

P3 Smart for Production P5 Forward to a Promised Future

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Smart for Production Forward to a Promised Future

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Smart for Production Greetings from President Shen Jinrong

First of all, I, on behalf of all staffs and employees of ZC Rubber, would like to thank the unselfish support and zealous contribution from all our partners and distributors, and stakeholders around the world. In 2020, ZC Rubber reported a historic performance as our revenue, increased by 2.25%, reaches 28.82 billion RMB (about 4.2 billion US Dollar). Such a result comes from an extremely tough year while the global economy and supply chains are facing great challenges from the threat of COVID-19 pandemic, so that the result looks more valuable and shows ZC Rubber's key competitiveness.

ZC Rubber, with China's successful control of COVID-19, resumed production quite soon in late February and supported all partners and distributors all over the world. The strong demand from both domestic and international markets helps ZC Rubber achieve great data: the shipment of truck and bus radial tires is 21.57 million pcs (increase 10.90%) and the output of consumer tires is 41.91 million pcs (increase 2.49%). Furthermore, ZC Rubber delivered 4.83 million pcs bias tires (21.36% more than 2019) and 87.83 million pcs two wheels tires such as bicycle and motorcycle tires (increase 2.94%) to our customers all over the world.

In the coming 2021, ZC Rubber will continue the forwarding towards globalization, digitalization, and smart production focusing on the safety and value of products, and work with all our partners and distributors to seize the possible opportunities from the change of market demand.

ZC Rubber will continue to increase the capacity of Thailand plant and seek for the location of the 2nd overseas plant. We will expand the product lines in the Thailand plant, from consumer tires and truck/bus tires to motorcycle, ATV, and ROTR tires. The overseas subsidiaries of ZC Rubber are serving all local customers with high efficiency and quality. Also, ZC Rubber is studying the feasibility of new overseas plants. In general, ZC Rubber is forwarding to an international manufacturing company.

In China, ZC Rubber is setting up a distribution network system with digital and IT support. The system works to manage sales, inventories, and account receivables of all distributors and retailers. Such analysis forecasts potential sales, reduces the inventories, and enhances the business efficiency and the distributors' loyalty. Besides the sales and distribution channel, ZC Rubber keeps on focusing on smart production. The ET Brain technology was introduced years ago and expanded to all production procedures in the year 2020 to minimize quality fluctuation and offer premium quality to the customers. Furthermore, this technology supervises the production procedure to improve production efficiency. The final target of smart production with ET Brain is to build up a model plant with minimized labors but best production efficiency.

After years' expansion and upgrading on the ET Brain, ZC Rubber has now established the Industrial 1.0 smart network, with a huge breakthrough in product qualification rate and a significant reduction in staffing, as well as optimized energy consumptions and improved warehousing and logistics efficiency.

In the next five years, ZC Rubber plans to upgrade the ET Brain to the Smart Brain, the new Industrial 2.0 smart network linking manufacturing, supply chain, equipment, channels, services, users and marketing activities for industrial digitalization. This platform will serve as a tool connecting automobile manufacturers, tire dealers, stores, end users, raw material suppliers, equipment suppliers, universities and research institutes to realize efficient communication and sustainable development of the entire industrial chain.

Based on the development and maturity of the Smart Brain, ZC Rubber will map out multiple Future Factories globally dedicated to digital design and smart production of tire manufacturing, applying Digital Twin, IoT, Big Data, AI, 5G and other technologies.

The coming 2021 definitely brings great challenges to all ZC Rubber family members, not only from the market demand and competition but also from brand image promotion and market share expansion. ZC Rubber will continue the close cooperation with all partners, distributors, and stakeholders for a better future and become a respected tire manufacturer in the tire industry.

沈野



中策创领美好新程

Forward to a Promised Future

Greetings from Vice President Ge Guorong

中策橡胶集团副总经理 葛国荣

作为连续9年跻身全球十大轮胎 企业的中国轮胎行业领军者,中策橡 胶在 2020 年蔓延全球的新冠疫情冲击 中,与全球经销商精诚合作、团结奋 进,以中策橡胶的强大实力,支持全 球合作伙伴持续创新经营模式、拓展 市场空间,实现了中策橡胶历史上最 好的经营业绩。全年销售收入282.2亿 人民币, 增长2.25%。这一成就来自 于中策橡胶大家庭全体成员通力合 作,是中策橡胶在重重困境中不断创 新经营模式,全力推进数字化智能化 转型,推动持续技术进步,实现产品 质量全面提升的结果,也是全体经销 商合作伙伴覆盖细分市场、服务终端 客户、挖掘客户需求的努力,更是供 应商伙伴对公司持续稳定供应、协助 公司优化产品成本和质量。我们对全 体中策橡胶合作伙伴过去一年的辛勤 努力表示衷心的感谢。

As one of the top 10 tire companies in the world for nine consecutive years, Zhongce Rubber Group Co., Ltd (Hereinafter called ZC Rubber) has worked closely with global distributors despite the impact of the COVID-19 pandemic in 2020. We have provided strong support for our distributors to innovate business models and expand market share. Our annual sales revenue in 2020 reached an all-time high of 28.22 billion yuan, a 2.25% increase.

This achievement comes from the support of all employees, distributors, key accounts, OE customers, and vendors of ZC Rubber. In this year of challenges, ZC Rubber continued to explore new business models, accelerate smart digital transformation, and promote technological progress to achieve an overall improvement in product quality. Our global distributors have been working hard to cover various market segments, serve end users, and tap into their needs. Our vendor partners endeavored to ensure a stable and reliable supply and assist us in optimizing product quality and cost. We would like to express our heartfelt thanks to all ZC Rubber partners for their hard work and dedication in the past year.

一、持续技术创新、推动产 品提升 Technological Innovation and Product Upgrade

无论市场需求如何变化,中策始 终以安全、价值为引领,以满足不同 消费者使用需求和使用场景为己任, 为消费者提供美好生活和高效工作的 解决方案,打造真正受消费者信赖的 全球品牌。作为全品类轮胎产品的制 造商,中策橡胶对产品研发、改进、 品质提升精益求精,将中策产品锻造 成可媲美世界一流品牌、极具安全和 性价比优势,深受全球消费者信赖的 中国品牌。

As a leading manufacturer for broad types of tires, ZC Rubber always stands ready to meet changing customer demand for different tire performances in various scenarios. We, taking Safe and Value as the core, set ourselves demanding targets in product developing, manufacturing, and quality control. We are committed to building a truly trusted global brand, providing consumers with solutions for a better life and efficient work through extraordinary safety and value.

1) 乘用车:一号引领、铸造高端 Consumer Tires: New Premium Flagship Series 2020年底中策橡胶经过两年多的 潜心钻研,与全球顶级供应商合作, 在中国市场上推出了全新一代的乘用 车旗舰产品。该产品采用了最新的中 策自主核心专利技术,实现了产品更 静音、更抓地、更耐久的品质进步; 外观设计以全新理念进行优化,实现 了跨越式提升;第三方测试数据显示 旗舰产品的各种性能全面超越了竞争 对手。未来的旗舰产品将逐步向全球 市场推出,以其强有力的竞争实力为 全球经销商提供全新拓展市场的利 器。

After more than two years of research and development, ZC Rubber launched the new Flagship Series passenger car tires at the end of 2020. This series is designed with our latest patented technology to deliver superb grip, durability and quietness, along with advanced, cutting-edge appearances. Thirdparty test data shows that the various performances of this series surpass its competitors in an all-round way. In the future, the Flagship Series will be gradually introduced to the global market in support of our distributors to increase sales and expand the market.

同时中策针对各个市场不同的特 点和客户需求,实现了产品区域化研 发、销售和改进,以充分满足不同地 区不同法规要求及消费者需要,先后 推出了Zuper、Legend等多个系列产 品,用于实现现有产品的逐步升级换 代,提升消费者的使用体验。

At the same time, ZC Rubber has realized the regionalized product development, sales, and improvement to fully meet the different characteristics, regulatory requirements, and consumer needs of different regions. We have

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successively launched Zuper, Legend, and other series to achieve an overall product upgrade for better consumer experiences.

2) 商用车:设计重启、品质提升 Truck & Bus Tires: Design Innovation

性价比是商用车轮胎消费者始终 不变的诉求。中策橡胶面对国内国际 两大市场各种复杂使用场景,潜心钻 研以最优化的产品和最具竞争力的成 本,为消费者提供最长的使用寿命和 最优的解决方案。经多年经验积累, 中策橡胶在2020年全面引入名为 PSCT技术的卡客车轮胎设计理论,针 对过去产品使用过程中出现的种种情 况进行了全面改进,实现产品轻量 化、长寿命、低滚阻,为消费者提供 良好的消费体验。

Cost-effectiveness is the constant demand of commercial vehicle tire consumers. In response to the needs of various markets at home and abroad, ZC Rubber has concentrated on premium quality products with the most competitive cost to provide consumers with maximized service life and optimal solutions. After years of research and development, ZC Rubber introduced the design theory for truck and bus tires named PSCT in 2020. The theory comes up with new features like less weight, longer tire life, and lower rolling resistance to achieve higher customer satisfaction.

3) 特种轮胎:需求引导、全面布局 Special Application Tires: Demand Continues to Rise

特种轮胎是中策橡胶未来实现持 续增长的重要支柱。2020年中策橡胶 在特种轮胎领域持续发力,实现了矿 用、建筑、港口、物流等各领域产品 的全面覆盖,向不同用途的专业客户 提供子午、斜交和实心轮胎不同的解 决方案,并获得了韩国 DOOSAN、 HYUNDAI、瑞典 VOLVO等制造商以 及力拓、必和必拓、CODELCO等专 业用户的青睐。中策橡胶预期未来电 商业务将得益于消费者习惯改变而获 得快速发展,各国政府也会加大基础 设施建设以拉动经济,对特种轮胎的 需求将保持持续稳定增长。

Special application tires are an essential pillar for ZC Rubber to achieve sustained growth in the future. In 2020, ZC Rubber continued to exert its efforts in special application tires with full product coverage in sectors such as mining, construction, ports, logistics, providing multiple solutions for radial, bias, and solid tires. And we have won recognitions from our key accounts such as DOOSAN, HYUNDAI, VOLVO, Rio Tinto, BHP Billiton, CODELCO, etc. We expect that the ecommerce business in the future will benefit from changes in consumer habits and achieve rapid development. Meanwhile, governments are likely to increase infrastructure construction to boost the economy, so the demand for special application tires will maintain a steady rise.

4) 两轮产品:新品引领、进军新领 域

Motorcycle & ATV Tires: New Products for New Markets

中策橡胶经过多年的产品升级及 市场培养,两轮产品已经从传统的自 行车、摩托车轮胎向ATV等高附加值 产品扩展。2020年中策橡胶成功取得 美国ATV顶级配套厂POLARIS的合 作项目,为进驻美国这个全球最大的 ATV市场提供了强大信心与助力。同时中策橡胶以中国、泰国两地为依托,在东南亚市场的不断耕耘、磨合,产品业已成功获得市场的全面认可。在传统市场上,中策橡胶积极挖掘生产潜力,不断提升产能,以满足客户持续增长的需求。

After years of product upgrades and market preparation, ZC Rubber has expanded from traditional bicycle and motorcycle tires to high valueadded products such as ATV tires. In 2020, ZC Rubber successfully started the Original Equipment (OE) cooperation with POLARIS, the top American ATV manufacturer, which provides us with strong confidence and assistance in entering the United States, the world's largest ATV market. Based on China and Thailand, ZC Rubber has succeeded in gaining full market recognition through continuous efforts in the Southeast Asian market. In the traditional market. ZC Rubber is actively tapping production potential and continuously increasing production capacity to meet the growing needs of customers.

5) 轮胎全生命管理:绿色循环、综 合利用

Tire Lifecycle Management: Green Recycle and Reuse of Waste Tires

中策橡胶作为中国轮胎行业领导 者,秉承绿色发展理念,实现轮胎生 产过程零污染排放,并与浙江大学、 北京化工大学等国内知名高校合作, 开发了"废轮胎高效梯级裂解"技 术,实现利用废轮胎生产碳黑,在消 化废旧轮胎的同时大幅度降低二氧化 碳排放。同时积极扩大废旧轮胎处理 能力,年产再生胶达到2.5万吨,消化 处理废旧轮胎约70万条,是目前中国

本土最大的废旧轮胎处理企业,为橡 胶行业奠定了绿色发展的标杆。

As a leading tire maker in China, ZC Rubber adheres to green development and is committed to achieving zero pollution in the tire production process. ZC Rubber has been working with Zhejiang University (ZJU) and Beijing University of Chemical Technology (BUCT) on the Efficient Cascade Cracking Technology to realize carbon black production from waste tires. This technology makes it possible to reduce carbon dioxide emissions significantly in the tire recycling process. Besides, ZC Rubber is maximizing its waste tire processing capacity, with an annual output of 25,000 tons of recycled rubber and approximately 700,000 waste tires scrapped. ZC Rubber is currently the largest domestic waste tire recycling company in China, setting an industry benchmark.

二、实现数字转型、布局智 能生产 Digital Transformation and Smart Manufacturing

COVID-19疫情使全球供应链受到 了巨大的冲击,也深刻影响了消费者 的偏好和决策。提升产品竞争力,一 方面需要产品研发时充分满足消费的 需求,另一方面也需要产品质量持续 稳定、成本具备极强竞争力。为此中 策橡胶在前期ET工业大脑的基础上, 进一步深耕智能制造,提升生产过程 质量控制及生产效率,为向消费者提 供质量可靠、成本领先的产品奠定了 坚实的基础。

The COVID-19 pandemic has had an enormous impact on the

global supply chain and profoundly influenced consumer preferences and decision-making. To build sustained competitive advantages in the everchanging market, we are dedicated to developing products optimized for various consumers' needs while maintaining stable product quality and cost competitiveness. This target leads ZC Rubber to accelerate further smart manufacturing based on the ET Industrial Brain to improve quality control and production efficiency. This serves as a solid foundation for providing consumers with products of reliable quality and high value.

1) 智能制造全方位拓展 Smart Manufacturing

中策橡胶的 ET 工业大脑项目已经 从炼胶等部分环节应用推广至全生产 工序,实现了半制品和产成品的全自 动在线过程监控,能够实现合格率大 幅度提升,确保没有缺陷材料或者缺 陷产品流入下一阶段,能够及时分析 缺陷材料产生原因,进行相应改进和 提升,也能够减少人力、减少能源消 耗、减少不良产品产出,提升公司的 运营效率,降低生产成本,使公司产 品更具竞争优势。

ZC Rubber's ET industrial brain project has been extended from rubber refining to the entire production process, realizing automatic online process monitoring of semi-finished products and finished products. At present, the project has achieved a substantial increase in the product qualification rate, ensuring that no defective materials or defective products flow into the next stage. It can analyze the causes of defective materials in time and make corresponding improvements and upgrades quickly. The system also helps reduce workforce and energy

consumption, thereby drastically reducing production costs.

2) 未来工厂引领公司发展 Future Factory

在此基础上,中策橡胶启动了工 业互联网2.0项目,推动生产过程互联 网架构、数字化管理的全面升级,致 力于将采购、生产、销售、物流、售 后服务全流程进行整合,及时响应客 户需求,优化公司运营和生产组织, 并计划在2021年打造全自动生产的样 板未来工厂,实现产品数字化设计、 智能化制造、自动化检测,为消费者 提供安全、优质、极具性价比的产 品。

ZC Rubber is now taking the ET Industrial Brain to the next level, the Industrial 2.0 Smart Network, to achieve overall digital production management. By integrating the entire sourcing, production, sales, logistics, and after-sales service, we can respond to customer needs on time and maximize our organizational resilience. Moreover, ZC Rubber plans to build a "Future Factory" capable of fully automated production in 2021, featuring digital product design, smart manufacturing, and test automation to provide consumers with safe, high-quality, and cost-effective products.

三、探索全新模式、支持渠 道赋能 Empowering Channel Partners

轮胎销售离不开渠道支持,而传 统门店在当前竞争激烈的市场环境 中,也亟待创新经营模式、提升盈利 能力。中策橡胶积极推动渠道赋能, 与渠道客户紧密合作,实现对渠道客 户的充分支持,提升渠道客户的持续 经营能力。

Tire sales are closely linked to channel support. It is urgent for traditional tire retailers to look for new ways to accelerate growth and boost profitability amid the highly competitive environment. ZC Rubber devotes itself to empowering the channel success providing the business benefits, incentives, and resources necessary for partners to uncover new opportunities, drive revenue and improve business efficiency.

1) 渠道赋能、提升服务 Building Loyalty with Value-Added Services

任何市场中,客户的需求在不断 变化,但变化的核心始终是提升效 率、改进服务。中策橡胶积极布局中 国的服务网络,在联合中国人民保险 公司推出"中策轮胎保"、赔付消费 者因轮胎质量问题导致的损失之后, 进一步推出"211"服务体系,承诺主 要省区2分钟回应客户需求、1小时达 到服务现场、1小时完成全部服务, 实现24X7全时间全天候轮胎救援服 务,践行着"中策相伴、安心随行" 的使命,为渠道客户提供获取更多附 加价值的机会。

The customer needs in any market are constantly changing, but those changes always revolve around better service and higher efficiency. To deliver peace of mind for customers, ZC Rubber is currently building a comprehensive service network in China. In conjunction with the People's Insurance Company of China, the ZC Rubber Tire Insurance is meant to compensate consumers for losses caused by tire quality problems. Now ZC Rubber has further launched the "211" Service System, promising to respond to customer needs in 2 minutes, reach the service site in 1 hour, and complete all services in 1 hour, realizing 24/7 tire rescue services in major provinces and regions in China. Through these efforts, we are committed to providing channel customers with more added values.

2)全新模式、精准运营 Creating Value Through Business Model Innovation

2020年 COVID-19 疫情将长时间 影响世界经济,传统线下业务和营销 活动被迫减少或取消,向线上转移成 为未来长期的趋势。中策橡胶积极投 身新业务模式的尝试,在中国市场积 极推进线上销售,成为中国主流网上 销售平台京东及淘宝排名前列的品 牌;参加了多个线上展会,并推出了 中策 VR 展厅及在线服务平台,广泛接 触潜在客户,确保经销商能够第一时 间下载中策的产品及营销资料用于当 地市场。中策橡胶的社交媒体关注度 不断提升,实现与消费者即时交流...... 中策橡胶的种种努力直指支持经销商 伙伴,减少信息沟通成本、增强与消 费者交流互动,扩大中策产品的影响 力。

The COVID-19 impacts on the global economy are expected to be lasting and profound, and it is accelerating the shift from offline business to online E-commerce. Driven by these new trends, ZC Rubber has launched new integrated digital marketing strategies. Thanks to the effective promotion of online sales in the Chinese market in recent years, we have become one of the top tire brands on China's mainstream online

sales platform JD.com (NASDAQ: JD) and Tmall (NYSE: BABA). In 2020, we participated in several online exhibitions and trade shows, launched a Global Customer Service Platform and the ZC Rubber VR Showroom online to reach out to potential customers and serve our distributors with convenient access to information and marketing support. We also increased our social media engagement to strengthen our customer relationships and generate new leads for our brands. Such efforts aimed to better support our dealer partners by reducing communication costs, enhancing interaction, and expanding our brand reach.

四、迎接市场变局、创领美 好新程 Embracing Changes and Innovate Forward

2021年中策橡胶期盼着疫情能够 在全球的共同努力下逐步得到控制, 各国的经济活动能够逐步回复到正常 轨道,但由于疫情导致经济滞缓和需 求下降,市场竞争预计会更趋激烈。 为此中策橡胶将全力支持全球合作伙 伴做好以下工作:

ZC Rubber is hoping that the COVID-19 pandemic will be gradually brought under control in 2021 with concerted global efforts, and the economic activities of all countries will return to normal tracks. However, due to the economic slowdown and demand decline caused by the pandemic, the market competition is expected to be more intense. To this end, ZC Rubber will fully support the global partners through the following aspects:

1) 拓展市场、实现细分市场全覆盖

Complete Coverage across All Tire Market Segments

作为中国橡胶行业领军者,中策 橡胶的产品业已实现覆盖各类轮胎细 分市场,能够为客户提供一站式供应 服务,成为经销商可信赖的供应来 源。中策橡胶也期望全体经销商伙伴 能够突破原有业务模式,不断向各类 细分市场如仓储物流、港口机械、工 程建筑、矿山林业等特种轮胎市场延 伸,使中策产品丰富、门类齐全的优 势得以充分发挥,为经销商创造更多 的市场增长点,拓展利润空间。

As a leader in China's rubber industry, ZC Rubber has become a reliable supplier for tire dealers. Our rich product portfolio has covered various tire market segments together with one-stop solutions and services. Therefore, we can provide the greatest advantages to dealers ready to expand their business into new markets such as warehousing, logistics, ports, engineering, mining, forestry, and other special application tire markets. ZC Rubber will help them tap new growth points and increase profit margins.

2) 深耕渠道、把握市场及客户需求 In-depth Sales Channel Development

渠道是连接工厂和消费者的桥 梁,在可预计的未来,网络销售虽然 发展迅速,但还无法取代传统渠道成 为轮胎销售的主体。中策橡胶坚持支 持渠道分销、推动渠道更好更及时反 馈消费者需求,使中策能够实时响应 消费者的需求,将更新、更好、更具 性价比的产品通过渠道送到销售者手 中。为此中策橡胶将与全体经销商伙 伴合作,推进渠道下沉,与当地零售 门店建立更为紧密的联系,充分了解 零售门店的诉求和建议,据此不断改进产品、服务和营销,支持零售门店销售更多的中策产品。

Channels are the bridge connecting manufacturers and end consumers. Although online sales have developed rapidly, they cannot replace traditional channels for the time being. Cooperating with channel partners is always ZC Rubber's priority. We will work with all distributor partners to establish closer ties with local retail stores to gain deeper customer insights and improve products, services, and marketing accordingly.

3) 提升品牌、提高品牌知名度 Increasing Brand Awareness

在推进渠道下沉的同时,中策橡 胶将通过各种方法,支持经销商提升 品牌形象。一方面中策橡胶将继续加 大产品研发力度,不断改进产品质 量、服务和体验,提升产品性价比, 提高中策橡胶产品的口碑和消费者满 意度;另一方面中策橡胶将利用线上 及线下多种手段,通过门头、户外广 告、路演等活动提高品牌曝光度;通 过车队路试、车队消费者体验等活动 向更多消费者传递中策产品的价值; 通过线上媒体等方式分享中策橡胶的 点滴动态,传递中策橡胶的企业文 化;同时中策橡胶还将积极通过特定 事件如新品上市等进行营销传播。种 种努力均指向努力提升中策产品在消 费者面前增加曝光度,以支持渠道客 户不断拓展销售扩大市场份额。

In 2021, ZC Rubber plans to increase its brand awareness using multi-channels. On the one hand, we strive to improve brand reputation and consumer satisfaction through more R&D investment, better product and service, with higher cost performance.

On the other hand, we will amplify our marketing with an integrated online and offline strategy. Firstly, we will continue attempting to gain more brand exposure through creative marketing campaigns such as retail store signage, outdoor advertising, and roadshows. Secondly, we will demonstrate our product value to consumers through road tests and fleet customer experience activities. Thirdly, we want to build a high-active social media presence, sharing our latest news, company culture and interacting more with our audience. And we will also be active in creating a positive buzz around our brands and products through product launch events and the like. Through these efforts, we aim to increase the brand awareness of ZC Rubber, driving more leads to our channel partners and dealer network to expand their market share.

4) 加强服务、使消费者获得完美体 验

Improving Customer Service

中策橡胶深刻地意识到现今实现 产品差异化竞争的难度不断加大,中 策橡胶应当立足于为消费者提供美好 生活的解决方案,发挥中策产品价值 链上的各个环节的力量,为消费者提 供贴心的服务,提升消费者体验,为 消费者创造价值。

ZC Rubber is deeply aware of the increasing difficulty in achieving differentiation from the competition today. Therefore, we base our value on serving consumers with solutions for a better life, making use of all links on the product value chain to provide consumers with caring services, better experiences, and more values.

中策橡胶将充分发挥自身产能、 产品优势,尽量快速响应客户订单, 加速客户库存周转;打造客户线上服 务平台,及时向全体客户传递公司产 品、营销的各种资料,支持客户在当 地市场进行品牌宣传;加大产品研发 和质量管控,提升消费者口碑,满足 细分市场需求,为经销商创造更多的 利润增长点;在特定市场与经销商合 作,推出轮胎延保、品牌服务等措 施,树立消费者对产品质量的信心, 实现"中策相伴、安心随行"的使 命。

To that end, ZC Rubber will make full use of its production capacity and product portfolio advantages to quickly respond to customer orders and accelerate customer inventory turnover. Secondly, we will focus on improving the Global Customer Service Platform, communicating products and marketing materials to all customers in support of the brand promotion in the local market. Thirdly, we will continue to increase product R&D and quality control to enhance consumer satisfaction and create more growth points for distributors. Additionally, we plan to cooperate with distributors in selected markets to launch certain brand services such as tire warranty extensions to reinforce consumer confidence.

2021年我们期盼全球经济将逐步 从疫情冲击中恢复,但过去熟悉的商 业模式或许会因为经历过疫情后出现 巨大的变化,市场将更关注提高效 率、降低成本,从而促使企业不断提 升自身的核心竞争能力,在市场竞争 中立于不败之地。中策橡胶将与全体 合作伙伴精诚合作,产品上精益求 精,对标国际主流产品;生产上追求 卓越,努力充分满足客户需求;渠道 上积极拓展,实现全方位市场覆盖和 精准化营销,抓住世界经济复苏的契 机,巩固和提升中策产品的市场份 额,与全体中策大家庭成员共创美好 新程。

We hope that in 2021 the global economy will gradually recover from the COVID-19 impact. Still, we must realize that the business model we are familiar with may undergo tremendous changes. In the post-COVID era, the market will pay more attention to improving efficiency and reducing costs, encouraging companies to persistently build their core competencies to stand out from the competition. Aiming at the top international tire brands, we will always pursue excellence in products and production to meet dynamic customer expectations. We will continue to insist on channel expansion and precision marketing to obtain a larger market share in the world. By grasping global economic recovery opportunities, we believe we can innovate into a greater future with all of our partners and ZC Families.



COMPANY NEWS

ZC Rubber Retains Rank as No.1 Chinese Rubber Company in 2020

The China Rubber Conference 2020 was held online. Based on 2019 results, ZC Rubber Group Co., Ltd. (ZC Rubber), with its tire business revenue exceeding 25 billion yuan, ranked first among the top 100 companies in China's rubber industry in 2020.

Consumer Market on the Upswing

The Annual China Rubber Conference was broadcast live online for the first time after it was postponed due to COVID-19.

"This year, the whole rubber industry is united as one to fight against the impact of the pandemic and resume work and production to stabilize the economy. Although the domestic demand of the rubber industry was hit hard in Q1, the consumer market has been gradually picking up in Q2." Ms. Deng Yali, president of the China Rubber Industry Association, said positive market signals had given businesses confidence.

"To promote high-quality development, we will surely win a tough and arduous battle with concerted efforts. We look forward to opening a new chapter and making extraordinary achievements in 2020." She added at the end of the conference speech.

Technological Innovation Revs Up

Shen Jinrong, Chairman of Zhongce Rubber Group Co., Ltd. said:

"Enhancing the brand image remains a top priority for ZC Rubber. We have been holding on to new marketing strategies, actively embracing digital and network sales. We have recently been engaged in new ways, such as live broadcast sales and online dealer meetings. More and more young consumers have come to know our products. "

"We will continue to focus on technological innovation and design iterations in this challenging time and realize the overall product replacement in the ZC Rubber Product Year. At the same time, we believe that only companies with a strong ability to connect and service users can establish a powerful brand and capture the hearts of consumers."

ZC Rubber Retains the Top Ranking

In the Top 100 Chinese Rubber Industry Companies 2020 released by the China Rubber Industry Association, ZC Rubber retained the top spot with the revenue of its main tire business exceeding 25 billion yuan in 2019.

In fact, ZC Rubber has excelled in both home and abroad these years. ZC Rubber ranks among the Top 10 global tire companies in 2020 for the ninth straight year. And it has consistently ranked first in both China Tire Companies and China Domestic Tire Companies rankings.

In recent years, ZC Rubber has been committed to extensive digital transformation and product development. Its tire brands, such as WESTLAKE, GOODRIDE, and ARISUN, have gained global consumers' trust and recognition for their excellent quality. With safe and value as the core, ZC Rubber aims to win more international market shares and build a stronger brand presence through highquality products, customer-oriented solutions, and comprehensive services in the future.

COMPANY NEWS

ZC Rubber Leads the Energy Efficiency in Chinese Tire Industry



ZC Rubber led in the 2019 Annual Leader of Energy Efficiency on Oil and Chemical Industry released by China Petroleum and chemical industry association (CPCIF) on September, 2020, ranking as No.1 in both TBR and PCR sections. Its energy consumption of truck tires is 123.8 kilogram of standard coal equivalent (3.6GJ) per ton, and that of car tires is 215.3 kilogram of standard coal equivalent (6.3GJ) per ton.

Exhaust Emissions Reduced by More than 95%

ZC Rubber adopts the world's leading production technology and technical equipment to build a green and less-carbon emission smart factory to realize waste reduction, resource recovery, and harm-free from the production source.

Industry 4.0 Smart Factory

ZC Rubber is actively cooperating with universities and research institutes at home and abroad to seek the most advanced technology to utilize waste tires. At the beginning of this year, ZC Rubber signed a contract for the expansion project of 20,000 Tons of Recycled Rubber per Year to build a domestically-leading Industry 4.0 smart factory and a demonstration green recycling project.

Our recycled rubber equipment and technology meet the national standards on both exhaust emissions and odor emissions. We have made breakthroughs in equipment A recycling system of renewable resources has been established on ZC Rubber, which reduces the comprehensive energy consumption per ton of recycled Rubber by 30% and reduces the exhaust emissions by more than 95%, thus enhancing the company's sustainability.

output, energy consumption, continuous cleaning, automation, etc., for excellent and stable product performance.

As the energy efficiency leader in China's tire industry, ZC Rubber will continue to take technological innovation as the permanent driving force for sustainable development of the company, persist in winning the battle against industrial pollution, and make every effort to promote the development of digital transformation of the industry.



ZC Rubber's Road to Sustainability: Green Material and Tire Recycling

ZC Rubber is committed to developing innovative solutions today to address sustainable economic, environmental, and social development challenges. For a sustainable future, the company is investing in high technology recycling technologies and green materials.

ZC Rubber and Nanjing Lvjinren in Rubber Recycling R&D Tie-up



Shen Jinrong (left), chairman of Zhongce Rubber Group, shakes hands with professor Zhang Liqun (right) of Beijing University of Chemical Technology via online video call.

Zhongce Rubber Group (ZC Rubber) and Nanjing Lvjinren Rubber & Plastic High-tech Co. worked together to expand rubber recycling capacity this year, which involved establishing a new rubber recycling project. The project has been fully operational in September 2020, with an annual production capacity of 20,000 tons of recycled rubber.

By this cooperation, the ZC factory will become the leading Industry 4.0 recycled rubber intelligent plant and pilot recycling project within China's tire industry.

ZC Rubber is the only experimental unit designated by the Ministry of Commerce, the Ministry of Finance, the Ministry of Industry and Information Technology of the People's Republic of China, and the China Tire Recycling Association. The company attaches great importance to social responsibility and take sustainable development as its long-term goal. In recent years, it has carried out pilot projects for the recycling of waste tires.

ZC Rubber has been working with universities and scientific research organizations domestically and abroad to develop innovative uses for waste tires. In 2017, the company ordered its first recycled rubber production lines from Nanjing Lvjinren Rubber through the National High Technology Research and Development Program of China.

Supported by Prof. Zhang Liqun's team at Beijing University of Chemical Technology (BUCT), ZC Rubber has developed a safe and repeatable preparation process for recycled rubber with stable product performance.

Renewable Vegetable Oil Plasticizer

ZC Rubber has been developing VOC-free, renewable plasticizers. Now the project has reached a new milestone.

In 2019, ZC Rubber and Center of Advanced Elastomer Materials (CAEM), BUCT, jointly developed a modified vegetable oil that can be used as a new biological plasticizer. The two parties have broken through the difficulties together in the batch preparation of modified vegetable oil and the tread material processing techniques and successfully applied this new technology to developing and producing new type green tires.

The rolling resistance performance, high-speed performance, and durability of the new type of green tire are comparable to that of the tire using plasticizing material comprising aromatic hydrocarbons. The new type of green tire even has better low-temperature resistance. At the same time, according to the national standard and test method of odor test, the odor grade of rubber compound with modified vegetable oil can be reduced by more than a half from that of the rubber compound with environmental friendly aromatic hydrocarbon oil.

"Modified vegetable oil will become a promising nextgeneration bio-based environmentally friendly plasticizer for tires." stated the Material Engineering Department of ZC Rubber.

ZC Rubber will continue to work hard to achieve the tire industry's green development in terms of reduction, reuse, and recycling and contribute to creating a resource-saving and environment-friendly society.



ZC Rubber Extends Warranty Coverage for 6 Tire Brands

Last year, ZC Rubber introduced a five-year warranty plan for WESTLAKE Tires in Europe, and this year the policy is being rolled out worldwide for all brands.

Five-year Warranty for WESTLAKE, GOODRIDE, TRAZANO, CHAOYANG, YARTU Worldwide



Starting July 1, 2020, ZC Rubber extended the warranty plan to five years from the manufacturing date for its tire brands WESTLAKE, GOODRIDE, CHAOYANG, TRAZANO, and YARTU. The new warranty plan shall apply to selected regional markets, aiming to reassure ZC Rubber's loyal customer base.

"This warranty upgrade will apply to all sizes of PCR, TBR, and OTR tires manufactured by ZC Rubber, benefiting consumers in different areas of the world. With the new warranty, our customers and end-users will be more confident about our products and service. Also, special offers are available for certain regions, which will be decided according to the different market situation." stated ZC Rubber.

Six-year Warranty for ARISUN in the U.S. and Canada

ARISUN extended the warranty plan to six years from the original date of manufacture for its premium commercial truck tire line.

The new warranty offers two free retreads for tires

produced after July 1, 2020 (DOT Code 2620) for six years from the date of the casings DOT serial number or proof of purchase. The selected patterns of AS600+ and AZ692 will be warranted through three retreads for seven years. This warranty extension is for the North American market, including the U.S and Canada.

Backed by ZC Rubber, ARISUN focuses on providing premium truck tires with superb quality, durability, mileage for the North American market. With the increasing sophistication of its inner technology, ARISUN is striving to bring first-class tire products to global consumers.



ZC Rubber has devoted itself to bringing customers the most suitable tires with safety and value by significantly improving the technology all the time. The new warranty for these six brands further demonstrates the company's great faith in its tire quality.

"Last year in Europe, we extended the warranty to five years for WESTLAKE light and medium truck radial tires and received positive market feedback. This year our new warranty extension will be available for all brands in global markets. It also represents our service, care, and support for customers. We will bring customers continued upgrades in both products and service." the company said.



ZC Rubber Reinforces Its Strategic Partnership with DSV

ZC Rubber Group has extended its strategic partnership with DSV Road Holding NV for a new five-year contract and continues to provide WESTLAKE Tires and services to Denmark, Norway, Sweden, and Finland.

In 2016, ZC Rubber Group and DSV Road Holding NV reached a partnership to offer a wide range of WESTLAKE Tires covering truck, bus, and trailer tires and services in Scandinavia. This successful partnership has now been extended for another five years.

Flemming Steiness, Director, DSV Road Holding NV comments:

"Extending the corporation between DSV and ZC Rubber Group Co. is a great step forward in creating even more value to our fleet and haulers. In the past 5 years we have been seeing outstanding results in the performance of WESTLAKE Tires and have fully equipped our fleet of 9000 trailers. We are confident and pleased to continue this solid strategic partnership and look forward to the coming 5 years."

The top global transport and logistics company has been satisfied with the performance of WESTLAKE Tires on its fleet since 2012. In 2016, DSV acquired the exclusive distribution rights for the ZC Rubber-produced WESTLAKE Tires products.

Mr. Ge Guorong, Vice President, ZC Rubber, says:

"ZC Rubber Group is looking forward to extending our partnership with DSV Road Holding NV. and enabling us to grow in Scandinavia via their different strategic channels. Our goal is to bring greater value to the fleets in Europe and build up a strong presence in the Nordic countries."

In recent years the WESTLAKE brand has boomed in the international tire market and is well on its way to becoming the preferred tire for those involved in the transportation industry.

This year WESTLAKE launched its new line of GENERATION II PREMIUM truck tires WSA2LT, WSA2, WDA2LT, WDA2, WSM2, and WDM2 for the European market. It is specially designed for fleets looking for great kilometer performance as well as optimal value and longevity in a tire.

团有限公司包CA@旗仪式

Mr. Wang Jue, the Deputy General Manager of Changan Automobile, presented the QCA Certificate to Mr. Shen Jinrong, Chairman of Zhongce Rubber Group.

ZC Rubber Receives QCA Supplier Accreditation from Changan Automobile

ZC Rubber was awarded as the QCA Certified Supplier by Changan Automobile in October, 2020. The QCA Changan Automobile Supplier Capacity System Certification is a two-party certification system to evaluate automotive parts suppliers' quality assurance capability. Its certification is awarded to companies with robust quality systems, rigorous quality management, sustained sales growth and good customer satisfaction.

Mr. Shen Jinrong, Chairman of ZC Rubber, said in his

speech:

"The Changan QCA Supplier accreditation is a new starting point for us. It demonstrates to the industry how much we care about the compliance, responsible sourcing, and quality control process. ZC Rubber will work closely with Changan Automobile and strengthen the R&D innovation to provide more car owners with valuable and user-centered products and service. We will always strive for excellence."



"The QCA accreditation marks that ZC Rubber has become a world-class supplier of Changan Automobile. It gives more of our customers confidence that we are doing all that we can to protect them and their customer's brands." Mr. Shen Jinrong states.

The successful introduction and implementation of the QCA system will promote the overall upgrade of ZC Rubber's quality level and product performance, leading to a more extensive OE overseas market expansion under its

tire brands of WESTLAKE, GOODRIDE, CHAOYANG, ARISUN, TRAZANO, YARTU.

As one of the top four automobile groups in China and the Top 3 domestic Chinese automotive brand, Changan Automobile boasts an industrial history stretching back 157 years. It has been the NO.1 in R&D capability in China's automotive industry with annual output reaching 1,797,400 units.

Digital Transformation

Since its establishment in 1958, Zhongce Rubber Group Co., Ltd. has focused on the R&D and manufacturing of tires and rubber products. As a Chinese tire company leader, it is actively exploring and practicing the digital transformation and upgrading of the tire industry.

Smart Labor-free Logistics



ZC Rubber cooperated with Hangcha Forklift, to introduce unmanned intelligent AGV forklifts into all workshops to ensure uninterrupted operation at the site.

Hangcha Forklift is the largest professional forklift manufacturer in China and the 8th largest in the world in terms of the sales volume in material handling equipment.

The intelligent Automatic Guided Vehicles (AGV) forklifts can replace manual operations, improve logistics efficiency, and increase the accuracy and safety of material handling. All the products and logistics data in the factory are well documented on the cloud databases to achieve

automated information management. This is a big step forward for ZC Rubber towards an labor-free plant.

Green Production System



ZC Rubber has developed a complete recycling system of renewable resources, reducing 30% energy consumption and 95% exhaust emission per ton recycled rubber produced, thus enhancing the company's sustainability.

The concept of Green Production runs through every aspect of the production. We use the world's advanced manufacturing technology and technical equipment to achieve waste reduction and recycling from the initial stage of production.

ET Industrial Brain



Since the end of 2016, ZC Rubber has introduced the Alibaba Cloud ET industrial brain to use the massive information and data accumulated in the industrial chain such as R&D, quality inspection, and production.

Underway at ZC Rubber

Unlike the previous quality control methods that rely on experience, the ET Industrial Brain can process and analyze the origin of each piece of rubber in a short time through artificial intelligence algorithms and generate the optimal synthesis scheme, thus greatly stabilizing the performance of the compound and reducing the cost of processing.

At present, ZC Rubber has increased the one-time pass rate of rubber compounds from the initial 92.2% to 99.9%, and has reduced energy consumption by 15% and the number of workers by 35%.

In 2018, ZC Rubber has received the IDC Digital Transformation Awards (DXa) China for its rubber compounding & mixing facility partnering with Ali Cloud ET Brain. In 2019, ZC Rubber's rubber processing plant was named Digital Factory of Zhejiang Province in China.

Al-powered Automated Manufacturing

Based on ET Brain, ZC Rubber uses big data, artificial intelligence, and automation technology to ensure the tread produced by the automatic extrusion line has a uniform thickness and a stable weight without any manual intervention.

The first-time yield rate of ZC Rubber's tread extrusion line is much improved through this process, and the weight error can be controlled within 1%.

"We call it the '1% battle'. In the field of tire manufacturing, it is difficult to control the weight error within 1%." said Mu Xiaoyu, Manager of ZC Rubber Group's Planning Department.

Led by digital transformation and smart manufacturing, ZC Rubber will continue to explore new technologies, committed to providing safe and high-value products and services for consumers of different levels and needs.



COMPANY NEWS



Fleet Cooperation: Customized Solution, Smart Service, and Digital Technology

While committed to delivering safety and value, ZC Rubber has brought great fleet solutions to many domestic logistics companies, large corporations and fleet operators to optimize costs and improve efficiency.

Customized Fleet Solution

In October 2020, ZC Rubber signed a comprehensive strategic cooperation agreement with Aluminum Corporation of China (hereinafter referred to as "Chinalco"), the largest alumina producer in China and the 2nd largest in the world. This corporation aims to offer a package fleet solution for Chinalco's logistics system.



Mr Shen Jinrong, Chairman of Zhongce Rubber Group, commented that ZC Rubber has been focusing on tire R&D innovation and insisting on product quality first. In the digital age, the company will provide more customized products and services based on customer needs.

"ZC Rubber will take this strategic cooperation as a starting point to supply multiple scene-specific tire products for the large ecosystem of Chinalco, and help them reduce costs, increase efficiency and achieve sustainable development." said Mr Shen.

As China's largest tire company, ZC Rubber has developed a long-term strategic partnership with leading enterprises, such as Sinopec and China Communications Construction. ZC Rubber also has continued strong alliance with China's high-end logistics groups, including SF Express, Zhongtong, YTO, Best, and New Hope Cold Chain.

Smart Tire Service Network

Facing the problem of fleet tire safety management, ZC Rubber Research Institute and Zhilun Tech launched VTIS, the smart tire system, after spending many years of research.

VTIS collects, counts, and analyzes various indicators (tire temperature, tire pressure, vehicle speed, tread wear, etc.) during the entire life cycle of a tire, generates an early warning and usage reports, and sends timely feedback to users.

Meanwhile, the two parties also worked together to create a "211 Service System" to deliver 7x24 tire rescue services for fleets, ensuring completed first-aid for breakdown vehicle within 2 hours at any location. At present, this system has been fully integrated into Ningbo City's public transportation supporting system and has been highly recognized by the public transportation group.

Together, they formed the ZC Rubber Commercial Vehicle Mobility Intelligent Service Network, which has also been favored by a number of commercial vehicle manufacturers including FAW Group, which is the largest automotive maker in China.

The FAW Group stated that it had taken a fancy to the ZC Rubber's brands, products and service system. Hence, it chose ZC Rubber's tires as the original equipment tires for its high-end truck models (J6 and J7), and establish a long-term strategic partnership with ZC Rubber. So far, ZC Rubber has cooperated with FAW Group for more than eight years and has customized a complete product and service system for FAW Group.

ZC Rubber hopes to use digital technologies to help more professional fleets with intelligent tire management, providing them with comprehensive tire protection solutions, and full tire lifecycle services. And ZC Rubber will be devoted to helping more enterprise fleets in cost optimization, professional management and efficiency improvement.





COMPANY NEWS

ZC Rubber's Diverse Market Support for Retail Tire Stores

Many changes had taken place in 2020, as well as in the retail tire industry. ZC Rubber and its dealers had provided various training and market support to retail stores through the difficult times and fully prepared for the market rebound in the postpandemic period.

Best Designed Tire Shop

BEST DESIGNED TIRE SHOP is a competition for retail tire store design. Through the competition, we aim to stimulate the importance of display in all brand stores, standardize store operations, and help stores further promote their sales to achieve a win-win situation for retail stores and customers over time.

With the wave of consumption upgrade in China, store services have also become the critical factor of car owners' choice. The data shows that consumers are more inclined to choose clean and good-looking stores with orderly displays and eye-catching posters. These combinations will highlight the professionalism of the store and make it easier to win consumers' favor.

The third season of the event attracted fierce competition from more than 700 stores across the country, with the total number of visits exceeding 1 million. After three seasons of competition, more and more retail stores realize that the retail display is related to business outcomes. A good display is not only to improve the store appearance but also to increase your brand loyalty and conversion rates.



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Tire Masters

TIRE MASTERS is a tire maintenance skill competition to train ace technicians in the automotive aftermarket. The third season attracted hundreds of stores and nearly a thousand tire technicians from all over the country, with strong support from many partners such as SATA, Shell, and X-OIL. This year, the tire masters were selected from nearly 1,000 technicians.

During TIRE MASTERS, the technicians faced multiple rounds of competition, including hands-on skill challenges that tested their knowledge of tire changing, tire pressure, safety standards, customer service, and more.

Besides offering trustworthy products, ZC Rubber is committed to bringing complete and professional services to everyone on the road. The purpose of the competition is to tap the best technicians, and at the same time, promote communication and improve overall service quality for the industry.



ZC Auto Space

ZC Auto Space is the service brand of ZC Rubber in the automotive aftermarket. It provides tire service, including tire changing, repairing, alignment, express service and mobile service. The Auto Space has operated both in China and Thailand, with eight directly-operated stores and more than 500 franchised stores.

Under the influence of the COVID-19 this year, ZC Auto Space played an even more significant role in OAO (Online and Offline) services.

At the beginning of the COVID-19 outbreak, ZC Auto

Space started to provide medical staff with 24-hour escort services. The medical staff can call on-site rescue services with the help of its app at any time.

Also, ZC Auto Space has increased its training and support for retail stores. It actively organized more than 50 online live training sessions, including technology sharing and marketing plans, to guide retail store owners in distribution ideas in the post-pandemic era. They also helped store owners establish standard service awareness through online training of the 14step Tire Service.



PCR Training

The COVID-19 outbreak put dealers in trouble, which made many traditional tire shops worse. Even many tire shops with stable sales performance had experienced a sharp decline at the beginning of 2020, and many stores' sales had almost stagnated. To tide over the difficulties with all dealers, the ZC PCR team quickly launched a training plan.

In the first half of 2020, the PCR team developed the channel network through online contracting, and at the same time, carried out live broadcasts and organized an online novice

training camp to convey ZC Rubber's policies to the stores quickly. In the second half of the year, the PCR team went to various parts of China to conduct comprehensive and systematic training for all dealers.

As the leading tire company in China, ZC Rubber is actively engaged in comprehensive service network building and product R&D innovation. It will always head for higher quality service and customer satisfaction.



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ZC Rubber Expands OE Portfolio in both Consumer and Commercial Tire Segments



ZC Rubber Original Equipment (OE) Strategic Partners

ZC Rubber expanded its supply of Original Equipment (OE) tires to many leading automotive brands for both consumer tires and commercial tires in 2020.

In the Consumer Tires segment, ZC Rubber has reached original equipment cooperation with Ford, Hyundai, Kia, FAW-Volkswagen, and other joint-venture automakers in 2020 following the existing partnership with Volvo, Jaguar Land Rover, GM, and Mazda. It also started to supply WESTLAKE Tires as OE fitments for selected models of Great Wall Motor Thailand and MG Motor Thailand.

In the Commercial Tires segment, ZC Rubber has been recognized by many leading domestic, commercial vehicle

companies. It has been awarded Outstanding Suppliers from such FAW Jiefang, JAC Motors, Sinotruk, etc. These honors are for ZC Rubber's product quality, supply guarantee, fast aftersales service, and so on.

Our innovation-driven investment in high-quality tires has paid off with today's OE supply agreement for these leading automakers. In the next few years, ZC Rubber will further expand its OE product portfolio by establishing the cutting-edge ingenuity of our products with complete solution packages and strive to obtain more OE cooperation from leading international automakers.

COMPANY NEWS

Original Equipment Awards and Honors from Major Chinese Automakers











PRODUCT INTRODUCTION

Z-Series Winter Tire Line Expansion



Z-401, a four-season tire specially designed for the European market. Its single-oriented pattern design guarantees both outstanding snow and summer performance.

Zuper Snow Z-507

Z-507 is a high-performance winter tire for Central Europe. The asymmetric pattern design and special compound provide superior handling on the snow surface.

IceMaster Spike z-506

Z-506, a studded winter tire for the Nordic and Russian markets, is designed by the Finnish team to ensure excellent snow and ice performance.



ZC Rubber added 68 new sizes of its Z-series winter tires, All Elite Season Z-401, Zupersnow Z-507, and IceMaster Spike Z-506, for the European market in 2020. The new sizes aim to meet the diverse demand of the European customers, who are frequently confronted with the rain and snow weather and need to stay mobile in all weather and road conditions.

ZC Rubber launched three Z-series winter tire products in Europe in 2019, the four-season tire Z-401, the winter tire Z-507, and the studded winter tire Z-506, which have gained tremendous popularity with sales exceeding expectations.

"So this year, to better serve European customers, we have upgraded the technology and improved the tire performance in all aspects, and introduce new sizes available in the second half of 2020," ZC rubber stated.

The product line now includes 142 sizes covering 13 to 19 inches in rim diameter, with a much improved wet grip and lower rolling resistance. According to a test report conducted by Test World on March 9, 2020, the series has been enhanced by at least 20% in snow performance, with Z-506 making a significant step forward in snow and ice performance.

"We will increase support to our dealers in this special period, whether in product upgrading or marketing strategy." ZC Rubber expects to meet the customer needs at different levels with continuous improvement in both products and service, eyeing for bigger market share in the future.

Z-507 and SW608 Performed Well in the Auto Bild Winter Tire Test 2020

The GOODRIDE Z-507 and WESTLAKE SW608 made by ZC Rubber achieved satisfying results in the 2020 Winter Tire Test conducted by German automobile consumer magazine Auto Bild. Decisive factors included the best overall performance from all 51 examined tire brands subjected to wet and snow braking tests. The Z-507 and SW608 were ranked 25th and 27th among all tested tires and top performers among Chinese brands.



GOODRIDE Z-507, Image from Auto Bild

The GOODRIDE Z-507 has proven an all-around winter tire performer in the independent product test released recently by Auto Bild, following its excellent results in the tire test conducted by Test World Oy in Finland.

This test evaluated the size of 245/45 R18 tires for executive cars. The crucial factors included the best braking performance as a combination of wet and dry braking distance from all brands – the essential safety feature for all car drivers.

The test results of GOODRIDE Z-507 showed that its total braking distance is 61.7 meters, among which the braking distance in the wet ground is 34.7 meters and that in the snowfield is 27 meters, very close to Yokohama and Nexen tires. It also performed the best of all Chinese tire brands tested. Meanwhile, its predecessor SW608 was also comparable to many of the better-known big brands, ranking 27th among the 51 brands.

PRODUCT INTRODUCTION





	Dunlop Winter Sport	GOODRIDE Zuper Snow Z-507
ICE		
Braking	9.2	8.6
Acceleration	8.8	8.0
Handling	8.6	8.6
Driving Performance	7.8	7.7
SNOW		
Braking	9.9	9.3
Acceleration	9.5	8.6
Handling	9.5	8.5
Driving Performance	7.9	7.0

Data Source: Test World Report

Z-507 is a high-performance winter tire for Central Europe. Its asymmetric pattern design and special compound provide superior handling on the snow, coupled with an optimized lateral slope angle to enhance snow performance further. At the same time, its special zigzag sipes strengthen traction and braking on snow. It is now available in 45 sizes with tread widths from 205 to 275 for a vast passenger car spectrum.

Z-507 had previously demonstrated excellent braking, acceleration, handling and driving performance in this year's Test World Test and was well balanced across all items. According to the Test World Test results, the ice and snow performance of the Z-507 is about 20% higher than its predecessor. And it was very similar to Dunlop Winter Sport in terms of ice braking, ice handling, ice driving performance, and snow braking.

To achieve this, ZC Rubber has made a remarkable improvement in tire snow and ice performance through years of research and development, using unique compound and tread design. In the future, ZC Rubber will continue to focus on product research and development to bring value and safety to consumers.

Reifen*	nass (80 km/h)	Schnee (50 km/h)	gesamt
Bridgestone Blizzak LM 005	30,3	24,5	54,8
MichelinPilot Alpin 5	31,9	24,3	56,2
Semperit Speed-Grip 3	30,8	26	56,8
Continental WinterContact TS 850P	31,8	25,2	57
Hankook Winter i*cept evo3	32,3	25	57,3
Vredestein Wintrac Pro	33,2	24,9	58,1
BF Goodrich g-Force Winter 2	34,1	24,6	58,7
Kleber Krisalp HP 3	34,4	24,6	59
Goodride Z507	34,7	27	61,7
Platin RP-60 Winter	37	25,2	62,2
Westlake SW608	34,2	28	62,2
Gislaved Euro*Frost 6	35,9	25,8	62,7
Kumho WinterCraft WP71	35,7	28	63,7
Toyo Snowprox \$954	37	26,9	63,9
Falken Eurowinter HS01	37	27	64
Riken Snow	37,1		-
Firestone Winterhawk 3	37,9	-	+
GT Radial Winterpro HP	38,3	3	
Fortuna Winter	38,4	-	
Zeetex WH 1000	38,7	-	-
Infinity Ecozen	38,9		
Aeolus Snowace 2 HP	39	÷	-
Tomket Snowroad Pro 3	39,3	-	-
Atlas Polarbear 2	39,6	1	-
Radar Dimax Alpine	40,5		-
Haida HD617	40,6	-	4
Mazzini Snowleopard	40,6	-	-
Duraturn Mozzo Winter	40,7		
Nordexx Wintersafe	41	-	-
Tracmax S210	41,1	1	+
Imperial Snow Dragon 3 (S210)	41,4	-	
Wanlt S 1083 Snow Grip	41,4	-	-
Momo W2 North Pole	41.7	-	
Starmaxx W850	42,3	1-	-
Petlas W651	43,1	+	-

Data from Auto Bild



MDA2

(M+S)

New Launch: WESTLAKE Generational II Premium Truck Tires





ZC Rubber launched WESTLAKE generation II premium truck and light truck radial tires WSA2LT, WSA2, WDA2LT, WDA2, WSM2 and WDM2 for the European market on July 1, 2020. It is designed for the European fleets who seek for both tire performance and cost saving.

The WESTLAKE II is positioned as a Tier Two tire, with longer mileage, less fuel consumption, better wet grip and stable casing compared to the previous generation. It has made all-round progress in appearance, comfort and performance while delivering safety and value like its predecessor.

Developed in Europe and manufactured in Thailand, the WESTLAKE II is engineered with innovative technology for both long haul and regional operations. It has been built with ZC Rubber's new PSCT theory to ensure long tire life and superior traction properties. Casing stability is also enhanced via a special belt wrap technology for a safe and comfortable drive.

Applying a new Spring Valve technology and featuring the 3D Siping Design, WESTLAKE II delivers a greater grip in the wet and even strong performance in the snow. The tires are also certified by the renowned 3 Peak Mountain Snow Flake (3PMSF) marking.

Meanwhile, a new type of Carbon-Silica tread compound and unique mixing technology is used to further lower its rolling resistance by at least an additional 5 percent, to give the WESTLAKE II excellent fuel efficiency.

The WESTLAKE II is now available in 18 sizes from 17.5"-22.5" to fit most long-haul and regional commercial trucks, uniquely suited for the steer and drive axle positions.

New Theory & Technology: Everything You Need to Know about PSCT

After more than 20 years of painstaking research, ZC Rubber TBR Research Center has finally successfully developed the Pre-strain Contour theory (PSCT) and four technologies derived from this theory with independent intellectual property rights. In 2020, the newly launched WESTLAKE Generation II truck and bus tires based on the theories and technologies have been recognized by the market.

Pre-Strain Contour Theory (PSCT)

Minimized tire profile deformation

- Tire Simulation of Pre-stressing Force through FEA (Finite Elements Analysis)
- Simulation Iteration based on pre-set tire profile
- Minimized tire profile deformation when inflated

Pre-strain Contour Theory is a new truck and bus tire design theory developed by ZC Rubber. We conducted the simulation of real tire performance under different scenarios and conditions of various commercial vehicle models. Based on the new theory and core technologies, the tire can achieve minimized profile deformation and heat generation when inflated and loaded, which greatly improves its tire life and overall performance.

Design Concept

BTCT

Belt Tension Control Technology (BTCT) - Enhanced tire life and durability

- Reduced shear force among steel belts
- Tension improved at the end of belts but reduced at the center
- Reduced deformation at the end of belts at high speed

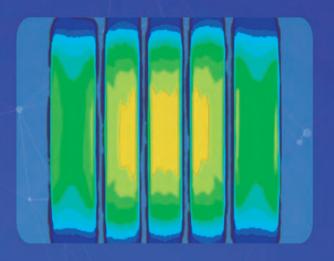
BTCT means Belt Tension Control Technology. Based on PSCT, the shear force among steel belts is greatly reduced. It improves the tension at the end of belts but reduces the tension at the center, thus ensuring the minimized tire deformation at high speed. This features the crown with low heat generation and high strength, bringing a 20% improvement in durability and longer tire life.



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PDOT

Pressure Distribution Optimization Technology (PDOT) - Longer mileage and higher fuel economy



- Optimized Tire Footprint and Better Contact **Pressure Distribution**
- Rectangular Footprint Shape for Even Pressure Distribution
- Reduced Tire Slipping in Cornering
- Improved Tire Life and Fuel Economy

The pressure distribution of the tire footprint affects fuel consumption and treadwear. PDOT is used to optimize the tire footprint and improve the contact pressure distribution. In a straight-line driving, the footprint maintains a rectangular shape for even pressure distributions; when cornering, it reduces slipping between the tire and the ground. This improves your tire life and fuel economy.

GSCT

Groove Strain-stress Control Technology (GSCT) - Less occurrence of groove cracking in driving

- Controllable Groove Pattern Shape When Inflated
- Uniform Distribution of Pattern Groove **Bottom Stress for Lower Heat Generation**
- Less Occurrence of Groove Cracking in Driving

Groove Strain-stress Control Technology can control the groove width change when the tire is inflated. This would reduce stress concentration in pattern groove bottom, thus reducing heat generation. It minimizes the occurrence of groove cracking and prolongs tire life.



SSHT Shoulder Stiffness Hold Technology (SSHT) - Less uneven wear

- Less Uneven Wear of Tire Better Tire Inflation Profile through PSCT
- Reinforced Tire Sidewall
- Optimized Tire Footprint, Improved Contact Pressure Distribution and Reduced Heat Generation of Sidewall Deformation
- Less Uneven Wear of Tire

Shoulder Stiffness Hold Technology brings the tire inflation profile closer to the design profile. It greatly strengthens the tire sidewall. Meanwhile, it optimizes tire footprints, improves contact pressure distributions, and reduces the heat generated by sidewall deformation. This technology cuts the chances of sidewall bubbles and solves the problem of tire uneven wear.



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New Customer Service System for Tire Dealers

ZC Rubber has developed its global customer service system for tire dealers. The online platform is designed to serve as a one-stop solution for tire information, marketing support and after-sales service, serving all brands under ZC Rubber, including WESTLAKE, GOODRIDE, CHAOYANG, TRAZANO, ARISUN, YARTU.

The platform provides easy access to product information and relevant marketing supportive materials, and its newsfeed keeps users up-to-date with the latest company news and new product launches.

It provides more convenient and efficient after-sales service with an online tire claim process. Users can file a claim by filling in a tire failure report in the customer service system and monitoring the claim's status in real time.

ZC Rubber also supports all partners and dealers to expand sales to fleets and end users. The platform will soon feature advertising program support for dealers. Besides, test tires are available for newly launched products, and dealers can apply for test tires through this online platform.

"We hope to bring fast, effective and comprehensive services to tire dealers. Through our online service system, our partners will get timely feedback and resources at any time. We've made it easier than ever to handle all the processes and communications." ZC Rubber states.

The platform was first launched in July this year and is available through the ZC Rubber customer service website www.service.zc-rubber.com/Client/. It requires users to log on with their ZC Rubber accounts.

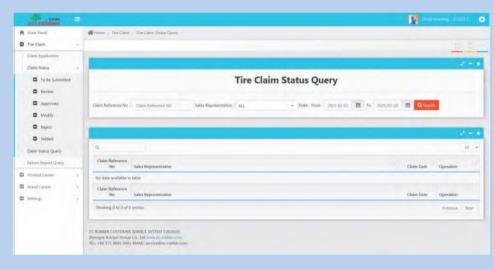
What We Currently Offer:

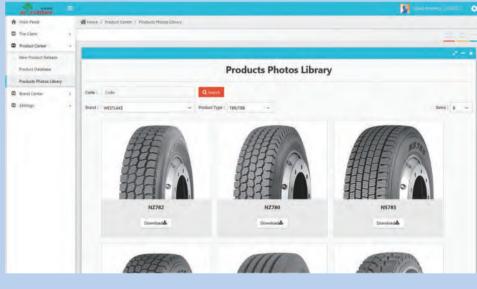
Tire Claim

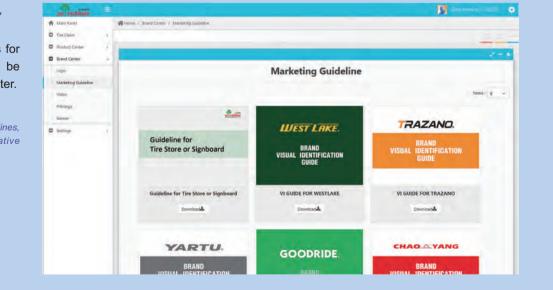
No longer need to file a paper claim. Customers can initiate an online tire claim by filling out a Tire Failure Report and monitor the status of the claim at any time.

Product Center

You have all the product information in the Product Center including catalogs, brochures, and pictures for your region. And you can check out the latest product releases here.







Brand Center

All the creative materials for branding and marketing can be downloaded in the Brand Center.

Search for brand logos, VI guidelines, posters, videos and other creative materials.

ARISUN Launches Two New Premium Commercial Truck Tires ASGOO+ AZG92

ARISUN Tires is launching two new ultrapremium truck tires for the North American market: AS600+ for long haul and AZ692 for mixed service focusing on longer mileage, excellent handling, and superb fuel efficiency.

"We have worked closely with top universities in China to develop new design theories and the new products have made huge improvements in tire performance." Its parent company, ZC Rubber, said.

The ARISUN AS600+ is designed for the steering and trailer axles on trucks as well as all round use on buses in long haul applications. Its wide tread profile promotes excellent stability while providing precise handling performance in all weather conditions. The four straight grooves ensure super fuel efficiency and drainage ability while its innovative side decoupling groove prevents uneven wear.

The ARISUN AZ692 is an all position truck tire for mixed service, featuring a wide tread design and zigzag grooves. AZ692 is engineered to be more stable and durable while providing best-in-class traction and braking. Notably, its unique stone ejectors prevent sharp stones from lodging in grooves and penetrating the tire structure.

Both AS600+ and AZ692 will be warranted through three retreads for seven years.

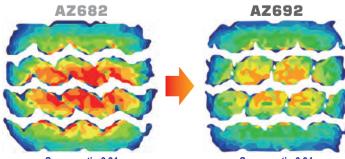
For other ARISUN truck tires, ZC Rubber extended the warranty up to six years with two retreads.

"It is yet another critical proof point of our confidence in the undisputed high end product quality. As our growth continues in the years ahead, we look forward to soon expanding commercial truck segment further and build a strong presence in North America." ZC Rubber states.



Square ratio 0.93

Optimized footprint and larger contact area improve tread wear 8%



Square ratio 0.91

Square ratio 0.90

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ZC Rubber OTR Tires' Explosive Growth in 2020

The production and sales of ZC Rubber's OTR tires have shown explosive growth in 2020. Our products are sold in more than 160 countries and widely accepted in China and overseas.

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Mr. Shen Jinrong, Chairman of Zhongce Rubber Group, pointed out that in 2020 ZC Rubber's global off-highway tire sales reached 4.83 million sets, a year-on-year increase of 21.36%.

"2020 has become our fastest-growing year for off-highway tires, which even exceeded the expectations of some industry experts." Mr. Shen Jinrong said that the reason for such a result lies in ZC Rubber's substantial investment in off-highway tires in recent years. By adding a number of off-road tire products and upgrading the OE fitments and port tires, the company attracted many new customers.

2020 has witnessed a rapid development of China's off-the-road market, like mining, industrial, and agricultural sections, with the further domestic industrial system upgrade.

In Forklift OEM, ZC Rubber is the largest OE partner of Hangcha Group, with a yearly increase of 74% growth.

ZC Rubber eyeing to be one of the leading brands in the global OTR tire market

Our worldwide key accounts customers include Rio Tinto and BHP Billiton in Australia, Vale in Brazil, and the National Copper Corporation of Chile.

Also, we have SPA and DP World, the world's top three terminal operators for the port and terminal sector, as our key accounts.

"Now, our strategy is very clear: Be a One-stop Supplier in Off-Highway Application." Mr. Shen Jinrong said.





SUV Tire Trend: Low Noise, Fuel Savings, and Long Life

By Richard Li, Global Marketing Director of ZC Rubber

We realized that SUV in the auto market is the fastestgrowing segment. Reports show that in China, the sales of SUVs equals to sedans during the past three years, while five years ago, the sales of SUVs is just half of that of the sedans.

In the changing market, ZC Rubber takes SUV tires as one of its most important product lines. We, today, cover all niche segments of SUV tires from HT, AT, and MT. Also, SUV tires are of the most powerful line with over 90% market size coverage. Considering the heavy vehicle weight and high driving speed, we have reinforced all our SUV tires' casing with long-life tread pattern to provide a safety guarantee and great value for all consumers. Furthermore, we are also concerned about fuel efficiency as SUV usually exhausts more gas because of their high horsepower and the heavyweight.

For the trend, we do not expect that there will be more new sizes coming to the market as the vehicle sizes are now big enough and the horsepower is strong enough. The rim size almost reaches the maximum limits, and the tire sidewall height is now quite narrow. Most SUV consumers are not seeking sport but comfort, so the sidewall height cannot be reduced continuously.

Secondly, as mentioned above, most people buy SUV just for commute and recreation and expect tires of comfort, unlike the sedan tires, which focus on two extremely different areas: family and sport. Consumers are seeking for

an SUV tire with the features of low noise, fuel-saving, long life, short braking distance, and, most important, competitive price, for family use but NOT for sports performance. We believe that such customer demands will not change greatly in the future, and our new products will follow the demand accordingly. ZC Rubber R&D team is confident that we may offer tires with low noise, long life, and good price. Such characteristics come from ready technology, and we have already achieved the target.

Thirdly, the heavy vehicle weight of SUV brings high fuel consumption, meaning the consumers have to pay more than the sedan for the fuel. Therefore consumers will be more sensitive about the fuel efficiency of SUV tires. Furthermore, the market expects that the electricity SUV is becoming more and more popular in the coming years, so the new generation tire must have outstanding fuel efficiency and long tire life performance. Currently, we can only offer long mileage but so-so fuel efficiency or good fuel efficiency but poor tire life. Our R&D now starts cooperation with some leading universities in China, trying to find the most suitable compound for balancing fuel efficiency and long tire life. The balance is a great trouble for all tire manufacturers, and we are trying our best to achieve the target.

In 2020 we expanded our SUV/CUV tire lineup by adding two new products, the ZuperTrek Z-203 for CUV and the CrossLegend SU320 for SUV.





CROSS LEGEND ^{SU320}

Z-203 is a brand-new Zuper Series CUV tire, available in 40 sizes. It is an excellent choice for a comfortable commute during the week and a casual trip on weekends. The optimized tire casing delivers superb handling and fuel economy. Its unique compound, coupled with the multi-siping and variable-pitch tread design, promises a long mileage with a smooth and quiet driving experience.

The Zuper Series passenger car tire lineup pursues higher fuel economy and better wet control.

SU320 belongs to the LEGEND Series, which is a new SUV/LTR tire line launched for the North American market, pursuing the ultimate durability and off-road performance.

The SU320 uses a high-strength material that leads to exceptional durability. Its computer-simulated groove design provides ideal water evacuation while maximizing tread area to ensure increased tire life. Thanks to its shoulder zig-zag siping design, SU320 is dedicated to safe driving on all kinds of road surfaces. It is currently available in 60 sizes. 7

TO P COVERT NO

SISMS

ZC Rubber Unveils Massive Billboards in 4 Countries for WESTLAKE and ARISUN Tire Brands

ZC Rubber, the world's 10th largest tire manufacturer, unveils massive billboards in 4 world-famous locations covering the United States, Australia, Thailand, and Germany.

The tire maker showcased its ARISUN and WESTLAKE Tire brands through the sprawling 25-story, 15,000-square-foot building side LED display wrapping around the American Eagle store as the second launch at the heart of Times Square in New York. The company also rolled out a simultaneous billboard launch located at the Melbourne Galleria in Melbourne, the Palladium Square in Bangkok, and the Potsdamer Platz in Berlin to gain a stronger global presence.

"We see it as a perfect opportunity to increase our global brand image and market value. This campaign will generate millions of brand impressions worldwide and associates WESTLAKE, ARISUN, GOODRIDE with some of the most wellknown, established tire brands in the world." ZC Rubber said.

ZC Rubber achieved upward development and maintained steady growth in 2020, a year full of turmoil, though. "As the safety and value continue to be the core of our success, we are committed to increasing R&D investment and customer support to meet higher market demand. We cherish our relationship with our partners and dealers and hope to help them expand their market share through more diversified strategies for the coming year."

ZC Rubber ranks among the Top 10 global tire companies in 2020 for the ninth straight year with 2019 tire sales of 3,585 million USD. In 2020, it sees "a sales growth trend continues" despite the impact of the pandemic.



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ZC Rubber Showcased New Tires and Services at SEMA360

ZC Rubber attended this year's online SEMA360 show held on Nov. 2-6, 2020, showcasing the latest tires and services designed to put customer first and enhance product values better than ever.

The virtual online trade show SEMA360 focuses on business relations, new product introductions and industryleading education in the absence of the 2020 SEMA show. This is the first time that ZC Rubber has displayed the tires and services of its brands ARISUN, WESTLAKE, GOODRIDE in a virtual exhibition, and established online contacts and exchanges with potential buyers and customers.

This year's leading highlight is the recent release of two new ARISUN truck tires for the North American market, AS600+ for long haul and AZ692 for mixed service focusing on longer mileage, excellent handling, and superb fuel efficiency.

"We have worked closely with top universities in China to develop new design theories and the new products have made huge improvements in tire performance." ZC Rubber said.

Beyond new tires' debut, ZC Rubber showcased the newly-launched global customer service platform online for tire dealers, which will serve as a one-stop solution for tire information, marketing support and after-sales service for all of the company's brands including ARISUN, WESTLAKE, GOODRIDE, CHAOYANG, TRAZANO and YARTU.

In addition, ZC Rubber revealed a new distribution center in the US in December, aiming to bring more efficient logistics services to its customers.

"Even though this year's event is a virtual experience, it is still a fantastic opportunity for us to tap into targeted customers and connect with them. We are excited to share our latest innovations in products, technologies and services with the industry, and to bring safe and value to our customers and end-users." ZC Rubber states.



regions.





WESTLAKE at the New Year Promotion Exhibition Organized by the Ministry of Commerce of Thailand



ZC Rubber at Bauma with a Full Range of



China 2020 OTR Tires

CHAO A

Janggu

Jonggu ze rubber ARISUN

Racing & Sponsorship

ZC Rubber has sponsored several series of drifts, motorcycle races, road rallies, etc. in the year 2020 in different countries to further improve its brand awareness.

British Drift Championship



D1NZ Drifting Championship Series



Zak Pole

Drift Masters European Championship



Formula Drift Japan



GOODRIDE New Zealand Team



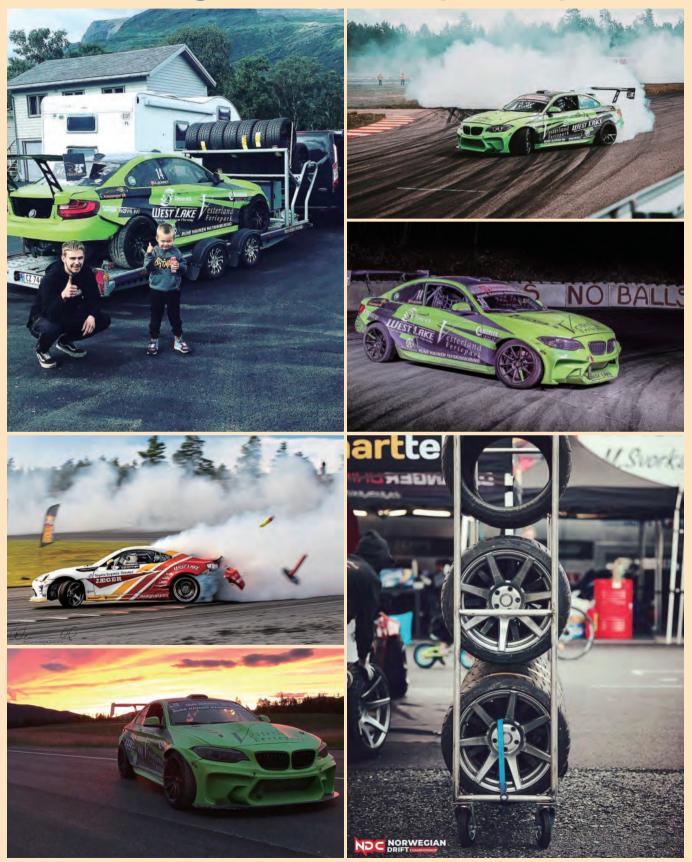
KIC Drift Cup - Korea



Link ECU NZ Choice Drift Series (CDS) - New Zealand



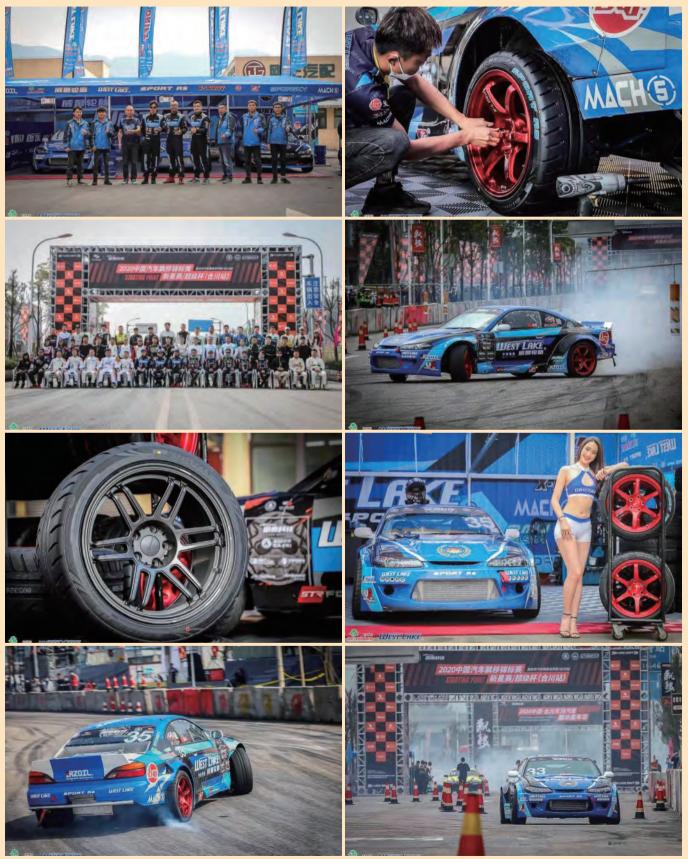
NDC Norwegian Drift Championship



WESTLAKE and CHAOYANG Team at 2020 XMEETING Car Fan Festival



WESTLAKE at 2020 China Drift Championship (Hechuan)



WESTLAKE Sponsored Team Achieved Excellent Results at the China Offroad Championship(COC) 2020



ARISUN Sponsored 2020 Sanshui Forest Motorcycle Race at Guangzhou



ATV Rally Sponsorship

ZC Rubber sponsored SPEEDFREAK in Portugal and VARELA CAN-AM ENERGY MONSTER in Brazil in season 2020. VARELA CAN-AM ENERGY MONSTER attended Rally, and achieved great results, 1st in Jalapao Rally, 3rd in RN1500 Rally, and 1st in Sertoes Rally.





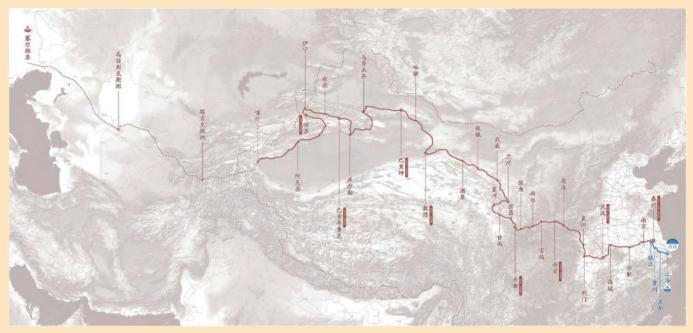
Austrian National Team-Austria

The Austrian National Team, our event partner from the beginning in 2016 starts into the fourth season. In 2020 we continued the cooperation and supported the World cups, World Championships and Junior World Series together.









CHAOYANG Tires sponsored 2020 Silk Road Messenger International Cycling Race

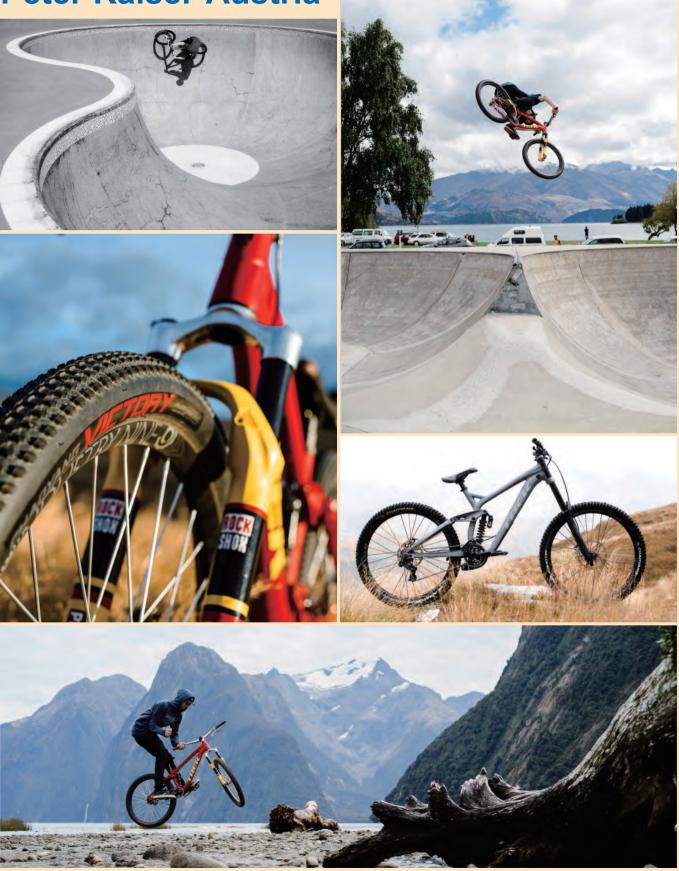


Nicola Rohrbach-Swiss

Nicola Rohrbach is a multi-talented Rider no matter if it is Cross Country, Marathon, Stage Races, Enduro or Cyclocross. Give him a bike and he will ride it on the highest level. His Cross-Country World Cup top ten results in 2018 he did on the prototypes of the PHANTOM tires where he was involved in the development process. Now the Phantom Series is ready and will be the tire for all our CHAOYANG athletes. In season 2020, he got 3rd place at the Swiss Cyclocross Championships, and won EKZ Gravel Race on the new Gravel AT.



Peter Kaiser-Austria





BH Templo cafes UCC with CHAOYANG tire

Team BH Templo cafes UCC-Spain

Rocio Garcia, and Pablo Rodriguez have been competing for the team based in La Rioja Spain. They raced again on CHAOYANG Phantom tires. The team achieved good results at MTB events, 3rd at the Portugal Cup in Vila Franca, 2nd at the XCO in Chelva, 2nd at the Costa Blanca Bike Race, 1st at the Colina Triste, 1st and 3rd at the Spanish National Championships.



Team Cube Profermetures Sefic-France



ZC Rubber welcomes the French Cross-Country Team Cube Profermetures Sefic. The Team based in Locmine (Bretagne) was founded in 2007. Since his creation it has not stopped progressing and registered 2014 the first time as an UCI Team. In season 2020, the team ride on CHAOYANG Phantom tires, and achieved great results, 3rd at the World cup in Nove Mesto, 4th at the UCI C1 Copa Catalana in Santa Susanna, 2nd at at the UCI C1 Copa Catalan in Barcelona, 5th at the 3 Nations Cup at Spaarnwoude, 2nd at the French National Championships and etc.











Team DMT Racing-Italy

The DMT Racing team by Marconi is one of the top Marathon teams with Tiago Ferreira the European Marathon Champion 2019 and Hans Becking the current 4th at the UCI Marathon Ranking. Also, Jose Dias from Portugal, Andreas Miltiadis from Cyprus and Pau Salva Martinez from Spain are competing for the equip from Italy. In 2020 season they raced on Phantom tires, and achieved great results in many races. The team won the Portuguese XCM National Championship and XCO event in Portugal, got Silver medal at the Marathon Championships in Turkey, had incredible record on Phantom Speed, 17753 meters uphill on an MTB in 23hours 29min 34 sec.





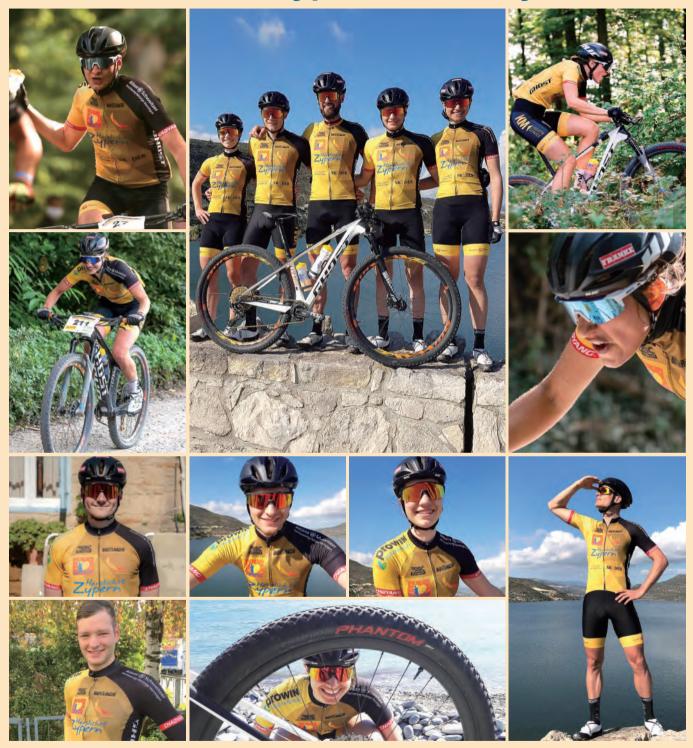




Team Four Es Racing-Italy



Team Herzlichst Zypern-Germany



Team herzlichst Zypern was founded in 2009 as a Hobby Team the Team herzlichst Zypern, and developed to a serious National Mountain Bike Team with focus on Marathon, Stage races and 24H races. ZC Rubber have been cooperating with the team for several years. In season 2020, the team ride on CHAOYANG Phantom tire, and achieved good results, 4th at the Alb Gold Trophy, 1st at the Grüne Hölle Freisen, 3rd at the Mesa Parts Trail Hype in Titisee-Neustadt.

MARKETING ACTIVITY

Team jb BRUNEX Felt-Swiss



ZC Rubber has been cooperating with the jb BRUNEX Felt team (jb Brunex Superior Factory Racing in season 2021) since season 2018. The team attended MTB, road, and marathon races on CHAOYANG Phantom tires in season 2020, and achieved great results, 1st at Junior World Series in Gstaad, 2nd at the Junior World Series in Leukerbad, 2nd at the Junior World Series in Banyoles, 4th at the Swiss Epic, 1st at the Argovia Cup in Langendorf, 3rd at the EKZ Cross Cup in Baden, 1st, and 3rd at the Swiss Championships, 1st at the German National Championships XCO, 1st at the Marathon World Championships in Turkey,1st at the Mediterranean Epic, 2nd at the Austrian Championships in Zanzenberg, 1st at 3 Nation Cup in Spaarenwoude and etc.



CHAOYANG Sponsored MTB events in Brazil



CHAOYANG has sponsored two MTB events in Brazil in season 2020, CHAOYANG Challenge MTB and CHAOYANG Gigantes MTB. CHAOYANG Challenge MTB was held on 15th and 16th February in Camboriú SC, With 650 participants. CHAOYANG Gigantes MTB was held on 15th and 16th August in Santana dos Montes. 40 participants attended the event which had been recorded and be broadcasted through BandSports and Pra Quem Pedala channel. Although affected by the coronavirus, spectators can't go to the event, but they had a chance to feel the exciting moment through the Internet and TV.





COVID-19 Response: How ZC Rubber is Supporting Communities, Frontline Workers and Customers

2020 has been a tough year for the global economy, as well as the tire industry. ZC Rubber withstood the test and held up well during this challenging time.

Beginning February 10, 2020, ZC Rubber has resumed full production in China and Thailand and continues to supply tires to customers worldwide. But The Company, its distributors, partners, and employees are doing more than these.

Since the outbreak of COVID-19, ZC Rubber has rolled out a series of initiatives in the ongoing battle against Covid-19. They have been finding ways to mobilizing resources to help meet the needs of first responders, healthcare workers, community organizations and more.

24/7 Free Road Rescue Service to Healthcare Worker

In the early days of the COVID-19 outbreak, ZC Rubber quickly teamed up to provide 24/7 free road rescue service to healthcare workers in Hangzhou City. The company continued to answer the calls for tire repair, tire replacement, rim change, mobile rescue, alignment, and maintenance. At the same time, ZC Auto Space provided

free disinfection services for all customers visiting the store.

In response to this action, thousands of retail stores across the country also spontaneously provided free tire repair services for medical workers and related medical units nationwide.

Dealers' Supporting Service on the COVID-19 Frontline



ZC RUBBER FAMILY

Our dealers actively participated in the frontline of the COVID-19 prevention battle. Wuhan Tianli, one of our regional dealers swiftly deployed 6000 taxis to serve those in need when the local public transportation facilities in Wuhan city were out of service. Another dealer, Wuhan

Zhifang, donated ZC Rubber Truck tires to the muck transportation team free of charge for Wuhan Leishenshan Hospital's construction. They continued to supply the team until Leishenshan Hospital was built.

Bringing Employees Back to Work Safely

With the reopening of the business, ZC Rubber arranged a special train for employees to return to work from other provinces and notified everyone of relevant policies and precautions in advance. The company also provides free masks for each employee and accommodation for non-local employees to ensure they have no worries about the risks of returning to work.

Through strict management, ZC Rubber strived to ensure a safe recovery of production. The company disinfected office areas, workshops and shuttle buses every day, and each day professionals conducted temperature checks for employees to ensure everyone's safety and health.

To reduce exposure and risk of transmission, everyone must wear masks and practice social distancing. Assemblyline workers were required to move around at a safe distance. "Health and safety remain the top priorities." said the Human Resource Department at ZC Rubber.





Donating Masks for Global Customers

During this unprecedented challenge, ZC Rubber has been supporting its customers, suppliers, and business partners around the globe. So far, ZC Rubber has donated about 100,000 masks to international customers and partners across Asia, Europe, Middle East, Africa, North America, Latin America, and Oceania.

ZC RUBBER FAMILY



Charity Donation in Thailand

In May 2020, ZC Rubber Thailand launched a charity donation initiative to donate free rice and drinking water to many local people in Thailand who lost their jobs and financial income due to the pandemic, helping them get through the crisis.



ZC Rubber Thailand Celebrates Its 5th Anniversary

ZC Rubber Thailand celebrated its 5th anniversary at its plant in the Rayong Industrial Park, Thailand, on June 29, 2020.

ZC Rubber Thailand is our first overseas plant, established in 2015. Since the first PCR tire rolled off the production line on May 25, 2015, the Thai company has made significant progress and breakthrough development.

"With Thailand as our strategic foothold in Asia, ZC Rubber has successfully captured plenty of regional market and built strong brand awareness through multiple channels. This also further promoted our expansion to the global tire market," said Mr. Shen Jinrong, Chairman of Zhongce Rubber Group.

Today, the company's annual output has reached 13.2 million sets of PCR, TBR, OTR, MCT, BIAS products under brands of ARISUN, GOODRIDE, WESTLAKE, TRAZANO, and CHAOYANG brands with more than 1800 sizes. These products have been exported to 58 countries and regions

worldwide.

With a total investment of around 4.5 billion RMB (694 million USD), ZC Rubber Thailand has dramatically boosted the group's production capacity. The Thai company has world-leading equipment, and its vast production capacity fully meets the needs of the global market.

"We would like to thank our employees past and present for their contributions to ZC Rubber Thailand, as well as the ongoing support of our customers, partners, and the local government and communities of Thailand over the past five years. We remain committed to delivering highquality tire products and service with safety and value to our customers around the world," said Chen Hua, General Manager of ZC Rubber Thailand.

ZC Rubber Thailand Key Dates

December 2015

The first TBR tire



May 2015

The first PCR tire successfully rolled off the production line



September 2016

The first bias tire



May 2017

The first industrial bias tire and the first motorcycle tire



February 2020

Groundbreaking ceremony for Phase III production



September 2018

The first OTR tire





How to Expand Your Tire Dealer Business

Australian GOODRIDE Dealer Jason Sun Talks Products, Service and Marketing Strategies

Everyone knows that Australia is a country that rides on the sheep's back, but it is more of a country on tires. About 5 million people in Sydney, Australia, and the number of cars in the area have reached more than 3 million. On average, less than two people own a car. Tires are the most consumable parts here.

Sun began working with ZC Rubber in 2000 to become a dealer of GOODRIDE Tire in Australia. He expanded the retail store franchise and enhanced distribution services, thus building a stable customer base and local awareness of the GOODRIDE Tire brand in Australia.

Now he has more than 10,000 square meters of warehouse space in Sydney and branches in Canberra, Wollongong, and Perth, with four retail outlets, 37 employees, and an annual turnover of AUD 8 million.

Sun had delivered tires by himself from door to door for customers at the start and has always based his business on fast, high-quality delivery to achieve the minimum store inventory. He also supports the store to attract end customers through franchising and advertising.

Wide-range Product Supply

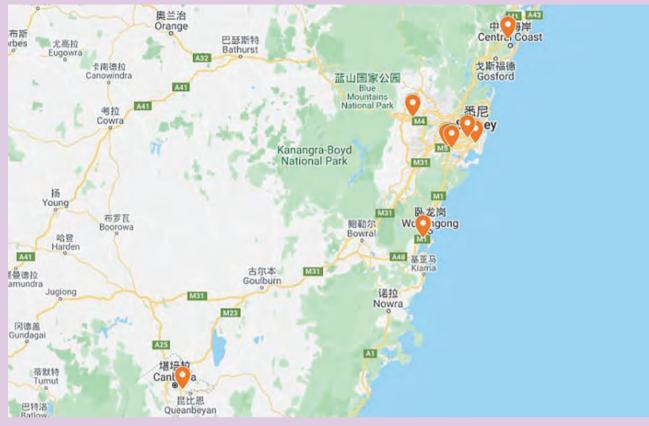
Sun has continued to expand and optimize its portfolio to meet the market's diverse needs from the initial seven products.

At present, his four stores sell mainly for GOODRIDE, covering commercial truck (TBR) tires, consumer (PCR/LTR) tires, and Off-the-road (OTR) tires with as many as 100 products, to fully meet the needs of the local market.

Efficient and High-quality Delivery Services

At the start of the business, Sun decided to build a stable customer base by making deliveries several times a day in response to customer needs.

In Sun's eyes, a good product portfolio is a fulcrum, while a quality delivery service is leverage. Only the combination of the two can leverage the market.



V Sun's company currently has four branches, four retail stores and is preparing to open a fifth this year.

At present, Sun's company has 21 delivery trucks and two service vehicles, realizing efficient and high-quality delivery services to ensure that customers can receive orders in the shortest time.

Customized Product Portfolio

Sun developed a specific product portfolio for each store in different regions. By doing so, Sun's products captured the hearts of customers because they were tailored to their needs. This strategy has also brought him greater profits and increased the core value of the stores.

Expansion on Retail Franchise Business

Sun's strategy for joining the tire retail franchise business was born with a thriving business and a growing brand presence.

The expansion of direct retail franchise stores expanded his business scale quickly, captured more market share, shortened the distance between stores and end-users, and provided more accurate service to customers, thus bringing greater value to the market.

At present, Sun's franchise business has a particular scale. He plans to open 40 tire outlets in Australia in the next two to three years.

Sun's company currently has four branches, four retail stores and is preparing to open a fifth this year.







ZHONGCE RUBBER GROUP CO., LTD.

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