



Goodyear (Thailand) Public Company Limited
50/9 Moo 3, Paholyothin Road KM 36,
Klong Nueng Sub-District, Klong Luang District,
Pathumthani 12120, Thailand.
Tax ID No. 0107537001188
Tel. +66 2909 8080

บริษัท กู๊ดเยียร์ (ประเทศไทย) จำกัด (มหาชน)
50/9 หมู่ที่ 3 ถนนพหลโยธิน ก.ม. 36
ตำบลคลองหนึ่ง อำเภอคลองหลวง
จังหวัดปทุมธานี 12120
เลขประจำตัวผู้เสียภาษี 0107537001188
โทรศัพท์ 0 2909 8080

Management discussion and analysis for the year ended 31 December 2021

1) Overview

In 2021, The Company delivered strong results in several areas, including growth in share and sales. We continued to build Goodyear business, extending the aviation and consumer replacement business and winning new OE fitments.

Aviation business volume increased by 33% reflecting both continuing industry recovery and market share gains. Consumer export volume increased by 27% driven by higher vehicle production abroad. The increase was driven by the impacts of higher volume, including improved factory utilization.

The Company temporarily closed its factory and stopped production in the third quarter of 2021. The closure of the plant had a significant negative effect on the Company's performance during that period.

We continue to take action in response to COVID-19 to protect the health and wellbeing of our associates, customers and communities, which remain our top priority, and to mitigate the near and long-term financial impact on our operating results and to ensure adequate liquidity and capital resources are available to maintain our operations until the auto industry and tire demand fully recovers.

Highlight of 2021 Operations

- 1) Revenue from Sales: The Company's Net Sales for the year ended 31 December 2021 was Baht 4,092 million - an increase when compared to the same period of 2020 of Baht 646 million or 19%.
- 2) Cost of Sales: The Company's Cost of Goods Sold for the year ended 31 December 2021 represented 87.4% of net sales which was lower when compared to the same period of 2020, which was 88.8%. This was driven by higher production volume and improved export business profitability versus year 2020.
- 3) Selling and Administration Expenses: The Company's Selling and Administration Expenses for the year ended 31 December 2021 was Baht 534.6 million.
- 4) Assets: The Company's Total Assets for the year ended 31 December 2021 was Baht 7,558 million an increase of Baht 938 million from the year ended period ended 31 December 2020 or 14%. This



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was due to new Equipment and Machinery necessary to upgrade the factory capabilities to deliver against the new OE nominations.

- 5) Net Loss: The Company's loss for the year ended 31 December 2021 was Baht 33 million in comparison to a net loss in the same period of 2020 of Baht 176 million. The major of improvement was driven by higher sales for the year and improved export profitability.

2) Results of Business Operations

(1) Financial Liquidity

- a) Liquidity ratio reduced from 0.98 to 0.72 is mainly due to the increasing of a short-term loan and trade payables.
 - b) Debt to equity ratio in 2021 increased to 1.14 times, from 0.87 times in 2020 is mainly due to increase of a short-term loan from the financial institutions and trade payables.
 - c) The asset turnover rate increased to -0.43 % in 2021 from -2.66 % in 2020 due to the higher sales for the year.
 - d) The average collection period changed from 67 days in 2020 to 57 days in 2021.
 - e) The average sales days decreased from 105 days in 2020 to 101 days in 2021.
 - f) Account Payable payment days changed from 120 days in 2020 to 141 days in 2021.
- (2) Profitability Ratio. The gross margin ratio increased from 11.2% in 2020 to 12.6% in 2021 driven by higher sales for the year.
- (3) Efficiency in operation. The Return on Asset (ROA) ratio increased from -2.7 in 2020 to -0.4 in 2021.
- (4) Financial Policy. The Debt-to-Equity ratio increased from 0.87 in 2020 to 1.14 in 2021.