



Annual Registration Statement / Annual Report 2022

(Form 56-1 One Report)



**GOODYEAR
AIRLESS TIRE**



Goodyear (Thailand) Public Company Limited

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Message from the Chairman

To the Shareholders of Goodyear (Thailand) Public Company Limited



The Goodyear logo, featuring the word "GOODYEAR" in bold, yellow, sans-serif capital letters. A yellow winged foot is positioned between the "Y" and "E", with a registered trademark symbol (®) to the right.

In 2022, we saw demand improvement with the return of tourism but impacted with high inflation fueled by the Ukraine-Russia conflict impacting energy prices.

The Company responded to the macro-economic environment by taking actions on price increases and cost management to deliver improved performance as reflected in the financial results and other significant achievements. Most importantly, we strengthened and improved our position in the market so as to position the Company for continued success in the near and long-term future. We also initiated expansion of aviation radial tire facility to cater to the improved demand expected with airlines returning to the skies to support tourism.

As we enter 2023, 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 55-year journey.

A handwritten signature in black ink, which appears to be "ดร.วชิร สริฟูวงศ์" (Dr. Wachir Srifuengfung).

Dr. Dhiraphorn Srifuengfung
Chairman

Message from the Managing Director

To the Shareholders of Goodyear (Thailand) Public Company Limited



In 2022, the industry recovered after 2 years of decline. Goodyear delivered strong growth across its sales channels to deliver a positive business and financial result. With increased vaccinations and Covid abating, the industry had strong growth in the first half but slowed down in the 2nd half as inflation rose in the wake of the Ukraine conflict and central banks raised interest rates to combat inflation.

Goodyear got in front of raw material and energy inflation by increasing prices to protect margins and put in place effective cost control measures. Despite this challenging environment the Company delivered improved business and financial results in our Consumer and Aviation business units.

Our consumer replacement business outperformed the Industry, leading to an increase in market share. We continued to focus on various elements of the connected business model with special focus on OE, sales channel and new products.

The launch of the new best in class Goodyear Assurance ComfortTred in the growing premium passenger car tire segment will help enhance the Goodyear product portfolio. This tire was designed keeping in mind the needs in the premium segment of having ride comfort and low noise in addition to strong wet grip in the tropical environment. We had a successful launch in the last quarter of 2022 supported by strong marketing initiatives and the feedback from the customers has been encouraging. Additionally, our brand metrics improved, supported by media campaigns and smart digital marketing initiatives. We were also selected as the “Preferred Partner” by Mercedes Benz for OE fitments and aftermarket service, which reflects the trust they have placed in Goodyear to support their global brand.

As Covid begins to abate and countries relax regulatory restrictions, the aviation industry started improving, driven by higher Air Cargo traffic and increase in domestic and international tourism. To support the growing demand of aviation tires as airlines recover, we have approved plans for capacity expansion to support radial aviation tires.

With the return of international tourists to Thailand in 2023, we remain positive in our business outlook and would like to thank all the associates who have persevered through this difficult time. We would also like to thank our customers and consumers for their continued support and loyalty as we continue to progress and build strong foundations for the success of the Goodyear business for all our shareholders, associates and customers.

Thank you for your continued trust and support.

Mr. Randeep Singh Kanwar
Managing Director

Part 1 Business Operations and Performance

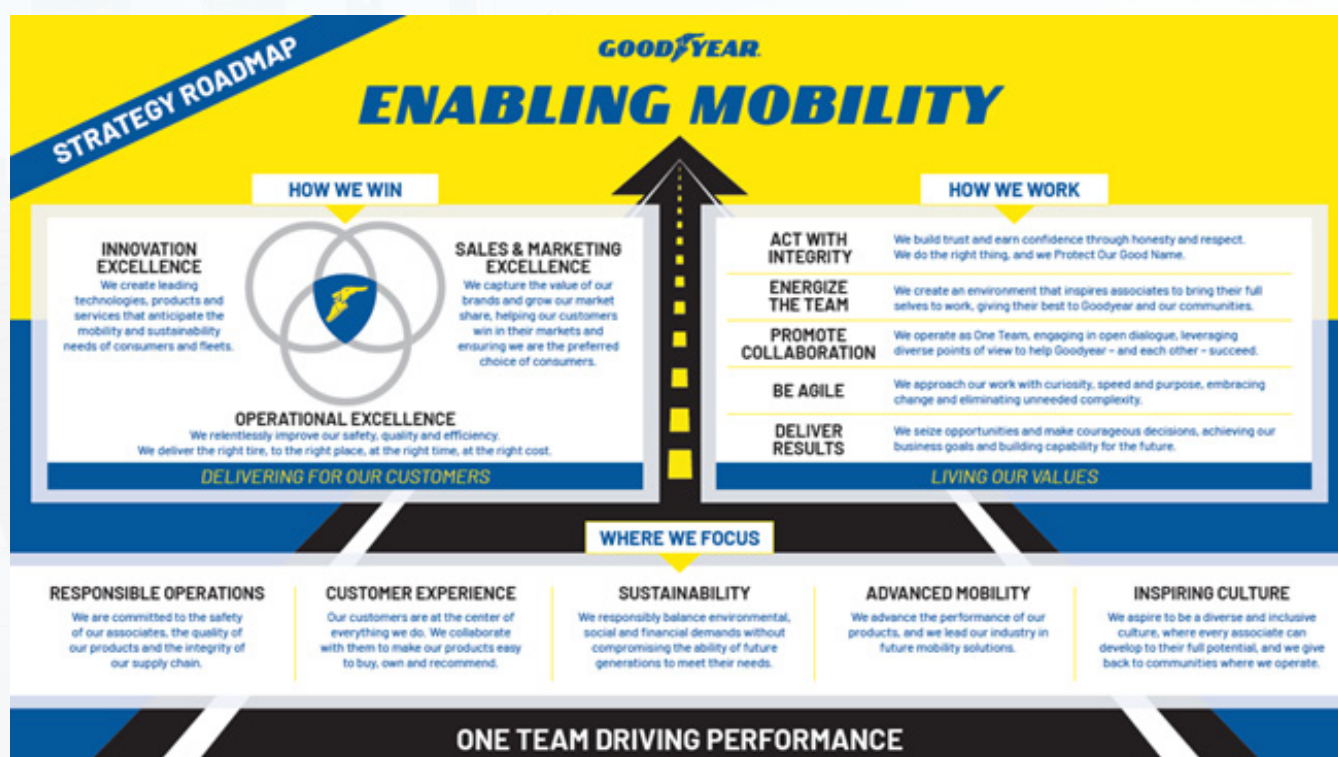
1. The Company Structure and Operation

1.1 Policy and Business Overview

1.1.1 Vision, Mission, Objectives, Goals, 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.



1.1.2 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 primary 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 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.

In 2022, the Company released the new Assurance ComfortTred, premium tires for both medium and large passenger cars that emphasizes to provide a soft, quiet and comfortable ride.

Goodyear Autocare Service Centers

Goodyear Autocare is an international standardized tire service center that provides comprehensive car maintenance services with world-class quality products, modern tools and a team of professional technicians. At the end of 2022, there were 75 Goodyear Autocare stores in Thailand.

1.1.3 Fund spending objectives

The Company did not issue any equity or debt securities.

1.1.4 Name, head office location, business type, company registration number, telephone, facsimile, company website, number of types of all sold shares

Details appear under Item 5 General Information and Other Key Information.

1.2 Business Description

Goodyear (Thailand) Public Company Limited is an affiliated company of The Goodyear Tire & Rubber Company, USA. The Company was originally registered as a Limited Company according to the Civil and Commercial Code on July 25, 1968 with paid capital of 60 million Baht. The Company 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 export. At present, the Company has a registered capital of 74 million Baht. The head office and manufacturing plant are located at 50/9 Moo 3, Phaholyothin Road, Km 36, Klong Nueng Subdistrict, Klong Luang District, Pathumthani Province 12120, Thailand.

1.2.1 Revenue Structure

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. The amount of revenues 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 by geographic segment based solely on the market where the products are sold.

The classification between domestic and export sales for the last three years is as follows:

(Million Baht)

Sales Revenue	2022	%	2021	%	2020	%
Domestic	2,185	39	1,294	32	1,405	41
Export	3,434	61	2,798	68	2,041	59
Total	5,619	100	4,092	100	3,445	100

1.2.2 Product Data

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



Automotive Tire Products: The Company 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 distributed in Thailand are:



Passenger Car Tires



4x4 / Pickup Truck Tires



SUV Tires



Sport Tires



Run On Flat Tires



Commercial Tires



Aviation Tire Products: Goodyear is a well-known for aviation tire products for more than a century. The Company manufactures both Aviation 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



Retread

1.2.3 Marketing and Competition

Automotive Tire Products



Marketing activities for the year 2022

The main marketing activities have been concentrated in the following activities:

1. Continued to expand the distribution channels to improve the numeric distribution of the Goodyear brand.
2. Launched the new Assurance ComfortTred, premium tires for both medium and large passenger cars that emphasizes to provide a soft, quiet and comfortable ride.
3. Focused on brand communication via online channels to reach consumers in a wider range and launched Line official account @Goodyearthailand to increase the awareness of the Goodyear brand with new target groups through various activities and campaigns.
4. Corporate Social Responsibility activities: Goodyear donated Cargo Max tires for ambulances to Siriraj Hospital and several hospitals in Thailand. The donation was part of the Goodyear Good Care program which continued for the third consecutive year. In addition, Goodyear and its employees participated to donate blood to the Thai Red Cross Society every 3 months.



Comparative explanations with competitors in general

Goodyear Thailand is a leading premium tire manufacturer for leading automotive manufacturers and the replacement market for passenger cars, 4x4 and SUVs, and light trucks.

- **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.



Competition Environment

- Gross Domestic Product (GDP) in 2022, had an increasing recovery continuously at 2.6%, after the recovery at 1.5% in 2021, as a result of the tourism recovery and the continuous improvement of domestic demand in terms of consumption and investment of the private sector.
- The domestic automotive parts industry recovered after the situation of COVID-19 from both the volume of production and the volume of sales of cars in the country. The domestic volume of sales of cars grew at 15.1% compared with 2021, and the volume of production of cars in 2022 grew at 11.7% compared with the previous year.
- The automotive tire industry recovered in 2022. It grew at 8% compared with 2021, after it had been affected by the situation of COVID-19 during the last few years.



The Trends of the Industry and future Competition Conditions

The consumer tires are purchased by customers in Thailand widely but a significant portion of the market is owned by a few leading brands, that like Goodyear, established their presence in Thailand many years ago. 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.

Aviation Tires Products



Aviation Marketing and Competition Environment

Overall in 2022, the aviation industry has seen gradual recovery from the effects of the Covid-19 pandemic. 2022 has seen on aggregate a 24% improvement in landing versus 2021 which represents an 83% of the 2019 reference level. However, this recovery has been uneven across the different regions with Europe seeing the largest recovery yoy growth at 47% and a 84% level versus 2019, Americas seeing a 19% yoy growth and a 92% level versus 2019 while Asia Pacific saw and only an 8% yoy growth with a 71% level versus 2019. The industry is still reporting a loss totaling \$6.9 billion in 2022, representing approximately a 6-fold improvement over 2021.

In 2022 the Asia Pacific improvement has been mitigated by the market performance drop in China that has seen a 34% yoy contraction. This contraction is linked to the numerous and very long duration lockdowns that China has seen over the course of 2022. In addition, the restriction of international traffic to and from China has also affected the overall performance of the Asia Pacific region and to some extent the full recovery in global traffic. The other markets within the Asia Pacific region have seen a 61% yoy increase. Strongest market growth rates seen in Malaysia, Philippines and Vietnam.

We continued to see in 2023 the renewal of old fleets leading to an increase in radialization of the airline market

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.

1.2.4 Procurement of raw materials for production

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

The Company acquires raw materials to use in production from various sources. The Goodyear Tire & Rubber Company in USA, the Goodyear Innovation Center of Luxemburg and Goodyear Orient Company (Private) Limited in Singapore inspect and/or approve 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 54.2% while import was 45.8% of all raw materials volume procured.

1.2.5 Assets used in business operations

- **Main Fixed Assets**

The main fixed assets of the Company as of December 31, 2022 are as follows:

	Type of Assets	Ownership	Book Value (Million Baht)	Obligation
1	Land and Building	Company owned	1,468	None
2	Machinery, Equipment and Tools	Company owned	3,119	None
3	Furniture, Fixtures, and Office Equipment	Company owned	27	None
4	Vehicles	Company owned	5	None
5	Construction in progress and assets under installation	Company owned	854	None
	Total		5,473	

- **Intangible assets (patents, concessions, copyrights, trademarks)**

-None-

Investment Policy in subsidiaries and associated companies

The Company does not have operations of subsidiaries and associated companies.

Credit Policy

Goodyear has established clear guidelines for trade credit management with a well-defined credit policy to minimize credit risks for the Company. The credit policy is timely reviewed to comply with the economic conditions and market competition. Credit limits and terms of payment set by the Company are consistent with the quantity and value of the products that are purchased from the group, debt servicing ability and considering each customer's credit risks.

Generally, the credit term is set between 30-90 days.

Account Receivable Turnover and Collection Period

	2022	2021
Account Receivable Turnover (AR Turnover: times)	8.47	6.36
Collection Period (days)	43	57

Explanation of Account Receivable Turnover and Collection Period

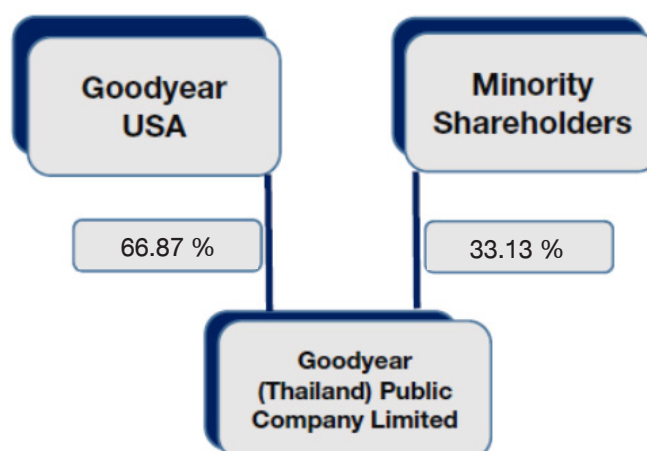
The account receivable turnover in 2022 was 8.47 times, increased from 2.11 times of the previous year, resulting in a decrease in the average collection period from 57 days to 43 days due to the tires business recovery from last year's Covid-19 pandemic situation.

1.3 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 & Rubber Company, which holds 4,948,418 shares, representing 66.87% of the Company's total shares. Minority shareholders hold the remaining 33.13% of the shares.

The Goodyear Tire & Rubber Company is one of the world's largest tire manufacturers, with about 72,000 employees and 57 manufacturing facilities in 23 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



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.

1.4 Registered Capital and Paid-up Capital

Capital and Paid-up capital

Company Name	Goodyear (Thailand) Public Company Limited
Registered Capital	74,000,000 Baht
Paid-up Capital	74,000,000 Baht
Ordinary Shares	7,400,000 shares
Par Value Per Share	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-

Shareholder

(1) Top 10 major shareholders at the latest Record Date on 10 March 2023

	Major Shareholders	Number of Share	Percentage of shareholding (%)
1	The Goodyear Tire & Rubber Company	4,948,418	66.87
2	Boonpermpoon Co., Ltd.	419,160	5.66
3	Sri Kiri Enterprise Co. Ltd.	209,864	2.84
4	Sri Brothers Co., Ltd.	208,240	2.81
5	Boon Song Co., Ltd.	141,900	1.92
6	Thai NVDR Co., Ltd.	88,300	1.19
7	Techapaibul Co., Ltd.	73,480	0.99
8	Mr. Vichai Jirachoenkigkol	37,600	0.51
9	Mr. Phanwit Suraprasertpa	34,201	0.46
10	Mrs. Darawan Saluck	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	% of share
1	The Goodyear Tire & Rubber Company	4,948,418	66.87

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

-None-

1.5 Issuance of other securities

-None-

1.6 Dividend Payment

The Company does not set a dividend payment policy. According to the Company's Articles of Association regarding dividend payment stating that no dividend shall be paid except out of profits, including retained earnings. If the Company has had retained deficit, no dividend shall be paid in any way.

Dividend Payment information during the past 3 years of the company

Earnings Period	2022	2021	2020
Net profit (MB)	26.76	-32.50	-175.87
Net profit/share (Baht) (EPS)	3.62	-4.39	-23.17
Dividend per share (DPS)	0	0	0
Dividend yield (%)	0	0	0
Dividend payout ratio (%)	0	0	0
Total Dividend Payment (MB)	0	0	0

2. Risk Management

2.1 Business Risk Factors

2.1.1 Financial Risk

a) Exchange Rate Risk

The Company has transactions of export, import and long-term loan in foreign currency from a financial institution which expose to foreign exchange risk by having account receivables, payables and liabilities in different currencies. Majority of the Company transactions is USD currency.

Foreign exchange gains/losses in the income statement resulted from the changes in the value of a foreign currency assets/liabilities. The Company recognizes net of gain(loss) on exchange rates as below.

Million THB	2022	2021	2020
Gain (Loss) on exchange rates, net	7.16	18.00	16.26

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 2022, 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

Since the Company has a large number of customers that include manufacturing customers, distributors and consumers, if customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on the assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management. As a result, 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.

2.1.2 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. Each raw material is procurement from both domestic and foreign manufacturers. However, the Company set a policy regarding raw material procurement and assessment, the systematic management of raw materials, the preparation for raw material shortages and the volatility of raw material prices. The Company partnered with Goodyear's affiliated companies in Asia-Pacific, Europe, North America, Latin America 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.

2.1.3 Risk from main customer (GY Singapore)

The main customer of Goodyear Thailand is Goodyear Singapore. As both companies are part of the same Group, risk of losing the main customer is mitigated.

2.1.4 Risk from our business driven by our parent company i.e., Engineering/ Know-how/ Trademark etc.

Using the Group's overall strategy for guidance, GYT determines its own objectives and operating strategies. The objectives generally focus on the enhancement of the manufacturing process by achieving the lowest production cost while being able to deliver the best product quality, as well as the development of relationships with the local dealers.

2.2 Market Risk

2.2.1 Original Equipment Market (OEM)

Automobile business operators having production based in Thailand shall produce for domestic sales and export. Therefore, direct market risk depends on both domestic and oversea sales volumes. The overall domestic automobiles production in 2022 increased by 13% compared to 2021, in line with the trend of domestic sales and the increase in export volumes compared to 2021.

The automobile market is dependent on external factors which are uncontrollable and affect production plan such as Thailand's flood, shortage of semiconductors (Electronic circuit boards) that are the most important parts of automobile production and have continuously affected the automobiles production plan of the business operators in Thailand since 2021 until present as well as the Russia-Ukraine War which impact on global supply chain and logistic issue. Goodyear has assessed and mitigated the risk by increasing sales in other markets as well as looking into the future customer base in OEM market.

The percentage of Original Equipment Market sales is as below.

Percentage of sale	2022	2021	2020
Original Equipment Market (OEM)	17%	8%	11%

2.2.2 Replacement Markets

The demand for tires in the replacement market depends on the number of vehicles on the road (Vehicles Parc) in Thailand 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.

Due to uncertain market conditions, Goodyear therefore focuses its strategy on expanding distribution channels to meet consumer demand and increase brand awareness to maintain operational flexibility.

The percentage of Replacement Markets sales is as below.

Percentage of sale	2022	2021	2020
Replacement Markets	48%	57%	59%

2.2.3 Aviation Tire Market

Risk factors in the aviation tire market remain associated to the measure put in place to control the Covid-19 cases. We have seen gradual lifting of restriction in 2022 with the prospect of further to full restriction removal in 2023. In Asia Pacific region, the gradual lifting of restriction in markets other than China have allowed strong yoy recovery of the domestic markets. However, the restrictions seen in the China market have impacted both the China domestic market as well as the Asia Pacific and to some extent the global international market.

The current outlook is to see a gradual recovery of the Asia Pacific domestic markets trending to or over the 2019 levels and stronger international traffic recovery as China opens its market to international travelers in the tourist sector.

Recent operational re-start of the 737Max throughout the region including in very recent flights in China is relevant to the demand of the specific tire produced in our Thailand plant. In addition, the increasing radialization of the market is driving higher demand for radial tires that are produced on the radial equipment in the Thailand plant, leading to further increases in the Thailand plant capacity and capability to match the evolution of the aviation market.

The percentage of Aviation Tire Market sales is as below.

Percentage of sale	2022	2021	2020
Aviation Tire Market	35%	35%	30%

2.2.4 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 66.87% of the Company issued shares. Therefore, the Company is under the control of The Goodyear Tire and Rubber Company in regard 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.

2.3 Bank Guarantee risk

The Company had placed bank guarantees amounting to Baht 139 million to the Revenue Department ("RD") allowing RD to refund full VAT amount while the VAT audit was still ongoing. The Company received the refund during 2019 and the VAT audit was still ongoing in 2022. Based on the discussion with RD officers, there is no risk that refund will be cancelled.

3. Driving a Sustainable Business

3.1 Sustainability Policy and Targets

Goodyear Better Future is an integral part of our business strategy. We focus on several important areas that help us drive sustainable business outcomes.

OUR VISION

Building a better future to keep the world moving

Goodyear has been developing products and services that keep the world moving. From emergency response vehicles that save lives each day to aircraft that make global travel possible to the cars, SUVs and trucks that bring people home to their families, Goodyear tires play an integral role in bringing people together and making transportation possible.

In our relentless pursuit of forward motion, Goodyear is constantly evolving as we work to improve our performance. In addition to continuously improving product quality and developing new innovative technologies, we must also work toward building a better future for the world around us.

OUR KEY Pillars



3.2 Stakeholder impact management throughout the value chain

3.2.1 Business value chain

Goodyear places high emphasis on stakeholder engagement and sustainable value chain management such as raw material supply in production process, product development, procurement, transportation and product distribution and services. The objectives are to response all stakeholders' needs and expectations.

3.2.2 Stakeholders analysis

There are stakeholder groups as follows: Employee, Community, Dealers and Consumers, Government Sector, Shareholders, Raw Material Suppliers, the Media, and Non-Governmental Organizations. The company operates in four main areas, which are:

- 1) 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.
- 2) 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, these is the Company's main strategy, which is to create sustainable economic growth that will result in a strong growth of the Company.

- 3) 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.
- 4) The Community Reflecting the operational guidelines regarding treatment and participation in community or social development.

3.3 Environment Management

3.3.1 Environmental, Guideline and Policy

Goodyear's policy is to always manufacture, handle and dispose of materials in an environmentally responsible manner, and the Company demands strict adherence to all applicable laws and regulations. Goodyear is also committed to the conservation of natural resources and waste reduction and expects every associate to help in these and our other sustainability efforts.

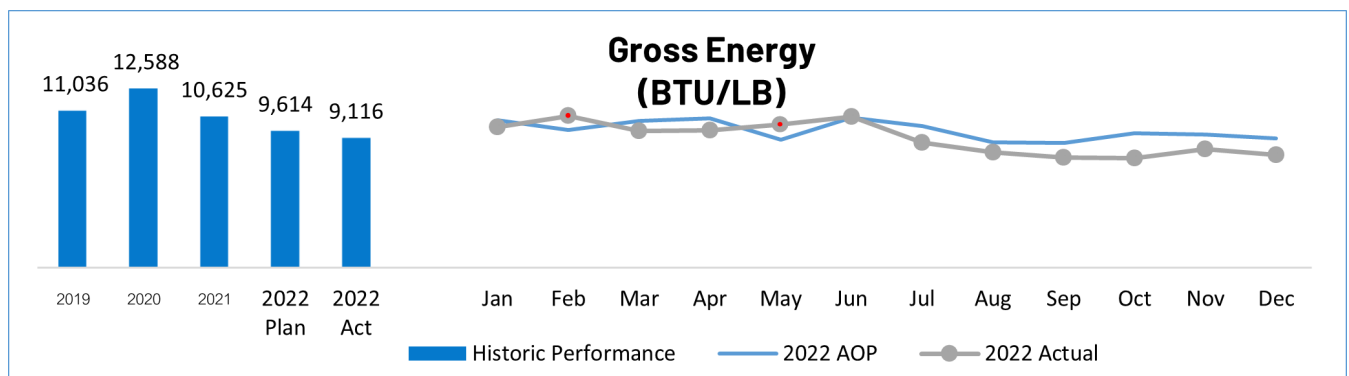
3.3.2 Environmental Performance

Management of Electricity

The Company has managed electricity efficiently either lighting and air conditioning systems by installing and maintaining equipment to control the operation of related electrical systems. In addition, the Company has installed the solar rooftop generating an electrical capacity of 3.1 MWp.

In 2022, the Company consumed electrical energy of 3.1 MWp, reduced by 12% compared with previous year and saved electricity costs by Baht 1,422,278 per year.

In 2022, the Company improved the performance of the energy consumption per unit of production by 21.06% compared to 2019.



Target

In 2023, the Company plans to improve the performance of the energy consumption (BTU/LB) and reduce greenhouse gas emission per unit of production by 5% compared to 2022.

Management of Garbage, Waste and Pollution

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.

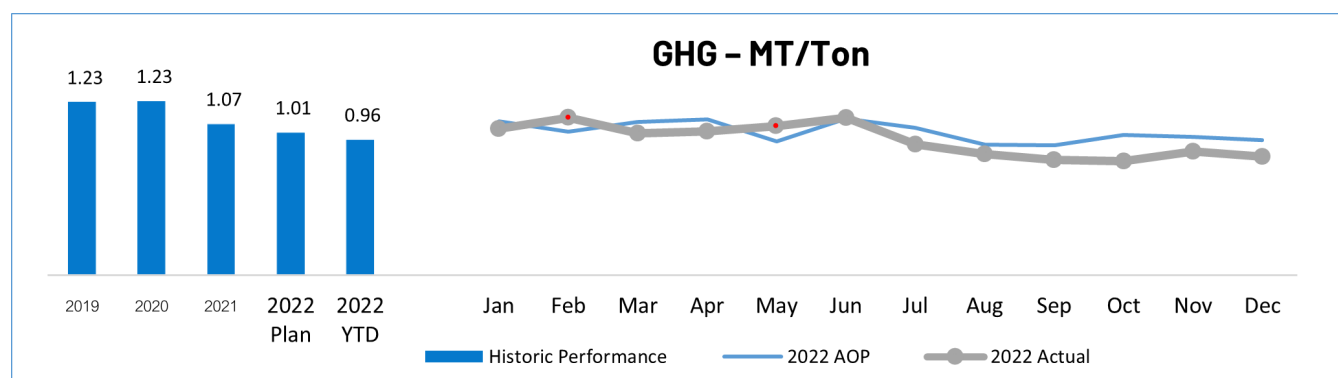
3) Inspection of Air Quality Due to Factory Exhaust

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 every 6 months.

Management of Greenhouse Gas Emission Reduction

The Company has committed to continuously reducing the greenhouse gas emission to mitigate the negative impacts on the environment. the Company has prepared the greenhouse gas emission information as pictured below. In 2022, the Company has installed the solar rooftop generating an electrical capacity of 3.1 MWp, which can reduce greenhouse gas emission of 2,734 tons/year. In 2023, the Company has a plan to install additional solar rooftop of 1.2 MWp, expected to reduce greenhouse gas emission by 900 tons/year.

In 2022, the Company reduced greenhouse gas emission per unit of production by 28.13% compared with 2019.



Target

In 2023, the Company plans to improve the performance of the energy consumption (BTU/LB) and reduce greenhouse gas emission per unit of production by 5% compared to 2022.

The Company is on the process of procuring the registered reviewer of the carbon footprint preparation for verification and certification of carbon footprint in order to be in accordance with international standard.

Environmental Complaints from Neighborhoods

The Company has no any environmental complaints from neighborhoods presently and over the past 3 years.

3.4 Sustainability Management – Social Dimensions

3.4.1 Policies and Guidelines

The Company commits to follow the highest ethical and legal standards in doing business, social and human rights practices.

1. Human Right

We abide by the following principles:

- Maintaining an inclusive workplace free of unlawful harassment and discrimination.
- Employment is voluntary; all forms of compulsory labor or human trafficking are prohibited.
- Exploitation of children, including child labor, is not permitted.
- Associates have the right to join organizations (such as unions) of their choosing or to refrain from joining organizations.
- Compliance with all applicable laws and regulations dealing with wages and hours worked.
- Providing a safe and secure workplace.

2. Safety and Occupational Health

The Company is committed to operating facilities in compliance with applicable safety, health and environmental requirements. Management works to ensure that Goodyear's facilities enhance quality of life in the workplace and in the communities in which Goodyear operates. Goodyear associates are responsible for contributing to a culture that reduces risk of injury to themselves, their co-workers and others. Associates should never compromise the safety or health of anyone, including themselves, for the sake of production or other results. Associates must stop work and report to a responsible manager if they know or have reason to believe that a workplace condition poses an unreasonable danger to the safety or health of the associate or others.

3. Taking Care of and Developing our Employees

The Company respects the unique abilities, experiences, cultures and differences of our associates. Embracing the diversity of our associates enriches our corporate environment, helps to create a business advantage and is an essential component of our success. The Company has set expectations for employees' development in order to be responsive to the dynamic changes. Moreover, the Company has conducted Associate Pulse Survey and used the results to continually improve our performances.

3.4.2 Social Dimension Performance

Human Rights: The Company operates in main areas, which are:

- An exploitation of illegal labor and child labor is prohibiting. Moreover, the Company supports student internship programs and other projects in the same manner as required by law.
- The Company has expanded our human rights management to cover emerging epidemics in response to the COVID-19. The Company provides necessary protective equipment such as masks, sanitizing alcohol gel, working hour adjustment, and working from home.
- The Company operates in accordance with the laws on safety, occupational health and work environment. The Company provides knowledge, training, and drills to ensure the highest standard of safety. Protective equipment and best-in-class technology are employed to mitigate risk. In addition, risk-based physical checkups are conducted annually as well as daily baseline health checks.
- The Company ensures open communication between management and employees in regard to negotiation of employees' benefits through the Labor Unions.

Safety and Occupational Health

- 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.
- Support and educate employees about environmental awareness and energy conservation ideas. Keep the workplace safe and hygienic.
- Implement COVID-19 prevention measures such as screening, protective equipment, and social distancing.
- Numbers of Accidents
 - Serious injury, amputation 1 case
 - Lost time injury 5 cases
 - First Aid 6 cases
- Level up of occupational health and safety management in the factory to a higher level (Maturity score level 2) to reduce accident statistics and maintain sustainability in occupational health and safety management at work.

Taking Care of and Developing our Employees

- The Company has committed to recruit, hire, train, compensate, promote and provide other conditions of employment without regard to any other differences. Goodyear use merit, qualifications and other job-related criteria as the basis for all employment-related decisions affecting associates.
- The Company has conducted Associate Pulse Survey and used the results to continually improve our performances.
- The Company provides "MD Red Box" where any employees can submit feedbacks or suggestions directly to the Managing Director.

For more details, please refer to the Company's website.

- Business Conduct Manual
<https://investor.goodyear.co.th/storage/download/cg-policy/business-conduct-manual-en.pdf>
- Corporate Responsibility
<https://www.goodyear.co.th/about-us/corporate> and
<https://corporate.goodyear.com/en-US/responsibility.html>
- Our Goal <https://corporate.goodyear.com/en-US/responsibility/our-goals.html>
- Global Human Rights Policy <https://corporate.goodyear.com/us/en/about/mission/human-rights-policy.html>

4. Management Discussion and Analysis (MD&A)

Overview

In 2022, the Company delivered strong results in several areas, including growth in share and sales. We continued to build the Goodyear business, extending the aviation and consumer replacement business, and winning new OE fitments.

OE fitments sales increased by 184% from last year. The Company has increased capacity to support OE fitments demands which continually growing over the year. Aviation replacement volume increased by 129%, reflecting both continuing industry recovery.

The Company continues to take action to manage our short-term and long-term financial impacts on our operating results and to ensure adequate liquidity and capital resources are available to maintain our operations.

Highlights of 2022 Operations

1) Revenue from Sales: The Company's Net Sales for the year ended 31 December 2022 was Baht 5,619 million - an increase when compared to the same period of 2021 of Baht 1,527 million, or 37%.

Proportion of local and export sales are as follows:

	2022	2021	2020
Sales and related Service			
Domestic sales	39%	32%	41%
Export sales	61%	68%	59%
	100%	100%	100%

Sales by segment are as follows:

	2022	2021	2020
Sales and related Service			
Replacement markets	48%	57%	59%
Original Equipment Market (OEM)	17%	8%	11%
Aviation Tire Market	35%	35%	30%
	100%	100%	100%

2) Cost of Sales: The Company's Cost of Goods Sold for the year ended 31 December 2022 represented 87.46% of net sales which similarly to last year represented at 87.41%.

3) Selling and Administration Expenses: The Company's Selling and Administration Expenses for the year ended 31 December 2022 and 201 was Baht 642.3 million and Baht 534.7 million, respectively.

4) Assets: The Company's Total Assets as of 31 December 2022 was Baht 8,359 Million, an increase of Baht 799 Million from Baht 7,559 Million of the year ended period ended 31 December 2021.

a. Cash and cash equivalents were at Baht 607 million, which increasing by Baht 281 Million when compared with last year. This is caused by the operation improvement.

b. Net trade receivables were Baht 609 million, less 15% or Baht 108 million from Baht 717 million in 2021. Accounts receivable turnover was up to 8.47 times from 2021 levels at 6.36 time due to increased sales turnover and average accounts receivable balance. Accounts receivable days as of 2022 decreased to 43 days, from 57 days in 2021.

c. Net inventories were Baht 1,383 million, up 17% or Baht 206 million from Baht 1,177 million in 2021 mainly due to the increasing of raw materials and OE fitments stock. Despite increases in inventory, inventory days during 2022 decreased to 95 days from 101 days in 2021 driven by the increase in sales in 2022.

d. Property plant and equipment of Baht 5,473 million, an increase by Baht 437 million compared to 2021 is primarily due to an investment to improve plant capacity and capability in 2022.

5) Liabilities: Total liabilities by end of year 2022 amounted to Baht 4,789 million, representing an increase of Baht 757 million from Baht 4,032 million in 2021.

a. Net long-term loan from a financial institution were Baht 1,255 million, down Baht 862 million from Baht 392 million according to additional new loan for investment.

b. Trade and other payables were Baht 1,989 million, an increase from Baht 290 million in 2022, due to payables from purchases of raw materials and machine equipment.

6) Net Profit and Loss: The Company's profit for the year ended 31 December 2022 was Baht 27 Million in comparison to a net loss in the same period of 2021 of Baht 32 Million.

Results of Business Operations

(1) Financial Liquidity

a) Liquidity ratio increased from 0.69 in 2021 to 0.79 in 2022 is mainly due to increase of cash and cash equivalents position.

b) Debt to equity ratio in 2022 increased to 1.34 times, from 1.14 times in 2021 is mainly due to increase of loans from the financial institutions.

c) The average collection period changed from 57 days in 2021 to 43 days in 2022 due to higher sales in 2022 and cash collection process improvement.

d) The average sales days decreased from 101 days in 2021 to 95 days in 2022 due to sales growth.

e) Account Payable payment days changed from 141 days in 2021 to 137 days in 2022.

(2) Profitability Ratio. The gross margin ratio are similarly at 12.59% in 2021 and 12.54% in 2022.

(3) Efficiency in operation. The Return on Asset (ROA) ratio increased from -0.4 in 2021 to 0.32 in 2022.

(4) Financial Policy. The Debt to Equity ratio increased from 1.14 in 2021 to 1.34 in 2022.

Summary of Financial Statements 2021 and Comparative Data for the past 3 years

(Unit: thousand Baht)

Statements of Financial Position			
	Year 2022	Year 2021	Year 2020
Cash and cash equivalents	607,336	326,146	649,014
Trade and other receivables	609,131	717,474	569,278
Inventories, net	1,383,238	1,177,492	796,664
Refundable Value Added Tax within one year	68,706	107,877	66,052
Other current assets	9,104	5,431	5,917
Total current assets	2,677,515	2,334,420	2,086,925
Property, plant and equipment, net	5,473,235	5,036,041	4,358,418
Right-of-use assets, net	80,197	88,237	95,320
Computer Programs, net	1,537	1,830	1,887
Deferred income tax assets, net	76,123	60,140	57,622
Refundable Value Added Tax	38,981	29,143	10,498
Other non-current assets	11,233	9,531	9,385
Total non-current assets	5,681,306	5,224,922	4,533,130
Total assets	8,358,822	7,559,342	6,620,055
Short-term loans from financial institutions	1,087,000	1,495,000	1,005,000
Trade and other payables	1,989,511	1,699,065	1,072,873
Current portion of lease liabilities, net	33,449	26,674	22,662
Current portion of long-term loans from a financial institution, net	271,230	174,412	165,777
Withholding tax payable	4,373	8,457	20,707
Current income tax payable	8,168	0	0
Other current liabilities	6,217	4,274	6,739
Total current liabilities	3,399,948	3,407,882	2,293,758
Lease liabilities, net	54,779	66,633	77,192
Long-term loans from financial institutions	983,421	218,015	372,999
Employee benefit obligations	350,515	339,003	328,809
Total non-current liabilities	1,388,715	623,651	779,000
Total liabilities	4,788,663	4,031,533	3,072,758
Share capital - authorized, issued and fully paid up	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	3,396,759	3,354,409	3,373,897
Total equity	3,570,159	3,527,809	3,547,297
Total liabilities and equity	8,358,822	7,559,342	6,620,055

Statements of Income			
	Year 2022	Year 2021	Year 2020
Revenue from sales	5,619,020	4,091,725	3,445,428
Cost of sale	(4,914,283)	(3,576,375)	(3,058,640)
Selling and administrative expenses	(642,327)	(534,633)	(532,441)
Other income	24,891	31,269	18,906
Financial costs	(71,067)	(50,255)	(53,305)
Income tax	10,521	5,771	4,182
Net profit (loss) for the year	26,755	(32,498)	(175,870)
Basic earnings per share	3.62	(4.39)	(23.77)

Financial Ratios

Liquidity Ratio	Year 2022	Year 2021	Year 2020	
Liquidity Ratio	0.79	0.69	0.91	times
Quick Ratio	0.36	0.31	0.53	times
Cash Flow Ratio	0.18	0.10	0.28	times
Account Receivable Turnover	8.47	6.36	5.47	days
Average Collection Period	43.09	57.39	66.78	times
Inventory Turnover	3.84	3.62	3.46	days
Average Inventory Period	95.10	100.74	105.48	days
Accounts Payable Turnover	2.66	2.58	3.04	days
Average Payment Period	136.98	141.45	120.16	days
Cash Conversion Cycle	1.20	16.68	52.10	days

Profitability Ratio

Profitability Ratio	Year 2022	Year 2021	Year 2020	
Gross Margin Ratio	12.54	12.59	11.23	%
Operating Profit Margin	1.55	0.27	(3.71)	%
Net Profit (Loss) Ratio	0.48	(0.79)	(5.10)	%
Cash to Profit Ratio	800	3,120	(569)	%
Return on Shareholders	0.75	(0.92)	(4.96)	%
Return on Asset Ratio	0.32	(0.43)	(2.66)	%
Return to Fixed Assets Ratio	1.03	0.81	0.79	%
Asset Turnover Ratio	0.67	0.54	0.52	times

Financial Policy Ratio

Financial Policy Analysis Ratios	Year 2022	Year 2021	Year 2020	
Debt to Equity Ratio	1.34	1.14	0.87	times
Interest Coverage Ratio	7.36	7.82	4.42	times
Interest Bearing Debt to EBITDA Ratio	4.47	4.80	6.55	times
Commitment of Payment Ability Ratio	0.39	0.24	0.20	times
Dividend Payout Ratio (%)	-	-	-	%

5. General information and other key information

5.1 General information

Company Name	Goodyear (Thailand) Public Company Limited
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 Moo 3, Phaholyothin Road Km. 36, Klongnueng Sub-district, Klongluang District, Pathumthani 12120, Thailand
Number of Employees	908 Persons
Tel:	0-2909-8080
Fax:	-
Homepage	www.goodyear.co.th
Registered Capital	74,000,000 Baht
Paid-up Capital	74,000,000 Baht
Number of Issued Ordinary Shares	7,400,000 shares; Par Value 10 Baht each
Details of Juristic persons that the Company holds more than 10% Shareholding	-None-

References

Registrar	Thailand Securities Depository Co., Ltd. The Stock Exchange of Thailand Building, 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400, Thailand Tel: 0-2009-9999
Auditor	Mr. Chaisiri Ruangritchai CPA No. 4526 PricewaterhouseCoopers ABAS Limited 179/74-80 South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120, Thailand Tel: 0-2344-1000 or 0-2286-9999 Fax: 0-2286-5050
Legal Advisor	Tilleke & Gibbins International Co., Ltd. Supalai Grand Tower, 26th Floor, 1011 Rama 3 Road, Chongnonsi, Yannawa, Bangkok 10120, Thailand Tel: 0-2056-5555 Fax: 0-2056-5678 Baker McKenzie Co., Ltd. Abdulrahim Place, 25th Floor 990 Rama IV Road, Silom, Bangrak Bangkok 10500 Tel: 0-2636-2000 Fax: 0-2636-2111

5.2 Other key information

-None-

5.3 Legal Disputes

1) Cases that may have a negative impact on assets

The Company does not have any case with a potential negative impact on the Company's assets 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.

2) Cases that have a significant impact on business operations. (Invaluable in numbers)

The Company has no lawsuits that significantly affect its business operations.

3) Cases that is not a normal business practice of the company

The Company has no lawsuits arising from its normal business operations.

5.4 Financial Institution with Regular Contact (Only if the Company issues debentures)

-None-

Part 2 Corporate Governance

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Practices

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

6.1.1 Policies and guidelines on 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.

As corporate leaders and ultimately responsible parties, the Board of Directors not only plays a key role in ensuring sound long-term business performance and credibility among shareholders and stakeholders in the Company's best interests, but also forges sustainable business values. Working independently of the management, the Board of Directors is to perform its duties with responsibility, care, and integrity, while complying with the law, Company objectives and regulations, its own article of association, and those of the shareholders' meetings. The Company has set policies and guidelines for the Board of Directors as follows: -

- **Composition and appointment**

- The Board of Directors is composed of a minimum of 5. At least a half of the Board must be residents in Thailand. Each director must be qualified by the law and Company regulations.
- The Board consists of at least one-third being Independent directors
- The Board consists of directors who have knowledge and skill in the areas significantly beneficial to the Company.
- The Chairman of the Board must not be the same person as the Managing Director.
- Director should not serve more than 5 board positions in listed companies.
- 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).

• Independent Directors

There is a need to ensure that independent directors are critical to good governance, looking after the interests of Goodyear and its shareholders by imposing checks and balances on Board decision-making and commanding awareness of their duties with due regard for righteousness and free views from any party's influence. The Board therefore devised definitions and qualifications of independent directors in the corporate governance policy, with stricter shareholding requirements than those of SEC and SET, that is, 0.5% against the legal maximum of 1% of the total eligible voting shares of Goodyear, its parent company, subsidiaries, associates, major shareholder or controller, and independent directors' related parties.

• Policy on Director Nomination

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 directors is equal to or not less than one-third of the Board.

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.

• Policy on Board Diversity

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.

• Board Meetings

The Board schedules its meetings at least once every three months and as deemed necessary. The meeting schedule are agreed in advance for the year. The invitation letters accompanied by relevant documents are sent to the directors at least seven days in advance of each meeting.

• Terms of Directorship

In every Annual General Meeting (AGM), one-third of the Directors must retire; moreover, if this number is not a multiple of three, then the number nearest to one-third. The directors who have completed their terms may be re-appointed.

• Board Assessments

The Board of Directors set an evaluation form for the Board's performance. The Board conduct the evaluation in individual evaluation (self-evaluation) and group evaluation, for the Board's review of performance outcomes and problems for performance development.

- **Board Remuneration**

The Board of Directors 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.

- **Succession planning and development of executives**

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

- **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.

- **The sub-committees**

The Board appoints four committees to consider significant matters, consist of the Audit Committee, and Nomination and Corporate Governance Committee.

6.1.2 Policies and practices related to shareholders and stakeholders

- **Rights and Equitability of Shareholders**

1. Rights of shareholders

The shareholders are entitled to Goodyear's ownership by exercising their rights to appoint directors to perform on their behalf and the rights to make decisions on key changes. The Board recognizes and values such rights by promoting such exercise and refraining from violating or depriving their rights.

2. Equitable Treatment of Shareholder

All shareholders are entitled to receive fair treatment. The Board is to ensure such fair treatment and safeguard their fundamental rights.

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 for the shareholders to contact the Company via gyth_cosc@goodyear.com

- **The Company's Role toward Stakeholders**

The Company values the importance of the rights of all groups, which includes no actions violating their rights and intellectual properties. Moreover, 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.

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://investor.goodyear.co.th/storage/download/cg-policy/business-conduct-manual-en.pdf>

- **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 One Report and Financial Statements so that investors and related parties can be thoroughly informed.

- **Safety, Health, Environment, and Energy**

The Company values the stewardship of safety, occupational health, the environment, and energy to ensure that all activities fall under an international-standard management system that does not harm the environment, society, and communities.

- **Risk management, internal control, and internal audit**

The Company has established risk management and internal control systems to enable business to achieve its objectives, while complying with related laws and regulations and lowering corruption-related risks. An internal audit system is in place to ensure achievement of the company's goals.

- **Anti-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 of bribery.

(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 a policy of complying with the law with regard to giving or receiving gifts to or from government officials.



(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.

(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 laws and policies.

The Company announced the intention to participate in the Thai Private Sector Collective Action Coalition against Corruption (CAC), the company is on the certification process.

6.2 Code of Conduct

One of the missions 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.

Goodyear continued to train employees 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 Goodyear Integrity Hotline, which is a toll-free number, available 24 hours a day, 7 days a week or report the incident via www.goodyear.ethicspoint.com. 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 retaliation of any kind.

6.3 Milestones of policy, guidelines, and corporate governance of this past year

6.3.1 Milestones of policy, guideline, corporate governance, or committee charter revision

The Company maintained a “Very Good” score (4-star rating) for the third consecutive year from the Corporate Governance Report (CGR) of Thai Listed Companies in 2022 organized by Thai Institute of Directors. The Board of Directors endorsed the implementation of the recommendations for the Corporate Governance Improvement based on CGR.

6.3.2 Compliance with CG Code

The Board reviewed the SEC-developed CG Code of 2017 and recognized its role as corporate leaders in the application of CG to create sustainable business value. It assessed compliance with each item of the code of Goodyear’s policies, CG practices, and business context, concluding that its overall policies, measures, and business processes aligned with CG Code guidelines and proved appropriate for its business growth directions, except the following matters which are the aspects not yet applied, which will in time be adapted as seen fit.

CG Code guideline	Goodyear’s justification or alternative measure
The Board of Directors should regulate the Independent Directors to hold their positions no more than 9 years from the date of being first appointed as Independent Directors. In the event that the independent directors shall remain in position, the Board of Directors should reasonably consider the necessity.	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.
The Board of Directors should organize the Non-Executive Directors’ Meeting without management participated once a year.	The Company shall organize the Non-Executive Directors’ Meeting without management participated once a year starting from year 2023 onwards.

6.3.3 Other practices under CG Code

- Results of Assessment Survey of the Corporate Governance Report (CGR) of Thai Listed Companies 2022: “Very Good” score (4-star rating). The survey was conducted by Thai Institute of Directors (IOD).
- Results of Quality Assessment for 2022 AGM: 100 scores and listed as “Excellent” in participation of the AGM Quality Assurance evaluation. The evaluation was conducted by Thai Investors Association (TIA).

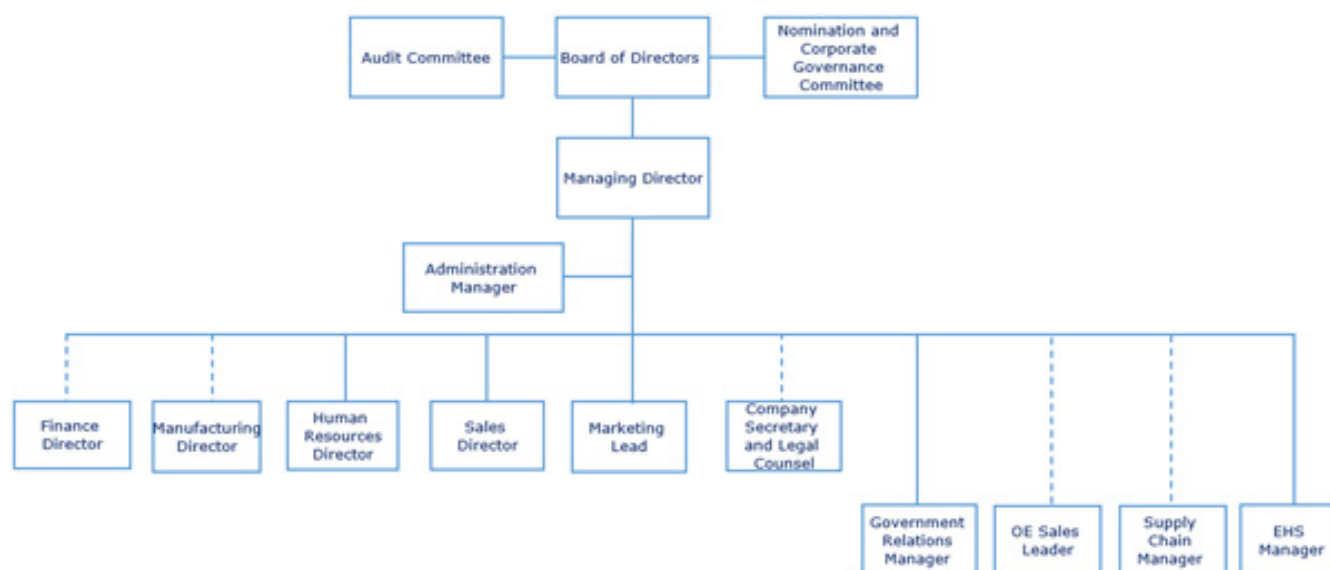
For more details, please refer to our website.

- Business Conduct Manual <https://investor.goodyear.co.th/storage/download/cg-policy/business-conduct-manual-en.pdf>

7. Corporate Governance Structure and key information about the Board, Sub-committees, Executives, Employees, and others

7.1 Corporate Governance Structure

The Board of Directors and the executives perform in the best interests of the Company and its shareholders under a clear, balanced, and accountable management structure. The Board monitors and ensures that the management implements its policies, plans and strategies, and that there is clear distinction of roles and responsibilities between the Board and the management. The Board appoints sub-committees to consider significant matters, consist of the Audit Committee, and Nomination and Corporate Governance Committee. The Managing Director is the top executive.



7.2 The Board of Directors

7.2.1 The Board Composition

- The Board diversity prevails, equipped with a series of skills matching the Company's business strategies. Also, there is a wide variety of education and experience without discrimination (detailed in Attachment 1).
- The Board consists of not less than five directors. Currently, the Company has nine directors, two of them are female.
- There are 4 non-executive directors (44.44% of total number of directors) and 5 executive directors (55.56% of total number of directors).
- Independent directors account for not less than one-third of the Board. Currently there are three Independent directors (33.33% of total number of directors).
- The Chairman of the Board is not the same person as the Managing Director in order to have a clear separation of the duties and responsibilities.

7.2.2 Details of Board of Directors and Controlling Persons

Board of Directors consists of 9 directors (as of December 31, 2022) as follows:

Name	Position	Annual General Meeting of Shareholders	The number of meetings attended the Board of Directors meeting	The number of meetings attended the Audit Committee meeting	The number of meetings attended the Nomination and Corporate Governance Committee meeting	Remark
1. Dr. Dhiraphorn Srifuengfung	<ul style="list-style-type: none"> Chairman of the Board Member of the Nomination and Corporate Governance Committee 	Yes	6/6	-	2/2	-
2. Mr. Randeep Singh Kanwar	<ul style="list-style-type: none"> Executive Director Member of the Nomination and Corporate Governance Committee 	Yes	6/6	-	2/2	-
3. Mr. Athaporn Khaimarn	<ul style="list-style-type: none"> Independent Director Chairman of the Audit Committee 	Yes	6/6	4/4	-	-
4. Mr. Yeap Swee Chuan	<ul style="list-style-type: none"> Independent Director Chairman of the Nomination and Corporate Governance Committee Member of the Audit Committee 	Yes	6/6	4/4	2/2	-
5. Ms. Chanapun Juangroongruangkit	<ul style="list-style-type: none"> Independent Director Member of the Audit Committee Member of the Nomination and Corporate Governance Committee 	No	4/6	4/4	2/2	-

Name	Position	Annual General Meeting of Shareholders	The number of meetings attended the Board of Directors meeting	The number of meetings attended the Audit Committee meeting	The number of meetings attended the Nomination and Corporate Governance Committee meeting	Remark
6. Mr. Michael Martens	Director	Yes	6/6	-	-	-
7. Miss Nicole Nuttall	Director	Yes	3/3	-	-	Appointed on 12 May 2022 replacing Mr. Wee Hong Kek
8. Mr. Gino Garzarella	Director	Yes	6/6	-	-	-
9. Mr. Michael Lee Dreyer	Director	Yes	6/6	-	-	-
Directors who are due to retire or resigned during 2022						
Mr. Wee Hong Kek	Director	Yes	3/3	-	-	Resigned on 9 May 2022

The names and number of the authorized directors who have authority to sign on behalf of the Company are:

Mr. Randeep Singh Kanwar or Miss Nicole Nuttall or Mr. Dhiraphorn Srifuengfung, any two of these three directors sign jointly with affixation of the Company's seal.

7.2.3 Roles, Duties, and Responsibilities of the Board of Directors

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.

Roles and Responsibilities of the Chairman, leader 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.

7.3 Sub-Committees

The Board of Directors elected Sub-committees (or Committees) to facilitate the Company's business, undertaking with two sub-committees with the authorities, duties and responsibilities as follows:

1. Audit Committee (AC)

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

Roles and Responsibilities

1. Review and ensure that the Company has accurate and sufficient financial reporting.
2. Review and 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 and termination of the head of the internal audit department or any other department responsible for internal auditing.
3. Review the Company's compliance with the Securities and Exchange law, 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.
 - (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.

2. Nomination and Corporate Governance Committee (NCG)

- | | |
|------------------------------------|--|
| 1. Mr. Yeap Swee Chuan | Chairman of the Nomination and Governance Committee and Independent Director |
| 2. Ms. Chanapun Juangroongruangkit | Member of the Nomination and Governance Committee and Independent Director |
| 3. Dr. Dhiraphorn Srifuengfung | Member of the Nomination and Governance Committee and Director |
| 4. Mr. Randeep Singh Kanwar | Member of the Nomination and Governance Committee and Executive Director |

Roles and Responsibilities

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 candidate to replace those who retired by rotation or resigned before their terms and propose to the Board of Directors' Meeting and/or Shareholders' Meeting for approval.
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.

7.4 Details of Executives

Names and Positions of Executives

The Board has set the roles and duties of the management in the Company's day-to-day business management in line with the company's policies, plans, goals, regulations, and rules, as well as Board resolutions, within the approved budget. To this end, they are to conform strictly with integrity and care to maintain the Company's and its shareholders' interests to the best of their ability under corporate governance. They are to report updates on conformance to such resolutions together with key performance outcomes to the Board. Currently, the executives whom are regarded as executives under SEC's definition (As of 31 January 2023) are as follows:

Name of Executive	Position
Ms. Justyna Gebska	Finance Director
Mr. Eric Cheng	Manufacturing Director
Mr. Borpit Duriyaprapan*	Sales Director
Ms. Ladda Simuang	Marketing Lead
Ms. Donnapat Inmanee**	Human Resources Director
Ms. Patcharee Maneetamwong***	Company Secretary and Legal Counsel

* Appointed on January 20, 2023

** Appointed on August 1, 2022

*** Appointed on May 12, 2022

Remuneration of Executives

Executives shall receive short-term remuneration, i.e., salary and bonus, and long-term remuneration, which will be considered on a case-by-case basis. These payments motivate executives, are on a par with industry practice, correlate to each person's key performance indices, and connect compensation with performance. In 2022, the Company paid remuneration to the executives with a total of Baht 36,137,415.

7.5 Details of Employees

As of December 31, 2022, the Company had a total headcount of 908 which consisted of:

Employee (person)	31 December 2022	31 December 2021	31 December 2020
Office Employees	102	97	103
Production Employees	806	780	761
Total	908	877	864

Significant changes in number of employees for the past three years

None. In 2022, there were 908 employees which slightly increased compared to 2021 of 877 employees.

Remuneration of Employees

The Company's policy provides for suitable compensation to employees in line with their performance outcomes. For the short term, this compensation is the bonus, in turn linked to company performance. For the long term, the performance assessment is based on the Balance Scorecard principles, and the Company provides the Saving Fund, a form of welfare that gives employees financial guarantee.

Employees receive remuneration in the form of salary; shift, night shift, overtime, per diem, attendance bonus and other welfare. Employees have the right to apply for membership of "Saving Fund". The accumulated money that the members will accumulate will be at the rate of 6% and 8% of the salary and the Company will contribute according to the number of years of membership. In 2022 the Company paid remuneration with a total of 767 million Baht.

Personnel 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").

In 2022, various training programs were provided to employees, averaging 4.2 hours/person/year. Details of training and seminar courses are as follows:

Training courses on Occupational Safety, Health and Workplace Environment, such as Mill rescue, Hoist operation, Lockout Tag, Basic Fire Fighting, and Electrician skill development.

Training courses on Environmental aspect, such as Stormwater treatment for Powerhouse operator, and Chemical Handling.

Other training courses, such as ISO17025 Internal auditor, and PowerPoint.

7.6 Other Key Information

7.6.1 Responsible Executives

– Company Secretary

Under the Securities and Exchange law (Articles 89/15 and 89/16), the Board Meeting No. 4/2022 appointed Miss Patcharee Maneetamwong, Legal Counsel, as Company Secretary, effective from May 12, 2022. The Company Secretary's profile appears in Attachment 1.

Roles and Responsibilities

- Prepare and maintain key documents, including the Board roster, meeting notices, minutes of Board meetings and shareholders' meetings, annual reports, and reports of vested interests
- Organize board meetings and shareholders' meetings in compliance with the laws and the Company's Articles of Association as well as coordinate and arrange for compliance with the resolutions of the board meetings and shareholders' meetings
- Advise and support the performance of directors and the management under the laws and relevant regulations
- Coordinate between the Chairman and the Managing Director together with his management team, which includes coordination between the Company and its shareholders
- Encourage the directors, management, and employees to conform to corporate governance

- Perform other lawful tasks and Board-assigned tasks.

– Chief Accounting

The Company assigned Mrs. Pannipa Rattanacharoen, Financial Controller to be directly responsible for the supervision of accounting, effective from February 1, 2020. Details of the Chief Accounting appear in Attachment 1.

– Head of Internal Audit

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

– Compliance Unit

The Company assigns Miss Patcharee Maneetamwong, the Company Secretary and Legal Counsel to act as a compliance unit for supervising the business operations of the Company in compliance with the laws, rules, regulations, policies and requirements of relevant government agencies or other agencies related to the Company's business operations. Details of the Compliance Unit are shown in Attachment 3.

7.6.2 Head of Investor Relations

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 the Company 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 <https://investor.goodyear.co.th/en>

7.6.3 Audit Fee

For the fiscal year 2022, the Company paid for the audit fees of Baht 1,954,892 to PricewaterhouseCoopers ABAS Ltd., and to persons or businesses related to the auditors and audit firm. PricewaterhouseCoopers ABAS Ltd. and its auditors do not have any relationships or interests involving the Company, executives, or major shareholders, including their related persons.

Audit fees for the year 2022

The audit fees for the yearly financial statements and for quarterly review of the financial statements of the Company for the year 2022 amounted to Baht 1,954,892.

Audit fees of the Company	
1. Audit fee for quarterly review of the financial statements	900,000* Baht
2. Audit fee for the yearly financial statements	1,054,892* Baht
Total audit fees of the Company	1,954,892* Baht

Non-audit Fee

The Company paid for other fees amounting to 134,200* Baht to the audit firm for observation of inventory or fixed asset destructions.

* Excluding out of pocket expenses

8. Highlights of Corporate Governance

8.1 Performance of the Board of Directors

8.1.1 Recruitment, Development, and Performance Assessment of the Board of Directors

(1) Independent Directors

The Board consists of at least one-third being independent directors, each of whom must comply with the following:

(1) An Independent Director must hold no more than 0.5% of all the voting shares of the Company and its parent company, subsidiaries, affiliates, major shareholders or the Company's controlling persons. An Independent Director's shares must include those held by related person to that Independent Director.

(2) An Independent Director must not be nor ever have been a director who is involved with management, an employee, a salaried adviser or a controlling individual of the Company, its parent company or any of its subsidiaries, affiliates, peer companies under the same parent company, major Shareholders or controlling individuals/entities. An exception is made in the case of a candidate who used to hold one of the positions mentioned above but left it at least two years prior. An individual who was a civil servant of or an adviser to a government agency that was the Company's major shareholder or controlling entity is not forbidden from being the Company's Independent Director.

(3) Independent Directors must not have familial (blood ties or legal) relations to individuals such as a parent, spouse, sibling, child, spouse of the child of another Director, an Executive, a major Shareholder, a controlling individual or an individual who is about to be nominated as a Director, an Executive or a controlling individual of the Company or any of its subsidiaries.

(4) Independent Directors must not have nor ever had a business relationship³ with the Company, its parent company or any of its subsidiaries, affiliates, major Shareholders or controlling individuals/entities in a manner that might obstruct their independent use of discretion. In addition, they must not be nor have ever been a significant Shareholder or a controlling individual of an entity having a business relationship with the Company, its parent company or any of its subsidiaries, affiliates, major Shareholders or the Company's controlling individuals/entities. An exception is made in the case of a candidate who used to have such a relationship or hold one of the positions mentioned above but ended it or left it at least two years prior.

(5) An Independent Director must not be nor ever have been an auditor of the Company, its parent company or any of its subsidiaries, affiliates, major Shareholders or controlling individuals/entities. In addition, he/she must not be a significant Shareholder, a controlling individual or a partner of the audit firm where the auditors of the Company, its parent company, or any of its subsidiaries, affiliates, major Shareholders or controlling individuals/entities work. An exception is made in the case of a candidate who used to hold any of the positions mentioned above but left it at least two years prior.

(6) An Independent Director must not be nor ever have been a provider of any professional service (including services as a legal or financial adviser) who receives compensation to the amount of over two million baht per year from the Company or any of its subsidiaries, affiliates, major shareholders or controlling individuals/entities. In addition, he/she must not be a significant Shareholder, a controlling individual or a partner of a provider of such professional services. An exception is made in the case of a candidate who used to hold any of the positions mentioned above but left it at least two years prior.

(7) An Independent Director must not be appointed as an agent of the Company's Director, a major shareholder or a shareholder connected with the Company's major shareholder.

(8) Independent Directors must not own businesses that are in the same industry and significant competition to the business of the Company or any of its subsidiaries. They must not be significant partners in a limited partnership or directors who are involved in management, employees, and salaried advisers or own more than one percent of all voting

shares of another firm that runs a business that is in the same industry as and is in significant competition with the business of the Company or any of its subsidiaries.

(9) An Independent Director must not have any other characteristics that might hinder the free expression of their opinions about the Company's operations.

After being appointed an Independent Director who meets the nine criteria stated above, might be tasked by the Board of Directors with making decisions in regard to the operations of the Company, its parent company or any of its subsidiaries, affiliates, peer companies under the same parent company, major Shareholders or controlling individuals/entities. They must be able to make collective decisions. The definitions in regard to Independent Directors are in line with the regulations of definitions in the notification of the Capital Market Supervisory Board on the issuance and offering of securities.

(2) Nomination and Appointment of Directors and the President & CEO

Directors' Nomination

1. The Company allows minor shareholders to nominate directors by submitting their names to it.
2. The Nomination and Corporate Governance Committee (NCG) reviews Board structure for suitability and the Company's strategic needs.
3. NCG defines the competency and experience for directors to be nominated so that they may match the Company's goals and strategies.
4. NCG proceeds with nomination and tables qualified persons for directors in place of those whose terms expire or for additional directors.
5. NCG selects those qualified to be directors and tables their names for the Board's endorsement.
6. The Board endorses the list of directors for subsequent approval by the AGM.

Appointment and Dismissal of Directors

1. Shareholder's meetings elect Directors through majority voting with one shareholder holding one vote per share held and can elect Directors individually. The candidates with the most votes are to be appointed Directors up to the number open at the meeting. If more candidates receive equal votes than the number of Directors required, the Chairman of the meeting must cast a deciding vote.
2. In every Annual General Meeting (AGM), one-third of the Directors must retire. If this number is not a multiple of three, then the number nearest to one-third. The names of the Directors to retire during the first and second year after the Company was registered are to be drawn by lots if not agreed otherwise. For subsequent years, those with the longest terms must retire. The retired Directors can be re-elected.
3. Other than the completion of term, a Director may retire for to the following reasons:
 - death
 - resignation
 - lack of qualifications according to the Public Company Limited Act and the Securities and Exchange Act
 - decision of the shareholders' meeting to resign according to the Public Company Limited Act
 - court order
4. In case a Director's position is vacant due to other reason than the completion of term, the Board of Directors is to elect a candidate with qualifications according to the Company's regulations in the next meeting except when the Director's term is to be completed in less than two months. At least, a three-quarter vote of the Directors present at the meeting is required. The elected Director holds the position until the completion of term of the Director they have replaced.

New Directors' Orientation

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).

Directors and Executives' Development

• In 2565, the Company has organized and supported the training courses to Directors and Executives as follows:

Name	Position	Training Course	Organized by
Mr. Randeep Singh Kanwar	Managing Director	"Safety Officer : Management Level"	Siam Safety
Ms. Justyna Gebaska	Finance Director	CFO's Refresh Course in 2023 "Training for continuing accounting knowledge"	Thailand Securities Institute (TSI), the Stock Exchange of Thailand.

In addition, the Company has provided its online training to Directors, Executives and Employees such as Forced Labor Protection, Conflict of Interest, Anti-Corruption Policy, Trade Competition Law, Privacy Protection, and Security Awareness Foundations.

Assessment of Directors' and Managing Director's performances

The Board of Directors, Sub-Committee and the Managing Director will conduct the self-assessment on an individual and the entire board or committee on yearly basis to evaluate their performance and improve it to be in line with the Company's policy. The Company Secretary is responsible for sending the self-assessment form to the Directors for evaluation. The assessment topics shall be the Structure and Qualifications of the Board, Roles, Duties, and Responsibilities of the Board, the Meeting of the Board of Directors, the Work of the Director, Relationship with Management, Self-Development of Directors, Monitoring the Process of Financial Reporting and Internal Control, and Compliance with Business Ethics. In the year 2022, the evaluation result concluded that the Board of Directors, the Sub-Committees, and the Managing Director perform their duties completely and efficiently.

8.1.2 Remuneration of Individual Directors

Policy on Director Remuneration

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.

Directors' Remuneration approved by the 2022 AGM on April 21, 2022 were 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

Remark: The Company does not have any other form of director's remuneration.

In 2022, the individual remuneration of Directors was as follows:

Name	Position	Remuneration (Baht)
1. Dr. Dhiraphorn Srifuengfung	<ul style="list-style-type: none"> Chairman of the Board Member of the Nomination and Corporate Governance Committee 	575,000
2. Mr. Athaporn Khaimarn	<ul style="list-style-type: none"> Independent Director Chairman of the Audit Committee 	700,000
3. Mr. Yeap Swee Chuan	<ul style="list-style-type: none"> Independent Director Chairman of the Nomination and Corporate Governance Committee Member of the Audit Committee 	750,000
4. Ms. Chanapun Juangroongruangkit	<ul style="list-style-type: none"> Independent Director Member of the Audit Committee Member of the Nomination and Corporate Governance Committee 	637,500

8.1.3 Monitoring Compliance of Corporate Governance Policy and Guidelines

1) Compliance with corporate governance for listed companies

The Stock Exchange of Thailand (SET) established "The Principles of Good Corporate Governance for Listed Companies 2012". The Securities and Exchange Commission (SEC) issued its "Corporate Governance for listed companies 2017", which contains eight major practical guidelines. This year the Company continued its compliance with these principles by following these five aspects:

1. Shareholders' rights

The Board of Directors has defined a policy on shareholders' rights in Section 3.3 of the corporate governance policy, as implemented below.

- A Record Date for the AGM was set so that shareholders may have enough time to review meeting notices and various data ahead of the meeting.
- Informed the shareholders about two months ahead of the meeting so that they may schedule meeting attendance, which exceeds what is required by law.
- The meeting notices with information for each agenda item and the proxy form were sent to shareholders for consideration in advance.
- Allowed the shareholders to submit queries needing the Company's explanation on certain points of the agenda for the AGM ahead of the meeting.
- Facilitated and supported shareholders to attend the shareholders' meeting of either by themselves or through proxies.
- Facilitated shareholders on the meeting date:
 - Applied the shareholders' meeting software to registration and vote-tallying for efficiency and transparency.
- Before the meeting, the Company Secretary clarified the method for voting and vote-tallying for each agenda item and requests shareholders' representatives to witness vote-tallying together with the inspector.
- During the meeting
 - Conducted the meeting by the agenda items sent to the shareholders without adding or switching the agenda items
 - Allowed the shareholders equal rights for expressing views and posing questions on each agenda item and recorded key concerns and views in the minutes.
- After the meeting
 - Publicized the resolutions and vote tallies on each agenda item through SET's channels and the Company's website by the evening of the meeting date
 - Publicized the minutes through SET's channels and the Company's website.

At the 2022 AGM, the Company invited the legal counsels from Tilleke & Gibbins International Ltd. to serve as an inspector to validate the votes and ensure transparency and compliance with the laws and the Company's Articles of Association.

Results of Quality Assessment for AGM: 100 scores and listed as "Excellent" in participation of the AGM Quality Assurance evaluation. The evaluation was conducted in 2022 by Thai Investors Association (TIA).

2. Equitable Treatment of Shareholders

The Board of Directors has defined a policy on equitable treatment of shareholders in the corporate governance policy, as implemented below.

- Publicized meeting documents on its website 30 days ahead of the meeting and delivered them to the shareholders 30 days ahead of the meeting.
 - Allowed the shareholders to propose additional AGM agenda items and nominate directors.
- The Company disclosed the criteria and methods at its website and informed the shareholders through SET's channels. The Board's policy is against adding agenda items without prior notice, particularly crucial items for which the shareholders need time to study before making a decision.

- Supported the shareholders' use of proxy forms to steer voting at the meeting (Form B) and nominated two independent directors as proxy alternatives at the meeting.
- Used ballots on every agenda item, particularly that dealing with directors' election where individual directors were voted on. To this end, the votes equaled the number of shares held for the election of one director.
- Required that directors with vested interests should have no votes and stay outside the meeting on such agenda item, as mentioned in the corporate governance policy.
- Defined practices for employees on the maintaining of the Company's confidential information and avoidance of benefit-seeking for themselves by exploiting such confidential information, as mentioned in the corporate governance policy.

3. Roles of stakeholders

The Company values the importance of the rights of all groups of stakeholders, which includes actions violating their rights and intellectual properties. Below are the policy and practices.

Employees

- Places Individual Development Plans (IDPs) to raise staff knowledge and caliber.
- Performance assessment whereby all employees have Key Performance Indicators and will be compensated in accordance with their performance.
- Gives a competitive and fair compensation, depending on the overall performance of the company, in the short term and the long term. In this regard, the Company will conduct a survey of compensation and welfare benchmark between the related industry, including the surrounding environment in order to review and improve the compensation criteria. The Company, moreover, provided staff welfare exceeding what was required by law.

Customers

- The Company is dedicated to improving the quality and reliability of products and services for maximum customer satisfaction. Its policy is to deliver quality goods and services which meet or exceed customers' demands under fair conditions.
- The Company is also committed to consumers' safety by delivering standard-certified products and by giving accurate, adequate information about its products and services.

Suppliers/Contractors

- The Company selects and treats Suppliers/Contractors with equality and fairness. The Company also firmly adheres to contract provisions.
- The Company has defined strict criteria for Suppliers/Contractors selection to bolster fair and equal procurement procedures without violation of human rights.

Creditors

The Company treats its creditors fairly, responsibly, and transparently and seeks to fulfill all its contractual and financial obligations, especially guarantee conditions, capital management, and payment, collaterals, potential obligations and debts, as well as appropriate capital structure management to ensure creditors of its financial status and ability of repayment.

Competitors

The Company conducts business with ethics, transparency, and engages in fair competition with its competitors under the guidance of fair competition. It does not seek to find information about Competitors through dishonest or inappropriate means, for example, bribing a competitor's employees. The Company does not engage in slander or discrediting its competitors.

Shareholders

The Company is determined to follow the principles of corporate governance and is focused on creating a business which has financial stability and sustainability to maximize the value of shares for the benefit of the shareholders.

Communities surrounding the Company, society, and the environment

The Company conducts its business with adherence to environmental management standards. The Company considers health and safety and the environment an integral part of the business,

Consumption of resources

The Company continually raises the efficiency of resource (energy, water and chemical) consumption, suiting the size of the business and efficiently managing waste and use it to its full potential.

Sanctity of intellectual properties

The Company has its policy on intellectual property management to define clear guidelines for the prevention and sanctity of intellectual properties.

4. Information disclosure and transparency

The Board of Directors has defined a policy on information disclosure and transparency in the corporate governance policy, as implemented below.

- Distributed key company data and documents, including the memorandum of association, certification, and regulations beyond the corporate governance policy on its website.
- Publicized the Company's key information regularly through SET's channels, annual information disclosure forms, annual report, and its website in Thai and English.

5. Board responsibilities

In the corporate governance policy, the Board defined a policy for the roles, duties, and responsibilities of the Board. Below are the Company's actions taken this year:

- Oversee the management's translation of strategic plans into operational plans, assess the outcomes and steer affiliates by requiring their management to report their performances and other key matters for the Board's acknowledgment.
- Developed performance assessment forms for the Board: individual (self-assessment and cross-assessment), group, and committee.
- Instituted an effective internal control system, internal audit, and risk management measures together with regular tracking at Board meetings.

2) Monitoring the use of Inside 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.

3) Conflicts of Interest

Report on the Interest

The Company requires the Directors and Executives according to the definition of the Securities and Exchange Commission to report their own and their related persons' interest upon holding a position or changing. The report on interest will be reviewed every year in accordance with the rules and procedures for report on interest of Directors and Executives as specified by the Securities and Exchange Commission.

4) Investor Relations

The Company has provided assorted data, performance results, financial statements, and other information given to SET. Other data were presented through documents as well as other reports submitted to SET on the Company's website <https://investor.goodyear.co.th/en>, where interested parties can read and download this information. The Investor's Relations page contains information in Thai and English which is updated frequently.

8.2 Report of the Audit Committee

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 2022, there were four audit committee meetings, with internal auditors in charge of finance and finance director attending meetings with the company's external auditors from Price Waterhouse Coopers ABAS Co., Ltd. The Audit Committee is pleased to report the audited results in 2022 to the Board of Directors and shareholders as follows:

1. Reviewed financial statements, the Audit Committee reviewed quarterly financial statements and annual financial statements in conjunction with the Management, with internal auditors, financial controller 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 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 for the appropriateness of the item, benefits to the Company, including maintaining the rights of shareholders. The Audit Committee deemed that the disclosure of connected transactions was complete, sufficient, with terms and conditions of transactions and fair prices before proposing to the Board of Directors' meeting to consider and approve the transactions.

4. Supervision of internal audit, 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 appointment of the company's auditor and meeting with the auditors, 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 fee in 2022. The Audit Committee also attended meetings with auditors and internal auditors without management participation to acknowledge the auditor's audit plan and 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 and fraud, as well as support the whistleblowing process.

According to the aforementioned actions, in 2022, 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

8.3 Report of the Nomination and Corporate Governance Committee

The Nomination and Corporate Governance Committee of the Company consists of (a) Mr. Yeap Swee Chuan, the Chairman of Nomination and Corporate Governance Committee (b) Dr. Dhiraphorn Srifuengfung, Member of Nomination and Corporate Governance Committee (c) Ms. Chanapun Juangroongruangkit, Member of Nomination and Corporate Governance Committee (d) Mr. Randeep Singh Kanwar, Member of Nomination and Corporate Governance Committee.

In 2022, there were two Nomination and Corporate Governance Committee meetings. The Nomination and Corporate Governance Committee is pleased to report the results of the nomination and corporate governance in 2022 to the Board of Directors and shareholders as follows:

1. Nomination of Director: The Nomination and Corporate Governance Committee nominated retired directors to be re-elected and new directors to replace the resigning ahead of term completion by taking into account their competency, experience, sound career records, leadership, vision, virtue, ethics, good attitudes toward the corporation, and the ability to dedicate adequate time. Currently, the Board of Directors consists of 9 directors, three of them are independent directors, four are non-executive directors, and five are executive directors. Their profiles appear in Attachment 1.

2. Reviewed the Criteria for Minority Shareholders to nominate Director and to propose the agenda items for the Annual General Meeting of Shareholders in Advance.

3. The Board of Directors has assigned the determination of directors' remuneration to be carefully considered by the Nomination and Corporate Governance Committee.

The Nomination and Corporate Governance Committee has considered the directors' remuneration by taking into account the suitability of business activity, size and linkage with the Company's operation result being in line with the same market norm, as well as experience, duties and responsibilities of the directors, and to propose the matter to the Board of Directors and shareholder's meeting for approval.

4. Corporate Governance Development: The Company has maintained a "Very Good" score for the third consecutive year resulting from the Corporate Governance Report (CGR) of Thai Listed Companies in 2022 conducted by Thai Institute of Directors. The Committee endorsed the implementation of the recommendations for corporate governance improvement based on CGR.

The Nomination and Corporate Governance Committee executed its duties under the corporate governance code to ensure transparent processes and foster confidence among shareholders and all stakeholders.



Mr. Yeap Swee Chuan
Chairman of the Nomination
and Corporate Governance Committee

8.4 Changes in the Securities Portfolios of Directors and Executives

The Directors and Executives are obligated to report their own securities holdings, spouses or cohabitation partners, and minor children under legal age, including juristic persons in which the aforementioned persons hold more than 30 percent of the total voting rights of the juristic person within 30 days from being appointed as Directors and Executives of the Company. Any changes in the holding of securities must be reported to the SEC within 3 business days.

Name	Shares as of Year-end 2021	Shares as of Year-end 2022	Increase (Decrease)
Board of Directors			
1. Dr. Dhiraphorn Srifuengfung ¹	1,200	1,200	-
• Dr. Dhiraphorn Srifuengfung	-	-	-
• Spouse	1,200	1,200	-
2. Mr. Randeep Singh Kanwar	-	-	-
3. Mr. Athaporn Khaimarn	-	-	-
4. Mr. Yeap Swee Chuan	-	-	-
5. Miss Chanapun Juangroongruangkit	-	-	-
6. Mr. Michael Martens	-	-	-
7. Mr. Wee Hong Kek ²	-	-	-
8. Miss Nicole Nuttall ³	-	-	-
9. Mr. Gino Garzarella	-	-	-
10. Mr. Michael Lee Dreyer	-	-	-
Executives			
1. Miss Justyna Gebaska	-	-	-
2. Mr. Eric Cheng	-	-	-
3. Mr. Annop Tanaruksa ⁴	-	-	-
4. Miss Ladda Simuang	-	-	-
5. Miss Donnapat Inmanee ⁵	-	-	-
6. Miss Patcharee Maneetamwong ⁶	-	-	-

Remarks

- Directors and Executives do not have any indirect shareholding (except the Director No.1).
- Mr. Wee Hong Kek resigned from the position of the Director with effect from 9 May 2022.
- Miss Nicole Nuttall was appointed as Director with effect from 12 May 2022.
- Mr. Annop Tanaruksa resigned with effect from 1 November 2022.
- Miss Donnapat Inmanee was appointed as Executive with effect from 1 August 2022
- Miss Patcharee Maneetamwong was appointed as Executive with effect from 3 May 2022

9. Internal Control and Connected Transaction

9.1 Internal Control

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

In 2022, the Board of Directors assessed 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. There is a set of realistic and measurable operational goals reviewed 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.

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 disclosed 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, 2022. 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 <https://investor.goodyear.co.th/en>

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

-None-

9.1.3 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 are shown in Attachment 3.

9.2 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 States of America and holds 66.87 percent of all the Company's issued shares. The remaining of 33.13 percent of shares are held by minority shareholders.

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.

Related party transactions

The following significant transactions carried out with related parties:

a) Sales Revenue

For the year ended 31 December	2022	2021	2020
	Thousand	Thousand	Thousand
	Baht	Baht	Baht
Revenue from sales of finished products			
<u>Parent company</u>			
Goodyear Tire & Rubber Company	865,116	561,517	374,510
<u>Companies under common control</u>			
Goodyear Singapore Tyres	1,405,888	1,330,292	1,014,190
Goodyear Netherlands B.V.	402,273	210,785	75,143
Goodyear & Dunlop Tyres (Aust) Pty Ltd	176,206	292,209	222,260
Goodyear SA (PTY) Ltd.	121,013	13,141	11,056
Others	463,425	389,792	343,708
Total	3,433,921	2,797,736	2,040,867
Revenue from sales of machinery and spare parts			
<u>Parent company</u>			
Goodyear Tire & Rubber Company	1,008	2,712	-
<u>Companies under common control</u>			
PT. Goodyear Indonesia Tbk	11,367	391	353
Goodyear Malaysia Berhad	6,259	5,055	9,817
Goodyear South Asia Tyres Pvt Ltd	2,097	-	-
Goodyear Dalian Tire Company Ltd.	-	2,033	-
Others	256	1,321	332
Total	20,987	11,512	10,502

b) Purchase of goods and services

For the year ended 31 December	2022	2021	2020
	Thousand	Thousand	Thousand
	Baht	Baht	Baht
Purchase raw materials and finished products			
<u>Parent company</u>			
Goodyear Tire & Rubber Company	168,067	110,807	87,384
<u>Companies under common control</u>			
Goodyear Dalian Tire Company Ltd.	184,078	221,058	163,376
PT. Goodyear Indonesia Tbk	121,387	73,180	73,144
Goodyear Orient Company (Pte) Ltd	109,641	68,439	28,595
Others	153,861	85,489	64,971
Total	737,034	558,973	417,470
Purchase machinery and spare parts			
<u>Parent company</u>			
Goodyear Tire & Rubber Company	74,021	34,386	67,025
<u>Companies under common control</u>			
Goodyear S.A.	7,686	39,098	16,747
Goodyear Dalian Tire Company Ltd.	-	84,826	114,207
Others	5,032	5,988	11,294
Total	86,739	164,298	209,273
Royalty fee			
<u>Parent company</u>			
Goodyear Tire & Rubber Company	250,920	175,554	135,080
Technical service fee for production			
<u>Parent company</u>			
Goodyear Tire & Rubber Company	27,465	24,299	23,899
Management fee			
<u>Companies under common control</u>			
Goodyear Orient Company (Private) Limited	195,061	184,111	150,523

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

For the year ended 31 December	2022	2021	2020
	Thousand	Thousand	Thousand
	Baht	Baht	Baht
Trade accounts receivable - related parties			
<u>Parent company</u>			
Goodyear Tire & Rubber Company	144,068	150,210	141,126
<u>Companies under common control</u>			
Goodyear Netherlands B.V.	63,296	108,844	7,247
Goodyear SA (PTY) Ltd	50,572	8,380	1,780
Goodyear Malaysia Berhad	31,930	10,246	5,162
Goodyear do Brasil Produtos	26,317	10,973	385
Goodyear & Dunlop Tyres (Aust) Pty Ltd	23,827	73,053	48,184
Others	21,009	73,647	110,414
Total	361,019	435,353	314,298
Receivable from related parties			
<u>Parent company</u>			
Goodyear Tire & Rubber Company	11,287	26,690	17,359
<u>Companies under common control</u>			
Goodyear SA-R&D	14,984	17,279	25,082
Goodyear Malaysia Berhad	4,487	1,714	2,939
Goodyear South Asia Tyres Pvt Ltd.	2,980	-	1,090
Goodyear Dalian Tires Company Ltd.	2,041	775	308
Goodyear Singapore Tyres	-	22,707	9,387
Others	1,132	3,231	853
Total	36,911	72,396	57,018
Trade accounts payable - related parties			
<u>Parent company</u>			
Goodyear Tire & Rubber Company	38,518	18,163	12,312
<u>Companies under common control</u>			
PT. Goodyear Indonesia,Tbk	21,491	7,449	7,951
Goodyear Dunlop Tires Operations SA	8,903	15,380	14,312
Goodyear Dalian Tires Company Ltd.	4,859	18,416	26,186
Cooper (Kunshan) Tire Co., Ltd.	3,416	-	-
Goodyear Malaysia Berhad	1,680	4,773	7,376
Others	884	23,584	6,510
Total	79,751	87,765	74,647

For the year ended 31 December	2022	2021	2020
	Thousand	Thousand	Thousand
	Baht	Baht	Baht
Payable to related parties			
<u>Parent company</u>			
Goodyear Tire & Rubber Company	115,071	33,497	33,284
<u>Companies under common control</u>			
Goodyear Singapore Tyres	248,212	177,918	17,971
Goodyear Dalian Tires Company Ltd.	2,476	-	7,546
Goodyear Regional Business Service	1,451	1,658	1,471
Goodyear Malaysia Berhad		3,650	2,121
Others	1,854	3,634	5,818
Total	369,064	220,357	68,211
Accounts payable for purchases of buildings and equipment			
<u>Parent company</u>			
Goodyear Tire & Rubber Company	35,012	5,417	22,355
<u>Companies under common control</u>			
Goodyear Dunlop Tires Operations SA	152	271	-
Goodyear S.A	-	9,680	1,108
Goodyear Dalian Tires Company Ltd.	-	264	33,990
Others	-	-	79
Total	35,164	15,632	57,532

d) Directors and key management personnel compensation

For the year ended 31 December	2022	2021	2020
	Thousand	Thousand	Thousand
	Baht	Baht	Baht
Salaries and other short-term benefits	36,100	33,273	28,834
Provident Funds and retirement benefits	(249)	200	162
Total	35,851	33,473	28,996

1. Sales of finished goods to related companies

The Company sold finished goods to related parties for further distribution in each region. These related party transactions followed normal business terms and were based on market prices.

2. Sales of assets and spare parts

The Company sold unused assets and spare parts that the Company to related parties to use in their manufacturing process. These related party transactions followed normal business terms and were based on market prices.

3. Purchases of goods and services from related parties

3.1 Purchases of raw materials and finished goods

The Company purchased raw materials and finished goods from related parties for manufacturing and sales. These related party transactions followed normal business terms and were based on market prices.

3.2 Purchases of machines and spare parts

The Company purchased machines and spare parts from related parties for manufacturing of finished goods. These related party transactions followed normal business terms and were based on market prices.

3.3 Royalty

The Company paid royalty to a related party for the right to manufacture and sell productions under Goodyear brand. These related party transactions followed normal business terms and were based on market prices.

3.4 Production service fee

The Company paid production service fee to a related company for the technical assistance services such as development, manufacturing, maintenance, operation, testing and improvement of products. These related party transactions followed normal business terms and were based on market prices.

3.5 Management fee

The Company paid management fee to related parties for the management assistance such as general/ administrative services, financial services, sales and marketing, information technology services and manufacturing. These related party transactions followed normal business terms and were based on market prices.

These transactions were undertaken in the normal course of business, with none representing extraordinary transactions. No siphoning of interests occurred among Goodyear Thailand, related parties, and shareholders. Approvals were scrutinized by Board of Directors, the President, who duly approved them as authorized under Goodyear Thailand's regulations.

The Audit Committee reviewed the connected transactions and transactions which might result in conflict of interest, as well as information regarding the relevant directors. These transactions and information are reviewed and disclosed to The Stock Exchange of Thailand in a timely manner.

Disclosure of related party transactions follows the rules of the Office of the Securities and Exchange Commission (SEC), as well as the accounting standards for the disclosure of information on connected parties and businesses, as defined by the Federation of Accounting Professions.

Part 3 Financial Statements

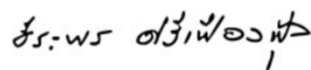
Declaration of the Directors' Responsibility for the Financial Statements

The Board of Directors is responsible for the financial statements of Goodyear (Thailand) Public Company Limited, as well as financial information that appears in the Form 56-1 One 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 provided and maintained adequate and effective internal control systems to ensure that accounting information is accurate and sufficient to maintain asset, 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 report, risk management, review internal control and internal audit, as well as consider the disclosure of related party transactions by the Audit Committee's opinion on this matter appeared in the Report of the Audit Committee for 2022, which is shown in the Form 56-1 One 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 Form 56-1 One Report.

The Board of Directors has the opinion that the overall Company's internal control system is satisfactory and can reasonably build confidence that the Company's financial statements for the year ended December 31, 2022 are reliable in accordance with the financial reporting standard, applicable laws and regulations.



Dr. Dhiraphorn Srifuengfung
Chairman of the Board of Directors

GOODYEAR (THAILAND) PUBLIC COMPANY LIMITED

STATUTORY FINANCIAL STATEMENTS

31 DECEMBER 2022



Independent Auditor's Report

To the shareholders of Goodyear (Thailand) Public Company Limited

My opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Goodyear (Thailand) Public Company Limited (the Company) as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2022;
- 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 significant accounting policies and other explanatory information.

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 Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the financial statements and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. 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 judgement, were of most significance in my audit of the financial statements of the current period. I determine allowance for expected credit loss for trade receivables. This 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 this matter.



Key audit matter	How my audit addressed the key audit matter
<p>Allowance for expected credit loss for trade receivables</p> <p>Refer to Note 10 ‘Trade and other receivables, net’</p> <p>As at 31 December 2022, the Company had trade receivables of Baht 211 million and an allowance for an expected credit loss of Baht 20 million in its statement of financial position.</p> <p>Under Thai Financial Reporting Standard No.9 (TFRS 9) “Financial Instruments”, the Company applied provision calculations specific to individual receivables and the simplified approach to measuring the allowance for the expected credit loss for trade receivables. This approach allows lifetime expected credit losses to be recognised from the receivables’ initial recognition. The Company determined these expected credit losses on trade receivables using the provision calculation, following the Company’s policy. The provision was based on historical credit loss experience.</p> <p>I focussed on the allowance for expected credit loss for trade receivables because trade receivables are material to the financial statements. The measurements for expected credit loss are complex and require a large amount of historical data to calculate the probability of credit losses. The consideration of an expected credit loss on individual and collective receivables involve significant judgements by management.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> • Evaluated the appropriateness of the selected accounting policies and approach regarding TFRS 9. • Provision based on specific individual receivables approach: <ul style="list-style-type: none"> - Challenged management on the appropriateness of their assumptions and estimates by testing the assumptions related to the provision calculations specific to individual receivables for aviation and automotive manufacturing customers, long outstanding receivables of tire replacement customers and intercompany receivables by evaluating historical collection experiences and the customers’ ability to pay the debts. - Obtained aging reports of trade receivables and tested the accuracy of these reports by checking aging against related invoices on a sample basis. - Assessed customers’ ability to pay the debts by testing a sample of subsequent collections after the period end, comparing the results to the Company’s records. - Reviewed the credit notes after the period end to assess any additional requirements for the provision calculation specific to individual receivables. - Discussed with the credit manager and management and reviewed customers’ debt dispute documents to assess any additional requirements for the provision calculation specific to individual receivables.



Key audit matter	How my audit addressed the key audit matter
	<ul style="list-style-type: none"> • Provision based on simplified approach: <ul style="list-style-type: none"> - Challenged management on the appropriateness of their assumptions and estimates by testing the assumptions related to the simplified approach applied to measure the expected credit loss for tire replacement customers. - Developed an expected credit loss calculation model using the Company's historical debt collection statistics over the past three years and analysed the sensitivity and impact of the COVID-19 pandemic in slowing down the collection of receivables. - Calculated the expected credit loss, evaluated the calculation results as compared with the Company's records and assessed the reasonableness to determine if there are material differences. <p>Based on my procedures, I consider management's assumptions related to calculating of expected credit loss on trade receivables to be appropriate according to the supporting evidence.</p>

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 TFRS, 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 judgement 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.
- 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.

A handwritten signature in blue ink, appearing to read "Chaisiri Ruangritchai".

Chaisiri Ruangritchai
Certified Public Accountant (Thailand) No. 4526
Bangkok
24 February 2023

Goodyear (Thailand) Public Company Limited
Statements of Financial Position
As at 31 December 2022

		2022	2021
	Notes	Thousand Baht	Thousand Baht
Assets			
Current assets			
Cash and cash equivalents	9	607,336	326,146
Trade and other receivables, net	10	609,131	717,474
Inventories, net	12	1,383,238	1,177,492
Refundable value added tax within one year		68,706	107,877
Other current assets		9,104	5,431
Total current assets		2,677,515	2,334,420
Non-current assets			
Property, plant and equipment, net	13	5,473,235	5,036,041
Right-of-use assets, net	14	80,197	88,237
Computer software, net		1,537	1,830
Deferred tax assets, net	15	76,123	60,140
Refundable value added tax		38,981	29,143
Other non-current assets		11,234	9,531
Total non-current assets		5,681,307	5,224,922
Total assets		8,358,822	7,559,342

The accompanying notes on pages 12 to 39 are an integral part of these financial statements.

Goodyear (Thailand) Public Company Limited**Statements of Financial Position (Continued)****As at 31 December 2022**

		2022	2021
	Notes	Thousand Baht	Thousand Baht
Liabilities and equity			
Current liabilities			
Short-term loan from financial institutions	16	1,087,000	1,495,000
Trade and other payables	17	1,989,511	1,699,065
Current portion of lease liabilities, net	14	33,449	26,674
Current portion of long-term loans from financial institutions, net	18	271,230	174,412
Withholding tax payables		4,373	8,457
Current income tax payable		8,168	-
Other current liabilities		6,217	4,274
Total current liabilities		3,399,948	3,407,882
Non-current liabilities			
Lease liabilities, net	14	54,779	66,633
Long-term loan from financial institutions, net	18	983,421	218,015
Employee benefit obligations	19	350,515	339,003
Total non-current liabilities		1,388,715	623,651
Total liabilities		4,788,663	4,031,533
Equity			
Share capital			
Authorised share capital			
7,400,000 ordinary shares at par value of Baht 10 each		74,000	74,000
Issued and paid-up share capital			
7,400,000 ordinary shares fully paid-up of Baht 10 each		74,000	74,000
Premium on share capital		92,000	92,000
Retained earnings			
Appropriated - Legal reserve	20	7,400	7,400
Unappropriated		3,396,759	3,354,409
Total equity		3,570,159	3,527,809
Total liabilities and equity		8,358,822	7,559,342

The accompanying notes on pages 12 to 39 are an integral part of these financial statements.

Goodyear (Thailand) Public Company Limited
Statements of Income
For the year ended 31 December 2022

	Notes	2022 Thousand Baht	2021 Thousand Baht
Sales and related services	8, 23	5,619,020	4,091,725
Cost of sales and related services		(4,914,283)	(3,576,375)
Gross profit		704,737	515,350
Other income		13,289	13,270
Selling expenses		(454,780)	(363,299)
Administrative expenses		(187,547)	(171,334)
Loss on (Reversal of) Impairment losses on financial assets		4,441	(853)
Gain on exchange rates, net		7,161	17,999
Profit before finance cost and income tax		87,301	11,133
Finance costs		(71,067)	(49,402)
Profit (loss) before income tax		16,234	(38,269)
Income tax	22	10,521	5,771
Net profit (loss) for the period		26,755	(32,498)
Earnings (loss) per share (Baht)	24		
Basic earnings (loss) per share (Baht per share)		3.62	(4.39)

The accompanying notes on pages 12 to 39 are an integral part of these financial statements.

Goodyear (Thailand) Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2022

		2022	2021
	Notes	Thousand Baht	Thousand Baht
Net profit (loss) for the year		26,755	(32,498)
Item that will not be reclassified subsequently to profit or loss:			
Remeasurements gain from post-employment benefit obligations	19	19,494	16,263
Income tax on item that will not be reclassified to profit or loss	15	(3,899)	(3,253)
Total comprehensive income (expense) for the year		42,350	(19,488)

The accompanying notes on pages 12 to 39 are an integral part of these financial statements.

Goodyear (Thailand) Public Company Limited
Statements of Changes in Equity
For the year ended 31 December 2022

	Issued and paid-up share capital Thousand Baht	Premium on share capital Thousand Baht	Retained earnings	
			Appropriated - Legal reserve Thousand Baht	Unappropriate Thousand Baht
				Total Thousand Baht
Beginning balance as at 1 January 2021	74,000	92,000	7,400	3,373,897
Changes in equity for the year	-	-	-	(19,488)
Total comprehensive expenses for the year				
Ending balance as at 31 December 2021	74,000	92,000	7,400	3,354,409
Beginning balance as at 1 January 2022	74,000	92,000	7,400	3,354,409
Changes in equity for the year	-	-	-	42,350
Total comprehensive income for the year				
Ending balance as at 31 December 2022	74,000	92,000	7,400	3,396,759

The accompanying notes on pages 12 to 39 are an integral part of these financial statements.

Goodyear (Thailand) Public Company Limited
Statements of Cash Flows
For the year ended 31 December 2022

		2022	2021
	Notes	Thousand Baht	Thousand Baht
Cash flows generated from operating activities	25	698,871	347,398
Cash flows from investing activities			
Purchases of plant and equipment		(799,408)	(991,463)
Purchases of intangible assets		(34)	(258)
Proceeds from disposals of machine and equipment		12,527	49,186
Net cash used in investing activities		(786,915)	(942,535)
Cash flows from financing activities			
Interest paid		(55,527)	(39,297)
Cash payment for lease liabilities	14	(40,569)	(37,172)
Cash receipts from short-term loans from financial institutions		6,672,000	4,750,000
Cash receipts from long-term loan from a financial institution	18	1,033,000	-
Repayments for short-term loans from financial institutions		(7,080,000)	(4,260,000)
Repayments for long-term loan from a financial institution	18	(165,411)	(143,237)
Net cash receipts from financing activities		363,493	270,294
Net increase (decrease) in cash and cash equivalents		275,449	(324,843)
Cash and cash equivalents at the beginning of the year		326,146	649,014
Exchange gain on cash and cash equivalents		5,741	1,975
Cash and cash equivalents at the end of the year	9	607,336	326,146
Non-cash transactions			
Payable from purchases of plant and equipment	17	290,662	241,194

The accompanying notes on pages 12 to 39 are an integral part of these financial statements.

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

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 24 February 2023.

2 Basis of preparation

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

The financial statements have been prepared under the historical cost convention except derivatives as explained in relevant accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of the financial statements have 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.

3 New and amended financial reporting standards

3.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022 and relevant to the Company

Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance, financial instruments and disclosures for insurance business provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

These financial reporting standards do not have the significant impact to the Company.

3.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 and relevant to the Company

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Company.

- a) Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.

The management is in the process of evaluating the impact of the adoption of the revised financial reporting standards.

4 Accounting policies

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

4.1 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.

4.2 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.

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

4.3 Trade accounts receivable

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

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 4.5(d).

4.4 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.

4.5 Financial asset

a) Classification

The Company classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Company has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

d) Impairment

The Company applies the TFRS 9 simplified approach in measuring the impairment of trade accounts receivable which applies lifetime expected credit loss, from initial recognition, for all trade accounts receivable.

To measure the expected credit losses, trade accounts receivable has been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost, the Company applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Company assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Company and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Company reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss as a separate line item.

4.6 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 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.

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost 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.

4.7 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.

4.8 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. 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.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

4.9 Leases

Leases - where the Company is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

4.10 Financial liabilities

a) Classification

Financial instruments issued by the Company are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Company has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Company's own equity instruments.
- Where the Company has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

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.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

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c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Company assesses whether the renegotiation/ modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

4.11 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.

4.12 Current and deferred income taxes

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

Current 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. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

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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.

4.13 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.

4.14 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.

4.15 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.

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4.16 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.

4.17 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.

5 Financial instruments

5.1 Financial risk factors

The Company exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

5.1.1 Market risk

a) 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 2022.

b) Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company is exposed to interest rate risk relates primarily to its deposits at financial institutions, long-term loans to related parties, short-term borrowings, long-term borrowings and debentures. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The Company assesses that the interest rate risk is insignificant as the interests from financial assets and financial liabilities are not significantly different.

The Company does not apply hedge accounting.

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c) Price risk

The Company has no investments held by the Company which are classified either as at fair value through other comprehensive income (FVOCI) or at fair value through profit or loss (FVPL). Therefore, The Company has no exposure on the price risk.

5.1.2 Credit risk

Credit risk arises from cash and cash equivalents and credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a Company basis. For banks and financial institutions, only independently rated parties.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on the assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

b) Impairment of financial assets

The Company has financial assets that are subject to the expected credit loss model:

- Trade and other receivables

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Company applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances within 3 years before 31 December 2022.

On that basis, the loss allowance as at 31 December 2022 was determined as follows for trade receivables:

a) Trade receivables, post-dated cheque - receivables and retention receivables

The Company considered the aging of receivables based on invoices' due date of outstanding receivables balance as of reporting date.

	Not yet due Million Baht	Up to 3 months Million Baht	3 - 6 months Million Baht	6 - 12 months Million Baht	More than 12 months Million Baht	Total Million Baht
As of 31 December 2022						
Gross carrying amount - trade receivables	168	21	1	1	20	211
Loss allowance	-	-	-	-	(20)	(20)

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As of 31 December 2021	Not yet due Million Baht	Up to 3 months Million Baht	3 - 6 months Million Baht	6 - 12 months Million Baht	More than 12 months Million Baht	Total Million Baht
Gross carrying amount - trade receivables	179	15	1	1	21	217
Loss allowance	(2)	(1)	-	(1)	(20)	(24)

Impairment losses on trade receivables and contract assets are presented as net impairment losses within profit before finance costs and income taxes. Subsequent recoveries of amounts previously written off are credited against the same line item.

5.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Company held deposits at call of Baht 607 million (2021: Baht 326 million) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Company Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity reserve and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

a) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31 December 2022	Within 1 year Million Baht	1 - 5 years Million Baht	Total contractual cash flows Million Baht	Carrying amount Million Baht
Trade and other payables	1,990	-	1,990	1,990
Lease liabilities	45	64	109	88
Long-term loans from a financial institution	333	1,097	1,430	1,255
Total	2,368	1,161	3,529	3,333
As at 31 December 2021	Within 1 year Million Baht	1 - 5 years Million Baht	Total contractual cash flows Million Baht	Carrying amount Million Baht
Trade and other payables	1,699	-	1,699	1,699
Lease liabilities	40	85	125	94
Long-term loans from a financial Institution	191	320	511	392
Total	1,930	405	2,335	2,185

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5.2 Capital management

5.2.1 Risk management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital based on gearing ratio which is determined by dividing net debt with equity.

6 Fair values

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1 : The fair value of the asset or liability is based on the current bid price / closing price by reference to the Stock Exchange of Thailand / the Thai Bond Dealing Centre.
- Level 2 : The fair value of the asset or liability is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3 : The fair value of the asset or liability is not based on observable market data.

The Company disclosed the fair value measurement in related to notes 11.

7 Critical accounting estimates, and judgements

Estimates and judgements 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.

a) Provision for inventories

The Company has established the provision for inventories to reflect the net realise value from inventories. The provision for inventories is the effect from the Company's analysis of obsolete and slow-moving inventories. The balance of inventories will be written-off once they are obsoleted and unable to sell out.

b) Defined retirement 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 19.

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c) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Company's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

8 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 judgements 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 Million Baht	Export sales Million Baht	Total Million Baht
For the year ended 31 December 2022			
Sales	2,185	3,434	5,619
Segment gross profit	202	503	705
Unallocated expenses, net			(689)
Profit before income tax			16
Timing of revenue recognition			
At a point in time	2,185	3,434	5,619
For the year ended 31 December 2021			
Sales	1,294	2,798	4,092
Segment gross profit	147	368	515
Unallocated expenses, net			(553)
Loss before income tax			(38)
Timing of revenue recognition			
At a point in time	1,294	2,798	4,092

Major customers

For the year ended 31 December 2022, the Company's revenues are derived from two major customers which are related parties of Baht 2,271.0 million or 40.4% of the Company's total revenue (2021: Baht 1,891.9 million or 46.2% of the Company's revenue).

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9 Cash and cash equivalents

	2022 Million Baht	2021 Million Baht
Deposits held at banks - current accounts	279	94
- savings accounts	328	232
	607	326

As at 31 December 2022, the weighted average interest rate of savings accounts was 0.09% per annum (2021: 0.05% per annum).

10 Trade and other receivables, net

	2022 Million Baht	2021 Million Baht
Trade receivables - third parties	211	217
<u>Less</u> Loss allowance (Note 5.1.2)	(20)	(24)
	191	193
Trade receivables - related parties (Note 27)	361	435
Amounts due from related parties (Note 27)	37	73
Prepayments	11	7
Advance payments	8	4
Other receivables	1	5
Total trade and other receivables, net	609	717

Outstanding trade receivables can be analysed as follows:

	2022 Million Baht	2021 Million Baht
<u>Trade receivables - third parties</u>		
Not yet due	168	179
Up to 3 months	21	15
4 - 12 months	2	2
Over 12 months	20	21
	211	217
<u>Less</u> Allowance for doubtful accounts	(20)	(24)
	191	193
<u>Trade receivables - related parties</u>		
Not yet due	305	398
Up to 3 months	53	35
4 - 12 months	3	2
	361	435

As at 31 December 2022, classification of the Company's trade and other receivables, net are amortised cost and the fair value of the trade and other receivables, net are not expected to be materially different from the amounts presented in the statements of financial position.

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11 Financial assets and financial liabilities

As at 31 December 2022, classification of the Company's financial assets and financial liabilities are amortised cost and the fair value of the short-term of financial assets and financial liabilities are not expected to be materially different from the amounts presented in the statements of financial position are as follows:

	2022
	Amortised cost
	Million Baht
Financial assets	
Cash and cash equivalents	607
Trade and other receivables, net	609
Financial liabilities	
Trade and other payables	1,087
Short-term loans from financial institutions	1,990
Long-term loans from financial institutions	1,255

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair values of long-term loans from financial institutions with interest charged at the floating rates, the carrying amount of such loans approximates the fair value within level 3 of the fair value hierarchy. The calculation of fair values are based on discounted cash flows using discount rates based upon market interest rates for borrowing in the same risk level at the date of the financial statements.

12 Inventories, net

	2022	2021
	Million	Million
	Baht	Baht
Raw materials	430	282
Work in progress	96	46
Finished goods	662	614
Spare parts	150	158
Goods in transits	84	130
	1,422	1,230
<u>Less</u> Provision for net realisable value - slow moving	(26)	(50)
- net realisable value	(13)	(3)
Total inventories, net	1,383	1,177

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13 Property, plant and equipment, net

	Land, land improvements and building Million Baht	Machinery and equipment Million Baht	Furniture, fixtures and office equipment Million Baht	Motor vehicles Million Baht	Assets under construction And asset installation Million Baht	Total Million Baht
As at 1 January 2021						
Cost	1,758	7,249	100	20	693	9,820
Less Accumulated depreciation	(625)	(4,719)	(84)	(13)	-	(5,441)
Allowance for impairment loss	-	(19)	(2)	-	-	(21)
Net book amount	1,133	2,511	14	7	693	4,358
For the year ended 31 December 2021						
Opening net book amount	1,133	2,511	14	7	693	4,358
Additions	-	-	-	-	1,083	1,083
Transfers	29	538	10	-	(577)	-
Disposals, net	-	(41)	-	-	(9)	(50)
Write off, net	-	(2)	-	-	-	(2)
Depreciation charges	(45)	(300)	(7)	(1)	-	(353)
Closing net book amount	1,117	2,706	17	6	1,190	5,036
As at 31 December 2021						
Cost	1,787	7,632	110	20	1,190	10,739
Less Accumulated depreciation	(670)	(4,907)	(91)	(14)	-	(5,682)
Allowance for impairment loss	-	(19)	(2)	-	-	(21)
Net book amount	1,117	2,706	17	6	1,190	5,036

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Depreciation expense of Baht 399.1 million (2021: Baht 353.6 million) has been charged in 'cost of goods sold' of Baht 365.7 million (2021: Baht 330.6 million) and in 'selling expenses and administrative expenses' of Baht 33.4 million (2021: Baht 23.0 million).

Depreciation expense of Baht 399.1 million (2021: Baht 353.6 million) has been charged in 'cost of goods sold' of Baht 365.7 million (2021: Baht 330.6 million) and in 'selling expenses and administrative expenses' of Baht 33.4 million (2021: Baht 23.0 million).

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14 Right-of-use assets, net and Lease liabilities, net

The statement of financial position included following transactions relating to leases.

As at 31 December

	2022 Million Baht	2021 Million Baht
Right-of-use assets - carrying amount		
Buildings and building improvements	66	68
Vehicles	4	5
Information technology	8	12
Equipment	2	3
Total right-of-use assets	80	88
Lease liabilities		
Current		
Non-current	33	27
	55	67
Total lease liabilities	88	94

Transactions recognised in the financial statements relating to leases are as follows:

	2022 Million Baht	2021 Million Baht
Depreciation charge of right-of-use assets		
Buildings and building improvements	28	21
Vehicles	3	3
Information technology	3	3
Equipment	2	2
Total depreciation charge of right-of-use assets	36	29
Additions to the right-of-use assets during the year	28	21
Total cash outflows for leases	41	37
Finance cost relating to right-of-use assets	7	9
Expenses relating to leases of low-value assets	85	52

15 Deferred income taxes

Deferred income taxes

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

	2022 Million Baht	2021 Million Baht
Deferred tax assets:	117	103
Deferred tax liabilities:	(41)	(43)
Deferred tax asset (net)	76	60

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

	2022 Million Baht	2021 Million Baht
As at 1 January	60	57
Charged to profit or loss (Note 22)	20	6
Credited relation to components of other comprehensive income	(4)	(3)
As at 31 December	76	60

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

	Provisions for receivables and inventories Million Baht	Other provisions liabilities Million Baht	Employee benefit Million Baht	Depreciation Million Baht	Others Million Baht	Total Million Baht
Deferred tax assets						
At 1 January 2022	14	16	68	-	5	103
(Charged) credited to						
- profit or loss (Note 22)	(2)	12	7	-	1	18
- other comprehensive income	-	-	(4)	-	-	(4)
At 31 December 2022	12	28	71	-	6	117
As at 1 January 2021	12	16	66	-	5	99
(Charged) credited to						
- profit or loss (Note 22)	2	-	5	-	-	7
- other comprehensive income	-	-	(3)	-	-	(3)
At 31 December 2021	14	16	68	-	5	103
Deferred tax liabilities						
At 1 January 2022	-	-	-	(43)	-	(43)
Charged to profit or loss (Note 22)	-	-	-	2	-	2
At 31 December 2022	-	-	-	(41)	-	(41)
At 1 January 2021	-	-	-	(42)	-	(42)
Credited to profit or loss (Note 22)	-	-	-	(1)	-	(1)
At 31 December 2021	-	-	-	(43)	-	(43)

16 Short-term loans from financial institutions

As at 31 December 2022, the Company had a promissory note of Baht 1,087.0 million with a financial institution in Thailand, bearing interest rate 2.93% - 4.36% per annum (as at 31 December 2021: 1.95% - 3.60% per annum). The outstanding principal and interests are due for payable on within 10 February 2023 to 2 March 2023.

As at 31 December 2022, the unused loan facility is Baht 1,268.2 million (2021: Baht 570.0 million).

As at 31 December 2022, short-term loans from financial institutions, net are measured at amortised cost and the fair value of the short-term loans from financial institutions, net are not expected to be materially different from the amounts presented in the statements of financial position.

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17 Trade and other payables

	2022 Million Baht	2021 Million Baht
Trade payables - third parties	1,047	968
Trade payables - related parties (Note 27)	80	88
Amounts due to related parties (Note 27)	369	220
Payables from purchases of plant and equipment - third parties	256	225
Payables from purchases of plant and equipment - related parties (Note 27)	35	16
Accrued expenses	203	182
Total trade and other payables	1,990	1,699

As at 31 December 2022, trade and other payables are measured at amortised cost and the fair value of the trade and other payables are not expected to be materially different from the amounts presented in the statements of financial position.

18 Long-term loans from financial institutions, net

The movements of long-term loans from financial institutions during the year can be analysed as follows:

For the year ended 31 December	2022 Million Baht	2021 Million Baht
Opening balance	392	539
Additions	1,033	-
Repayment during the year	(165)	(143)
Unrealised loss on foreign exchange rate	(5)	(4)
Closing balance	1,255	392

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.

On 8 November 2022, the Company entered into a loan amendment agreement to replace the interest of LIBOR plus 2.80% with SOFR plus a credit adjustment spread (CAS) of 0.25% plus 2.80%. As at 31 December 2022, the outstanding balance of the loan is Baht 221.7 million.

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In October 2022, the Company entered into a loan agreement with a financial institution with a loan facility of US Dollars 4.5 million and Baht 867.0 million. This loan is guaranteed by The Goodyear Tire & Rubber Company (parent company) and bears interest at SOFR plus 3.50% per annum for the loan denominated in US Dollars and BIBOR plus 3.25% per annum for the loan denominated in Baht. The interest will be paid on quarterly basis. The loan is repayable in 22 equal quarterly instalments, with the first repayment instalment to be made no later than the last day of September 2023 and fully paid in 7 years from the first drawdown date.

On 16 November 2022, the Company entered into a loan amendment agreement to change the loan facility of US Dollars 4.5 million to Baht 308.0 million.

The Company received the first drawdown under this loan agreement on 20 October 2022 in the amount of Baht 725.0 million and the second drawdown under this agreement on 22 November 2022 in the amount of Baht 308.0 million. As at 31 December 2022, the outstanding balance of the loan is Baht 1,033.0 million.

The effective interest rate at the statements of financial position date was 3.26% per annum (2021: 3.15% 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

	2022 Million Baht	2021 Million Baht
Within 1 year	271	174
Between 1 and 5 years	984	218
Closing balance	1,255	392

As at 31 December 2022, the unused loan facility is Baht 3.7 million (2021: Baht 3.7 million).

As at 31 December 2022, the fair values of long-term loans from financial institutions with interest charged at the floating rates. The calculation of fair values are based on discounted cash flows using discount rates based upon market interest rates for borrowing in the same risk level, the carrying amount of such loans approximates the fair value within level 2 of the fair value hierarchy and the fair value of the long-term loans from financial institutions, net are not expected to be materially different from the amounts presented in the statements of financial position.

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

19 Employee benefit obligations

	2022 Million Baht	2021 Million Baht
Statements of financial position:		
Reserve for savings fund	110	116
Reserve for retirement benefits	241	223
	351	339
Statements of income		
Savings fund	27	16
Retirement benefits	28	20
	55	36
Remeasurement for:		
Savings fund	(24)	(3)
Retirement benefits	4	(13)
	(20)	(16)

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

	2022 Million Baht	2021 Million Baht
At 1 January	339	329
Current service cost	41	33
Past service cost	8	-
Interest expense	6	3
Remeasurements:		
Gain from change in financial assumption	(14)	(22)
Loss (gain) from experience loss	(6)	6
Benefits paid	(23)	(10)
At 31 December	351	339

The significant actuarial assumptions used were as follows:

	2022	2021
Discount rate - Retirement Fund Plan	2.50%	2.00%
Discount rate - Saving Fund Plan	2.00%	1.50%
Salary increase rate	3.00%	3.00%

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2022	2021	2022 Million Baht	2021 Million Baht	2022 Million Baht	2021 Million Baht
Discount rate	0.50%	0.50%	Decrease by 10	Decrease by 10	Increase by 11	Increase by 10
- Retirement Fund Plan						
Salary increase rate	0.50%	0.50%	Increase by 10	Increase by 10	Decrease by 10	Decrease by 10
- Retirement Fund Plan						
Discount rate	0.50%	0.50%	Decrease by 4	Decrease by 4	Increase by 4	Increase by 4
- Saving Fund Plan						
Salary increase rate	0.50%	0.50%	Increase by 1	Increase by 1	Decrease by 1	Decrease by 1
- Saving Fund Plan						

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 - Retirement Fund Plan is 9 years (2021: 9 years).

The weighted average duration of the defined benefit obligation - Saving Fund Plan is 6 years (2021: 6 years).

20 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.

21 Expenses by nature

	2022 Million Baht	2021 Million Baht
Raw materials and supplies used	2,670	1,717
Changes in inventories of finished goods and work in progress	42	268
Staff costs	732	658
Depreciation and amortisation	436	382

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

22 Income tax expense

Income tax expense for the year comprises the following:

	2022 Million Baht	2021 Million Baht
Current income tax:		
Current income tax on profits for the year	9	-
Total current income tax	9	-
Deferred income tax:		
Increase in deferred tax assets (Note 15)	(18)	(7)
Increase (decrease) in deferred tax liabilities (Note 15)	(2)	1
Total deferred tax	(20)	(6)
Income tax expense	(11)	(6)

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the tax rate of 20% (2021: 20%) as follow:

	2022 Million Baht	2021 Million Baht
Profit (loss) before income tax	16	(38)
Income tax at statutory tax rates	3	(8)
Tax effect of:		
Income not subject to tax	(6)	-
Expenses not deductible for tax purposes	(3)	-
Utilisation of previously unrecognised tax losses	(2)	-
Changes in temporary differences that no deferred taxes are recognised	(3)	-
Tax losses for which no deferred income tax asset was recognised	-	2
Income tax expenses	(11)	(6)

The tax (charge)/credit relating to component of other comprehensive income is as follows:

	2022			2021		
	Before tax Million Baht	Tax (charge) credit Million Baht	After tax Million Baht	Before tax Million Baht	Tax (charge) credit Million Baht	After tax Million Baht
Remeasurement on retirement benefit obligations	20	(4)	16	16	(3)	13
Other comprehensive income	20	(4)	16	16	(3)	13
Current tax	-	-	-	-	-	-
Deferred income tax (Note 15)	-	(4)	-	-	(3)	-

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

23 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	
	2022 Million Baht	2021 Million Baht	2022 Million Baht	2021 Million Baht	2022 Million Baht	2021 Million Baht
Domestic sales	25	6	2,160	1,288	2,185	1,294
Export sales	373	337	3,061	2,461	3,434	2,798
	398	343	5,221	3,749	5,619	4,092

24 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.

	2022	2021
Net profit (loss) attributable to shareholders (Million Baht)	27	(32)
Weighted average of issued ordinary shares during the year (Million shares)	7	7
Basic earnings (loss) per share (Baht)	3.62	(4.39)

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

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

25 Cash flows from operating activities

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

	Notes	2022 Million Baht	2021 Million Baht
Net profit (loss) before income tax		16	(38)
Adjustments for:			
Reversal of impairment losses on financial assets		(4)	-
Loss on (reversal of) allowance for net realisable value of inventories		(14)	15
Depreciation and amortisation		436	382
Loss (gain) on disposals and write-offs of property, plant and equipment, net		(7)	3
Impairment loss of assets	13	7	-
Employee benefit obligations	19	55	36
Interest income		-	(1)
Finance costs		71	49
Unrealised loss on exchange rate		10	6
Changes in operating assets and liabilities:			
- trade and other receivables		83	(153)
- inventories		(192)	(396)
- refundable value added tax		29	(61)
- other current assets		(4)	2
- other non-current assets		(2)	-
- trade and other payables		241	527
- accrued withholding tax		(4)	(12)
- other current liabilities		2	(2)
- employee benefit obligations paid	19	(23)	(10)
Cash generated from operations		700	347
Interest received		-	1
Income taxes paid		(1)	(1)
Net cash generated from operating activities		699	347

26 Commitments

Bank guarantees

As at 31 December 2022, the Company had commitments in respect of bank guarantees amounting to Baht 22.8 million and US Dollar 10,000 (2021: Baht 29.0 million and US Dollar 10,000) and bank guarantees amounting to Baht 139.0 million for VAT refund from Revenue Department (2021: Baht 139.0 million).

Capital expenditure commitments

As at 31 December 2022, the Company has outstanding capital commitments in respect of the investment of machinery and equipment totaling Baht 280.0 million (2021: Baht 249.5 million).

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

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

	2022	2021
	Million Baht	Million Baht
Sales of finished goods:		
Parent company	865	562
Companies under common control	2,569	2,236
	3,434	2,798
Sales of assets and spare parts:		
Parent company	1	3
Companies under common control	20	9
	21	12

ii) Purchases of goods and services

For the years ended 31 December

	2022	2021
	Million Baht	Million Baht
Purchases of raw materials and finished goods:		
Parent company	168	111
Companies under common control	569	448
	737	559
Purchases of machinery and spare parts:		
Parent company	74	34
Companies under common control	13	130
	87	164
Royalty fee:		
Parent company	251	176
Production service fee:		
Parent company	27	24
Management fee:		
Companies under common control	195	184

Goodyear (Thailand) Public Company Limited
Notes to Financial Statements
For the year ended 31 December 2022

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

As at 31 December	2022 Million Baht	2021 Million Baht
Trade receivables - related parties:		
Parent company	144	150
Companies under common control	217	285
	361	435
Amounts due from related parties:		
Parent company	11	27
Companies under common control	26	46
	37	73
Trade payables - related parties:		
Parent company	39	18
Companies under common control	41	70
	80	88
Amounts due to related parties:		
Parent company	115	33
Companies under common control	254	187
	369	220
Payable from purchases of plant and equipment:		
Parent company	35	6
Companies under common control	-	10
	35	16

iv) Directors' and key management's compensation

For the years ended 31 December	2022 Million Baht	2021 Million Baht
Salaries and other short-term employee benefits	36	33
	36	33

Attachment

Attachment 1 Details of Directors, Executives, Controlling Persons, the person taking the highest responsibility in accounting and finance and the person supervising accounting and Company Secretary

Name/Position	Ages	Educational background	(%) Shareholding percentage	Conflict of Interest	Working Experience for the last 5 years		
					Period	Position	Company name
Directors							
1. Dr. Dhiraphorn Srfuengfung	73	Ph.D. (Civil Engineering), University of Missouri, USA	Myself -None-	-	2013 – present	Chairman of the Board	Goodyear (Thailand) Public Company Limited
Chairman of the Board		National Defence Course for Public,	Spouse 1,200 shares (0.02%)		1995 – present	Chairman of the Board	Krungthai Panich Insurance Public Company Limited
Member of the Nomination and Corporate Governance Committee		Private and Political Defence class 1, National Defence College			1994 – present	Chief Executive Officer	Pimai Salt Company Limited
		Director’s Program: DAP 63/2007, Thai IOD			1992 – present	Chairman of the Board	Patong Beach Hotel (Phuket) Company Limited Baan Samui Resort Company Limited
					1992 – present	Executive Committee	Thai Refined Salt Company Limited
2. Mr. Randeep Singh Kanwar	48	Bachelor’s degree in Chemical Engineering, Regional Engineering College, Jalandhar	-	-	2021 – present	Managing Director	Goodyear (Thailand) Public Company Limited
Managing Director					2018 – 2021	President Director	PT Goodyear Indonesia Tbk
Member of the Nomination and Corporate Governance Committee		Master’s degree in Management, Symbiosis Institute of Management Studies, Pune			2017 – 2018	OE & Business Development AP	Goodyear Tire Management Company (Shanghai) Ltd.
					2013 – 2016	Director Consumer PBU ASEAN	Goodyear Malaysia Berhad

Name/Position	Ages	Educational background	(%) Shareholding percentage	Conflict of Interest	Working Experience for the last 5 years		
					Period	Position	Company name
3. Mr. Athaporn Khaimarn Independent Director Chairman of the Audit Committee	78	Former member of the Institute of Chartered Accountants in Australia	-	-	2001 – present	Independent Director	Goodyear (Thailand) Public Company Limited
		Associateship in Accounting from Western Australian Institute of Technology (Presently known as Curtin University of Technology)			1999 – 2019	Independent Director/ Chairman of the Audit Committee	Siam Makro Public Company Limited
		Director's Program: DAP 15/2004 and DCP 125/2009, Thai IOD			1992 – 1996	Managing Director	Pricewaterhouse, Bangkok
4. Mr. Yeap Swee Chuan Independent Director Chairman of the Nomination and Corporate Governance Committee Member of the Audit Committee	75	Bachelor's Degree in Technology (Industrial Management and Engineering), Massey University, New Zealand	-	-	2017 – present	Honorary Chairman	Malaysian-Thai Chamber of Commerce
		Director's Program: DCP 103/2008, Thai IOD			2010 – present	Vice Chairman	Peace Network of Thailand
		Capital Market Academy Leadership Program (CMA8), SET			2000 – present	Independent Director	Goodyear (Thailand) Public Company Limited
					1996 – present	President and Chief Executive Officer	AAPICO Hitech Public Company Limited
					2010 – 2018	Director	Chamber of Commerce and Board of Trade of Thailand
					2005 – 2017	Chairman	Malaysian-Thai Chamber of Commerce

Name/Position	Ages	Educational background	(% Shareholding percentage	Conflict of Interest	Working Experience for the last 5 years		
					Period	Position	Company name
5. Ms. Chanapun Juangroongruangkit Independent Director Member of the Audit Committee Member of the Nomination and Corporate Governance Committee	46	MBA with an emphasis in Finance – Webster University Bangkok campus, Bangkok Bachelor of Business – Kasetsart University Diploma of Japanese language – Bunka Institute of College, Tokyo, Japan Diploma of Accounting – Murata Institute, Tokyo, Japan Director's Program: DAP 32/2005, DCP 55/2005, AACP 30/2018 and ITG 7/2018, Thai IOD	-	-	2023 - Present 2022 - Present 2016 - present 2004 - present	Advisor President of Kasetsart Business School Alumni Association Independent Director Senior Vice President	Thailand - Pakistan Business Council Kasetsart Business School Alumni Association Goodyear (Thailand) Public Company Limited Thai Summit Group, Thailand
6. Mr. Michael Martens Director	60	MBA in Finance, Kent State University, Ohio Bachelor's Degree in Accounting, University of Illinois	-	-	2022 – present 2018 – present 2015 - present	Advisory Board Director Vice President Aviation & OTR, Asia Pacific	Bekaert Holding Hong Kong Limited Goodyear (Thailand) Public Company Limited The Goodyear Tire & Rubber Company

Name/Position	Ages	Educational background	(% Shareholding percentage	Conflict of Interest	Working Experience for the last 5 years		
					Period	Position	Company name
7. Ms. Nicole Nuttall Director	43	Bachelor's Degree in Law and Commerce, Queensland University of Technology and University of Queensland, Australia	-	-	2022 – present	Director	Goodyear (Thailand) Public Company Limited
					2018 – present	Associate General Counsel – Asia Pacific	Goodyear & Dunlop Tyres (Aust) Pty Ltd
					2015 – 2017	Compliance & Ethics Director	Goodyear Tire Management Company (Shanghai) Ltd
					2009 – 2015	Senior Legal Counsel ANZ	Goodyear & Dunlop Tyres (Aust) Pty Ltd
8. Mr. Gino Garzarella Director	51	Bachelor of Business (Accounting), Victoria University, Australia C.P.A., Australia	-	-	2020 – January 2023	Director	Goodyear (Thailand) Public Company Limited
					2018 – present	Finance Director, ASEAN	Goodyear Singapore Tyres
					2015 – 2018	Finance Director, Australia-New Zealand	Goodyear Dunlop Tyres
9. Mr. Michael Lee Dreyer Director	61	Master of Science (Electrical Engineering), University of South Florida, USA Bachelor of Science (Electrical Engineering), University of South Florida, USA	-	-	2020 - present	Director	Goodyear (Thailand) Public Company Limited
					2020 - present	Managing Director	Goodyear Singapore Tyres
					2015-2020	Vice President, Asia Pacific Commercial PBU	Goodyear Tire Management Company (Shanghai) Ltd

Name/Position	Ages	Educational background	(%) Shareholding percentage	Conflict of Interest	Working Experience for the last 5 years		
					Period	Position	Company name
Executives							
1. Mr. Eric Cheng Manufacturing Director - Thailand	42	Bachelor’s degree in Chemical Engineering, Dalian University of Technology, China	-	-	2021 – present 2019 – 2021 2015 – 2018	Manufacturing Director – Thailand AP PMO Director AP Facility Planning and Industrial Engineering Director	Goodyear (Thailand) Public Company Limited Goodyear Tire Management Company (Shanghai) Ltd Goodyear Tire Management Company (Shanghai) Ltd
2. Mr. Borpit Duriyaprapan Sales Director	38	Bachelor’s degree in Economics, Chulalongkorn University MBA Aston Business School, UK	-	-	2023 – present 2022	Sales Director Customer Lead Thailand – Malaysia – Singapore	Goodyear (Thailand) Public Company Limited Sanofi Consumer Healthcare
3. Ms. Ladda Simuang Marketing Lead	41	Master’s degree in Business Administration, Ramkhamhaeng University Bachelor’s degree in Science King Mongkut’s Institute of Technology North Bangkok	-	-	2020 – present 2019 – 2020 2015 - 2018	Marketing Lead Interim Marketing Director and Sales Operation Manager Sales Operation Manager	Goodyear (Thailand) Public Company Limited Goodyear (Thailand) Public Company Limited Goodyear (Thailand) Public Company Limited

Name/Position	Ages	Educational background	(%) Shareholding percentage	Conflict of Interest	Working Experience for the last 5 years		
					Period	Position	Company name
4. Ms. Donnapat Inmanee Human Resources Director	49	Bachelor’s degree in General Management, Krirk University	-	-	2022	Human Resources Director	Goodyear (Thailand) Public Company Limited
					2021 - 2022	HR Manager – MFG	
					2013 - 2021	HR Manager - SAG	
					2011 - 2013	HR Manager – MFG	
					2008- 2011	Assistant HR Manager	Chromalloy (Thailand) Ltd.
The person taking the highest responsibility in finance and accounting (CFO)							
Ms. Justyna Gebaska Financial Director-Thailand	46	Bachelor’s degree in Economics, Warsaw School of Economics, Poland	-	-	2017 – present	Financial Director -Thailand	Goodyear (Thailand) Public Company Limited
		- CFO’s Orientation Course (2019), SET			2016 – 2017	Finance Director	Goodyear Malaysia Berhad
		- CFO’s Refresh Course “Training for continuing accounting knowledge” ((2023), SET			2014 - 2016	Financial Controller	Goodyear Poland and Ukraine
The person supervising accounting (Chief Accountant)							
Mrs. Pannipa Rattanacharoen Financial Controller	44	Master’s degree in Managerial Accounting, Thammasat University	-	-	2020 - present	Financial controller	Goodyear (Thailand) Public Company Limited
		Bachelor’s degree in Accounting, Thammasat University			2016 - 2020	Corporate Accounting Manager	Thai Union Group Public Company Limited

Name/Position	Ages	Educational background	(%) Shareholding percentage	Conflict of Interest	Working Experience for the last 5 years		
					Period	Position	Company name
Company Secretary							
Miss Patcharee Maneetamwong Company Secretary and Legal Counsel	47	Master’s degree in Laws, Chulalongkorn University	-	-	2022 - present	Company Secretary and Legal Counsel	Goodyear (Thailand) Public Company Limited
		Bachelor’s degree in Laws, Chulalongkorn University			2021 - 2022	Company Secretary	Boutique Corporation Public Company Limited
		- Legal Practice Training, Lawyers Council			2019 - 2021	Senior Legal Manager	RS Public Company Limited
		- Training courses/ seminars organized by the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, Thai Investor Association and the relevant government and private agencies			2008 - 2019	Legal Counsel, Asia Pacific	Brenntag Ingredients (Thailand) Public Company Limited

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.

Attachment 2 Details of subsidiaries' directors

-None-

Attachment 3 Details of Head of Internal Audit and Compliance Unit**Head of Internal Audit**

Name-Surname	Ms. Maxine Mae J. Escoto
Position	Internal Audit Manager, APAC
Education	Bachelor of Accountancy, De La Salle University - Manila
Training / Certification	Certified Public Accountant (CPA), Certified Information Systems Auditor (CISA)
Work experience	<p>8 and 1/2 years in Ernst & Young Philippines Consulting Practice - Insurance and Consulting Experience with a focus on Financial Audit Support, Internal Audit Support, SOX, Third Party Reporting, Analyze business processes and application controls and security.</p> <p>6 and 1/2 years in Goodyear Tire & Rubber as Internal Audit Manager for Asia Pacific.</p> <ul style="list-style-type: none"> Assurance and advisory IA activities for the region which include Business Process audits, Compliance & Investigation reviews, Pre/Post Implementation reviews, SOX testing, and PwC Direct Assistance work
Date of appointment as the Company's internal auditor	March 1, 2016

Compliance Unit

Miss Patcharee Maneetamwong has been assigned to act as the Compliance unit.

Name	Position	Educational background	Training	Working Experience for the last 5 years		
				Period	Position	Company name
Miss Patcharee Maneetamwong	Company Secretary and Legal Counsel	Master's degree in Laws, Chulalongkorn University	<ul style="list-style-type: none"> Legal Practice Training, Lawyers Council Training courses/ seminars organized by the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, Thai Investor Association and the relevant government and private agencies 	2022 - present	Company Secretary and Legal Counsel	Goodyear (Thailand) Public Company Limited
		Bachelor's degree in Laws, Chulalongkorn University		2021 - 2022	Company Secretary	Boutique Corporation Public Company Limited
				2019 - 2021	Senior Legal Manager	RS Public Company Limited
				2008 - 2019	Legal Counsel, Asia Pacific	Brenntag Ingredients (Thailand) Public Company Limited

Attachment 4 Review of Business Asset and Asset Revaluation

Review of Business Asset

Details appear under (1.2) Business Description

Asset Revaluation

-None-



Goodyear (Thailand) Public Company Limited

Registration No. 0107537001188

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