

ZC 中策家苑

ZHONGCE Club 20
family
2020

ZC Rubber
Ranks No.9
Among
Global Tire
Companies
in 2019

Challenge
for
Change

We Have
a Dream
for Future

Digital
Changes
More

GLOBAL RANKING

ZC 中策家苑
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ZHONGCE RUBBER GROUP CO., LTD.

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Challenge for Change

Greetings from President Mr. Shen Jinrong

Year 2019 set up a new milestone for ZC Rubber. In this year, ZC Rubber reports a rapid growing revenue of 26.72 RMB billion and ranking top 9 among the global tire manufacturers. It also marks that ZC Rubber has led Chinese tire industry for the past 10 years. Today ZC Rubber is forwarding to its target to be one of the most respected leading tire manufacturers all over the world.

The business environment remains tough in 2019 for Chinese tire manufacturers with the anti-dumping duty and high extra tariffs, slow increase of world economy, fast declining of auto sales as well as the weak demand from the markets. However, ZC Rubber achieves a wonderful financial report with the sales of truck & bus tires 19.44 million pcs/set (increased by 2.26 %), consumer tires 40.06 million pcs/set (increased by 9.5%), and bicycle & motorcycle tires 84.52 million pcs/set (increased by 3.8%) for the past year. We highly appreciate the hard working and zealous contribution and, also, look forward to a better future.

ZC Rubber stepped to globalization years ago by setting up the overseas subsidiaries and Thailand plant. Today the globalization brought fruitful rewards as ZC Rubber's shipment to international market increased by 9.5%. The revenue from international market reached USD 1.6 billion occupying 40% of the total revenue.

We fully understand that the future growth of international market relies on safe and valuable products bringing better customers' experience to the consumers. In 2019 ZC Rubber invested millions of dollars to upgrade the production facilities as well as the R&D process. Our R&D centers are focusing on different type of tires and start close cooperation with well-known universities and institutes in order to produce tires with high quality and excellent performance. The coming new year we will introduce more new products with witness the latest technology and production achievements which guarantee longer mileage, less fuel consumption, and better wet surface traction. Safety and value are always our commitment to our customers and partners.

Meanwhile we believe that our products need more communication with the end users who, at the moment, are eager to learn the benefits of our products. In 2019 ZC Rubber worked with our partners to promote the brands

awareness all over the world by various methods. Furthermore, we also seeking for the new opportunities from the internet economy helping the customers to know more about ZC Rubber products and helping the distributors to have more profits. In China ZC Rubber now develops the digital platform for the distribution channels to save the cost, manage the inventories and improve the business efficiency. We also push the information to the end users by internet as such information covers product features, promotions, and users' shared experience. Besides, the data gathered by tens of thousands tire stores will help us to know the exact market demand, which requests us to develop products more suitable for the market.

ZC Rubber expands the business all over the world, remaining as the leader of Chinese tire industry. We are relying with capable and powerful business partners, such as OE customers, big fleets and logistic companies, shared ride partners, and more others. We supply tires with safety and value, service network supported by our hundreds of thousands of distributors, and the smart tire system monitoring the tire performance.

Again, I shall sincerely thank all our customers and partners. Your support and contribution built up a worldwide distribution channel promoting ZC Rubber's products to millions of consumers. We will focus on the customers demand, develop more suitable and valuable products, bring up the brand awareness and brand image by continuous marketing activities, and, finally, increase more profits for all of you. We are confident about our future and moving towards our target together.

沈金榮



深耕坚守
同心筑梦

We Have A Dream for Future

Mr. Ge Guorong, VP of ZC Rubber 中策橡胶集团副总经理 葛国荣

昔日弄潮儿，如今大海行！中策橡胶自1958年建厂以来，凭借着自身对核心技术的不断精进和对市场需求的精准研判，与中策大家庭全体成员心浆合一，任凭浪打潮涌，风浪险恶，我们不忘初心，无畏前行！2019年中策橡胶实现连续十年全国第一，并成功跻身全球第九，全年实现轮胎销售收入40.62亿美元，增长2.74%，国际市场销售收入达到15.91亿美元，增长8.25%；其中全钢轮胎发货1944.3万条/套，增长2.26%，半钢轮胎发货4006万条/套，增长9.5%，其他各类产品如工程工业轮胎、ATV等也取得快速增长。这些成绩来自于我们各位经销商、集团客户、配套厂家、供应商伙伴的鼎力支持，也来自于千千万万消费者对中策产品的喜爱和信任，我们对此表示最诚挚的谢意！

Zhongce Rubber Group Co., Ltd. (hereinafter called ZC Rubber), a company established in year 1958, is forwarding in today's tough market together with the partners and friends all over the world. In year 2019, ZC Rubber remains as the No. 1 in China and ranks No. 9 among the global tire manufacturers, achieving the sales revenue of USD 4.06 billion, a 2.74% increase. The revenue from international market reached USD 1.6 billion, increasing by 8.25%. Total shipment of truck & bus tires are 19.44 million pcs/sets, 2.26% increase, and consumer tires are more than 40.06 million pcs/sets, 9.5% increase. The performance is relying on the development of technology, the smart reaction on the market demands, and, more importantly, the support from all our distributors, key accounts, OE customers, and raw material vendors, as well as the trust and confidence of millions of consumers and end users. We highly appreciate your contribution and inputs for our success.

I. 核心竞争：技术创新领先前行

Key Competitiveness with

Technical Innovation

产品永远是获得客户的第一要素，是中策橡胶对全体经销商和合作伙伴的责任所在。中策橡胶始终秉承安全 and 价值理念，不断投入最新科技和设备，力求为全世界消费者提供最具性价比的轮胎产品，为全体用户带来更多的价值和回报。

Products, without any doubt, are the first and the most important key to win the customers. Quality of products, especially SAFETY and VALUE, is the commitment from ZC Rubber to all our customers, and brings more benefits and rewards to the consumers.

1) 创新产品研发，推动销售

Innovation of R&D

中策橡胶长期以来坚持自主研发，不断探索新理论、新技术在产品上的应用，从而推动产品持续的升级换代。中策橡胶的研发团队已经建立起轮胎设计、模具设计、轮胎行驶仿真等多种研发软件平台，根据客户使用情况和反馈，不断完善公司设计开发数据，在轮胎的轮廓、运动、噪音等方面取得了长足进步。保证中策橡胶产品有更好的行驶里程和操纵性能，节省燃油消耗，提升产品价值。

ZC Rubber continues the investment on R&D by exploring the application of new technology and new theories and pushing the upgrading of products. Today various R&D software platforms are set up for the casing, molding, riding simulation and other related areas for engineers to develop tire with outstanding performance. With the data collected from the platforms, ZC Rubber engineers keep on optimizing the tire structure, handling, noise and compound for longer mileage, better driving, fuel efficiency and so on, just aiming one target: to promote value for the consumers and end users.

新型材料的应用也是中策橡胶研发的重点。在各细分行业领先供应商

的支持下，中策橡胶大胆尝试新材料在轮胎生产中的应用，例如人造丝（来自Cordenka）、液体顺丁橡胶（来自Evonik）、芳纶等，在特定产品如补气保用轮胎、冬季轮胎、防刺自行车轮胎等方面取得了长足进步。同时中策与全球知名化工企业如埃克森-美孚、中国石化、中国石油、沙特阿美、道达尔、杜邦建立了长期稳定合作关系，通过原材料的稳定供应和稳定质量保证中策橡胶自身产品的优异质量。

New raw material also helps the product quality improvement. Supported by world famous suppliers, ZC Rubber, in the past year, introduced various new raw materials for certain application. Today ZC Rubber is purchasing, rayon from Cordenka, the largest supplier all over the world, for stronger run-flat tires structure, liquid butadiene rubber from Evonik in order to improve the performance of winter tires, and Kevlar mainly for anti-puncture bicycle tires. Meanwhile ZC Rubber established long-term cooperation with many global top raw material suppliers, like Exxon-Mobile, SINOPEC, Petro China, Saudi Aramco, TOTAL, DuPont, and so on, in order to keep a steady and high quality raw material for ZC Rubber's high quality products.

同时中策橡胶与多家中国知名学府建立了长期科技开发合作关系，包括清华大学、哈尔滨工业大学、浙江大学等全国一流名校以及北京化工大学、青岛科技大学、中科院长春应化所等行业内顶尖研究机构。其研究成果覆盖橡胶材料、结构设计、滚动阻力、噪音优化等各个方面，大大助推了中策橡胶科技创新的进程，成为中策产品持续领先的基础。

Furthermore, ZC Rubber, besides its own R&D team, is also sourcing long-term technical cooperation with well-known universities, institutes, and other labs. The cooperation list includes top universities of China such as Tsinghua University, Harbin Institute of Technology, and Zhejiang

University, as well as those famous in rubber and tire industry like Beijing University of Chemical Technology, Qingdao University of Science & Technology, and Changchun Institute of Applied Chemistry, a member of Chinese Academy of Science. The cooperation introduces the latest science and technology, covering the areas of new rubber materials, tire structure enhancement, rolling resistance reduction, and lower noise. Such cooperation helps to improve the quality and performance of ZC Rubber products continuously so that ZC Rubber may always lead the Chinese tire industry.

2) 优化产品组合，增加回报

Advanced Product Portfolio

中策橡胶针对不同市场的需求，对现有的产品系列进行了认真梳理和调整，实现针对不同市场提供不同的产品，突出适应市场的优点，实现产品的适应性改进，从而使终端消费者更加接受和认可中策的产品。

Market varies in different countries and even different cities. ZC Rubber, supported by the large production scales, is ready to supply different products to different markets to meet the different customers demand with the strong R&D team and qualified products. The product portfolio guarantees that ZC Rubber works as a one stop supplier providing most suitable tires to the consumers.

1. 半钢产品：

Consumer Tires

中策橡胶针对欧盟市场推出了新一代 Zuper 产品系列，包括 Z-107 HIGH PERFORMANCE 乘用车轮胎、Z-506 STUDDABLE 带钉冬季胎、Z-507 新一代冬季轮胎、Z-401 四季轮胎产品，在噪音、湿滑、滚阻这些欧盟消费者关注的轮胎性能方面取得长足进步，同时在成本方面也有极大改善，大大增强了市场的竞争力，获得了良好的回报。

European customers focus more on noise, wet grip and fuel efficiency as per the government regulations. Therefore ZC Rubber introduced to this market new generation of ZUPER lines, including Z-107 high performance tires, Z-506 studdable winter tires, Z-507 studless winter tires, and Z-401 European all season tires. The ZUPER line products promise better tire performance but lower cost. They will be the hook to catch the eyes of consumers and bring more profits for our distributors.

北美市场上，中策橡胶将协同经销商，在 2020 年针对旗下不同产品推出 35,000-50,000 英里的里程保证，直接对标目前市场上主流品牌，有力增强了产品的市场竞争力。同时针对北美市场 SUV 车辆保有量快速增加的现状，不断拓展公司 SUV 轮胎产品规格，目前已经能够提供超过 200 个 SKU 产品，用于 SUV/4X4 车辆，在中国轮胎企业的产品线中独树一帜，具备了极强的竞争能力。

North America is totally different from Europe while mileage will be the key to success. In this market ZC Rubber works together with local distributors to launch mileage warranty from 35,000 to 50,000 miles (based on different tire categories) in 2020 to meet the customers' demand. In this market, SUV/4X4 vehicles are much more popular than any others so Z Rubber plans to launch more SUV/4X4 tires in more sizes and more patterns besides the ready 200+ SKUs available for the market. The new products will cover the all different segments of SUV/4X4 markets, highway, all terrain, off road, as well as mud and rocky grounds.

在其他市场上，中策橡胶也积极根据特定市场需求开发特定的产品，例如泰国的超载高速轮胎、非洲的轻量化加强型轮胎等，为经销商持续扩大销售、增加获利空间和提升品牌影响力提供了强大的支持。

For other markets, ZC Rubber also cherishes the idea "supplying most suitable tires to meet the market demand" and provides more choices for the local distributors. For example,

the high-speed overload light truck tires are being tested in Thailand, reinforced low-cost truck tires are introduced to Africa market, and some more others for Japan, Korea, inland countries of Asia, and so on. In one word, right products for right market will help all distributors to expand the business and generate more profits.

2. 全钢产品：

Truck & Bus Tires

中策橡胶的全钢轮胎产量已经跻身世界前列，在中国复杂路况和使用条件的考验下，中策橡胶全钢轮胎已经能够适应全球各个市场的不同需求，从高速公路长距离物流运输，到矿山工地恶劣路况，中策橡胶总可以根据载重、路况、速度等不同条件，提供适当的产品，充分满足市场的差异化需求。

Chinese market is the most difficult market for truck tires as in this market consumers uttered so many different requirements: high-speed, overload, rough roads, cold & hot weather, long mileage, and etc. ZC Rubber, gathering experience and data from such tough situations and customers' feedback, now grows as one of the top truck tires suppliers all over the world and offer numerous choices for various markets.

在现有产品的基础上，中策橡胶利用最新的科技成果，将在 2020 年对全钢产品进行全面升级，在进一步优化成本的基础上，针对不同的市场需求进行结构优化和工艺提升，持续提升产品在不同市场的适应能力和竞争实力。中策橡胶将在欧盟市场推出威狮卡车轮胎的升级产品以及全新好运卡车轮胎，初步实现与主流品牌二线产品质量相当、价格更具竞争力；在北美市场会推出 ARISUN 品牌改进产品，提供更长里程、更低油耗、更高性价比；在其他市场，中策橡胶同样会根据不同市场需求，设计开发新一代产品，在质量、价格、性能等各个方面实现全面提升，充分满足经销商和合作伙伴的殷切要求。

In 2020, ZC Rubber is going to upgrade most of the truck tires using the latest technology and know-how learnt from the R&D cooperation. The main target is to improve the structure design and the production process and to reduce the cost. For example, 2nd generation of New WESTLAKE will be launched in European market together with the upgrade version of GOODRIDE to compete the against tier 2 brands by better value. In North America, ZC Rubber is going to introduce the upgraded products for ARISUN premium truck tires, offering longer mileage, less fuel consumption, and better cost per mile (CPM). For other markets, ZC Rubber will also follow the concept "Most Suitable Products for Market" and develop new products based on the demands from different market, enhancing the performance and quality while reducing the cost so as to support the distributors and partners to win more market shares.

3. 特种轮胎产品：

Special Application Tires

中策橡胶全钢 OTR 产品从无到有，经过五年潜下心来，已经成为中国轮胎行业排名前列的供应商，产品质量得到了 TITAN、MAGNA 等全球知名 OTR 轮胎企业的认可和接受，成为其重要供应商。今天的中策橡胶特种轮胎，覆盖了矿山、港口、物流、建筑等各种用途，在不同的应用场景下表现出优异的性能，为客户和经销商持续创造价值，也见证着中策橡胶自身实力的提升。

ZC Rubber is a new entry company for the special tire segment, especially for the radial off the road tire (ROTR) business. The past 5 years witnessed the rapid growth of ZC Rubber in ROTR market as the total output of ROTR of ZC Rubber reached 100,000 pcs, among the top suppliers in China. Titan, Magna, Techking and more other ROTR companies already accepted ZC Rubber's product quality and started long-term cooperation. At the moment, ZC Rubber ROTR tires are

widely used for mining, ports, logistics, construction and other application with extraordinary performance, which keeps on creating more value and benefits for customers and our distributors.

II. 深耕坚守：传统渠道创新发展

Innovation for Traditional Distribution Channel

替换市场轮胎销售渠道日益多元化，但无论是线上还是线下，轮胎最后还是需要传统的轮胎门店安装后才能正常使用，这就是传统轮胎零售渠道的价值所在。中策橡胶深知，传统门店在当今快速变化的市场中，既有竞争压力，也有获利机遇，通过线上线下的数字赋能，支持传统门店深耕细作，全面拓展市场空间和提高盈利能力，推动传统渠道高速发展。

Great changes are taking place in the tire replacement market, especially for the distribution channels, right now. The only certainty is that tires still need installation service in tire retailer stores. Such certainty is the value of the traditional tire shops, who are facing great pressure and attractive opportunities in today's market. ZC Rubber, in order to offer more profitable business for the retailers, is now trying more digital business and provide more support.

1) 创新引领市场，激发渠道活力

Creation of New Management System

中策橡胶在中国首先引入了名为"中策云店"数字化渠道管理运营系统，经销商在这个系统上能够通过网络及手机完成各项工作，包括订单下达、订单支付、库存数量、促销返利等内容，通过交易数字化和大数据分析，使得经销商能够及时掌握销售动

态和变化，为经营提供真实有效的数据信息和决策依据，助力经销商快速适应市场变化、调整销售策略，实现降本增效，提升利润空间。

ZC Rubber is the first one in China to introduce a digital channel management system, named as "ZC Rubber Cloud Store". Most tire stores, traditionally, run their business by computerized system. Now ZC Rubber upgrade the system to mobile phone access so that the distributor or store owners may carry out most business anywhere and anytime. They may place orders, pay for the orders, check inventories, and collect rebates by mobile phone while the system may recommend the popular SKU as well as profitable products. With the system, the distributors and store owners will learn what is happening at real time without waiting for a report submitted after several days so they can make quick decision, improve business efficiency, reducing cost and inventories, and make more profits.

2) 推进渠道布局，完善渠道分布

Expansion of Distribution Channels

中策橡胶意识到随着市场的发展，在传统轮胎销售门店之外各种新业态层出不穷，同时市场的需求也日趋多元化、专业化。一个团队对应不同类型客户、服务不同类型需求的模式已经落后于时代的需求，无法应对客户及消费者精细化定位、专业化服务的预期。

ZC Rubber realized that the development of market generates more new business modes besides the traditional tire stores. Meanwhile the consumers and end users are also having different demands. Therefore it is a trend for future that both the manufacturer and the distributors shall build up a professional sales team, not only sell the products but also provide unique service to customers.

为适应市场的变化，中策橡胶针对客户的专业化需求，首先组建了专业的OTR轮胎销售服务团队，服务于非公路轮胎客户这一细分群体。OTR轮胎用途各有千秋、需求不尽相同，中策橡胶OTR团队深入市场，了解不同客户的不同想法，充分发挥公司规模化和柔性生产的优势，实施定制化产品供应，充分满足市场需求。2019年中策橡胶海外市场上ROTR产品销售同比增长56.4%，打开了矿山、港口、建筑等各个特定市场的大门，为未来能够跻身世界一流OTR产品供应商奠定了良好的市场基础。

ZC Rubber now keeps a team specially involved in OTR business. For this segment, ZC Rubber understands that the customers look for different tires, even with same pattern and same size, due to different road situation and application. All the team members are experienced sales engineers with proper training. They help the customers to classify the application including road/ground, loading capacity, speed, and more, recommend the suitable products, and follow the performance by regular field service and data collection. By this way, the OTR business grows 56.4% in year 2019 and ZC Rubber products entered different segments of mining area, port service, and construction. We are forecasting a steady growth in the coming year and expecting ZC Rubber will be ranking as one of the top OTR manufacturers in the future.

同时中策橡胶面对海外集团客户和OE客户的特定需求，在中国OE销售团队的基础上，组建了海外市场OE销售团队，专门针对海外市场集团客户和OE客户拓展销售渠道。目前中策橡胶海外OE及集团客户包括了CIMC、SCHMITZ-CARGO BULL、VOLVO、DOOSAN、DSV等世界一流企业，并积极与VOLKSWAGON、DIAMLER TRUCK、HYUNDAI、GM、GEELY-PROTON等拓展业务往来。此外CARREFOUR、WALMART、SEARS等贴近普通消费者的商超企业，也已经或即将出现在

中策橡胶集团客户的名单上。

Furthermore, ZC Rubber has already set up another team serving key accounts and OE customers in international market. The customer list covers auto and trailer manufacturers, fleets, and logistic companies such as CIMC、SCHMITZ-CARGO BULL、VOLVO、DOOSAN、DSV. Today more OE customers are evaluating ZC Rubber products. They are VOLKSWAGON、DIAMLER TRUCK、HYUNDAI、GM、GEELY-PROTON and more. Chained retail giants like CARREFOUR、WALMART、SEARS will be soon on the customer list of ZC Rubber.

通过上述努力，中策橡胶在完善渠道分布的道路上高歌猛进，与传统门店互为支持相互推进，从而实现中策橡胶海外市场的大步增长。

The new customers and channels are focusing on different market segments other than the available tire retailer stores. They will bring more growth for ZC Rubber and its distributors as they are usually occupied by tier 1 or 2 brands and pay more attention to service and brand instead of price. We are looking forward to approaching more such customers in different markets and achieving more sales together with the traditional business channels.

3) 提高服务能力，增强用户粘性

Service Attracts Customers

市场竞争需要中策橡胶提供优质、安全、性价比高的产品，但单纯依靠产品竞争力，一方面与竞争对手的距离无法迅速拉开也很难长期保持，另一方面消费者也需要一段时间逐步接受和认可，因此对于渠道来说，通过提供及时优质的服务，是在产品之外获取收益的重要手段。中策橡胶以其多年的经验积累，愿意努力支持经销商建设较为完善的轮胎销售服务体系，为终端消费者提供优质产

品之外的优良服务、优化体验。

The market competition requires products of quality, safety and value. However customers will spend long time to recognize the features of new introduced products, which also face the risk that other competitors may copy or clone in a short time. Therefore ZC Rubber expects that besides products, service is another hook to catch the eyes of consumers as good service will bring the customers perfect experience and charge extra profits. Obviously service will be an important profit source in the future.

在中国市场，中策橡胶依托全国经销商，联合中国人民保险公司推出了“中策轮胎保”，购买中策轮胎的消费者因轮胎鼓包爆胎而发生的损失，将获得相应的保险赔付。同时中策橡胶以车空间服务品牌为依托，支持中国经销商投入近千辆道路救援服务车，实现中策轮胎产品全国救援和异地理赔；在澳大利亚，中策轮胎经销商发起了GOODRIDE SERVICE服务网络，在泰国，中策轮胎启动了Safe Tire Service.....在其他市场上，中策橡胶也在积极推动经销商扩展服务内容，通过服务获取附加价值和增加相关收益。

ZC Rubber launched “ZC RUBBER TIRE INSURANCE” program in China together with People's Insurance Company of China (PICC), the largest property insurance company in China. The program covers the cost of tire replacement and losses occurred due to the tire manufacturing defects or failure on roads. In 2019 ZC Rubber, working together with thousands of domestic distributors, invested thousands of service trucks equipped with quick service tools to provide road rescue service. The bar code system of ZC Rubber products also helps the consumers to claim the tire warranty at any authorized ZC Rubber product retailers. In Australia, ZC Rubber has GOODRIDE SERVICE and in Thailand, SAFE TIRE SERVICE.....generally ZC Rubber will support all our distributors to expand the service to gain more

rewards.

渠道是轮胎这一传统分销产品销售的基石，在拥抱互联网的今天，中策橡胶将一如既往支持和帮助我们的渠道，不断创新、加强服务，持续提高渠道的分销能力，同时支持我们的合作伙伴积极向传统渠道之外的领域拓展，扩大产品的销售区域和覆盖范围，实现中策橡胶产品在市场上的全面覆盖。

Tire business is quite unique and distribution channel is the basement of this business. Whatever internet and online business develop, tires are still installed by retailers with professional tools and equipment. ZC Rubber will continue the support to the traditional distribution channel to be more creative to expand the service, expand the customers, expand the area and category, and finally expand the sales.

III. 全球布局：多点开花高歌猛进

Globalization Extends the Market

中策橡胶如今跻身全球前9，海外市场占有率在中国轮胎企业中名列前茅，在立足中国的基础上积极推进国际化进程。目前中策橡胶的产品销往全世界近200个市场，基本覆盖了全球各个角落。国际市场销售收入占公司整体的比重，也从五年前的22%左右逐步提升至40%，生产部门从中国拓展到了泰国，并积极筹备第二个海外工厂，而海外分支机构也渐入佳境，在了解市场信息、提升客户服务、支持销售增长方面发挥了巨大作用。

ZC Rubber in 2019 ranks as No. 9 among the global top 75 tire manufacturers with the leading market shares among all Chinese competitors. ZC Rubber products entered nearly 200 different markets covering each corner and segment of all over the world. The sales revenue of international market occupies 40% in 2019 compared to 22% five years

ago. We are supply tires not only from China but also from Thailand. We also plan to set up another overseas workshop in a near future. Our overseas subsidiaries are willing to serve our customers with suitable products, pleasant experience, and enhanced service.

未来的中策橡胶，将进一步加强海外市场的拓展，全力支持海外经销商积极进入开拓市场，在实现销售市场全覆盖的前提下，优化渠道布局、实现渠道下沉，当前中策橡胶是中国轮胎产品市场占有率第一，但对比全球知名品牌，我们的市场份额仍然非常有限。我们将一如既往奋发努力，争取整体市场占有率位居前列，力争在未来的3-5年内，实现销售收入全球排名进一步提升的目标。

However, compared with the premium brands, ZC Rubber has to admit that the market share in certain area is still quite limited. The ultimate target for ZC Rubber is to step forward continuously to win more market shares with the support of distribution channel. As a reward ZC Rubber will invest on the upgrading and expansion of distribution channels consistently. A distribution network with efficiency and less intermediaries will help the sales greatly and push ZC Rubber forward for the global ranking.

IV. 同心筑梦：放眼未来再创佳绩

We Have a Dream for Future

针对上述远大目标，中策橡胶将继续在产品、渠道、服务、营销方面全面发力，在全体经销商和合作伙伴的支持下，不畏险阻、破浪前行。中策橡胶将依托数字化创新带来的红利，实现智能制造、数字化营销，提升服务水平，实现绿色可持续发展，成为受人尊敬的世界一流的顶级轮胎生产企业。

ZC Rubber's future target need numerous hard works about products, distribution channels, service and

marketing, as well as the consistent support and contribution from the distributors and partners. ZC Rubber, benefitting from the bonus of digital economy and internet, will try to achieve the target by setting up smart production, digital and traditional marketing, service improvement, and business consistency. In the coming future, ZC Rubber is going to be one of the most respected leading tire manufacturer.

1) 智能制造，力创高端

Smart Production

中策橡胶与阿里云合作推进的ET工业大脑项目在过去三年内取得的长足进展，实现了生产效率大幅提升，生产质量全面提高。未来中策橡胶将在更多的生产过程中应用相关成果，实施大数据分析和制造过程关键因素优化，在5G和物联网技术的支持下，将关键设备和管理节点有效结合，搭建以人工智能为依托的质量管理体系，从而大幅度提升产品质量，满足公司不断提升地位的需要。

Cooperation between ZC Rubber and Ali Cloud, the 3rd largest cloud service provide of the world, leads the project of ET Industry Brain, a software system collecting and analyzing data from production, which helps ZC Rubber to promote the production efficiency greatly, especially in the area of rubber compound mixing. In the coming year, ZC Rubber will extend the system to more fields and continuously upgrade the lean production about the equipment, processing and flow, management, and so on. AI system will soon be introduced based on the ET industry Brain as a supplementary analysis tool. Finally, ZC Rubber will enhance the product quality greatly after adopting all these modern tools supported by technology of 5G and IIoT (industrial internet of things).

2) 循环科技，绿色发展

Consistency of Development

在生产轮胎的同时，中策橡胶牢记自身的社会责任，初步建立起从原材料采购到轮胎生产到废旧轮胎回收处理的轮胎全生命周期体系。目前中策橡胶已经初步实现生产过程的零污染排放，在中国轮胎企业中遥遥领先，面对相关环保法规游刃有余轻松应对。同时中策橡胶持续投入轮胎翻新和循环利用技术，在2019年翻新轮胎近10万条，生产近7000吨再生橡胶，基本实现了废旧轮胎的翻新和再生利用。随着相关技术的不断成熟和优化，2020年中策橡胶将大幅提升轮胎翻新能力和再生胶产量，实现绿色循环发展，为全球环保事业贡献自己的力量。

As the leading tire manufacturer in China, ZC Rubber cherishes the social responsibility and sets up the tire life recycling system from raw material to the used tires scrapping. Natural rubber occupies largest percentage of the total raw material of ZC Rubber. During the production, ZC Rubber generates no waste emission as all wastes are absorbed or recycled. Meanwhile ZC Rubber built up a recycled workshop with the capacity of 100,000 pcs retread tires and over 7,000 recycled rubber after a long-term investment on the tire retread and rubber recycle technology. In 2020 ZC Rubber will expand the capacity of the workshop greatly and look forward to a green and consistent development to protect our earth.

3) 数字赋能，智慧推动

Digital and AI support

中策橡胶和全体经销商都面临当前互联网技术突飞猛进带来的风险和挑战，但从其中也发现了巨大的机遇和回报。通过互联网的支持，中策橡胶智慧轮胎系统（VTIS）日趋成熟，并将逐步向国际市场推广应用。智慧轮胎系统目前已经能够实现轮胎胎温、胎压和行驶路径的实时跟踪及信息共享，使得车主、司机能够及时预警轮胎故障，并呼叫附近的服务商提供相关服务。凭借这套系统，中策橡

胶协助经销商和集团客户实现了轮胎的全寿命有效管理，并大幅降低了因为轮胎故障导致的车辆停运损失，为物流车队节省了大量成本，有力推动了中策橡胶针对集团客户的销售。

Digital economy and internet bring great changes to the market and the distribution channel. ZC Rubber realized that, besides the change, new business opportunities appear too. In 2019 ZC Rubber developed VTIS (Vehicle Tire Intelligence System), an upgrade version of Smart Tire System, to meet the demand of market. VTIS, similar to the available Smart Tire System, may monitor the air pressure, temperature, speed, and the travel route, and transfer the real time data to the driver, truck owner and any others who are involved. Furthermore, the VTIS added more function to connect the nearest tire store to provide necessary service, easy installation, and match the trucks and trailers automatically. The trial of VTIS looks quite successful in certain fleets, especially city bus, port equipment, long haulage truck fleets and so on, saving much cost about tires themselves, tire inspection, and tire service.

新的一年中，中策橡胶还将进一步拓展网络销售的力度，加大互联网平台的宣传推广，以中策云店这一管理系统为支撑，描绘中策产品消费者画像，及时获取中策产品库存信息，不断将中策产品的消费者引导给零售门店，为零售门店提供更多的生意机会和利润回报，全面实现合作共赢的既定目标。

In the new year, ZC Rubber decided to expand more online business after more investment on marketing. The management software systems such as ZC Rubber Cloud Stores and VTIS will be introduced in international markets to proper definition of ZC Rubber consumers for a proper position of ZC Rubber brands. Meanwhile the systems also help all distributors to reduce the tire inventories and attract the consumers by supply more value. The results of the new system will be more profits and rewards for the distributors, and

ZC Rubber together with all partners will grow steadily.

2020年中策将一如既往，与全体经销商和合作伙伴一起，深耕市场，拓展销售，以产品支持渠道，以渠道推动产品，在全球市场上通过质量、服务满足全球消费者的需求，积极提升品牌形象，加大营销投入，增加客户黏性和忠诚度，不断提高中策品牌的知名度，区隔于其他竞争对手品牌，巩固在市場中的优势地位，筑牢竞争中进入门槛。我们深怀感恩之心，愿与我们中策大家庭的全体成员同心筑梦，共创未来！

In 2020 ZC Rubber will keep the commitment to develop the business and expand the market. We will provide more new and suitable products, offer more value and support the distributors. Meanwhile we will also invest more on quality upgrading and marketing activities so that ZC Rubber's brand will be more popular among all consumers. We will devote to the differentiation of ZC Rubber products and brands from other competitors and the establishment of a worldwide distribution network. Again, we highly appreciate what all our distributors and partners did and have done for ZC Rubber during the past years. We will build our dreams and forward for a better future.



ZC Rubber Ranks No.9 Among Global Tire Companies in 2019

2019 Global Tire Company Rankings

Based on 2018 results. Includes subsidiaries.
(Figures in millions of dollars, translated at average annual currency exchange rates)

2018 Rank	2017 Rank	Company/Headquarters	2018 Tire sales	2018 % of total corp. sales	2017 Tire sales	2017 % of total corp. sales	2016 Tire sales	2016 % of total corp. sales	2015 Tire sales	2015 % of total corp. sales
1	1	Bridgestone Corp. ¹⁾ Tokyo, Japan	*24,982.0	*75.0%	*24,350.0	*75.0%	22,121.0	*75.0%	*24,045.0	*75.0%
2	2	Group Michelin ²⁾ Clermont-Ferrand, France	*23,275.0	*93.0%	*23,560.0	*95.0%	21,129.4	*95.0%	*22,130.0	*95.0%
3	3	Goodyear Tire & Rubber Co. ³⁾ Akron, Ohio	*14,392.0	*93.0%	*14,300.0	*93.0%	*13,645.0	*90.0%	*14,800.0	*90.0%
4	4	Continental A.G. ⁴⁾ Hanover, Germany	*11,757.0	*23.3%	*11,325.0	*29.0%	*10,785.0	*25.0%	*10,780.0	*25.0%
5	5	Sumitomo Rubber Industries Ltd. ⁵⁾ Kobe, Japan	6,962.1	86.0%	6,755.1	85.7%	6,029.9	85.8%	6,051.2	86.3%
6	6	Pirelli & C. S.p.A. ⁶⁾ Milan, Italy	6,125.6	100.0%	6,034.2	100.0%	6,380.0	100.0%	6,933.6	100.0%
7	7	Hankook Tire Co. Ltd. ⁷⁾ Seoul, South Korea	*5,810.0	*94.0%	*5,535.0	*92.0%	5,008.7	91.8%	*5,320.0	*90.0%
8	8	Yokohama Rubber Co. Ltd. ⁸⁾ Tokyo, Japan	4,746.1	80.8%	4,862.4	81.6%	4,209.0	79.9%	4,152.8	79.8%
9	10	Zhongce Rubber Group Co. Ltd. ⁹⁾ Hangzhou, China	3,996.4	98.4%	3,621.9	96.4%	3,229.2	96.0%	3,395.3	95.4%
10	9	Maxxis International / Cheng Shin Rubber ¹⁰⁾ Yuanlin, Taiwan	3,907.1	100.0%	3,955.5	100.0%	3,887.0	100.0%	3,847.0	100.0%
11	12	Toyo Tire Corp. ¹¹⁾ Hyogo, Japan	3,097.9	86.9%	2,920.5	80.8%	2,685.9	79.8%	2,690.4	79.8%
12	11	Giti Tire Pte. Ltd. ¹²⁾ Singapore	2,912.3	89.1%	2,984.5	91.1%	2,890.58	100.0%	3,130.7	100.0%
13	13	Cooper Tire & Rubber Co. ¹³⁾ Findlay, Ohio	2,808.0	100.0%	2,854.7	100.0%	2,924.9	100.0%	2,972.9	100.0%

ZC Rubber as per the latest report released by Tire Business, jumped to NO. 9 among the top tire manufacturers worldwide in 2019.

ZC Rubber remains the largest tire company in China for over 10 years with the revenue of 3,996 million US dollars, increased 10.3% in 2019. "We achieved such a success with the support and trust from all our distributors, partners, friends, suppliers and more. Thank you very much for the long-term contribution and confidence. The honor is not only for us, but also for all of you." ZC Rubber says.

Globalization and technology innovation lead ZC Rubber to expand the market shares worldwide together with global partners and distributors. Four oversea branches of Europe, Brazil, U.S and Thailand play important role for the sales and service in local markets. Furthermore, ZC Rubber continue to launch new products with safety and value to meet the market demand.

In 2020, ZC Rubber expects to create new record of

the revenue as well as the output. The new output target of ZC Rubber is 20.40 million pcs/sets for truck & bus tires, 42.00 million pcs/set for passenger car & light truck ones, 2.76 million pcs/sets Bias truck, 87.05 million pcs/set two-wheel including bicycle, motorcycle, ATV and others. "We are confident of our business progressing and we believe that we can achieve the task and new success with sustain efforts and the cooperation with all of our partners."

"In the future, we will focus on premium products by consistent investment on R&D, on production cost saved by IIoT (Industrial Internet of Things) and lean production, on proper marketing activities and brand promotion, and on instant service to improve the customers' satisfaction. Generally, we will offer what the global customers requires and support our distributors to expand the business. We expect to craft a better future together with our global partners in the future."

New Warranty Policy Introduced in Certain Markets

ZC Rubber, in 2019, upgraded the original warranty policy in certain markets as warranty is a great concern for the consumers when they are buying tires. The upgrading varies in different markets due to the different market demand and road/load conditions.

United States requires much longer mileage compared to any other markets due to its large land area and long distance commute and transportation. In 2020 ZC Rubber will launch new mileage warranty for consumer tires in U.S. market covering UHP, touring and SUV/4X4 segments. "We set up the new mileage warranty which will be comparable with the tier 2 brands in the market. This is a commitment which we made for the numerous consumers, hoping that they will be released from any concern about our products."

Furthermore, ZC Rubber also extend the warranty to 5 years (60 months) from the date of manufacture for truck and bus tires in certain brands and tread patterns in both U.S., Europe, Thailand and other specific markets. Originally, ZC Rubber only cover the complaints within 3 years after the date of manufacture. Now the technology and raw material innovation promise to consumers that ZC Rubber products will travel longer mileage and have longer tire life. "We are focusing on our commitment of safety and value. The extension of warranty means that we are willing to offer more value to our customers. We hope that more customers will realize our quality of durability, mileage, and performance and get more

satisfaction from our products."

The warranty policy change is a result of the improvement of technology and raw material. Also, the change helps to build up the confidence of consumers. ZC Rubber will continue to improve the tire quality in future trying to be more competitive in the market.



ZC Rubber Launch New Cooperation with Well-known Universities and Institutes

In 2020 ZC Rubber started new cooperation with several well-known universities and institutes involved in the R&D of raw materials, tire performance and safety. Such cooperation is part of the strategy of ZC Rubber about safety and value and a powerful support to ZC Rubber's own R&D team.

ZC Rubber realized that the competition requires all manufacturers to supply products with good quality but less cost. Continuous investment on R&D will bring such products and ZC Rubber must catch up with the latest technology too. Therefore in 2020 ZC Rubber approached various outsources to seek for the opportunities studying the new achievements in the fields of raw materials like rubber, chemicals, carbon black, steel cords and so on, and tire performance such as noise, wet traction, long mileage, retreading and etc. The cooperation list includes top universities of China such as Tsinghua University, Jilin University, Harbin Institute of Technology, and Zhejiang University, as well as those famous in rubber and tire industry like Beijing University of Chemical Technology, Qingdao University of Science & Technology, and Changchun Institute of Applied Chemistry, a member of Chinese Academy of Science (CIAC).

Jilin University, founded in 1946, is known in China for its automotive simulation and control laboratory (ASCL) and the college of automotive engineering. ASCL is one of the national key laboratories and focuses on driving simulation and automotive engineering technologies. The project carried by ASCL simulates the tire performance during driving and helps ZC Rubber to improve the tire structure

and tread design to provide consumers a safe and comfortable ride.

CIAC is established in 1948 and works as a multidisciplinary chemistry institute that conducts basic and applied research and high-tech innovation in polymer sciences, inorganic chemistry, analytical chemistry and physical chemistry. Currently, CIAC carried out cooperation with ZC Rubber for the introduction of new raw materials such as nickel catalyzed butadiene rubber and improvement of available materials. The new material may help to enhance the tire performance, especial the wet grip and tread wear, still important parts of safety and value.

Year 2020 will witness more R&D projects with more parties as ZC Rubber believes that only premium products with safety and value can win the trust and satisfaction of the consumers. Also, only the premium products will generate constant profits for all our distributors. With the outsource of technology, ZC Rubber will save much time and upgrade the product quality more efficiently.





Digital Changes More

Internet and digital economy are popular and fashion topics today for the tire industry. Mr. Shen, Jinrong, president of ZC Rubber expressed the understanding and forecast of digital application in a TV program "DIALOGUE" hosted by China Central Television in October, 2019.

As the No.1 tire manufacturer in China, ZC Rubber enjoys a large share in global commercial vehicle tires market. Also, ZC Rubber is one of the largest two-wheel tire suppliers in Asia and all over the world. ZC Rubber, in order to improve the product quality, production efficiency, and effective supply chain, continuously applies digital technology for the R&D, production process and distribution.

Mr. Shen stated in the program that digital technology is increasingly applied to ZC Rubber's products. The smart tires using VTIS (Vehicle Tire Intelligence System) can help drivers to get real time data about the tire temperature, air pressure and travelled mileage. The system will avoid any potential tire failure or accidents and ensure a safe drive.

In addition, ZC Rubber put digital technology into marketing, especially in the PCR tire market in China, by setting up "ZC Rubber Cloud Store", an online management system. The new system will support ZC Rubber and the regional wholesalers to keep eyes on the sales of retailers as well as the inventories of retailers. Also, ZC Rubber and wholesalers may have an accurate sale forecast after data gathering in several weeks and months. Wholesalers, with the system forecast, are reducing their stocks greatly and

saving large sum of cost for storage and finance.

Digital data also push ZC Rubber to improve the production efficiency by data analysis supported by ET Industry Brain, a program between ZC Rubber and Ali Cloud.

The program supervises the data generated during the production finding any step or procedure which is of less efficiency or creates no value. Supported by this program, ZC Rubber improved the lean production efficiency greatly in 2019 saving nearly 25% of production cost of rubber mixing and improve the quality steadily.

Besides, ZC Rubber continue to invest on ERP, CRM, warehousing and some more IT systems. All digital systems help ZC Rubber to have instant reaction on customers' demand and cut off the extra cost occurring due to waiting or holding or no value-added actions. Together with the achievements of R&D, ZC Rubber is quite confident to produce most suitable tires with most competitive cost for worldwide consumers.



The New Strategic Partners & Cooperation

ZC Rubber, based on the idea about distribution channel innovation, started the cooperation with more key accounts and OE customers in China other than the traditional distributors. The partners include new sales channel like Tuhu, Key account like GoFun, and OE customers such as Changan Auto, Geely Automobile, JAC, VOLVO, Mazda and more.

Tuhu is now a leading aftermarket service provider in China. The company is focusing on offering auto service to consumers. The business mode of Tuhu is that consumers place orders online and enjoy the service by Tuhu contracted retailer stores. Tuhu will guide consumers to the contracted stores bringing more revenues for them by

wiping off the intermediates.

Mr. Ge Guorong, VP Sales of ZC Rubber, said: "Tuhu changed the traditional operating model by Internet information and consumers' data collection while ZC Rubber offers high quality products to the consumers. The cooperation between us, like branding, distribution channels, marketing and staff training, definitely provide consumers' a wonderful experience of products and service."

Today shared riding becomes more popular in China and all over the world. GoFun is one of the leading shared riding service providers operating more than 30,000 electric



vehicles (EVs) in Beijing, Tianjin, Fuzhou and other 20 more cities in China. ZC Rubber, the leader in Chinese tire industry, closed the business deal with GoFun in 2019. ZC Rubber will supply GoFun premium tires of low rolling resistance and excellent wet traction to ensure the EVs will last longer mileage with limited battery power. Furthermore ZC Rubber shares its country-wide service network to serve the EVs when EVs are travelling across China.

OE customers are always important for ZC Rubber, not only because OE customers place regular orders with large quantity, but also because OE business helps to promote the brand image and the sales of aftermarket. ZC Rubber in

2019 continues to expand the cooperation with leading Chinese auto manufacturers such as Changan Auto. Both parties set up the joint R&D laboratory in order to push the cooperation and exchange the technical data, especially for the new type of Changan cars and SUVs.

In the future, ZC Rubber will continue to provide high-quality products with safe and value for customers, and meet the different customer demands, and improve service capabilities. The innovation of ZC Rubber's distribution channel will support the future business and push ZC Rubber forward.



Key Accounts Cooperation: CHALCO & NEW HOPE

Key accounts, in tire business, are always important players for manufacturers and distributors with steady demand and accurate calculation of cost per kilometer. In 2019, ZC Rubber focused on exploring more key accounts together with the local distributors and achieved great success, such as CHALCO (Aluminum Corporation of China Limited) and New Hope Group.

CHALCO is the leading supplier of aluminum in China and the 2nd largest manufacturer all over the world. The company transports millions of tons of aluminum, aluminum oxide, and raw material (bauxite). Supported by nation wide distribution system, ZC Rubber reached an agreement not only supplying tires but also provide service for CHALCO subsidiaries and branches located in North and Northwest China. The above location area covers more than 30% of the total land area of China (about 3 million square kilometers) and the annual tonnage is more than 30 million tons. ZC Rubber, working together with the local distributors, recommends proper products, arranges regular tire field inspection, and provide road rescue for all CHALCO trucks. The business mode "Tire + Service" attracts CHALCO's orders and is a good sample when ZC Rubber approaches other key accounts.

Another story is about New Hope Group, the agricultural product leader in China. The group is serving cold chain logistic service to 24hrs convenient stores, supermarkets, and even individuals placing orders through online platform. ZC Rubber launched "1+4" tire service solution: Respond to customer's emergency call in 1 hour nationwide and deliver tires to assigned locations (mostly big cities) within 4 hours. Wherever New Hope's truck is, ZC Rubber will supply premium quality tires at any time.

In the future, ZC Rubber plans to expand the "Tire + Service" relying on the support from over 30,000 ZC Rubber

distributors and retailers across China. Today the key competitiveness is not only about the products but also the service. The high quality tires with the service from 30,000+ stores secure the truck drivers on road. Any time truck drivers have any issues with tires, ZC Rubber and its partners will help them in first minute. This is the promise from ZC Rubber, and will be the key advantage to expand the business.



AutoSpace: Success in Aftermarket



The vehicle population in China developed rather rapidly from 16 million in year 2000 to 348 million in year 2019. Such a quick increase creates a fast growing aftermarket and pushes the tire industry. Various customer demands require the improvement of product and service. Meanwhile, the quick expanding market also attracts numerous investors involved in this market. AutoSpace, as a subsidiary of ZC Rubber, keeps in mind the concept "Serve the Tire Stores, Satisfy the Consumers" and sets up a bench mark for the Chinese aftermarket, relying on the products from ZC Rubber, supply chain supported by IoT (Internet of Things), and constant improvement of technology and service.

1. ZC Cloud Store: Digital technology changes the business

ZC Cloud Store is an online business management system linking ZC Rubber, wholesalers and retailers. The tough competition of aftermarket forced anyone involved to improve the efficiency and save the cost to strengthen the competitiveness. Auto Space, based on such thoughts, makes full use of IT technology and data analysis, helps all

the intermediates of the supply chain to improve the efficiency. All the daily business, like orders, inventories, sales and so on, are operated online by different function modules such as MAITONG, WMS, SHOPEX & Taobao Shopkeeper. Now, ZC Cloud Store System has over 50,000 registered stores, recording the transaction of over 1 million tires every month.

2. Chained Service: Create satisfactory customer experience

Most practitioners in China aftermarket entered the industry in the past 15 years with less experience and proper training. The individual tire stores are difficult to attract consumers who prefer to trust auto dealers and large auto garages. AutoSpace, focusing on tires, created a service platform by establishing brand image, working guidelines, and training programs. "Good tires, Good maintenance and Good auto body" is the key target for AutoSpace. In 2019, it launched the working guideline "14 Steps for Tire Service" and promoted the guideline by over

1000 training hours for more than 300 trainees each. AutoSpace won much awards in 2019, such as the Gold Award for Outstanding Chain Service in the Automotive Aftermarket, Top 100 Chain Terminals in the Chinese Automotive Aftermarket, and the Outstanding Franchise Brand in Zhejiang Province. In the past 4 years, AutoSpace has covered all provinces and built more than 400 flagship stores in China.

3. Value & Benefits: Bring more business and profits

The huge aftermarket size brings more business opportunities by the key to success is how to catch eyes of consumers. AutoSpace is not a company owned tire retailer to replace the available channels but a program with same image and qualified service which attract the trust and confidence of consumers. AutoSpace introduces monthly promotion campaign for tire stores to support the retailers to

increase sales. The Tmall online store, similar to Amazon, sets up the price benchmark to ensure all retailers will have reasonable profits when consumers are comparing price through internet. In 2019, AutoSpace launched a new APP. By the APP consumers may buy tires online, reserve service for tire repair, tire inflation and other express service. More importantly, the APP introduces the nearest or most high-rated tires stores to the consumers so that the contracted tire retailers of AutoSpace will have more business than usual.

AutoSpace always cherishes consumers and their demands and tries to deliver best service and best experience. The continuous efforts will enhance the business and bring more profits to distributors and retailers. Also, consumers may enjoy amiable satisfaction in AutoSpace.

Tire Insurance Protects More Consumers



ZC Rubber continues tire insurance for drivers in China with PICC (People's Insurance Company of China), one of the largest Chinese property insurance company, to cover the road hazard and rescue losses due to the failure of ZC Rubber tires.

The insurance policy will accompany all tires sold by ZC Rubber contracted retailers covering the tire failure, losses and damages caused by failed tires, and the cost of road rescue. ZC Rubber firstly launched the

insurance in March, 2016 as a value added service to the consumers to relief their concern about tire quality. Furthermore, only ZC Rubber contracted retailers may sell tires with the insurance policy for free. Obviously, it is a good chance for ZC Rubber to attract more retailer stores. In the past 3 years, over one million drivers in China enjoy the insurance and the number of contracted tire stores overpass 10,000.

The tire Insurance not only protects the drivers for their safety, but also helps the tire stores to improve the sales and profits. The contracted store owners use the tire insurance as a marketing tool to attract more customers. "Tire insurance effectively protects drivers and indirectly benefits the tire store, encouraging consumers to re-purchase ZC Rubber products." Said Mr. Cheng, the manager of an Autopace contracted stores.

The tire insurance, during the past 3 years, upgraded continuously. For Version 1.0, only private cars drivers will receive the free tire insurance for the tires of 16-inch rim and above at the very beginning. Later the upgraded terms cover 15-inch tires and offer one free tire repair within one year from the date when a consumer purchase a new tire. In 2019, the insurance extended to commercial vehicles and provide unconditional 50% tire value compensation if the tire failed.

Safety and value are the commitment from ZC Rubber. Qualified tire and the insurance are protecting all consumers with ZC Rubber's promise. Whenever and wherever consumers are, ZC Rubber will always behind you.

知轮科技
一站式商用车智能服务平台
—— 轮胎、救援、保养 ——

ZHILUN – The New Partner of One-Stop Service



The demand from truck fleets pushes ZC Rubber to improve tire quality and upgrade the service continuously. In 2019 ZC Rubber, together with partners from other industries of logistics, auto parts manufacturers and truck service providers, proposed a one-stop service platform ZHILUN Technology to respond to all demands from fleets and truck drivers.

ZHILUN, relying on over 15,000 distributors of ZC Rubber, devotes to the target "Helping all drivers free of risk". The business mode of ZHILUN is to sign contracts with all ZC Rubber distributors to set up a nation-wide service network. Consumers and fleets may place orders online and drive to the nearest contracted distributors to install the ordered tires. Meanwhile, the consumer purchasing tires online may claim any tire manufacturing defect at any contracted distributors. Furthermore, if the consumers suffered any failure of tires purchased online, he/she may ask for road rescue online and the nearest contracted distributor will arrange the service.

For the contracted distributors, ZHILUN will assign the online orders to retailers helping them to increase the sales as they will have more business opportunities when they are installing tires for the new consumer introduced by

ZHILUN online platform. For consumers, they may enjoy nation-wide service and be free from any risks caused by tires. Such a risk-free purchase is quite important for the large fleets running across in China. Then, for other partners of auto-parts suppliers, they can also have more chances to sell their products together with tires. Generally, all parties with ZHILUN benefit from the new business mode.

In the past months, ZHILUN sold more than 800 hundred tires in China, supporting distributors to invest more than 2000 service trucks, and offering service for hundreds of trucks, wherever they are around China. ZHILUN already reached long-term agreement with the leading logistic companies such as Deppon Express, SF Express and so on.

In the near future, ZHILUN will work together with ZC Rubber to expand the new business mode to international market. ZHILUN will introduce the new online business for overseas consumers and fleets, set up the local distribution/service network, and improve the customers' satisfaction. Hopefully the new business mode will support all ZC Rubber distributors to expand more business and obtain more rewards.

ZC Rubber Hosting Dealer Conference in Mauritius



ZC Rubber hosted African and Middle East dealer conference in Mauritius with more than 50 partners and dealers for further business development in local market on 19th June, 2019.

Mr. Ge Guorong, VP of ZC Rubber, shared the global raw material supply and analyzed the Chinese tire industry. In the first quarter of 2019, ZC Rubber ranks No.1 in Chinese tire exporter according to the data of China customs. The TBR output of ZC Rubber reaches 4.61 million pcs, 2.40% increased and PCR 9.25 million pcs, 16.37% increased, comparing of that in 1st quarter of 2018.

Mr. Mack Cai, General Manager of ZC Rubber International Business, introduced that Africa is the important market of global expansion and with the support of African dealers, the sales in African jumped from \$101 million to \$153 million during the past 5 years and devote to increase to \$184 million in 2019.

Mr. Ge also introduced the new business mode of ZC Rubber AutoSpace to provide the best customer service

and also ZC Rubber provides technology support on manufacture distribution and retail for the African market.

"We practice Smart Production, Smart tire and Smart Supply and perfect stock management and distribution system to provide a timely supply of tires to all consumers. We devote to bring customers the best experience on the business and build win-win cooperation."

ZC Rubber is aggressively ramping up its expansion across markets, especially focusing on building up new customers relationships in Madagascar, Malawi, Chad and Niger. "Providing safe and value for customers is always our mission to execute every phase from R&D to production and sales. We will provide target products for different customers in local market and meet their requirements with premium tires and support dealers on the marketing activities to improve the consumer loyalty of local customers."



ZC Rubber Built New Global OTR Sales Team

ZC Rubber built new OTR sales team in 2019 for the expansion of global OTR business and devotes to improve the OTR market share in Europe, U.S., and all over the world.

OTR business requires professional team full of knowledge. The demands from customers are unique due to different application, road condition, pay load, speed and more others. Well educated and properly trained sales staff can respond the customers' requirements and provide solution suggestions. ZC Rubber is seeking for more talent and experienced sales engineers to promote the sales of OTR tires.

ZC Rubber has appointed John Ruddy to the role of Sales Manager European OTR Business. John brings a wealth of experience to the role of promoting and selling WESTLAKE Off-The-Road tires, having worked for two different tire manufactures in a similar role in the past. John, who is based in Ireland, has over 30 year's experience in the tire industry, mostly working with OTR tires.

In his new role with ZC Rubber, John is tasked with promoting OTR sales by supporting the existing customers along with developing new customers for their distribution network throughout the European market place.

Chan Phothisane joined ZC Rubber America, Inc. as OTR National Sales Director, where he will oversee the US market. Mr. Phothisane previously worked for Alliance Tire Group as the Western Region Sales Representative and managed the North Central, Northeastern, Southeastern and Midwest territory as a Regional Sales Manager at Horizon Tire, Inc. His network in the replacement market and tire knowledge in OTR, forestry, industrial forklift, agriculture, and construction tires; made him the perfect hire. ZC Rubber America, Inc. is offering ZC Rubber OTR product line through container direct shipment from Thailand. Mr. Phothisane primarily duty is to help build a competitive program that will allow our distributors to grow profitably. ZC Rubber America, Inc. is looking for key aftermarket accounts and original equipment manufacturers to distribute OTR tires in the United States of America.

ZC Rubber Group is the largest tire manufacturer in Mainland China and top ten in the world. "We are excited about the OTR tire factory in Thailand and the hire of Chan Phothisane and John Ruddy. We believe that having the right people and product is the key to our success!" said Ben, OTR director of ZC Rubber.



Chan Phothisane



John Ruddy



ZC Rubber Sourcing from Fortune Global 500 Companies Premium Raw Materials

Best quality raw materials are always the basis of all products. ZC Rubber purchases the raw materials from Fortune Global 500 Companies to make the premium tries for global customers.

To ensure the safe supply on the raw materials, ZC Rubber has signed cooperation agreements with many well-known suppliers who rank in the Fortune Global 500. SINOPEC GROUP, HINA NATIONAL PETROLEUM, SAUDI ARAMCO, EXXONMOBIL, TOTAL, MITSUBISHI, DUPONT, RELIANCE INDUSTRIES, PTT, MITSUI, RWE, WUCHAN ZHONGDA GROUP, SABIC, LG CHEM are included.

Tires are high-tech composite products that require more than 200 different materials with specific properties. So only those who use the best raw materials are able to manufacture first-class products for global customers. Based on the raw materials such as natural rubber and synthetic rubber provide by those well-known suppliers around the world, ZC Rubber produces more premium tires with high-quality performance for customers.



To satisfy the demands of different customers, in the future, ZC Rubber continues to import the best raw materials and optimize the tire performance on the safety, noise and wear resistance. And more premium tries will be introduced with "Safe & Value" for global customers.

New Z Series PCR Tires

ZC Rubber presented a series of new PCR tires— Z series products to meet the global customer's deviser demands in 2019. The new tires included **Z-107** with 14-18 inches, four season tire **Z-401**, winter tire **Z-507**, studdable winter tire **Z-506** and **EV Zuper e-tron**. Special pattern design and compound brings excellent handling and braking performance for drivers on the on the wet, icy and snowy road.

Z-107

1. Contour

ZC Rubber optimizes the tire shoulder and tire body stress, increase the ground contact area to relying on the chord contour design theory to improve the tire grip performance.

2. Pattern

The use of ICT technology prevent the block curling when braking, and make the pressure distribution uniform on the ground, and effectively increase the ground contact area. Especially on the wet road, the pattern made by ICT technology can help shorten the braking distance.

3. Formula

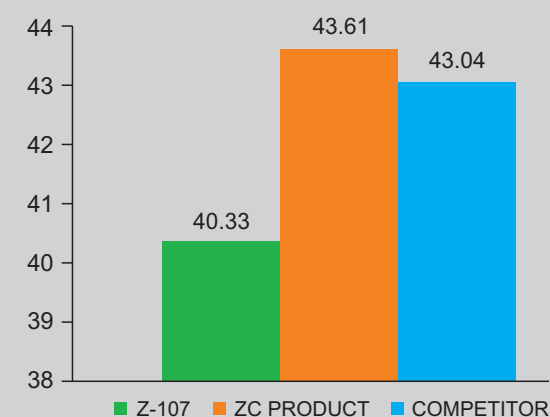
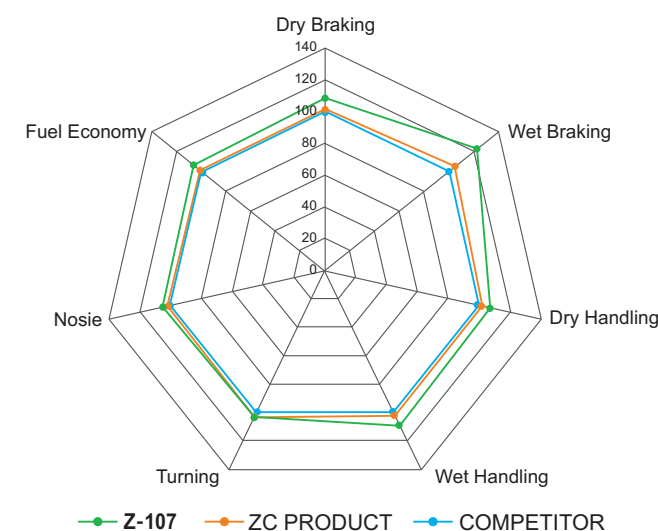
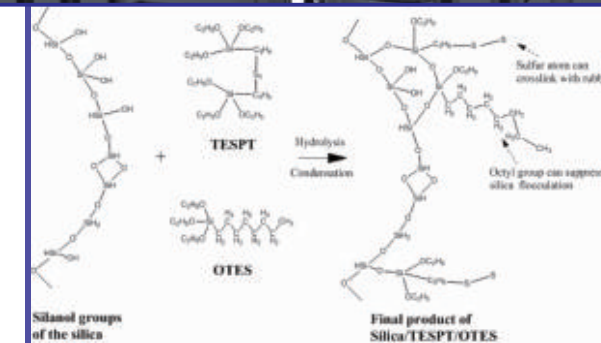
The formula design of silica, silane and melt polymerization rubber is used to greatly improve the dispersion of white carbon black, effectively reduce the tire rolling resistance and improve tire slip resistance.

4. The air spring technology

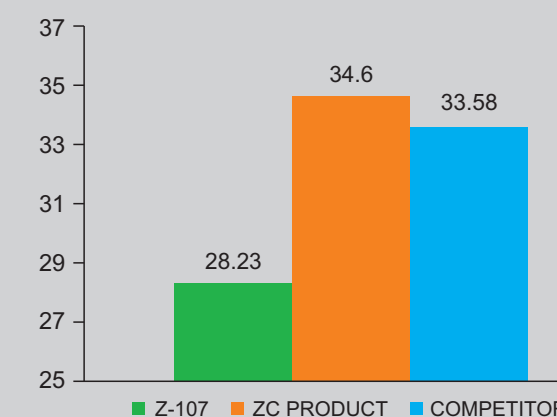
ZC Rubber cooperated with Glebus to research the air spring technology to lower the noise and make tire look better.

Solvent polymerization into rubber combined with coupling agent silane, greatly improving the slippery resistance and fuel efficiency.

Comparing with international brand tire, we get the tire test result as follow:



Braking on dry road (100km/h->0)



Braking on wet road (80km/h->0)

Z-506 Ice Master Spike

1. Contour

The optimal studded tire design help increase the width surface during the driving to enhance the grips. The tire shoulders with edges and corners design help prevent slipping of tires.

2. Pattern

The V-shaped tread design delivers excellent traction and stability on snow and icy road. The applying of 3D steel sheet design maintains high block rigidity, and improves braking performance on icy and snow roads.

3. Formula

The traditional three glues are used together, the white carbon filling system and a large amount of environmentally friendly oil, to ensure the nail inlay and the tire's grip on the snow and ice.

4. Tire nails

200 nails are staggered in the tires to maintain good performance on the ice road and improve wear resistance. The nail design also provides strong grip and better breaking to ensure the safety during driving.

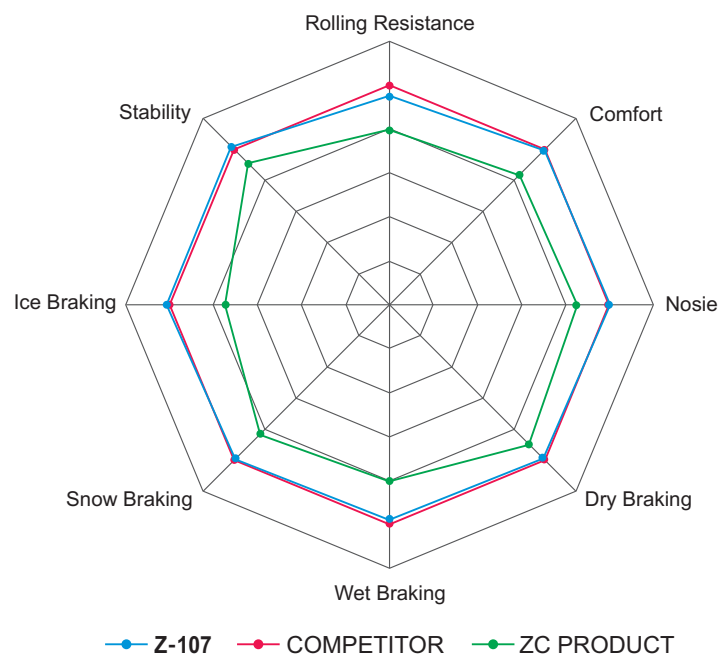
Tire test:

The ZC Rubber's tire performance test on dry and wet road was conducted by BDE company at the Pirkara test site in Finland, and the snow performance test was carried out in the Arctic Circle in Swedish. Comparing with the previous generation products and the international brand tire that have been tested by magazine, Z-506 also has a good tire test result:

(1) Test location: Southwest coastal area of Turku, Finland

(2) Test mileage: 3000-5000km

(3) Test results: Z-506 has a good performance on the snow and icy road. After the test, only two tire nails were worn and loose and meets European tire standards.

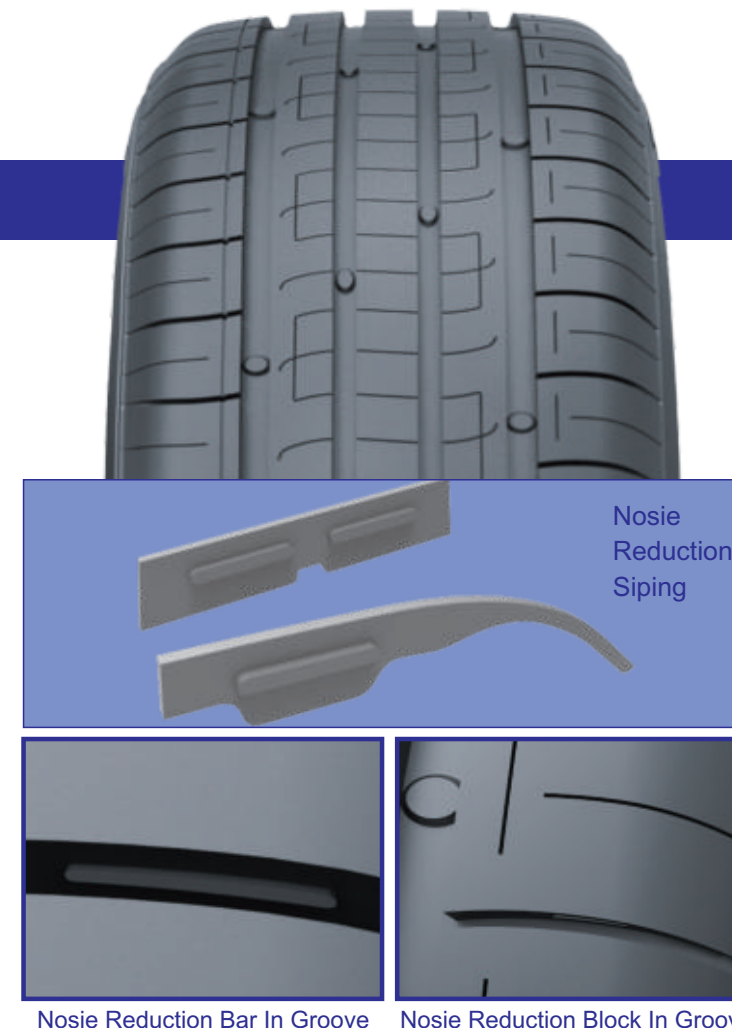


EV Zuper e-tron

With the rapid development of new energy vehicles, ZC Rubber set up a special new energy tire R&D team to explore the new energy industry. After one-year research, ZC Rubber launched aramid fiber Zuper e-tron for new energy electric vehicle.

Zuper e-tron has a flexible and simple appearance. The S-shaped steel sheet reduces the load on the middle of the tire and improves the tire load capacity, handling, braking and the cruising range of the electric vehicle.

ZC Rubber optimizes the tread groove blocks with special noise reduction technology. The tire was designed with the silencer block at the bottom of the main groove, the internal lower noise strip of the lateral groove, and the special sound-absorbing steel sheet. They can help effectively reduce the block vibration during driving, and reduce the noise, bringing the driver a comfortable driving experience. In the future, ZC Rubber will introduce more tires with lower rolling resistance, lower noise, good braking and increased cruising range for new energy electric vehicle.



Z-507

Asymmetric pattern design provides superior handling on snow surface.

Optimised lateral groove angle offers strong snow performance.

Special zigzag traction sipes improves traction and braking performance on snow roads.



Z-401

Divergent V-Groove provides excellent snow and water drainage performance.

ZC-Rubber's special all season tread compound ensures the longer mileage.

Logical kerfs design delivers outstanding traction performance on both snow and wet surface.

New TBR Tires in 2020

ZC Rubber introduced new TBR tires including new WESTLAKE, new GOODRIDE, new ARISUN tires for the global customers. The quality of the serial tires is greatly improved with the advanced technology on the handling, durability and mileage.

The 2nd generation of new WESTLAKE WDA2



WDA2 is the 2nd generation of new WESTLAKE TBR tires, marked M+S and designed with PSCT and PDO (B) - T technology to improve the tire performance. The tire life of WDA2 is greatly extended and the mileage is increased by 15%, rolling resistance is reduced by 5%. Also it has better handling performance and fuel efficiency.

1. In-depth study of contour design and pressure distribution on the ground to achieve the best deformation contour and improve the wear resistance.
2. 3D steel sheet design strengthens the rigidity of blocks.

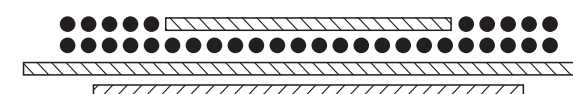


PDO (B) -T technology

The 2nd generation of new WESTLAKE WSA2

The application of PSCT and BWT technology perfects the WDA2 on the performance. with enhanced tire safety and wear resistance. 5% improved on the quality and 5% lower on the after-sale rate.

1. The enhanced stiffness of the tire crown and shoulders improve the tire safety and wear resistance.
2. Lower the ditch width change and avoid the crack.
3. The application of crown hoop effect improve durability.



BWT technology



New GOODRIDE MultiNavi S1

The design of MultiNavi S1 is based on the PSCT and GSSC-T technology. 50% improve the quality of the on the ditch bottom and improve the safety.

1. In-depth research on the matching of the key elements design of crown with the groove bottom crack and has the best shoulder deformation.
2. The minimization of the stress-strain at the bottom of the groove improve the reliability.
3. The match of groove shape and contour design enhance the durability.



The 2nd generation of ARISUN

The application of PSCT and Micro Spring vent technology improve the such as the ARISUN AS600 + has a wider driving surface and deeper pattern depth and loner mileage.

1. Cooperated with Glebus, new ARISUN uses the Micro Spring vent technology improve the appearance design and help increase the sales.
2. Low heat generation formula technology effectively reduces rolling resistance and improves the energy efficiency.

New Patterns For Road and Enduro Series

In 2019, ZC Rubber developed a new road tire, for elite racers and riders who demand the ultimate in riding performance and feel. It features in terms of silica compound, lightweight 120TPI casing, NN60 anti-puncture layer and tubeless ready technology. The pattern is H-494, and now available in size 700x25C(25-622). Meanwhile, ZC Rubber developed three new patterns for Enduro series, H-5240, H-5241 and H-5242.

H-5240

H-5241

H-5242

H-494



2020 New Patterns of Motorcycle Tire

H-503 Talon

H-796 ARIES

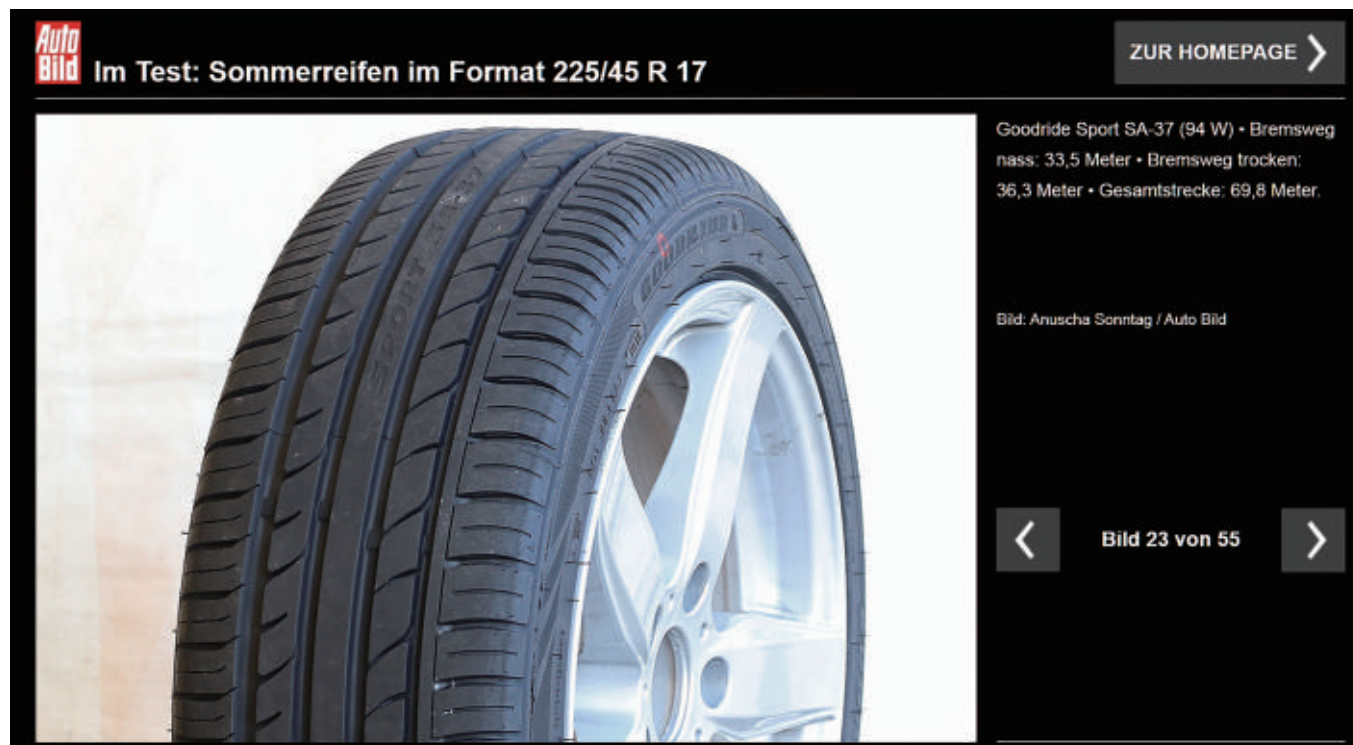
H-996 Palm Tree

H-816

H806

H-993 VENGE X





GOODRIDE SA37 Achieved Good Test Result Based on German Magazine

In the latest summer tire test of AUTO BILD, GOODRIDE SA-37 225/45 R17 achieved a good test result for the braking distance: 33.5 meters on wet road and 36.3 meters on dry road, better than other tire brands including GT, Linglong, Cooper, BF-Goodrich, Firemax and Sailun.

AUTO BILD is famous tire magazine in Germany focusing on test. In March, the magazine has tested 55 summer tires - and knows what's in store for the coming season. From expensive premium tires to cheap tire, they in order to get the tire performance such as the length of the braking distance.

GOODRIDE Sport SA-37 is premium performance tires with SILICA TECH that adopted for low rolling resistance and precise control. The RIM PROTECTOR protects the wheel rim and provides superior handling control and enhanced cornering.

Comparing the other 54 tires of different brands, SA37 proves its staying power relying on the braking distance on both wet and dry road. According to 1-second rule for the stopping distance in a city in good conditions, for 100 km/h, the stopping distance should be about 50 m. In the test, SA37 proves its staying power relying on the braking distance: 33.5 meters on wet road and 36.3 meters on dry road. The test result shows the excellent performance of GOODRIDE tires and also brings customers safer driving in different condition.

"Our products produce both in China and Thailand and supply global customers. We devote to provide products with excellent performance and bring customers safe & value on the road. We will practice our mission and launch more new PCR tires for the customers worldwide."

Canada Customers Comments

In 13th July, the Canadian newspaper "WHEEL" published an article "WESTLAKE passes the test with flying colours" on its print newspaper to recommend WESTLAKE RP18 based on the good tire test result.

The article is written by Kevin "Crash" Corrigan, a member of the Automobile Journalists Association of Canada & the International Motor Press Association. He is a former licenced technician with over 40 years' experience in the auto industry. He had a tire test to test the tire performance and written the article:

Tires are tires, right?

They're something you need to replace on your vehicle to stay on the right side of the law, yes?

Yes well, some may view it that way but, when your life is traveling on just four small square patches of rubber that meet the road, I believe it's wise to do a little homework on the subject.

Should you buy the most expensive tires you can find?

If you're related to royalty or if you won last week's big lottery, then read through the reviews and purchase the best rubber available, no matter what the cost. I'd also recommend this approach if you own a high-performance vehicle that you regularly take to the racetrack. However, for most of us, we purchase what we can afford and what meets our personal needs. Obviously, the requirements of a long-distance highway commuter differ from those who use their vehicles few times a week to gather up groceries, with perhaps the occasional out of town trips.

If finances are tight, you may source a set of used tires online but let me provide you a warning on that – ALL tires have a shelf life, due to material deterioration over time. About 5-7 years tends to be the accepted average life of a set of tires. If you fail to notice the build date, those "bargain tires" could've been sitting in someone's garage from a vehicle sold off years ago and you'll have no idea of how those tires were treated. Thus, I encourage people to buy new rubber.

Fortunately, there are a few brands out there today which offer up-quality products at reasonable prices, which leads us nicely into my review of the WESTLAKE Tire Rp18.

The test

My test car was the 2019 Mazda CX3 AWD. This worked out well as I have driven it both on-road and under track conditions. I know how the vehicle behaves and feels with the original OEM tires.



The first thing I noticed was just how quiet these RP18s were although. The ride quality was equally impressive and certainly at par to what I have experienced from OEM fitment in the past.

I then tested the braking under severe conditions by employing high-speed full-wheel lockup on both asphalt and gravel roads. On both occasions, the vehicle tracked straight and true with zero drama. Standing start accelerating from both these tests saw the tires bite in and pull away with relative ease.

Later I headed for my favorite test location – a small, often uninhabited, country roundabout. Twice around a small roundabout tells me most of what I need to know regarding control & grip. There's a saying in racing that, "listen to what your tires have to say". Tires will readily supply you audible feedback when pushed to the limit in corners. They'll scream out to you if you push them hard enough!

Trust me when I say, not surprisingly for an old ex-rally driver, that I managed to get the RP18s to chatter away but I had to listen closely to hear their minor grumblings. I conducted the same test when evaluating new vehicles from the manufacturers and you'd be surprised how deafening some of those OEM tires can be.

My conclusion

I recommend caution when approaching the purchase of affordable tires. However, WESTLAKE is not a new brand, having been used in Canada for many years. WESTLAKE supports its products up with an impressive 80,000kms or 4 Year Warranty which, in many cases, is equal to or higher than some premium-priced brands.

The WESTLAKE RP18 I tested is an all-season, general-purpose product. In my opinion, a set of RP18s should provide above average returns befitting most driver's requirements. For many today, there is often a case to be made for balancing budget with purchase price and, when you consider the price point of the WESTLAKE RP18, there is a great deal of value for money on offer here.

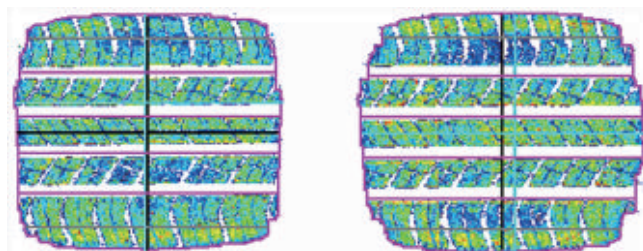
New Tech of PCR Tires

ZC Rubber keeps the commitment of safety and value for all customers and invest on the R&D continuously. Today the R&D center of ZC Rubber PCR tires brings us the following achievements:

BPOT Technology

ZC Rubber R&D team developed Belt Prestress Overall Technology (BPOT) for the optimized tire casing for longer mileage. Technically, tension among tire nylon belts varies from tire crown to tire shoulder. Tension alongside tire shoulder usually is weaker than near crown. Such tension difference caused tire shape change as well as the extra heat around shoulder area, then finally shorten the tire life. The BPOT technology focuses on how to reduce the tension difference and push the production of tires with better casing but less heating.

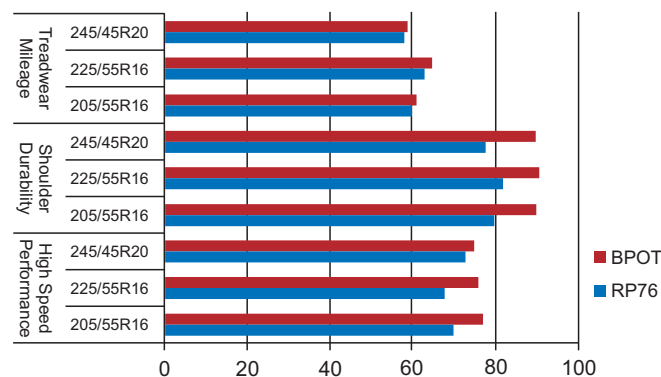
Comparing with the usual process, BPOT technology disperses the tension evenly and enhances tire footprint greatly. Footprints below shows the difference before and after BPOT applied to the production.



Mass Production

BPOT

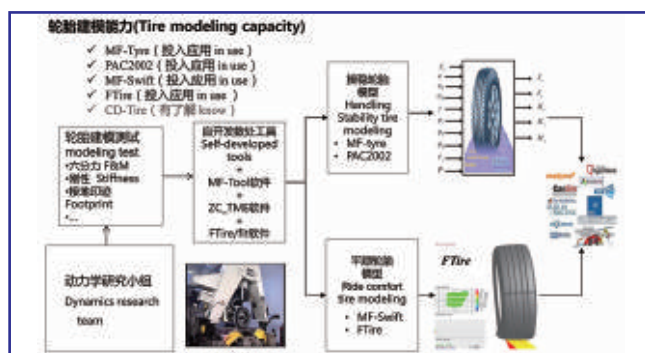
BPOT technology can effectively improve tire footprint on the ground and tire performance, promising longer mileage and better handling. The test results for several sizes show that BPOT technology helps to increase tire durability and improve high speed. It is being expected that with BPOT technology, ZC Rubber consumer tires will have better performance and provide more value to customers.



Tire Dynamics Simulation Test

Tires are always moving and suffering different force while cars or trucks are running on road. The usual laboratory test only test tire statically but cannot simulate dynamic forces on tires. In year 2012, ZC Rubber introduced the first MTS Flat Trac CT system, a global leading test system for tire force and measurement and set up a R&D team for the dynamic simulation test.

The past 8 years hard work brings ZC Rubber plenty of tools and data base, such as UniTire, MF-Tire, SWIFT, Ftire and etc., when R&D team is developing new products. These tools and data base are extremely helpful when ZC Rubber is working with most automobile manufacturers for their new prototype vehicles. As the first company involved in this field, ZC Rubber cooperated with Jilin University and jointly established first national industry standard "CSAE 93-2018 Basic Test Method for Tire Static Feature and Cornering Characteristics" and relative standards in 2019.



Tire Impact Durability

Tires experience constant impact when running on road. As a tire manufacturer devoting to tire safety, ZC Rubber believes the tire casing and structure must be durable while tires are impacted. ZC Rubber started the research of tire impact in 2016. During the past years, ZC Rubber installed a new impact durability test machine and carried out tests of more than 1,000 tires to build up tire failure data base and find out the solution. The research results in almost "0" tire explosion in all markets.



Liquid Rubber

Winter tire tread compound must be soft but of excellent traction to promise a safe riding on snow and slippery roads. Regular winter tire tread compound becomes hard after years of usage and storage. The hard compound weakens the regular wet traction and brings possible risk if the tires are not replaced after 3 years from their first installation.

ZC Rubber R&D team works with Evonik China (formerly named as Degussa) to apply liquid butadienes for the winter tire tread compound to keep the softness of tread compound for much longer time and help consumers to save more cost as consumers may use their winter tires for longer time. Such technology was applied to winter racing tires for Changan Auto, who won the top awards in the 2018 China Car Performance Contest (CCPC). In 2019 ZC Rubber started the road test for the new formula compound in certain area.



Quality Upgrade for Future

ZC Rubber engineers cherished the concept of continuous innovation and perfection, especially for the product quality and cost saving so that consumers will enjoy the most suitable products from ZC Rubber. During the past years, ZC Rubber works together with outsourcing technology and sets up the new product development guideline based on the customers' experience to upgrade the available products. The upgrading is mainly focusing on tire casing and processing in order to supply more valuable products.

Independent R&D to Enhance the Key Technology

The lifeblood of an enterprise is its product, and the core of the product is technology. ZC Rubber insists on independent R&D and continuously explores R&D projects to improve the product by technology innovation. Supported by customer experience data, ZC Rubber developed more R&D platforms including advanced tire casing design, friction simulation among tire layers and belts, tire handling & cornering stability, simulation for tires on vehicles, and R&D management system. These platforms provide intelligent tire design, prediction of tread wear, and digital management of tire life cycle etc.

Based on the platforms and technologies, ZC Rubber introduces several new features for new products. For example, the reinforced belt structure effectively enhances durability and load capability, and improves tire life by less

tread wear. Meanwhile, ZC Rubber also upgrades the tire footprint on road with better shape and less pressure intensity. The upgraded footprint promises an even contact and less stress on road, bringing a longer tire life without irregular tire wear. Furthermore, an analysis platform for vibration was launched to greatly improve the tire handling and helps vehicle to run smoothly, especially for the steer tires. Test results of certain new products show great improvements in durability, high speed, tread life and so on.

R&D Cooperation Supports New Innovation

Besides independent core technology, ZC Rubber establishes long-term cooperation relationships with well-known universities and institutes, including Tsinghua University, Harbin Institute of Technology, Zhejiang University, Beijing University of Chemical Technology,

Qingdao University of Science and Technology, and the Changchun Institute of Applied Chemistry of the Chinese Academy of Sciences.

The cooperation focuses the technology, raw materials, and concepts of future. ZC Rubber works with such universities and institutes on the projects about tread wear module, structure improvements, noise reduction, and others. A new FET system developed by Harbin Institute of Technology was applied for tire structure design for the calculation of force and stress of tire running simulation. Therefore, engineers may predict any potential failure right before the prototype production and save great cost with better result.

Another result is for the tire noise analysis system effective after June, 2019. The software system optimized the tread design to reduce the outer noise to 69dB, much less compared to the similar tread of 71dB ~ 73dB. The final result is almost same of premium brands noise level.

Also, ZC Rubber set up ABAQUS system to calculate

tire durability, especially for the most failure parts as per the data for decades of customer feedback. By this system, engineers may forecast the tire durability without producing a real tire so as to save costs of test and molds. Furthermore, the system provides benchmark for the compound formula helping engineers to compare the advantage of new raw materials. The wet traction dynamic simulation analysis simulates water evacuation and tread movement on wet surface. The analysis guides engineers how to optimize the tire pattern design and the wet traction. Finally, ZC Rubber can supply safe tires to customers all over the world.

In the year 2020, ZC Rubber will launch new products with the features of heavy load, better fuel efficiency, longer tire life, and better handling. In the future, we will continue to invest more on the R&D, develop more premium products, and promote the upgrading of ZC Rubber's products and brands.

ZC Rubber Appears in New York's Times Square



ZC Rubber owned tire brands ARISUN, GOODRIDE and WESTLAKE were displayed on the giant screen in Times Square of New York, to introduce the premium tires for more people.

It is the second time for ZC Rubber to appear on the giant screen in Times Square since last year. Times Square is referred to as "The Crossroads of the World" and one of the world's most visited tourist attractions. Approximately 330,000 people pass through Times Square daily. It is a good opportunity for ZC Rubber to introduce its products to more people worldwide.

Established in 1958, ZC Rubber has maintained a high-speed development and is now a leader in the tire industry. Since 2012, ZC Rubber has become the top 10

global tire company for 8 years. In the year 2019, ZC Rubber improves its global ranking to NO.9 among tire companies worldwide, according to the latest report released by Tire Business in 2019. The tire revenue of ZC Rubber improved 10.3% to 3,996 million in 2019, beyond the Maxxis international /Cheng Shin Rubber from Taiwan, China.

In the future, ZC Rubber will invest not only on the R&D to improve the product quality, but also offer more marketing support to greatly promote the brand influence through the different channels, like airport, station and highway etc. Also ZC Rubber will provide support for dealers in different markets for local market expansion and market share improving.



Exhibitions

In the year 2019, ZC Rubber introduced its premium products through the different exhibitions to local customers. Africa: Auto Expo Africa Ethiopia. Asia: TOKYO AUTO SALON in Japan, Jakarta international expo, China International Tire Expo 2019. U.S: NACV SHOW 2019, SEMA show. Europe: BAUMA 2019, Autopromotec show 2019 in Germany. ZC Rubber found the customers who interested in premium Chinese tires and built the cooperation relationship with them on the business. "we would like to introduce our premium tires to customers .at the same time ,we will also collect more feedback from customers and expect to improve the performance and produce new tries relying on the different demands. "



NACV SHOW 2019



Auto Expo Africa Ethiopia



SEMA Show





Jakarta International Expo



WEST LAKE

GOODRIDE

CHAO YANG

TRAZANO



China International Tire Expo 2019

Autopromotec Show 2019





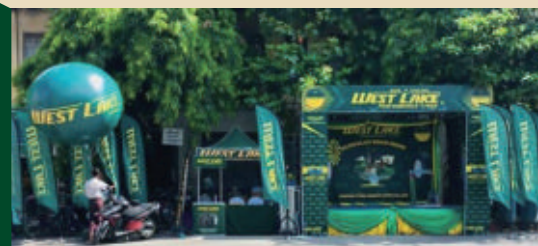
TOKYO AUTO SALON in Japan



BAUMA 2019 in Germany

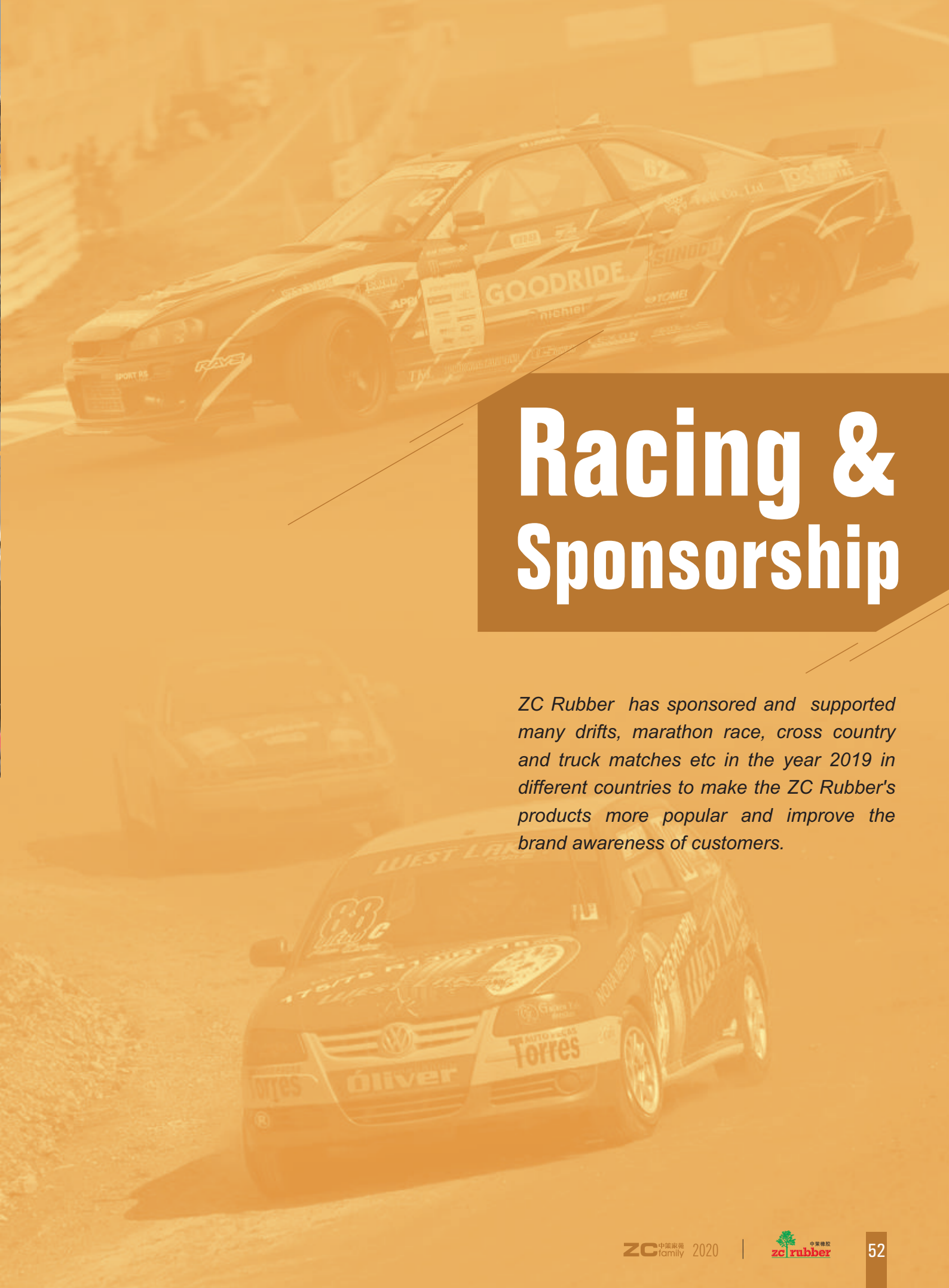


Road Show in Myanmar





WESTLAKE tire in Colombia



Racing & Sponsorship

ZC Rubber has sponsored and supported many drifts, marathon race, cross country and truck matches etc in the year 2019 in different countries to make the ZC Rubber's products more popular and improve the brand awareness of customers.



WEST LAKE
PREMIUM TYRES

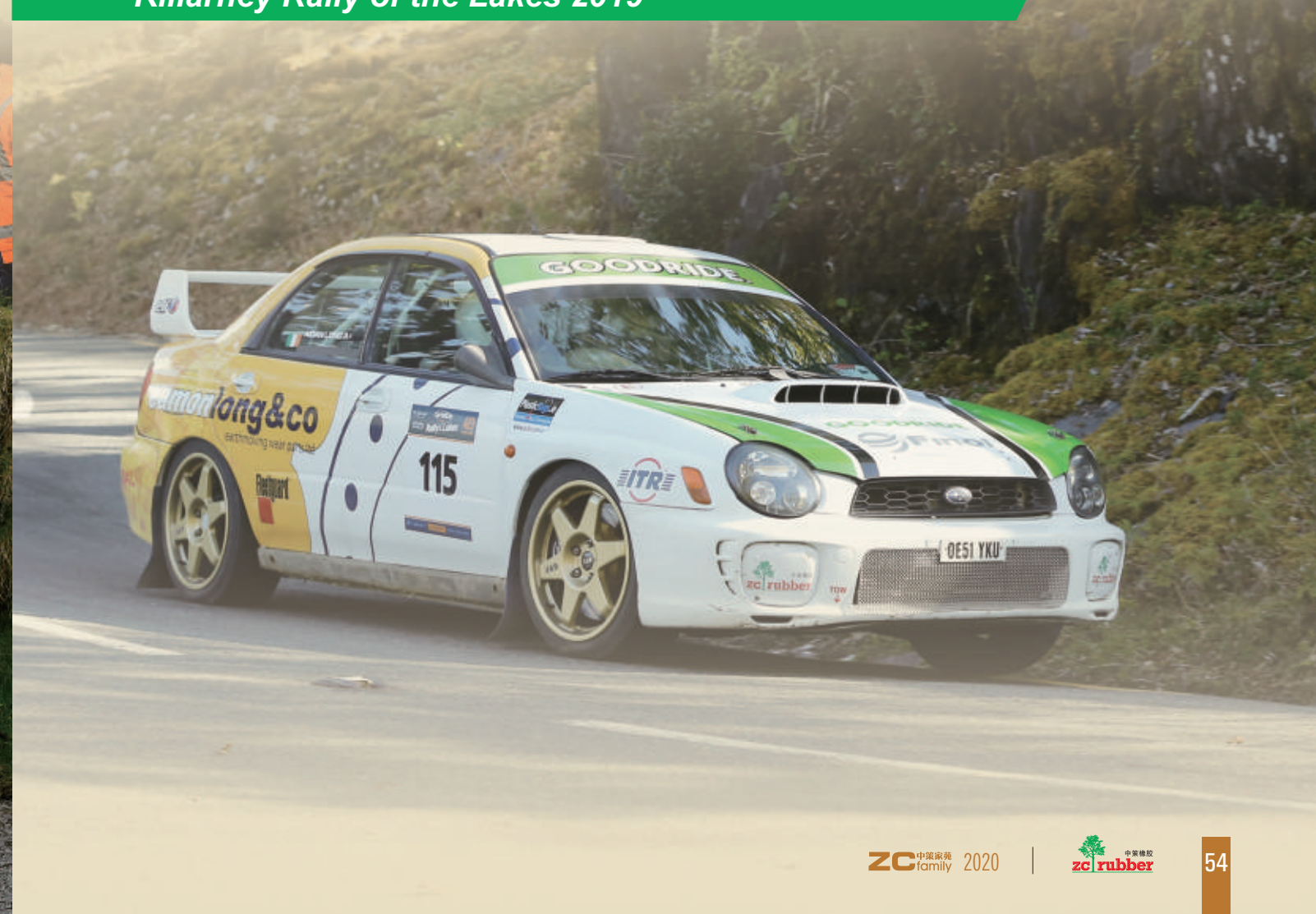
WESTLAKE Tires Drift Team at IDC

WEST CORK RALLY in Irish



GOODRIDE
PREMIUM TYRES

Killarney Rally of the Lakes 2019





British Drift Championship

WEST LAKE
Premium TIRES

France de Drift



Brazilian National Tourism Championship





The Norway Drift Championship



WESTLAKE Tire Sponsored Marathon Race
MARATONA DE CURITIBA 2019 in Brazil

2019 FIA Motorsport Games in Italy





D1 GRAND PRIX in Japan



D1 GRAND PRIX in Japan



CHAOYANG Team Wins Asia Baja 2019

Silk Road



China Dongchuan Mud Rock Flow





Taklmakan rally





WESTLAKE Team Has Achieved Top 3 in the China Rally Championship 2019



WEST LAKE
中策橡胶 威狮轮胎®

ZC Rubber Sponsored Cycling Teams Worldwide

In 2019, ZC Rubber sponsored cycling teams from Austria, Germany, Spain, Brazil, Switzerland, Portugal and Costa Rica. We have three new teams this year, BH Tempo cafes UCC from Spain, MTB Racing Team from Germany and JAVA Cycling Team from Costa Rica. Carlos Coloma Nicolas of Spain team was bronze medal winner of the last Olympics in Rio, together with Rocio del Alba and Josep Duran. Steffen, the Team captain of MTB Racing team, is known in all endurance categories, and Simon Gegenheimer is one of the best sprinters in the World. Many of those cyclists won the races with CHAOYANG new patterns, PHANTOM series.



BH Tempo Cafes UCC Team-Spain





JAVA Cycling Team-Costa Rica



Nicola Rohrbach-Switzerland



MTB Racing Team-Germany





9 Armin M. Kustenbrück / EGO-Promotion



jb Brunex Felt-Switzerland





Radsportverband Team-Austria





Vitor Santos and Gregorio Pereira-Portugal





WESTLAKE Sponsor of Brunei National Badminton Champion

WESTLAKE tire sponsored the Brunei National Badminton Championship 2019 and supported the teenager's badminton dream. In the future, ZC Rubber will continue to help more teenagers to achieve their dreams on the sports.



ZC Rubber Brand Expands all over the World

Vehicle ad Worldwide

ZC Rubber introduced WESTLAKE brand and products to more customers through the truck, car and taxi. During the driving, the Vehicle greatly help improve the brand image and for WESTLAKE.



CHAOYANG Tire ad at High-speed Rail in China



Outdoor Advertising

Outdoor advertising is a high-impact way of getting our brands across. So ZC Rubber together with global dealers published the ad the according to the different market and improve brand awareness and make the tire brand deeper in the minds of consumers.



WESTLAKE Trolley in Hanover Airport



Airport Advertising

There are always huge crowds in the international airport. To introduce the products to more potential customers, ZC Rubber selected many airports in different countries, including Ngurah Rai Airport, Budapest Ferenc Liszt International Airport, Velana International Airport, Venice Marco Polo Airport, Da Nang International Airport and Kota Kinabalu International Airport etc.

WESTLAKE, GOODRIDE and CHAOYANG tire brands are the main tire brands to introduced.



Ngurah Rai Airport

Budapest Ferenc Liszt International Airport





Velana International Airport

Kota Kinabalu International Airport



Venice Marco Polo Airport



Da Nang International Airport



Philippine Distributors Visited ZC Rubber Head Office

ZC Rubber welcomed the dealers of New Century and WHEELMASTERS CORP from Philippine to visit the headquarters in Hangzhou, China in May, 2019.

The New Century company is the exclusive agent of WESTLAKE tire in Philippine and has built the long-term business relationship for 16 years with ZC Rubber. WHEELMASTERS CORP, the exclusive agent of GOODRIDE tire in Philippine, has been cooperated with ZC Rubber for 22 years.

As the long-term business cooperator, ZC Rubber is pleased to invite the customers of Philippine to visit the company. More than 90 customers of WHEELMASTERS CORP and more than 80 dealers of New Century arrived at ZC Rubber. They took tour of



the company showroom and workshop to further learn that how to become the top10 global tire manufacturer for ZC Rubber.

On the conference, Ge Guorong, VP of ZC Rubber, introduced the development of ZC Rubber and the new retail model, to perfect the service for all the customers. WESTLAKE and GOODRIDE tire are popular tire brand, widely supported and trusted by the customers in Philippine. In the future, ZC Rubber will reinforce the commitment "safe & value" to developing more premium products for the local customers in Philippine, and further enhance customer service by enabling us to supply tires in time.

"We devote to round our existing presence in Philippine with our dealers and improve the brand image by the marketing support. We expect to further explore the local market and meet the customer's demands for different road conditions."





New Flagship Stores Opens in Angola

The new store displaying GOODRIDE and CHAOYANG tires was opened in Angola by SUGE INTERNATIONAL, the agent of ZC Rubber in Angola.

Lai Yan, African sales director of ZC Rubber, attended the opening ceremony. On behalf of ZC Rubber, Lai Yan expressed her congratulation to SUGE and expected to keep the close relationship with SUGE on the business.

Since 2011, ZC Rubber has been cooperated with SUGE for 9 years on the tire business and relying on the hard work of ZC Rubber and SUGE, ZC Rubber ranks No.1 commercial and consumer tire exporter to Angola during Chinese tire manufacturers according to the data from Chinese Customs. The market share of ZC Rubber in Angola is increasing greatly, up to 47%.

ZC Rubber provides high quality products for local customers, and meets the different demands of customers for various vehicles and mechanical equipment. Nowadays, WESTLAKE, GOODRIDE and CHAOYANG tire have become one of the most popular brands in the Angolan market. "We appreciate the trust from customers and we will continue to provide high performance tires with advanced technology for customers in Angola. Also we will support on the marketing activities to further improve the brand image."



ZC Rubber: Sponsor for China Tire Safety Week



Run for Green and Safe Tire and Healthy activity was hosted in Beijing Olympic Forest Park on June 15th, 2019. The China Rubber Industry Association hosted the 10 kilometers running activity together with ZC Rubber and other excellent tire companies

More than 1000 runners attended the activity and the winner is from ZC Rubber. The intention of activity is to hope that more people pay more attention to tires and learn more about tire safety. Running is a great way to help improve health and build strength. ZC Rubber always promotes a healthy lifestyle and hope all the customers can keep healthy.

As the leading tire manufacturer in China, ZC Rubber has always been practicing its responsibilities, not only encourage customers to green commuting, but also protect environment. The investment in environmental protection projects accounts for up to 25%. In the resources recycling, minimize the waste thing and create a green, zero-polluting factory.





Charity of ZC Rubber

As the lealer tire manufacturer around the wolrd , ZC Rubber not only provide the premium tires for customers, but also practice the social responsibility, such as donate for Thai Hua Orphanage and Middle school in Thailand , help the people suffered from Phuket shipwreck accident in Thailand , tree planting activity and donated for the children in Ghana with local dealers.

Established in 2015, ZC Thailand has persisted in helping local people and provided supplies help on the money and daily necessities, and spiritual care. The orphanage in Ghana received the donation including

WESTLAKE tires, books, food and other. The WESTLAKE team also received the praise from policemen who said that "WESTLAKE, Good Good" for the donation. "We will do more in future and twice a year to bring more love to the kids with WESTLAKE tire." local dealer said.

ZC Rubber devotes to bring customers value and safe with premium tires and provide safer driving on the road, and also help more people around the world. In the future, ZC Rubber will continue to help more people worldwide on their life and bring a positive social impact in all kinds of ways to help global people.



CHAOYANG Bicycle Charity Tour in Brazil

This year, ZC Rubber held a cycling tour with a charitable purpose, together with Roda Moinho Project in Brazil. The Roda Moinho Project is a philanthropic entity, legally constituted, non-profit and maintained by donations and sponsors, Serves children and adolescents from 5 to 16 years old, in situations of social vulnerability. The purpose of the entity is to provide those attended with access to the necessary resources for their integral training, enabling them physically, intellectually, morally and socially. The cycling tour was a huge success and had about 25 km traveled in the city of Conselheiro Lafaiete and had more than 300 participants. The inscription of the tour was free, the cyclist only donated 2 kg of food. More than half a ton of food was collected and donated to poor institutions in the city of Conselheiro Lafaiete.

"Cycling is a fantastic sport and this type of action conveys the commitment of the company," says Mauricio Atauri, manager of the two-wheeler division of ZC Rubber in Brazil.



A Story from GOODRIDE Customer

Ashley Jones the owner of AJ Tires Started dealing with Blairs in 2014. His first ever order was 28 GOODRIDE tires. From that time sales have steadily increased and in 2019 Ashley made the commitment to stock 100% GOODRIDE tires doing away with all the other brands.

Ashley says the value for money of the GOODRIDE tires, their quality and Blairs service made the decision very easy to make.

Aj's Tire sales and service is found in a town called Putaruru which is in the Waikato

district 2hrs out of Auckland New Zealands biggest city. The population of Putaruru is only 3800. The name Putaruru is a Maori word meaning "To Come Forward like owl" Maybe that is what is happening with AJ Tires, GOODRIDE tires are coming forward like a wise Owl.

Putaruru originally was a town set up for logging trees but now tourist are coming to see the trees and the beautiful surroundings and of course purchase the best tires in the world.



An Tire Story from Customer in New Zealand

Mr Lloyd Riab just has a passion for GOODRIDE Tires. He asked Andrew Blair from Blairs Super Tires Distributors, the distributor of GOODRIDE tires, if he would mine if he painted his Toyota Land cruiser up in GOODRIDE colours as he had had such a good run out of them. Andrew told him to go ahead but had no idea that Lloyd would go to this extreme!!!

Now when Lloyd goes anywhere whether it be jet boating up the local Waimake river in Christchurch New Zealand or helping to prepare conferences or Mountain biking

everybody can see the bright GOODRIDE Toyota Landcruiser coming.

Lloyd says it is great because they all ask him about GOODRIDE tires and he can tell people how great they are. The only problem is he is so visual that everybody knows where I am 24/7. There is no hiding.

"I love it say Lloyd. I leave the Audi at home and just drive around in my GOODRIDE Landcruiser to show people how happy I am."

