, the company’s director can explain in the meeting in accordance with the specified agenda and vote in each agenda.

(3) After the meeting

The company send and publish the minutes of the Meeting in Thai and English via the company website and the website of the Stock Exchange of Thailand within 14 days from the meeting date.



10. Corporate Social Responsibility: CSR

10.1 Overview policy

The Company continued to develop its operational model in order to move toward being an industry leader that benefits the Company's employees, customers, shareholders, partners, community and environment. The Company takes into account the following eight rules of Corporate Social Responsibility according to guidelines set by the Stock Exchange of Thailand:

1) Conducting business fairly and ethically 2) Anti-corruption 3) Respect for human rights 4) Fair labor practices 5) Responsibility to the consumer 6) Environmental care 7) Participation in community and social development 8) Innovation and dissemination of innovation, which results from the Company's responsibility to society, the environment and stakeholders. The company operates in four main areas, which are:

Personnel Reflecting the operational guidelines with fair operations, respect for human rights and fair labor practices. The Company supports a culture of safety and a good quality of life while employees are at work or after work, which is in harmony with Goodyear's policy learning that requires employees to act with honesty and respect one another.

Products Reflecting the operational guidelines with fair operation and responsibility to consumers. The Company's products are high quality and highly innovative in order to meet customers' needs and be the leader in the chosen target market. This is the Company's main strategy, which is to create sustainable economic growth that will result in a strong growth of the Company.

The Environment Reflecting the operational guidelines regarding environmental maintenance and participation in community or social development. The Company takes part in stimulating environmental responsibility towards the Company's customers, employees, shareholders, community and partners. The Company's activities reflect the Company's responsibilities, which are in accordance with the Company's objectives for sustainable growth.

The Community Reflecting the operational guidelines regarding treatment and participation in community or social development.

Goodyear supports and campaigns for safety, children and families, education and hygienic services that are consistent with the values held by the Company.

10.2 The Implementation

(1) Groups of stakeholders that the Company attaches importance to

- ★ Employee
- ★ Community
- ★ Dealers and Consumers
- ★ Government Sector
- ★ Shareholders
- ★ Raw Material Suppliers
- ★ The Media
- ★ Non-Governmental Organizations

(2) The Implementation

★ Environment, Occupational Health and Safety

The mission that the Company adheres to is to maintain the environment and community, support good occupational health and safety at work and outside of work. As a global enterprise, the Company operates its business with ethical standards and strictly abide by the laws.

In regard to operations, the Company gives importance to improving the quality of life of its employees, families, communities and society as well as protecting the environment in order to achieve sustainable economic development. The Company's desire is that employees work in a safe and secure working environment. Thus we:

★ Comply with regulations and laws regarding safety, occupational health and the environment. This includes regulatory compliance with Goodyear's standards regarding safety, occupational health and the environment, which have been set for global operations.

★ Develop business operations in order to build standards for safety, occupational health and the environment. The Company's aim is to reduce the impact on the environment while improving the efficiency of operations in order to increase the stability in production and products

★ Always take into account the impact on the environment, safety, and occupational health while making decisions and conducting business.



- ★ Deliver safe products when stored properly and create understanding among partners on how to use each product throughout the life of each product.
- ★ Reduce environmental impact and power consumption by reducing water usage, waste, weather conditions, limiting gas emissions as well as reusing, recycling and saving energy throughout the life of the tire
- ★ Support and educate employees about environmental awareness and energy conservation ideas. Keep the workplace safe and hygienic.
- ★ Publish an annual report on the goals and achievements regarding safety, occupational health and the environment.
- ★ Achieving the shared responsibility to the environment of the Goodyear employees around the world

✦ Respect for human rights

★ Discrimination

Goodyear has a policy against all forms of violence and maintains a workplace that is free from harassment and unlawful discrimination due to race, skin color, religion, sex, pregnancy, age, disability, or any other kind of differences. Employees that have been harassed and illegally discriminated against have the rights to report such harassment to Human Resources or the person in charge of the workplace. All reports must be properly investigated and consideration.

★ Employment

Employees of the Company must be willing to work voluntarily. The Company prohibits any form of forced labor or human trafficking.

★ Child Labor

The Company has a policy against illegal labor. Child labor and exploitation of child labor are prohibiting. Moreover, the Company supports student internship programs and other projects in the same manner as required by law.

★ Freedom of Association

Employees have the right to join any organization (such as a labor union) or withdraw from participating in an organization. All employees have the right to join labor unions, which was legally established and they have the right to participate in an agreement on employment conditions. The Company supports open communication as well as consideration from all parties. Therefore, the employees will not be dismissed, threatened, or discriminated against for joining a legitimate labor union.

★ Working Hours and Wages

The Company complies with enforced laws and regulations regarding wages and working hours.

★ Workplace Safety

The Company continually gives importance to employee health care and safety by reducing the likelihood of accidents, injuries or health risks to employees in the workplace. The Company especially gives importance to the policy against all forms of violence, which is an absolute prohibition of the Company.

★ Lactation Room

With the increase in the number of female employees returning from maternity leave, Goodyear Thailand recognizes the importance of safety, hygiene and privacy for pumping breastmilk in the workplace for employees who have recently become mothers. The Company provided a lactation room for these employees to pump breastmilk. This room is equipped with a refrigerator to keep breastmilk, a sink, tables and a sofa. From an employee survey regarding the lactation room, the results found that most employees were greatly satisfied that the Company had placed an importance to this matter. This included both men and women who did not return from maternity leave.

★ Company Partners

Goodyear chose to conduct business with partners that uphold labor standards at the same level as the Company.

✦ Integrity Commitment

★ Company's Ethics Policy

The Company has an ethics policy, which links to the Company's mission to be a leader in integrity through a covenant of integrity and by clearly communicating the policy with Company employees at all levels in order to maintain the highest ethical standards.

★ Code of Business Conduct Manual

Goodyear has prepared a Code of Business Conduct manual for Goodyear employees around the world in 26 languages. This manual compiles Code of Business Conduct standards and laws related to business operations. All employees of the Company must be aware of, understand and comply with these policies and code of conduct. Company employees receive training regarding the content of this manual from the time employees begin working at the Company. This includes learning to report concerns to the Company. Company's associates must go through training every year.



★ Supplier's Code of Conduct Manual

Besides the Company, Goodyear requires those who conduct business with Goodyear, whether suppliers, contractors or other business entities, to read, and understand Goodyear's Code of Business Conduct and carefully comply with this Code of Conduct as stated on the Company's website. Specifically, suppliers must certify that they will comply with this Code of Conduct, which covers environmental protection, conflicts of interest, hygiene, safety, giving gifts, child labor and human trafficking.

★ Training of the Company's Code of Business Conduct

Goodyear continued to train employees who are monthly staffs around the world about the Company's Code of Business Conduct. The training focuses on operations that are in accordance with the Code of Business Conduct and Anti-Corruption Policy, which includes a risk assessment process regarding outsiders who conduct business with the Company. Employees who encounter or suspect that they have come across a violation of the Company's Code of Business Conduct are required to report the incident to the Company's Ethics Hotline, which is a toll-free number, available 24 hours a day, 7 days a week or report the incident via the internet. Employees can choose to reveal their identity or remain anonymous. All complaints will be verifiable and if confirmed that there is a real violation, the offender is disciplinary appropriately. Goodyear provide protection to the complainants that there will be no interaction of any kind.

Environmental protection from production processes information, the company has already reported in section 2.3.

10.3 Business Operation that affect CSR

Goodyear had no complaints prior or by the year 2018 from the environmental community. The Company issued a letter to check for complaints at Pathumthani Provincial Industry Office and Klong Luang municipal office.

Legal Disputes -none-

10.4 Activities for the benefit of society and the environment (After Process)

In 2019, Goodyear continues to collaborate with the Office of Science Policy, National Technology and Innovation (STI) to implement the Work-integrated Learning (WiL) project.

Prevention of involvement in Corruption

Policies and Guidelines, which Protect against being involved in Corruption

The company has established an anti-bribery policy of which established in accordance with the United States Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act. The Board of Directors has resolved to comply with the following policies: *"Prohibit Goodyear's traders, agents, distributors offers or gives or agrees to accept or receive money in any way that is inappropriate, including offering or giving or accepting or accepting anything of value to or from anyone at any location in the world in order to obtain or maintain business or for any improper benefits, Goodyear is willing to lose any business opportunities if that business opportunity can obtain only by giving inappropriate money or illegal, bribing, giving gifts, refunds as discounts, under the table or similar incentives"*. The policy is effective for employees, partners, distributors of Goodyear, a subsidiary of The Goodyear Tire & Rubber Company, an American company.

The Implementation

(1) **Business Risk Assessment.** The Company has prepared the Due Diligence System to assess the risk of business partners. Distributors, consultants or outsiders acting on behalf of the company through history review, answering a series of questionnaire to assess the risk that there is a risky operation or should be vigilant about anti-corruption policies or a bribe?

(2) Establishing guidelines for control, prevention and monitoring of risks from corruption

★ The company provides Central Complaint Channel via hotline number 1-888-494-6854 or www.goodyear.ethicspoint.com The stakeholders can contact, complaint any suspects conflict of interest, conflicts against business ethics. The informants will be protecting and any questions or complaints will be pass on to the relevant departments for further consideration of corrections.

★ The Company has policy for giving or receiving gifts to or from government officials, company's partner with an acceptable value of not more than US\$ 100, including the prohibition of giving or accepting gifts in cash, cash equivalents, or high value items.

(3) **Communication and training for employees:** The Company's employees and executives must pass the training on anti-bribery, policy on gift giving according to online courses specified by the company annually including communication for employees to be continuously acknowledging through monthly staff meetings.





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(4) Guidelines for monitoring and evaluating the implementation of the anti-corruption policy: The Board of Directors is responsible for overseeing the company to comply with the policy and complying with the law on the prohibition of bribery or support for corruption. The Board of Directors has followed up on the internal audit of the internal auditor, the compliance with the anti-corruption policy of the company through the report of the Audit Committee in every meeting.

(5) The audit committee or the auditor to review the completeness and sufficiency of the process: The Audit Committee reviews the internal control of the company, reviews the internal auditor's report, and reviewed by an external auditor of the company approved by the shareholders' meeting. The internal auditor has reviewed the company's expense disbursement system, Revenue recognition and recognition on wage and compensation system. The Review of internal control systems is under the Sarbanes Oxley Act (SOX) and audits for compliance with company laws and policies.

- The company announced the intention to participate in the Private Sector Collective Action Coalition Against Corruption (CAC), the request is on the approval process from the CAC.



11. Internal Control and Risk Management

11.1 Opinion of the Board of Directors on the Company's Internal Control System

In 2019, the Board of Directors assessed the adequacy of the internal control system in accordance with the adequacy of the internal control system, which included risk management that is available on the website of the Securities and Exchange Commission, and passed the review of the Audit Committee and the Nomination and Governance Committee. The Committees agreed that Company has an adequate and suitable internal control system in aspects of (1) Internal Control of the organization (2) Risk Assessment (3) Control of Operations (4) Information and Communication Systems and (5) Monitoring System. The Company has set clear and measurable business goals and measurable. There is a set of realistic and measurable operational goals on a regular basis. The organizational structure is appropriate and suitable for efficient management. The company has set a policy to prevent the actions that may cause conflicts of interest between employees and the company for employees to abide by.

Sufficiency and appropriateness of the company's internal control system

The Company gives importance to the establishment of the Company's internal control system and emphasizes on effective supervision. The Board of Directors assigned the Audit Committee to oversee and review the appropriateness and effectiveness of the internal control system in order to ensure that the Company's internal control system was adequate and appropriate to protect the Company's assets and prevent the illegal exploitation of executives. The information is sufficiently disclose to ensure transparency and accountability in accordance with good corporate governance practices for the greatest benefit of the shareholders based on the fairness of the interests of all stakeholders.

The Company believes that the internal control system is sufficient to protect the Company's assets and any risk that may arise because of the misuse of authority or the insufficient authority of the Executives. The Company does not find any defect related to the internal control system. The Company has an effective internal control system at both the management level and operational level. Therefore, the Company clearly set the duties and the authority of operations of the executives in written form. The Board of Directors is responsible for the financial statements of the Company. The financial statements were prepared in accordance with Thailand's generally accepted accounting standards. The Company always complies with accounting policies, prepare its financial statements with caution and disclose sufficient information in the notes of the financial statements. The Company maintained an effective internal control system to ensure that the accounting records were accurate, complete and adequate in order to maintain assets and identify weaknesses to prevent any fraud or significant unusual conduct.

In this regard, the Board of Directors appointed an Audit Committee, which consisted of non-Executive Directors to be responsible for the quality of financial reports, internal controls and the opinion of the Audit Committee. The Board of Directors is of the opinion that the overall internal control system is satisfactory and can build confidence in the reliability of the Company's financial statements as of December 31, 2019. The Company is aware of both the Company's financial and non-financial information affects the decision-making process of the Company's investors and stakeholders. Therefore, the Management is required to deal with matters related to the disclosure of information with completeness, accuracy, reliability and timeliness. Management of the Company has always paid attention to and adhered to these matters.

In terms of investor relations, the Company has not yet established an investor relation department because there are not many activities in this area. The Company assigned Company's Secretary to contact shareholders and the relevant government agencies. Investors can receive this information from Tel. 0-2909-8080 Email: GYTH_COSC@goodyear.com or [http://www.goodyear.co.th/about/investor relations.asp](http://www.goodyear.co.th/about/investor%20relations.asp)

11.2 Opinions of the Audit Committee that differ from the opinions of the Board of Directors

-None-

11.3 Head of Internal Audit Information

The Head of Internal Audit of the Company is Ms. Maxine Mae J. Escoto, Internal Audit Manager, Asia Pacific Region. Details as in Attachment 3.

The Audit Committee has the opinion that the Head Internal Audit of the Company has the qualifications, experience, and training that are suitable to fulfill the duties. In this regard, the appointment, removal and relocation of the Head of Internal Audit, the company will report to the Audit Committee where there is a change.



12. Connected Transactions

The Company established a policy and procedures regarding connected transactions in order to make transactions transparent between individuals, and juristic persons who may have a conflict of interest, as well as protect the interests of the Company. The Company will comply with the laws regarding the Securities and the Stock Exchange, which includes the acts, notifications, orders, or regulations required by the Capital Market Supervisory Board and the Stock Exchange of Thailand regarding connected transactions. Therefore, executives or stakeholders shall not partake in the approval of the connected transactions. In case that the law requires the approval from the Board of Directors' meeting, the Company will arrange for the Audit Committee to attend the meeting in order to consider and give opinion on the necessity and the reasonableness of the transaction. As a result, business transactions with general business conditions and non-general business conditions are required to apply the following principles.

Business Transactions with General Trade Agreement in general business Conditions

The Management has the ability to approve connected transactions, which are trade agreement with general business conditions between the Company and affiliated companies – entities under the same control with directors, executives or related persons and criteria was approved by the Board of Directors. If the said transaction has a trade agreement in the same manner as the ordinary person should do with the general contractor in the same situation, without the influence on of having a status as directors, executives or related persons.

Business Transactions with Non-General Business Conditions

The Audit Committee must review and consider Business transactions with non-general business conditions prior to submit for approval by the Board of Directors and/or Shareholders' meeting. Therefore, there must be regulatory compliance with laws regarding the Securities and the Stock Exchange, and the acts, notifications, orders or regulations required by the Capital Market Supervisory Board and the Stock Exchange of Thailand. This includes regulatory compliance with any required regulations regarding the disclosure of information regarding connected transactions.

In the event that the Audit Committee does not have expertise in considering any connected transactions that may occur, the Company will appoint independent experts or the Company's auditor to give an opinion concerning the connected transactions for the Audit Committee and/or the Board of Directors and/or the shareholders to consider as the case may be. This is in order to ensure that the connected transactions are necessary and reasonable, taking into account the interests of the Company. Therefore, the Company will disclose any connected transactions in the Annual Report in the notes to the Financial Statement that have audited by the Company's auditor.

Policies or Tendencies of Future Connected Transactions

In the case that the Company has connected transactions with a person who has conflict of interest with the Company, the Audit Committee will provide opinion whether it is necessary for the Company to make such a transaction. The Audit Committee will make an assessment to ensure that such transactions have the regulations and conditions accompanied with the general market guidelines, and the cost for such transaction has evaluated and compared to the market price. In the case that no market price is available for comparison, the Audit Committee will make sure that the cost for such a transaction is reasonable and made for the best interest of the Company and its shareholders.

If the Audit Committee does not have adequate expertise in this matter, the Company will appoint an independent expert to review the assessment of the connected transaction and give an opinion concerning the connected transaction. In this case, the Board of Directors or the Audit committee, depending on a situation, will consider the opinion of the independent expert when making a consideration concerning the connected transaction. Directors, who are stakeholders in such transactions, shall not cast a vote when considering the approval of the connected transaction. Besides this, the Company is required to disclose information on connected transactions in the notes to the Financial Statements, which had assessed or reviewed by the Company. This includes the Annual Report or Annual Registration Statement (Form 56-1).

Connected Transactions

In regard to the consideration of the relationship between individuals or affiliated companies in each transaction, the Company takes into account the content of the relationship rather than legal form.

The Company is under the control of The Goodyear Tire and Rubber Company, which is located in the United

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States of America. This Company holds 66.79 percent of all the Company's issued shares. The normal persons hold the remaining 33.21 percent of shares.

The following transactions are materially significant in regard to related business.

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is direct to the substance of the relationship, and not merely the legal form.

The Company is controlled by The Goodyear Tire & Rubber Company (registered and located in the USA), which owns 66.79% of the Company's issued shares. The remaining 33.21% of the shares are widely held.

Related party transactions

The following significant transactions carried out with related parties:

a) Sales Revenue

For the year ended 31 December	2019 Baht	2018 Baht
Revenue from sales of finished products		
Parent company	563,642,957	576,778,968
Companies under common control	1,888,824,765	1,909,208,784
	<u>2,452,467,722</u>	<u>2,485,987,752</u>
Revenue from sales of machinery and spare parts		
Parent company	-	919,843
Companies under common control	7,078,663	3,721,794
	<u>7,078,663</u>	<u>4,641,637</u>

b) Purchase of goods and services

For the year ended 31 December	2019 Baht	2018 Baht
Purchase raw materials and finished products		
Parent company	283,603,163	121,169,736
Companies under common control	303,072,480	322,597,053
	<u>586,675,643</u>	<u>443,766,789</u>
Buy machinery and spare parts		
Parent company	37,607,745	102,506,022
Companies under common control	87,206,946	78,299,360
	<u>124,814,691</u>	<u>180,805,382</u>
Royalty fee		
Parent company	160,034,596	167,245,056



For the year ended 31 December	2019 Baht	2018 Baht
Technical service fee for production		
Parent company	38,081,867	31,936,616
Management fee		
Companies under common control	164,561,365	157,607,558

c) Outstanding balances arising from the purchase and sale of goods and services

For the year ended 31 December	2019 Baht	2018 Baht
Trade accounts receivable - related parties		
Parent company	58,878,214	167,985,625
Companies under common control	284,516,878	230,716,309
	<u>343,395,092</u>	<u>398,701,934</u>
Receivable from related parties		
Parent company	38,907,250	74,375,503
Companies under common control	80,627,892	28,455,318
	<u>119,535,142</u>	<u>102,830,821</u>
Trade accounts payable - related parties		
Parent company	54,794,540	29,143,243
Companies under common control	24,409,837	89,605,530
	<u>79,204,377</u>	<u>118,748,773</u>
Payable to related parties		
Parent company	39,325,948	34,691,290
Companies under common control	24,986,995	14,011,971
	<u>64,312,943</u>	<u>48,703,261</u>
Accounts payable for purchases of buildings and equipment		
Parent company	3,312,011	32,028,451
Companies under common control	7,701,591	12,860,429
	<u>11,013,602</u>	<u>44,888,880</u>

d) Directors and key management personnel compensation

For the year ended 31 December	2019 Baht	2018 Baht
Salaries and other short-term benefits	43,554,094	45,404,338
Provident Funds and retirement benefits	1,517,793	6,555,771
	<u>45,071,887</u>	<u>51,960,109</u>



Financial Status and Operational Results



13. Financial Highlights

1. Summary of Consolidated Financial Statements 2019 and Comparative Data for the past 3 years

(Unit: thousand Baht)

Item	Year 2019	Year 2018	Year 2017
Cash and cash equivalents	354,072	198,978	192,878
Trade and other receivables	691,479	707,033	915,176
Loans to related parties which are due within 1 year	-	-	-
Inventories, net	971,073	913,027	853,489
Refundable Value Added Tax within one year	148,009	223,711	90,278
Other current assets	5,891	3,204	5,517
Total current assets	2,170,524	2,045,953	2,057,338
Property, plant and equipment, net	4,038,433	3,873,494	3,429,151
Computer Programs, net	294	424	600
Deferred income tax assets, net	46,887	23,075	8,076
Refundable Value Added Tax	36,613	171,839	175,883
Other non-current assets	9,560	9,381	4,944
Total non-current assets	4,131,779	4,078,213	3,618,653
Total assets	6,302,302	6,124,166	5,675,992
Short-term loans from financial institutions	630,000	165,000	-
Trade and other payables	940,953	1,132,885	1,421,450
Whitholding tax payable	18,674	20,393	14,123
Income tax pay able	-	9,081	39,259
Other current liabilities	4,734	4,988	5,317
Total current liabilities	1,594,361	1,332,347	1,480,149
Long-term loans from financial institutions	664,379	687,671	-
Employee benefit obligations	305,225	244,609	187,768
Total non-current liabilities	969,604	932,280	187,768
Total liabilities	2,563,965	2,264,627	1,667,917
Share capital-authorized, issued and fully paid	74,000	74,000	74,000
Premium on share capital	92,000	92,000	92,000
Retained Earnings – Appropriated-legal reserve	7,400	7,400	7,400
– Unappropriated	3,564,937	3,686,139	3,834,674
Total shareholders' equity	3,738,337	3,859,539	4,008,074
Revenue from Sales	3,892,169	3,858,845	4,000,311
Cost of sale	(3,371,437)	(3,259,162)	(3,227,379)
Selling and administrative expenses	(578,123)	(554,424)	(558,716)
Other income	28,679	1,920	(36,707)
Financial costs	(48,484)	(346)	-
Income tax	16,574	(13,028)	(39,464)
Net profit (loss) for the year	(60,595)	33,805	138,044
Basic earnings per share	(8.19)	4.57	18.65



2. Financial Ratios

Liquidity Ratio

Financial Ratios	Year 2019	Year 2018	Year 2017	
Liquidity ratio	1.36	1.54	1.39	times
Quick ratio	0.66	0.68	0.75	times
Cash ratio	0.22	0.15	0.13	times
Account receivable turnover	5.57	4.76	4.58	days
Average collection period	65.57	76.72	79.73	times
Inventory Turnover	4.01	4.23	4.69	days
Average Inventory	101.99	98.92	90.59	days
Accounts Payable Turnover	3.25	2.55	2.66	days
Average Payment Period	101.87	126.87	160.76	days
Cash Conversion Cycle	68.11	42.25	19.27	days

Profitability Ratio

Profitability Ratios	Year 2019	Year 2018	Year 2017	
Gross Margin Ratio	13.38	15.54	19.32	%
Net Profit (Loss) Ratio	-1.56	0.88	3.45	%
Return on Shareholders	-1.67	0.90	3.59	%
Return on Asset Ratio	-0.98	0.57	2.52	%
Return to Fixed Assets Ratio	0.96	1.00	1.17	%
Asset Turnover Ratio	0.62	0.63	0.70	times

Financial Policy Ratio

Financial Policy Analysis Ratios	Year 2019	Year 2018	Year 2017	
Debt to Equity ratio	0.69	0.59	0.42	time
Dividend Payout Ratio (%)	-61.06	437.81	107.21	%



14. Management's Discussion and Analysis: MD&A

14.1 Overview

In 2019, we continued to face challenging economic conditions with volatile industry dynamics. While the company net sales increased by 1% the overall profitability was impacted by increasing costs and financial charges.

The Thailand consumer replacement market registered an additional year of decline with increase pricing competition and margin erosion. Our consumer business was also impacted by the external environment but performed better than the market with total sales that registered marginal increase versus previous year. The contraction in the overall demand for tires negatively impacted the export of consumer tires that declined 20% versus previous year. As a consequence, our production level was reduced versus 2018 with negative impact on the total company profitability.

The Aviation business was impacted by a softer global economic growth and weaker business confidence amidst international trade tensions. Both domestic and export demand were impacted by the ongoing global grounding of the Boeing 737Max since March. Despite the decline in unit sales, total Aviation gross margin slightly improved versus previous year driven by the new radial production and export margins.

The Profit (Loss) before finance cost and income tax includes a one-off charge of 33M THB to adjust the pension accrual for associates in line with new Labor Protection Act effective May 5, 2019.

Finance costs increased by 48M THB in comparison with previous year with new credit lines primarily required to support the Aviation Sapphire investment.

Highlight of 2019 Operations

1) Revenue from Sales: The Company's Net Sales for the year ended 31 December 2019 was Baht 3,892.2 Million - an increase when compared to the same period of 2018 of Baht 3,858.8 Million or +1%.

2) Cost of Sales: The Company's Cost of Goods Sold for the year ended 31 December 2019 represented 86.6% of net sales which was higher when compared to the same period of 2018, which was 84.5%. This was driven by higher production costs including raw material costs and an adjustment in the pension fund according to the new Labour Protection Act.

3) Selling and Administration Expenses: The Company's Selling and Administration Expenses for the year ended 31 December 2019 was Baht 578.2 Million.

4) Assets: The Company's Total Assets for the year ended 31 December 2019 was Baht 6,302 Million an increase of Baht 178 Million from the year ended period ended 31 December 2018 or 3%. This was due to new Equipment and Machinery necessary to upgrade the factory capabilities to deliver against the new OE nominations.

5) Net Profit: The Company's loss for the year ended 31 December 2019 was Baht 61 Million in comparison to a net profit in the same period of 2018 of Baht 33.8 Million.



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14.2 Results of Business Operations

(1) Financial Liquidity

- a) Liquidity ratio reduced from 1.54 to 1.36.
- b) The company improved the average collection period from 77 days in 2018 to 66 days in 2019.
- c) The average sales days increased from 99 days in 2018 to 102 days in 2019.
- d) Account Payable payment days reduced from 127 days in 2018 to 102 days in 2019.

(2) Profitability Ratio. The gross margin ratio decreased from 16% in 2018 to 13% in 2019 driven by unabsorbed fixed costs and one-time adjustment of pension costs.

(3) Efficiency in operation. The Return on Asset (ROA) ratio reduced from 0.6 in 2018 to -1.0 in 2019.

(4) Financial Policy. The Debt to Equity ratio increased from 0.59 in 2018 to 0.69 in 2019.

14.3 Impact Factor to the future business operations

We expect to experience challenging global conditions in 2020 including lower global industry demand from OEMs.

The soft global economic growth is expected to impact also the Aviation business in the short term while the long-term growth fundamentals remain solid.

The recent Covid 19 outbreak has caused the temporary closure of many businesses and it is going to have an impact on 2020 activities and profitability that cannot be reasonably estimated at this time.

Other risk factors, which may affect the economic conditions and the expansion of the market are domestic political uncertainty, uncertain outlook for major advance economies and volatile capital flows, asset prices and exchange rates.

Investor can find more information of the Company from the Form 56-1 which will be published in www.sec.or.th or Company's website http://www.goodyear.co.th/about/investor_relations.asp



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Report of the Board of Directors' Responsibilities for Financial Reports

The Board of Directors is for the financial statements of Goodyear (Thailand) Public Company Limited, as well as financial information that appears in the annual report. The financial statements are prepared in accordance with the financial reporting standards, using appropriate accounting policies and act consistently with careful exercised discretion and the most reasonable estimates in the preparation, as well as adequate disclosure of important information in the notes to the financial statements in order to be transparently beneficial to shareholders and general investors.

The Board of Directors has established a risk management system, as well as providing and maintaining adequate and effective internal control systems. To ensure that accounting information is accurate, and sufficient to maintain property, as well as to prevent fraud or significant irregular conduct.

In this regard, The Board of Directors has appointed the Audit Committee to review accounting and financial reports. Risk Management, review internal control and internal audit, as well as consider the disclosure of related party transactions by the committee's opinion on this matter appeared in the Report of the Audit Committee report 2019, which is presented in the annual report. The Company's financial statements were audited by the Company's auditor, Mr. Chaisiri Ruangritchai, certified auditor No. 4526 affiliated with Price Waterhouse Coopers ABAS Co., Ltd. The Board of Directors has supported the information and documents to enable the auditor to audit and express opinions in accordance with the audit standards. The opinion of the auditor has appeared in the auditor's report which is shown in the annual report.

The Board of Directors has the opinion that the overall company's internal control system is satisfactory and can reasonably build confidence in the Company's financial statements. For the year ended December 31, 2019, it is reliable in accordance with the financial reporting standards. applicable laws and regulations

Dr. Dhiraphorn Srifuengfung
Chairman of the Board of Directors



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GOODYEAR (THAILAND) PUBLIC COMPANY LIMITED

STATUTORY FINANCIAL STATEMENTS

31 DECEMBER 2019



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Independent Auditor's Report

To the shareholders of Goodyear (Thailand) Public Company Limited

My opinion

In my opinion, the financial statements of Goodyear (Thailand) Public Company Limited (the Company) present fairly, in all material respects, the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2019;
- the statement of income for the year then ended;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I determine one key audit matter: *Impairment assessment of property, plant and equipment*. The matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p>Impairment assessment of property, plant and equipment</p> <p>Refer to Note 4.2 'Impairment of property, plant and equipment' and Note 9 'Property, plant and equipment'.</p> <p>As at 31 December 2019, the Company had property, plant and equipment of Baht 4,038 million in its statement of financial position.</p> <p>Under Thai Financial Reporting Standards, the Company has to assess whether there's an indicator of impairment for property, plant and equipment including the identification of the cash generating unit (CGU). This year, the Company discovered an impairment indicator of certain items of property, plant and equipment due to the current year's operation loss. The Company therefore tested impairment of these assets. Following impairment testing by the management, they found that these assets were not impaired.</p> <p>The impairment test was assessed by value-in-use method by using the discounted cash flow model. The assessment involves the management's significant judgments and estimated key assumptions such as expected future cash flows, revenue growth rates and discount rates applied to cash flow projections.</p> <p>I focussed on the impairment test of property, plant and equipment because of the significant level of judgment involved and because the carrying amounts of these assets are material to the financial statements.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • assessing if the management's identification of the Company's CGU was appropriate; • assessing the cash flow projections, which included assessing the reasonableness of management's estimates and evaluating future business plans by assessing the current and future markets if those plans are consistent with the business plan; • challenging management on the reliability of their key estimations and evaluating if their assumptions were appropriate. In particular, I focussed on testing the assumptions related to the forecasted revenue growth, profit margins for a CGU and the pre-tax discount rate, the weighted average cost of capital and other data used in management's impairment analysis. I did these by comparing them to external and historical data, such as external market growth expectations; and • analysing the sensitivity in the available carrying amount for a CGU and evaluating whether a possible change in key assumptions could cause the recoverable amount to be less than its carrying amount. <p>Based on my procedures, I considered that the management's key assumptions used in the impairment testing were within an acceptable range.</p>



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Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of Management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRSs, and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists management in discharging their responsibilities for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- Conclude on the appropriateness of management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.

Chaisiri Ruangritchai

Certified Public Accountant (Thailand) No. 4526

Bangkok

25 February 2020

Goodyear (Thailand) Public Company Limited
Statements of Financial Position
As at 31 December 2019

		31 December 2019 Baht	31 December 2018 Baht
	Notes		
Assets			
Current assets			
Cash and cash equivalents	6	354,072,056	198,977,897
Trade and other receivables, net	7	691,478,952	707,033,352
Inventories, net	8	971,072,682	913,026,812
Refundable value added tax within one year		148,009,340	223,710,580
Other current assets		5,890,986	3,204,059
Total current assets		2,170,524,016	2,045,952,700
Non-current assets			
Property, plant and equipment, net	9	4,038,433,245	3,873,494,262
Computer software, net	10	294,013	424,166
Deferred tax assets	14	46,877,268	23,074,524
Refundable value added tax, net		36,613,054	171,839,209
Other non-current assets		9,560,221	9,381,317
Total non-current assets		4,131,777,801	4,078,213,478
Total assets		6,302,301,817	6,124,166,178

Director

Director

The accompanying notes on pages 11 to 34 are an integral part of these financial statements.

Goodyear (Thailand) Public Company Limited
Statements of Financial Position (Continued)
As at 31 December 2019

		31 December 2019 Baht	31 December 2018 Baht
	Notes		
Liabilities and equity			
Current liabilities			
Short-term loan from a financial institution	11	630,000,000	165,000,000
Trade and other payables	12	940,952,648	1,132,885,469
Withholding tax payables		18,673,687	20,392,705
Current income tax payable		-	9,081,112
Other current liabilities		4,734,479	4,987,713
Total current liabilities		1,594,360,814	1,332,346,999
Non-current liabilities			
Long-term loan from a financial institution	13	664,379,260	687,670,960
Employee benefit obligations	15	305,225,224	244,608,761
Total non-current liabilities		969,604,484	932,279,721
Total liabilities		2,563,965,298	2,264,626,720
Equity			
Share capital			
Authorised share capital			
7,400,000 ordinary shares at par value of Baht 10 each		74,000,000	74,000,000
Issued and paid-up share capital			
7,400,000 ordinary shares fully paid-up of Baht 10 each	16	74,000,000	74,000,000
Premium on share capital	16	92,000,000	92,000,000
Retained earnings			
Appropriated - Legal reserve	17	7,400,000	7,400,000
Unappropriated		3,564,936,519	3,686,139,458
Total equity		3,738,336,519	3,859,539,458
Total liabilities and equity		6,302,301,817	6,124,166,178

The accompanying notes on pages 11 to 34 are an integral part of these financial statements.

Goodyear (Thailand) Public Company Limited
Statements of Income
For the year ended 31 December 2019

	Notes	2019 Baht	2018 Baht
Sales	5, 22	3,892,195,569	3,858,845,069
Cost of sales		(3,371,437,380)	(3,259,162,168)
Gross profit		520,758,189	599,682,901
Other income	19	17,324,237	8,302,712
Selling expenses		(400,952,975)	(382,434,174)
Administrative expenses		(177,170,109)	(171,990,066)
Gain (Loss) on exchange rates, net		11,355,255	(6,382,991)
Profit (Loss) before finance cost and income tax		(28,685,403)	47,178,382
Finance costs	20	(48,484,418)	(345,566)
Profit (Loss) before income tax		(77,169,821)	46,832,816
Income tax	21	16,574,194	(13,028,095)
Net profit (loss) for the year		(60,595,627)	33,804,721
Basic earnings(loss) per share (Baht)	23		
Net profit (loss) for the year		(8.19)	4.57

The accompanying notes on pages 11 to 34 are an integral part of these financial statements.

Goodyear (Thailand) Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2019

	Notes	2019 Baht	2018 Baht
Net profit (loss) for the year		(60,595,627)	33,804,721
Item that will not be reclassified to profit or loss:			
Remeasurements loss from post-employment benefit obligations	15	(29,509,140)	(42,924,379)
Income tax on item that will not be reclassified to profit or loss	14	5,901,828	8,584,876
Total comprehensive expense for the year		(84,202,939)	(534,782)

The accompanying notes on pages 11 to 34 are an integral part of these financial statements.

Goodyear (Thailand) Public Company Limited
Statements of Changes in Equity
For the year ended 31 December 2019

	Note	Issued and paid-up share capital Baht	Premium on share capital Baht	Retained earnings			Total Baht
				Appropriated - Legal reserve Baht	Unappropriate Baht	Baht	
Beginning balance as at 1 January 2018		74,000,000	92,000,000	7,400,000	3,834,674,240		4,008,074,240
Changes in equity for the year							
Total comprehensive expenses for the year		-	-	-	(534,782)		(534,782)
Dividends paid	24	-	-	-	(148,000,000)		(148,000,000)
Ending balance as at 31 December 2018		74,000,000	92,000,000	7,400,000	3,686,139,458		3,859,539,458
Beginning balance as at 1 January 2019		74,000,000	92,000,000	7,400,000	3,686,139,458		3,859,539,458
Changes in equity for the year							
Total comprehensive expenses for the year		-	-	-	(84,202,939)		(84,202,939)
Dividends paid	24	-	-	-	(37,000,000)		(37,000,000)
Ending balance as at 31 December 2019		74,000,000	92,000,000	7,400,000	3,564,936,519		3,738,336,519

The accompanying notes on pages 11 to 34 are an integral part of these financial statements.

Goodyear (Thailand) Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2019

	Notes	2019 Baht	2018 Baht
Cash flows generated from operating activities	25	351,646,299	303,759,112
Cash flows from investing activities			
Purchases of plant and equipment		(577,404,712)	(1,006,894,861)
Proceeds from disposals of equipment		2,613,247	2,639,965
Net cash used in investing activities		(574,791,465)	(1,004,254,896)
Cash flows from financing activities			
Interest paid		(48,220,544)	-
Cash receipts from short-term loans from a financial institution		8,483,000,000	165,000,000
Cash payments for short-term loans from a financial institution		(8,018,000,000)	-
Cash receipts from long-term loan from a financial institution	13	-	692,113,430
Dividends paid to shareholders	24	(37,000,000)	(148,000,000)
Net cash receipts from financing activities		379,779,456	709,113,430
Net increase in cash and cash equivalents		156,634,290	8,617,646
Cash and cash equivalents at the beginning of the year		198,977,897	192,878,223
Exchange loss on cash and cash equivalents		(1,540,131)	(2,517,972)
Cash and cash equivalents at the end of the year	6	<u>354,072,056</u>	<u>198,977,897</u>
Non-cash transactions			
Payable from purchases of plant and equipment	12	71,028,395	172,513,261

The accompanying notes on pages 11 to 34 are an integral part of these financial statements.

1 General information

Goodyear (Thailand) Public Company Limited (“the Company”) is a public limited company which is listed on the Stock Exchange of Thailand and is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

50/9 Moo 3, Phaholyothin Road, K.M. 36, Klongnueng, Klongluang, Pathumthani 12120.

The Company is principally engaged in the manufacturing, distribution and sale of motor vehicle and aero tires for domestic and export markets.

These financial statements were authorised for issue by the Board of Directors on 25 February 2020.

2 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below:

2.1 Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRSs”) and the financial reporting requirements issued under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with TFRSs requires management to use certain critical accounting estimates and to exercise its judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 4.

An English version of the financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai-language statutory financial statements shall prevail.

2.2 New and amended financial reporting standards that are relevant and have significant impacts to the Company

2.2.1 The Company has applied the following standard and amendments for the first time for their annual reporting commencing 1 January 2019

Thai Financial Reporting Standard no.15 (TFRS 15), Revenue from contracts with customers

The standard provides principle and approach of revenue recognition under five-step process. The underlying principle is that the Company will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It replaces the principles of transferring the significant risks and rewards of ownership of the goods or services to the buyer in accordance with TAS 18, Revenue and TAS 11, Construction contracts.

The Company has adopted the new TFRS 15, Revenue from contracts with customers from 1 January 2019 (initial application date) by applying the modified retrospective approach and the comparative figures have not been restated. The Company did not apply practical expedient relates to completed contracts and contract modification as allowed by TFRS 15.

The reclassifications and the adjustments arising from the changes in accounting policies are therefore recognised in the statement of financial position as at 1 January 2019. However, the adoption of TFRS 15 did not result in significant impact to the financial statements as at 31 December 2018 and 1 January 2019.

2.2.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2020

Certain new and amended financial reporting standards have been issued that are not mandatory for current period end 31 December 2019 reporting period and have not been early adopted by the Company.

a) Financial instruments

The new financial standards relate to financial instruments are:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These new standards address the classification, measurement, derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

On 1 January 2020, the Company will apply the new financial reporting standards on financial instruments in its financial statements by applying modified retrospective approach. From the preliminary assessment, the management expect that the Company will be affected on the following areas.

The new provisions on the accounting of impairment losses will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. The Company's management is assessing the impact of these standards.

b) TFRS 16, Leases

Where the Company is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 January 2020, the Company will apply TFRS 16, Leases and adjust cumulative impact to opening retained earnings (modified retrospective approach). From the preliminary impact assessment, the management expect that the Company will be affected by lease liabilities. The Company will recognised an impact upon adoption of TFRS 16.

The Company's management is currently assessing the impact of an initial adoption of these standards.

c) Other new/amended standards

The new/amended financial reporting standards that will have impact on the Company are:

TAS 12	Income tax
TAS 19	Employee benefits
TAS 23	Borrowing cost
TFRS 9	Financial instruments
TFRIC 23	Uncertainty over income tax treatments

2.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the date of valuation.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

2.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from the date of acquisition.

In the statement of financial position, bank overdrafts are shown in current liabilities.

2.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Company presented trade receivables at cost less allowance for doubtful accounts.

2.6 Inventories

Inventories are stated at the lower of cost or net realisable value.

Cost of inventories is determined by weighted average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounted. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

2.7 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that there is future economic benefits associated with the item will flow to the Company. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Land improvements	10 - 44 years
Building	10 - 40 years
Machinery and equipment	3 - 30 years
Furniture, fixtures and office equipment	3 - 20 years
Motor vehicles	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other income/expenses in profit or loss.

2.8 Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed 5 years.

2.9 Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.10 Leases - where the Company is the lessee

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

2.11 Borrowings

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2.12 Borrowings costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

2.13 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current income tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.14 Employee benefits

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Defined contribution plan

The Company pays contributions to a separate fund on a voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

d) Termination benefits

The Company recognises termination benefits at the earlier of (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

2.15 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.16 Share capital

Ordinary shares with discretionary dividends are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Revenue recognition

The Company recognises revenue from sales of goods at point in time when control of the goods transferred to the customer, which depending on the terms of the underlying contract. In the case that a customer receives control of the goods at the shipping point, the Company will separate revenue from transportation as another performance obligation and recognise revenue over time of promises to deliver goods to a customer. If a customer receives control of the goods at the destination, the Company will recognise the shipping costs in bringing the product to the destination as cost incurred to complete the promise to transfer goods, which is not a separate performance obligation. The shipping cost will be recognised in the period that sales of goods incurred.

The Company recognises revenue from sales of goods at the price, which is entitled in exchange for the goods, net of value-added tax, returns and discounts. For the contract with more than one performance obligations, the transaction price will be allocated to each distinct performance obligation based on the relative standalone-selling price of the goods and other performance obligations.

2.18 Dividends distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

3 Financial instruments

3.1 Financial risk factors

i) Foreign exchange risk

The Company's primary functional currency is Thai Baht. The Company has no policy to use financial derivatives to locally manage the risks arising from fluctuations in currency exchange rates. However, management may consider the use of foreign currency forward contract to hedge, on a case by case basis, the risks arising from fluctuations in currency exchange rates.

The Company has no open forward exchange contracts at 31 December 2019.

ii) Interest rate risk

The Company earns interest on cash and cash equivalents, and short-term investment. The Company manages its interest rate risks by placing cash, cash equivalents and investments on various maturities and interest rates. The Company has no significant interest-bearing assets.

iii) Credit risk

Concentrations of credit risk with respect to trade accounts receivable are limited since the Company has large number of customers, covering manufacturing, distribution and end customers. Management believes that no additional credit risk apart from the amounts provided for collection losses in the Company's trade accounts receivable.

The Company does not expose to certain concentration of credit risk relating to its cash and cash equivalents. The Company places its cash with several high quality institutions. The Company's policy is not to invest with any one institution but invest with various institutions. The Company places its excess cash in low risk accounts, high credit quality accounts that matured 90 days. The Company has not experienced any losses on such accounts.

iv) Liquidity risk

The Company manages sufficient cash, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market questions.

3.2 Fair values

The carrying amounts of the following financial assets and financial liabilities approximate to their fair values: cash and cash equivalents, trade accounts receivable and payable, amounts due from and to related parties, other receivables and payable which are current assets and current liabilities.

3.3 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

4 Critical accounting estimates, and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Carrying value of property, plant and equipment

The estimated useful economic lives and residual values of property, plant and equipment are based upon management's judgment and experience. When management identifies that actual useful lives and residual values differ materially from the estimates used to calculate depreciation, that charge is adjusted prospectively. Due to the significance of investment in property, plant and equipment by the Company, variations between actual and estimated useful lives and residual values could affect operating results both positively or negatively.

Management considers the recoverable amount of machinery and equipment by assessing the impairment indicators from internal and external source of information. For example, the significant change which has negative effect to the Company during the period or in the near future, and the obsolescence or physical damage. These factors may affect to the recoverable amount or impairment.

4.2 Impairment of property, plant and equipment

The Company tests impairment of property, plant and equipment whenever events or changes in circumstances indicate that the carrying amount of asset is greater than its estimated recoverable amount. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

4.3 Capitalisation of factory, machinery and equipment

The capitalisation of factory, machinery and equipment includes purchases of new machinery and equipment and other expenses related to the construction. This requires management's judgment to consider whether these expenses should be capitalised as cost of assets under Thai Accounting Standard No. 16, Property, plant and equipment.

4.4 Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of pension obligations.

The Company determines the appropriate discount rate at the end of each year. This interest rate should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Additional information of other key assumptions for retirement benefits obligations is disclosed in Note 12.

5 Segment information

The Company operates in the business segments, which are ground tires and aero tires. The Company has manufacturing facilities in Thailand. The Company reports its segment information as distribution market in domestic and overseas markets. Export sales are made to related parties and domestic sales are made to third parties. Management believes that no material difference exists in making an assessment of the Company's past performance and in making informed judgments about the Company as a whole if either the business segments or the geographical segments is presented. Therefore, the Company is reporting geographical segments information based on location of its market, as a single reporting format. Segments information is reported to Managing Director for the purpose of assessment of operating performance by considering from profit before income tax expense.

	Domestic sales Baht	Export sales Baht	Total Baht
For the year ended 31 December 2019			
Sales	1,439,670,211	2,452,525,358	3,892,195,569
Segment gross profit	179,336,538	341,421,651	520,758,189
Unallocated costs/other income, net			(597,928,010)
Profit before income tax			(77,169,821)
Timing of revenue recognition			
At a point in time	1,439,670,211	2,452,525,358	3,892,195,569
For the year ended 31 December 2018			
Sales	1,372,857,317	2,485,987,752	3,858,845,069
Segment gross profit	308,887,496	290,795,405	599,682,901
Unallocated costs/other income, net			(552,850,085)
Profit before income tax			46,832,816
Timing of revenue recognition			
At a point in time	1,372,857,317	2,485,987,752	3,858,845,069

Major customers

For the year ended 31 December 2019, the Company's revenues are derived from two major customers which are related parties of Baht 1,501 million or 39% of the Company's total revenue (2018: Baht 1,425 million or 37% of the Company's revenue).

6 Cash and cash equivalents

	2019 Baht	2018 Baht
Cash on hand	38,976	250,000
Deposits held at banks - current accounts	33,822,381	37,529,690
- savings accounts	320,210,699	161,198,207
	354,072,056	198,977,897

As at 31 December 2019, the weighted average interest rate of savings accounts was 0.55% per annum (2018: 0.23% per annum).

7 Trade and other receivables, net

	2019 Baht	2018 Baht
Trade receivables - third parties	219,919,934	195,934,860
<u>Less</u> Allowance for doubtful accounts	(16,127,018)	(8,389,118)
	203,792,916	187,545,742
Trade receivables - related parties (Note 27)	343,395,092	398,701,934
Amounts due from related parties (Note 27)	119,535,142	102,830,821
Prepayments	6,014,572	6,841,978
Advance payments	5,978,955	4,921,086
Other receivables	12,762,275	6,191,791
Total trade and other receivables, net	691,478,952	707,033,352

Outstanding trade receivables can be analysed as follows:

	2019 Baht	2018 Baht
<u>Trade receivables - third parties</u>		
Not yet due	183,992,275	176,694,956
Up to 3 months	17,600,865	10,780,678
3 - 12 months	4,520,203	7,649,803
Over 12 months	13,806,591	809,423
	219,919,934	195,934,860
<u>Less</u> Allowance for doubtful accounts	(16,127,018)	(8,389,118)
	203,792,916	187,545,742
<u>Trade receivables - related parties</u>		
Not yet due	321,060,211	381,822,072
Up to 3 months	21,813,824	16,345,381
3 - 12 months	425,669	410,663
Over 12 months	95,388	123,818
	343,395,092	398,701,934

8 Inventories, net

	2019 Baht	2018 Baht
Raw materials	196,250,543	237,506,443
Spare parts	221,153,580	243,559,339
Work in progress	71,907,199	53,520,637
Finished goods	404,679,176	238,689,186
Goods in transits	107,663,332	163,812,134
	1,002,653,830	937,087,739
<u>Less</u> Provision for net realisable value - slow moving	(25,008,658)	(17,014,611)
- net realisable value	(6,572,490)	(7,046,316)
Total inventories, net	971,072,682	913,026,812

The cost of inventories recognised as expense and included in 'cost of sales' amounted to Baht 3,355,271,761 (2018: Baht 3,274,808,022).

9 Property, plant and equipment, net

	Land, land improvements and building Baht	Machinery and equipment Baht	Furniture, fixtures and equipment Baht	Motor vehicles Baht	Assets under construction and installation Baht	Total Baht
As at 1 January 2018						
Cost	1,184,642,431	5,435,788,398	90,824,647	15,441,540	1,376,544,283	8,103,241,299
Less Accumulated depreciation	(507,329,368)	(4,073,706,818)	(59,017,383)	(9,893,796)	-	(4,649,947,365)
Allowance for impairment loss	-	(24,142,727)	(30)	-	-	(24,142,757)
Net book amount	677,313,063	1,337,938,853	31,807,234	5,547,744	1,376,544,283	3,429,151,177
For the year ended 31 December 2018						
Opening net book amount	677,313,063	1,337,938,853	31,807,234	5,547,744	1,376,544,283	3,429,151,177
Additions	-	-	1,373,369	-	731,416,963	732,790,332
Transfers	359,346,423	1,106,537,452	-	-	(1,465,883,875)	-
Disposals, net	-	(2,239,330)	-	-	-	(2,239,330)
Write off, net	-	(1,377,284)	-	-	-	(1,377,284)
Impairment loss	-	(18,646,709)	-	-	-	(18,646,709)
Depreciation charges (Note 18)	(35,643,647)	(218,606,095)	(11,120,016)	(814,166)	-	(266,183,924)
Closing net book amount	1,001,015,839	2,203,606,887	22,060,587	4,733,578	642,077,371	3,873,494,262
As at 31 December 2018						
Cost	1,543,988,854	6,536,224,533	92,198,016	15,441,540	642,077,371	8,829,930,314
Less Accumulated depreciation	(542,973,015)	(4,289,828,210)	(70,137,399)	(10,707,962)	-	(4,913,646,586)
Allowance for impairment loss	-	(42,789,436)	(30)	-	-	(42,789,466)
Net book amount	1,001,015,839	2,203,606,887	22,060,587	4,733,578	642,077,371	3,873,494,262

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For the year ended 31 December 2019

	Land, land improvements and building Baht	Machinery and equipment Baht	Furniture, fixtures and office equipment Baht	Motor vehicles Baht	Construction in progress and assets under installation Baht	Total Baht
For the year ended 31 December 2019						
Opening net book amount	1,001,015,839	2,203,606,887	22,060,587	4,733,578	642,077,371	3,873,494,262
Additions	-	3,349,576	-	4,491,907	468,078,363	475,919,846
Transfers	39,269,054	499,804,771	4,895,265	-	(543,969,090)	-
Disposals, net	-	(3)	-	-	-	(3)
Write off, net	(657,978)	-	-	-	-	(657,978)
Depreciation charges (Note 18)	(39,638,578)	(262,103,308)	(7,766,832)	(814,164)	-	(310,322,882)
Closing net book amount	999,988,337	2,444,657,923	19,189,020	8,411,321	566,186,644	4,038,433,245
As at 31 December 2019						
Cost	1,582,584,497	7,023,285,626	97,093,281	19,933,447	566,186,644	9,289,083,495
Less Accumulated depreciation	(582,596,160)	(4,535,838,267)	(77,904,231)	(11,522,126)	-	(5,207,860,784)
Allowance for impairment loss	-	(42,789,436)	(30)	-	-	(42,789,466)
Net book amount	999,988,337	2,444,657,923	19,189,020	8,411,321	566,186,644	4,038,433,245

Depreciation expense of Baht 310,322,882 has been charged in 'cost of goods sold' of Baht 290,928,777 (2018: Baht 246,223,723) and in 'selling expenses and administrative expenses' of Baht 19,394,105 (2018: Baht 19,960,201).

During 2019, the Company found an indicator of impairment for property, plant and equipment mainly for production ground tires due to the current year's operation loss. These assets had net book value amounting to Baht 1,589 million. The Company therefore tested impairment of these assets. Following impairment testing by the management, these assets were not impaired. The key assumptions relating to impairment assessment are:

	Percentage
Average revenue growth rates	15.00
Discount rates	10.50

10 Computer software, net

	Baht
As at 1 January 2018	
Cost	149,309,483
<u>Less</u> Accumulated amortisation	<u>(148,709,694)</u>
Net book value	<u>599,789</u>
For the year ended 31 December 2018	
Opening net book amount	599,789
Amortisation charges (Note 18)	<u>(175,623)</u>
Closing net book amount	<u>424,166</u>
As at 31 December 2018	
Cost	149,309,483
<u>Less</u> Accumulated amortisation	<u>(148,885,317)</u>
Net book value	<u>424,166</u>
For the year ended 31 December 2019	
Opening net book amount	424,166
Amortisation charges (Note 18)	<u>(130,153)</u>
Closing net book amount	<u>294,013</u>
As at 31 December 2019	
Cost	149,309,483
<u>Less</u> Accumulated amortisation	<u>(149,015,470)</u>
Net book value	<u>294,013</u>

11 Short-term loans from financial institutions

As at 31 December 2019, the Company had a promissory note of Baht 630 million with a financial institution in Thailand, bearing interest rate 2.58% per annum. The outstanding principle and interest are due for payable on 3 January 2020.

12 Trade and other payables

	2019 Baht	2018 Baht
Trade payables - third parties	567,019,750	619,336,316
Trade payables - related parties (Note 27)	79,204,377	118,748,773
Amounts due to related parties (Note 27)	64,312,943	48,703,261
Payables from purchases of plant and equipment - third parties	60,014,793	127,624,381
Payables from purchases of plant and equipment - related parties (Note 27)	11,013,602	44,888,880
Accrued expenses	159,387,183	173,583,858
Total trade and other payables	940,952,648	1,132,885,469

13 Long-term loan from a financial institution

The movements of a long-term loan from a financial institution during the year can be analysed as follows:

For the year ended 31 December

	2019 Baht	2018 Baht
Opening balance	687,670,960	-
Addition	-	692,113,430
Unrealised gain on foreign exchange rate	(23,291,700)	(4,442,470)
Closing balance	664,379,260	687,670,960

In May 2018, the Company entered into a long-term loan facility agreement of USD 21 million with a financial institution in Thailand for operation and construction of factory. This long-term loan shall be repaid within 72 months from the first drawdown date. The loan bears interest between BIBOR plus 2.40% per annum and LIBOR plus 2.80% per annum. The parent company issued a comfort letter in favour of the financial institution, confirming it did not intend to take any action to sell or otherwise voluntarily dispose of its shares or substantial assets in the Company. The comfort letter also stated that the parent company does not and will not guarantee any obligation of, or in any other manner assure the performance of any obligation by, the Company to the financial institution.

The effective interest rate at the statements of financial position date was 4.85% per annum (2018: 4.86% per annum).

The fair value of borrowings equal their carrying amount, as the impact of discounting is not significant.

Maturity of a long-term loan is as follows:

As at 31 December

	2019 Baht	2018 Baht
Within 1 year	124,571,111	-
Between 1 and 5 years	539,808,149	644,691,525
Over 5 years	-	42,979,435
Closing balance	664,379,260	687,670,960

As at 31 December 2019, the unused loan facility is Baht 3.7 million (2018: Baht 3.7 million).

14 Deferred income taxes and income tax

Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	2019 Baht	2018 Baht
Deferred tax assets:		
Deferred tax assets to be recovered within 12 months	17,082,442	11,964,176
Deferred tax assets to be recovered after 12 months	79,458,946	63,317,728
	96,541,388	75,281,904
Deferred tax liabilities:		
Deferred tax liabilities to be settled within 12 months	(2,256,368)	(2,924,498)
Deferred tax liabilities to be settled after 12 months	(47,407,752)	(49,282,882)
	(49,664,120)	(52,207,380)
Net deferred income taxes	46,877,268	23,074,524

The movement of deferred income taxes during the year is as follows:

	2019 Baht	2018 Baht
As at 1 January	23,074,524	8,075,515
Charged (credited) to profit or loss	17,900,916	6,414,133
Charged (credited) relation to components of other comprehensive income	5,901,828	8,584,876
As at 31 December	46,877,268	23,074,524

The movement in deferred income tax assets and liabilities during the year is as follows:

	Provisions for receivables and inventories Baht	Provision liabilities Baht	Depreciation Baht	Impairment loss Baht	Carried forward loss Baht	Total Baht
Deferred tax assets						
At 1 January 2018	9,779,554	48,904,006	-	4,828,551	-	63,512,111
Charged (credited) to						
- profit or loss	(3,289,545)	2,745,120	-	3,729,342	-	3,184,917
- other comprehensive income	-	8,584,876	-	-	-	8,584,876
At 31 December 2018	6,490,009	60,234,002	-	8,557,893	-	75,281,904
Charged (credited) to						
- profit or loss	4,473,086	5,944,501	-	-	4,940,069	15,357,656
- other comprehensive income	-	5,901,828	-	-	-	5,901,828
At 31 December 2019	10,963,095	72,080,331	-	8,557,893	4,940,069	96,541,388
Deferred tax liabilities						
At 1 January 2018	-	-	(55,436,596)	-	-	(55,436,596)
Charged (credited) to profit or loss	-	-	3,229,216	-	-	3,229,216
At 31 December 2018	-	-	(52,207,380)	-	-	(52,207,380)
Charged (credited) to profit or loss	-	-	2,543,260	-	-	2,543,260
At 31 December 2019	-	-	(49,664,120)	-	-	(49,664,120)
Deferred income tax, net	10,963,095	72,080,331	(49,664,120)	8,557,893	4,940,069	46,877,268

The Company only recognised those deferred tax assets that in management's judgment is more likely that the deferred tax assets will be realised, due to the operating profits generated by the Company's operations.

15 Employee benefit obligations

	2019 Baht	2018 Baht
Statements of financial position:		
Reserve for savings fund	107,452,087	92,193,493
Reserve for retirement benefits	197,773,137	152,415,268
	305,225,224	244,608,761
Statements of income		
Savings fund	17,423,608	18,643,810
Retirement benefits	47,761,611	12,431,299
	65,185,219	31,075,109
Remeasurement for:		
Savings fund	11,767,305	5,725,157
Retirement benefits	17,741,835	37,199,222
	29,509,140	42,924,379

The movement in the defined benefit obligations over the year is as follows:

	2019 Baht	2018 Baht
At 1 January	244,608,761	187,768,315
Current service cost	27,904,215	26,580,563
Past service cost	31,300,942	-
Interest expense	5,980,062	4,494,546
Remeasurements:		
Loss from change in demographic assumption	1,474,469	-
Loss from change in financial assumption	28,929,487	-
(Gain) Loss from Experience loss	(894,816)	42,924,379
Benefits paid	(34,077,896)	(17,159,042)
At 31 December	305,225,224	244,608,761

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law will become effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The effects of the amendment of Baht 31.3 million were recognised as past service cost during the year.

The significant actuarial assumptions used were as follows:

	2019	2018
Discount rate	1.50%	2.50%
Salary increase rate	3.00%	3.00%

	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2019	2018	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Discount rate	0.50%	0.50%	Decrease by 9,595,582	Decrease by 11,051,383	Increase by 10,357,547	Increase by 10,444,809
Salary increase rate	0.50%	0.50%	Increase by 10,150,242	Increase by 8,327,628	Decrease by 9,505,829	Decrease by 6,648,544

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

The weighted average duration of the defined benefit obligation is 10 years (2018: 9 years).

16 Share capital and premium on share capital

	Number of ordinary shares	Share capital Baht	Premium on share capital Baht
At 1 January 2018	7,400,000	74,000,000	92,000,000
Issue of shares	-	-	-
At 31 December 2018	7,400,000	74,000,000	92,000,000
Issue of shares	-	-	-
At 31 December 2019	7,400,000	74,000,000	92,000,000

The total number of authorised ordinary shares is 7,400,000 shares with (2018: 7,400,000 shares) a par value of Baht 10 per share (2018: Baht 10 per share). All issued shares are fully paid.

Under the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the issued shares' par value to a reserve account (share premium). The share premium is not available for dividend distribution.

17 Legal reserve

Under the Public Companies Act, B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of profit arisen from the business of the Company after accumulated deficit brought forward (if any) at each dividend declaration until the reserve is not less than 10% of the registered share capital. This reserve is non-distributable.

18 Expenses by nature

	2019 Baht	2018 Baht
Raw materials and supplies used	1,389,271,197	1,389,137,829
Changes in inventories of finished goods and work in progress	124,098,285	37,380,825
Staff costs	656,008,360	624,704,753
Depreciation (Note 9)	310,322,882	266,183,924
Amortisation (Note 10)	130,153	175,623

19 Other income

	2019 Baht	2018 Baht
Interest income	1,118,671	482,241
Others	16,205,566	7,820,471
Total other incomes	17,324,237	8,302,712

20 Finance cost

	2019 Baht	2018 Baht
Promissory notes	18,906,337	345,566
Loan from a financial institution	29,578,081	-
Total finance costs	48,484,418	345,566

21 Income tax

	2019 Baht	2018 Baht
Current income tax:		
Current income tax on profits for the year	-	20,754,698
Adjustment in respect of prior year	1,326,722	(1,312,471)
Total current income tax	1,326,722	19,442,227
Deferred income tax:		
Increase in deferred tax assets	(15,357,656)	(3,184,916)
Decrease in deferred tax liabilities	(2,543,260)	(3,229,216)
Total deferred income tax	(17,900,916)	(6,414,132)
Income tax expenses	(16,574,194)	13,028,095

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate of 20% (2018: 20%) as follow:

	2019 Baht	2018 Baht
Profit before income tax	(77,169,821)	46,832,816
Income tax at statutory tax rates	(15,433,964)	9,366,563
Tax effect of:		
Income not subject to tax	(3,525,270)	-
Expenses not deductible for tax purposes	1,058,318	4,974,003
Adjustment in respect of prior year	1,326,722	(1,312,471)
Income tax expenses	(16,574,194)	13,028,095

22 Promotional privileges

The Company has received a promotional privilege from the Office of the Board of Investment ("BOI") for the manufacturing of radial aviation tire. Under this privilege, the Company has received exemption from certain taxes and duties as detailed in the certificate including exemption from corporate income tax for a period of 8 years from the date of commencement of earning promoted revenue. As a promoted business, the Company is required to comply with the terms and conditions as specified in the promotion certificates.

Revenue classified by BOI and Non-BOI promoted activities are as follows:

For the years ended 31 December	BOI promoted activities		Non-BOI promoted activities			Total
	2019 Baht	2018 Baht	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Domestic sales	3,497,928	-	1,436,172,283	1,372,857,317	1,439,670,211	1,372,857,317
Export sales	265,061,715	109,071,335	2,187,463,643	2,376,916,417	2,452,525,358	2,485,987,752
	268,559,643	109,071,335	3,623,635,926	3,749,773,734	3,892,195,569	3,858,845,069

23 Basic earnings (loss) per share

Basic earnings(loss) per share is calculated by dividing the net profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	2019	2018
Net profit (loss) attributable to shareholders (Baht)	(60,595,627)	33,804,721
Weighted average of issued ordinary shares during the year (shares)	7,400,000	7,400,000
Basic earnings (loss) per share (Baht)	(8.19)	4.57

There are no dilutive potential ordinary shares in issue during the years presented.

24 Dividends per share

At the meeting on 30 April 2019, the Shareholders have approved a dividend in respect of the operating results and retained earnings of 2018 at Baht 5 per share, totaling Baht 37 million. The dividend was paid on 30 May 2019.

At the meeting on 25 April 2018, the Shareholders have approved a dividend in respect of the operating results and retained earnings of 2017 at Baht 20 per share, totaling Baht 148 million. The dividend payment was paid on 24 May 2018.

25 Cash flows from operating activities

Reconciliation of net profit(loss) before income tax to cash flows from operating activities:

	Notes	2019 Baht	2018 Baht
Net profit(loss) before income tax		(77,169,821)	46,832,816
Adjustments for:			
Allowance for doubtful accounts		7,737,900	(26,856,002)
Provision for net realisable value of inventories		7,520,221	10,408,278
Depreciation	9	310,322,882	266,183,924
Gains on disposals of machinery and equipment		(2,613,244)	(400,635)
Write-off equipment	9	657,978	1,377,284
Impairment loss of assets	9	-	18,646,709
Amortisation	10	130,153	175,623
Employee benefit obligations	15	65,185,219	31,075,109
Interest income	19	(1,118,671)	(482,241)
Finance costs	20	48,484,418	345,566
Unrealised (gain) loss on exchange rate		(14,791,849)	7,131,294
Changes in operating assets and liabilities:			
- trade and other receivables		1,134,074	220,446,453
- inventories		(65,566,091)	(69,946,100)
- refundable value added tax		210,927,395	(129,389,481)
- other current assets		(1,678,131)	2,312,933
- other non-current assets		(178,904)	(4,436,892)
- trade and other payables		(90,989,123)	(9,309,120)
- accrued withholding tax		(1,719,018)	6,270,082
- other current liabilities		(253,234)	(329,500)
- employee benefit obligations paid	15	(34,077,896)	(17,159,042)
Cash generated from operations		361,944,258	352,897,058
Interest received		1,118,671	482,241
Income taxes paid		(11,416,630)	(49,620,187)
Net cash generated from operating activities		351,646,299	303,759,112

26 Commitments

Bank guarantees

As at 31 December 2019, the Company had commitments in respect of bank guarantees amounting to Baht 23.9 million and US Dollar 10,000 (2018: Baht 19.4 million and US Dollar 10,000).

In addition, during the year, the Company received VAT refund as total of Baht 139 million from Revenue Department whilst the auditing VAT refund is still in process. The parent company requests a domestic financial institution to issue bank guarantees to Revenue Department in amounting of Baht 139 million in order to guarantee VAT refund.

Capital expenditure commitments

As at 31 December 2019, the Company has outstanding capital commitments in respect of the investment of machinery and equipment totaling Baht 102 million (2018: Baht 92 million).

Non-cancellable operating leases - where the Company is the lessee

The Company leases warehouses, office equipment and motor vehicles under operating lease agreements expiring within 1 to 5 years, and the majority of the leases are renewable at the end of the lease period at market rate.

Commitments for minimum lease payments in relation to operating leases are payable as follows:

	2019 Baht	2018 Baht
Not later than 1 year	14,537,765	17,380,614
Later than 1 year and not later than 5 years	6,594,670	18,807,150
	21,132,435	36,187,764

27 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company is controlled by The Goodyear Tire & Rubber Company (registered and located in the USA), which owns 66.79% of the Company's issued shares.

The following material transactions were carried out with related parties:

i) Sales of goods

For the years ended 31 December	2019 Baht	2018 Baht
Sales of finished goods:		
Parent company	563,642,957	576,778,968
Companies under common control	1,888,824,765	1,909,208,784
	<u>2,452,467,722</u>	<u>2,485,987,752</u>
Sales of assets and spare parts:		
Parent company	-	919,843
Companies under common control	7,078,663	3,721,794
	<u>7,078,663</u>	<u>4,641,637</u>

ii) Purchases of goods and services

For the years ended 31 December	2019 Baht	2018 Baht
Purchases of raw materials and finished goods:		
Parent company	283,603,163	121,169,736
Companies under common control	303,072,480	322,597,053
	<u>586,675,643</u>	<u>443,766,789</u>
Purchases of machinery and spare parts:		
Parent company	37,607,745	102,506,022
Companies under common control	87,206,946	78,299,360
	<u>124,814,691</u>	<u>180,805,382</u>
Royalty fee:		
Parent company	160,034,596	167,245,056
Production service fee:		
Parent company	38,081,867	31,936,616
Management fee:		
Companies under common control	164,561,365	157,607,558

iii) Outstanding balances arising from sales/purchases of goods/services

As at 31 December	2019 Baht	2018 Baht
Trade receivables - related parties:		
Parent company	58,878,214	167,985,625
Companies under common control	284,516,878	230,716,309
	343,395,092	398,701,934
Amounts due from related parties:		
Parent company	38,907,250	74,375,503
Companies under common control	80,627,892	28,455,318
	119,535,142	102,830,821
Trade payables - related parties:		
Parent company	54,794,540	29,143,243
Companies under common control	24,409,837	89,605,530
	79,204,377	118,748,773
Amounts due to related parties:		
Parent company	39,325,948	34,691,290
Companies under common control	24,986,995	14,011,971
	64,312,943	48,703,261
Payable from purchases of plant and equipment:		
Parent company	3,312,011	32,028,451
Companies under common control	7,701,591	12,860,429
	11,013,602	44,888,880

iv) Directors' and key management's compensation

For the years ended 31 December	2019 Baht	2018 Baht
Salaries and other short-term employee benefits	43,554,094	45,404,338
Employee benefit obligations	1,517,793	6,555,771
	45,071,887	51,960,109



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- Attachment 1: Details about Executive Directors Regulator and Company Secretary**
- Attachment 2: Details of Directors of Subsidiary Companies**
- Attachment 3: Details about the Company Internal Audit**
- Attachment 4: Details about Property Valuation**
- Attachment 5: Others**



Attachment 1: Details about Executive Directors Regulator and Company Secretary

1. Information of directors, executives, regulator and company secretary

1.1 Details of directors, executives, regulator and company secretary

Name/Postion	Ages (year)	Educational background	Shareholding percentage	Conflict of Interest	Last 5 years experiences		
					Period	Position	Company name
1. Dr. Dhiraphorn Srifuengfung Chairman of the Board Nomination and Corporate Governance Committee	72	Ph.D. (Civil Engineering), University of Missouri, USA	-	-	2013 - present 1992 - present	Chairman of the Board Executive Committee	Goodyear (Thailand) Public Company Limited Pimai Salt Company Limited Krung Thai Panich Insurance Public Company Limited Aekachai Eagle Co., Ltd. Aekachai Export and Import Co., Ltd.
2. Mr. Luca Crepaccioli Managing Director Nomination and Corporate Governance Committee	53	Bachelor's degree in Economics University of Rome, La Sapienza	-	-	2018 - present 2016 - 2018 2015 - 2016 2009 - 2015	Managing Director Managing Director Consumer Business Emerging Markets General Manager-Southern Europe General Manager Italy & Greece	Goodyear (Thailand) Public Company Limited The Goodyear Tire & Rubber Company The Goodyear Tire & Rubber Company The Goodyear Tire & Rubber Company
3. Mr. Phiphat Vorapipat* Executive Director Nomination and Corporate Governance Committee	41	MSIT and IMBA, University of Denver, USA Business Administration (BBA), Kasetsart University	-	-	2016 - present 2012 - 2016 2011 - 2012	Sales Director - TH General Manager Aviation Tires - Asia Pacific Product Supply Chain Director - ASEAN	Goodyear (Thailand) Public Company Limited Goodyear (Thailand) Public Company Limited Goodyear (Thailand) Public Company Limited
4. Mr. Andrew Michael Cooper Director	53	BTEC/EITB Engineering, University of Hertfordshire General Management, Ashridge, UK General Management, INSEAD, France/Singapore	-	-	2014 - present 2012 - 2014	Managing Director (ASEAN, TWN, Korea, AP Distributor Market) Vice President	Goodyear Corporation Kodak Corporation
5. Mr. Michael Martens Director	58	Bachelor's Degree in Accounting, University of Illinois MBA in Finance, Kent State University, Ohio	-	-	2015 - present	Vice President Aviation & OTR, Asia Pacific	The Goodyear Tire & Rubber Company
6. Mr. Wee Hong Kek Director	52	LL.B. (Hons) National University of Singapore	-	-	2013 - present	Senior Counsel, ASEAN	Goodyear Orient Company (Private) Limited



Name/Postion	Ages (year)	Educational background	Shareholding percentage	Conflict of Interest	Last 5 years experiences		
					Period	Position	Company name
7. Mr. Athaporn Khaimarn Independent Director Chairman of the Audit Committee	76	Associate Member of The Institute of Chartered Accountants in Australia	-	-	2001 - present	Independent Director/Chairman of the Audit	Goodyear (Thailand) Public Company Limited
		Associateship in Accounting Western Australia Institute of Technology, (Now - Curtin University of Technology)			1999 - present	Independent Director/Chairman of the Audit	Siam Makro Public Company Limited)
		Director's Program: DCP & DAP Certificate			1992 - 1996	Managing Director	Pricewaterhouse, Bangkok
8. Mr. Yeap Swee Chuan Independent Director Audit Committee Chairman of the Nomination and Governance Committee	72	Bachelor Degree (Industrial Management and Engineering), Massey University, New Zealand	-	-	1996 - present	President and Chief Executive Officer	AAPICO Hitech Public Company Limited
		Director's Program: DCP Certificate			Present	President and Chief Executive Officer	New Era Sales Company Limited AAPICO Amata Company Limited Able Motors Company Limited AAPICO Engineering Company Limited AAPICO Hitech Parts Company Limited AAPICO Hitech Tooling Public Company Limited Able ITS Company Limited AAPICO Jack Speed Company Limited AAPICO Mitsuike (Thailand) Company Limited Katsuya (Thailand) Company Limited AAPICO Forging Public Company Limited AAPICO Plastic Public Company Limited Able Sanoh Industries (1996) Company Limited AAPICO Structural Products Company Limited

* Mr. Phiphat Vorapipat resigned from the Board of Directors on January 16, 2020.



1.2 Responsibilities of the company secretary

1. Provide preliminary advice to the directors regarding legal issues, compliance with government regulations, rules and regulations of the Bank, and follow up to ensure proper and consistent compliance including reports significant changes to the directors.
2. Prepare meeting invitation letter, agenda, supporting documents for shareholders' meeting and the meetings of Board of Directors, Audit Committee, and Nomination and Corporate Governance Committee.
3. Organize the shareholders' meeting, Board of Directors' meeting, Audit Committee, Nomination and Corporate Governance Committee in compliance with the law, Articles of Association of the Company, rules and regulations.
4. Record of minutes of shareholders' meeting, Board of Directors, Audit Committee, Nomination and Corporate Governance Committee as well as monitor the compliance with the resolutions of the shareholders' meeting, and the meetings of Board of Directors, Audit Committee Nomination and Corporate Governance Committee.
5. Prepare and maintain the registration of directors, Annual Report, Notice of the shareholders' meeting, Board of Directors' Meeting, Minutes of the shareholders' meeting, and the minutes of the board meeting.
6. Carry out and maintain reports Conflict of Interest of directors and executives. including relevant persons under section 89/14, inform the Chairman of the Board and the Chairman of the Audit Committee within 7 working days from the date the company received the report.
7. Prepare and supervise the disclosure and information report in accordance with regulations as prescribed by the Stock Exchange and the Securities and Exchange Commission.
8. Contact and communicate with shareholders to be aware of the rights of shareholders and the company's information, and mediation between shareholders and the Board of Directors and executives.
9. Provide legal advice and relevant rules and regulatory practices in accordance with the law.
10. Provide orientation and advise newly appointed directors.
11. Other duties as assigned by the company and other duties as specified by the Capital Market Supervisory Board.



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Attachment 2: Details of Directors of Subsidiary Companies

-none-



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Attachment 3: Details about the Company Internal Audit

Details and biography of Company's internal auditor

Name	Ms. Maxine Mae J. Escoto
Position	Internal Audit Manager, APAC
Education	Bachelor of Science in Accountancy, De La Salle University – Manila
Training/Certificate	Certified Public Accountant (CPA), Certified Information Systems Auditor (CISA)
Experience	8 ½ years in the Advisory Practice of Ernst & Young Philippines – experience in assurance and advisory engagements with a focus on financial statement audit support, internal audit support, SOX, third party reporting, business process analysis, and application controls and security.
Date of appointment As Company's internal auditor	March 1, 2016



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Attachment 4: Details about Property Valuation

-none-



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Attachment 5: Others Business Operations

-none-



บริษัท กู๊ดเยียร์ (ประเทศไทย) จำกัด (มหาชน)

50/9 ถนนพหลโยธิน กม. 36 ต. คลองหนึ่ง อ. คลองหลวง ปทุมธานี 12120 ศูนย์ลูกค้าสัมพันธ์: 0-2305-8585

www.goodyear.co.th, FB : @GoodyearThailand