

Stock code
4807
Regal Holding Co., Ltd.
2024 Annual Report

Printed on March 28, 2025

Taiwan Stock Exchange Market Observation Post System (MOPS) website: mops.twse.com.tw

Regal Holdings Co., Ltd. website: www.regaljewelrygroup.com

1. Company Spokesperson and Acting Spokesperson

Spokesperson : Sarah Lin General Manager
Acting : Wen-Hsiung Lee – General Manager of Taiwan Branch / Chief Corporate
Spokesperson Governance Officer
Telephone : (02)2501-1225
Email Address : rh@regaljewelrygroup.com

2. Name, Title, Contact Number, and Email Address of the Litigation and Non-Litigation Agent within the Republic of China (Taiwan)

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of Regal Jewelry Investment Holdings Limited, a company incorporated
in the Cayman Islands
Telephone : (02)2501-1225
Email Address : rh@regaljewelrygroup.com

3. Addresses and Phone Numbers of the Head Office, Branches, Subsidiaries, Grandchildren Companies, and Factories

Head Office : Regal Holdings Co., Ltd.
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P.O.Box 32052, Grand Cayman KY 1-1208, Cayman Islands.
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Telephone : (662)420-7440
Taiwan Branch : Regal Holding Co., Ltd. Taiwan branch
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(Note 1)
Telephone : (02)2501-1225
Sub-subsidiary : Regal Jewelry Manufacture Co., Ltd. (RJM)
(Thailand)
Address : No. 84/4, 84/6-7 Moo. 7, Soi Phet Kasem 122, Phet Kasem Rd., Om Noi
Sub-district, Krathum Baen District, Samut Sakhon 74130, Thailand
Telephone : (662)420-7440
Sub-sidiary : Regal Plating Co., Ltd. (RGP)
(Thailand)
Address : No. 84/5 Village No.7 Phet Kasem 122 Alley, Phet Kasem Road, Om Noi
Sub-district, Krathum Baen District, Samut Sakhon Province 74130 Thailand
Telephone : (662)023-4741
Sub-sidiary : Regal Management Solution Co., Ltd. (RMS) (註2)
(Thailand)
Address : No. 84/6 Village No.7 Phet Kaseam 122 Alley, Phet Kaseam Road, Om Noi
Sub-district, Krathum Baen District, Samut Sakhon Province 74130 Thailand
Telephone : (662)420-8886
Sub-sidiary : Linden Integrated Co., Ltd. (Linden) (註3)
(Thailand)

Address : No. 84/4 Village No.7 Phet Kasem 122 Alley, Phet Kasem Road, Om Noi Sub-district, Krathum Baen District, Samut Sakhon Province 74130 Thailand

Telephone : (662)420-8886

Sub-sidiary : Regal Inspiring Creation (RIC) (Note 4)
(Taiwan)

Address : 11th Floor, No. 131, Songjiang Road, Zhongshan District, Taipei City

Telephone : (02)2501-2022

Sub-sidiary : Regal Precious Metal Innovation Co., Ltd. (RPM)
(Thailand)

Address : No. 84/4 Village No.7 Phet Kasem 122 Alley, Phet Kasem Road, Om Noi Sub-district, Krathum Baen District, Samut Sakhon Province 74130 Thailand

Telephone : +662-420-4022

4. Contact information of the Share Transfer Agency

Name : Share Transfer Dept., Sinopac Securities Co., Ltd.

Address : 3rd Floor, No. 17, Bo'ai Road, Zhongzheng District, Taipei City

Website : www.sinopacsecurities.com

Telephone : (02)2381-6288

5. Contact information of the Certified Public Accountants for the Latest Financial Report

Name : CPA Mrs. CHANG, CHUN-YI and Mrs. CHAO, MIN-J

CPA Firm : KPMG Taiwan

Address : 68F., No.7, Sec. 5, Xinyi Rd., Xinyi Dist., Taipei City

Website : www.kpmg.com.tw

Telephone : (02)8101-6666

6. Overseas Trade Places for Listed Negotiable Securities: N/A

7. The Company's Website: www.regaljewelrygroup.com

Note 1: Relocation completed in June 2024

Note 2: The subsidiary Regal Management Solution Co., Ltd. was approved for dissolution by the board of directors in November 2023, with the dissolution process completed in November 2024.

Note 3: The grandchild company Linden Integrated Co., Ltd. was approved for dissolution by the board of directors in November 2023, with the dissolution process completed in November 2024.

Note 4: The subsidiary Regal International Corporation was approved for dissolution by the board of directors in November 2023, with the dissolution process completed in October 2024.

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8. List of the Board of Directors:

February 28, 2025

Title	Name	Nationality	Main Working/Education Experience
Chairman	Solar Jewelers Group Corp.	Samoa	National Taipei University of Technology School of Management EMBA Thailand Special Class Management Master Research & Development Division Vice President, Regal Jewelry Manufacture Co., Ltd.
	Representative: PHACHARAPON PHAIBOONSUNTORN	Thailand	
Director	Hyperion Trading Co., Ltd.	Seychelles	Diploma of Management courses in Management & Psychology Institute, Thailand Graduated from Suankularb high school, Thailand Production Division Vice President, Regal Jewelry Manufacture Co., Ltd.
	Representative: SARAYUTH MUNGCHITVITSAVAKORN	Thailand	
Director	Orlog Global Co., Ltd.	Samoa	Bachelor, International Business Management, Mahidol University Sales Consultant, Regal Jewelry Manufacture Co., Ltd. (Note 1)
	Representative: LIN, CHIU-I	Republic of China	
Director	Unique Global Investment Inc.	Samoa	Bachelor of Business Administration & Management, Pepperdine University Director of Formosa Marketing Co., Ltd. Director of Elemental Creation Inc. Chairman of Linden Integrated Co., Ltd.
	Representative: LIN, CHIN-SAN	Republic of China	

Independent Director	GUAN, JYH-LIANG	Republic of China	Ph.D., Business Administration, National Chengchi University Associate Professor, Department of Applied Economics and Management, National Yilan University Think Tank, Center of Brand Innovation Acceleration Service, General Chamber of Commerce of the Republic of China Internationalization Consultant of Franchising Service Industry, Taiwan External Trade Development Council Member of Quality Assessment of Transnational Manpower Agency Services, Ministry of Labor, Executive Yuan Independent director of Donpon Precision Inc. Independent director of LinkCom Manufacturing Co., LTD. Independent director of SUN MAX TECH LIMITED
Independent Director	LEE, TSUNG-PEI	Republic of China	Ph. D., Economics, National Chengchi University International and Resource Development CEO, Fu Jen Catholic University Associate dean of College of Management, Fu Jen Catholic University Associate Professor, Department of Finance and International Business, Fu Jen Catholic University Associate Professor of Ph.D. Program in Business Administration, School of Management, Fu Jen Catholic University Resident Committee of the Affiliated Hospital of Fu Jen Catholic University Independent director of Powertech industrial Co., Ltd. Independent director of Ibase Solution Co., Ltd.

Independent Director	LIN, CHUNG-CHING	Republic of China	Master's degree from the Social Finance and Economics Section of the Management Office of National Chengchi University, General Entrance Examination, and College Entrance Examination Passed financial business Chief of the Audit, Specialist, Audit and Inspection Team of the Financial Bureau of the Ministry of Finance. Special member and deputy leader of the Agricultural Finance Bureau of the Committee of Agriculture.
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1. Report to the Shareholders

2024 was a year filled with challenges and recovery. Industry conditions are expected to improve compared to the previous year, but the recovery speed will be slow. While the interest rate hike cycle of European and American central banks has ended and rate cuts have begun, inflation will not return to the low levels of the past. Interest rates will remain high, and the effects of inflation will continue to impact the consumer market, resulting in a loss for Regal Holdings after the year-end settlement.

1. Operating Report of the year of 2024

(1) Operating Results

Regal Holdings' consolidated revenue for 2024 amounted to NT\$1,779,375 thousand, a 55% increase compared to the previous year. The consolidated net loss after tax was NT\$-57,291 thousand, with a loss per share of NT\$-1.56.

(2) Budget Execution Status

The company did not disclose its financial forecast for 2024, so there is no need to disclose the budget execution status.

(3) Financial Income and Expenditure, and Profitability Analysis

In terms of the jewelry processing revenue composition, the metalworking revenue increased by approximately 47% year-on-year, and the gross profit margin for metalworking processing improved from 2.82% in the previous year to 13.17% in 2024. This improvement was mainly due to an increase in order volume, which helped reduce the unit cost of products. The electroplating revenue grew by approximately 56%, and the gross profit margin for electroplating processing increased from 2.13% in the previous year to 8.23% in 2024. This was primarily due to the contribution of high-margin orders and effective control over precious metal procurement costs.

(4) Research and Development Status

To maintain innovation capabilities and strengthen competitive advantages, the company is implementing an intellectual property management plan. In the future, we will continue to enhance product design development and apply for related intellectual property rights. For more details, please refer to the "Technology and R&D Overview" and "Intellectual Property Management Plan and Implementation Status" sections of the annual report.

2. Operating Plan of the year of 2025

(1) Production and Sales Policy: Control Production Costs and Expand New Customer Base

To effectively reduce costs, Regal Holdings will continue to strengthen the adjustment mechanism between monthly orders and workforce allocation on production lines. At the same time, we are constantly upgrading the group's hardware and software to

improve departmental efficiency, while also considering the current industry situation and future outlook to appropriately adjust the total number of employees. In response to our key customers' strategy of increasing in-house production capacity and outsourcing high-difficulty craftsmanship products, we will continue to streamline production processes, eliminate unnecessary steps, and expand our customer base and product categories. Additionally, to mitigate the risks posed by international exchange rates, we will continue to dynamically adjust our hedging strategy and manage risk to minimize the impact of financial costs on profitability.

(2) Expected Sales Volume

Regal Holdings will focus on factory stability and cost control to respond to external challenges while maintaining competitiveness. In addition to retaining existing customers, we are also actively developing new customers. Looking ahead, we are prepared for the future and expect that sales revenue and volume in 2025 will have opportunities for growth compared to 2024.

(3) Business Strategy: External Plans and Internal Management

In 2025, under the backdrop of slowing growth in major economies, the global economy will still benefit from the recovery of international trade and industry structural adjustments. Regal Holdings will adhere to its vision of becoming "the most valuable jewelry company in the world" by continuing to focus on innovation, flexibility, and sustainability. We will drive business development and internal optimization, while striving to maintain a leading position in the highly competitive market.

Our annual business plan will focus on the following four strategic directions:

1. Market Expansion and Business Growth:

- (1) Deepen OEM and ODM services to meet the global jewelry industry's demand for customization and high-quality products. Actively expand into overseas markets to increase market share and sales revenue.
- (2) Enhance the market insight capabilities of the business team by leveraging data analysis and competitive intelligence to quickly grasp market trends and formulate precise strategies. Actively develop potential high-end customer segments.
- (3) Participate in international jewelry exhibitions and trade negotiations to enhance brand visibility and establish more cross-border collaboration opportunities.

2. Improvement of Production Efficiency and Technological Innovation

- (1) Continuously implement the LEAN Project to optimize production processes, reduce waste, and ensure product quality stability and consistency. °
- (2) Implement smart manufacturing systems that integrate IoT (Internet of Things) technology to monitor production progress and equipment status in real time, enhancing production transparency and management efficiency.
- (3) Training multi-skilled workers and establish a skill matrix to enhance the flexibility of

production lines, enabling better adaptation to diverse order demands and unexpected changes.

- (4) Initiate the automated inspection equipment introduction plan to reduce human error in inspections and improve the accuracy of finished product testing.

3. Deepening ESG Sustainable Development

- (1) Advance the Phase II solar power project, with the goal of increasing the renewable energy usage rate to 30% by the end of 2025, further reducing our carbon footprint.
- (2) Obtain ISO 50001 and ISO 14064-1 certifications to the energy management system and achieve energy-saving and emission-reduction goals.
- (3) Expand the production scale of recycled silver and promote RJC-certified recycled silver to external markets, enhancing the company's competitiveness in the green supply chain sector.
- (4) Implement an ESG education and training program to promote environmental awareness among all employees and actively participate in community welfare and social responsibility activities.

4. Internal Management Optimization and Organizational Development

- (1) Establish the "Regal Management System" to integrate global standards and guidelines such as ISO, RJC, GRI, and internal audit controls, enhancing the efficiency and compliance of the internal management system.
- (2) Implement a knowledge management platform to establish a technical document repository and learning resource center, promoting the effective transfer of organizational experience and technology.
- (3) Optimize the performance evaluation system by adopting a multi-dimensional performance assessment model that covers innovation, teamwork, process improvement, and ESG contributions, to stimulate employee engagement and motivation.
- (4) Promote paperless office practices by leveraging digital systems and cloud platforms to improve information management efficiency and reduce paper usage.

(4) Future Development Strategy: Environmental, Social, and Governance (ESG)

As global attention on ESG (Environmental, Social, and Governance) issues continues to rise, various related concepts and regulations are constantly evolving. In response, we will continue to strengthen our commitment to ESG issues, improving the sustainability and risk management teams and systems across the group's subsidiaries.

In terms of sustainable development, we will leverage our group's RPM company's ability to produce RJC-certified recycled silver. In addition to supplying it for internal use, we will actively seek opportunities to become a supplier for other jewelry brands. We will also

continue to increase our use of renewable energy, enhance material transparency, and improve traceability.

Regarding corporate governance, we will not only continue to improve our existing risk management framework but also ensure that the group maintains good and effective communication channels with stakeholders, including investors, legal compliance, and others. We will also keep monitoring the implementation of strategies and annual plans across our subsidiaries to ensure the achievement of the group's objectives.

3. Impact of the External Competitive Landscape, Regulatory Environment, and Macroeconomic Conditions on Business Operations

For the impacts of various risk factors—including macroeconomic and political conditions, regulatory changes on the protection of shareholders' rights and interests, and the influence of technology on the company's production and operations—please refer to the 'Risk Factors' section of the Annual Report °

On behalf of the Board of Directors and the management team, we would like to express our sincere gratitude to all shareholders of Regal Holdings for your trust and support amid numerous challenges. In 2025, we will continue to lead the company forward with full dedication, striving to create greater growth opportunities for both the company and our customers. We sincerely hope for your continued support and encouragement. Thank you. °

Wishing you all good health and every success

Chairman : PHACHARAPON PHAIBOONSUNTORN

2. Corporate Governance Report

1. Information on Directors, Supervisors, CEO, Vice Presidents, Assistant Vice Presidents, and Heads of Departments and Branches:

(1) Director and Supervisor

1. Director (Regal Holding has established an Audit Committee, and therefore there is no need to set up Supervisors.)

As of March 31, 2025 / Unit: Share ; %

Title	Nationality or place of registration	Name	Gende/age (Note1)	Elected date	Term	First Elected date	Shares held when elected		Current Shares holding		Shares currently held by their spouses and minor children		Shares held in the name of others		Main Working/Education Experienc	Concurrent positions in the Company and other companies	Spouse or relatives within second degree kinship who serve managerial posts or seats of board directors/ supervisors of the company			Note
							Number	%	Number	%	Number	%	Number	%			Title	Name	relation	
Chairman	Thailand	Representative: PHACHARAPON PHAIBOONSUNTORN	M 61-70	05.26.2023	3 years	09.30.2016	925,800	2.40%	925,800	2.41%	-	-	2,549,559	6.64%	National Taipei University of Technology School of Management EMBA Thailand Special Class Management Master Research & Development Division Vice President, Regal Jewelry Manufacture Co., Ltd.	Chairman and Deputy General Manager, R&D, Regal Jewelry Manufacture Co., Ltd. Chairman, Regal Plating Co., Ltd. Directors, Solar Jewelers Group Corp	None	None	None	Not Applicable
	Samoa	Solar Jewelers Group Corp.					13,760,000	35.74%	13,760,000	35.84%	-	-	-	-			None	None	None	Not Applicable
Director	Seychelles	Hyperion Trading Co., Ltd.	M 51-60	05.26.2023	3 years	09.30.2016	1,463,682	4.61%	1,463,682	3.81%	-	-	-	-	Diploma of Management courses in Management & Psychology Institute, Thailand	Director and Deputy General Manager, Production, Regal Jewelry Plating Co.,	None	None	None	Not Applicable

As of March 31, 2025 / Unit: Share : %

Title	Nationality or place of registration	Name	Gende/age (Note1)	Elected date	Term	First Elected date	Shares held when elected		Current Shares holding		Shares currently held by their spouses and minor children		Shares held in the name of others		Main Working/Education Experienc	Concurrent positions in the Company and other companies	Spouse or relatives within second degree kinship who serve managerial posts or seats of board directors/ supervisors of the company			Note
							Number	%	Number	%	Number	%	Number	%			Title	Name	relation	
	Thailand	Representative: SARAYUTH MUNGCHITVITSAVAKORN					-	-	284,800	0.74%	-	-	1,463,682	3.81%	Graduated from Suankularb high school, Thailand Production Division Vice President, Regal Jewelry Manufacture Co., Ltd.	Ltd. Director, Hyperion Trading Co., Ltd.	None	None	None	Not Applicable
Director	Samoa	Orlog Global Co., Ltd.	F 41-50	05.26.2023	3 years	09.30.2016	889,117	2.92%	889,117	2.32%	-	-	-	-	Bachelor, International Business Management, Mahidol University Deputy General Manager, Sales, Regal Jewelry Manufacture Co., Ltd.	Sales Consultant, Regal Jewelry Manufacture Co., Ltd.(Note1) Director, Orlog Global Co., Ltd.	General Manager	Lin, Ju-Ying	second-degree relative	Not Applicable
	Republic of China	Representative: LIN, CHIU-I					-	-	294,800	0.77%	-	-	889,117	2.32%			Juristic Person director's rep.	Lin, Chin-San	second-degree relative	Not Applicable
Director	Samoa	Unique Global Investment Inc.	M 41-50	05.26.2023	3 years	09.30.2016	398,000	1.51%	398,000	1.04%	-	-	-	-	Bachelor of Business Administration & Management, Pepperdine University Director of Formosa Marketing Co., Ltd.	Chairman, Linden Integrated Co., Ltd. Director, Unique Global Investment Inc.	General Manager	Lin, Ju-Ying	second-degree relative	Not Applicable
	Republic of China	Representative: LIN, CHIN-SAN					160,000	0.42%	160,000	0.42%	-	-	989,123	2.58%			Juristic Person director's rep.	Lin, CHIU-I	second-degree relative	Not Applicable

As of March 31, 2025 / Unit: Share : %

Title	Nationality or place of registration	Name	Gende/age (Note1)	Elected date	Term	First Elected date	Shares held when elected		Current Shares holding		Shares currently held by their spouses and minor children		Shares held in the name of others		Main Working/Education Experienc	Concurrent positions in the Company and other companies	Spouse or relatives within second degree kinship who serve managerial posts or seats of board directors/ supervisors of the company			Note
							Number	%	Number	%	Number	%	Number	%			Title	Name	relation	
Independent Director	Republic of China	GUAN, JYH-LIANG	M/51-60	05.26.2023	3 years	08.28.2015	-	-	-	-	-	-	-	-	Ph.D., Business Administration, National Chengchi University Associate Professor, Department of Applied Economics and Management, National Yilan University Think Tank, Center of Brand Innovation Acceleration Service, General Chamber of Commerce of the Republic of China Internationalization Consultant of Franchising Service Industry, Taiwan External Trade Development Council Member of Quality Assessment of Transnational Manpower Agency Services, Ministry of Labor, Executive Yuan	Independent director of Donpon Precision Inc. Independent director of LinkCom Manufacturing Co.,LTD. Independent director of SUN MAX TECH LIMITED	None	None	None	Not Applicable

As of March 31, 2025 / Unit: Share : %

Title	Nationality or place of registration	Name	Gende/age (Note1)	Elected date	Term	First Elected date	Shares held when elected		Current Shares holding		Shares currently held by their spouses and minor children		Shares held in the name of others		Main Working/Education Experienc	Concurrent positions in the Company and other companies	Spouse or relatives within second degree kinship who serve managerial posts or seats of board directors/ supervisors of the company			Note
							Number	%	Number	%	Number	%	Number	%			Title	Name	relation	
Independent Director	Republic of China	LEE, TSUNG-PEI	M/61-70	05.26.2023	3 years	08.28.2015	-	-	-	-	-	-	-	-	Ph. D., Economics, National Chengchi University International and Resource Development CEO, Fu Jen Catholic University Associate dean of College of Management, Fu Jen Catholic University Associate Professor, Department of Finance and International Business, Fu Jen Catholic University Associate Professor of Ph.D. Program in Business Administration, School of Management, Fu Jen Catholic University Resident Committee of the Affiliated Hospital of Fu Jen Catholic University	Independent director of Powertech Industrial Co., Ltd. Independent director of Ibase Solution Co.,Ltd.	None	None	None	Not Applicable

As of March 31, 2025 / Unit: Share : %

Title	Nationality or place of registration	Name	Gende/age (Note1)	Elected date	Term	First Elected date	Shares held when elected		Current Shares holding		Shares currently held by their spouses and minor children		Shares held in the name of others		Main Working/Education Experienc	Concurrent positions in the Company and other companies	Spouse or relatives within second degree kinship who serve managerial posts or seats of board directors/ supervisors of the company			Note
							Number	%	Number	%	Number	%	Number	%			Title	Name	relation	
Independent Director	Republic of China	LIN, CHUNG-CHING	M/61-70	05.26.2023	3 years	05.26.2023	-	-	-	-	-	-	-	-	Master's degree from the Social Finance and Economics Section of the Management Office of National Chengchi University, General Entrance Examination, and College Entrance Examination Passed financial business Chief of the Audit, Specialist, Audit and Inspection Team of the Financial Bureau of the Ministry of Finance. Special member and deputy leader of the Agricultural Finance Bureau of the Committee of Agriculture.	Currently not holding positions in other companies.	None	None	None	Not Applicable

Note 1 : The board members' age is based on the year in which the annual report is released (2024).

(2) Major shareholders of juristic-person directors

(1) Major shareholders of juristic person's shareholders

As of March 31, 2025 / Unit: Share ; %

Name of Corporate Shareholder	Major Shareholders of the Corporate Shareholder
Solar Jewelers Group Corp.	PHACHARAPON PHAIBOONSUNTORN(22.09%) 、 LIN, JU-YING (14.25%) 、 SARAYUTH MUNGCHITVITSAVAKORN (12.83%) 、 LIN, PI-YUAN (9.74%) 、 LIN HUANG, A-YUAN (9.50%) 、 LIN, CHIN-SAN (8.55%) 、 LIN, CHIU-I (8.55%) 、 LAI, CHIN-HO (4.75%) 、 LAI LIN, SHU-JU (4.75%) 、 Solar (5%)
Hyperion Trading Co., Ltd.	SARAYUTH MUNGCHITVITSAVAKORN (100%)
Orlog Global Co., Ltd.	Nattawadee Panyapongthanachot (100%)
Unique Global Investment Inc.	LIN HUANG, A-YUAN (100%)

(2) Principal shareholder of corporate shareholders with a juridical person as its major shareholder: Not applicable.

3. Professional qualifications and experience of directors and independence of independent directors:

Condition Name	Professional & Experience	Independence situation	Number of being Independent Directors of other Public Companies
PHACHARAPON PHAIBOONSUNTORN	• Education Experience - EMBA, National Taipei University of Technology Thailand Special Program • Expertise - Has mastered the core technology of production and has more than 40 years of experience in key management positions such as production manager or general manager. • Main Working - Manager of Production Division, Regal Jewelry Manufacture Co., Ltd	Chairman and Corporate Director of Solar Jewelers Group Corp. representative, and serves as an important subordinate director. He is also the top ten natural person shareholders of the company and is not an independent director. The remaining independence events are consistent with the independence events listed in Article 3, Item 1 of the "Independent Establishment of Publicly Offering Companies and Matters to be Observed" revised by the Financial Supervisory Commission.	0
SARAYUTH MUNGCHITVITSAVAKORN	• Education Experience - Diploma of Management courses in Management & Psychology Institute, Thailand	The representative of the company's legal director Hyperion Trading Co., Ltd. and is not an independent director. The rest are in compliance with the independence conditions listed in Article 3, Item 1 of the "Regulations on	0

	• Expertise - Had more than 30 years of experience in jewelry manufacturing.	the Establishment and Matters to be Observed of Independent Directors of Publicly Offered Companies" promulgated by the Financial Supervisory Commission.	
	• Experience – Deputy General Manager of Production, Regal Jewelry Manufacture Co., Ltd.		
LIN, CHIU-I	• Education Experience - Bachelor, International Business Management, Mahidol University • Expertise - Had more than 20 years of experience in jewelry marketing and business development. • Main Working - Deputy General Manager, Sales, Regal Jewelry Manufacture Co., Ltd.	Orlog Global Co., Ltd. is the corporate director of the company. The representative is not an independent director. The rest are in compliance with the independence conditions listed in Article 3, Item 1 of the "Regulations on the Establishment and Matters to be Observed of Independent Directors of Publicly Offered Companies" promulgated by the Financial Supervisory Commission.	0
LIN, CHIN-SAN	• Education Experience - Bachelor of Business Administration & Management, Pepperdine University • Expertise - Had more than 10 years of experience in business development and production management.	Unique Global Investment Inc., a corporate director of the company The representative is not an independent director. The rest are in compliance with the independence conditions listed in Article 3, Item 1 of the "Regulations on the Establishment and Matters to be Observed of Independent Directors of Publicly Offered Companies" promulgated by the Financial Supervisory Commission.	0

	• Main Working - Director of Formosa Marketing Co., Ltd. • Chairman, Linden Integrated Co., Ltd. • Director, Unique Global Investment Inc.		
GUAN, JYH-LIANG	• Education Experience - Ph.D., Business Administration,	The following three independent directors have met the qualifications stipulated in the "Regulations on the Establishment and Matters to be Observed of Independent Directors of Publicly Offering Companies" promulgated by the Financial Supervisory Commission and Article 14-2 of the Securities and Exchange Act in the two years before their election and during their term of office. Requirements, and the independent directors have been given the power to fully participate in decision-making and express opinions in accordance with Article 14-3 of the Securities and Exchange Act, so as to independently execute relevant powers.	3
	• Expertise - Strategic management, business models, international business management		
	• Main Working - Associate Professor, Department of Applied Economics and Management, National Yilan University		
	• Think Tank, Center of Brand Innovation Acceleration Service, General Chamber of Commerce of the Republic of China		
LEE, TSUNG-PEI	• Education Experience - Ph. D., Economics, National Chengchi University		2
	• Expertise - Economy		

	• Main Working - International and Resource Development CEO, Fu Jen Catholic University		
	• Independent director of Powertech industrial Co., Ltd. • Independent director of Ibase Solution Co.,Ltd.		
LIN, CHUNG-CHING	• Master of Eminent Public Administrator, College of Social Sciences, National Chengchi University, Passed the general examination and college entrance examination in financial business		0
	• Expertise - Finance and Economics		
	• Main Working – • Audit, Specialist, Audit and Inspection Team Section Chief, Financial Bureau of the Ministry of Finance • Special member and deputy leader of the Agricultural Finance Bureau of the Committee of Agriculture		

Note: After investigation, none of the directors of the company has fallen into any of the circumstances stated in Article 30 of the Company Law.

4. Board Diversity and Independence :

(1) Diversity Policy of the Board

a. In accordance with the Company's "Code of Corporate Governance Practices", the composition of the Board shall take into account diversity. In addition to the fact that the number of directors who are also managers of the Company should not exceed one-third of the total number of directors, the Company shall formulate appropriate diversity policies with respect to its operation, business model and development needs, including but not limited to the following two major criteria:

- i. Basic qualifications: gender, age, etc.
- ii. Professional knowledge and skills: professional background, professional skills and industrial experience, etc.

(2) Diversity Objectives of the Board

Board members should generally possess the knowledge, skills, and education necessary to perform their duties. In order to achieve the desired goals of corporate governance, the Board as a whole should possess the following competencies:

- i. Operation judgment.
- ii. Accounting and financial analysis skills.
- iii. Management skills.
- iv. Management ability of crisis.
- v. Industry knowledge.
- vi. International market perspective.
- vii. Leadership skills
- viii. Decision-making ability.

(3) Condition of implementing Diversity of Board members

The company has established a "Procedures for the Election of Board of Directors" system, which follows a "The Candidate Nomination System for Electing " All director candidates are nominated and undergo qualification review. After approval by the board of directors, they are presented for election by the shareholders' meeting. At the shareholders' general meeting held on May 26, 2023, the resolution was passed to elect Mr. PHACHARAPON PHAIBOONSUNTORN, Mr. SARAYUTH MUNGCHITVITSAVAKORN, Ms. LIN, CHIU-I, Mr. LIN, CHIN-SAN, Mr. GUAN, JYH-LIANG, Mr. LEE, TSUNG-PEI, and Mr. LIN, CHUNG-CHING as directors of the 6th term of the company, with a three-year term (from May 26, 2023, to May 25, 2026).

Mr. PHACHARAPON PHAIBOONSUNTORN, the reappointed chairman of the company, specializes in production and R&D technology. Director Mr. SARAYUTH MUNGCHITVITSAVAKORN has 30 years of experience in jewelry manufacturing. Director Ms. LIN, CHIU-I is a female director with over 20 years of expertise in jewelry marketing and business development. Director Mr. LIN, CHIN-SAN also

possesses more than 10 years of experience in business development and production management within the jewelry industry.

Continuing as an independent director, Mr. GUAN, JYH-LIANG has taught for many years in the Department of Applied Economics and Management at National Yilan University, specializing in Strategic management, business models, international business management. Independent director Mr. LEE, TSUNG-PEI has extensive experience teaching in the Department of Finance and International Business at Fu Jen Catholic University, with expertise in financial economics and finance.

The newly appointed independent director, Mr. LIN, CHUNG-CHING, holds a Master of Eminent Public Administrator, College of Social Sciences, National Chengchi University, Passed the general examination and college entrance examination in financial business. He has held positions at Auditor, Specialist, Audit and Inspection Section Chief of the Financial Bureau of the Ministry of Finance and Special Member and Deputy Leader of the Agricultural Finance Bureau of the Committee of Agriculture. With his rich experience in financial accounting, he brings fresh insights to the company's board of directors.

Items for Diversification	Basic Composition						Professional knowledge and skills							
	Nationality	Or place of registration	Gender		Nationality	Or place of registration	Gender		Nationality	Or place of registration	Gender		Nationality	Or place of registration
Solar Jewelers Group Corp. Representative: PHACHARAPON PHAIBOONSUN TORN	Thailand		M	yes	51-60	0	✓	✓	✓	✓	✓	✓	✓	✓
Hyperion Trading Co., Ltd. Representative: SARAYUTH MUNGCHITVITSA VAKORN	Thailand		M	yes	51-60	0	✓			✓	✓		✓	✓

Orlog Global Co., Ltd. Representative: LIN, CHIU-I	ROC	F	No ne. (Not e 2)	41-50	0	✓		✓	✓	✓	✓	✓	✓
Unique Global Investment Inc. Representative: LIN, CHIN-SAN	ROC	M	No ne.	41-50	0			✓	✓	✓		✓	✓
GUAN, JYH-LIANG	ROC	M	No ne.	51-60	7	✓			✓	✓	✓	✓	✓
LEE, TSUNG-PEI	ROC	M	No ne.	61-70	7	✓	✓		✓		✓	✓	✓
LIN, CHUNG-CHING	ROC	M	No ne.	61-70	0		✓		✓			✓	✓

Note 1 : The board members' age is based on the year in which the annual report is released (2024).

(4) Specific Management Objectives and Achievement of the Diversity Policy

The percentage of directors with employee status is 29%, two directors is aged 61-70, three are aged 51-60, and two are aged 41-50. Specific Management Objectives of the Diversity Policy: The Company focuses on gender equality of Board members and aims to have at least one female Board member. Currently, the percentage of female directors is 14%, and the target has been achieved.

Management Objective	Achievement
Diversity of independent directors, the expertise has to include economics, business or law	Achieved
The qualifications of independent directors must comply with the related regulations of the Securities and Futures Bureau of Financial Supervisory Commission	Achieved
At least one female director on the Board of Directors	Achieved

If the number of directors of either gender does not reach one-third of the total seats, the reasons and measures to enhance gender diversity on the Board shall be stated.

A. Explanation:

According to the Articles of Incorporation, the Company has established seven seats on the Board of Directors. The current directors were elected at the shareholders' meeting on May 26, 2023. However, there is only one female director, which, although compliant with the relevant regulations at that time, does not meet the one-third gender representation

threshold. This is mainly due to the characteristics of the industry, where it is challenging to recruit qualified candidates within a short period.

B. Measures:

Before the expiration of the current Board's term and the upcoming re-election, the Company will actively seek candidate recommendations through various channels, including industry associations and academic institutions. These efforts aim to improve corporate governance effectiveness and implement the policy of board member diversity.

(5) Board Independence :

According to the Company's Articles of Incorporation, the Board of Directors shall consist of seven members. Directors are elected at the shareholders' meeting from among candidates with legal capacity and may be re-elected upon the expiration of their term. In accordance with the Securities and Exchange Act, the Company has established independent directors within the aforementioned number of board seats. The number of independent directors shall be no less than three. The election of directors, including independent directors, is conducted through a candidate nomination system.

The Company currently has seven directors, who were elected at the shareholders' meeting held on May 26, 2023. Among them, three are independent directors, accounting for one-third of the total board seats.

Each director has provided a written statement or relevant documentation confirming their independence, as well as that of their immediate family members, in relation to the Company. None of the directors are involved in any of the circumstances described in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act—specifically, no marital or second-degree kinship relationships exist between any directors, supervisors, or between directors and supervisors—thus complying with relevant legal requirements.

Detailed information on all board members is provided in the Company's Annual Report under the section "**Corporate Governance Report – 2. Information on Directors, CEO, Vice Presidents, Assistant Vice Presidents, and Heads of Departments and Branches.**"

In addition, information regarding the Board's composition, continuing education, and implementation of diversity is publicly disclosed on the Company's website at: http://www.regaljewelrygroup.com/TW/InvestorNews/ugC_InvestorNews.asp

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(3) General manager, deputy general managers, deputy assistant general managers, and the supervisors of all the Company's divisions and branch units

As of March 31, 2025 / Unit: Share ; %

The tittle	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Education & Experience	Current Position with Other Company	Managers are Spouse or within 2 Degrees of Consanguinity Each Other			Status of Employee Stock Option Acquisition by Managers	Note (NOT E2)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation		
CEO/ General Manager	Republic of China	LIN, JU-YING	F	2018/05	324,800	0.85%	-	-	1,655,203	4.31%	EMBA, National Taipei University of Technology Thailand Special Program Manager, Regal Jewelry Manufacture Co., Ltd.	CEO/ General Manager, Regal Jewelry Manufacture Co., Ltd Chairman, Reunite Inspiring Creation Co., Ltd. (Note 3)	sales consultant of Regal Jewelry Manufactur e Co., Ltd.	Lin, CHIU-I	second-de gree relative	—	Not Applica ble
Deputy General Manager, R&D	Thailand	PHACHARAPON PHAIBOONSUNTORN	M	1991/02	925,800	2.41%	-	-	2,549,559	6.64%	EMBA, National Taipei University of Technology Thailand Special Program Manager of Production Division, Regal Jewelry Manufacture Co., Ltd.	Chairman/ Deputy General Manager, R&D, Regal Jewelry Manufacture Co., Ltd. Chairman, Regal Plating Co., Ltd. Chairman, Regal Precious Metal Innovation Co., Ltd Directors, Solar Jewelers Group Corp.	None.	None.	None.	—	Not Applicable

As of March 31, 2025 / Unit: Share ; %

The title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Education & Experience	Current Position with Other Company	Managers are Spouse or within 2 Degrees of Consanguinity Each Other			Status of Employee Stock Option Acquisition by Manager	Note (NOT E2)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation		
Deputy General Manager, Production	Thailand	SARAYUTH MUNGCHITVITSAVAKORN	M	1996/10	284,800	0.74%	-	-	1,463,682	3.81%	Diploma in Management Courses, Management & Psychology Institute, Thailand Suankularb high school, Thailand Manager, Production, Regal Jewelry Manufacture Co., Ltd.	Director/ Deputy General Manager, Production, Regal Jewelry Manufacture Co., Ltd. Director, Regal Plating Co., Ltd. Director, Hyperion Trading Co., Ltd.	None.	None.	None.	None	Not Applicable
Business Consultant	Republic of China	LIN, CHIU-I	F	2018/05	294,800	0.77%	-	-	889,117	2.32%	Bachelor, International Business Management, Mahidol University Deputy General Manager, Sales, Regal Jewelry Manufacture Co., Ltd.	Director and Sales Consultant, Regal Jewelry Manufacture Co., Ltd. (Note4) Director, Orlog Global Co., Ltd.	General Manager	LIN, JU-YING	second-degree relative	None	Not Applicable
Finance/ Accounting Supervisor	Thailand	NARISSARRANEE KEATBHOONYARRITH (Note 5)	F	2020/12	—	—	-	-	-	-	M.D., Business Management, Ramkhamhaeng University Accounting specialist, Chorkitthawornpanit Limited Partnership	Accounting Supervisor, Regal Jewelry Manufacture Co., Ltd.	None.	None.	None.	None	Not Applicable
Auditor Supervisor	Malaysia	WONG, HON-FEI (Note4)	M	2016/01	-	-	-	-	-	-	Bachelor, Accounting, Universiti Tunku Abdul Rahman Audit Supervisor, JPP Holding Company Limited Senior Auditor, Genting Group Senior Auditor, KPMG Malaysia Kuala Lumpur Branch	Auditor Supervisor, Regal Jewelry Manufacture Co., Ltd.	None.	None.	None.	None	Not Applicable

As of March 31, 2025 / Unit: Share ; %

The title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Education & Experience	Current Position with Other Company	Managers are Spouse or within 2 Degrees of Consanguinity Each Other			Status of Employee Stock Option Acquisition by Managers	Note (NOT E2)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation		
Auditor Supervisor	Republic of China	CHIANG, PEI-LUN (Note5)	F	2023/05	-	-	-	-	-	-	Department of Leisure Industry Management, National Taiwan Sport University Cayman Islands Regal Holding Co., Ltd Administrative Secretary, Taiwan Branch		None.	None.	None.	None	Not Applicable
Audit Manager	Republic of China	CHAO,CHI-HAO (Note6)	M	2025/02							Concordia University Department of Economics Concord Securities		None.	None.	None.	None	Not Applicable
General Manager, Regal Holding Co., Ltd. Taiwan Branch	Republic of China	LI, WEN-HSIUNG	M	2016/03	-	-	-	-	-	-	Bachelor, Engineering, National Formosa University Sales Manager, Sales, Discover Consultant Co., Ltd.	Corporate Governance Officer	None.	None.	None.	None	Not Applicable
General Manager, Regal Plating Co., Ltd.	Republic of China	WANG, CHUN-CHIN	M	2013/08	-	-	-	-	-	-	Bachelor, Computer Information System, Business, Arizona State University, U.S.A. Deputy General Manager, Regal Plating Co., Ltd. Sales Manager, Europe Area, Yei Shien Enterprise Co., Ltd.	General Manager, Regal Plating Co., Ltd.	None.	None.	None.	None	Not Applicable

Note 1: The commencement date refers to the date of appointment at the main operating entity, Regal Jewelry Manufacture Co., Ltd.

Note 2: If the Chairman and the President (or the equivalent top executive) are the same person, spouses, or first-degree relatives, the company shall disclose in the remark column the reasons, rationality, necessity, and corresponding measures (e.g., increasing the number of independent directors, ensuring that at least half of the directors are neither employees nor managerial officers, etc.).

This situation does not apply to the Company.

Note 3: The Company's subsidiary, Nicheng International Co., Ltd., had its dissolution approved by the Board of Directors in February 2025, and the deregistration process was completed in November 2024.

Note 4: The former Audit Manager, Mr. **WONG, HON-FEI**, resigned at the end of March 2024.

Note 5: Ms. Pei-Lun Chiang was appointed as Audit Manager following the resolutions passed at the 5th meeting of the 5th Audit Committee and the 5th meeting of the 6th Board of Directors on May 13, 2024. She was relieved from her position on February 27, 2025, due to a job reassignment.

Note 6: Mr. Chih-Hao Chao was appointed as the new Audit Manager following the resolutions passed at the 8th meeting of the 5th Audit Committee and the 8th meeting of the 6th Board of Directors on February 27, 2025.

2. Remuneration Paid to Directors, President, and Vice Presidents in the Most Recent Fiscal Year

(1) Remuneration of General Directors and Independent Directors (Disclosure of Individual Names and Forms of Compensation)

March 31, 2025 Unit: NT\$ Thousands

March 31, 2023 and Prior Periods																							
Title	Name	Compensation of Directors								Total amount of A, B, C and D and their proportion to the net income (%)		Relevant remuneration as an employee								Total amount of A, B, C, D, E, F and G and their proportion to the net income (%)		Is there any remuneration from other invested businesses apart from subsidiaries?	
		Remunerations (A)		Retirement allowance (B)		Remuneration from distribution(C)		Business execution expenses (D)				Salary, bonus, and special (E)		Retirement allowance (F)		Employees' Profit-Sharing Bonus (G)							
		The Company	All consolidated companies	The Company	All consolidated companies	The Company	All consolidated companies	The Company	All consolidated companies	The Company	All consolidated companies	The Company	All consolidated companies	The Company	All consolidated companies	The Company		All consolidated companies		The Company	All consolidated companies		
																Cash	Stock	Cash	Stock				
Director	Solar Jewelers Group Corp.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A	
	Representative: PHACHARAPON PHAIBOONSUNTORN	0	0	0	0	0	0	0	0	0	0	2,200	5,765	0	478	87	0	87	0	2,287	6,330	N/A	
																				1.18%	3.28%		
Director	Hyperion Trading Co., Ltd.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A	
	Representative: SARAYUTH MUNGCHITVITSAVAKORN	0	0	0	0	0	0	0	0	0	0	1,758	4,360	0	300	87	0	87	0	1,845	4,747	N/A	
																				0.95%	2.46%		
Director	Orlog Global Co., Ltd.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A	
	Representative: LIN, CHIU-I	600	600	0	0	0	0	40	40	640	640	425	1,592	0	0	0	0	0	0	1,065	2,232	N/A	
							0.33%			0.33%													
Director	Unique Global Investment Inc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A	
	Representative: LIN, CHIN-SAN	600	600	0	0	0	0	40	40	640	640	0	0	0	0	0	0	0	0	640	640	N/A	
																				0.33%	0.33%		
Independent Director	GUAN, JYH-LIANG	600	600	0	0	0	0	40	40	640	640	0	0	0	0	0	0	0	0	640	640	N/A	
										0.33%	0.33%									0.33%	0.33%		
Independent Director	LEE, TSUNG-PEI	600	600	0	0	0	0	40	40	640	640	0	0	0	0	0	0	0	0	640	640	N/A	
										0.33%	0.33%									0.33%	0.33%		
Independent Director	YEH, KUANG-CHOU (NOTE 3)	250	250	0	0	0	0	20	20	270	270	0	0	0	0	0	0	0	0	270	270	N/A	
										0.14%	0.14%									0.14%	0.14%		
Independent Director	LIN, CHUNG-CHING (NOTE 4)	350	350	0	0	0	0	30	30	380	380	0	0	0	0	0	0	0	0	380	380	N/A	
										0.20%	0.20%									0.20%	0.20%		

Note 1: Please describe the independent directors' compensation policy, system, standards, and structure, and explain the correlation between the amount of compensation and factors such as responsibilities, risk exposure, and time commitment: Please refer to page 22 of the Annual Report.

Note 2: In addition to the disclosures above, the remuneration received in the most recent fiscal year by the Company's directors for services provided to all entities included in the financial statements (e.g., serving as non-employee consultants); No such cases.

Remuneration of the General Manager and Deputy General Managers

Title	Name	Salary (A)		Severance Pay (B) (NOTE 1)		Bonuses and Allowances(C)		Profit Sharing- Employee Bonus (G)				Amount and Ratio of Total A, B, C and D to Net Income (loss) (%)		Compensation from Non-consolidated Affiliates or Parent Company
		The Company	All consolidated companies	The Company	All consolidated companies	The Company	All consolidated companies	The Company		All consolidated companies		The Company	All consolidated companies	
								Cash	Stock	Cash	Stock			
CEO/ General Manager	LIN, JU-YING	1,697	3,645	0	158	286	715	0	0	0	0	1,983	4,518	N/A
												-3.32%	-7.56%	
Deputy General Manager, R&D	PHACHARAPON PHAIBOONSUNTORN	1,833	4,562	0	472	315	781	0	0	0	0	2,148	5,815	N/A
												-3.60%	-9.73%	
Deputy General Manager, Production	SARAYUTH MUNGCHITVITSAVAKORN	1,453	3,926	0	362	249	615	0	0	0	0	1,702	4,903	N/A
												-2.85%	-8.21%	
General Manager Electro-plating	WANG CHUN-CHING	0	3,297	0	0	0	609	0	0	0	0	0	3,906	N/A
												0.00%	-6.54%	
Director Manufacturing	PENG KUAN-FENG	511	1,798	0	0	38	155	0	0	0	0	549	1,953	N/A
												-0.92%	-3.27%	

March 31, 2025 Unit: NT\$ Thousands

Note 1: Refers to the provision recognized as pension expense.

(1) Remuneration of the Top Five Highest-Paid Executive Officers of the Company

March 31, 2025 Unit: NT\$ Thousands

Title	Name	Salary (A)		Severance Pay (B) (NOTE 1)		Bonuses and Allowances(C)		Profit Sharing- Employee Bonus (G)				Amount and Ratio of Total A, B, C and D to Net Income (loss) (%)		Compensation from Non-consolidated Affiliates or Parent Company
		The Company	All consolidated companies	The Company	All consolidated companies	The Company	All consolidated companies	The Company		All consolidated companies		The Company	All consolidated companies	
								Cash	Stock	Cash	Stock			
CEO/ General Manager	LIN, JU-YING	1,697	3,645	0	158	286	715	0	0	0	0	1,983	4,518	N/A
												-3.32%	-7.56%	
Deputy General Manager, R&D	PHACHARAPON PHAIBOONSUNTORN	1,833	4,562	0	472	315	781	0	0	0	0	2,148	5,815	N/A
												-3.60%	-9.73%	
Deputy General Manager, Production	SARAYUTH MUNGCHITVITSAVAKORN	1,453	3,926	0	362	249	615	0	0	0	0	1,702	4,903	N/A
												-2.85%	-8.21%	
General Manager Electro-plating	WANG CHUN-CHING	0	3,297	0	0	0	609	0	0	0	0	0	3,906	N/A
												0.00%	-6.54%	
Director Manufacturing	PENG KUAN-FENG	511	1,798	0	0	38	155	0	0	0	0	549	1,953	N/A
												-0.92%	-3.27%	

Note 1: Refers to the provision recognized as pension expense.

(4) Names of Managers Receiving Employee Compensation and Details of the Allocation :

March 31, 2025 Unit: NT\$ Thousands

Title	Name	Stock	Cash	Total	Title	Percentage of Total Amount to Net Income (Loss) After Tax (%) (Note 2)
Managers	General Manager	LIN, JU-YING	-	-	Note 1	-%
	Deputy General Manager, R&D	PHACHARAPON PHAIBOONSUNTORN				
	Deputy General Managers, Production	SARAYUTH MUNGCHITVITSAVAKORN				
	Finance/ Accountant Supervisor	NARISSARRANEE KEATBHOONYARRITH				
	Electroplating Plant General Manager	WANG CHUN-CHING				

Note 1: The company incurred an operating loss in fiscal year 113, so no employee compensation was allocated.

Note 2: Net income (loss) after tax refers to the net income (loss) attributable to the parent company's shareholders after tax, as reported in the most recent annual consolidated financial statements.

(5) Analysis of the Total Remuneration Paid to the Company's Directors, General Manager, and Deputy General Managers, as well as the Proportion of Net Income after Tax for the Last Two Fiscal Years, and Explanation of the Remuneration Policy, Standards, and Composition, the Procedure for Setting Remuneration, and its Relationship with Business Performance and Future Risks:

1. Analysis of the Total Remuneration Paid to the Company's Directors, General Manager, and Deputy General Managers, as a Proportion of Net Income After Tax for the Last Two Fiscal Years in the Company and All Subsidiaries in the Consolidated Financial Statements:

Currency: NT\$ Thousands

	2023		2024	
	The Company	All consolidated companies	The Company	All consolidated companies
Total remuneration of directors	3,210	3,210	3,160	3,160
Proportion of the total compensation of directors to net profit after tax (%)	-2.03%	-2.03%	-5.29%	-5.29%
Total remuneration of managers	6,748	24,217	6,382	21,095

Proportion of the total compensation of managers to net profit after tax (%)	-4.26%	-15.31%	-10.68%	-35.31%
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1. Variance Analysis:

In 2024, the total remuneration for the directors, general manager, and deputy general managers as a proportion of net income (loss) after tax decreased compared to 2023. The main reason for this decline was the operating loss incurred in 2024.

2. Remuneration Policy, Standards and Composition, Procedure for Setting Remuneration, and Its Relationship with Business Performance and Future Risks

(1) Remuneration Policy, Standards, and Composition :

A. Directors and Supervisors (The company has established an Audit Committee, so there is no need to set up supervisors)

In accordance with Article 14.4 of the Company's Articles of Association, the Company shall set aside not less than one percent (1%) of its net profit before tax as compensation to its employees and not more than three percent (3%) of its net profit before tax as compensation to its directors if the Company makes a profit in the year.

B. General Manager and Vice President

The company has established a management remuneration system, which includes various allowances and bonuses to recognize and reward employees for their efforts in the workplace. These bonuses are also distributed based on the company's annual business performance, financial status, and operational conditions. In addition to fixed bonuses, the company also has a profit-sharing plan, where profit sharing and quarterly performance bonuses are allocated according to the achievement of key performance indicators (KPIs). Furthermore, if the company achieves a profit in a given year, the company's Articles of Incorporation, Article 14.4, stipulate that no less than 1% of the pre-tax net profit shall be allocated for employee compensation.

The company's remuneration package, as defined by the "Remuneration Committee Organization Regulations," includes cash compensation, stock options, profit-sharing shares, retirement benefits or severance payments, various allowances, and other forms of substantial incentives. The scope of this remuneration package is consistent with the guidelines for matters to be disclosed in the annual reports of publicly listed companies, specifically concerning the remuneration of directors and executives.

(2) Procedure for Setting Remuneration:

A. The remuneration for directors and executives is determined based on performance evaluation criteria. The Chairman's performance measurement is primarily based on the company's annual business performance indicators related to operations, governance, and financial results. The evaluation criteria for the Chairman include four key indicators: pre-tax net profit, credit rating, corporate governance evaluation, and

other related measures.

For board members, their performance is assessed based on the results of the "Board Performance Evaluation Guidelines," which serve as one of the key performance measures. As for the General Manager, the performance evaluation encompasses key areas such as operational safety management, oversight of financial plan execution, revenue management, strengthening internal controls, and ensuring quality assurance—each tied to specific performance objectives.

- B. The performance assessment and the reasonableness of the remuneration for directors and executives are evaluated and reviewed by the Remuneration Committee and the Board of Directors. In addition to considering individual performance achievement and contributions to the company, the evaluation also takes into account the company's overall operational performance, future industry risks, and development trends. The remuneration system is regularly reviewed and adjusted based on actual business conditions and relevant regulations. Furthermore, after considering current trends in corporate governance, reasonable compensation is provided to achieve a balance between the company's long-term sustainability and effective risk management.

The actual remuneration paid to directors and executives for the year 2024 was reviewed by the Remuneration Committee and then submitted for approval by the Board of Directors.

(3) Relationship with Business Performance and Future Risks: :

A. Review of the Company's Remuneration Policy and Payment Standards:

The company's remuneration policy and standards are primarily based on the overall operational status of the company. Payment standards are determined based on performance achievement rates and contributions, aiming to enhance the overall organizational and team effectiveness of the board and management departments. Additionally, the company benchmarks its compensation packages against industry standards to ensure that the remuneration for its management team is competitive, which helps retain top talent.

B. Integration of Performance Goals with Risk Management:

The company's managerial performance goals are closely tied to "risk management" to ensure that potential risks within their responsibilities are effectively managed and mitigated. The performance evaluation results, based on actual performance, are linked to human resources and remuneration policies. Important decisions made by the company's management are carefully weighed against various risk factors, and the

performance of these decisions is reflected in the company's profitability. As a result, the remuneration of the management team is closely tied to both performance and risk control.

C. Remuneration for Directors, General Manager, and Deputy General Managers:

The remuneration for directors, the general manager, and deputy general managers, including subsidiaries, includes long-term incentives. These may include restricted stock and employee stock options, which are not fully paid in the same year's profits. The actual value of these incentives is tied to future stock prices, meaning that executives share in the company's future operating risks, aligning their interests with the long-term success and performance of the company.

3. Corporate governance operation status

(1) Board of directors' operational status:

1. Four meetings were held by the Board of Directors in the year 2024 with their attendance shown as follows (A)

Title	Name	Actual Attendances (B)	By Proxy	Actual Attendance Rate (%) (B/A)	Remarks
Chairman (Convener)	Solar Jewelers Group Corp. Representative: PHACHARAPON PHAIBOONSUNTORN	4	0	100%	(Noet 1)
Director	Orlog Global Co., Ltd. Representative: LIN, CHIU-I	4	0	100%	
Director	Hyperion Trading Co., Ltd. Representative: SARAYUTH MUNGCHITVITSAVAKORN	4	0	100%	
Director	Unique Global Investment Inc. Representative: LIN, CHIN-SAN	3	1	75%	
Independent Director	GUAN, JYH-LIANG	4	0	100%	
Independent Director	LEE, TSUNG-PEI	4	0	100%	
Independent Director	LIN, CHUNG-CHING	4	0	100%	

Title	Name	Actual Attendances (B)	By Proxy	Actual Attendance Rate (%) (B/A)	Remarks
Note 1: The 6 th board of directors serves a term of three years, from May 26, 2023, to May 25, 2026.					

2. Other noteworthy matters:

State the Board Meeting's date, session, proposal contents, all Independent Directors' opinions and the Company's actions in response to the opinions if any of the following occurred:

A. Matters specified in Article 14.3 of Taiwan's Securities and Exchange Act:

Meeting Sessions and Dates	Proposal contents	Independent Directors have expressed opposition or withhold opinions
2024.02.26 4th Board meeting in 6 th Term	1. 2023 Annual Business Report, Financial Report, and 2024 Annual Operation Plan Proposal	None
	2. 2023 Annual Proposal for Directors' and Employees' Compensation	None
	3. 2023 Annual Profit Distribution Proposal	None
	4. 2023 Annual Internal Control Statement Proposal	None
	5. Evaluation of the Independence and Competence of the Company's Auditing CPA (AQIs) Proposal	None
	6. 2024 Annual Auditor's Public Fee Audit Proposal for the Company and its Subsidiaries	None
	7. Proposal to Convene the Company's 2024 Annual Shareholders' Meeting	None
	8. Proposal to Address Matters Related to Shareholder Proposals Representing 1% or More of Share	None
	9. Regal Holding Co., Ltd. Business Division Structure Chart	None
	10. Proposal to Amend Certain Articles of the Company's 'Audit Committee Organizational Rules	None
	11. Proposal to Amend Certain Articles of the Company's 'Board of Directors Meeting Regulations	None
	12. Proposal to Amend Certain Articles of the Company's 'Shareholders' Meeting Rules	None
	13. Proposal to Amend Certain Articles of the 'Company's Articles of	None

Meeting Sessions and Dates	Proposal contents	Independent Directors have expressed opposition or withhold opinions
	Incorporation	
	14. Proposal for Regal Jewelry Manufacture Co., Ltd. (RJM), an important subsidiary, to Endorse a Guarantee for its Subsidiary Regal Precious Metal Innovation Co., Ltd. (RPM) with United Overseas Bank (UOB) in Thailand	None
	Independent Director's Opinion: Agree to Approve	
	Company's Handling of Independent Director's Opinion: Approved by the Board of Directors	
	Board of Directors Resolution Result (2024.02.26): All Attending Directors Agreed to Approve °	
May 13, 2024 6th Term, 5th Meeting	1. Proposal for the Company's Q1 2024 Financial Report	None
	2. Proposal for the Appointment of the Company's Chief Internal Auditor	None
	3. Organizational Chart of Business Divisions of Regal Holding Co., Ltd.	None
	Independent Director's Opinion: Agree to Approve	
	Company's Handling of Independent Director's Opinion: Approved by the Board of Directors	
	Board of Directors Resolution Result (2024.02.26): All Attending Directors Agreed to Approve	
May 13, 2024 6th Term, 6th Meeting	1. Proposal for the Discussion of the Company's Q2 2024 Financial Results	None
	2. Proposal for the Non-Assurance Services Expected to Be Provided by KPMG Taiwan in 2024	None
	3. Proposal to Cancel the Original Endorsement and Guarantee by Key Subsidiary Regal Jewelry Manufacture Co., Ltd. (RJM) for Sub-subsidiary Regal Precious Metal Innovation Co., Ltd. (RPM) with United Overseas Bank (UOB) in Thailand	None
	4. Proposal to Update the Endorsement and Guarantee by Key Subsidiary Regal Jewelry Manufacture Co., Ltd. (RJM) for Sub-subsidiary Regal Precious Metal Innovation Co., Ltd. (RPM) with United Overseas Bank (UOB) in Thailand	None
	5. Proposal for Key Subsidiary Regal Jewelry Manufacture Co., Ltd. (RJM) to Endorse a Guarantee for Sub-subsidiary Regal Precious Metal Innovation Co., Ltd. (RPM) with Bangkok Bank (BBL) in Thailand	None
	6. Phase II Solar Panel Installation Project of Key Subsidiary Regal Jewelry Manufacture Co., Ltd. (RJM)	None

Meeting Sessions and Dates	Proposal contents	Independent Directors have expressed opposition or withhold opinions
May 13, 2024 6th Term, 7th Meeting	Independent Director's Opinion: Agree to Approve	
	Company's Handling of Independent Director's Opinion: Approved by the Board of Directors	
	Board of Directors Resolution Result (2024.02.26): All Attending Directors Agreed to Approve	
	1. Proposal for the Discussion of the Company's Q3 2024 Financial Results	None
	2. Proposal for the Company's 2025 Audit Plan	None
	3. Proposal to Amend Certain Articles of the Company's 'Internal Audit Implementation Rules'	None
	4. Proposal to Amend Certain Articles of the Company's 'Corporate Governance Best Practice Principles'	None
	5. Proposal to Amend Certain Articles of the Company's 'Accounting Professional Judgment Procedures, Accounting Policies, and Estimation Changes Process'	None
	6. Proposal to Establish the Company's 'Sustainability Information Management Procedures'	None
	7. Proposal for the Company's Directors' and Managers' Compensation	None
May 13, 2024 6th Term, 8th Meeting	Independent Director's Opinion: Agree to Approve	
	Company's Handling of Independent Director's Opinion: Approved by the Board of Directors	
	Board of Directors Resolution Result (2024.02.26): All Attending Directors Agreed to Approve	
	1. 2024 Annual Business Report, Financial Report, and 2025 Annual Operation Plan Proposal	None
	2. 2024 Annual Proposal for Directors' and Employees' Compensation	None
	3. 2024 Annual Profit Distribution Proposal	None
	4. 2024 Annual Internal Control Statement Proposal	None
	5. Proposal for the Evaluation of the Independence and Competence of the Company's Auditing CPA (AQIs)	None
	6. Proposal for the Change of the Financial Statement Auditing CPA Starting from the 2025 Fiscal Year.	None
	7. Proposal for the 2025 Annual Auditor's Public Fee Audit for the Company and its Subsidiaries.	None
	8. Proposal for the Non-Assurance Services Expected to Be	None

Meeting Sessions and Dates	Proposal contents	Independent Directors have expressed opposition or withhold opinions
	Provided by KPMG Taiwan in 2025.	
	9. Proposal to Amend Certain Articles of the 'Company's Articles of Incorporation.	None
	10. Proposal to Merge the 'Risk Management Committee' into the 'Sustainability Development Committee' and Rename it the 'Sustainability Development and Risk Management Committee.	None
	11. Proposal to Convene the Company's 2025 Annual Shareholders' Meeting.	None
	12. Proposal to Address Matters Related to Shareholder Proposals Representing 1% or More of Shares.	None
	13. Proposal for the Appointment of the Company's Chief Internal Auditor.	None
	Independent Director's Opinion: Agree to Approve	
	Company's Handling of Independent Director's Opinion: Approved by the Board of Directors	
	Board of Directors Resolution Result (2024.02.26): All Attending Directors Agreed to Approve °	

B. Other Board Resolutions with Independent Director's Objections or Reservations, with Records or Written Statements: None

3. Execution of Board Members' Abstention from Interest-Related Proposals: The names of the directors, proposal content, reasons for abstention, and participation in voting: None

4. Board Self-Evaluation or Peer Evaluation Execution Status: The Company established the 'Board Performance Evaluation Guidelines' at the 3rd Meeting of the 4th Term Board of Directors on November 13, 2019. The guidelines were amended at the 2nd Meeting of the 5th Term Board of Directors on August 13, 2020. According to the regulations, internal evaluations should be conducted at the end of each year. The Company conducts at least one performance evaluation per year for the Board of Directors, individual directors, and each functional committee. The evaluation results are shown in the table below and will be reported to the Board of Directors on February 27, 2025.

Evaluation Period	Evaluation Time	Scope of Evaluation	Evaluation Method	Evaluation Content	Evaluation Results / Improvement Measures
once a year	From January 1, 2024 to December 31, 2024	Board of Directors	Internal self-evaluation	Seven major aspects: 1. Degree of participation in operation of the Company 2. Improve the quality of Board decisions 3. Composition and structure of the Board of Directors 4. Election of directors and continuing education 5. Internal control 6. Focus on sustainable management (ESG) 7. Other projects	Evaluation Results: The average score is 99.63 points (out of 100). Improvement Measures: The overall performance evaluation of the Board of Directors is excellent, and it has effectively fulfilled its duties
once a year	From January 1, 2024 to December 31,	Members of the Board of Directors	Internal self-evaluation	Seven major aspects: 1. Degree of understanding of the Company's goals and	Evaluation Results: The average score is 99.79 points

Evaluation Period	Evaluation Time	Scope of Evaluation	Evaluation Method	Evaluation Content	Evaluation Results / Improvement Measures
	2024			tasks 2. Awareness of directors' responsibilities 3. Degree of participation in Company's operations 4. Internal relationship management and communication 5. Profession of directors and continuing education 6. Internal control 7. Focus on sustainable management (ESG)	(out of 100). Improvement Measures: The overall performance evaluation of the board members is excellent, and they have effectively fulfilled their duties.
once a year	From January 1, 2024 to December 31, 2024	Audit Committee	Internal self-evaluation	Five major aspects: 1. Degree of participation in the Company's operation 2. Awareness of the responsibilities of functional committee 3. Enhancement of decision quality of functional committee 4. Composition of	Evaluation Results: The average score is 100 points (out of 100). Improvement Measures: The overall performance evaluation of the Audit Committee is excellent, and it has effectively fulfilled its duties.

Evaluation Period	Evaluation Time	Scope of Evaluation	Evaluation Method	Evaluation Content	Evaluation Results / Improvement Measures
				functional committee and selection of its members 5. Internal control	
once a year	From January 1, 2024 to December 31, 2024	Remuneration Committee	Internal self-evaluation	Five major aspects: 1. Degree of participation in the Company's operation 2. Awareness of the responsibilities of functional committee 3. Enhancement of decision quality of functional committee 4. Composition of functional committee and selection of its members 5. Internal control	Evaluation Results: The average score is 100 points (out of 100). Improvement Measures: The overall performance evaluation of the Compensation Committee is excellent, and it has effectively fulfilled its duties.
once a year	From January 1, 2024 to December 31, 2024	Sustainable Development Committee	Internal self-evaluation	Six major aspects: 1. Degree of participation in the Company's operation 2. Awareness of the responsibilities of functional committee 3. Enhancement of decision	Evaluation Results: The average score is 100 points (out of 100). Improvement Measures: The overall performance evaluation of the Sustainability Development Committee is

Evaluation Period	Evaluation Time	Scope of Evaluation	Evaluation Method	Evaluation Content	Evaluation Results / Improvement Measures
				quality of functional committee 4. Composition of functional committee and selection of its members 5. Internal control 6.Overall rating	excellent, and it has effectively fulfilled its duties.
once a year	From January 1, 2024 to December 31, 2024	Risk Management Committee	Internal self-evaluation	Six major aspects: 1. Degree of participation in the Company's operation 2. Awareness of the responsibilities of functional committee 3. Enhancement of decision quality of functional committee 4. Composition of functional committee and selection of its members 5. Internal control 6.Overall rating	Evaluation Result: The average score is 93.93out of 100. Improvement Measures: Professional lecturers are hired to provide training courses for risk committee members to strengthen the functions of the risk committee and introduce sustainable development of the enterprise. The overall performance evaluation result of the risk committee is excellent and it can

Evaluation Period	Evaluation Time	Scope of Evaluation	Evaluation Method	Evaluation Content	Evaluation Results / Improvement Measures
					properly perform its functions.

5. Goals for Strengthening the Board's Functions in the Current and Recent Years (e.g., establishing an Audit Committee, enhancing information transparency, etc.) and Evaluation of Implementation Status:
- (1) The company, in addition to providing relevant regulations to the directors, will report on the company's financial and business status at each quarterly board meeting for the directors' awareness.
 - (2) The company provides information on various continuing education courses to the directors and encourages them to actively participate in corporate governance courses to enhance the board members' capabilities.
 - (3) The company arranges ESG-related continuing education courses, focusing on sustainability development and risk management topics. Professional instructors are specifically hired to strengthen the board members' sustainable governance capabilities.
 - (4) The company purchases liability insurance for its directors annually, with coverage for all directors and key personnel. The insurer is American International Group (AIG) Singapore, and the coverage amount is 3 million USD.

(2) Audit Committee Operations:

1. In accordance with the Securities and Exchange Act of the Republic of China and related administrative orders, the Audit Committee must be composed entirely of independent directors, with no fewer than three members. Regal Holding's Audit Committee is fully compliant with the requirements of the aforementioned regulations.

The Audit Committee aims to assist the Board of Directors in overseeing the company's execution of accounting, auditing, financial reporting processes, and the quality and integrity of financial controls. The professional qualifications and experience of the members are as follows:

2025 年 2 月 28 日

Title	Name	Professional & Experience	Independence situation	Number of being Independent Directors of other Public Audit Committee
Independent Director/ The Audit Committee Member (convener)	GUAN, JYH-LIANG	● Education Experience - Ph.D., Business Administration, National Chengchi University ● Expertise - Strategic management, business models, international business management ● Main Working - Associate Professor, Department of Applied Economics and Management, National Yilan University ● Think Tank, Center of Brand Innovation Acceleration Service, General Chamber of Commerce of the Republic of China ● Internationalization Consultant of Franchising Service Industry, Taiwan External Trade Development Council ● Member of Quality Assessment of Transnational Manpower Agency Services, Ministry of Labor, Executive Yuan ● Concurrent positions in the Company and other companies - ● Independent director of Donpon Precision Inc. ● Independent director of LinkCom Manufacturing Co., Ltd. ● Independent director of SUN MAX TECH LIMITED	Compliant with the independence criteria under the Securities and Exchange Act (Note 1)	3
Independent Director/ The Audit Committee Member	LEE, TSUNG-PEI	● Education Experience - Ph. D., Economics, National Chengchi University ● Expertise - Economy ● Main Working - International and Resource Development CEO, Fu Jen Catholic University ● Associate dean of College of Management, Fu Jen Catholic University ● Associate Professor, Department of Finance and International Business, Fu Jen Catholic University		2

		● Associate Professor of Ph.D. Program in Business Administration, School of Management, Fu Jen Catholic University ● Resident Committee of the Affiliated Hospital of Fu Jen Catholic University ● Concurrent positions in the Company and other companies - ● Independent director of Powertech Industrial Co., Ltd. ● Independent director of Ibase Solution Co., Ltd.		
Independent Director/ The Audit Committee Member	LIN, CHUNG-CHING	● Master of Eminent Public Administrator, College of Social Sciences, National Chengchi University, Passed the general examination and college entrance examination in financial business ● Expertise - Finance and Economics ● Main Working – Audit, Specialist, Audit and Inspection Team Section Chief, Financial Bureau of the Ministry of Finance ● Special member and deputy leader of the Agricultural Finance Bureau of the Committee of Agriculture ● Concurrent positions in the Company and other companies - ● Currently not holding positions in other companies.		0

Note 1: The Company's independent directors have met the following independence criteria in accordance with the Securities and Exchange Act:

- (1) Not an employee of the company or any of its affiliates.
- (2) Not a director or supervisor of the company or any of its affiliates. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.
- (6) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.
- (7) If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.
- (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the public company.
- (9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.

(11) Not been a person of any conditions defined in Article 30 of the Company Law.

(12) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.

2. The Audit Committee held 4 meetings in 2024. The key work items discussed during these meetings include: :

- (1) Supervising and auditing the appropriate presentation of the company's financial statements.
- (2) Overseeing and evaluating the effective implementation of the internal control system.
- (3) Monitoring the company's compliance with legal regulations.
- (4) Auditing transactions involving the acquisition or disposal of assets, significant financial loans, endorsements or guarantees for others, major related party transactions and matters where directors should abstain from voting due to conflicts of interest.
- (5) Raising, issuing, or privately placing equity-related securities.
- (6) Raising, issuing, or privately placing equity-related securities.
- (7) Appointment, dismissal, or remuneration of the auditing CPA.
- (8) Appointment or dismissal of financial, accounting, or internal audit officers.

3. The Audit Committee held X meetings in 2024. (A) The qualifications and attendance of the Audit members are shown as follows:

Title	Name	Actual Attendances (B)	By Proxy	Actual Attendance Rate (%) (B/A)	Remarks
Independent Director/ The Audit Committee Member (convener)	GUAN, JYH-LIANG	4	0	100%	(Note 1)
Independent Director/ The Audit Committee Member	LEE, TSUNG-PEI	4	0	100%	
Independent Director/ The Audit Committee Member	LIN, CHUNG-CHING	4	0	100%	

Note 1: The 5th Audit Committee serves a term of three years, from May 26, 2023, to May 25, 2026.

4. Other noteworthy matters:

State The Audit Committee Meeting's date, session, proposal contents, all Committee member' opinions and the Company's actions in response to the opinions if any of the following occurred :

A. Matters specified in Article 14.5 of Taiwan's Securities and Exchange Act:

Meeting Sessions and Dates	Proposal contents and follow-up	Resolutions which was not approved by the Audit Committee but was approved by two thirds or more of all directors
February 26, 2024 5th Term 4th Meeting	1. Proposal for the 2023 Annual Business Report, Financial Statements, and 2024 Business Plan	None
	2. Proposal for the 2023 Earnings Distribution	None
	3. Proposal for the 2023 Internal Control System Statement	None
	4. Proposal for the Evaluation of the Independence and Competence of the Signing CPA (AQIs)	None
	5. Proposal for the 2024 Auditor's Public Fee Audit for the Company and its Subsidiaries	None
	6. Proposal to Amend Certain Articles of the Company's "Audit Committee Charter"	None
	7. Proposal to Amend Certain Articles of the Company's "Rules of Procedure for Board Meetings"	None
	8. Proposal to Amend Certain Articles of the Company's "Rules of Procedure for Shareholders' Meetings"	None
	9. Proposal to Amend Certain Articles of the "Articles of Incorporation"	None
	10. Proposal for Key Subsidiary Regal Jewelry Manufacture Co., Ltd. (RJM) to Endorse a Guarantee for Sub-subsidiary Regal Precious Metal Innovation Co., Ltd. (RPM) with United Overseas Bank (UOB), Thailand	None
	Audit Committee Resolution (February 26, 2024): All attending committee members approved the proposals.	
	Company's Response to the Audit Committee's Opinion: Approved by the Board of	

Meeting Sessions and Dates	Proposal contents and follow-up	Resolutions which was not approved by the Audit Committee but was approved by two thirds or more of all directors
	Directors.	
February 26, 2024 5th Term, 5th Meeting	1. Proposal for the Company's Q1 2024 Financial Report	None
	2. Proposal for the Appointment of the Company's Chief Internal Auditor	None
	Audit Committee Resolution (May 13, 2024): All attending committee members approved the proposals	
	Company's Response to the Audit Committee's Opinion: Approved by the Board of Directors.	
February 26, 2024 5th Term, 6th Meeting	1. Proposal for the Discussion of the Company's Q2 2024 Financial Results	None
	2. Proposal for the Non-Assurance Services Expected to Be Provided by KPMG Taiwan in 2024	None
	3. Proposal to Cancel the Original Endorsement and Guarantee by Key Subsidiary Regal Jewelry Manufacture Co., Ltd. (RJM) to United Overseas Bank (UOB), Thailand, on Behalf of Sub-subsidiary Regal Precious Metal Innovation Co., Ltd. (RPM)	None
	4. Proposal to Update the Endorsement and Guarantee by Key Subsidiary RJM to UOB for Sub-subsidiary RPM	None
	5. Proposal for Key Subsidiary RJM to Provide an Endorsement and Guarantee to Bangkok Bank (BBL), Thailand, for Sub-subsidiary RPM	None
	6. Phase II Solar Panel Installation Project by Key Subsidiary Regal Jewelry Manufacture Co., Ltd. (RJM)	None
	Audit Committee Resolution (August 23, 2024): All attending committee members approved the proposals.	
	Company's Response to the Audit Committee's Opinion: Approved by the Board of Directors.	
February 26, 2024 5th Term, 7 th Meeting	1. Proposal for the Discussion of the Company's Q3 2024 Financial Results	None
	2. Proposal for the Company's 2025 Audit Plan	None
	3. Proposal to Amend Certain Articles of the "Internal Audit Implementation Rules"	None
	4. Proposal to Amend Certain Articles of the "Corporate Governance Best Practice Principles"	None

Meeting Sessions and Dates	Proposal contents and follow-up	Resolutions which was not approved by the Audit Committee but was approved by two thirds or more of all directors
	5. Proposal to Amend Certain Articles of the "Accounting Professional Judgment Procedures and the Process for Changes in Accounting Policies and Estimates"	None
	6. Proposal to Establish the Company's "Sustainability Information Management Procedures"	None
	Audit Committee Resolution (November 14, 2024): All attending committee members approved the proposals.	
	Company's Response to the Audit Committee's Opinion: Approved by the Board of Directors.	
February 26, 2024 5th Term, 8 th Meeting	1. Proposal for the 2024 Business Report, Financial Statements, and 2025 Business Plan	
	2. Proposal for 2024 Earnings Distribution	
	3. Proposal for the 2024 Internal Control System Statement	
	4. Proposal for Evaluation of the Independence and Competence of the Signing CPA Based on Audit Quality Indicators (AQIs)	
	5. Proposal for the Change of Signing CPA for Financial Statement Audits Starting in 2025	
	6. Proposal for Audit Fees for the Company and Its Subsidiaries in 2025	
	7. Proposal for Non-Assurance Services Expected to Be Provided by KPMG Taiwan in 2025	
	8. Proposal to Amend Certain Provisions of the Articles of Incorporation	
	9. Proposal for the Appointment of the Company's Chief Internal Auditor °	
	Audit Committee Resolution (February 27, 2025): All attending committee members approved the proposals.	
	Company's Response to the Audit Committee's Opinion: Approved by the Board of Directors.	

- B. Execution Status of Recusal by Independent Directors in Conflict-of-Interest Proposals:
The names of the independent directors, the proposal content, reasons for recusal, and voting participation are to be disclosed.
There were no such instances.
- C. Communication Between Independent Directors and the Chief Internal Auditor and External Auditors:

At least once annually, the independent directors hold exclusive meetings with the external auditors and the chief internal auditor to discuss the results of internal audits and the auditors' external audit opinions. These sessions also serve as a platform to communicate any deficiencies identified during the audit process, enabling independent directors to gain a comprehensive understanding of current regulations and audit execution directions.

To ensure independent directors remain informed about operational risks and improvement measures in a timely manner, the Company has established an internal control system in line with the "Regulations Governing Establishment of Internal Control Systems by Public Companies." Relevant management measures have also been implemented to reasonably ensure the effectiveness of internal controls.

Furthermore, the Company has established an audit unit under the Board of Directors, which operates in accordance with audit plans formulated based on the requirements of competent authorities.

The internal audit supervisor regularly reports to the audit committee on the annual internal audit plan, the professional training plan for audit personnel, and provides periodic updates on the implementation of internal audit operations.

The accountant participates in the audit committee at least once a year to report the annual audit results.

In the event of significant anomalies, if the independent directors, audit supervisor, and accountant deem it necessary to communicate independently, meetings can be convened at any time on an ad-hoc basis. °

The communication between the independent directors, internal audit supervisor, and certified public accountant is good. The main topics of communication include:

Date	Meeting	Object	Issues to communicate	Results
2024.02.26	The Audit Committee	Audit Supervisor	1. Reporting on the internal audit report. 2. Discussing the 2023 annual internal control statement.	No objections.
		Accountant	Discussing the audit results of the fourth-quarter 2023 financial report.	No objections.
2024.05.13	The Audit Committee	Agent Audit	Reporting on the internal audit report.	No objections.
		Accountant	Discussing the review results of the first-quarter	No objections.

Date	Meeting	Object	Issues to communicate	Results
			2024 financial report.	
2024.08.23	The Audit Committee	Agent Audit	Reporting on the internal audit report.	No objections.
		Accountant	Discussing the audit results of the second-quarter 2024 financial report.	No objections.
2024.11.14	The Audit Committee	Agent Audit	Reporting on the internal audit report.	No objections.
		Accountant	Discussing the review results of the third-quarter 2024 financial report.	No objections.
2025.02.27	The Audit Committee	Agent Audit	1. Reporting on the internal audit report. 2. Discussing the 2024 annual internal control statement.	No objections.
		Accountant	Discussing the audit results of the fourth-quarter 2024 financial report.	No objections.

(3) Corporate Governance Practices and Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEX-Listed Companies, and Reasons for Such Differences:

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
1. Does the Company set and disclose corporate governance code of practice according to corporate governance practice principles for TWSE/GTSM-Listed companies?	✓		1. The Company has set "Code of Corporate Governance Practices", and the relevant provisions were subsequently amended 7 times to comply with the international trends of corporate governance and the government laws. The Company has also disclosed the latest version of the code on the Market Observation Post System and the Company's official website for public inspection.	No major differences
2. Equity structure and shareholder rights				
(1) Has the Company set internal operating procedures to deal with shareholder proposals, doubts, disputes and litigation matters, and does it implement these in accordance with its procedures?	✓		(1) The Company has set Spokesman and Deputy Spokesman as a communicate channel to represent the Company. The Company also designated the share transfer agency to handle the stock affairs and have had the stock affair specialists. The official website has a special section to deal with shareholders' proposal and disputes.	No major differences
(2) Does the Company have a list of those who ultimately control the major shareholders of the Company?	✓		(2) The Company has a list of major shareholders and who ultimately controls them provided by the share transfer agency	No major differences

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
(2) Has the Company built and executed a risk management system and “firewall” between the Company and its affiliates?	✓		(3) The Company and its affiliates have independent businesses and finances. The Company has also set up the "Rules for Financial and Business Operations between Related Parties", and the relevant provisions have also been amended a number of times to meet the latest requirements. The Company implements the risk assessment process accordingly to establish appropriate firewalls in dealings with its affiliates.	No major differences
(4) Has the Company established internal rules prohibiting insider trading on undisclosed information?	✓		(4) The Company has established the "Regulations for the Prevention of Insider Trading," which have been approved by the Board of Directors. In addition to explicitly prohibiting insiders from trading securities using undisclosed market information, the regulations also stipulate that insiders are not allowed to trade the Company’s stock during the closed periods—30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of each quarterly financial report. Implementation Status in 2024:: (1) Between September and October 2024, the Company conducted internal educational sessions on “Prevention of Insider Trading.” A total of 5 participants attended the sessions, which lasted 2 hours and 45 minutes. The content covered the elements constituting insider trading, relevant regulations, the definition of material internal information, and penalties for violations. The sessions also featured an educational video produced by the Taiwan Stock Exchange on the prevention of insider trading, aiming to enhance the	No major differences

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			understanding of directors, managerial officers, and employees, and to help them avoid legal infractions. (2) In January 2024, the Company notified its directors via email about the upcoming Board of Directors meeting scheduled for February 2024, as well as the closed period prior to the announcement of the 2023 annual financial report, in order to prevent any unintentional violations of the relevant regulations by the directors. (3) In May 2024, the Company notified its directors via email regarding the upcoming Board of Directors meeting to be held in May 2024, as well as the closed period prior to the announcement of the first-quarter 2024 financial report, to prevent any unintentional violations of the relevant regulations by the directors. (4) In August 2024, the Company notified its directors via email about the upcoming Board of Directors meeting scheduled for August 2024, as well as the closed period prior to the announcement of the second-quarter 2024 financial report, to prevent any unintentional violations of the relevant regulations by the directors ° In October 2024, the Company notified its directors via email regarding the upcoming Board of Directors meeting to be held in November 2024, as well as the closed period prior to the announcement of the third-quarter 2024 financial report, to	

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			prevent any unintentional violations of the relevant regulations by the directors.	
3 、Composition and Responsibilities of the Board of Directors				
(1) Has the Board of Directors formulated a diversity policy for the composition of it, specific management objectives and implemented them accordingly?	✓		(1) According to the Company's "Corporate Governance Best-Practice Principles," in addition to explicitly stating that the composition of the Board of Directors should consider diversity, it is also stipulated that directors who concurrently serve as executives of the Company should not exceed one-third of the total board seats. The Company has established various diversity policies based on its operations, business model, and development needs, which include but are not limited to the following two major aspects: A. Basic conditions and values: such as gender and age. B. Professional knowledge and skills: including professional background, expertise, and industry experience, to ensure the diversity and independence of the board members. 1. Implementation Status: The Company has established a "Director Election Process" system, adopting a "candidate nomination system." All director candidates undergo nomination and qualification review, and after approval by the Board of Directors, the candidates are submitted for election at the shareholders' meeting. On May 26, 2023, the Company held the Annual General Meeting of Shareholders, where the following individuals were elected as directors for	No major differences

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			the sixth term of the Company, with a term of three years (from May 26, 2023, to May 25, 2026): Mr. Phacharapon Phaiboonsuntorn, Mr. Sarayuth Mungchitvitsavakorn, Ms. Lin Wan-Yi, Mr. Lin Qing-Shan, Mr. Guan Zhi-Liang, Mr. Li Zong-Pei, and Mr. Lin Chong-Jing. Mr. Phacharapon Phaiboonsuntorn, who continues to serve as the Chairman of the Board, specializes in production and research and development technologies. Mr. Sarayuth Mungchitvitsavakorn, a director, has 30 years of experience in jewelry manufacturing. Ms. Lin Wan-Yi, a female director, is a professional with over 20 years of experience in jewelry marketing and business development. Mr. Lin Qing-Shan, another director, also has over 10 years of experience in business development and production management within the jewelry industry. Mr. Guan Zhi-Liang, who continues as an independent director, has taught at the Department of Applied Economics and Management at National Ilan University for many years, specializing in international business management and corporate diagnostics. Mr. Li Zong-Pei, an independent director, has extensive teaching experience at Fu Jen Catholic University in the Department of Finance and International Business, specializing in financial economics and	

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			finance. The newly appointed independent director, Mr. Lin Chong-Jing, holds a Master's degree in Financial and Economic Management from the Graduate Institute of Management at National Chengchi University. He has held positions at the Ministry of Finance, including roles as an auditor, specialist, and section chief in the Financial Bureau, as well as a specialist and deputy head at the Agricultural Finance Bureau of the Council of Agriculture. He brings a wealth of experience in financial accounting and audit controls, injecting fresh perspectives into the Company's Board of Directors. 2. Goals and Implementation Status:: The current proportion of employee directors in our company is 29%. Among the directors, three are aged between 61 and 70, two are between 51 and 60, and two are between 41 and 50. The specific management objective of the company's diversity policy is to focus on gender equality among board members, with a target of at least one female director. Currently, the proportion of female directors is 14%, thus the target has been achieved. °	
(2) Other than the Remuneration Committee and the Audit Committee which are required by	✓		(3) In 2015, the company established a Compensation Committee and an Audit Committee in accordance with the law. Additionally, in May 2023, to implement the concept of corporate sustainable	No major differences

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
law, does the Company plan to set up other Board committees?			development and manage the economic, environmental, and social risks and impacts of the group's subsidiaries, while fully disclosing material and reliable sustainability-related information to enhance transparency, the company formulated the "Sustainable Development Committee Organization Regulations" and established the Sustainable Development Committee. This committee serves as a guide for promoting sustainable development and engaging in ESG activities. Furthermore, to strengthen and enhance the risk management function and supervise the related operational mechanisms, the company also established a "Risk Management Committee" in accordance with the "Risk Management Practices Code" and the "Risk Management Practices Code for Listed Companies." The committee aims to properly manage risks across various aspects of the group's subsidiaries, including operations, finance, procurement, human resource management, environmental safety, and information security. To streamline the procedures and structure of the company's functional committees, the Board of Directors passed a resolution on February 27, 2025, to merge the "Risk Management Committee" with the "Sustainable Development Committee," renaming it the "Sustainable Development and Risk Management Committee." This move aims to improve the company's governance structure	

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			regarding sustainable development and risk management, and through systematic management, ensure the group's commitment to sustainable development issues, responding effectively to the growing global emphasis on sustainability.	
(3) Has the Company formulated a performance evaluation method for the Board of Directors and conducts performance evaluation on an annual and regular basis, and reported results of the performance evaluation to the Board of Directors as a reference for individual director's remuneration and nomination for reappointment?	✓		On November 13, 2019, the company's fourth Board of Directors at its third meeting approved the establishment of the "Board Performance Evaluation Measures." Subsequently, on August 13, 2020, the fifth Board of Directors at its second meeting approved amendments to certain provisions. These measures stipulate that the Board of Directors must conduct at least one performance evaluation annually for the Board itself, individual directors, and each functional committee. Internal evaluations are to be conducted at the end of each fiscal year in accordance with the "Board Performance Evaluation Measures." Performance in 2024: The evaluation period for the Board of Directors, individual directors, the Audit Committee, the Compensation Committee, the Sustainable Development Committee, and the Risk Management Committee was from January 1, 2024, to December 31, 2024. Overall scores ranged from 99.63 to 100, reflecting excellent performance. The related evaluation results were reported to the Board of Directors on February 27,	No major differences

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			2025.	
(4) Does the Company regularly evaluate the independence of the CPA?	✓		(4) Before the Board of Directors resolves to appoint an external auditor, the company first reviews the auditor's independence. In addition to requiring the auditor to provide a declaration of independence (Note 1), the company ensures that the auditor has no financial interests or business relationships with the company beyond audit and non-audit fees. The auditor must also meet the requirements of holding no company shares, not serving concurrently in any position within the company, and not receiving fixed remuneration. Furthermore, the auditor must not have failed to rotate for seven consecutive years or have experienced any circumstances that could compromise their independence. The evaluation results are then submitted to the Board of Directors for resolution. The Audit Committee is entrusted with the responsibility of supervising the independence of the auditing firm to ensure the fairness of the financial statements. Generally, except for tax-related services or specially approved items, the auditing firm is prohibited from providing other	No major differences

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			services to the company. All services provided by the auditing firm must be approved by the Audit Committee to ensure the firm's continued independence and competence. (1) The Audit Committee, with reference to Article 47 of the Certified Public Accountant Act and the provisions of Statement No. 10 of the Code of Professional Ethics for Certified Public Accountants, titled "Integrity, Objectivity, and Independence," formulated an Independence Assessment Form (Note 2). Additionally, drawing on the Audit Quality Indicators (AQIs) (Note 3), the committee evaluates the independence and competence of the external auditors based on five major aspects—professionalism, quality control, independence, supervision, and innovation—through 13 specific indicators. These evaluation measures were reviewed and approved at the company's fifth Audit Committee's eighth meeting and the sixth Board of Directors' eighth meeting, both held on February 27, 2025. (2) Based on the above evaluation results, CPAs Chun-Yi Chang and Min-Ju Chao of KPMG Taiwan meet the standards for independence and competence and are deemed qualified to serve as the company's financial and tax attestation auditors. °	
4. Does the company have an adequate number of corporate governance personnel with appropriate qualifications based on	✓		On November 14, 2022, the company's fifth Board of Directors at its sixteenth meeting resolved to appoint Mr. Wen-Hsiung Lee, Head of Stock Affairs, as the Corporate Governance Officer. Mr. Lee has more than three years of experience in supervising stock affairs or	No major differences

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
the size of the company, business situations and management needs, and to appoint a Corporate Governance Officer to be in charge of corporate governance affairs (including but not limited to providing Board directors and supervisors with information necessary for the execution of their business, assisting Board directors and supervisors in complying with regulations, handling matters related to the Board Meetings/Shareholders' Meetings in accordance with regulations, and preparing meeting minutes of the Board Meetings/Shareholders' Meetings)?			meeting-related functions at publicly listed companies and possesses the qualifications and experience relevant to corporate governance. The main responsibilities of the Corporate Governance Officer include handling matters related to Board of Directors and Shareholders' Meetings in accordance with the law, preparing minutes for these meetings, assisting directors with onboarding and continuing education, providing directors with information necessary for business execution, and supporting directors in complying with applicable laws and regulations. In addition, the Corporate Governance Officer assists in safeguarding shareholders' rights and strengthening the functions of the Board of Directors. From January 1, 2024, to December 31, 2024, Mr. Wen-Hsiung Lee, the Corporate Governance Officer, completed a total of 15 hours of continuing education. The details of the courses attended are as follows: - Chinese Society for Corporate Sustainability: "Building Knowledge for a New Carbon Era" Seminar (3 hours) - Taiwan Investor Relations Institute (TIRI): "Risk Management" (3 hours) - Securities and Futures Institute: "2024 Insider Trading Prevention Seminar" (3 hours) - Taiwan Investor Relations Institute (TIRI): "Four Essential Strategies for Facing Shareholder	

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			Activism" (3 hours) Taiwan Investor Relations Institute (TIRI): "Practical Analysis of the 2024 New Corporate Governance and Board Performance Evaluation Standards" (3 hours)	
5. .Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.), set up a special section for stakeholders on the Company's website, and appropriately responded to important CSR issues of concern to stakeholders?	✓		In addition to establishing communication channels with stakeholders such as shareholders, employees, customers, and suppliers through shareholders' meetings, investor conferences, project meetings, grievance mechanisms, and investor hotlines, the company has also set up dedicated "Stakeholder" and "Investor Relations" sections on its official website. These sections are managed and maintained by designated personnel to ensure the timely and accurate disclosure of financial, business, and corporate governance information, thereby providing shareholders and stakeholders with valuable references and appropriately addressing key corporate social responsibility issues of concern to them. The company's communication activities with stakeholders for the year 2024 were reported to the Board of Directors on November 14, 2024, and were subsequently disclosed on the company's website and included in the company's annual report for stakeholders' reference.	No major differences

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
6. Has the company appointed a professional stock affairs agency for shareholders affairs?	✓		The Company authorized "SinoPac Securities Co., Ltd." as the stock service agency to handle shareholder transactions and affairs of shareholders meetings.	No major differences
7. Disclosure of information	✓		(1) The Company has placed finance, business, and corporate governance information on the Company's official website as well as on the MOPS. Moreover, after the investors' conferences, the link of complete conferences' videos will be uploaded on the same day for the reference.	No major differences
(1) Does the Company set up website to disclose financial operations and corporate governance information?				
(2) Has the company adopted other methods of information disclosure (such as setting up an English website, appointing dedicated personnel responsible for collecting and disclosing company information, implementing a spokesperson system, posting the proceedings of investor conferences on the company	✓		(2) Besides Chinese version website, the Company has also established the English version website and designated dedicated personnel responsible for the collection and disclosure of information related to Company's finance, business and corporate governance. The Company also fulfilled the implementation of the spokesman system to strengthen the timeliness and quality of information disclosure.	No major differences

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
relation with interested parties, continuing education of directors and supervisors, execution of risk management policies and risk measuring standards, execution of customer policies, liability insurance for the Company's directors and supervisors)?			with investors, suppliers, and other interested parties are smooth and the deserved legal rights and interests to each party are well-maintained.	
	✓		(4) Continuing education of directors and supervisors: All the directors of the Company regularly attend curriculums related to corporate governance to strengthen their functions and responsibilities. And the Company needs no supervisors.	No major differences
	✓		(5) Execution of risk management policies and risk measuring standards: The Company has established the "Code of Practice for Risk Management" and related management methods. The management team is composed of senior executives who identify, measure, analyze and propose strategies and management plans for various types of risks in accordance with the relevant methods, in order to reduce or prevent various possible risks. In addition, to strengthen the overall risk management effectiveness of the Group, the Company established the "Risk Management Committee" which belongs to functional committee level in 2023 to serve as the highest guideline for the Group's risk management affairs.	No major differences
	✓		(六) Execution of customer policies: The Company has designated dedicated department for the inquiry and appeal of clients.	No major differences
	✓		(七) Liability insurance for the Company's directors and	No major

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			supervisors: The Company insures liability insurance for the directors and supervisors every year to enhance risk management and protect shareholders' rights.	differences

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
9. Please explain the improvements made based on the most recent Corporate Governance Evaluation results published by the Corporate Governance Center of the Taiwan Stock Exchange Corporation. Additionally, for areas that have not yet been improved, please identify priority enhancement items and propose corresponding measures.				
(1) Improvements Made: :				
Item	Indicator		Description	
1	Has the company appointed a Corporate Governance Officer responsible for corporate governance-related matters, and does the company provide an explanation of the officer's scope of duties and continuing education status on the company's website and in the annual report?		On November 14, 2022, the company's Board of Directors resolved to appoint Mr. Wen-Hsiung Lee as the Corporate Governance Officer, responsible for corporate governance-related matters and continuing education as required by regulations.	
2	Has the company complied with the relevant regulations, such as the Procedures for the Verification and Public Disclosure of Material Information and the Information Disclosure Operation Guidelines for Listed Companies, without incurring any penalties for non-compliance?		In the year 2024, the company did not incur any penalties for non-compliance.	
3	Has the company been invited (or held on its own) to conduct at least two investor conferences, disclosed the full audio-visual recordings of at least two meetings, and ensured that there is an interval of more than three months between the first and last investor conference of the evaluation year?		In the year 2024, the company held two investor conferences and disclosed the full audio-visual recording links of the meetings.	
4	Has the company disclosed its water usage and total waste weight for the past two years?		been disclosed on the company's official website and in the annual report.	
5	Has the company obtained ISO 14001, ISO 50001, or similar environmental or energy management system certification?		The company's important subsidiary, RJM, obtained ISO 14001 certification in 2024.	
6	Has the company invested in energy-saving or green energy-related environmental sustainability equipment, or invested in Taiwan's green energy industry (such as renewable energy power plants), or issued or invested its funds in green or social impact investment projects with tangible benefits, such as sustainable development financial products, and disclosed its		It has been disclosed on the company's official website and in the annual report.	

Items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
	investment status and specific benefits?			
(2) Future areas for improvement:				
Item	Indicator			Description
1	Has the company prepared a sustainability report in accordance with the GRI Standards issued by the Global Reporting Initiative (GRI) and uploaded it to the Market Observation Post System (MOPS) and the company’s website?			The company plans to complete the preparation by the year 2025.
2	Has the company disclosed the policy linking the compensation of senior executives with ESG-related performance evaluations?			The company will evaluate and plan accordingly.

Note1 : Accountancy firm's declaration



安侯建業聯合會計師事務所

KPMG

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受文者：日成控股股份有限公司及其子公司

主旨：聲明本會計師受託執行 貴公司民國一一四年度財務報表查核簽證工作，已符合會計師職業道德規範及國際會計師道德準則委員會之相關獨立性要求。

說明：本事務所之獨立性規範包括：所有成員之個人獨立性(財務利益、融資保證、僱用關係等)、與客戶間的商業關係、會計師輪調制度，以及非審計服務等政策與程序。茲就重要規範與遵循事項說明如下：

一、獨立性重要規範

- (一) 要求事務所、事務所人員及其他受獨立性規範之人員（包含聯盟事務所人員），依會計師職業道德規範及國際會計師道德準則委員會之相關獨立性要求維持獨立性。
- (二) 禁止任何人員從事（直接或間接）內線交易、誤用內部訊息或任何可能造成在證券或資本市場上的誤導行為。同時每年取得事務所人員已遵循獨立性政策及程序之聲明書。
- (三) 對財務報表之查核案件，如主辦會計師、會簽會計師、品質管制複核會計師及符合一定條件之子公司查核會計師之承辦期間已達會計師職業道德規範、國際會計師道德準則委員會、事務所政策或法令所規定之期限，要求輪調。
- (四) 對預計提供之服務辨認及評估可能影響獨立性之情況，採取適當措施消弭該影響，或將其降低至可接受之程度，若無法有適當措施或是無法降低至可接受程度，則不予以接受委任。

二、獨立性政策遵循之監督

- (一) 所有查核人員均已於線上簽署查核案件獨立性聲明書，確認其於受指派參與案件至出具查核報告日之期間遵循獨立性規範，且於年度簽署獨立性宣誓書，再次要求確認是否遵循獨立性規範以及其他事務所獨立性政策與規定。
- (二) 以定期抽查方式查核事務所人員對於獨立性遵循狀況，並透過個人投資申

KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.



報系統檢視副理(含)級以上人員是否依規定申報個人投資異動情形。

(三) 監督及抽查案件會計師的輪調狀況及提供非審計服務的適當性，包含會計師的案件簽證期間以及提供的非審計服務的事前核可等。

(四) 遇有違反獨立性政策，違反的成員(包括合夥人)將交由風險與獨立性委員會/紀律委員會依據獨立性紀律政策處理。並視違反情節及性質之輕重予以採取適當懲處行動。

綜上，本會計師受託執行 貴公司民國一一四年度之財務報表查核工作，已保持嚴謹公正之態度及超然獨立之精神，並無違反職業道德規範公報及國際會計師道德準則委員會所規定之情事。

安侯建業聯合會計師事務所

吳 佳 翰



會計師：

趙 敏 如



民國一一四年二月七日

Note2 : Standards for the Evaluation of Auditor Independence

With reference to Article 47 of the Certified Public Accountant Act and the provisions of Bulletin No. 10 of the Code of Ethics for Professional Accountants:

本公司簽證會計師之獨立性及適任性評估表

(一)基本資料：

會計師姓名	吳佳翰
事務所名稱	安侯建業聯合會計師事務所
主要學經歷	政治大學管理學系學士 輔修會計學系 中華民國會計師 安侯建業聯合會計師事務所審計副理 台灣艾銳勢股份有限公司(美國)內部稽核師 安侯建業聯合會計師事務所審計經理 安侯建業聯合會計師事務所審計協理 安侯建業聯合會計師事務所執業會計師

(二)評估內容：

參酌會計師法第 47 條及會計師職業道德規範第 10 號公報規定：

項目	結果	
1.截至最近一次簽證作業，未有七年未更換之情事。	☒ 是	☐ 否
2.與委託人無重大財務利害關係。	☒ 是	☐ 否
3.避免與委託人有任何不適當關係。	☒ 是	☐ 否
4.會計師應使其助理人員確實誠實、公正及獨立性。	☒ 是	☐ 否
5.執業前二年內服務機構之財務報表，不得查核簽證。	☒ 是	☐ 否
6.會計師名義不得為他人使用。	☒ 是	☐ 否
7.未握有本公司及關係企業之股份。	☒ 是	☐ 否
8.未與本公司及關係企業有金錢借貸之情事。	☒ 是	☐ 否
9.未與本公司或關係企業有共同投資或分享利益之關係。	☒ 是	☐ 否
10.未兼任本公司或關係企業之經常工作，支領固定薪。	☒ 是	☐ 否
11.未涉及本公司或關係企業制定決策之管理職能。	☒ 是	☐ 否
12.未兼營可能喪失其獨立性之其他事業。	☒ 是	☐ 否
13.與本公司管理階層人員配偶、直系血親直系姻親或四親等內旁系血親之關係者不得簽證。	☒ 是	☐ 否
14.未收取任何與業務有關之佣金。	☒ 是	☐ 否
15.截至目前為止，未受有處分或損失及獨立原則之情事。	☒ 是	☐ 否

(三)工作表現及計畫：

一、如期完成本公司各期查核。
二、如期完成海外轉投資公司各期財務查核。
三、不定期提供本公司財務、稅務諮詢服務。

(四)評估結果：

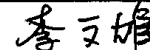
吳佳翰會計師具獨立性，對於提供本公司各項財務、稅務諮詢及簽證，尚稱及時、允當。

總經理：



財務處：Sa 陳賽琴

台灣分公司總經理：



本公司簽證會計師之獨立性及適任性評估表

(一)基本資料：

會計師姓名	趙敏如
事務所名稱	安侯建業聯合會計師事務所
主要學經歷	政治大學管理學系碩士 銘傳大學會計學系學士 安侯建業聯合會計師事務所海外業務發展中心新馬區主持會計師 安侯建業聯合會計師事務所審計部執業會計師 安侯建業聯合會計師事務所講師 中華民國會計師公會全國聯合會公共政策委員會委員 台北市會計師公會會員 證券公會講師 統一綜合證券財會部經理 統一期貨監察人

(二)評估內容：

參酌會計師法第 47 條及會計師職業道德規範第 10 號公報規定：

項目	結果	
1.截至最近一次簽證作業，未有七年未更換之情事。	☒ 是	☐ 否
2.與委託人無重大財務利害關係。	☒ 是	☐ 否
3.避免與委託人有任何不適當關係。	☒ 是	☐ 否
4.會計師應使其助理人員確實誠實、公正及獨立性。	☒ 是	☐ 否
5.執業前二年內服務機構之財務報表，不得查核簽證。	☒ 是	☐ 否
6.會計師名義不得為他人使用。	☒ 是	☐ 否
7.未握有本公司及關係企業之股份。	☒ 是	☐ 否
8.未與本公司及關係企業有金錢借貸之情事。	☒ 是	☐ 否
9.未與本公司或關係企業有共同投資或分享利益之關係。	☒ 是	☐ 否
10.未兼任本公司或關係企業之經常工作，支領固定薪。	☒ 是	☐ 否
11.未涉及本公司或關係企業制定決策之管理職能。	☒ 是	☐ 否
12.未兼營可能喪失其獨立性之其他事業。	☒ 是	☐ 否
13.與本公司管理階層人員配偶、直係血親直系姻親或四親等內旁系血親之關係者不得簽證。	☒ 是	☐ 否
14.未收取任何與業務有關之佣金。	☒ 是	☐ 否
15.截至目前為止，未受有處分或損失及獨立原則之情事。	☒ 是	☐ 否

(三)工作表現及計畫：

一、如期完成本公司各期財簽。
二、如期完成海外轉投資公司各期財務查核。
三、不定期提供本公司財務、稅務諮詢服務。

(四)評估結果：

趙敏如會計師具獨立性，對於提供本公司各項財務、稅務諮詢及簽證，尚稱及時、允當。

總經理：



財務處：

陳賽琴

台灣分公司總經理：

李文璇

Note3: The Audit Quality Indicators (AQIs) are used to assess the independence and competence of the appointed auditors, in accordance with Article 30 of the company's "Corporate Governance Best Practice Principles":



前言

本報告係依據金管會發布之「審計品質指標(AQI)揭露架構」及「審計品質指標(AQI)揭露範本」規定進行揭露，並依指標性質揭露「事務所層級」及「審計個案層級」資訊，各AQI指標係依據金管會發布之「會計師事務所編製審計品質指標指引」編製。本報告涵蓋以下之五大構面及13項指標：

構面一、專業性

- 指標 1-1: 查核經驗
- 指標 1-2: 訓練時數
- 指標 1-3: 流動率
- 指標 1-4: 專業支援

構面二、品質控管

- 指標 2-1: 會計師負荷
- 指標 2-2: 查核投入
- 指標 2-3: 案件品質管制複核(EQCR)複核情形
- 指標 2-4: 品質支援能力

構面三、獨立性

- 指標 3-1: 非審計服務
- 指標 3-2: 客戶熟悉度

構面四、監督

- 指標 4-1: 外部檢查缺失及處分
- 指標 4-2: 主管機關發函改善

構面五、創新能力

- 指標 5-1: 創新規劃或倡議



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安侯建業聯合會計師事務所
112年審計品質指標(AQI)資訊揭露-含事務所層級及個案層級

個案基本資料

公司名稱：RegalHoldingCo.,Ltd. 股票類型：上市(KY)
主簽/副簽會計師姓名：張純怡執業會計師 / 趙敏如執業會計師

構面一 指標1-1 查核經驗

事務所層級

項目	112年	同業平均
簽證會計師查核經驗	12.4 年	11.4年
案件品質管制複核(EQCR)會計師查核經驗	14.3 年	12.7年
理級以上查核人員(不含會計師)查核經驗	10.9 年	11.5年

說明事務所晉升職級與各職級年資區間：

晉升職級	112年
審計員	0.8 ~ 2.3年
高級審計員~主任	2 ~ 8.3年
副理~協理	3.9~35.3年
執業會計師	12.9~35.5年

個案層級

項目	112年
張純怡會計師查核經驗	7.5 年
趙敏如會計師查核經驗	7.5 年
案件品質管制複核(EQCR)會計師查核經驗	7.5 年
查核團隊理級以上人員(不含會計師)查核經驗	3.1 年

簽證會計師(含主簽、副簽)、EQCR會計師學經歷(如過往簽證案件)及查核團隊規模介紹：

請詳查核團隊介紹及會計師 CVs

指標1-2 訓練時數

事務所層級

項目	112年	同業平均
簽證會計師訓練時數	114.6 小時	112.5小時
理級以上查核人員(不含會計師)訓練時數	105.5 小時	95.6 小時

指標1-3 流動率

事務所層級

項目	112年	111年	同業平均
理級以上查核人員(不含會計師)流動率	12.7%	17.0%	11.6%

指標1-4 專業支援

事務所層級

項目	112年	111年	同業平均
專業人員支援審計部門查核人數占比	6.9%	6.5%	5.9%
專業人員投入上市櫃公司案件時數占比	8.5%	9.2%	7.9%

註：專業人員包括電腦審計、財務評價人員或稅務專業人員等專家。



安侯建業聯合會計師事務所
112年審計品質指標(AQI)資訊揭露-含事務所層級及個案層級

個案基本資料

公司名稱：RegalHoldingCo.,Ltd. 股票類型：上市(KY)
主簽/副簽會計師姓名：張純怡執業會計師 / 趙敏如執業會計師

構面二 指標2-1 會計師負荷

事務所層級

項目	112年	111年	同業平均
會計師擔任主簽之公開發行公司家數	7.2 家	6.9 家	7.1 家
會計師可用工時投入占比	55.1%	56.1%	57.1%

個案層級

項目	112年	111年
張純怡會計師擔任主簽之公開發行公司家數	6家	6家
張純怡會計師可用工時投入占比	52.2%	48.5%
趙敏如會計師擔任主簽之公開發行公司家數	11家	10家
趙敏如會計師可用工時投入占比	58.9%	54.1%

指標2-2 查核投入

事務所層級

查核時數占比	會計師	理級	查核人員	總數
查核112年				
規劃階段	2.2%	5.4%	25.5%	33.1%
執行階段	3.6%	12.0%	51.3%	66.9%
總數	5.8%	17.4%	76.8%	100.0%
查核111年				
規劃階段	2.5%	5.7%	25.1%	33.3%
執行階段	4.0%	11.3%	51.4%	66.7%
總數	6.5%	17.0%	76.5%	100.0%

同業平均

查核時數占比	會計師	理級	查核人員	總數
查核112年				
規劃階段	2.6%	7.4%	32.6%	42.6%
執行階段	3.5%	9.0%	44.9%	57.4%
總數	6.1%	16.4%	77.5%	100.0%
查核111年				
規劃階段	2.9%	7.1%	32.4%	42.4%
執行階段	3.5%	8.9%	45.2%	57.6%
總數	6.4%	16.0%	77.6%	100.0%

個案層級

查核時數占比	會計師	理級	查核人員	總數
查核112年				
規劃階段	0.8%	5.7%	27.0%	33.5%
執行階段	3.2%	13.5%	49.8%	66.5%
總數	4.0%	19.2%	76.8%	100.0%
查核111年				
規劃階段	1.8%	9.7%	26.3%	37.8%
執行階段	2.0%	8.8%	51.4%	62.2%
總數	3.8%	18.5%	77.7%	100.0%

註:查核時數區分為規劃及執行階段，倘區分不易，以每年12月31日作為區分截點。事務所當年度新(擬)承接案件免填。



安侯建業聯合會計師事務所
112年審計品質指標(AQI)資訊揭露-含事務所層級及個案層級

個案基本資料

公司名稱：RegalHoldingCo.,Ltd. 股票類型：上市(KY)
主簽/副簽會計師姓名：張純怡執業會計師 / 趙敏如執業會計師

指標2-3 案件品質管制複核

事務所層級

項目	查核112年	查核111年	同業平均
EQCR會計師複核時數占比	1.3%	1.4%	1.29%

個案層級

項目	查核112年	查核111年
EQCR會計師複核時數占比	0.5%	0.7%

註：事務所當年度新(擬)承接案件免填

指標2-4 品管支援能力

事務所層級

項目	112年	111年	同業平均
品質控管人員約當全職人數	50.3	44.3	58.4
品質控管人員支援審計部門占比	3.3%	3.1%	3.5%

說明事務所於財務報告出具前及出具後，除EQCR外，針對審計案件執行之審計品質抽核機制

。財務報告出具前，事務所為確保案件品質，針對高風險、品質檢視結果待改進、或高產業風險等案件進行抽核，以in-flight review等(案件品質預查)方式分兩階段(規劃暨期中查核及期末查核)對案件團隊執行之工作進行品質檢視，而該等檢視結果亦列入案件會計師及經理之品質考核紀錄；
。財務報告出具後，事務所遵循KPMG國際總部規範，每年執行案件品質之檢視，並依據全球一致之績效複核程序指示(QPR Program Instruction)對審計案件品質進行評核。該等案件之抽核結果依政策規範列入案件會計師及經理之品質考核紀錄。

構面三 指標3-1 非審計服務公費(僅個案層級)

項目	112年	111年
審計個案非審計服務公費占比	10.3%	6.9%

註：審計公費係指簽證會計師查核或核閱財務報告收取之費用，其餘事務所及關聯事業收取之費用均屬非審計服務公費。

說明事務所關聯事業範圍：

事務所：安侯建業聯合會計師事務所
關聯企業：
。安侯建業投資控股股份有限公司
。安侯國際財務顧問股份有限公司
。安侯企業管理股份有限公司
。畢馬威財務諮詢股份有限公司
。安侯數位智能風險顧問股份有限公司
。安侯永續發展顧問股份有限公司
。安博股份有限公司
。安侯生技顧問股份有限公司
。安侯碳資源服務股份有限公司
。畢馬威不動產顧問股份有限公司

指標3-2 客戶熟悉度(僅個案層級)

項目	112年
審計個案於事務所簽證年度財務報告累計年數	7年

註：事務所當年度新(擬)承接案件免填



安侯建業聯合會計師事務所
112年審計品質指標(AQI)資訊揭露-含事務所層級及個案層級

個案基本資料

公司名稱：RegalHoldingCo.,Ltd. 股票類型：上市(KY)
主簽/副簽會計師姓名：張純怡執業會計師 / 趙敏如執業會計師

構面四 指標4-1 外部檢查缺失及處分

事務所層級

金管會事務所檢查	112年	109年	106年
品質管制缺失數	1.0	1.0	2.0
同業區間 (最低~最高)	0~2	0~4	1~2
審計個案平均缺失數	1.0	1.0	2.0
(總缺失數/抽核案件數)	(7/7)	(9/9)	(4/2)
同業區間 (最低~最高)	0~1.38	0~1	0~2

美國PCAOB事務所檢查	112年	109年	106年
審計個案平均缺失數	0	0.67	0
(總缺失數/抽核案件數)	(0/3)	(2/3)	(0/3)
同業區間 (最低~最高)	0	0~0.67	0~0.67

註：本表應填具歷年制資訊，並涵蓋最近3次檢查缺失情形。

說明

針對主管機關及PCAOB之檢查缺失，本所已具體分析缺失產生之原因並加強擬定改善措施，同時加強宣導及控管。依據上述各年度之檢查結果，並未發現重複性之檢查

懲戒及處分案件	112年	111年	110年	109年	108年
會計師懲戒及經依證交法第 37 條處分之案件數	0	0	0	0	2

個案層級

金管會事務所檢查審計個案缺失數	112年	109年	106年
主簽會計師審計個案平均缺失	0.0	1.0	0.0
(總缺失/抽核案件數)	(0/0)	(2/2)	(0/0)
副簽會計師審計個案平均缺失	0.0	2.0	0.0
(總缺失/抽核案件數)	(0/0)	(4/2)	(0/0)

指標4-2 主管機關發函改善

事務所層級

主管機關缺失改善函文比	112年	111年	110年
安侯建業聯合會計師事務所	0.52%	0.8%	0.3%
同業區間 (最低~最高)	0%~0.52%	0%~1%	0%~0.59%

個案層級

主管機關缺失改善函文比	112年	111年	110年
主簽會計師	0.0%	0.0%	0.0%
(函文數/簽證家數)	(0/10)	(0/8)	(0/7)
副簽會計師	0.0%	0.0%	0.0%
(函文數/簽證家數)	(0/11)	(0/11)	(0/11)



構面五 指標 5-1

事務所層級

創新規劃或倡議

在KPMG，我們致力於不斷的創新、服務社會大眾和創造價值。透過領先技術的運用改變專業同仁和客戶對審計工作的體驗。運用大數據以及長年累積的專業見解與知識庫，讓我們可以更專注於處理重要的問題，進而提升審計品質。



審計創新工具

結合多項科技技術並整合KPMG全球資源研發審計創新工具，透過數位工具的應用充分實現優化審計方法，提升KPMG審計專業人員的工作效率與審計品質



流程數位化

為提升審計品質，KPMG積極地發展新的技術解決方案與時俱進重新構思自身工作流程及方法，讓我們的系統運用能符合未來新科技的發展潮流與趨勢



審計支援中心

為例行性審計行政事務建立標準化的作業處理程序，由審計支援中心集中處理(例如：資料整理、函證建立列印等)，以提升審計效率，並可使審計同仁專注於處理具專業判斷的審計工作



審計創新工具

數位化審計平台(KPMG Clara)

案件團隊全面採用電子化審計工具，整合有方法論、法規、客戶溝通及資料分析能力之數位化審計平台工具於工作流程，並所整合ESG Assurance Workflow，打造all in one之審計平台

提升審核工作效率的審計分析數位工具

提單化互動式審核：協助進行風險評估、查核規劃，亦結合客戶資料與公開資訊，提供關聯科目同率比較，進一步分析科目及易流程風險。

審計底稿輔助工具

有效能簡化底稿對之需要，一體化多種符號標記，資料整理、圖表製作公式等實用功能，大幅提升審計同仁的編輯編輯效率及方便性

IRADAR金融商品評價工具引用

可針對金融商品評價提供跨之公允價值估計其商品層級進行價格比較，並透過由金融專業人員組成的中央團隊提供相對應的專業評估報告

AI Transaction Scoring

結合方法論與AI相關技術的應用，透過不同的分析觀點及數據學習的分析能力，使審計人員更專注於中/高風險之項目，相較於傳統工具擁有更好的查核深度與厚度，有效提高審計效率與品質

Clara AI Chat

KPMG 全球開發的審計生成式AI Chatbot 工具，透過完整內部資料與輔助AI工具進入審計工作流程，協助翻譯、查核指引諮詢領域，進行資訊蒐集、彙整及翻譯生成等工作。

流程數位化

函證數位化

財金公司指定協作夥伴，啟動收發電子函證，發展自動化流程取代傳統郵寄，不只節省人力成本與時間，提高處理效率，更做到節能環保為地球盡一份心。

FileEx 檔案交換平台

運用數位平台取代面對面檔案交換，強化檔案機密安全，降低人員往返交通往返運輸次數，有效減少碳足跡降低對環境的影響與衝擊。

AI 多國語系即時翻譯協作

搭配Open AI API技術，KPMG TW成功建構多國語系翻譯平台，此套數位化平台支援多種55種語言，協助審計同仁打破語言藩籬，於執行審計工作時輕鬆獲得即時雙向翻譯。

Microsoft 365 Copilot

日常工作靈敏AI 助手，結合了大型語言模型能力，Microsoft Graph 數據以及 Microsoft 365 應用程式，透過文件梳理與彙整，數據分析與摘要，將生成式AI工具核心收益融入工作流程中

Datasnipper自動化圖文辨識工具

有效率地整合紙本文件辨識的自動化應用，透過資料比對和分析，取代部分耗時且不需要高度專業判斷的查核作業

匯整數位員工生產力 (Digital Work Force)

RPA智能機器人做為數位員工落實自動化程序應用行之有年，成為KPMG正式生產力的一環，從新聞爬文、自動發送企業量詢令審計同仁即時掌握客戶狀態，到稅賦代李協助同仁完成匯總中報轉錄作業，同仁擁抱人機協作的當代工作模式，未來將透過AI人工智慧之技術，將任務從重複性事務轉至溝通、工作決策輔助，代互動式向邁進

審計支援中心

KPMG 審計支援中心



起源：

2022年度審計部門因應Operational Excellence而新成立的審計作業集中化部門

成立目的：

KPMG審計支援中心致力於審計工作集中化及建立標準化流程，藉以提升審計品質並提高同仁工作效率，讓審計團隊可以專注在專業資訊判斷及評估，建立客戶信任，重新塑造新一代的審計作業模式

服務內容：

審計行政作業

案件行政作業流程支援協助 (如:案件建立及設定、公司前票資料查詢 (KYC))

審計支援服務

執行部分審計工作著重於KPMG標準化證實性程序及工作底稿編制作業(如:函證建立、勾稽及列印)

規劃並推動審計轉型業務

評估審計部門相關作業流程優化，訂定標準化流程降低審計複雜度

List 1: Continuing education of directors

Title	Name	Date	Organizer	Course	Hours
Chairman	PHACHARAPON PHAIBOONSUNTORN	2024.04.01	TIRI (Taiwan Investor Relations Institute)	Risk Management	3.0
		2024.12.11		2024 New Edition of Corporate Governance and Board Performance Evaluation Practical Analysis	3.0
Director	SARAYUTH MUNGCHITVITSAVAKORN	2024.04.01	TIRI (Taiwan Investor Relations Institute)	Risk Management	3.0
		2024.12.11		2024 New Edition of Corporate Governance and Board Performance Evaluation Practical Analysis	3.0
Director	LIN, CHIN-SAN	2024.04.01	TIRI (Taiwan Investor Relations Institute)	Risk Management	3.0
		2024.12.11		2024 New Edition of Corporate Governance and Board Performance Evaluation Practical Analysis	3.0
Director	LIN, CHIU-I	2024.04.01	TIRI (Taiwan Investor Relations Institute)	Risk Management	3.0
		2024.12.11		2024 New Edition of Corporate Governance and Board Performance Evaluation Practical Analysis	3.0
Independent Director	GUAN, JYH-LIANG	2024.04.01	TIRI (Taiwan Investor Relations Institute)	Risk Management	3.0
		2024.12.11		2024 New Edition of Corporate Governance and Board Performance Evaluation Practical Analysis	3.0
Independent Director	LEE, TSUNG-PEI	2024.10.16	Accounting Research and Development Foundation	Board Members, Supervisors, and Corporate Governance Officer Series Courses - 2030/2050 Green Industrial Revolution	3.0
		2024.12.11	TIRI (Taiwan Investor Relations Institute)	2024 New Edition of Corporate Governance and Board Performance Evaluation Practical Analysis	3.0
Independent Director	LIN, CHUNG-CHING	2024.04.01	TIRI (Taiwan Investor Relations Institute)	Risk Management	3.0

Title	Name	Date	Organizer	Course	Hours
		2024.09.18	The Accounting Research and Development Foundation (ARDF) of the Republic of China	2024 ESG Summit: Net Zero in All Aspects Sustainable Great Future	6.0
		2024.12.11	TIRI (Taiwan Investor Relations Institute)	2024 New Edition of Corporate Governance and Board Performance Evaluation Practical Analysis	3.0

Appendix 2: The Company's Purchase of Liability Insurance for Directors and Supervisors

Insured Party	Insurance Company	Coverage Amount	Insurance Period
All directors and key personnel	American International Group (AIG) Singapore Branch	3 million USD	November 15, 2024 to November 15, 2025

Appendix 3: Continuing Education and Training for Managers Involved in Corporate Governance

Titl	Name	Training Date	Organizing Institution	Course Title	Training Hours
Chief Financial Officer and Chief Accounting Officer	NARISSARRANEE KEATBHOONYARRITH	2024.09.03	The Accounting Research and Development Foundation (ARDF) of the Republic of China	Legal Liability of Employee Fraud and Internal Control and Audit Practices	6.0
		2024.09.04		Latest Revisions to the "Guidelines for Establishing Internal Control Systems" and Practical Compliance with Internal Audit and Internal Control Regulations Related to Financial Reporting	6.0
Chief Audit Officer	Jiang Pei-Lun (Note 1)	2024.09.04 2024.09.05 2024.09.06	The Institute of Internal Auditors (IIA) Republic of China	Pre-service Training Program for Newly Appointed Internal Audit Personnel	18.0
Acting Audit Officer	Lee Wen-Hsiung	2024.08.02 2024.08.05 2024.08.06	The Institute of Internal Auditors (IIA) Republic of China	Pre-service Training Program for Newly Appointed Internal Auditors in Corporations	18.0
Corporate Governance Officer	Lee Wen-Hsiung	2024.03.22	The Association for Corporate Sustainability of the Republic of China	Building a New Carbon Era with Sustainable Knowledge Power Seminar	3.0
		2024.04.01	TIRI (Taiwan Investor Relations Institute)	Risk Management	3.0
		2024.09.06	The Securities and Futures Market Development Foundation of the Republic of China	2024 Insider Trading Prevention Seminar	3.0
		2024.09.12	TIRI (Taiwan Investor Relations Institute)	The Four Essential Principles to Learn When Facing Shareholder Activism	3.0
		2024.12.11	TIRI (Taiwan Investor Relations Institute)	2024 New Edition of Corporate Governance and Board Performance Evaluation Practical Analysis	3.0

Note 1: The Chief Audit Officer, Jiang Pei-Lun, has actively pursued further education since assuming the position on May 13, 2024, and has accumulated 18 hours of training, meeting the standard for the first year of service.

(4) Remuneration Committee Operations:

1. On August 28, 2015, the Board of Directors of the Company approved the establishment of a Remuneration Committee, composed of three independent directors. In accordance with Article 14-6 of the Securities and Exchange Act and the regulations for companies listed on the stock exchange or traded by securities firms, the Company established the "Remuneration Committee Organizational Rules." The primary responsibility of the committee is to execute its duties in accordance with relevant laws and regulations. The committee, from a professional and objective perspective, evaluates the remuneration policies and systems for the Company's directors and executives and makes recommendations to the Board of Directors for their decision-making reference.

Disclosure of the Professional Qualifications and Independence of the Remuneration Committee Members: :

February 28, 2025

Condition Title Name		Professional & Experience	Independence situation	Number of being Independent Directors of other Public Remuneration Committee
Independent director /The Remuneration Committee Member (convener)	GUAN, JYH-LIANG	Education Experience - Ph.D., Business Administration, National Chengchi University Expertise - Strategic management, business models, international business management Main Working - Associate Professor, Department of Applied Economics and Management, National Yilan University Think Tank, Center of Brand Innovation Acceleration Service, General Chamber of Commerce of the Republic of China Internationalization Consultant of Franchising Service Industry, Taiwan External Trade Development Council Member of Quality Assessment of Transnational Manpower Agency Services, Ministry of Labor, Executive Yuan Concurrent positions in the Company and other companies -Independent director of Donpon Precision Inc. Independent director of LinkCom Manufacturing Co., Ltd. Independent director of SUN	Compliant with the independence criteria under the Securities and Exchange Act (Note 4)	3

		MAX TECH LIMITED		
Independent director/ The Remuneration Committee Member	LEE, TSUNG-PEI	Education Experience - Ph. D., Economics, National Chengchi University Expertise – Economy Main Working - International and Resource Development CEO, Fu Jen Catholic University Associate dean of College of Management, Fu Jen Catholic University Associate Professor, Department of Finance and International Business, Fu Jen Catholic University Associate Professor of Ph.D. Program in Business Administration, School of Management, Fu Jen Catholic University Resident Committee of the Affiliated Hospital of Fu Jen Catholic University Concurrent positions in the Company and other companies - Independent director of Powertech industrial Co., Ltd. Independent director of Ibase Solution Co.,Ltd.		2
Independent director / The Remuneration Committee Member	YEH, KUANG-CHO U	Education Experience - Ph. D., Law, National Chengchi University Expertise - LawMain Working& Concurrent positions in the Company and other Companies - Attorney, Formosan Brothers Attorneys-at-Law Advisory Head of Xingwang Consulting Co. Chung Yuan University Board Advisor		0
Note 1: The term of the 5th Remuneration Committee is three years, from May 26, 2023, to May 25, 2026. Note 2: The independent directors of the company meet the following independence criteria in accordance with the provisions of the Securities and Exchange Act: 1. They are not employees of the company or its affiliates. 2. They are not directors or supervisors of the company's affiliates (except for independent directors of the parent company, or subsidiaries in which the company holds more than 50% of the voting shares, directly or indirectly). 3. They or their spouse, minor children, or individuals holding 1% or more of the company's issued shares or among the top ten shareholders do not have ownership in the company. 4. They are not spouses, immediate relatives within the second degree, or lineal relatives within the third degree of the managers listed in item (1) or individuals listed in items (2) and (3). 5. They are not directors, supervisors, or employees of corporate shareholders owning more than 5% of the company's issued shares, or those appointed according to Article 27 of the Company Law, or those who represent companies with over 50% voting rights in the company (except for mutual appointment of independent directors under local laws). 6. They are not directors, supervisors, or employees of another company where more than half of the board or voting shares are controlled by the same person as the company. 7. They are not directors (or supervisors) of another company where the chairperson, general manager, or equivalent position of the company is also the chairperson, general manager, or equivalent of that company, or if their spouse is involved. 8. They are not directors, supervisors, managers, or shareholders holding more than 5% of the shares in any specific company or institution that has financial or business transactions with the company. (Except if the specific company or institution holds between 20% and 50% of the company's issued shares and is an independent director of the company or its subsidiaries.) 9. They have not provided audit services or received cumulative payments exceeding NT\$500,000 for services such as business, legal, financial, or accounting services in the last two years from the company or its affiliates. However, members of the Remuneration Committee, the Public Acquisition Review Committee, or the M&A Special Committee performing duties as per the Securities and Exchange Act or related M&A laws are excluded from this provision. 10. They do not have familial relationships (spouse or within the second degree of kinship) with other directors.				

11. They do not fall under any of the circumstances outlined in Article 30 of the Company Law.
12. They have not been elected or appointed by the government, a corporation, or their representatives as prescribed under Article 27 of the Company Law.

2. Organization and Responsibilities of the Remuneration Committee

The Committee shall faithfully perform the following duties and responsibilities with the attention as a good administrator and submit its recommendations to the Board of Directors for discussion.

- (1) To regularly review and propose amendments to the regulations.
- (2) To establish and regularly review the performance evaluation standards, annual and long-term performance goals, and policies, systems, standards and structures for compensation of directors and managers of the Company, and to disclose the contents of the performance evaluation standards in the annual report.
- (3) The annual report shall disclose the results of individual performance evaluation of directors and managers, and the relevance and reasonableness of the content and amount of individual compensation to the results of performance evaluation, and report in the shareholders' meeting.

3. The company's Remuneration Committee has 3 members. °

4. Term of the committee member: From May 26, 2023 to May 25, 2026, and there are XX meeting of the Remuneration Committee in year 2024. The qualifications and attendance of members are as follows :

Title	Name	Actual Attendances (B)	By Proxy	Actual Attendance Rate (%) (B/A) (Note1, Note2)	Remarks
The Committee Member (convener)	GUAN, JYH-LIANG	2	0	100%	Note 3
The Committee Member	LEE, TSUNG-PEI	2	0	100%	
The Committee Member	LIN, CHUNG-CHING	2	0	100%	
Note 1: If a member of the Remuneration Committee has left the Company before the end of the year, he/she should indicate the period of absence in the remarks column, and the actual attendance rate (%) is calculated based on the number of Remuneration Committee meetings and his/her actual attendance during his/her employment.					
Note 2: If there is a re-election of the Remuneration Committee before the end of the year, both new and existing independent directors should be listed, and the date of re-election of the independent director should be indicated in the remark’ s column. The actual attendance rate (%) is calculated based on the number of meetings of the Remuneration Committee and his/her actual attendance during his/her employment.					
Note 3: Following the director and independent director elections on May 26, 2023, subsequent reappointment.					

5. Other noteworthy matters:

- (1) State The Remuneration Committee Meeting's date, session, proposal contents, all Committee members' opinions and the Company's actions in response to the opinions if any of the following occurred:

Meeting Sessions and Dates	Proposal contents and follow up	The Remuneration Committee have expressed opposition or withhold opinions
2024.02.26 2 nd The Remuneration Committee Meeting in 5 th Term	1. The Company's 2023 directors' and employees' compensation plan.	None
	Resolution (2024.02.26): Approved.	
	The resolution the Company handles the Remuneration Committee' opinions: Approved.	
2024.11.14 3 rd The Remuneration Committee Meeting in 5 th Term	1.	None
	Resolution (2024.11.14): Approved.	
	The resolution the Company handles the Remuneration Committee' opinions: Approved.	
2025.02.27 4 th The Remuneration Committee Meeting in 5 th Term	1. Proposal for Directors' and Employees' Remuneration for the Year 2024.	無
	Resolution (2025.02.27) : Approved.	
	The resolution the Company handles the Remuneration Committee' opinions: Approved.	

(2) If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it shall state the date of the Board of Directors, the term, the content of the proposal, the results of the resolutions of the Board of Directors, and the company's handling of the opinions of the Remuneration Committee (if the compensation approved by the Board of Directors is better than the recommendation of the Remuneration Committee, the differences and reasons should be stated): None.

(3) If the members of the Remuneration Committee have objections or reservations and have records or written declarations to the resolutions, the Remuneration Committee should state the date, term, proposal content, all members' opinions and the handling of members' opinions: None

(5) Organization, responsibilities, and operation status of the Sustainable Development Committee:

1. The Sustainability Development Committee was established on May 26, 2023, with Chairman Phacharaporn Phaiboonsuntorn serving as the Chairperson. The Chairman and the members of the Sustainability Development Committee are well-versed in the Group's operations and are capable of integrating Environmental

(E), Social (S), and Governance (G) issues into operational decision-making and management processes.

The responsibilities of the Sustainability Development Committee include assisting the Board of Directors in promoting sustainability initiatives for the Company and its subsidiaries, including: :

- (1) Formulate sustainable development policies.
- (2) Guide, track and review the implementation effectiveness of sustainable development activities and report to the board of directors.
- (3) Other matters that should be handled by the committee as directed by the board of directors
- (4) After the previous affairs are formulated by the committee and reported to the board of directors, the resulting execution plan at the implementation level can be discussed and collaborated with the relevant units of the company or subsidiaries by the chairman or members of the committee, and the collaboration model and implementation organization The structure must be designed based on practical conditions :

Title	Name	Professional & Experience
Chairman / The Sustainable Development Committee Member (convener)	Solar Jewelers Group Corp. Representative: PHACHARAPON PHAIBOONSUNTORN	• Education Experience - EMBA, National Taipei University of Technology Thailand Special Program
		• Expertise - Has mastered the core technology of production and has more than 40 years of experience in key management positions such as production manager or general manager
		• Main Working - Manager of Production Division, Regal Jewelry Manufacture Co., Ltd
Director/ The Sustainable Development Committee Member	Hyperion Trading Co., Ltd. Representative: SARAYUTH MUNGCHITVITSAVAKORN	• Education Experience - Diploma of Management courses in Management & Psychology Institute, Thailand
		• Main Working - Manager of Production Dept., Regal Jewelry Manufacture Co., Ltd..
		• Experience – Deputy General Manager of Production Division, Regal Jewelry Manufacture Co., Ltd.
Director/ The Sustainable Development Committee Member	Orlog Global Co., Ltd. Representative: LIN, CHIU-I	• Education Experience - Bachelor, International Business Management, Mahidol University
		• Expertise - Had more than 20 years of experience in jewelry marketing and business development
		• Main Working - Deputy General Manager, Sales, Regal Jewelry Manufacture Co., Ltd.

3. The company's Sustainable Development Committee has 3 members.

4. Term of the Sustainable Development Committee: From May 26, 2023, to May 25, 2026, and there are once meetings of the Sustainable Development Committee in year 2024(A). The qualifications and attendance of members are as follows:

Title	Name	Actual Attendances	By Proxy	Actual Attendance Rate (%) (B/A)	Remarks
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		(B)		(Note1, Note2)	
The Sustainable Development Committee Member (convener)	PHACHARAPON PHAIBOONSUNTORN	1	0	100%	
The Sustainable Development Committee Member	SARAYUTH MUNGCHITVITSAVAKORN	1	0	100%	
The Sustainable Development Committee Member	LIN, CHIU-I	1	0	100%	
Note 1: If a member of the Sustainable Development Committee has left the Company before the end of the year, he/she should indicate the period of absence in the remarks column, and the actual attendance rate (%) is calculated based on the number of Sustainable Development Committee meetings and his/her actual attendance during his/her employment. Note 2: If there is a re-election of the Sustainable Development Committee before the end of the year, both new and existing independent directors should be listed, and the date of re-election of the independent director should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the Sustainable Development Committee and his/her actual attendance during his/her employment.					

5. Other noteworthy matters:

- (1) State The Sustainable Development Committee Meeting's date, session, proposal contents, all Committee members' opinions and the Company's actions in response to the opinions if any of the following occurred:

The main proposals and the summary of the resolutions are as follows :

Meeting Sessions and Dates	Proposal contents and follow up	The Sustainable Development Committee have expressed opposition or withhold opinions
2024.11.14 2 nd The Sustainable Development	1. Progress Report on Sustainability Development	None
	Resolution (2024.11.24): Approved.	
	The resolution the Company handles the Sustainable Development Committee' opinions: Approved.	

- (2))If the Board of Directors does not adopt or amend the recommendations of the Sustainable Development Committee, it shall state the date of the Board of Directors, the term, the content of the proposal, the results of the resolutions of the Board of Directors, and the company's handling of the opinions of the Sustainable Development Committee (if the compensation approved by the Board of Directors is better than the recommendation of the Sustainable Development Committee , the differences and reasons should be stated): None.

- (3) If the members of the Sustainable Development Committee have objections or

reservations and have records or written declarations to the resolutions, the Sustainable Development Committee should state the date, term, proposal content, all members' opinion and the handling of members' opinions: None

(6) Organization, responsibilities and operation status of the Risk Management Committee :

1. The Risk Management Committee was established on May 26, 2023, chaired by Chairman PHACHARAPON PHAIBOONSUNTORN. The Chairman and the Risk Management Committee understand the details of the group and can integrate them into operational decision-making and management processes.

The responsibilities of the Risk Management Committee are to assist the board of directors in promoting risk management matters of the company and its subsidiaries, including:

- (1) Formulate risk management policies
- (2) Guide, track and review the implementation effectiveness of risk management activities and report to the board of directors
- (3) Other matters that should be handled by the committee as directed by the board of directors
- (4) After the previous affairs are formulated by the committee and reported to the board of directors, the resulting execution plan at the implementation level can be discussed and collaborated with the relevant units of the company or subsidiaries by the chairman or members of the committee, and the collaboration model and implementation organization The structure must be designed based on practical conditions

2. Professional and Experience of member of the Risk Management Committee :

Title	Name	Professional & Experience
Chairman / The Risk Management Committee Member (convener)	Solar Jewelers Group Corp. Representative: PHACHARAPON PHAIBOONSUNTORN	Education Experience - EMBA, National Taipei University of Technology Thailand Special Program
		Expertise - Has mastered the core technology of production and has more than 40 years of experience in key management positions such as production manager or general manager
		Main Working - Manager of Production Division, Regal Jewelry Manufacture Co., Ltd
Director/ The Risk Management Committee Member	Hyperion Trading Co., Ltd. Representative: SARAYUTH MUNGCHITVITSAVAKORN	Education Experience - Diploma of Management courses in Management & Psychology Institute, Thailand
		Expertise - Had more than 30 years of experience in jewelry manufacturing
		Education Experience - Bachelor of Business Administration & Management, Pepperdine University
Director/ The Risk Management Committee Member	Unique Global Investment Inc. Representative: LIN, CHIN-SAN	Expertise - Had more than 10 years of experience in business development and production management
		Expertise – Over 10 years of experience in business development and production management
		Experience – Director, Formosa Marketing Co., Ltd. Chairman, Linden Integrated Co., Ltd.

Title	Name	Professional & Experience
		Director, Unique Global Investment Inc.

3. The company's Risk Management Committee has 3 members.
4. Term of the Risk Management Committee: From May 26, 2023 to May 25, 2026, and there are 2 meetings of the Risk Management Committee in year 2024(A). The qualifications and attendance of members are as follows:

Title	Name	Actual Attendances (B)	By Proxy	Actual Attendance Rate (%) (B/A) (Note1, Note2)	Remarks
The Risk Management Committee Member (convener)	PHACHARAPON PHAIBOONSUNTORN	2	0	100%	
The Risk Management Committee Member	SARAYUTH MUNGCHITVITSAVAKORN	2	0	100%	
The Risk Management Committee Member	LIN, CHIN-SAN	2	0	100%	
Note 1: If a member of the Risk Management Committee has left the Company before the end of the year, he/she should indicate the period of absence in the remarks column, and the actual attendance rate (%) is calculated based on the number of Risk Management Committee meetings and his/her actual attendance during his/her employment. Note 2: If there is a re-election of the Risk Management Committee before the end of the year, both new and existing independent directors should be listed, and the date of re-election of the independent director should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the Risk Management Committee and his/her actual attendance during his/her employment					

5. Other noteworthy matters:
- (1) State The Risk Management Committee Meeting's date, session, proposal contents, all Committee members' opinions and the Company's actions in response to the opinions if any of the following occurred :

Meeting Sessions and Dates	Proposal contents and follow up	The Risk Management Committee have expressed opposition or withhold opinions
2024.02.26 2 nd The Risk Management Committee meeting in 1 st Term	1. Risk management execution report of important subsidiary Regal Jewelry Manufacture Co., Ltd. in 2023	None
	Resolution (2024.02.26): Approved.	
	The resolution the Company handles the Risk Management Committee' opinions: Approved.	
2024.08.14	1. Risk management report of each subsidiary of Regal Holding Co., Ltd.	None

Meeting Sessions and Dates	Proposal contents and follow up	The Risk Management Committee have expressed opposition or withhold opinions
3 rd The Risk Management Committee meeting in 1 st Term	Resolution (2024.08.14): Approved.	
	The resolution the Company handles the Risk Management Committee' opinions: Approved.	

- (2) If the Board of Directors does not adopt or amend the recommendations of the Risk Management Committee, it shall state the date of the Board of Directors, the term, the content of the proposal, the results of the resolutions of the Board of Directors, and the company's handling of the opinions of the Risk Management Committee (if the compensation approved by the Board of Directors is better than the recommendation of the Risk Management Committee , the differences and reasons should be stated): None
- (3) If the members of the Risk Management Committee have objections or reservations and have records or written declarations to the resolutions, the Risk Management Committee should state the date, term, proposal content, all members' opinion and the handling of members' opinions: None.

(7) Implementation of Sustainable Development and differences from the
"Code of Practice for Sustainable Development of Listed and OTC
Companies" and the reasons for such differences :

Implement Items	Implementation Situation (Note 1)			Differences from the "Code of Practice on Sustainable Development of Listed Companies" and the Reasons
	Yes	No	Summary	
1. Has the Company established a governance structure to promote sustainable development and set up a special (part-time) unit to promote sustainable development, which is authorized by the Board of Directors to be handled by senior managements, and is supervised by the Board of Directors?	✓		1. The Company established the Sustainability Committee in May 2023, chaired by the Chairman of the Board, with senior management from each subsidiary appointed to form a Sustainability Task Force. On November 14, 2024, the Sustainability Committee reported to the Board of Directors on the progress and status of achieving the Company's sustainability goals for 2024. 2. To streamline the procedures and structure of the Company's functional committees, the Board of Directors resolved on February 27, 2025, to merge the Risk Management Committee into the Sustainability Committee, and rename it the Sustainability and Risk Management Committee. This move aims to strengthen the Company's governance framework for sustainability and risk management, ensuring systematic management and reaffirming the Group's commitment to sustainability issues, in response to the growing global emphasis on sustainable development. 3. The Board of Directors reviews the sustainability reports submitted annually by the management team, examines the Company's sustainability goals, policies, and action plans, assesses their implementation, and supervises the execution of sustainability initiatives, urging the management team to adjust relevant strategies and measures as necessary	No significant difference
2. Does the Company conduct risk assessment on environmental, social and corporate governance issues related to its operations in accordance with the principle of materiality, and establish relevant risk management policies or strategies? (Note 2)	✓		1. This disclosure covers the company's sustainability performance from January 2024 to December 2024, with the risk assessment boundary focusing on the main production base in Thailand. 2. The company has established a "Risk Management Practice Code" in its internal control regulations, which was approved by the Board of Directors in November 2022. The relevant operating process is as follows: First, the company's risk factors are classified based on the ESG framework, and the maximum risks the company is willing and able to bear in order to achieve its operational goals are set. Then, based on the known maximum risks, tolerance levels for differences that may occur in the process of achieving operational goals are graded. According to the differences in low, medium, and high tolerance levels, different levels of resource allocation and priority of handling are assigned to complete the measurement analysis of each risk factor, implement response strategies, monitor, and provide post-reporting. 3. Based on the assessed risks, relevant management policies or	No significant difference

Implement Items	Implementation Situation (Note 1)			Differences from the “Code of Practice on Sustainable Development of Listed Companies” and the Reasons		
	Yes	No	Summary			
			strategies are formulated as follows:			
			Material Issues	Risk Assessment Item Description		Explanation
			Environment	Environmental Impact and Management		1. In response to the environmental regulations of major markets, the key subsidiary RJM obtained the ISO 14001 Environmental Management Certification in 2024, demonstrating its commitment to sustainable development. Meanwhile, the process for ISO 50001 Energy Management Certification is also actively underway. 2. The company obtains external certification for its carbon footprint on an annual basis from the Thailand Greenhouse Gas Management Organization. 3. Based on the results of the carbon inventory, the company continues to implement greenhouse gas reduction measures to decrease carbon emissions and environmental impact.
			Social	Occupational Safety and Health Social		Each year, multiple training sessions and awareness campaigns are held to educate employees on safety and health in the workplace, fostering emergency response skills and preventing employees from being exposed to potential hazards or illnesses (such as electrical hazards, chemicals, radiation, and fire drills).

Implement Items	Implementation Situation (Note 1)				Differences from the “Code of Practice on Sustainable Development of Listed Companies” and the Reasons	
	Yes	No	Summary			
				Occupational Safety and Health Social	In 2024, key subsidiary RJM and subsidiary RPM obtained ISO 9001 Quality Management Certification, ensuring product quality and safety, while continuously improving excellence in management and customer trust.	
			Corporate governance	Enhance the functions of the board of directors	1. Purchase Directors' Liability Insurance to protect directors in the event of lawsuits or claims. 2. Plan relevant continuing education topics for directors and provide them with the latest regulations, system developments, and policies each year.	
				Stakeholder communication	Our company regularly analyzes key stakeholders and their core concerns every year, and establishes diverse communication channels to promote active dialogue, reduce misunderstandings, and prevent conflicts.	
3. Environment Issues (1) Has the Company established an appropriate environmental management system according to its industrial characteristics?	✓		Our company specifies in the "Sustainability Development Practices Code" that when establishing an environmental management system, the sufficiency and timeliness of operational activity information, the measurability and sustainability of sustainability development goals, and the effectiveness of overall action plans must be considered, with regular reviews of related systems and measures. Our company has currently obtained the following international certifications related to environmental management: 1. Responsible Jewelry Council (from 16th September 2023 to 2026) 2. ISO 14001:2015 (from 26th March 2024 to 2027)			No significant difference
(2) Is the Company committed to improving energy efficiency and using recycled materials that	✓		Our company actively promotes various energy reduction measures, selects high-efficiency and energy-saving equipment, and optimizes the usage efficiency of recycled materials. Subsidiary RPM produces recycled silver and recycled gold products, seeking the development of waste reduction and recycling technologies. Key subsidiary RJM has launched a solar panel installation project, which was completed in the			No significant difference異

Implement Items	Implementation Situation (Note 1)			Differences from the "Code of Practice on Sustainable Development of Listed Companies" and the Reasons
	Yes	No	Summary	
have a low impact on the environment?			first quarter of 2024 and officially began generating power. The estimated annual electricity production from the solar panels is 9,513,400 KWh, accounting for 20% of the company's current electricity consumption. The usage rate of the solar power generated is 99.46%. We aim to gradually improve the efficiency of renewable energy use and plan to obtain ISO 50001 energy management certification in 2025 to reduce the environmental impact and burden of the company's operations.	
(3) Has the company assessed the potential risks and opportunities of climate change on its current and future operations, and taken relevant mitigation measures?	✓		Our company has been tracking historical data on greenhouse gas emissions, water usage, and the total weight of various types of waste. This data serves as a reference for developing the company's energy-saving, carbon reduction, water conservation, and waste reduction goals and related plans to mitigate the impact of climate change on our operations. Additionally, a risk management team composed of senior executives has been formed to gradually assess and analyze various climate risk factors, develop and implement climate risk response strategies, and regularly review them to reduce the company's exposure to climate risks.	No significant difference
(4) Has the company tracked its greenhouse gas emissions, water usage, and total waste weight over the past two years, and developed policies for reducing greenhouse gas emissions, water usage, or other waste management strategies?	✓		Our company has established relevant regulations in the "Sustainability Development Practices Code." Each year, the company tracks annual greenhouse gas emissions, water usage, and total waste weight. Management uses this data to develop environmental protection policies for reducing greenhouse gas emissions, water usage, and waste management, and regularly reviews the effectiveness of the implementation of these policies. The data on the company's greenhouse gas emissions, water and electricity usage, and total waste weight is as follows: The data boundaries for 2023 are as follows: (1) Key subsidiary Regal Jewelry Manufacture Co., Ltd. (2) Key subsidiary Regal Plating Co., Ltd. The data boundaries for 2024 are as follows: (1) Key subsidiary Regal Jewelry Manufacture Co., Ltd.	No significant difference

Implement Items	Implementation Situation (Note 1)			Differences from the “Code of Practice on Sustainable Development of Listed Companies” and the Reasons															
	Yes	No	Summary																
			(2) Key subsidiary Regal Plating Co., Ltd. (3) Subsidiary Regal Precious Metal Co., Ltd. Greenhouse gas emissions : <table><tr><td>Year</td><td>2023</td><td>2024</td></tr><tr><td>Scope 1</td><td>133 CO2e</td><td>145.23 CO2e</td></tr><tr><td>Scope 2</td><td>3239 CO2e</td><td>2989.57CO2e</td></tr><tr><td>Scope 3</td><td>3446 CO2e</td><td>4150.87CO2e</td></tr><tr><td>Total</td><td>6818 CO2e</td><td>7258.67 CO2e</td></tr></table> Water and electricity usage : (1) In 2023, the company's operational water usage was 107,692 cubic meters, and electricity usage was 5,595,778 kWh (2) In 2024, the company's operational water usage was 113,827 cubic meters, and electricity usage was 6,800,533 kWh. Waste weight: (1) In 2023, the company generated 181,036 kilograms of waste from operations. (2) In 2024, the company generated 266,255 kilograms of waste from operations. The statistics provided by the company cover all subsidiary factory sites at the main business location in Thailand. The 2023 data was verified by a third party, Thailand Greenhouse Gas Management Organization (TGO). The 2024 data is currently being submitted for certification by an external certification body.	Year	2023	2024	Scope 1	133 CO2e	145.23 CO2e	Scope 2	3239 CO2e	2989.57CO2e	Scope 3	3446 CO2e	4150.87CO2e	Total	6818 CO2e	7258.67 CO2e	
Year	2023	2024																	
Scope 1	133 CO2e	145.23 CO2e																	
Scope 2	3239 CO2e	2989.57CO2e																	
Scope 3	3446 CO2e	4150.87CO2e																	
Total	6818 CO2e	7258.67 CO2e																	
4. Social Issues (1) Has the Company established	✓		The Company's "Code of Practice for Sustainable Development" and the Company's "Human Rights Policy" both set forth relevant regulations, and the managements make reference to international	No significant															

Implement Items	Implementation Situation (Note 1)			Differences from the "Code of Practice on Sustainable Development of Listed Companies" and the Reasons
	Yes	No	Summary	
management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?			human rights conventions such as the 《Universal Declaration of Human Rights》 to establish policies and implementation procedures that meet relevant human rights standards, and set up an anonymous report mailbox. The Company also regularly conducts annual audits by independent external companies in accordance with international standards and issues audit reports for review by stakeholders.	difference
(2) Has the Company established and implemented reasonable employee benefit measures (including salaries, vacations and other benefits, etc.), and appropriately reflected operation performance or results in employee compensation?	✓		The content and implementation status of the Company's policies on employee compensation, employee benefit measures and other related matters are as follows : 1. Employee compensation: Article 14.4 of the Company's Articles of Incorporation stipulates that the Company shall set aside not less than one percent of its net profit before tax as employee compensation in the event that the Company makes a profit in the year. And the Company also pays extra allowance to each employee every month according to their productivity and language ability, and has an annual employee appraisal system to evaluate the performance of each employee in the past year and adjust their salary . 2. Employee benefit measures: The Company's "Code of Practice on Sustainable Development" specifies that in order to ensure the recruitment, retention and encouragement of human resources, the Company provides employee benefits such as year-end bonuses, birthday gifts, and wedding and funeral subsidies. And the Company also provides annual health checkups to take care of employees' health. In addition, in order to help the employees plan for their retirement and enhance their future protection, the Company and the employees jointly contribute monthly to a dedicated trust account, which not only achieves the goal of retaining talents, but also helps employees accumulate their wealth. 3. Workplace diversity and equality : Our company specifies in the "Human Rights Policy" that we do not	No significant difference

Implement Items	Implementation Situation (Note 1)			Differences from the “Code of Practice on Sustainable Development of Listed Companies” and the Reasons																		
	Yes	No	Summary																			
			discriminate based on race, ethnicity, nationality, religion, age, disability, gender, marital status, sexual orientation, union membership, or political affiliation. Everyone is entitled to equal opportunities in employment, compensation, training, promotion, dismissal, or retirement. Furthermore, from the company's inception, we have placed significant emphasis on workplace equality, and therefore, there is no "glass ceiling" issue. Currently, women make up approximately 41% of the company's management level. The employee ethnic diversity indicator for 2024 is as follows: <table><tr><th>Indicator</th><th>Taiwan</th><th>Thailand</th><th>Myanmar</th><th>Philippines</th><th>Laos</th></tr><tr><td>% of total employees</td><td>0. 08</td><td>70. 47</td><td>29. 35</td><td>0. 04</td><td>0. 08</td></tr><tr><td>% of total management employesss</td><td>3</td><td>95</td><td>–</td><td>2</td><td>–</td></tr></table> 4. Business performance is reflected in employee compensation: Our company’s salary structure primarily considers market salary trends, company operating conditions, and the overall economic environment. Additionally, the future competitiveness of the company is taken into account, with company performance or results being reflected in employee compensation in a timely and appropriate manner. Furthermore, the distribution of performance bonuses is based on the company’s operational performance, with individual employee performance assessments also factored in, to reward their contributions and motivate continued efforts.	Indicator	Taiwan	Thailand	Myanmar	Philippines	Laos	% of total employees	0. 08	70. 47	29. 35	0. 04	0. 08	% of total management employesss	3	95	–	2	–	
Indicator	Taiwan	Thailand	Myanmar	Philippines	Laos																	
% of total employees	0. 08	70. 47	29. 35	0. 04	0. 08																	
% of total management employesss	3	95	–	2	–																	
(3) Does the Company provide a safe and healthy working environment for employees and implement regular safety and health education for employees?	✓		1. In order to create a hygienic and comfortable working environment, the Company regularly maintains and repairs all equipment and carries out design and decoration from time to time, and regularly implements daily environment cleaning and sanitization, and implements a garbage sorting system to ensure a hygienic office environment. 2. The Company complies with national laws and regulations to provide regular training on employee’s working safety according to the scope and attributes of the work, including the safe use of	No significant difference																		

Implement Items	Implementation Situation (Note 1)			Differences from the "Code of Practice on Sustainable Development of Listed Companies" and the Reasons
	Yes	No	Summary	
			chemicals, the use of equipment that can generate free radiation, the use of furnaces, the use of power punching and shearing machines, and the investigation and handling of occupational accidents. 3. The Company obtained the following certifications related to employee safety and working environment protection: (1) RJC: 16th September, 2023 to 2026 (2) Amfori BSCI: 24th March, 2023 to 2025 (3) Disney ILS: 7th August, 2023 to 2024 The validation covers: (1) freely chosen employment relationships, (2) respect for freedom of association and the right to collective bargaining, (3) occupational health and safety, (4) no child labor, (5) payment of living wages, (6) no excessive working hours, (7) prohibition of discrimination, (8) proper employment relations, (9) no harsh and inhumane treatment of workers, (10) protection of young workers, (11) protection of the environment, (12) ethical business practices. 4. During 2023, the Company has not experienced any occupational disasters, and the historical related improvement and prevention measures were fully recorded in the occupational accident investigation report.	
(4) Has the Company established an effective career development training program for employees?	✓		Each year, the Company provides new employee training for the new employees, and on-the-job training or professional development for current employees. Through the development of both soft and hard skills, the Company establishes an effective career growth strategy for employees and lays the foundation for their future advancement.	No significant difference
(5) Does the Company comply with relevant laws and regulations and international standards on issues such as customer health	✓		Our company clearly stipulates in the "Sustainability Development Practices Code" that we are responsible for our products and services. In addition to ensuring product or service quality in compliance with government regulations and industry standards, we have also established a consumer protection policy. This policy upholds principles of fair and honest contracting, truthfulness in advertising, professionalism of sales personnel, and the protection of consumer	No significant difference

Implement Items	Implementation Situation (Note 1)			Differences from the "Code of Practice on Sustainable Development of Listed Companies" and the Reasons
	Yes	No	Summary	
and safety, customer privacy, marketing and labeling of products and services, and has it established relevant policies and complaint procedures to protect the rights of consumers or clients?			privacy. Regarding the complaint protection system, our company has set up an online customer service email on our official website. Additionally, we have a customer service system and a dedicated service hotline to fully protect customer rights..	
(6) Has the Company formulated a supplier management policy requiring suppliers to comply with relevant regulations on issues such as environment protection, occupational safety and health, or labor and human rights, and its implementation situation?	✓		The Company has set supply chain policy that requires suppliers to comply with the Company's guidelines for protecting labor rights, eliminating bribery and fraud, or combating money laundering. The Company also set up risk assessment standards for suppliers, and requires major raw material suppliers to obtain international certificates or update independent verification reports on CSR issues at least annually.	No significant difference
5. Has the Company referred to international standards or guidelines for the preparation of reports such as Sustainability Report to disclose	✓		1. With reference to the "Code of Corporate Social Responsibility Practices for Listed and OTC Companies", the Company passed the resolution of the Board of Directors on June 23, 2015 to formulate the "Code of Corporate Social Responsibility Practice". And the amendments of some provisions were approved by the Board of Directors on December 15, 2016 and March 13, 2020. On March 11, 2022, the 12 th Meeting of 5 th Session of the Board of Directors, and on 2022 Shareholders' Meeting, the Code's name was changed into the "Code of Practice for Sustainable	No significant difference

Implement Items	Implementation Situation (Note 1)			Differences from the "Code of Practice on Sustainable Development of Listed Companies" and the Reasons
	Yes	No	Summary	
non-financial information about the Company? Has the foregoing report been confirmed or assured by a third-party certifier?			Development" to manage the Company's economic, environmental and social risks and impacts 2. The Company has not yet prepared a Sustainability Report with reference to international standards	
6. If company has its own code of practice for sustainable development in accordance with the "Code of Practice for Sustainable Development of Listed Companies", please describe the differences between its operation and the code: In accordance with the "Code of Practice for Sustainable Development of Listed and OTC Companies", the Company has formulated the "Code of Practice for Sustainable Development" and announced it on its official website. The "Code of Practice for Sustainable Development of Listed Companies" emphasizes that the Company should fulfill the corporate social responsibility and promote balanced and sustainable development of the economy, society and the environment and ecology, and the Company will implement it in a gradual manner. Other important information for understanding the implementation of sustainable development: Corporate Social Responsibility (CSR) is a mixture of economic, legal and moral responsibility. Based on principles of integrity management, the Company starts from small efforts to respect human and employee rights, enhance financial information disclosure and transparency, strengthen relationships with stakeholders, protect consumer rights, maintain fair competition and strengthen anti-bribery and corruption prevention. In recent years, the Company has also actively sponsored charitable activities and donations to the community based on giving back to the community and caring for the underprivileged. • Carbon reduction and ecological protection - In response to the global emphasis on carbon reduction and to enhance our commitment to ecological protection and environmental conservation, our company completed a mangrove reforestation project in 2023. In 2024, we continue to lead our employees in mangrove beach cleanups, contributing to the sustainable environmental ecology of the Earth.				

Implement Items	Implementation Situation (Note 1)			Differences from the “Code of Practice on Sustainable Development of Listed Companies” and the Reasons
	Yes	No	Summary	
• Renewable energy development - To reduce the operational carbon footprint, our company is actively investing in solar power generation facilities. The first phase of the project in 2024: • Solar panels installed on the rooftops of the parking lot and employee storage area at the RJM factory site. • Completed and officially began power generation in the first quarter of 2024, accounting for 20% of the company’s total electricity consumption. • Solar power usage rate reached 99.46%. The second phase of the 2025 project : • Install solar panels on the roof of the RJM building. • Expected to be completed in August 2025, with an estimated power generation of approximately 1,000,000 KWh in the first year. Our company will continue to promote ESG policies, reduce environmental impact, and enhance sustainable business capabilities through technological innovation. For more details, please refer to the "Investor Relations - ESG Sustainability" section on our official website.				

Note 1: If the "Yes" box is checked, please specify the important policies, strategies, measures and implementation status. If the "No" box is checked, please explain the differences and reasons for the differences in the "Differences from the "Code of Practice for Sustainable Development of Listed Companies" and the Reasons" column, and explain the future plans for the adoption of relevant policies, strategies and measures.

Note 2: The principle of materiality refers to environmental, social and corporate governance issues that have a significant impact on the company's investors and other stakeholders.

(8) Climate Related Information for the Company

1. Implementation of climate-related information

Item	Implementation
1. Describes the Board of Directors and management's oversight and governance of climate-related risks and opportunities.	1. The oversight and governance of climate-related risks and opportunities of the Board of Directors and management (1) Relevant regulations and organization A. On August 19, 2022, the Board of Directors approved the establishment of the "Management Regulations of Greenhouse Gas Inventory" and related forms, and will report the progress of implementation to the Board of Directors on a quarterly basis. B. The Board of Directors approved the establishment of the "Sustainable Development Committee" on May 26, 2023. The Sustainable Development Committee is the Group's highest-level organization for promoting ESG and is also the main platform for managing climate change issues. The Chairman of the Board is the convener of the Committee. The Committee has five functional groups, namely Corporate Governance, Environment Sustainability, Social Care, Product Responsibility and Employee Care. The members of each group are the heads of relevant functional departments, and the Group CEO is responsible for the overall management of related affairs. C. To streamline the procedures and structure of the company's functional committees, the Board of Directors passed a resolution on February 27, 2025, to merge the "Risk Management Committee" with the "Sustainability Committee," renaming it the "Sustainability and Risk Management Committee." This move aims to strengthen the company's governance structure for sustainability and risk management, and through systematic management, implement the group's commitment to sustainability issues, in response to the growing global emphasis on sustainable development. (2) Oversight and governance of climate-related risks and opportunities The Company's five functional groups under the Sustainable Development Committee are responsible formulating the Company's climate-related policies and plans, which are submitted to CEO for review and approval. Each working group meets on a regular basis to report to CEO to track and review the achievement of each goal and implementation plan. After summarizing the results of each group's work, the CEO submits a report to the Sustainable Development Committee at least once a year, to ensure the promotion, supervision, and management of climate-related risk (and opportunity) plans
2. Describe how the identified climate risks and opportunities affect the business, strategy and finances of the organization (in short, medium and long term).	2. Identify how climate risks and opportunities affect business, strategy and finance (in short, medium and long term) In order to mitigate the impact of climate risk, the Company formulated the greenhouse gas reduction plan and divided it

5. If scenario analysis is used to evaluate the resilience of climate change risk, the scenarios, parameters, assumptions, analytical factors, and key financial impacts	establishment of "Risk Management Committee" as the highest level organization to manage the various risks of Group. C. The "Risk Management and Execution Unit" is comprised of department heads with relevant expertise or experience within the Group. It is responsible for identifying risk issues, evaluating and developing risk preference, summarizing identified risk items, formulating management plans and tracking program results in accordance with departmental objectives and plans, and reporting to the CEO (2) Risk management process A. Risk identification: analyze the possible sources of risks in the Company's business, operation activities, and internal and external environments. B. Risk measurement and analysis: appropriate measurement methods are set for different risks. Quantifiable risks are analyzed by statistical methods, while risks that are more difficult to quantify are measured by qualitative methods, and risk levels (high, medium, and low) are determined. C. Risk response: formulate countermeasures against the risks faced, and must also describe the unit of implementation, resource requirements, implementation schedule, and assessment indicators. D. Risk monitor: after proposing countermeasures against risks, the results of subsequent management should be reported to CEO, who will then summarize the results and provide them to the Risk Management Committee for review. E. Risk disclosure and report: The Risk Management Committee measures and monitors the overall risk management quality of the reports submitted by the CEO first, and then submit the report to the Board of Directors. (3) (3) Key indicators and targets A. Continue greenhouse gas inventory covering all Group companies to capture annual Scope 1, Scope 2 and Scope
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should be described. 6. If there is a transformation plan for managing climate-related risks, describe the plan, and the indicators and goals used to identify and manage entity and transformation risks.	3 greenhouse gas emissions. B. Compare greenhouse gas emissions with monthly energy usage statistics to track and analyze the results of various internal emission reduction programs. C. For external business development programs, regularly compare the differences between actual performance and original estimates, and conduct follow-up analysis and improvement 5. Resilience Assessment of Climate Change Risks Our company continuously monitors climate change trends, collects the latest developments in domestic and international regulations and technologies, and comprehensively considers the impact severity and likelihood to assess the risks climate change poses to operations. We also plan corresponding response measures. However, we have not yet conducted scenario analysis using models such as SBTi 1.5°C. 6. Transformation Plan for Managing Climate-Related Risks The plans formulated by our company to address climate-related risks are divided into two main categories: "Internal Emission Reduction" and "External Business Development." The details are as follows : A. Implementing an IoT system for more precise monitoring of machinery and equipment to ensure that devices such as ovens are maintained in optimal condition, thereby preventing energy waste. The details of the plan are outlined in internal operational documents. B. Mangrove reforestation plan, with the details of the plan outlined in internal operational documents. C. Promoting the solar panel installation plan to increase the use of renewable energy and reduce energy consumption. The details of the plan are outlined in internal operational documents. (2) External business development plan In March 2022, the Board of Directors approved the establishment of a company within the Group specializing in metal recycling and refining. In addition to supporting internal operating activities, the Group will also develop external supply opportunities that do not use metals newly extracted from mines in order to reduce carbon footprint. The related plan is described in the internal operating documents (3) Key indicators and targets A. Continue greenhouse gas inventory covering all Group companies to capture annual Scope 1, Scope 2 and Scope 3 greenhouse gas emissions. B. Compare greenhouse gas emissions with monthly
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7. If internal carbon pricing is used as a planning tool, the basis for price setting should be described 8. If climate-related goals are set, information on the activities covered, the scope of greenhouse gas emissions, the schedule, and the annual progress of achievement should be described; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and amount of carbon reduction credits offset or the amount of renewable energy certificates (RECs) should be described. 9. Status and reduction targets of greenhouse gas inventory and verification, strategies and specific action plans (also fill in 1-1 and 1-2)	energy usage statistics to track and analyze the results of various internal emission reduction programs. C. For external business development programs, regularly compare the differences between actual performance and original estimates, and conduct follow-up analysis and improvement 7. Description of using internal carbon pricing as a planning tool Up to date, the Company has not used internal carbon pricing as a tool for greenhouse gas emission reductions 8. Setting climate-related goals (1) Activities covered by the Company's climate goals Include all internal and external activities within the Group (2) Greenhouse gas emission scope of the Company's climate goals Include Scope 1 and Scope 2 greenhouse gas emissions from all Group companies. (3) The schedule of the Company's climate goals Based on the emissions in 2021, achieve a 50% reduction in 2030 in expectation. (4) Use of carbon offsets or renewable energy certificates (RECs) to achieve relevant targets A. Carbon sinks of forests. B. Self-built solar panel generation 9. Greenhouse Gas Inventory and Assurance Status Although our group is not currently within the mandatory disclosure industry scope, we have voluntarily conducted a greenhouse gas inventory within the group and regularly report the results to the Board of Directors. Since only a few companies within the group have completed both the inventory and assurance, the following "1-1 Greenhouse Gas Inventory and Assurance Status" presents the data voluntarily collected and disclosed for the year 2023.
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1-1 Greenhouse Gas Inventory and Verification of the Company in the most recent two years

1-1.1 Information on Greenhouse Gas Inventory

Describe the most recent two years of greenhouse gas emissions (tCO ₂ e), intensity (tCO ₂ e per million), and data coverage
1. The parent company entity should begin conducting inventories starting in 2025. ° 2. Subsidiaries included in the consolidated financial statements should begin conducting

inventories starting in 2026 °

3. 2Greenhouse Gas Emissions for 2023:

- (1) **Scope 1 Greenhouse Gas Emissions:** Total emissions of 133 metric tons of CO₂e; data boundary:
 - A. Key subsidiary: Regal Jewelry Manufacture Co., Ltd.
 - B. Key subsidiary: Regal Plating Co., Ltd.
- (2) **Scope 2 Greenhouse Gas Emissions:** Total emissions of 3,239 metric tons of CO₂e; data boundary: :
 - A. Key subsidiary: Regal Jewelry Manufacture Co., Ltd.
 - B. Key subsidiary: Regal Plating Co., Ltd.
- (3) **Scope 3 Greenhouse Gas Emissions:** Total emissions of 3,446 metric tons of CO₂e; data boundary :
 - A. Key subsidiary: Regal Jewelry Manufacture Co., Ltd.
 - B. Key subsidiary: Regal Plating Co., Ltd.

4. Greenhouse Gas Emissions in 2024

- (1) Scope 1 Greenhouse Gas Emissions: Total emissions of 145.23 metric tons of CO₂e; data boundary: :
 - A. Key subsidiary: Regal Jewelry Manufacture Co., Ltd.
 - B. Key subsidiary: Regal Plating Co., Ltd.
 - C. Subsidiary Regal Management Solution Co., Ltd.
- (2) Scope 2 Greenhouse Gas Emissions: Total emissions of 2,989.57 metric tons of CO₂e; data boundary: :
 - A. Key subsidiary: Regal Jewelry Manufacture Co., Ltd.
 - B. Key subsidiary: Regal Plating Co., Ltd.
 - C. Subsidiary: Regal Precious Metal Co., Ltd.
- (3) Scope 3 Greenhouse Gas Emissions: Total emissions of 4,150.87 metric tons of CO₂e; data boundary :
 - A. Key subsidiary: Regal Jewelry Manufacture Co., Ltd.
 - B. Key subsidiary: Regal Plating Co., Ltd.
 - C. Subsidiary: Regal Precious Metal Co., Ltd.

1-1-1

Statement on the assurance situation for the two most recent years up to the date of the annual report's publication, including the assurance scope, assurance provider, assurance standards, and assurance opinion.

- 1. The parent company entity shall begin implementing assurance starting from 2027.
- 2. Subsidiaries included in the consolidated financial statements shall begin implementing assurance starting from 2028.

3. Greenhouse Gas Emissions in 2023

(1) Assurance Scope: Includes Scope 1, Scope 2, and Scope 3 greenhouse gas emissions

(2) Assurance Provider : Thailand Greenhouse Gas *Management Organization*

4. The 2024 greenhouse gas emissions data is currently under certification by an external certification institution.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

State the baseline year for greenhouse gas reduction and its data, reduction targets, strategies, specific action plans, and progress toward achieving the reduction targets.

1. Baseline year of greenhouse gas reduction: 2021

2. Baseline year data of greenhouse gas reduction: 7,205.62 tCO₂e

3. Greenhouse gas reduction target: 50% by 2030, 85% by 2035, and net-zero by 2045

4. Greenhouse gas reduction strategy: (1) Introduce IoT system

(2) Mangrove afforestation program

(3) Solar panel construction program

(4) Establishment of a company specializing in metal recycling and refining

(九) Status of Implementation of Integrity Operation:

Item	Implementation Status			Difference from the Integrity Operation Practice Principles for TWSE/GTSM-Listed Companies and reasons
	Yes	No	Description	
1. Adopt integrity operation policy and scheme				
(1) Does the Company adopt integrity operation policy approved by the Board and clarify the integrity operation policy in its regulations and external documents and the commitment of board of directors and managers to active implementation?	✓		(1) The company has established a "Code of Integrity Management," which has been approved by the Board of Directors. The code not only explicitly requires that directors and senior management provide a declaration of adherence to the integrity management policy, but also mandates that the company and its affiliated enterprises clearly state the integrity management policy in their regulations, external documents, and on the company website, and ensure its effective implementation in internal management and business activities. Specific Measures to Implement the Integrity Management Policy: As of November 14, 2024, all seven directors, including independent directors, have completed signing the "Declaration of Adherence to the	No major differences

Item	Implementation Status			Difference from the Integrity Operation Practice Principles for TWSE/GTSM-Listed Companies and reasons
	Yes	No	Description	
			Integrity Management Policy," achieving a 100% signing rate.	
(2) Does the Company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly at least include preventive measures against the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies Paragraph 2, Article 7?	✓		(2) To implement the risk assessment of unethical conduct and prevent them, besides the "Integrity Operation Principles", the Company has also established "Operating Procedures and Conduct Guidelines for Integrity Management". The Guidelines clearly state the procedures to prevent various types of unethical conduct, and cover the situations listed in the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies in Paragraph 2, Article 7; and the Company's internal auditors will check.	No major differences
(3) Does the company establish and revise relevant policies which are duly enforced to prevent unethical conduct and provide implementation procedures, guidelines, consequence of violation and complaint procedures in such policies regularly?	✓		(3) In addition to establishing operational procedures in the "Integrity Management Operating Procedures and Code of Conduct," the company also regulates relevant reward and punishment systems, as well as grievance mechanisms. It explicitly stipulates that integrity management must be incorporated into employee performance evaluations and human resources policies, serving as a reference for the regular review and revision of integrity-related policies and operational processes.	No major differences
2. Implementing integrity management				
(1) Does the Company assess the integrity record of its business partners and set faithful conduct policies in the terms and conditions of its contracts?	✓		(1) The Company specifies in the "Operating Procedures and Conduct Guidelines for Integrity Management" that before setting a business relationship with another party, the Company must first assess the legality, integrity management policy and past integrity record of the target party, and ask to include the compliance with the Company's integrity management policy in the terms of the contract when signing the contract, as well as the	No major differences

Item	Implementation Status			Difference from the Integrity Operation Practice Principles for TWSE/GTSM-Listed Companies and reasons
	Yes	No	Description	
			method of compensation for damages in the event of unethical conduct.	
(2) Does the company have a dedicated unit for promoting corporate integrity management, reporting directly to the Board of Directors, and regularly (at least once a year) providing the Board with updates on its integrity management policies, anti-corruption measures, and the status of their implementation and oversight?	✓		(2) The company has designated the Management Office, which reports directly to the Board of Directors, as the dedicated unit for promoting corporate integrity management. The company actively promotes the "Code of Integrity Management" established by the company. The annual work plan and key responsibilities of the company's integrity management unit are as follows: (1) Assist in integrating integrity and ethical values into the company's business strategy and collaborate with legal systems to establish anti-corruption measures to ensure integrity management. (2) Regularly analyze and assess the risks of unethical behavior within the scope of business operations, and based on this, develop measures to prevent unethical behavior, setting standard operating procedures and code of conduct for related work activities within each measure. (3) Plan the internal organization, structure, and responsibilities, and for business activities with higher risks of unethical behavior, establish mechanisms for mutual supervision and checks and balances. (4) Promote and coordinate integrity policy advocacy and training. (5) Plan a whistleblowing system and ensure its effective implementation. (6) Assist the Board of Directors and management in reviewing and assessing whether the preventive measures established for integrity management are operating effectively, and regularly evaluate the compliance of relevant business processes and prepare reports. Implementation Status: The company's integrity management unit reports to the Board of Directors on related matters at least once a year. The most recent report dates are as follows: (1) February 23, 2023, 18th Meeting of the 5th Board of Directors (2) February 26, 2024, 4th Meeting of the 6th Board of Directors (3) February 27, 2025, 8th Meeting of the 6th	No major differences

Item	Implementation Status			Difference from the Integrity Operation Practice Principles for TWSE/GTSM-Listed Companies and reasons
	Yes	No	Description	
			Board of Directors	
(3) Does the Company work out policies to prevent conflicts of interest and provide proper statement channels?	✓		(3) 1. The Company's "Integrity Operation Principles" has listed the recusal system for Board directors. If a Board director or a juristic person that the director represents is an interested party in relation to an agenda item, when the relationship is likely to prejudice the interest of the Company, that Board director may express his/her opinion and inquiry, but may not participate in discussion or voting on that agenda item, and shall recuse himself or herself from the discussion or the voting on the item and may not exercise voting rights as proxy for another Board director. 2. For each department, it is implemented by each department's responsibilities and scope, and report directly to the head of department via email.	No major differences
(4) Has the Company established an effective accounting system, internal control system and audit by internal auditors based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and examine accordingly the compliance with the prevention programs or CPAs to put integrity operation into practice?	✓		(4) The Company's accounting system is in accordance with relevant regulations. In addition, the Company has established internal control methods such as "Procedures for Accounting Professional Judgment, Changes in Accounting Policies and Estimates" and "Written Accounting System" as guidelines for compliance. The Company is audited by an independent public accounting firm, and the internal auditors also audit the compliance with these guidelines in order to prevent any possible dishonest behavior.	No major differences
(5) Does the company regularly organize internal and external training on integrity management?	✓		(5) The Company formulated the "Integrity Operation Principles", which was approved by the Board of Directors in June 2015, as a guideline for each enterprise and organization of the Group	No major differences

Item	Implementation Status			Difference from the Integrity Operation Practice Principles for TWSE/GTSM-Listed Companies and reasons
	Yes	No	Description	
			to follow in conducting business with integrity. It specifies the prohibitions and preventive measures for dishonest behaviors, such as anti-corruption and bribery, confidentiality mechanism, anti-monopoly and unfair competition, insider trading prohibition and supervision and reporting, etc. In March 2020, the Board of Directors approved the amendments to establish a mechanism for assessing the risk of dishonest behaviors, and specifies that the audit unit should draw up audit plans on the results of assessments of risk of dishonest behaviors, as well as the procedure of notifying results of the verification in order to enhance the corporate culture of operating business with integrity and the management mechanism. In order to facilitate the Company's Board directors, managers and employees to understand and promote the Group's integrity and ethical standards and to follow them in practice, the Company formulated "Code of Ethical Conduct for Directors and Managers" and "Operating Procedures and Conduct Guidelines for Integrity Management" in June 2015, which included conflict of interest prevention and prohibition of part time, avoidance of profiteering or improper transfer of benefits, fulfillment of confidentiality obligations and prevention of insider trading, fair trade and anti-trust/anti-competitive practices, protection and proper use of company assets, compliance with laws and regulations, encouragement of reporting of any illegal or unethical behavior, prohibition of bribery or acceptance of bribes, creation of an equal opportunity employment environment, maintenance of the workplace environment and the health and safety of employees, and oversight of whistleblower reporting.	
3. Operation of the company's whistleblowing system				

Item	Implementation Status			Difference from the Integrity Operation Practice Principles for TWSE/GTSM-Listed Companies and reasons
	Yes	No	Description	
(1) Has the company set specific report and reward system to facilitate the report channel and assign appropriate specialist accepting to spot the reported object ?	✓		(1) The Company supports an open and transparent ethical culture and encourages internal employees and external personnel to report any non-compliance with laws and regulations or the Company's policies through relevant reporting channels, and allows anonymous reporting (the name, ID card number, address, telephone number and email address of the person making the report are all anonymous). In addition, the Company has established the "Operating Procedures and Conduct Guidelines for Integrity Management", "Integrity Operation Principles", and "Code of Ethical Conduct for Directors and Managers", which describe the reporting system in detail; the specific reporting channels, reward system, and exclusive unit for receiving reports are as follows: 1. Reporting channels: (1) Physical suggestion box (in Thailand) (2) Online complaint channel: exclusive QR code for each department (food and beverage, health, personnel, etc.) (in Thailand) (3) Complaint mailbox: rh@regaljewelrygroup.com (in Taiwan) 2. Reward system: : The Company encourages internal and external personnel to report unethical behavior or misconduct, and if the case is substantiated, the Company will give a reward to the whistleblower according to the reported incident. 3. Exclusive unit: The Company's exclusive unit shall handle whistleblowing cases in accordance with the following procedures : (1) If the report involves general employees, it has to be reported to the head of the department; and if the report involves Board directors or senior executives, it has to be reported to the independent directors. (2) The Company's exclusive unit and the officer or personnel receiving report in the preceding paragraph	No major differences

Item	Implementation Status			Difference from the Integrity Operation Practice Principles for TWSE/GTSM-Listed Companies and reasons
	Yes	No	Description	
			has to immediately ascertain the relevant facts and ask for assistance from regulatory compliance or other relevant departments if necessary (3) If it is confirmed that the person being reported has violated the relevant laws and regulations or the Company's policies and regulations on integrity management, the Company has to immediately request the person being reported to cease the relevant conduct and dispose of it appropriately; and if necessary, report the matter to the authorities, refer it to the judicial authorities for investigation, or seek compensation for damages through legal proceedings in order to protect the Company's reputation and rights. (4) Receipt of the report, investigation process, and investigation results should all be kept in written form and kept for five years, and the preservation can also be done electronically. Before the expiration of the storage period, if a lawsuit related to the content of the report occurs, the relevant data has to be kept until the conclusion of the lawsuit (5) If a report is substantiated, the relevant unit of the Company has to review the relevant internal control system and operation procedures and propose improvement measures to prevent the recurrence of the same conduct. (6) The Company's exclusive unit has to report to the Board of Directors about the incident, its handling condition and subsequent review and improvement measures	
(2) Has the company set the standard operating procedures and related nondisclosure mechanisms to investigate reported matters?	✓		(2) Has the company set the standard operating procedures and related nondisclosure mechanisms to investigate reported matters?	No major differences

Item	Implementation Status			Difference from the Integrity Operation Practice Principles for TWSE/GTSM-Listed Companies and reasons
	Yes	No	Description	
(3) Has the Company set follow-up measures after investigations to protect whistleblowers do not suffer for which he or she reported?	✓		(3) The Company has disclosed the latest version of the "Integrity Operation Principles" and "Operating Procedures and Conduct Guidelines for Integrity Management" on the Company's website and on Market Observation Post System (MOPS) respectively. In addition, the Company has also disclosed the status of its fulfillment of the integrity operation on the Company's website for public inspection.	No major differences
4. Enhance information disclosure				
Does the company disclose the information of implementation and results of integrity management on its website and the MOPS?	✓		The Company has disclosed the latest version of the "Integrity Operation Principles" and "Operating Procedures and Conduct Guidelines for Integrity Management" on the Company's website and on Market Observation Post System (MOPS) respectively. In addition, the Company has also disclosed the status of its fulfillment of the integrity operation on the Company's website for public inspection.	No major differences
5. If the company develops its own integrity operation rules according to the Integrity Operation Best Practice Principles for TWSE/GTSM-Listed Companies, please state the differences: No major difference.				
6. Other important information for better understanding of the integrity operation: In order to continue strengthening the corporate culture of integrity management and to improve the future development of the Company, besides the existing education and training programs for new employees and the internal propaganda of the Company's senior management staff, the Company also intends to normalize and standardize the external training programs which previously held on an irregular basis. By adjusting the training to be held regularly every year and requiring staff at certain level or above to participate in the whole process, the Company's managements will be able to comprehend the latest global concepts, norms and operational strategies related to integrity management, and then review and improve the Company's "Integrity Operation Principles" and "Operating Procedures and Conduct Guidelines for Integrity Management" in order to enhance the effectiveness of the Company's integrity management				

Note: Regardless of whether "Yes" or "No" is selected, the operational status should be explained in the summary description section. °

(10) Other Important Corporate Governance Information: :

1. The material stakeholders of the Company based on its operational attribute: employees, clients, suppliers, investors/shareholders

The issues of concern to stakeholders, communication channels and communication situations in 2024 were reported to the Board of Directors on November 14, 2024.

Stakeholders	Issues of Concern	Communication Channels	Communication Conditions
Employees	- Salaries and Benefits - Business Performance - Talent Recruitment and Retention - Talent Development	- Welfare Committee - Grievance System - Satisfaction Surveys on Catering Services and Training Programs	- The Welfare Committee meets once every three months. - Complaints can be submitted to senior management through letters or email. - In 2024, a total of 82 complaint letters were received, with 59 issues resolved and 9 issues currently being addressed. Main complaint topics: Benefits and interpersonal relationships. 2024 Education and Training Implementation: Topics include occupational safety and health, on-the-job and advanced training, regulatory compliance, environmental sustainability, etc. A total of 9,495 person-times of education and training, with a total of 27,582 hours. Feedback from education and training evaluation questionnaires. - Scholarships provided to support outstanding employees in obtaining higher degrees through the dual-track program. 1 employee obtained a Master's degree in Logistics and Supply Chain Management. 2 employees obtained a Bachelor's degree in Industrial Management. 27 employees obtained a Higher Vocational Education Certificate (two-year program), with 10 more currently

			studying. 3 employees obtained a Vocational Education Certificate (three-year program), with 7 more currently studying.
clients	- Innovation Management of Customer Service - Customers Privacy - Ethics and traceability of products and materials	- Email - Conference calls - Trade fairs and exhibitions - Face-to-face meetings	- Daily email communication regarding product development and bulk orders. - Monthly regular follow-up and collaborative strategy meetings
Communities	- Regulation Compliance - Occupational Health and Safety - Human Rights - Environment Management - Community Engagement and Public Welfare	- Exclusive Unit for the Communication between the Company and the Community Residents - Sponsor and Participation in Community Events	- Provide live streaming services for shareholders and investors to watch in real-time and fully participate in the shareholder meeting. - The Chairman and CEO personally attend the shareholder meeting. ° - Information such as the shareholder meeting notice, shareholder meeting handbook, meeting minutes, annual report, etc., is disclosed on both the official website and the Market Observation Post System (MOPS). - The company has an email address, allowing investors to inquire and receive responses via email or phone. - Strengthen the management of the four key dimensions of the corporate governance evaluation criteria (including the protection of shareholder rights and equality). - Treating shareholders, strengthening the structure and operations of the board of directors, enhancing information transparency, and promoting sustainable development). The evaluation results demonstrate the overall excellence of the company's governance culture, which also

			helps shareholders and investors better understand the company and the group.
Supplier.	• Supply Chain Management • Compliance with legal regulations	• Supplier briefing sessions, various business exchange meetings • Project meetings	• Regular meetings and communication through video conferencing, phone, or LINE. • Irregular visits for discussions.
community	Regulatory compliance Occupational health and safety Human rights Environmental management Community engagement and social welfare	Dedicated department responsible for communication with community residents Sponsorship and participation in community activities	Regal Holdings is like a tree deeply rooted in the earth, dedicated to caring for rural areas and disadvantaged groups, while also protecting the environment and giving back to the community. In 2024, we have led over 100 employees to extend outward like branches, actively participating in social welfare and environmental sustainability activities, creating a better society through concrete actions. 1. Support for Rural Education In terms of supporting rural education, the Chairman acts as a guide, personally leading employees to provide love-filled lunches for children in rural areas. Additionally, we donated water dispensers, computers, computer desks, and other learning equipment to a total of 11 remote schools in Longzicuo, Beibi, and Phutthong. This initiative attracted 111 employees to participate, sowing the seeds of fair and high-quality education for underprivileged students, with the hope that they will grow strong in the future. Through scholarships and grants, we aim to build a solid knowledge foundation for these children, helping them sail toward a future

			filled with more opportunities. 2. Support for Vulnerable Groups Richen Holdings has long been concerned about vulnerable groups and people with physical and mental disabilities. We regularly sponsor the Taiwan Disability Softball Association, allowing individuals with disabilities to enjoy the outdoors and the joy of sports. At the same time, we donate essential supplies to elderly homes, gathering the strength of our employees to bring smiles and warmth to the elderly, much like the sun's rays. 3. Environmental Sustainability In terms of environmental protection, Richen Holdings continues its mangrove cultivation activities from 2023, covering 16,000 square meters. In 2024, we repeatedly called on employees to visit the Mangrove Learning and Resource Development Center in Longzicuo to participate in beach cleanups. A total of 28 participants joined, learning how small actions in daily life impact the environment. This not only promotes green thinking but also turns everyone into a guardian of the environment. 4. Community Giving Back Richen Holdings also actively gives back to the community. We donated candles, light bulbs, essentials, and offerings to a temple in Longzicuo to
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			support the religious ceremonies held there and preserve local religious culture. As Thailand is a major center of Buddhist culture, temples play an important role in the local community, not only as centers of religious belief but also as symbols of cultural unity. Furthermore, Richen Holdings built flood barriers for residents in the Lopburi community to improve safety and quality of life. This initiative involved 12 employees and demonstrated our responsibility and care for the community, creating a connection between corporate responsibility and the community. Through these efforts, we hope to create a safer and better living environment for residents. As a company that cares about social and cultural development, Regal Holdings creates a positive impact on society through various social welfare and environmental sustainability activities, strengthening its connection with the local community. In the future, we look forward to Richen Holdings making even greater contributions in social responsibility and leaving a sustainable environment for future generations.
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2. Please refer to List 1, List 2, List 3, of “ 3. The state of the company's implementation of corporate governance, any departure of such implementation from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies, and the reason for any such difference” for continuing education of directors, liability insurance for the Company’s directors, and continuing education/training related to corporate governance of managers.

(11) Status of Implementation of Internal Control System:

1. Statement on Internal Control

日成控股股份有限公司及其子公司
內部控制制度聲明書

日期：一一四年二月二十七日

本合併公司民國一一三年度之內部控制制度，依據自行評估的結果，謹聲明如下：

一、本合併公司確知建立、實施和維護內部控制制度係本公司董事會及經理人之責任，本公司業已建立此一制度。其目的係在對營運之效果及效率（含獲利、績效及保障資產安全等）、報導具可靠性、及時性、透明性及符合相關規範暨相關法令規章之遵循等目標的達成，提供合理的確保。

二、內部控制制度有其先天限制，不論設計如何完善，有效之內部控制制度亦僅能對上述三項目標之達成提供合理的確保；而且，由於環境、情況之改變，內部控制制度之有效性可能隨之改變。惟本合併公司之內部控制制度設有自我監督之機制，缺失一經辨認，本合併公司即採取更正之行動。

三、本合併公司係依據「公開發行公司建立內部控制制度處理準則」（以下簡稱「處理準則」）規定之內部控制制度有效性之判斷項目，判斷內部控制制度之設計及執行是否有效。該「處理準則」所採用之內部控制制度判斷項目，係為依管理控制之過程，將內部控制制度劃分為五個組成要素：1.控制環境，2.風險評估，3.控制作業，4.資訊及溝通，及5.監督作業。每個組成要素又包括若干項目。前述項目請參見「處理準則」之規定。

四、本合併公司業已採用上述內部控制制度判斷項目，評估內部控制制度之設計及執行的有效性。

五、本合併公司基於前項評估結果，認為本公司於民國一一三年十二月三十一日的內部控制制度（含對子公司之監督與管理），包括瞭解營運之效果及效率目標達成之程度、報導係屬可靠、及時、透明及符合相關規範暨相關法令規章之遵循有關的內部控制制度等之設計及執行係屬有效，其能合理確保上述目標之達成。

六、本聲明書將成為本公司年報及公開說明書之主要內容，並對外公開。上述公開之內容如有虛偽、隱匿等不法情事，將涉及證券交易法第二十條、第三十二條、第一百七十一條及第一百七十四條等之法律責任。

七、本聲明書業經本公司民國一一四年二月二十七日董事會通過，出席董事x人均同意本聲明書之內容，併此聲明。



日成控股股份有限公司

董事長：[Signature] 簽章

總經理：[Signature] 簽章

2. If accountant is engaged to review internal control, the reasons, the accountant's review opinion, the company's improvement measures, and the improvement status of the deficiencies should be listed: None

(12) Major Decisions of Shareholders' Meeting and Board Meetings as of the Date of this Annual Report:

1. Major Resolutions of Shareholders' Meeting and Implementation Status:

(1) Important resolutions of Shareholders' Meetings and implementation status in May 30th, 2024 :

- Approved the 2023 Business Report and Financial Report.
- Approved Distribution of 2023 Earnings.
Implementation status: The Company does not distribute dividends this year.
- Approved Partial Amendments of the Company's "Articles of Association".
Implementation status: The change was sent to the Cayman Islands for registration, and announced on official website.

Approved Partial Amendments to some provisions of the Company's "Rules and Regulations of Shareholders Meetings"

2. Major Resolutions of the Board of Directors and Implementation Status: :

Date	Major Resolutions
2024.02.26 4 th Board meeting in 6 th Term	1. Discussion and Approval of the 2023 Business Report, Financial Statements, and 2024 Business Plan Implementation Status: Included in the agenda for approval at the 2024 Annual Shareholders' Meeting
	2. Discussion and Approval of the 2023 Directors' and Employees' Remuneration Proposal Implementation Status: Included in the report items of the 2024 Annual Shareholders' Meeting.
	3. Discussion and Approval of the 2023 Earnings Distribution Proposal Implementation Status: Included in the agenda for approval at the 2024 Annual Shareholders' Meeting.
	4. Discussion and Approval of the 2023 Internal Control System Statement Implementation Status: Approved by resolution of the Board of Directors and duly announced.
	5. Discussion and Approval of the Company's Assessment of the Audit Quality Indicators (AQIs), Independence, and Competency of the Certifying CPA Implementation Status: Approved by resolution of the Board of Directors and duly announced.
	6. Discussion and Approval of the 2024 Audit Fees for the Company and Its Subsidiaries Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.

Date	Major Resolutions
	7. Discussion and Approval of Convening the Company's 2024 Annual Shareholders' Meeting Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	8. Discussion and Approval of Matters Related to Accepting Proposals from Shareholders Holding 1% or More of Shares Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	9. Discussion and Approval of the Business Division Organizational Chart of Regal Holding Co., Ltd. Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	10. Discussion and Approval of Amendments to Certain Provisions of the Company's "Audit Committee Charter" Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	11. Discussion and Approval of Amendments to Certain Provisions of the Company's "Board of Directors Meeting Rules" Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	12. Discussion and Approval of Amendments to Certain Provisions of the Company's "Shareholders Meeting Rules" Implementation Status: Included in the agenda for discussion at the 2024 Annual Shareholders' Meeting.
	13. Discussion and Approval of Amendments to Certain Provisions of the "Articles of Incorporation" Implementation Status: Included in the agenda for discussion at the 2024 Annual Shareholders' Meeting.
	14. Discussion and Approval of Regal Jewelry Manufacture Co., Ltd. (RJM) Seeking to Endorse and Guarantee Regal Precious Metal Innovation Co., Ltd. (RPM) for a Loan from United Overseas Bank (UOB) Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
2024.05.13 5 th Board meeting in 6 th Term	1. Discussion and Approval of the Company's 2024 First Quarter Financial Report Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	2. Discussion and Approval of the Appointment of the Company's Internal Audit

Date	Major Resolutions
	Manager Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
2024.08.23 6th Board meeting in 6th Term	1. Discussion and Approval of the Company's 2024 Second Quarter Financial Discussion Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	2 Discussion and Approval of the Non-Assurance Services to be Provided by AN-HO KPMG in 2024 Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	3. Discussion and Approval of the Cancellation of Regal Jewelry Manufacture Co., Ltd. (RJM) Endorsing and Guaranteeing Regal Precious Metal Innovation Co., Ltd. (RPM) for a Loan from United Overseas Bank (UOB) Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	4. Discussion and Approval of the Update Regarding Regal Jewelry Manufacture Co., Ltd. (RJM) Seeking to Endorse and Guarantee Regal Precious Metal Innovation Co., Ltd. (RPM) for a Loan from United Overseas Bank (UOB) Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	5. Discussion and Approval of Regal Jewelry Manufacture Co., Ltd. (RJM) Seeking to Endorse and Guarantee Regal Precious Metal Innovation Co., Ltd. (RPM) for a Loan from Bangkok Bank (BBL) Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	6. Discussion and Approval of the Second Phase of the Solar Panel Installation Project for Regal Jewelry Manufacture Co., Ltd. (RJM) Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
2024.11.14 7th Board meeting in 6th Term	1. Discussion and Approval of the Company's 2024 Third Quarter Financial Discussion Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	2. Discussion and Approval of the Company's 2025 Audit Plan Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	3. Discussion and Approval of Amendments to Certain Provisions of the Company's "Internal Audit Implementation Guidelines" Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.

Date	Major Resolutions
	4. Discussion and Approval of Amendments to Certain Provisions of the Company's "Corporate Governance Best Practice Principles" Implementation Status: Included in the report items for the 2025 Annual Shareholders' Meeting.
	5. Discussion and Approval of Amendments to Certain Provisions of the Company's "Accounting Professional Judgment Procedures, Accounting Policies, and Changes in Estimates" Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	6. Discussion and Approval of the Establishment of the Company's "Sustainability Information Management Procedures" Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	7. Discussion and Approval of the Company's Directors' and Executives' Remuneration Proposal Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
2025.02.27 8th Board meeting in 6th Term	1. Discussion and Approval of the 2024 Business Report, Financial Statements, and 2025 Business Plan Implementation Status: Included in the agenda for approval at the 2025 Annual Shareholders' Meeting.
	2. Discussion and Approval of the 2024 Directors' and Employees' Remuneration Proposal Implementation Status: Included in the report items for the 2025 Annual Shareholders' Meeting.
	3. Discussion and Approval of the 2024 Earnings Distribution Proposal Implementation Status: Included in the agenda for approval at the 2025 Annual Shareholders' Meeting.
	4. Discussion and Approval of the 2024 Internal Control System Statement Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	5. Discussion and Approval of the Company's Assessment of the Audit Quality Indicators (AQIs), Independence, and Competency of the Certifying CPA Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	6. Discussion and Approval of the Company's Change of Certifying CPA for Financial Statement Audits Starting from the 2025 Fiscal Year

Date	Major Resolutions
	Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	7. Discussion and Approval of the 2025 Audit Fees for the Company and Its Subsidiaries Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	8. Discussion and Approval of the Non-Assurance Services to be Provided by AN-HO KPMG in 2025 Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	9. Discussion and Approval of Amendments to Certain Provisions of the "Articles of Incorporation" Implementation Status: Included in the agenda for discussion at the 2025 Annual Shareholders' Meeting.
	10. Discussion and Approval of Merging the "Risk Management Committee" into the "Sustainability Development Committee" and Renaming it as the "Sustainability Development and Risk Management Committee" Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	11. Discussion and Approval of Convening the Company's 2025 Annual Shareholders' Meeting Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	12. Discussion and Approval of Matters Related to Accepting Proposals from Shareholders Holding 1% or More of Shares Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.
	13. Discussion and Approval of the Appointment of the Company's Internal Audit Manager Implementation Status: Executed in accordance with the resolution of the Board of Directors and duly announced.

(13) Major Issues of Record or Written Statements Made by Any Director Dissenting to Important Resolutions Passed by the Board of Directors as of the Date of this Annual Report: None. °

4. Accountant Fee Information

1. Range of Accountants' Fees

Unit: NT\$000

Name of Accounting Firm	Name of Accountant	Accountants' audit period	Audit Fee	Non-audit Fee	Total	Note
KPMG	CHANG, CHUN-I	2024. 01. 01-2024. 12. 31	4, 000	—	4, 000	—
	CHAO, MIN-JU	2024. 01. 01-2024. 12. 31				

Please specify the non-audit services (e.g. tax visa, confirmation, or other financial consulting services): None.

Note: If the Company changes its accountant or accounting firm during the year, please list the audit period and state the reasons for the change in the remarks column, and disclose the information of audit and non-audit fees paid in order. The non-audit fees should be accompanied by a description of the services provided.

- (2) If the accounting firm has been changed or the audit fee paid in the year of changing accounting firm is less than the audit fee paid in the year before change, the amount of the audit fee before, the amount of the audit fee after the change, and the reasons for changes shall be disclosed: None.
- (2) If the audit fee has decreased by 10% or more from the previous year, the amount, percentage and reason for the decrease in audit fee shall be disclosed: None.

5. Information of changing Accountant

- (1) Regarding the former accountant :

更換日期	114 年 2月 27日		
更換原因及說明	本公司為配合安侯建業聯合會計師事務所內部輪調，自114年度第一季起簽證會計師由張純怡會計師更換為吳佳翰會計師，另趙敏如會計師部分維持不變。		
說明係委任人或會計師終止或不接受委任	情況	當事人	會計師
	主動終止委任		不適用
	不再接受(繼續)委任		不適用
最新兩年內簽發無保留意見以外之查核報告書意見及原因	無此情事。		
與發行人有無不同意見	有		會計原則或實務
			財務報告之揭露
			查核範圍或步驟
			其他
	無	✓	
	說明：無		
其他揭露事項 (本準則第十條第六款第一目之四至第一目之七應加以揭露者)	無		

(1) Regarding the successor accountant：

事務所名稱	安侯建業聯合會計師事務所
會計師姓名	吳佳翰、趙敏如
委任之日期	114年 2 月 27 日
委任前就特定交易之會計處理方式或會計原則及對財務報告可能簽發之意見諮詢事項及結果	無此情事。
繼任會計師對前任會計師不同意見事項之書面意見	無此情事。

6. Information on whether the company's chairman, general manager, or managers responsible for financial or accounting affairs have, within the past year, been employed by the CPA firm issuing

the audit opinion or its affiliated entities: None.

7. Changes in shareholding and pledge of shares by directors, supervisors, managerial officers, and shareholders holding more than 10% of the company's shares.

(1) Changes in shares of Directors, supervisors, managerial officers, and major shareholders:

Title	Name	Year 2024		Year 2025 as of the Date of this Annual Report	
		Shareholding Increase/Decrease	Pledged Shares Increase/Decrease	Shareholding Increase/Decrease	Pledged Shares Increase/Decrease
Chairman/ Deputy General Manager, R&D / Major shareholder	Solar Jewelers Group Corp.	—	—	—	—
	Representative : PHACHARAPON PHAIBOONSUNTORN	—	—	—	—
Director / Deputy General Managers, Production	Hyperion Trading Co., Ltd.	—	—	—	—
	Representative : SARAYUTH MUNGCHITVITSAVAKORN	—	—	—	—
Director/ Deputy General Managers, Sales (Note 1)	Orlog Global Co., Ltd.	—	—	—	—
	Representative : LIN, CHIU-I	—	—	—	—
Director	Unique Global Investment Inc.	—	—	—	—
	Representative : LIN, CHIN-SAN	—	—	—	—
Independent Director	LEE, TSUNG-PEI	—	—	—	—
Independent Director	GUAN, JYH-LIANG	—	—	—	—
Independent Director	LIN, JU-YING	—	—	—	—
General Manager	NARISSARRANEE KEATBHOONYARRITH	—	—	—	—

(2) Share transfer with related parties: None

(3) Share pledges with related parties: None

8. Information on relationships among the top ten shareholders:

March 31, 2025; Unit: shares

Name	Shareholding		Spouse & Minor Shareholding		Shares Held through Other Parties Shares held		Name and Relationship between the Company's 10 largest shareholders		Remarks
	Shares	%	Shares	%		Shares	%	Shares	
Solar Jewelers Group Corp.	13,760,000	35.84%	—	—	—	—	(1) Arianna Investment Co., Ltd. (2) PHACHARAPORN PHAIBOONSUNTORN (3) Profitable Investments Limited	(1) same person (2) same person (3) first-degree relative	—
Representative : PHACHARAPON PHAIBOONSUNTORN	925,800	2.41%	—	—	2,549,559	6.64%			—
Arianna Investment Co., Ltd.	2,549,559	6.64%	—	—	—	—	(1) Solar Jewelers Group Corp. (2) PHACHARAPORN PHAIBOONSUNTORN (3) Profitable Investments Limited	(1) same person (2) same person (3) first-degree relative	—
Representative : PHACHARAPON PHAIBOONSUNTORN	925,800	2.41%	—	—	2,549,559	6.64%			—
Cordelia Global Investment Co., Ltd.	1,655,203	4.31%	—	—	—	—	(1) Olivia Global Marketing Co., Ltd. (2) Morning Star Group Corp. (3) Elemental Creation Inc. (4) Profitable Investments Limited	(1) first-degree relative (2) first-degree relative (3) second-degree relative (4) first-degree relative	—
Representative : LIN, JU-YING	324,800	0.85%	—	—	1,655,203	4.31%			—
Hyperion Trading Co., Ltd.	1,463,682	3.81%	—	—	—	—	—	—	—
Representative : SARAYUTH MUNGCHITVITSAVAKORN	284,800	0.74%	—	—	1,463,682	3.81%			—
Ausrine Marketing Corp.	1,276,800	3.33%	—	—	—	—	—	—	—

Name	Shareholding		Spouse & Minor Shareholding		Shares Held through Other Parties Shares held		Name and Relationship between the Company's 10 largest shareholders		Remarks
	Shares	%	Shares	%		Shares	%	Shares	
Representative : LAI, CHIN-HO	—	—	—	—	—	—			—
Olivia Global Marketing Co., Ltd.	1,276,800	3.33%	—	—	—	—	(1) Cordelia Global Investment Co., Ltd. (2) Elemental Creation Inc. (3) Morning Star Group Corp. (4) Profitable Investments Limited	(1) first-degree relative (2) first-degree relative (3) spouse (4) second-degree relative	—
Representative : LIN HUANG, A-YUAN	—	—	160,000	0.42%	1,276,800	3.33%			—
Morning Star Group Corp.	1,148,716	2.99%	—	—	—	—	(1) Cordelia Global Investment Co., Ltd. (2) Elemental Creation Inc. (3) Olivia Global Marketing Co., Ltd. (4) Profitable Investments Limited	(1) first-degree relative (2) first-degree relative (3) spouse (4) second-degree relative	—
Representative : LIN, PI-YUAN	160,000	0.42%	—	—	1,148,716	2.99%			—
Elemental Creation Inc.	989,123	2.58%	—	—	—	—	(1) Morning Star Group Corp. (2) Olivia Global Marketing Co., Ltd. (3) Cordelia Global Investment Co., Ltd.	(1) first-degree relative (2) first-degree relative (3) second-degree relative	—
Representative : LIN, CHIN-SAN	160,000	0.42%	—	—	989,123	2.58%			—
PHACHARAPON PHAIBOONSUNTORN	925,800	2.41%	—	—	2,549,559	6.64%	(1) Solar Jewelers Group Corp. (2) Arianna Investment Co., Ltd. (3) Profitable Investments Limited	(1) first-degree relative (2) first-degree relative (3) second-degree	—
Profitable Investments Limited	892,000	2.32%	—	—	—	—	(1) Solar Jewelers Group Corp. (2) Arianna Investment Co., Ltd. (3) Cordelia Global Investment Co., Ltd. (4) Olivia Global Marketing Co., Ltd.	1) first-degree relative (2) first-degree relative (3) spouse (4) second-degree relative	—

Name	Shareholding		Spouse & Minor Shareholding		Shares Held through Other Parties Shares held		Name and Relationship between the Company's 10 largest shareholders		Remarks
	Shares	%	Shares	%		Shares	%	Shares	
Representative : NATTHANISA PHAIBOONSUNTORN	—	—	—	—	892,000	2.32%	(5) Morning Star Group Corp. (6) PHACHARAPORN PHAIBOONSUNTORN		—

Note: If abovementioned juristic person is also a director, the representative of the juristic person is the director or its representative is the appointed man of its juristic-person of first meeting of Sixth-term B.O.D.; the rest of representatives are the authorized signatory of its own juristic person.

9. The total number of shares and total equity stake held in any single enterprise by the Company, its directors and supervisors, managers, and any companies controlled either directly or indirectly by the Company:

March 31, 2025; Unit: shares

Shift in investment	Investment by the Company		Investment by directors, supervisors, managers, direct or indirect control groups		Combined investment	
	Shares	%	Shares	%	Shares	%
Regal Jewelry Manufacture Co., Ltd.	4,549,998	99.99%	2	0.01%	4,550,000	100.00%
Regal Plating Co., Ltd.	127,500	51.00%	—	—	127,500	51.00%
Regal Management Solution Co., Ltd. (Note 1)	—	—	—	—	—	—
Linden Integrated Co., Ltd. (Note 2)	—	—	—	—	—	—
Reunite Inspiring Creation Co., Ltd. (Note 3)	—	—	—	—	—	—
Regal Precious Metal Innovation Co., Ltd.	999,000	99.90%	1,000	0.10%	1,000,000	100.00%

Note 1: The subsidiary, Regal Management Solution Co., Ltd., had its dissolution approved by the board of directors in November 2023, and the dissolution process was completed in November 2024.

Note 2: The sub-subsidiary, Linden Integrated Co., Ltd., had its dissolution approved by the board of directors in November 2023, and the dissolution process was completed in November 2024.

Note 3: The subsidiary, Reunite Inspiring Creation Ltd., had its dissolution approved by the board of directors in November 2023, and the dissolution process was completed in October 2024.

3. Information on Capital Raising Activities

1. Capital and shares

(1) Sources of Capital

1. Process of Capital raising

Unit: 1,000 shares; NT\$000

Year/Month	Issued price (NT\$)	Authorized Capital Shares		Paid-in Capital		Remarks		
		Shares (1,000 shares)	Amount (NT\$000)	Shares (1,000 shares)	Amount (NT\$000)	Capital sources	Property other than cash offset by the number of shares	Other s
Oct., 2014	10	0.001	0.000001	0.001	0.000001	Established	Established	—
Dec., 2014	10	60,000	600,000	30,000	300,000	Share Exchange	Share Exchange	—
Feb., 2015	25	60,000	600,000	32,000	320,000	Capital increase by cash	—	—
Sept., 2016	83	60,000	600,000	33,920	339,200	Capital increase by cash	—	—
Apr., 2017	66	60,000	600,000	38,160	381,600	Capital increase by cash	—	—
Dec., 2018	0	60,000	600,000	38,500	385,000	new shares for employee restricted stocks	—	—
Aug., 2019	0	60,000	600,000	38,470	384,700	withdrawal new shares for employee restricted stocks	—	—
Mar., 2020	0	60,000	600,000	38,400	384,000	withdrawal new shares for employee restricted stocks	—	—
Aug., 2020	0	60,000	600,000	38,386	383,860	withdrawal new shares for employee	—	—

						restricted stocks		
Nov., 2021	0	60,000	600,000	38,389	383,890	conversion of convertible corporate bond	—	—
Mar., 2022	0	60,000	600,000	38,396	383,960	conversion of convertible corporate bond	—	—

2. Types of Issued Shares

March 31, 2025; Unit: shares

Type	Authorized Capital Shares			Remarks
	Issued Outstanding Shares	Non-issued Shares	Total	
Registered Common Shares	38,396,032	21,603,968	60,000,000	—

3. Information on shelf registration system: Not applicable.

(2) List of major shareholders

March 31, 2025; Unit: shares

Shares	Shares Held	Shareholdings (%)
Name of major shareholders		
Solar Jewelers Group Corp.	13,760,000	35.84%
Arianna Investment Co., Ltd.	2,549,559	6.64%
Cordelia Global Investment Co., Ltd.	1,655,203	4.31%
Hyperion Trading Co., Ltd.	1,463,682	3.81%
Ausrine Marketing Corp.	1,276,800	3.33%
Olivia Global Marketing Co., Ltd.	1,276,800	3.33%
Morning Star Group Corp.	1,148,716	2.99%
Elemental Creation Inc.	989,123	2.58%
PHACHARAPON PHAIBOONSUNTORN	925,800	2.41%
Profitable Investments Limited	892,000	2.32%

(3) Dividend Policy and Execution Status

1. Dividend policy as stipulated in the Articles of Incorporation

The Company operates in a niche market characterized by specific demand and customized products, and is currently in a growth stage. The Board of Directors shall determine the distribution of dividends based on the Company's earnings for the respective fiscal year, overall development, financial planning, capital requirements, industry outlook, and future prospects. The Board shall draft a proposal for dividend distribution to be submitted to the shareholders' meeting for resolution.

During the period when the Company's shares are traded on the Emerging Stock Board or listed on the Taiwan Stock Exchange/OTC, the Board of Directors, when proposing the earnings distribution, shall first allocate from the annual earnings of each fiscal year :

- (1) a reserve for payment of tax for the relevant financial year;
- (2) an amount to offset losses incurred in previous years;
- (3) ten percent (10%) as reserve ("Statutory Reserve"); and
- (4) a special surplus reserve as required by the applicable securities authority of the R.O.C. under the Applicable Public Company Rules. If there should be any remaining profits, subject to the discretion of the Directors, after combining all or part of the accumulated undistributed profits in the previous years and the reversed special surplus reserve, the combined amount shall be allocated as dividends to the Members in proportion to their shareholdings. Subject to the Law and the Applicable Public Company Rules and unless otherwise resolved by the Board and the Members, and after having considered the financial, business and operational factors of the Company, the dividends shall not be less than fifty percent (50%) of profit after tax of the relevant year. The distribution may be made by way of cash dividends or by way of stock dividends or a combination thereof, provided that, the cash dividends shall not be less than thirty percent (30%) of the total amount of dividends payable.

2. Proposed Dividend Distribution for the Year:

The earnings distribution proposal for the fiscal year 2024 was approved by the Board of Directors on February 27, 2025, and will be reported to the Annual General Meeting of Shareholders in accordance with the law. The Company does not propose to distribute any dividends for the year 2024 °

3. Forecast of the major change of dividends' policy: None.

- (4) Impact of planned issuance of bonus shares on the Company's business performance and earnings per share:

The company does not disclose financial forecast information for 2023, and there is no issuance of bonus shares this time, so it is not applicable.

(5) Employee and Director Compensation

1. According to Article 14.4 of the Company's Articles of Incorporation, if the Company

has earnings in a given fiscal year, no less than 1% of the pre-tax net profit shall be allocated as employee compensation, and no more than 3% of the pre-tax net profit shall be allocated as director compensation. However, if the Company still has accumulated losses, the amount necessary to cover such losses shall be reserved in advance.

The employee compensation mentioned in Article 14.4 shall be distributed in the form of shares or cash, and may include employees of subsidiaries who meet certain criteria, as determined by the Board of Directors of the Company.

2. The accrued amounts for employee and director compensation in the current period are consistent with the actual distribution amounts. If the Company reports profits for the year, no less than 1% of pre-tax net profit shall be allocated as employee compensation, and no more than 3% as director compensation. However, if there are accumulated losses, the amount needed to offset such losses shall be reserved in advance.

The aforementioned employee compensation may be distributed in the form of stock or cash, and the recipients may include employees of subsidiaries who meet certain criteria. If there is any difference between the actual distribution amount and the accrued amount, the difference shall be treated as a change in accounting estimate and its impact shall be recognized in the profit or loss of the following year.

3. Board Resolution on the Distribution of Compensation :

- (1) For the fiscal year 2024, the Company incurred a net loss after tax and did not generate any profit. In accordance with the Articles of Incorporation, no employee or director compensation was allocated.

If there is any difference between the actual distribution amount and the accrued amount, such difference shall be treated as a change in accounting estimate and adjusted in the accounts of the following fiscal year.

- (2) Amount of Employee Compensation Distributed in the Form of Stock and Its Proportion to the Current Period's Net Income After Tax and Total Employee Compensation: None.

4. Actual Distribution of Employee and Director Compensation for the Previous Year (Including Number of Shares, Amount, and Share Price):

For the fiscal year 2023, the Company incurred a net loss after tax and did not generate any profit. In accordance with the Articles of Incorporation, no employee or director compensation was allocated. There was no difference between the actual distribution and the accrued amount.

- (6) Repurchase of the Company's Shares: None

- 2 Status of Corporate Bond Issuance: None

- 3 Status of Preferred Stock Issuance: None

- 4 Status of Overseas Depositary Receipt Issuance: None

- 5 Status of Employee Stock Option Certificates: None

- 6 Status of Issuance of New Shares with Restricted Employee Rights: None
- 7 Status of Issuance of New Shares in Mergers or Acquisitions or in Transfer of Shares from Another Company: None"
- 8 Status of Fund Utilization Plan Implementation :
 - 1. Status of Uncompleted Previous Issuances or Private Placements of Securities: None
 - 2. Completed as of the date of the annual report's printing, but the planned benefits have not yet materialized for the most recent quarter or within the past three years: None.

4. Overview of Business Operations

1. Description of the business

1. Description of the business :

The Company is a holding company, with key subsidiaries that have substantial operational functions. These subsidiaries include Regal Jewelry Manufacture Co., Ltd., whose main business activities are the design, manufacturing, and sales of jewelry; Regal Plating Co., Ltd., which specializes in jewelry electroplating processing; and the newly established Regal Precious Metal Innovation Co., Ltd., which focuses on metal recycling and refining services.

2. Operational proportion :

Unit: NT\$000; %

Year Major products	Year of 2023		Year of 2024	
	Amount	%	Amount	%
design, manufacture, and sales of jewelry and accessories	1, 078, 151	93. 86	1, 597, 219	89. 76
Jewelry plating	70, 579	6. 14	182, 138	10. 24
Total	1, 148, 730	100. 00	1, 779, 357	100. 00

3. Current product (Service) items :

- (1) he jewelry design and manufacture service in brass, 925 silver, and 9K, 10K, 14K, to 18K gold or rose gold, including necklaces, pendants, earrings, brooches, bracelets, beads, rings and cufflinks, etc. In addition, we also provide related products such as metal sheets, findings, chains, accessories and wires.
- (2) The plating service for jewelry product, from 1-Tone plating for all kinds of precious metals, to 2-Tone plating and Multi-Tone plating service.
- (3) Metal recycling and refining services. Customers give us the silver scrap generated from production processes, and then we recycle them into silver grains of 99.99% purity for customers

4. New products and services to be developed :

In the past, people used to use jewelries as products for their descendants, festivals, etc. The more valuable the jewelries are, the more significant they are to people, but with the changing trend of the times, jewelries are gradually evolving into personalized products that meet the trend of the generations and the expectations of the public. In addition to accumulating a lot of experience and knowledge in jewelry manufacturing, we also

participate in major jewelry shows around the world every year and keep abreast of international market trends through the media such as news, newspapers, magazines, online media and professional databases in order to create trendy and personalized products.

The Company's future product development directions are summarized as below :

- (1) Fashionable products: silver jewelry, pendants, rings, bracelets, earrings, bracelets and necklaces that meet the future trend of Europe and America. Develop convertible combination personalized jewelry, new metal jewelry style, and products of setting-stone-on-wax series.
- (2) Themed products like silver jewelry, earrings, necklaces, and bracelets
- (3) Brand cooperation: jointly design and produce special jewelry products and distribute them in the Asian market through brand licensing °
- (4) Strategic cooperation: cooperate with different types of downstream clients to increase sales channels °

(2) Industry Overview

1. Current Status and Development of the Industry

(1) Overview of the Jewelry and Accessories Industry

Jewelry was once regarded as rare, precious, and culturally significant, symbolizing status and wealth, while also carrying human emotions and ideas. However, over time, jewelry has evolved, and for modern consumers, it has become a representation of fashion. Wearing jewelry is now seen as a personal style, a statement of fashion and trends, while also serving practical and aesthetic purposes. Recently, with the rapid advancement of technology and the increasing popularity of mobile devices, the jewelry industry has experienced positive market growth. The profits of jewelry brands now come more from well-designed products rather than items focused solely on high-value gemstones.

In today's jewelry market, brands not only need to offer designs that are creative and unique, but also establish a high-quality image and pricing strategies that attract the general consumer market. Currently, the global jewelry market is highly competitive, with both small businesses and major players vying for market share. The main players use key strategies, such as strategic acquisitions and mergers, product innovation, joint ventures through partnerships, and geographical expansion, to maintain their long-term positions in the jewelry market. Among these strategies, building jewelry brands through collaborations or acquisitions to enhance added value is the most prominent approach.

(2) Development of Jewelry Brands

A. Definition of the Fine Jewelry Industry

According to the Global Industry Classification Standard (GICS), jointly developed by Morgan Stanley (MSCI) and Standard & Poor's (S&P), the luxury goods industry is officially referred to as the "Apparel, Accessories & Luxury Goods" industry. Its main products include designer handbags, wallets, luggage, jewelry, and watches. Among these, fine jewelry refers to products created through the design, processing, production, and packaging of raw, uncut gemstones, precious metals, or other materials.

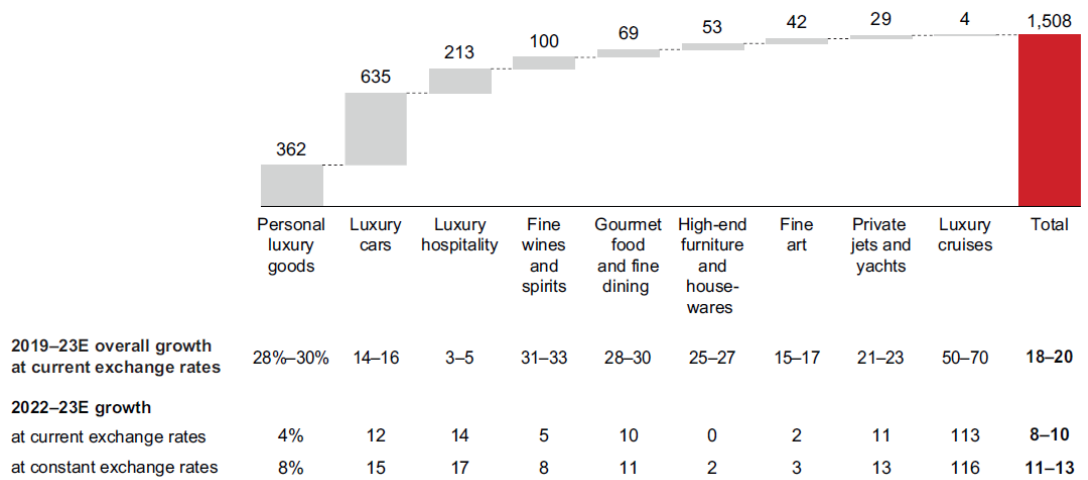
In the past, jewelry not only symbolized status and wealth but also carried human emotions and ideas. However, over time, for modern consumers, wearing jewelry is now seen as an expression of personal style, fashion, and trends, while also combining practicality and aesthetics. In recent years, with the aid of technology, jewelry has become increasingly intricate and refined, turning into items that resemble works of art, suitable for collection. As a result, the jewelry industry is no longer just a traditional craft but has evolved into a luxury goods industry that gives life to jewelry through storytelling, while also reflecting individual taste.

B. Overview of the Luxury Goods Industry

According to a report published by McKinsey & Company in 2024, the global luxury goods market is expected to experience a noticeable slowdown in growth over the next few years, although it will maintain moderate growth. Issues related to import tariffs may also impact the U.S. economy, leading many consumers to reduce their luxury goods spending. Luxury goods can no longer rely on significant price increases, and in the face of slowing sales growth, executives in the luxury goods sector will prioritize cost efficiency, focusing on controlling marketing expenditures and personnel costs to maintain profitability. While increasing sales volume can expand business, higher production levels are also essential for sustainability goals. At the same time, product uniqueness and innovation remain just as important.

Global Luxury Goods Market Size

Worldwide luxury spending, 2023E (€ billions)



Source : Bain & Company

After a period of rapid growth, the luxury goods industry is expected to experience a slowdown in growth in the coming years. In 2024, the total consumption of personal luxury goods is estimated to be between \$330 billion and \$340 billion. Recent international economic factors and reduced consumer spending have impacted the core luxury goods market, while domestic demand for luxury goods in China has also shown a noticeable slowdown. Overall, the global luxury goods market is expected to grow at a CAGR of 2-4% from 2025 to 2027. Among personal luxury goods, leather goods and jewelry are projected to see stronger growth compared to other categories, with both categories expected to grow at a rate of 4-6%.

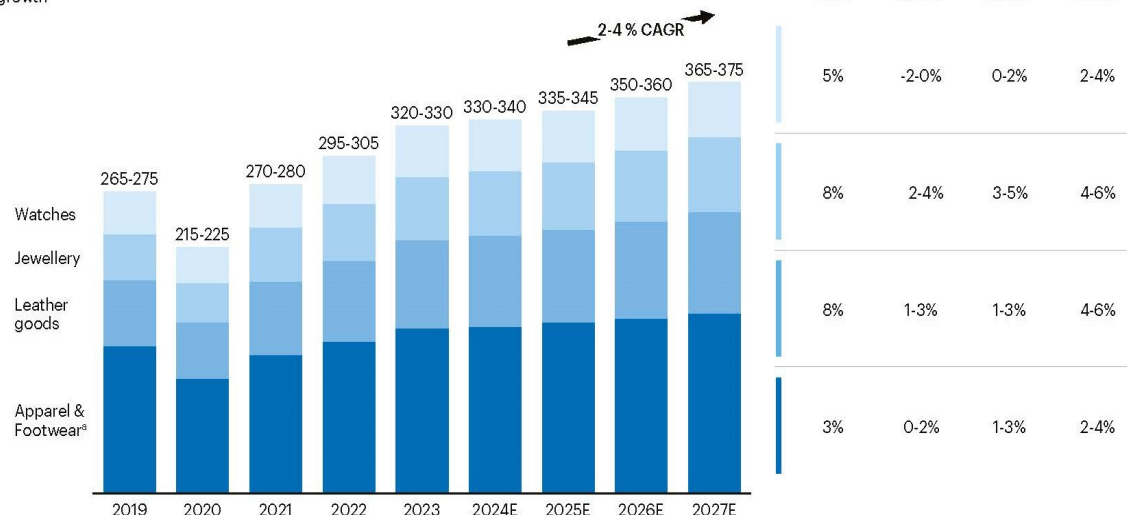
Personal Luxury Goods Market Size

Global personal luxury goods market by category, 2019-2027E,
USD (billion)

Total market
year-on-year
growth

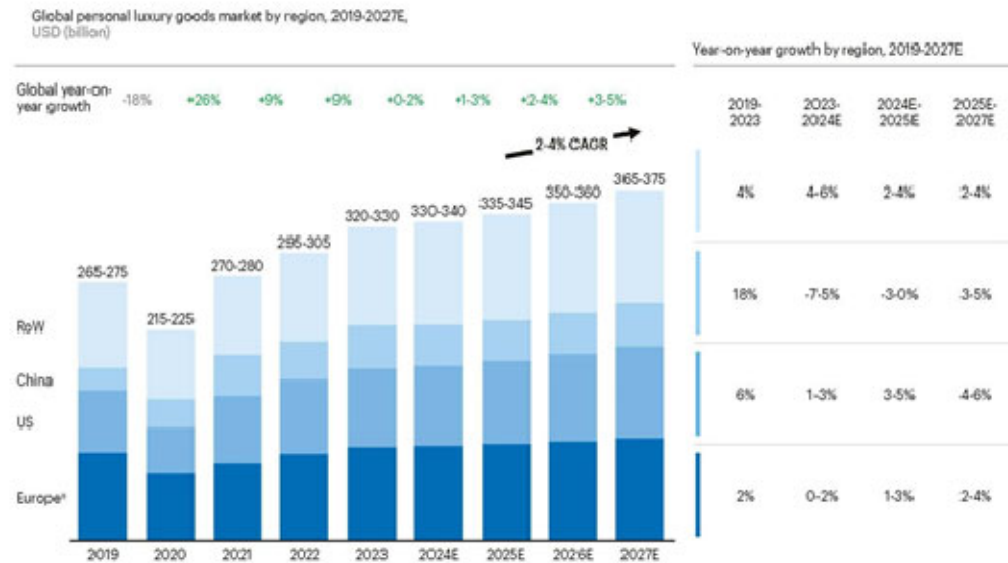
-18% +26% +9% +9% +0-2% +1-3% +2-4% +3-5%

Year-on-year growth by category, 2019-2027E



Source : Bain & Company

Looking at the global luxury goods market by region, growth in the luxury goods industry is expected to slow down in 2024, but moderate growth is projected in the coming years. Benefiting from favorable economic conditions, the United States is expected to become the primary growth driver for luxury goods from 2025 to 2027, mainly due to a decline in inflation and an increase in disposable income, which will stimulate interest in luxury goods among the middle class. Additionally, the number of ultra-high-net-worth individuals in the U.S. continues to grow, with an expected annual increase of 5% between 2023 and 2028. In the Asia-Pacific region, emerging markets such as Indonesia and Thailand will also benefit from rapid economic development and urbanization. The steady growth of middle and high-income consumer groups will allow the luxury goods market to continue benefiting.



Source : McKinsey & Company

For the luxury goods industry, the future trend will focus on high-end consumers, with very important customers (VICs) becoming the core of growth for luxury brands in the coming years. This high-spending group is relatively less affected by market conditions. Currently, high-spending consumers make up only 2-4% of the luxury goods customer base, but they account for 30-40% of total market consumption. It is expected that they will contribute 65-80% of the growth from 2023 to 2027. Looking ahead, the growth momentum of the luxury goods market will be driven by an increase in consumer confidence, growth in travel spending, greater contributions from the U.S. market, and stable development in China and the Middle East. According to Bain & Company's estimates, the personal luxury goods market is expected to grow at an annual rate of 5%-7% through 2030, with the overall luxury goods market reaching a size of €540-580 billion by the end of 2030.

C. Overview and Development of the Jewelry Market

Jewelry is one of the oldest forms of personal adornment in history. Whether it's a luxurious diamond necklace or a simple charm bracelet, jewelry instantly enhances the wearer's personal style and confidence. The main revenue sources for the jewelry market come from China, India, and the United States. According to a report by Grand View Research, jewelry spending for wedding ceremonies and celebrations remains a key driver of market growth, especially in India. Additionally, due to changing attitudes,

men are increasingly open to wearing jewelry, which has become another source of growth for the jewelry market.

In terms of materials, gold jewelry still holds the largest market share, while diamonds are becoming increasingly popular among consumers. Both natural diamonds and lab-grown diamonds, which have gained traction due to the growing global focus on sustainability, are experiencing market growth. Jewelry is expected to be the fastest-growing category from 2025 to 2027, with annual growth rates of 4% to 6%, driven by increasing demand from high-income consumers and continued investments by manufacturers in professional technological research and development.

Consumer preferences are also shifting from non-branded to branded jewelry. Gift-giving and collection are additional growth factors for jewelry sales, with the main beneficiaries being younger and more diverse customer groups. Furthermore, according to Polaris Market Research's forecast, the jewelry industry will continue to grow steadily until 2030.

Global Jewelry Market Value from 2018 to 2030



Source : Polaris Market Research

Jewelry products are primarily categorized into five major types: necklaces, rings, earrings, bracelets (chains), and others. According to the Grand View Research report, in 2023, rings accounted for the largest share of jewelry sales, with a market share of approximately 33.8%. The growth in global ring sales is largely driven by the increasing demand for wedding rings and the growing preference for rings as fashion accessories. While younger generations may have less traditional views on marriage, they still tend to establish a strong connection between love and rings. As a result, rings, including engagement and wedding rings, remain their preferred choice.

In addition, another trend in recent years has been the growth in ring sales within the male consumer segment. This growth can be attributed to improvements in men's jewelry design and the rising fashion awareness of men worldwide.

In the bracelet market, the increasing popularity of cross-cultural designs has been a key factor driving global demand for bracelets. Products inspired by Egyptian, European, and Italian cultures are expected to attract significant attention in the foreseeable future.

Earrings are generally considered one of the most eye-catching pieces of jewelry and are often worn in combination with other accessories such as necklaces or bracelets. Their ease of use has made them one of the most frequently worn jewelry items. Therefore, the growth in demand for necklaces, bracelets, and other jewelry may also contribute to an increase in earring sales.

Overall, the jewelry market is showing clear trends in various product categories, with rings leading the charge due to their cultural and symbolic importance, while earrings and bracelets benefit from ongoing design innovation and fashion integration.

2. Relationship Between Upstream, Midstream, and Downstream in the Industry

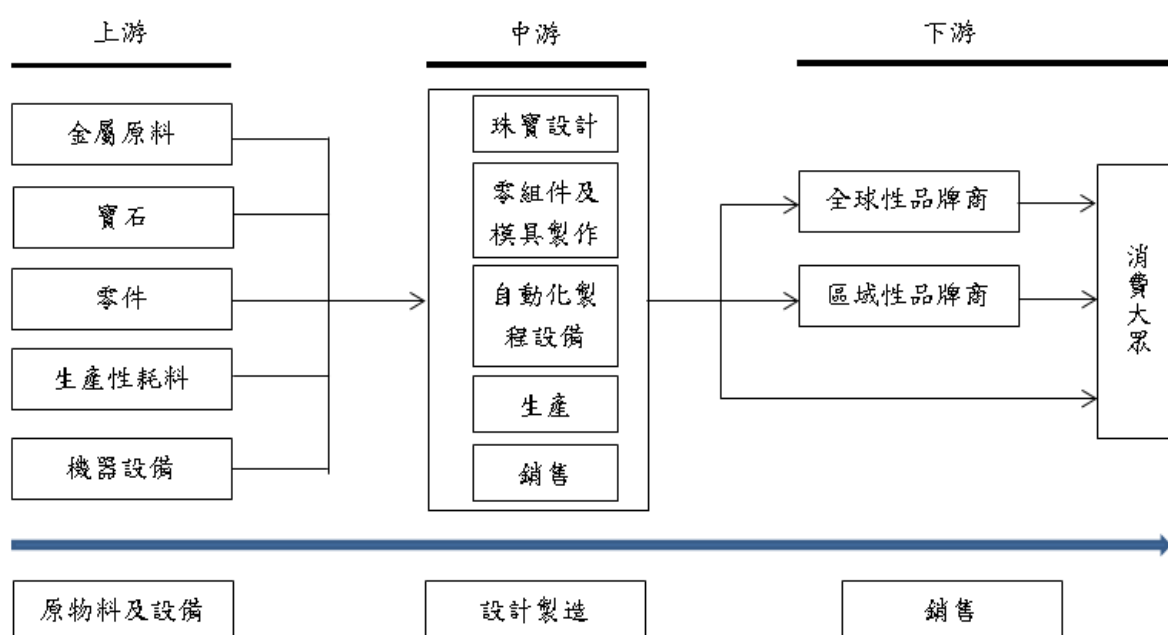
The jewelry and luxury goods industry has a long history and is one of the most time-honored industries. Its industrial chain is highly developed and mature. Based on the structure of the supply chain, it can be divided into three segments:

- Upstream suppliers of raw materials and equipment, who mainly provide precious metals, gemstones, and production equipment necessary for jewelry manufacturing;
- Midstream design and manufacturing companies, which focus on jewelry design, component and mold production, automated processing equipment, and subsequent manufacturing and sales;
- Downstream distributors, who reach end consumers through global and regional brand channels in the retail market.

With the rapid development of e-commerce and social media, downstream companies are actively establishing their own e-commerce platforms and social media channels to explore new sales avenues.

Our company specializes in the design, manufacturing, and sales of jewelry products, placing us in the midstream segment of the industry. We source a variety of raw materials from upstream suppliers—such as gold, silver, and platinum—and then proceed through various production stages including design, molding, casting, stamping, grinding, gemstone setting, welding, polishing, electroplating, and packaging. The finished products are then delivered to downstream distributors, who sell them to the end consumers.

Below is a diagram illustrating the relationship between the upstream, midstream, and downstream segments of the industry in which our company operates :



3. Various Product Development Trends

(1) Customized Craftsmanship

In terms of product design and manufacturing, our company places great emphasis on various craftsmanship techniques involved in jewelry production. Our products primarily feature metal casting and hand-set stones, and include items such as pendants, rings, bracelets, earrings, bangles, necklaces, cufflinks, and brooches. Moving forward, in addition to continuously accumulating experience and knowledge in jewelry manufacturing, we will integrate aesthetic design with advanced craftsmanship to make our products more user-friendly and customizable. This foundation will enable us to continually innovate and explore new frontiers. °

(2) Emphasis on Design Distinction

With the shift in consumer habits, today's younger generation shows a preference for personalized and refined products in their purchasing behavior. They are drawn to jewelry that features delicate, compact, and intricately crafted designs without being

overly elaborate, often paired with flexible color combinations. Jewelry that appears bold yet minimalist tends to appeal more to professional women, while fashion-forward pieces that emphasize design and personal taste are favored by the mid-to-high-end consumer segment.

In response, our company continually explores ways to align jewelry design features with consumer preferences. Our goal is to create pieces that not only embody vibrancy, fun, fashion, and elegance, but also reflect the wearer's unique sense of personal style.

(3) Leading Fashion Trends

The accuracy and timeliness of forecasting fashion trends and acquiring relevant information are crucial in the jewelry and luxury goods industry. Understanding current trends and using that knowledge to provide customers with the latest product selections is essential. Furthermore, enhancing the closeness of supply and demand, maintaining strong relationships, and fostering interactive communication are key challenges for jewelry design and manufacturing companies.

To address this, our company collects and forecasts international trend information through databases, various print and online media, in order to stay ahead of future fashion movements. We use this valuable data to design corresponding jewelry styles, combining different colors and aesthetics to create products that lead the next generation of trends. Each year, our company plans multiple new design collections and launches new products every season, allowing customers to select from the latest designs. Adhering to the principle of customization, we aim to stay at the forefront of fashion trends and provide our customers with the latest insights.

4. Competitive Landscape

Our company operates within the fast-paced fashion industry, where product updates are rapid and styles are constantly evolving. While there are many jewelry manufacturers, most of them are small-scale factories that primarily focus on copying existing products and are unable to set trends. In light of this, our company avoids competing in the highly competitive low-price market and instead targets a niche market focused on small-batch, highly customizable products.

In addition to producing exquisite jewelry for our customers, we offer customization services where clients can choose from designs created by our in-house team. Skilled artisans then craft the pieces with exceptional craftsmanship. A prime example of this

is our collaboration with internationally renowned jewelry brands, where our rose gold and K-gold series products have gained significant recognition.

Manufacturers who lack forward-thinking design capabilities, refined craftsmanship, and production flexibility find it difficult to enter this market segment. Therefore, for our company, there remains substantial room for growth and the potential for continued expansion in the future.

(3) Technology and R&D Overview

1. Technology Level and Research & Development of Our Business

The traditional jewelry industry is a highly labor-intensive sector, characterized by complex procedures, long production times, and inconsistent product quality. In terms of process, the design phase begins with the designer sketching the concept and style. Afterward, the jewelry prototype is crafted manually before proceeding to stages such as molding, casting, stamping, polishing, gemstone setting, welding, polishing, electroplating, and packaging.

To meet the diverse needs of our customers, our company combines technology with traditional craftsmanship. From the very beginning of the design process, we utilize advanced 3D computer-aided design (CAD) software to create 3D models, allowing us to communicate and make modifications with customers, thereby reducing manual labor time. Additionally, we use 3D printing to create wax models for jewelry before moving on to casting and other production processes.

In terms of production processes, we have improved several manufacturing techniques to stay ahead of industry standards. Coupled with professional technicians, we ensure the creation of exquisite and high-quality jewelry pieces. These advancements in technology have also enabled us to collaborate with various internationally renowned brands.

Currently, our R&D department consists of over 200 personnel, including more than 100 designers and pattern makers involved in product design and development. Their strong creative capabilities are a key competitive advantage for our company in expanding our market reach. Looking ahead, we will continue to train designers, develop more unique products, and invest resources into researching and improving our production techniques and equipment to drive our sustained growth.

2. Research & Development Expenses for the Most Recent Year and Up to the Date of Publication

Unit: NT\$000; %

Item	Year		
		Year of 2023	Year of 2024
R&D Expenses		66,425	65,263
Revenue		1,148,730	1,779,357
R&D Expenses to Revenue %		5.78	3.67

3. Technologies or Products Successfully Developed in the Most Recent Year

To maintain innovation and strengthen our competitive edge, our company began implementing an intellectual property (IP) management program in 2022, encouraging employees to brainstorm and propose new technological advancements and product designs.

As of the 2024 fiscal year, our IP management plan and its progress were reported to the Board of Directors on November 14, 2024. During 2024, the company did not apply for patents for any new technologies or products.

However, we will continue to enhance product design and development, as well as actively pursue applications for related intellectual property rights. For further details about our intellectual property management plan, please refer to page XXX of the annual report.

(4) Short-Term and Long-Term Business Development Plans

1. Short-Term Development Plan

(1) Business Strategy :

- A. Expand the business team to serve more customers, continuously track market trends, and strengthen responsiveness to global changes, while developing diverse and unique products that align with fashion trends.
- B. Optimize the R&D technical team to enhance the precision and complexity of design craftsmanship, thereby increasing the added value of products.
- C. Strengthen customization capabilities to offer comprehensive and diverse personalized solutions, meet the varied needs of all customers, and enhance customer loyalty.
- D. Adjust the allocation of core customer orders and factory manpower to maximize output per unit and achieve growth in gross profit ◦
- E. Continue to strengthen investment in ESG (Environmental, Social, and Governance)

issues to enhance the group's competitiveness and management capabilities in ESG matters.

(2) Business Objectives :

- A. Trendy Products: Continue to develop a complete range of jewelry pieces that align with future fashion trends.
- B. New Material Products: Promote lightweight luxury precious metal jewelry pieces.
- C. Mid- to High-End Jewelry: Adjust the company's order allocation to align with current trends in the jewelry industry and leverage the company's competitive advantages to strengthen the acquisition of mid- to high-end fine gold jewelry orders.
- D. Green Jewelry Products: Leverage the RPM company's ability within the group to produce recycled silver that meets the RJC CoC international certification, actively developing customer and ESG-related opportunities.

(3) Research and Development Plan :

- A. Enhance product development capabilities by combining aesthetics and craftsmanship, offering more unique and personalized products to meet the one-stop service needs of diverse customers.
- B. Continuously enhance the company's ability to design more advanced products and precision molds, improving product yield and diversity, and utilizing advanced prototyping equipment to meet customer demands.
- C. Enhance the automation R&D process-related equipment required for mid- to high-end products to improve manufacturing processes, while reducing production time, enhancing product quality, and lowering production costs.
- D. Continue to invest in patent applications for various types of jewelry and related structural designs, developing intellectual property with high added value.

2. Long-Term Development Plan

(1) Business Strategy :

Continue to monitor market trends and strengthen responsiveness, while leveraging the company's existing competitive advantages and core strengths to develop products that meet customer and consumer needs. In addition, the company is striving to become the "ultimate jewelry partner" for its clients by formulating tailored collaboration models based on customer profiles, understanding their unique DNA, and truly delivering value-added services. For new customer development, the company will target prospects based on predefined brand positioning categories and expand its product offerings accordingly.

(2) Operations Management :

A. Automation and Lean Initiatives:

Continuously invest in automated machinery and equipment, and implement Lean Projects. After completing the upgrade of the group's ERP system, we will

continue to streamline unnecessary steps in our processes to improve development efficiency.

B. Raw Material Procurement:

Regarding raw material sourcing, in addition to maintaining relationships with existing suppliers, we are actively preparing second and third supplier sources to safeguard against potential supply chain disruptions. Furthermore, in response to the growing global emphasis on sustainability and human rights within the jewelry industry, we are replacing suppliers for raw materials sourced from higher-risk regions and proactively implementing related risk management measures.

C. Personnel Training and Knowledge Management:

We continuously arrange various in-house training sessions and external educational programs—from enhancing the skills of production line employees to developing managerial talent. We encourage our staff to acquire multi-functional skills and are implementing the KM Project to establish a robust knowledge management framework that ensures effective knowledge transfer within the company, thereby strengthening the group's competitiveness. In addition, we have firmly implemented a performance management system to achieve our lean management goals.

D. Financial Management:

On the financial front, we are strengthening risk control mechanisms and developing financial demand plans for the short, medium, and long term. These plans are reviewed in line with the group's development strategies to ensure liquidity remains secure. At the same time, we continuously adjust our positions with a conservative hedging strategy to mitigate risks arising from international exchange rate fluctuations and raw material price volatility.

E. Sustainability Initiatives:

In terms of sustainability, we conduct carbon accounting and set benchmarks to reduce the group's carbon footprint. We are increasing the proportion of renewable energy used by the company and improving the transparency and traceability of the materials we use. Additionally, we promote awareness and foster green habits among our employees through various initiatives.

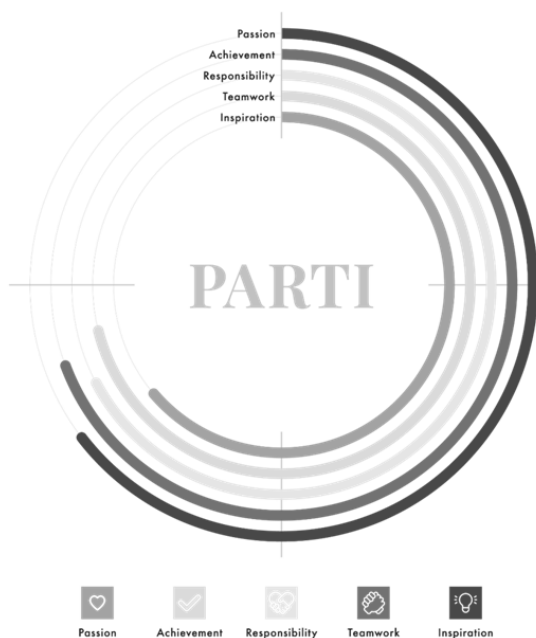
(3) Vertical Integration :

As the jewelry and fashion industry continues to evolve, brand clients are placing increasing emphasis on environmental concerns related to production cycles. Many have begun adopting the standards set by the *Responsible Jewellery Council (RJC)* as criteria for selecting suppliers. In response to this industry trend, the company's Board of Directors approved the establishment of RPM, a dedicated metal refining subsidiary,

in March 2022. In 2023, RPM obtained both RJC COP and CoC international certifications. This initiative not only reduces the costs previously incurred through outsourced refining services but also enables the company to further explore opportunities with RJC-certified suppliers and offer in-house metal refining services to its clients.

Our management team and all employees will continue to strive toward the vision of becoming “the most valuable jewelry enterprise in the world.” Guided by our five core values—**Passion, Achievement, Responsibility, Teamwork, and Inspiration**—we are committed to overcoming future business challenges and continuously strengthening our systems, production processes, and management practices. In the face of evolving market dynamics, we will remain focused on deepening our expertise in jewelry design and enhancing product value. These efforts aim to further boost our competitiveness, growth potential, and profitability—ultimately delivering greater returns to our shareholders.

「We are a passionate and wise team, able to build an environment with joy and sustainable developments. Create fashionable and lovable luxury products that are used to cherish and commemorate touching moments in life.」



- **Passion** 熱情 ความปรารถนาอันแรงกล้า
We have the passion to realize beautiful ideas into quality products.
我們以熱切的渴望將美好的理念實踐成優質的產品
เรามีความปรารถนาอันแรงกล้าที่จะสร้างสรรค์ความคิดที่สวยงามให้กลายเป็นผลิตภัณฑ์ที่มีคุณภาพ
- **Achievement** 成就 การมุ่งมั่นพิถีพิถัน
We are driven to achieve our promises with integrity.
我們以誠信標準達到更高的成就
เราขับเคลื่อนการมุ่งมั่นพิถีพิถันด้วยมาตรฐานความซื่อสัตย์สุจริต
- **Responsibility** 責任 ความรับผิดชอบ
We hold ourselves responsible to our stakeholders, society and the environment.
我們對利害關係人、社會和環境負起責任
เรามีความรับผิดชอบต่อผู้มีส่วนได้ส่วนเสีย สังคม และสิ่งแวดล้อม
- **Teamwork** 團隊合作 การร่วมมือทำงานเป็นทีม
We work as a team to develop, grow, and achieve greater heights as an organization.
我們以團體合作來發展與成長・達到組織的目標
เราทำงานร่วมกันเป็นทีมเพื่อพัฒนา เติบโต และบรรลุเป้าหมายองค์กรที่สูงขึ้น
- **Inspiration** 靈感 การสร้างแรงบันดาลใจ
We are inspired to always create, innovate, and break new grounds.
我們始終創造與創新・開拓新的領域
เราได้รับแรงบันดาลใจในการสร้างสรรค์ นวัตกรรมและคิดค้นสิ่งใหม่ๆ อยู่เสมอ

2. Analysis of the market and the production and marketing situation

(1) Market analysis

1. Sales areas of major product

Unit: NT\$000; %

Sales Area \ Year	Year of 2023		Year of 2024	
	Amount	(%)	Amount	(%)
Domestic	392,996	34.21	820,774	46.13
Overseas	755,734	65.79	958,583	53.87
Total	1,148,730	100.00	1,779,357	100.00

2. The Future of the Market: Supply and Demand Conditions and Growth Potential

In the process of branding, the jewelry industry also faces challenges due to the development of modern technology and changing consumer behavior (Van Gelder, 2005).

(1) Technological Convenience: The Impact of Modern Virtual Channels on the Jewelry Market

With the increasing prevalence of modern mobile technology and the internet, the development of online virtual channels has expanded the jewelry market beyond the traditional reliance on offline physical channels. In the past, offline physical stores dominated the jewelry market, mainly because most consumers had to rely on physical outlets to purchase jewelry. However, with the advancement of technology and the times, online virtual channels have grown rapidly. In addition to basic online payment functions, some jewelry brands have even introduced "virtual try-on" services that integrate AR and VR technologies, allowing consumers to simulate how they would look wearing jewelry in front of their computers.

Today, the boundaries between offline physical stores and online virtual channels have become increasingly blurred. Companies are investing resources to create integrated "omni-channel marketing," where online and offline channels converge. By integrating various resources, businesses aim to provide consumers with a consistent, harmonious, and personalized shopping experience across all channels. This strategy not only helps differentiate the brand from competitors and gain crucial competitive advantages but also enhances the brand's competitiveness and brand equity.

(2) Shift in Consumer Behavior: The Erosion of the Jewelry Market by Counterfeit Products

Counterfeit products are a critical issue that must be addressed in the jewelry brand industry (Olsen, JE, Granzin, KL, 1992; Carty, 1994). When the supply side reduces production costs, it naturally creates a price advantage, making it easier for consumers to obtain the products they desire to fulfill their own interests. However, when low-priced counterfeit products or imitation brands emerge, and their quality fails to meet standards, consumers will find it difficult to differentiate them in a market characterized by information asymmetry. The fear of being deceived often leads to a lack of trust in

jewelry products, which results in consumers spending less on jewelry and redirecting their money to other purposes. Therefore, the erosion caused by counterfeit products in the jewelry market should not be underestimated. °

(3) The Disadvantage of Country of Origin Image: Concerns of Emerging Countries

In the jewelry supply chain, product manufacturing is often carried out through OEM outsourcing in emerging countries, and then sold by brand owners. Over time, the profits for brand owners far outweigh those of OEM manufacturers. To generate more profit, OEM manufacturers must build their own brands to create added value. However, products made in emerging market countries have often been associated with poor quality or a high prevalence of counterfeit goods. For OEM manufacturers aiming to build jewelry brands, the image of their country of origin not only puts them at a disadvantage when developing a brand, but it can also hinder the growth of jewelry sales due to consumers' preconceived notions of the abundance of counterfeit products.

Currently, many jewelry brands come from advanced countries known for their fine craftsmanship and fashionable designs. Consumers rely on the brand's country of origin to ensure the quality, appearance, and design style of the products they purchase. Therefore, when building a jewelry brand, OEM manufacturers from emerging countries face not only the impact of their country's image and pressure from brand clients, but also a significant challenge from consumer skepticism.

3. Competitive Niche

- (1) **Quality and Reputation:** The products sold by our company undergo strict quality control and are subjected to rigorous safety and heavy metal content testing. In addition, our company undergoes annual third-party inspections commissioned by clients to assess the factory environment, production processes, and employee safety, in order to obtain various certifications. Through years of dedication in market development, our product quality and company reputation have been highly recognized and certified by renowned clients in Europe, the U.S., and other regions.
- (2) **Professional Design and R&D Team:** Our main clients are international large corporations, and each brand has its own unique product characteristics, such as focusing on fashion trends, practicality, personalization, or diversification. In order to keep up with fashion trends and stay at the forefront, our company not only focuses on marketing and business development but also spares no effort in cultivating a professional design and R&D team. As a result, we have the ability to independently develop products. Our products are designed by professional designers who specialize in their respective areas, ensuring expertise while staying in tune with market trends. Additionally, our company has long been gathering market and customer information and actively participates in major global jewelry exhibitions every year to collect business intelligence and understand fashion trends. Therefore, the products we design are often able to align with market trends and meet customer needs and preferences, showcasing a high level of customization.

- (3) **Exquisite Craftsmanship:** In addition to staying in tune with market trends and aligning with customer preferences to design a wide variety of beautiful jewelry styles, our company also works with many skilled craftsmen. These artisans use their meticulous craftsmanship to create products that possess artistic aesthetics and are of superior quality, which is why they are highly favored by our clients.
 - (4) **Flexible Manufacturing Capability:** Unlike many competitors in the market that produce using a single material, our company possesses flexible production capabilities, allowing us to diversify production based on the specific attributes of different products. We are able to manufacture jewelry in various materials, such as silver, copper, and gold. In addition, our company can create different styles based on customer demands and market product trends, which enhances our competitive edge.
 - (5) **Comprehensive Customization and Integrated Service:** Our primary clients are international large corporations, for whom product design and quality are of utmost importance. In addition to staying up-to-date with market trends, we are able to fully understand customer needs at every stage, swiftly completing customized design drafts for selection and prototype development. This enables us to quickly proceed with production. Our one-stop, comprehensive service is a key advantage, allowing us to maintain long-term, positive relationships with our clients. As a result, our product quality is highly trusted by our customers.
4. Positive and negative factors for future development, and response to such factors
- (1) Positive factors
 - A. One-stop complete service

The Company has a complete jewelry production capability, starting from design, to the process of molding, casting, stamping, grinding, gem-setting, soldering, polishing, plating and packaging, etc. We have all the relevant technologies, so we have greater flexibility to quickly complete the modification of customized design drawings and samplings and enter the production process, while taking into account the quality and customer time requirements, so we have become the supplier of internationally renowned brands.
 - B. R&D staffs are familiar with industry skills and have strong R&D capabilities

The jewelry and boutique industry is closely related to fashion, being highly sensitive to product popularity, design appeal, and personalization. Therefore, our company actively trains designers who are responsible for product design, while also gathering market intelligence and participating in major global jewelry exhibitions to stay in tune with market trends and customer insights. In addition to enhancing our customization capabilities, we also provide rich designs that align with market trends to meet the needs and preferences of our customers.
 - C. Maintain excellent relationships with internationally renowned brands through flexible service

Our major clients are internationally renowned jewelry brands or regional brands, and with our flexible services model, we are able to complete customized demands for our clients; therefore, we have established stable relationships with them to expand our business operations.

(2) Negative factors and Responses

A. Price fluctuation of raw materials

Since the main production materials of the jewelry industry are precious metals, their prices are easily affected by fluctuations in the international market, which can easily affect production costs and quotations, thus posing operational risks.

Response :

When we take orders from customers, we will refer to the most recent market price of raw materials before quoting to customers in order to reduce the risk of profit erosion due to changes in raw material costs. In addition, we also track the market price of raw materials and adjust the safety stock in accordance with the market trend in order to cope with the risk of the price fluctuation of raw material affecting the supply.

B. Increase of labor costs

The jewelry industry is both labor-intensive and skill-intensive, and it is not easy to train skilled craftsmen. The basic wage in Thailand has been adjusted since 2019, and it has continued to adjust in recent years. As the Thailand economy continues to grow, the human resources are scattered across various industries, making it difficult to find new talent with a passion for the jewelry industry and putting pressure on the Company's operations.

Response :

Since the jewelry industry still emphasizes the quality of craftsmanship, we have divided the production process into eight parts and introduced automatic production for some processes and improved production procedures. We also use appropriate technique specialization to achieve the training of new personnel in a short period of time, to improve quality and speed, and to reduce the processing and manufacturing time, so as to reduce the risk of wages increases. For the rise of labor cost, we will reflect in the quotation of our clients in a timely manner, so that we can provide high quality and high workmanship products without compromising the Company's revenue.

C. Sales are concentrated

The Company's biggest client is a leading brand in the jewelry market, whose products are well received by consumers and whose revenue has been increasing year after year. As an important supplier to this customer, the Company's orders continue to increase as the customer grows, resulting in a concentration of sales.

Response :

In addition to our biggest client, we also have long-term relationships with other major clients in Europe and US. With sufficient design capacity and comprehensive services, we are able to meet the various needs of our clients and have formed a regular supply chain due to the quality of our products. However, in order to reduce the risk of concentration of sales, we will continue to make efforts to develop new

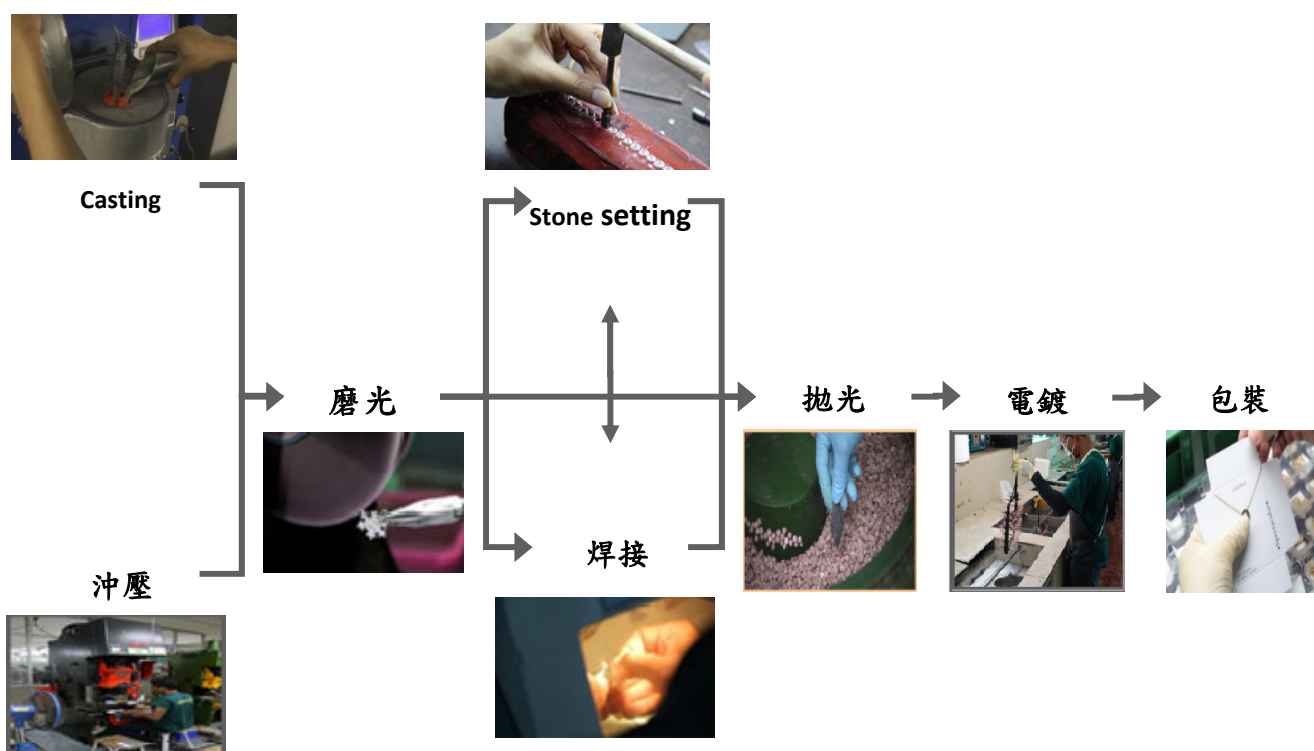
customers based on our pre-defined brand positioning type and expand our product range to accessories and other processing services. In addition, we will also continue to enhance our ODM business and actively focus on evaluating the possibility of cross-industry cooperation. We will strengthen our relationship with our various customers through different strategic business models and continue to increase the number of customers in order to achieve the goal of diversifying the dependence of customers.

(2) Major usage and manufacturing processes for main products

1. Major usage

Major products		Usage
Silver, brass, alloy, gold	Necklaces, pendants, earrings, brooches, bangles, bracelets, charms, rings, cufflinks, etc.	Fashion jewelry accessories are used to match the clothing and style. They combine people's wealth, culture and thoughts, enrich their material and mind, and fulfill both practical and aesthetic at the same time.

2. Manufacturing processes



(3) Supply situation of main raw materials:

Main raw materials	Main suppliers	Supply condition
silver	Supplier A, Supplier B, Supplier C	Well

(4) List of major suppliers and customers

- Names, Purchase amount and Proportion of suppliers that accounted for more than 10% of the total net purchase in any one of the last two years, together with the reason for its increase or decrease.

Unit: NT\$000; %

	Year of 2023				Year of 2024			
No.	Name	Amount	Ratio of annual net purchase	Relationship with the issuer	Name	Amount	Ratio of annual net purchase	Relationship with the issuer
1	Supplier B	150, 087	21. 91	None	Supplier C	342, 245	29. 95	None
2	Supplier A	97, 827	14. 28	None	Supplier D	208, 281	18. 23	None
3	Others	437, 064	63. 81	None	Others	592, 223	51. 82	None
	Net Purchase	684, 978	100. 00		Net Purchase	1, 142, 749	100. 00	

Description of the amount changes of major suppliers:

- Company A and Company B are important suppliers of recycled silver for our company, while Company C is an important supplier of recycled gold.
 - Due to the price increase by Company B in 2024, our company has found an alternative supplier, resulting in a decrease in the purchasing ratio from Company B.
 - In 2024, due to the increased market demand for customer products, the purchasing ratio from Company C has increased.
- Names, Sales amount and Proportion of customers that accounted for more than 10% of the total net sales in any one of the last two years, together with the reason for its increase or decrease.

Unit: NT'\$000; %

	Year of 2023				Year of 2024			
No.	Name	Amount	Ratio of annual net sales	Relationship with the issuer	Name	Amount	Ratio of annual net sales	Relationship with the issuer
1	Customer D	332, 644	28. 96	None	Customer D	760, 642	42. 75	None
2	Customer A	144, 881	12. 61	None	Customer A	158, 609	8. 91	None
3	Others	671, 205	58. 43	None	Others	860, 106	48. 34	None
	Net sales	1, 148, 730	100. 00		Net sales	1, 779, 357	100. 00	

Description of the amount changes of major customers:

- (1) Customer A is a well-known jewelry brand from Denmark, with a strong design and marketing team. In 2024, benefiting from the recovery of the travel market and strong growth in high-end consumer demand, their sales performance in Europe and the Middle East improved. As a result, our company's net sales to Customer A have grown compared to the same period in 2023.
- (2) Customer C is an internationally renowned fashion jewelry retailer. In 2024, benefiting from the increased demand for gold jewelry and our company's proactive efforts in securing new orders, the net sales to Customer C have grown compared to the same period in 2023.

3. The number of employees for the 2 most recent fiscal years

Unit: person; %

Year		Year 2023	Year 2024	As of the Date of February 29, 2025
Employee Number	Managerial staff	58	64	64
	General Staff	544	534	528
	Production staff	1942	1825	1825
	Total	2544	2423	2417
Average Age		33.51	33.98	33.98
Average Seniority		6.8	7.18	7.18
Education Distribution Percentage	Ph. D	0	0	0.04
	Master	0.90	0.99	0.83
	College	15.92	16.92	16.96
	High School	20.40	20.76	20.98
	Below High School	62.78	61.33	61.19

4. Disbursements for environmental protection

- (1) Losses incurred due to environmental pollution (including compensation) and disposal.
In recent years and up to the date of the annual report publication, our company has not incurred any losses or penalties due to environmental pollution.
- (2) 2024 Annual Environmental Expenditure Report for Our Thailand Facility (Regal Jewelry Manufacture Co., Ltd.)

Unit: New Taiwan Dollars (thousands)

Category	Description	Operating Expenses	Capital Expenditure
1. Direct Costs for Reducing Environmental Impact			
(1) Pollution Control	Including air pollution control costs, water pollution control costs, and other pollution control costs.	187	-
(2) Energy Consumption Reduction	Costs incurred to save electricity consumption.	-	24,537
	Costs incurred for saving resources by using recycled gold and silver as substitute materials.	5,480	-
(3) Reduction of Greenhouse Gas Emissions	Including (1) software for monitoring greenhouse gas emissions, and (2) other costs associated with reducing direct	78	17

	greenhouse gas emissions.		
(4) Waste Disposal	Costs for handling industrial waste and general waste disposal.	-	277
2. Indirect Costs for Reducing Environmental Impact	Including (1) employee environmental education expenses, (2) environmental management system framework and certification acquisition costs, and (3) environmental impact monitoring costs.	259	-
3. Other Environmental-Related Costs	Costs for soil remediation and natural environmental restoration.	104	-
Total		6,108	24,831

(3) 2024 Annual Environmental Expenditure Report for Our Thailand Facility (Regal Jewelry Manufacture Co., Ltd

Unit: New Taiwan Dollars (thousands)

Category	Description	Benefits
1. Cost Savings from Environmental Initiatives	Save electricity	6,100
2. Economic Benefits of Industrial Waste Recycling and Reuse	Including the recycling of waste chemicals, waste metals, and other waste materials.	1,191
Total		7,291

5. Labor relations

- (1) List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests:

1. Welfare measures for employees:

Employee compensation: Article 14.4 of the Company's Articles of Memorandum stipulates that the Company shall set aside not less than one percent of its net profit before tax as employee compensation in the event that the Company makes a profit in the year. And the Company also pays extra allowance to each employee every month according to their productivity and language ability, and has an annual employee appraisal system to evaluate the performance of each employee in the past year and adjust their salary.

2. Employee benefit measures :

The Company's "Code of Practice on Sustainable Development" specifies that in order to ensure the recruitment, retention and encouragement of human resources, the Company provides employee benefits such as year-end bonuses, birthday gifts, and wedding and funeral subsidies. And the Company also provides annual health checkups

to take care of employees' health.

3. Workplace diversity and equality:

The Company specifies in the "Human Rights Policy" that there is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation. In addition, since the establishment of the Company, the great emphasis on the workplace equality have been placed, so there is no "glass ceiling" issue and women currently make up approximately 50% of the Company's management.

4. Appropriately reflected operational performance or results in employee compensation:

The Company's salary is based on the market salary, the Company's operation and the general economic situation, and the competitiveness of the Company's future development, and the Company's operating performance or results are reflected in the employees' salary as appropriate. In addition, the Company's performance bonuses are paid based on the Company's operating performance and after evaluating the performance of individual employees, in order to reward their contributions and motivate them to continue their efforts.

- (2) List any loss sustained as a result of labor disputes in the most recent two fiscal years, and up to the date of publication of the annual report, disclose an estimate of losses incurred to date or likely to be incurred in the future, and indicate mitigation measures being or to be taken. If the loss cannot be reasonably estimated, make a statement to that effect: The Company has not suffered any loss due to labor disputes in the most recent two years and up to the date of publication of the Annual Report.

6. Information security management

The company's information security management framework and policy were reported to the Board of Directors on February 23, 2023, and the concrete management plan for 2024 was reported to the Board on November 14, 2024.

One information security officer has been appointed and reported to the Board on August 19, 2022.

One chief information security officer has also been appointed and reported to the Board on February 23, 2023. °

(1) Management structure

In order to protect information assets from risks caused by external threats or improper management and use by internal personnel, the Company has established the "Regal Holding Information and Communication Security Team" to coordinate management plans, maintenance plans and resource deployment. The team consists of (1) convener, (2) head of information security, and (3) information security personnel. The convener is the CEO and the head of information security of the Company is responsible for coordinating and promoting information security related management matters. The information security personnel members are the supervisors of each unit in the IT department and assist the head

of information security in implementing various information security related plans. The audit office is responsible for recording information security-related meetings, the record of information security incidents and implementing internal information security related audit plans.

(2) Information and community security policy

The Company's information and communication security policy covers the Company and its subsidiaries. In order to ensure that all hardware, software, data and communications of the Company operate properly and are protected from human deliberation or accidental threats, the Company focuses on system, technology and procedures to reduce information security threats and establish a secured information environment simultaneously, and continuously reviews the management cycle of Plan-Do-Check-Act (PDCA) for improvement. The "Plan Phase" focuses on information security risk management, firstly, the Company's information and communication security team identifies relevant risk factors and then formulates specific management plans. In "Do Phase" the Company constructs various information security measures, in addition to implementing management plans in daily operations, we also continue to introduce new information security technologies and conduct internal information security promotion to maintain the confidentiality, integrity and availability of the Company's information assets. The "Check Phase" will actively monitor the effectiveness of information security management plans, measure and quantify information security management plans based on audit results, and rehearse the response mechanism in case of information security incidents through regular simulations. The "Act Phase" is based on review and continuous improvement, the Company implements supervision and auditing, and regular review the information security regulations and management programs. If employees violate the relevant regulations and procedures, they will be dealt with relevant measures, and penalties will be imposed depending on the violation.

The Company's information and community security policy can be divided into six major principles, which are outlined below:

(1) Account and permission management

All information equipment and systems such as mainframes, systems, databases, etc. are password-controlled, and all employees are responsible for the safekeeping and use of accounts and passwords.

(2) Regular backup and effective restoration

The backup operation plan is established for information systems and databases, and the recovery and update of the plan are practiced regularly.

(3) Personal computer security

All Company employees are required to install anti-virus software on their personal computers and regularly update virus codes and the system vulnerabilities, and are strictly prohibited from installing unauthorized illegal software.

(4) Elimination of illegal intrusion

Comply with the Company's regulations on information access and prohibit employees from bringing their own devices to connect to external networks or the

Company's internal network.

(5) Continuous risk improvement

Regularly conduct risk assessment on information and communication security, and implement various information and communication security measures to enhance operation security.

(6) Deepen the concept of information and communication security

Regularly hold activities to promote new information about information and communication security knowledge among Company employees, enhance the awareness of information and communication security protection, and develop the habit of information and communication security protection among all Company employees.

(3) Information and community security management plan

(1) The Company's information and community security management plan can be divided into four major components: internet information security control, data access control, contingency recovery mechanism, and advocacy and auditing, and the details of each component are shown below:

(1) Cybersecurity Maintenance	
Wi-Fi Security	• Establish guidelines for guest use of the company Wi-Fi • Restrict company Wi-Fi usage to working hours only • Conduct annual inspections of all devices authorized to use the company Wi-Fi
Local Area Network (LAN) Preventive Controls	• Network Segmentation: Dividing the network into smaller, isolated segments to limit the spread of malware and prevent unauthorized access.
Internal Firewall Verification	• Threat Prevention Validation: Assess whether the firewall can effectively block threats such as malware, viruses, and unauthorized access • Performance Impact Assessment: Verify whether the firewall significantly affects network speed or user experience • Risk Mitigation: Minimize the risk of deploying solutions that do not meet security requirements
(2) Server Security Maintenance	
Server Room Renovation	• Temperature and Humidity Control in Server Room • Automatic System Response When Server Temperature Is Too High • Access Control Based on Specific Dates and Times • Use of Authentication Systems Instead of Keys for

	Accessing the Server Room
Data Leakage Prevention	• Data Classification Management and Access Control on the FILESRV Server • Destruction of HDDs After End of Use
(3) Endpoint Protection	
IT Security Awareness Training	• Training on Preventing Phishing Emails • Raising Awareness of Network Threat Responses • Training on Data Confidentiality Classification
Internal Documents (WI, Form)	• Establish detailed procedure documents to ensure that all employees can perform tasks correctly and consistently in complex or high-risk operations. Having WI forms helps IT work more efficiently and reduces the potential for errors.

(2) The company's information security-related plans for 2025 are as follows:

(1) Network Security Maintenance	
Wi-Fi Security	• We will enhance security by using the IEEE 802.1x protocol, especially in environments requiring high security, such as the company network. When used with Wi-Fi, it forms a strong barrier to prevent unauthorized network access.
Security Information and Event Management (SIEM)	• Centralized Log Management • Collect information (firewall, server, network logs) from various sources into a centralized location. • Threat Detection and Response • Monitor and respond to potential security threats in real time. • Security Analysis and Reporting • Conduct thorough analysis of security data and generate reports for review and action.
Internal Firewall Project	• Strengthening security measures aimed at protecting the internal network from threats, particularly those that may arise within the network, such as internal attacks, malware, and unauthorized data access
(2) Server Security Maintenance	

Server Room Renovation	• Temperature and humidity control for the server room • Automatic system response when server temperature is too high • Access control based on specified dates and times • Use of an authentication system to replace keys when entering the server room
Preventing Data Leakage	• Perform data classification management and access control on the PICTURESrv server
(3) Client-side Protection	
Policy Review	• Promoting the importance of shutting down computers after use • Reviewing the usage guidelines for company laptops • Correcting the internal email usage according to relevant regulations
Establishing Information Security Awareness Indicators	• A knowledge enhancement system will be introduced to develop a network security system for users to learn, test, and identify key points that need to be addressed and prevented.

(4) Losses, Potential Impacts, and Mitigation Measures Due to Major Information Security Incidents for the Recent Annual and as of the Date of the Annual Report Printing:

In 2024, the company continued to strengthen its network security by updating protection systems, collaborating with leading security companies in Thailand, and introducing MDR professional monitoring services that provide 24/7 surveillance. This was done to enhance the ability to detect and manage threats and raise employee awareness of security risks such as phishing emails. We are committed to maintaining the highest security standards for the company's data and information systems. Despite facing external network attacks, these attacks did not affect the stability of the company's IT systems as we have established robust defense standards and executable incident response plans

7. Important Contracts

(1) RGP

Nature	Contracting Party	Commencement and expiration dates	Major contents	Restrictive clauses
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Nature	Contracting Party	Commencement and expiration dates	Major contents	Restrictive clauses
Supplier	RJM	Jan. 1, 2024 – Dec. 31, 2025	Plating	N/A

Note: The contract is automatically renewed

8. Intellectual Property Management Program

1. Purpose

In order to maintain leading position in innovation, the Company invests a considerable amount in R&D activities, and establish an intellectual property management program that integrates the Company's operational objectives and R&D direction, to ensure that key business opportunities and R&D results can become legally protected intellectual property rights in a correct, complete and efficient manner, and to improve the acquisition, protection, maintenance and utilization of the Company's intellectual property rights. The Company's intellectual property management program includes patent protection measures, trademark protection measures, and business secret protection

2. Manage items and related organizations

The Company's intellectual property management program applies to all management and employees of the Company at all levels, also including all subsidiaries and related companies of the Group.

3. Definition of terms

(1) Patent

The R&D department carried out the technology development, and the relevant results are mainly used for the development of jewelry products and structural design to increase the added value. The Company also appoints the external patent offices to carry out the patent application from time to time, which the layout is planned in Thailand, China, the United States, and the European Union.

(2) Trademark

In order to avoid confusion and misunderstanding among customers, to protect the Company's trademark rights and customers' interests, and to prevent unfair competition, the Company regularly appoints external professional firms to apply for trademarks in Thailand, Taiwan, and other places to prevent others from infringing on the Company with identical or similar trademarks. In addition, the Company also continuously updates the trademark database.

(3) Business secrets

To protect competitive advantages such as technology leadership, manufacturing excellence, and customer trust, the Company has asked both new and existing employees to fill out confidentiality agreements with special instructions for the protection of company information, especially financial data and intellectual property rights. Employees shall not disclose or reproduce any confidential business information obtained during the course of employment to anyone, either during or after the termination of employment. In response to the electronization of information, in order to implement information security control, the Company has also established various regulations for electronic documents and equipment, and strict operation rules have been set for access to and maintenance of company data and software installation. In addition, the IT department regularly reviews employee privilege settings and information equipment security to reduce the possibility of leakage of business secrets or confidential information.

(4) Organization structure

The Board of Directors is the highest supervisory authority for the management of the Company's intellectual property. The CEO office formulates the annual intellectual property management plan, and the intellectual property control personnel of each department assist in the operation of plan. For the contents and implementation of the plan, it will report to the Board of Directors at least once a year.

(5) System

A. Intellectual property control list

The intellectual property control personnel of each department establish and maintain their intellectual property control lists, and the CEO office compiles the lists provided by each department and establishes a database.

B. Document retention

The CEO office of the Company shall be responsible for the presentation and subsequent preservation of the documents. Except for the presentation of the "Patent and Trademark Application" and the "Patent and Trademark Benefit Evaluation Form" in electronic form due to urgent circumstances or travel or leave of absence of authorized personnel, the "Patent and Trademark Application" and "Patent and Trademark Benefit Evaluation Form" shall be recorded in writing and presented to the general manager or president for decision. If the evaluation or presentation is conducted electronically, the documents shall be filed in writing afterwards. The aforementioned documents and related information shall be kept for at least 5 years, and the original certificates and contracts shall be kept and scanned and filed by the intellectual property control personnel of each department. In case of a lawsuit concerning intellectual property related resolutions before the

expiration of the aforementioned retention period, the relevant documents and information shall be retained until the end of the lawsuit.

C. Education Training

The Company organizes intellectual property related training from time to time to strengthen the relevant professional knowledge of staff and establish a complete concept of intellectual property management for them.

4. The implementation condition of 2024 is as follows:

1. List of intellectual property:

Intellectual Property	Taiwan	Thailand	US	China	EU	Others	Total
Patent	0	0	3	0	0	0	3
Trademark	22	8	0	5	1	0	36

Note: It was resolved in August 2023 not to continue paying the maintenance fees for the patents in China and the United States. As a result, three patents in China received patent termination notices in April 2024 and September 2024, respectively. The three patents in the United States have currently been closed, and the patent termination notices are pending from the U.S. authorities.

2. Training about intellectual property rights:

Time	Place	Course Name	Lecturer	Participant
2024/10/19	Taiwan	Intellectual Property Management Training • Intellectual Property Management System • Registered Patents • Registered Trademarks • Flowchart Usage Forms	LI, WEN-HSIUNG	Relevant business staffs

Note: The execution status mentioned above was reported to the Board of Directors on November 14, 2024.

5. Review and Analysis of Financial Condition and Financial Performance, and Risk Matters

1. Financial status

(1) Comparative Analysis of Financial Status

Unit: NT\$000

Item	Yesr 2023	Year 年度	Difference	
			Amount	%
Current assets	805, 471	1, 131, 457	325, 986	40. 47
Non-current assets	453, 718	462, 294	8, 576	1. 89
Total Assets	1, 259, 189	1, 593, 751	334, 562	26. 57
Current liabilities	332, 861	667, 602	334, 741	100. 56
Non-current liabilities	77, 019	87, 823	10, 804	14. 03
Total Liabilities	409, 880	755, 425	345, 545	84. 03
Share capital	383, 960	383, 960	–	–
Capital surplus	375, 499	375, 499	–	–
Retained earnings	57, 385	(11, 105)	(68, 490)	(119. 35)
Other equity	(49, 309)	963	50, 272	(101. 95)
Non-controlling interests	81, 774	89, 009	7, 235	8. 85
Total Shareholders' Equity	849, 309	838, 326	(10, 983)	(1. 29)
Analysis of Changes with a Proportion Exceeding 20%:				
1. Increase in Current Assets and Total Assets: The main reason is the growth in order volume, which led to a corresponding increase in accounts receivable.				
2. Increase in Current Liabilities and Total Liabilities: The main reason is the operating loss for the period, which resulted in an increase in short-term borrowings to maintain daily operations.				
3. Decrease in Retained Earnings: The main reason is the decrease in net profit attributable to the parent company's shareholders during the period.				
4. Increase in Other Equity: The main reason is the slight depreciation of the New Taiwan Dollar against the Thai Baht, which increased the exchange differences in the financial statements of foreign operating entities when converted.				

(2) Major Impacts of Financial Condition Changes in the Past Two Years and Future Response Plans :

Please refer to "Section I: Message to Shareholders"

2. Financial performance

(1) Comparative Analysis of Financial Performance

Unit: NT\$000

Item	Year 2023	Year 2024	Difference	
			Amount	Amount
Net operating revenue	1, 148, 730	1, 779, 357	630, 627	35. 44%
Operating costs	1, 105, 640	1, 547, 023	441, 383	28. 53%
Gross profit	43, 090	232, 334	189, 244	81. 45%
Operating expenses	266, 197	301, 932	35, 735	11. 84%
Operating profit	(223, 107)	(69, 598)	153, 509	(220. 57%)
Non-operating revenue and expenses	8, 368	(3, 359)	(11, 727)	349. 12%
Net profit before income tax	(214, 739)	(72, 957)	141, 782	(194. 34%)
Income tax	(51, 819)	(15, 666)	36, 153	(230. 77%)
Net profit	(162, 920)	(57, 291)	105, 629	(184. 37%)
Analysis of Changes with a Proportion Exceeding 20%: 1. Increase in Operating Revenue and Decrease in Operating Loss: Primarily due to active development of new customers and increased sales of silver-based processed materials, leading to a significant overall performance improvement. 2. Increase in Operating Costs and Gross Profit: Mainly due to the growth in order volume, which allowed fixed product costs to be spread out, thereby improving the gross profit margin. 3. Decrease in Non-operating Income and Expenses: Due to operating losses during the period, bank borrowings increased, resulting in higher interest expenses. 4. Decrease in Pre-tax Loss, Income Tax Benefit, and Net Loss after Tax: Although the company still incurred losses during the period, operating conditions improved significantly as a result of increased order volume.				

(2) Expected Sales Volume and Its Basis

The company sets its annual targets primarily based on customers' projected demand, while also considering market conditions and capacity planning. In addition to maintaining strong relationships with existing clients, the company actively explores new customers, new markets, and innovative business models. Its medium- to long-term strategy focuses on strategically nurturing and developing new clients and markets to drive future growth in business scale and sales volume. Therefore, the company expects overall sales in 2025 to show a growth trend compared to 2024.

(3) Potential Impact on the Company's Future Financial and Business Operations and Response Plans

The company will continue to enhance its product design capabilities by integrating aesthetic design with craftsmanship and technical expertise. In response to changing market demands and consumer trends, we aim to develop more distinctive, user-friendly, and diversified products to strengthen our market competitiveness. In addition, as we expand into new markets and develop new products, we are committed to the effective utilization of production capacity and financial resources to support future business growth while maintaining a stable and healthy financial position.

3. Cash Flow Analysis

(1) Analysis of cash flow changes in the most recent year

Unit: NT\$000

Item	Year 2023	Year 2024	Difference	
			Amount	Amount
Cash inflows (outflows) from operating activities	(87, 545)	(373, 459)	(285, 914)	326. 59
Cash inflows (outflows) from investment activities	(78, 175)	(49, 003)	29, 172	(37. 32)
Cash inflows (outflows) from financing activities	(65, 951)	287, 790	353, 741	536. 37
Analysis of Changes with a Proportion Exceeding 20%:				
1. Increase in Cash Outflow from Operating Activities: The main reason is the increase in accounts receivable.				
2. Decrease in Cash Outflow from Investing Activities: The main reason is a reduction in capital expenditures.				
3. Increase in Cash Inflow from Financing Activities: The main reason is the increase in bank borrowings.				

(2) Liquidity Improvement Plan :

1. Short-term Measures:

- **Business Aspect:** Actively pursue high-margin orders and strengthen the management of accounts receivable to accelerate cash flow.
- **Financial Aspect:** Proactively engage with banks to negotiate financing, aiming for higher credit limits and more favorable interest rates to improve the efficiency of capital utilization.

2. Medium- to Long-term Measures:

- The company plans to issue convertible bonds in the future to reduce financing costs and enhance the flexibility of its capital structure.

(3) Cash Liquidity Analysis for the Upcoming Year :

Unit: NT\$000

期初現金 餘額①	預計全年現金 流入量②	預計全年現金 流出量③	預計現金剩餘(不足) 金額①+② -③	預計現金不足額之補救措施	
				投資計劃	融資計劃
64,249	2,524,214	2,410,972	177,491	-	銀行借款

1. Analysis of Cash Flow Changes for the Upcoming Year:
 - (1) Annual Cash Inflows: Primarily expected cash inflows from the company's operations.
 - (2) Annual Cash Outflows: Mainly used for operational expenses and repayment of bank loans.
2. Remedial Measures for Expected Cash Shortfall and Liquidity Analysis:

In addition to covering cash shortfalls through cash inflows from operating activities, any insufficient cash balance will be addressed by securing bank loans.

4. The impact of recent major capital expenditures on financial business performance. :

- (1) The utilization of major capital expenditures and sources of funding.

Unit: NT\$000

Project	Actual or Expected Source of Funding	Actual or Expected Completion Date	Actual or Planned Utilization of Funds	
			Year 2024 (Actual)	Year 2025 (Estimated)
Solar Panel Installation Project Phase I	Project Loan	2024.03	24,537	–
Solar Panel Installation Project Phase II	Project Loan	2025.09	–	21,171

Note: The amounts in the table are calculated based on the exchange rate at the end of the period.

(2) Expected Impact on Operations:

1. Strengthen the group's commitment to ESG (Environmental, Social, and Governance) issues.
2. Reduce electricity costs to optimize operating expenses.

5. Recent Year's Investment Policy, Main Reasons for Profits or Losses, Improvement Plans, and Investment Plans for the Coming Year:

(1) Company's Investment Policy:

The company's investment policy focuses on the core business of jewelry design, manufacturing, and processing. It comprehensively considers future trends and business opportunities, as well as the group's strengths, with a goal to expand both upstream and downstream within the jewelry industry supply chain. The investment plans are evaluated cautiously in alignment with the company's long-term strategy.

(2) Main Reasons for Profits or Losses from Recent Year's Investments, and Improvement Plans:

The company's investments using the equity method are focused on long-term strategic

objectives. Moving forward, the company will continue to consider global expansion and overall operational planning while prudently assessing investment opportunities.

Investee Company	Shareholding % directly or indirectly	Recognition of investment gains and losses in 2024	Causes of profits and losses	Improvement's plan
Regal Jewelry Manufacture Co., Ltd. (RJM)	99.99%	(46,189)	Decline in end-user demand, leading to a reduction in orders.	1. Increase the sales team workforce 2. Secure mid-to-high-tier orders 3. Continuously optimize the workforce allocation on the production line
Regal Plating Co., Ltd. (RGP)	51.00%	2,814	Increase in end-user demand, leading to an increase in orders.	1. Increase the sales team workforce. 2. Secure mid-to-high-tier orders. 3. Continuously optimize the workforce allocation on the production line.
Regal Precious Metal Innovation Co., Ltd. (RPM)	99.90%	(2,897)	Still in the early stages of operational setup.	1. Increase the sales team workforce 2. Secure customer orders 3. Optimize the production line
Regal Management Solution Co., Ltd. (note 2)	0%	(571)	Efforts to secure agency rights and sales have not met targets.	Shutting down the company to save on manpower and resources
Linden Integrated Co., Ltd. (note 3)	0%	(251)	The brand's product management cycle is long, with high costs for setup, promotion, and sales. Sales growth has not met expectations.	Shutting down the company to save on manpower and resources
Reunite Inspiring Creation Co., Ltd. (Note 4)	0%	(343)	The Taiwan market is small with low profit margins, and the	Shutting down the company to save on manpower and resources

			long operating cycle, along with high costs for setup, promotion, and sales, has resulted in sales growth falling short of expectations.	
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Note 1: The data source is the 2024 consolidated financial report.

Note 2: The subsidiary Regal Management Solution Co., Ltd. passed a dissolution and liquidation resolution in November 2023, and the deregistration process will be completed in November 2024.

Note 3: The subsidiary Linden Integrated Co., Ltd. passed a dissolution and liquidation resolution in November 2023, and the deregistration process will be completed in November 2024.

Note 4: The subsidiary Nicheng International Enterprise Co., Ltd. passed a dissolution and liquidation resolution in November 2023, and the deregistration process will be completed in October 2024.

(3) Investment Plan for the Coming Year:

As of the publication of this annual report, in addition to ongoing monthly expenditures on the research and development of new equipment and technologies to ensure that the company stays well-versed in industry trends and provides the fastest and highest quality jewelry design and manufacturing services to customers, and the machinery and equipment investments for the subsidiary RPM established by the group, the company does not have any confirmed major investment plans for the coming year. However, to continue strengthening the group's commitment to ESG (Environmental, Social, and Governance) issues, improve the group's competitiveness, and address the increasing focus on sustainability issues in the overall jewelry industry, the company has planned to conduct a feasibility assessment for the second phase of the solar panel installation project this year.

6. Risk Factors for the Recent Year and As of the Date of the Annual Report:

(1) The impact of interest rate changes, exchange rate fluctuations, and inflation on the company's profit and loss, as well as future response measures. :

1. Interest rate changes:

Unit: NT\$000

Year Item	Year 2023		Year 2024	
	Amount	Ratio of operating revenues	Amount	Ratio of operating revenues
Interest income	5,660	0.49%	908	0.05%
Interest expense	7,754	0.68%	14,049	0.79%

The company's interest income primarily comes from bank deposit interest, while interest expenses are mainly derived from interest costs on bank mortgage loans. The company's interest income for the years 2023 and 2024 was NT\$5,660 thousand and NT\$908 thousand, respectively, with both accounting for less than 1% of net operating income. Interest expenses for the same years were NT\$7,754 thousand and NT\$14,049 thousand, accounting for 0.68% and 0.79% of net operating income, respectively. Given

these low percentages, interest rate fluctuations are not expected to have a significant impact on the company.

Response Measures: :

- (1) Continuously monitor changes in financial interest rates and adjust the allocation of funds in a timely manner to mitigate potential financial risks arising from interest rate fluctuations.
- (2) Maintain good relationships with banks to ensure favorable lending terms and smooth financial operations.
- (3) Increase sources of funding through lower-cost financing methods to support future growth needs.

2. Exchange rate fluctuations:

Unit: NT\$000

Item \ Year	Year 2023	Year 2024
Foreign exchange gains(losses)	5,243	4,578
Ratio of net profit before income tax	0.46%	0.26%

The company's sales transactions with foreign suppliers are primarily denominated in USD, while purchases from suppliers are primarily denominated in Thai Baht. Since the Thai Baht is also used for daily operations, the company is exposed to exchange rate risks. An appreciation of the USD against the Thai Baht may result in foreign exchange loss risks for the company. Therefore, exchange rate fluctuations will have a certain level of impact on the company's revenue and profitability.

Response Measures:

- (1) Maintain close communication with partner banks to fully understand changes in the foreign exchange market, providing relevant personnel with data for product pricing and raw material procurement, allowing timely responses to exchange rate fluctuations.
- (2) The sales department will consider the impact of exchange rate fluctuations on sales prices when quoting foreign customers, helping to mitigate the impact of exchange rate movements on revenue and profitability.
- (3) Financial personnel will maintain an appropriate foreign currency position based on future exchange rate trends at the right time, supporting the operational needs of subsidiaries and reducing the impact of exchange rate fluctuations on the company's profitability.
- (4) If necessary, forward foreign exchange transactions will be conducted based on the foreign currency position and exchange rate movements to minimize the exchange rate risks arising from business operations.

3. Inflation :

When inflation rises, the prices of raw materials such as precious metals also increase, leading to higher raw material costs for the company. Additionally, costs for machinery

and equipment, wages and employee benefits, electricity, and other expenses will also rise with inflation, affecting the company's profit and loss. To mitigate the impact of material price fluctuations on the company's profitability, the group has implemented the following response measures:

- (1) Reduce waste in the production process through systematic management and enhanced employee training.
- (2) Strengthen waste recycling and material reusability.
- (3) Adopt energy-efficient equipment and install solar panels to reduce electricity costs.
- (4) Increase sales prices of products and services in line with corresponding cost increases.

4. Impact of Economic Risks and Countermeasures:

Any future political, economic, or financial crises, or market fluctuations (including but not limited to changes in interest rates and exchange rates, inflation or deflation, and changes in the economic, fiscal, and monetary policies of major economies) could lead to a significant decline in overall revenue and profitability within the jewelry industry. If the economic environment worsens or if the financial condition of the company's customers deteriorates, the demand for the company's products and services may also decrease, further affecting operating income and net profit.

(2) Policy on High-Risk, High-Leverage Investments, Lending Funds to Others, Endorsements and Guarantees, and Derivative Transactions, Main Reasons for Profits or Losses, and Future Response Measures:

1. Based on a principle of prudence and a pragmatic management philosophy, the company focuses on its core business and does not engage in high-risk and high-leverage financial activities or investments.
2. The company has established relevant policies, including the "Funds Lending to Others Operating Procedures," "Endorsements and Guarantees Operating Procedures," "Derivative Financial Instruments Trading Processing Procedures," and "Asset Acquisition or Disposal Processing Procedures," which will be executed by the relevant departments.
3. For the most recent year and up until the date of publication of this annual report, the only instance of endorsement and guarantee was made by the subsidiary Regal Jewelry Manufacture Co., Ltd. for its subsidiary Regal Precious Metal Innovation Co., Ltd. The risk involved is considered to be limited.

(3) Future Research and Development Plans and Estimated R&D Investment:

1. Future Research and Development Plans:

- (1) Continue enhancing the company's product development capabilities by integrating aesthetic craftsmanship and technology to offer unique and more personalized products that meet the demands of different markets.
- (2) Conduct research into more advanced manufacturing processes and precision mold design capabilities to improve future product yield rates and increase product diversity.

(3) Continue investing in semi-automated or fully automated production equipment and related tooling for high-end products to shorten production time, significantly improve product quality, and reduce production costs.

(4) Estimated R&D Expenditure:

The R&D expense for 2024 is projected to be NT\$65,263 thousand, representing a decrease of NT\$1,162 thousand compared to the 2023 figure of NT\$66,425 thousand, primarily due to a more conservative short-term demand outlook from customers. In 2025, the company will continue to enhance its capabilities in customized jewelry design, develop functional accessories and automated equipment, and upgrade process tooling. Looking ahead, the company also aims to strengthen its focus on ESG initiatives to boost medium- to long-term competitiveness. The R&D expenditure for 2025 is expected to slightly exceed that of 2024.

(4) Effects on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

The Company is registered in Cayman Islands and the main operation headquarter is in Thailand. The Cayman Islands has financial services as its main economic activity, while Thailand is one of the major economies in Southeast Asia with an open economy and no foreign exchange controls, and the political and economic environment is still stable. The products developed and sold by the Company are consumer goods and are not licensed or restricted industries. Therefore, except for the compliance costs due to changes in business laws and regulations in the Cayman Islands, and the personnel costs due to adjustments in wage rates due to improvements in labor conditions in Thailand, there are no significant changes in important policies and laws in the Cayman Islands or Thailand that would affect the Company's finance or business operations. Also, both of the impact of the aforementioned compliance and personnel cost adjustments on the Company was minimal. In addition, the Company conducts its business in accordance with relevant domestic and foreign policies and laws, and keeps an eye on important domestic and foreign policy trends and legal changes to respond to changes in market conditions and take appropriate countermeasures.

(5) The impact of technological changes (including information security risks) and industry changes on the company's financial business and countermeasures: :

The Group's core business is the design, processing, and manufacturing of jewelry. With advancements in technology, various new types of automated machinery are continuously being introduced to the market. The heads of our R&D and manufacturing departments remain well-informed of such new equipment and technologies, and conduct comprehensive evaluations to assess how much these investments could enhance production efficiency and product quality, as well as the amount of capital expenditure

required. Based on these assessments, decisions are made regarding whether to proceed with the procurement of such new equipment.

In terms of industry trends, today's jewelry consumers increasingly emphasize personalization in their accessories as a way to express their unique tastes and values. As a result, the jewelry industry is gradually shifting from mass production of standardized items to smaller, more diverse batches, including customized pieces that allow consumers to choose their own combinations.

In response, the company has restructured its production line by dividing its original large-scale factory into several medium-sized units to increase production flexibility. Additionally, we have introduced management mechanisms to dynamically adjust monthly orders, production line workforce, and outsourcing arrangements, with the goal of optimizing human resource allocation and cost control.

In terms of information security risk management, the Company's plans and actions are as follows :

1. Management structure :

In order to protect Company's information assets from risks caused by external threats or improper management and use by internal personnel, the Company has established the "Regal Holding Information and Communication Security Team" to coordinate management plans, maintenance plans and resource deployment. The team consists of (1) convener, (2) head of information security, and (3) information security personnel. The convener is the CEO and the head of information security of the Company is responsible for coordinating and promoting information security related management matters. The information security personnel members are the supervisors of each unit in the IT department and assist the head of information security in implementing various information security related plans. The audit office is responsible for the record of information security related meetings, the record of information security incidents and the execution of internal information security related audit plans.

2. Information and community security policy :

The Company's information and communication security policy covers the Company and its subsidiaries. In order to ensure that all hardware, software, data and communications of the Company operate properly and are protected from human deliberation or accidental threats, the Company focuses on system, technology and procedures simultaneously to reduce information security threats and establish a secured information environment. The Company continuously reviews the management cycle of Plan-Do-Check-Act (PDCA) for continuous improvement. In the "Plan Phase", the

Company focuses on information security risk management, firstly, the Company's information and communication security team identifies relevant risk factors and then formulates specific management plans. In the "Do Phase", the Company constructs various information protection measures. In addition to implementing the management plans in the Company's daily operations, we also continue to introduce new information security technologies and conduct internal information security promotion to maintain the confidentiality, integrity and availability of the company's information assets. The "Check Phase" will actively monitor the effectiveness of information security management, measure and quantify information security indicators based on audit results, and rehearse the response mechanism in case of information security incidents through regular simulations. The "Act Phase" is based on review and continuous improve, the Company fulfill the implementation of supervision and auditing, and regularly review information security regulations and management plans. If employees violate the relevant regulations and procedures, they will be dealt with according to the relevant procedures and penalties will be imposed depending on the violation.

3. Management plans

For details of the Company's information and communication security management plans, please refer to Annual Report

(6) Effect on the Company's crisis management of changes in the Company's corporate image, and measures to be taken in response:

The Company's corporate philosophy is honesty, trust and sustainable management. In addition to the "Code of Conduct for Integrity Management" and "Procedures and Guidelines for Integrity Management" in the internal control system as guidelines for internal management and external operations, the Company also conducts various internal promotions and hires lecturers to conduct education and training from time to time to explain to all employees the relevance and importance of integrity, corporate image and sustainable management. Since the establishment, the Company has focused on its core business operations, complied with relevant laws and regulations in its operations, and maintained good interaction and communication with all stakeholders. Therefore, the overall corporate image is excellent and there is no corporate crisis caused by the change of corporate image in the latest year or as of the date of printing of the Annual Report

(7) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken :

The Company's primary strategy is to focus on the jewelry industry and all of its corporate plans are related to the design, manufacture and sale of jewelry, or are related to the upstream and downstream supply chain of the industry. As of the date of this Annual Report, the Company has no merger and acquisition plans in progress or anticipated, except for the establishment of subsidiary in connection with the investment in sustainability issues such as

precious metal recycling and ESG, in which the Company is optimistic about future business opportunities.

(8) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken: :

The Company has an internal adjustment mechanism to dynamically adjust the allocation between client orders and production line manpower on a monthly basis, supplemented by an outsourcing strategy. As of the print date of the Annual Report, the Company has no plans to expand its plants, except for investing in automated equipment to shorten working hours and improve product quality. If there is a need for plant expansion in the future, the Company will follow the local business regulations and the relevant internal management rules established by the Company to ensure the protection of the rights and interests of the Company's shareholders and stakeholders.

(9) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken :

1. Risks Associated with Procurement Concentration and Countermeasures

In 2023 and 2024, the Group's largest supplier accounted for approximately 26.07% and 36.61% of the total annual procurement value, respectively. However, the main raw materials used by the Group are available from multiple suppliers, which increases bargaining power and reduces the risk of material shortages. Therefore, there is currently no significant concentration of procurement from a single supplier.

2. Risks Associated with Sales Concentration and Countermeasures

In 2023 and 2024, the Group's revenue derived from its largest customer accounted for 27.15% and 39.12% of total sales, respectively, indicating a relatively high level of revenue concentration. However, this customer is a long-term partner of the Company and a globally recognized brand, with plans to expand its eco-friendly product line and launch more sustainable products in 2025. The Group will continue to strengthen its partnership with this customer while actively developing new clients to diversify order sources and reduce the risks associated with sales concentration.

(10) The impact, risk and response measures of a significant transfer or change of shareholding of directors, supervisors or shareholders holding more than 10% of the shares of the Company: :

As of the date of this annual report, aside from the investment structure reorganization carried out in 2014 in preparation for the Company's application for primary listing in Taiwan, there have been no instances of directors, supervisors, or major shareholders holding more than 10% of shares transferring a significant portion of their equity to others. Furthermore, the aforementioned investment structure reorganization has had no impact on the Company's management control. To strengthen the understanding of shareholding-related regulations among the Company's directors and major shareholders, external training courses are arranged annually as part of the Company's corporate governance plan to

provide updates on the latest legal developments.

(11) The impact, risk and response measures of the change in management rights on the Company :

As of the printing date of the annual report, there was no change in the Company's management rights that would affect its operations.

(12) Litigious and non-litigious matters:

As of the printing date of the annual report, the Company or its directors, independent directors, managers, beneficial owners, shareholders holding more than 10% of the shares, or affiliates whose litigation, non-litigation or administrative disputes that have been adjudicated or are currently in the process of being litigated, which the outcome may have a significant impact on shareholders' equity or the price of securities, the facts of the dispute, the amount of the subject matter, the date of commencement of the litigation, the principal parties involved in the litigation, and the current status of the litigation should be disclosed:

As of the date of the annual report, there was no litigation, non-litigation or administrative disputes in connection with the Company's shareholders' equity or securities prices.

(13) Other important risks and response measures :

1. Risks of Macroeconomic, Political and Economic Environment, Foreign Exchange, and Legal Changes

The Company is registered in the Cayman Islands, with its main operations located in Thailand. Therefore, changes in commercial laws in the place of registration and operation, as well as exchange rate fluctuations and raw material price volatility caused by changes in the international political and economic environment, may affect the Company's operations.

To address the risks arising from legal changes and fluctuations in international market prices, the Company has formed a risk management team composed of relevant departments to continuously monitor major domestic and international policy and legal changes, as well as current fluctuations in international market exchange rates and raw material prices, in order to assess and establish action plans to respond promptly to changing circumstances.

2. Risks Related to Shareholder Rights Protection

The laws of the Cayman Islands, where the Company is registered, differ in many aspects from those of the Republic of China (Taiwan). Although the Company has amended its Articles of Association in accordance with the "Foreign Issuer Shareholder Rights Protection Checklist" stipulated by the Taiwan Stock Exchange, without conflicting with Cayman Islands laws, and continues to monitor changes in relevant securities regulations to safeguard investors' rights, there are still significant differences in the legal frameworks governing the operation of companies in both jurisdictions. Investors cannot directly apply the legal protections available to shareholders of Taiwanese companies to those of the Cayman Islands company in which they invest. Investors should consult relevant advisors or experts to fully understand whether they

can expect the same level of shareholder rights protection when investing in a Cayman Islands company as they would when investing in a company registered in Taiwan.

3. Impact of Technology on the Company's Production Business and Response Measures :

(1) Impact on the Company's Production and Operations

The company spares no effort in investing in technology and process development. Every year, a significant amount of research and development funds are allocated, while always keeping an eye on updates and improvements in the relevant industry technologies to stay ahead of market trends and assess their impact on the company's operations. When making investments in new equipment or technologies, the company not only conducts scenario analyses and forward-looking predictions on how these innovations will benefit future production or business, but also simulates the company's financial situation and liquidity to ensure that there is enough cash flow to meet daily operational needs. Currently, the company's financial health is strong enough to support its future technological development needs.

(2) Enterprise Cybersecurity Risks and Responses

The company has established a "Regal Holdings Information Security Task Force" to protect its information assets from external threats or improper management and usage by internal personnel, which could lead to risks. The task force oversees the management of plans, maintenance schedules, and resource allocation. At the same time, efforts are made from the system, technical, and procedural aspects to reduce cybersecurity threats and establish a secure information environment.

A. Internet Security Control

The company will continue to strengthen its firewalls and regularly scan and update the company's information equipment systems and databases for viruses. Currently, the company has set VPN connection times and enhanced the VPN authentication mechanism. We also regularly review the system logs of various network services and monitor for any anomalies. In addition, the company regularly consults with professional cybersecurity experts to review the existing information software and hardware architecture in order to reduce the risk of increasingly rampant network attacks.

B. Data Access Control

The company has set up accounts and passwords for all information and communication systems and devices, granting different access permissions to users based on their job functions. The usage and operation of the company's systems are tracked and logged. Any changes to system permissions must be approved by authorized personnel before becoming effective. Before any company system or device is decommissioned, confidential or sensitive data and software must be removed or overwritten to reduce the risk of confidential information leakage, which could affect the company's future operations.

C. Disaster Recovery Mechanism

The company regularly reviews its information and communication emergency response plans and conducts regular simulations and drills of the system recovery mechanisms to improve response speed and capability in the event of a cybersecurity incident. Furthermore, the company has established a comprehensive backup mechanism for systems, ensuring offsite backups and

enhancing the frequency, retention, and security of data backups to improve data accessibility after an information security incident.

D. Awareness and Auditing

To strengthen the information security awareness of all employees, the company regularly conducts information security education and training sessions, and uses internal meetings and announcements to disseminate new information about information security. This helps cultivate habits among all employees to maintain information security. The company's auditing department also conducts regular checks every year to ensure the effectiveness of the information security management plan and related operational procedures.

4. International situation:

Geopolitical risks have intensified following events such as the US-China rivalry, the Russia-Ukraine war, and the Israel-Hamas conflict. Many surveys show that geopolitical uncertainty has become an unavoidable risk in corporate operations, with expected challenges and pressures increasing in the short to medium term.

S&P Global lists the geopolitical risks with the highest likelihood and impact in 2024, which include: tensions between Russia and NATO, cyberattacks, US-China competition, anti-globalization, climate risks, energy security, and the resurgence of pandemics. The world's largest political risk consultancy, Eurasia Group, identifies the top ten global risks in 2024 as: (1) political division due to the US presidential election, (2) escalation of conflicts in the Middle East, (3) factual fragmentation of Ukraine, (4) unregulated AI, (5) deepening alliances between Russia, Iran, and North Korea, (6) sluggish economic recovery in mainland China, (7) competition for critical minerals, (8) limitations on government policy tools due to inflation, (9) the El Niño phenomenon, and (10) an increase in ideological conflicts raising risks for US businesses.

In summary, the risks facing businesses in 2024 include geopolitical tensions, climate change, technological transformation, economic recessions, and political instability. Our company continues to monitor international situations and diversify regional sales to ensure operational risk management.

5. Risks of statements related to this annual report

(1) Facts and statistics

Certain information and statistics in this annual report are obtained from various external publications, which may be inaccurate or no longer current due to changes in the international environment. The Company makes no representation as to the truth or accuracy of such external information and investors should not place undue reliance on such information in making their investment judgments.

(2) Risks and uncertainty of forward-looking statements in this annual report

There are certain forward-looking statements and information about the Company and related companies in this annual report. These statements and information in this annual report are based on beliefs, assumptions, and current information of the managing levels of the Company. In this report, while the Company or the managing levels of the Company use the terms, like "predict," "believe," "can," "expect," "future," "intend," "may," "must," "plan," "estimate," "seek," "should," "will," "might," "hope," and similar phrases are forward-looking statements. Such statements reflect current views on future events, operations, finance by the managing levels of the Company and some of which may not be come true or may be changed. Such statements may be affected by certain risks, uncertainties, and assumption, including other risk factors that this annual report states. Investors should consider carefully that relying on any forward-looking statements will involve in every known and unknown risks and uncertainties. The risks and uncertainties that the Company faces may affect the accuracy of forward-looking statements, including but not limited to the following:

A. the statements of "Operation Overview" in this annual report

B. In this annual report, several statements are made regarding trends in prices, quantities, operations, and profits, as well as overall market trends, risk management, and exchange rates.

The company will not update or revise any forward-looking statements in this annual report in response to future events or information. Given the risks, uncertainties, and assumptions involved, the forward-looking statements and projections in the report may not occur as anticipated, or may not occur at all. Therefore, investors should not rely on any forward-looking statements. °

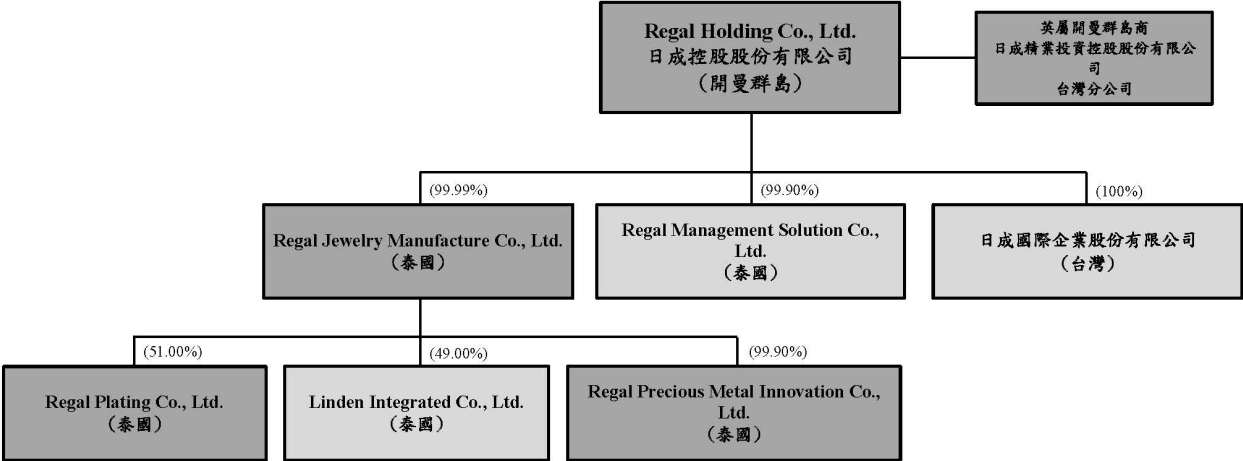
6. The company is a holding company that relies on the performance of its subsidiaries and their ability to distribute dividends, and is subject to restrictions on dividend distribution and capital transfers.

As a holding company established in the Cayman Islands with no commercial operations, the company, aside from holding shares in its subsidiaries, has no other assets or liabilities. Therefore, its sources of income primarily come from the operations of its subsidiaries. The subsidiary in Thailand is an important source of operational profit for the group, so the company's revenue and cash dividends are subject to the subsidiary's dividend policy or future investment plans. Since the subsidiary's dividend distribution is also subject to local regulations regarding dividend payments, revenue repatriation, cash transfers, and foreign exchange management, and may be influenced by exchange rate fluctuations, the company cannot fully control or manage the level of dividends. Additionally, the company's subsidiaries are independent legal entities. In the event that a subsidiary goes bankrupt, loses its ability to settle debts, undergoes reorganization, liquidation, or asset realization, the company's ability to obtain assets or receive allocations will be subordinated to the claims of the subsidiary's creditors, including the subsidiary's business partners.

7. Other important matters: None.

6. Special Notes

1. Information of the subsidiaries
(1) Organization Chart



(2024 年 11 月)

(2) Information of Subsidiaries

Dec. 31, 2024; Unit: NT\$000

Name	Established date	Address	Currency/Paid-up Capital		Major Business or production
Regal Jewelry Manufacture Co., Ltd. (RJM)	Feb. 21, 1999	No. 84/4, 84/6-7 Moo. 7, Soi Phet Kasem 122, Phet Kasem Rd., Om Noi, Krathum Baen, Samut Sakhon 74130, Thailand	THB	455,000	Design, manufacture, and sales of jewelry
Regal Plating Co., Ltd. (RGP)	July. 01, 2013	No. 84/5 Village No.7 Phet Kasem 122 Alley, Phet Kasem Road, Om Noi Sub-district, Krathum Baen District, Samut Sakhon Province 74130, Thailand	THB	25,000	Jewelry plating
Regal Management Solution Co., Ltd. (Note 2)	Apr. 05, 2018	No. 84/6 Village No.7 Phet Kasem 122 Alley, Phet Kasem Road, Om Noi Sub-district, Krathum Baen District, Samut Sakhon Province 74130, Thailand	THB	37,000	Investment
Linden Integrated Co., Ltd. (Note 3)	Dec. 13, 2018	No. 84/4 Village No.7 Phet Kasem 122 Alley, Phet Kasem Road, Om Noi Sub-district, Krathum Baen District, Samut Sakhon Province 74130, Thailand	THB	8,000	Sales of jewelry
Reunite Inspiring Creation Co., Ltd. (Note 4)	Oct. 18, 2019	11F, No. 131, Songjiang Road, Zhongshan District, Taipei City, Taiwan (R.O.C.)	NTD	22,500	Sales of jewelry
Regal Precious Metal Innovation Co., Ltd.	Mar. 17, 2022	No. 84/7 Village No.7 Phet Kasem 122 Alley, Phet Kasem Road, Om Noi Sub-district, Krathum Baen District, Samut Sakhon Province 74130, Thailand	THB	100,000	Metal recycling

Note 1: Regal Management Solution Co., Ltd., a subsidiary, passed a resolution for dissolution at the board meeting in November 2023 and completed the dissolution process in November 2024.

Note 2: Linden Integrated Co., Ltd., a subsidiary, passed a resolution for dissolution at the board meeting in November 2023 and completed the dissolution process in November 2024.

Note 3: Regal International Enterprises Co., Ltd., a subsidiary, passed a resolution for dissolution at the board meeting in November 2023 and completed the dissolution process in October 2024.

(3) Presumption of a relationship of control or subordination that have the same shareholders: None.

(4) Transact business of the Company and subsidiaries

Name	Location	Major Business
Regal Jewelry Manufacture Co., Ltd. (RJM)	Thailand	Design, manufacture, and sales of jewelry
Regal Plating Co., Ltd. (RGP)	Thailand	Jewelry plating
Regal Management Solution Co., Ltd. (註 1)	Hong Kong	Investment
Linden Integrated Co., Ltd. (註 2)	Thailand	Investment
Reunite Inspiring Creation Co., Ltd. (Note 3)	Thailand	Sales of jewelry
Regal Precious Metal Innovation Co., Ltd.	Taiwan	Sales of jewelry

Note 1: The subsidiary, Regal Management Solution Co., Ltd., passed a resolution for dissolution at the board meeting in November 2023 and completed the dissolution process in November 2024.

Note 2: The sub-subsidiary, Linden Integrated Co., Ltd., passed a resolution for dissolution at the board meeting in November 2023 and completed the dissolution process in November 2024.

Note 3: The subsidiary, Regal International Enterprises Co., Ltd., passed a resolution for dissolution at the board meeting in November 2023 and completed the dissolution process in October 2024.

(5) Information of directors, supervisors, and general managers of subsidiaries

Dec. 31, 2024; Unit: share/%

Name	Title	Name or Representative	Shares holding	
			Shares	Shares
Regal Jewelry Manufacture Co., Ltd. (RJM)	Chairman	PHACHARAPON PHAIBOONSUNTORN	1	0.005%
	Director	SARAYUTH	1	0.005%
	Director	MUNGCHITVITSAVAKORN	-	-
	Director	LIN, CHIU-I	-	-
	Director	LIN, CHIN-SAN	-	-
Regal Plating Co., Ltd. (RGP)	Chairman	PHACHARAPON PHAIBOONSUNTORN	-	-
	Director	SARAYUTH	-	-
	Director	MUNGCHITVITSAVAKORN WANG, CHUN-CHIN	47,500	19.00%
Regal Management Solution Co., Ltd. (Note1)	Chairman	PHACHARAPON PHAIBOONSUNTORN	2,470	0.0334%
	Director	SARAYUTH	2,465	0.0333%
	Director	MUNGCHITVITSAVAKORN LIN, JU-YING	2,465	0.0333%

Name	Title	Name or Representative	Shares holding	
			Shares	Shares
Linden Integrated Co., Ltd. (Note 2)	Chairman	LIN, CHIN-SAN	-	-
Reunite Inspiring Creation Co., Ltd. (Note 3)	Chairman	LIN, JU-YING	-	-
Regal Precious Metal Innovation Co., Ltd.	Chairman	PHACHARAPON	334	0.0334%
	Director	PHAIBOONSUNTORN	333	0.0333%
	Director	SARAYUTH	333	0.0333%
	Director	MUNGCHITVITSAVAKORN	333	0.0333%
LIN, JU-YING				
Note 1: The Company's subsidiary, Regal Management Solution Co., Ltd., resolved to proceed with dissolution at its Board of Directors meeting in November 2023 and completed the dissolution process in November 2024. Note 2: The Company's sub-subsidiary, Linden Integrated Co., Ltd., resolved to proceed with dissolution at its Board of Directors meeting in November 2023 and completed the dissolution process in November 2024. Note 3: The Company's subsidiary, Jih Cheng International Enterprise Co., Ltd., resolved to proceed with dissolution at its Board of Directors meeting in November 2023 and completed the dissolution process in October 2024.				

(6) Operation Circumstances of Subsidiaries

Dec.31,2024;Unit:1,000currency

企業名稱	資本額		資產總額		負債總額		淨值	
Regal Jewelry Manufacture Co., Ltd.	泰銖	455,000	泰銖	1,570,047	泰銖	777,129	泰銖	792,918
Regal Plating Co., Ltd.	泰銖	25,000	泰銖	195,760	泰銖	7,177	泰銖	188,583
Regal Management Solution Co., Ltd.	泰銖	0	泰銖	0	泰銖	0	泰銖	0
Linden Integrated Co., Ltd.	泰銖	0	泰銖	0	泰銖	0	泰銖	0
日成國際企業股份有限公司	新台幣	0	新台幣	0	新台幣	0	新台幣	0
Regal Precious Metal Innovation Co., Ltd.	泰銖	100,000	泰銖	91,199	泰銖	1,171	泰銖	90,028

Note: The revenue and operating profit information of the Company's subsidiaries are considered trade secrets. To safeguard shareholders' interests, such information is not disclosed. However, the investment income (loss) recognized during the reporting period has been disclosed in the notes to the financial statements.

(7) Statements of Consolidated Financial Statements of Subsidiaries: N/A. °

(8) Consolidated Financial Statements of Subsidiaries: Please refer to the Annual Report, Annex, Accountants Review Report (P160)

2. Private placement of securities during the most recent fiscal year or during the current fiscal year as to the date of publication of the annual report: None.
3. Other matters that require additional description: None
4. Any of the situations listed in Article 36, paragraph 2, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year as to the date of publication of the annual report: None.
5. Material differences from the rules of the R.O.C. in relation to the protection of shareholder equity:

The Company has amended the Articles of the Company in accordance with the matters of protection of shareholder equity in "Checklist for the Protection of Shareholders' Equity of Foreign Issuers" of Taiwan Stock Exchange Corporation. However, part of material matters about protection of shareholder equity is not applicable under the laws and regulations of Cayman Islands and are not amended in the Articles of the Company. Please see the followings:

Material matters of protection of shareholder equity	Articles of Association and reasons of differences
A company that has adopted a no-par value share structure shall not convert to a par value share structure.	The company currently adopts a par value share structure, with each common share having a par value of NT\$10. Therefore, the provisions of Article 156-1, Paragraph 6 of the Company Act do not apply.
1. Shareholders' meetings shall be convened within the territory of R.O.C. If the shareholders' meetings are going to be convened outside of the territory of R.O.C., the application of approval of Taiwan Stock Exchange Corporation must be submitted in two days after the resolution of BOD or shareholders obtain the permission from authorized governments. 2. Any or a plural number of shareholder(s) of a company who has (have) continuously held 3% or more of the total number of outstanding shares for a period of one year or a longer time may, by filing a written proposal setting forth therein the subjects for discussion and the reasons, request the board of directors to call a special meeting of shareholders. If the board of directors fails to give a notice for convening a special meeting of shareholders within 15 days after	1. As for the part that shareholders convene meetings on his/their own, there is no special term about it in Cayman Islands' Company Act. Therefore, the Article 19.6 and 19.7 of the Articles of Association does not regulate the shareholders to report to the competent authority for permission before convening the shareholders' temporary meeting 2. Besides, if the shareholders are going to convene meeting outside of the territory of R.O.C. on their own, they do not need to report to the competent authority for permission before convening the shareholders' temporary meeting. Therefore, the Article 19.6 and 19.7 of the Articles of Association only regulates that the meeting shall be reported to GTSM or TWSE (as applicable in its case) for approval instead of "the application of approval of Taiwan Stock Exchange Corporation must be

Material matters of protection of shareholder equity	Articles of Association and reasons of differences
the filing of the request under the preceding Paragraph, the proposing shareholder(s) may, after obtaining an approval from the competent authority, convene a special meeting of shareholders on his/their own.	submitted in two days after shareholders obtain the permission from authorized governments.” In this part, there should have no substantial impact on shareholders’ equity of R.O.C.
The Articles of the Incorporation shall be stated that electronic means can be one of the methods to exercise voting rights. When the Company holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means; The Company that holds shareholders’ meetings outside of the territory of R.O.C. may allow shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.	In respect of the exercise of voting rights by shareholders in writing or electronically, the Cayman Islands’ Company Act does not mention whether shareholders who exercise their voting rights in writing or electronically can be deemed to have attended the shareholders’ meeting in person and the Cayman Islands lawyers have not found any relevant cases. There will make another arrangement. The Article 25.4 of the Company’s Articles regulates “A Member who exercises his voting power at a general meeting by way of a written ballot or by electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to vote his shares at the general meeting only in the manner directed by his written instrument or electronic document. The chairman of the general meeting as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the written or electronic document and/or any amendment to resolution(s) proposed at the said general meeting. For the purpose of clarification, such Members voting in such manner shall be deemed to have waived their voting rights with respect to any extemporary matters or amendment to resolution(s) proposed at the general meeting.” And the Article 26.3 of the Company’s Articles regulates the Chairman of shareholders’ meetings being deemed appointed as proxy shall not be limited by 3% of the total voting rights of the issued shares. The preceding differences are due to the Company Act in Cayman Islands does not have the same regulation, there should have limited impact on shareholders’ equity of R.O.C.
1. A company may explicitly provide for in its Articles of Incorporation that the surplus	The Article 228-1 of Company Act is not mandatory, and the Company did not adopt, so there is no amendment in the Articles of

Material matters of protection of shareholder equity	Articles of Association and reasons of differences
earning distribution or loss off-setting proposal may be proposed at the close of each quarter or each half fiscal year. 2. The proposal of surplus earning distribution or loss off-setting for the first three quarters or half fiscal year, together with the business report and financial statements, shall be forwarded to supervisors for their auditing, and afterwards be submitted to the board of directors for approval. 3. A company distributing surplus earning in accordance with the provision of the preceding paragraph shall estimate and reserve the taxes and dues to be paid, the losses to be covered and the legal reserve to be set aside. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. 4. A company distributing surplus earning in the form of new shares to be issued by the company in accordance with the provision of Paragraph Two shall be resolved by a majority of the shareholders present who represent two-thirds or more of the total number of its outstanding shares of the company. If the total number of shares represented by the shareholders present at a meeting of shareholders is less than the threshold specified in the preceding Paragraph, the resolution may be adopted by a large majority (2/3 or more) vote of the shareholders present at that meeting of shareholders attended by the shareholders representing a majority of the total number of the outstanding shares of the company; if such surplus earning is distributed in the form of cash, it shall be approved by a meeting of the board of directors.	Association.

Material matters of protection of shareholder equity	Articles of Association and reasons of differences
5. Surplus earning distribution or loss off-setting proposal in accordance with the provisions of the preceding four paragraphs shall be made based on the financial statements audited or reviewed by a certified public accountant.	
The following proposals that involve material shareholder rights shall require the presence of shareholders representing two-thirds or more of the total issued shares, and approval by a majority of the voting rights of the attending shareholders. If the number of shares represented at the meeting is less than the aforementioned threshold, such resolutions may be adopted with the presence of shareholders representing more than one-half of the total issued shares and the consent of two-thirds or more of the voting rights of the shareholders present: 1. The Company's entering into, amendment, or termination of any contract for leasing out its entire business, entrusting business operations to others, or regular joint operation with others; transfer of all or a major part of its business or assets; or acceptance of another's business or assets which has a significant impact on the Company's operations. 2. Amendment to the Articles of Incorporation. 3. Where any amendment to the Articles of Incorporation is detrimental to the rights of preferred shareholders, a resolution of the preferred shareholders' meeting shall also be required.	1. Regarding the method of shareholder meeting resolutions: In addition to ordinary resolutions and special resolutions under Taiwanese law, Article 1.1 of the company's articles of association also provides for a "Special Resolution" as defined under the Cayman Islands Companies Law. This means that at the company's shareholder meeting, a resolution may be passed if shareholders with the right to vote are present in person, by proxy, or by a representative legally authorized by a corporate or non-natural person shareholder. After calculating the number of voting rights each shareholder is entitled to, the resolution must be approved by at least two-thirds of the voting rights of the attending shareholders. 2. According to the provisions of the Cayman Islands Companies Law, the following matters must be resolved by a special resolution: (1) Amendment of the Articles of Association Under Cayman Islands law, amendments to the Articles of Association must be made through a Special Resolution as defined by the Cayman Islands Companies Law. Therefore, Article 12.1 of the Company's Articles of Association regarding the resolution threshold for amending the Articles has not been changed to comply with the requirement of a "supermajority resolution" under the laws of our country as per the shareholder rights protection checklist. In addition, according to Article 13 of the Articles of Association, if any amendment or modification of the Articles affects the preferential rights of any class of

Material matters of protection of shareholder equity	Articles of Association and reasons of differences
4. Distribution of dividends or bonuses, in whole or in part, by way of issuing new shares. 5. Resolutions for dissolution, merger, or demerger. 6. Issuance of new shares with restricted employee rights.	shares, such modification or amendment must be approved by a Special Resolution and should also be approved by a separate Special Resolution passed at a shareholders' meeting of the affected class of shares. (2) Dissolution : Under Cayman Islands law, if a company resolves to voluntarily liquidate and dissolve due to its inability to settle debts when due, such dissolution must be approved by a shareholders' meeting resolution. However, if the company resolves to voluntarily liquidate and dissolve for reasons other than the inability to settle debts when due, the dissolution must be approved by a Special Resolution under the Cayman Islands Companies Law. Therefore, the resolution threshold in Article 12.4(a) of the company's Articles of Association for voluntary liquidation and dissolution due to the inability to settle debts when due has not been changed to a "supermajority resolution" under the laws of our country, as required by the shareholder rights protection checklist. (3) Merger : Due to mandatory provisions under the Cayman Islands Companies Law regarding the voting method for a "merger" as defined by Cayman Islands law, Article 12.3(b) of the company's Articles of Association stipulates that a "merger" (except for mergers or acquisitions as defined under Cayman Islands law, which only require a Special Resolution) must be approved by a supermajority resolution. 3. The difference between the aforementioned matters and the Shareholder Rights Protection Checklist is that the matters requiring a supermajority resolution under the Shareholder Rights Protection Checklist are separately regulated as either

Material matters of protection of shareholder equity	Articles of Association and reasons of differences
	supermajority resolutions or special resolutions in the company's Articles of Association. These differences arise from the provisions of Cayman Islands law. Since the company's Articles of Association have already separately listed the matters requiring a supermajority resolution for shareholder rights protection, as either supermajority resolutions or special resolutions, the impact of the company's Articles of Association on shareholder rights in this regard should be limited
1. If a company appoints supervisors, they shall be elected by the shareholders' meeting, and at least one of the supervisors must have a domicile in the country. 2. The term of office for supervisors shall not exceed three years; however, they may be re-elected for consecutive terms. 3. In the event that all supervisors are dismissed, the Board of Directors shall convene an extraordinary shareholders' meeting within sixty days to elect new supervisors. 4. Supervisors shall supervise the execution of company operations and may investigate the company's business and financial status at any time. They may audit, copy, or duplicate books and documents and may request reports from the Board of Directors or managers. 5. Supervisors shall audit the various reports prepared by the Board of Directors and submitted to the shareholders' meeting, and shall report their opinions at the shareholders' meeting. 6. When performing audit tasks, supervisors may, on behalf of the company, appoint accountants or lawyers to conduct reviews. 7. Supervisors may attend board meetings to express opinions. If the Board of Directors or any director engages in any conduct that violates laws, the Articles of Incorporation, or resolutions of the shareholders' meeting, supervisors shall immediately notify the Board or the director to cease such actions. 8. Each supervisor may independently exercise	The Cayman Islands Companies Law does not include the concept of a "supervisor," and as the company has established an audit committee instead of appointing supervisors, there are no provisions related to supervisors in the Articles of Association.

Material matters of protection of shareholder equity	Articles of Association and reasons of differences
supervisory powers. 9. Supervisors may not concurrently serve as company directors, managers, or other employees.	
1. A shareholder who has continuously held more than 1% of the total issued shares of the company for over six months may request in writing that the supervisor file a lawsuit on behalf of the company against a director, and may designate the Taiwan Taipei District Court as the court of first instance. 2. If the supervisor fails to initiate the lawsuit within 30 days of receiving the shareholder's request, the shareholder may file the lawsuit on behalf of the company and may designate the Taiwan Taipei District Court as the court with jurisdiction. 3. The supervisor or the independent directors of the Audit Committee may, for the benefit of the company and when necessary, convene a shareholders' meeting if the Board of Directors fails or is unable to do so.	There is no notion of "supervisors" in Cayman Islands' Company Act and the Company has set up the Audit Committee, so there are no relevant regulations of supervisors in the Articles of Association. Only about the regulation of minor shareholders' request to institute an action against a director of the Company in Article 214 of Company Act, R.O.C. In Article 48.3 of the Articles of Association, to the extent permitted under the laws of the Cayman Islands, Members continuously holding one per cent (1%) or more of the total issued shares of the Company for over six months or longer may: (a) request in writing the Board to authorize any Independent Director of the Audit Committee to file a petition with the Taipei District Court, ROC for and on behalf of the Company against any of the Directors; or (b) request in writing any Independent Director of the Audit Committee to file a petition for and on behalf of the Company against any of the Directors; the petition may be filed with the Taipei District Court, ROC as the court of the first instance; or the Member(s) may, to the extent permitted under the laws of the Cayman Islands, file a petition with the Taipei District Court, ROC for and on behalf of the Company against the relevant Directors within thirty (30) days after such Member(s) having made the request under the preceding clause (a) or (b) if (i) in the case of clause (a), the Board fails to make such authorization or the Independent Director of the Audit Committee having been

Material matters of protection of shareholder equity	Articles of Association and reasons of differences
	authorized by the Board fails to file such petition, or (ii) in the case of clause (b), the Independent Director of the Audit Committee fails to file such petition. However, according to Cayman Islands' regulations, about the above regulations, Cayman Islands' lawyers remind the followings: The Company Act of Cayman Islands does not have specific regulation to allow minority shareholders institute an action against a director of the Company. The Articles of Association is not a contract between shareholders and directors, but an agreement between shareholders and the Company. Therefore, even though the Articles allows minority shareholders to institute an action against directors, the Cayman Islands' lawyers think this will not be able to bond directors. However, under the regular laws, all shareholders (including minority shareholders), no matter what his/her share hold percentage is or how long he/she holds shares, have the right to request to institute an action (including against a director). Once shareholders institute an action, the Cayman Islands' court have the full power to decide whether the shareholders can continue the lawsuit. Repeatedly, even though the Articles of Association allow minority shareholders (or shareholders with the required shareholding ratio or shareholding period), institute an action against a director on behalf of the Company; however, the continuation of the lawsuit will ultimately depend on the decision of the Cayman Islands court. According to the relevant judgment of the Grand Court of the Cayman Islands, when the Cayman Islands

Material matters of protection of shareholder equity	Articles of Association and reasons of differences
	courts consider whether to approve the continuation of derivative proceedings, the applicable criterion is whether the Cayman Islands courts believe and accept that the plaintiff's request on behalf of the company is ostensibly substantive. The wrongdoings claimed by the company are controlled by the controllable company, and the controllers can prevent the company from litigating it. According to the Cayman Islands' Laws, the Board of Directors shall act on behalf of the Company as a whole (not individual directors) to make decisions. Therefore, directors shall follow the resolution of the Board of Directors to authorize any director on behalf of the Company according to the Articles of Association to file the charge to other directors. The Company Act of Cayman Islands does not regulate that shareholders may request directors of the company to convene board of directors' meetings to resolute specific matters. However, the Company Act of Cayman Islands does not prohibit the company from establishing Articles of Association and relevant rules of procedures of board meetings (including the regulations of convening board meetings.)
1. The directors of the Company shall faithfully execute their duties and exercise the duty of care of a good administrator. If they breach such duties and cause damages to the Company, they shall be liable for compensation. If such conduct was carried out for their own or others' benefit, the shareholders' meeting may resolve to treat the gains from such conduct as income of the Company.	In the Article 48.4 of the Articles of Association, "Without prejudice and subject to the general directors' duties that a Director owe to the Company and its shareholders under common law principals and the laws of the Cayman Islands, a Director shall perform his fiduciary duties of loyalty and due care of a good administrator in the course of conducting the Company's business, and shall indemnify the Company, to the maximum extent legally permissible, from any loss

Material matters of protection of shareholder equity	Articles of Association and reasons of differences
2. If the directors of the Company, in the course of executing the Company's business, violate laws or regulations and cause damages to others, they shall be jointly and severally liable with the Company for such damages. 3. The managers and supervisors of the Company, within the scope of their duties, shall bear the same liability for damages as the directors of the Company.	incurred or suffered by the Company arising from breach of his fiduciary duties. If a Director has made any profit for the benefit of himself or any third party as a result of any breach of his fiduciary duties, the Company shall, if so resolved by the Members by way of an Ordinary Resolution, take all such actions and steps as may be appropriate and to the maximum extent legally permissible to seek to recover such profit from such relevant Director. If a Director has, in the course of conducting the Company's business, violated any laws or regulations that causes the Company to become liable for any compensation or damages to any person, such Director shall become jointly and severally liable for such compensation or damages with the Company and if any reason such Director is not made jointly and severally liable with the Company, such Director shall indemnify the Company for any loss incurred or suffered by the Company caused by a breach of duties by such Director. The Officers, in the course of performing their duties to the Company, shall assume such duties and obligations to indemnify the Company in the same manner as if they are Directors." However, according to Cayman Islands' regulations, about the above regulations, Cayman Islands' lawyers remind the followings: In Cayman Island's law, generally speaking, managers or supervisors do not take the same responsibilities as the company's directors to the company or shareholders. However, if managers or supervisors are authorized to represent top-level executives, they shall share the same responsibilities as the company's directors. For the avoidance of doubt,

Material matters of protection of shareholder equity	Articles of Association and reasons of differences
	companies in Cayman Islands generally regulate the managers' or supervisors' responsibilities and obligations to companies and shareholders in their service contracts. For the same reason, because the company's Articles of Association is the agreement between shareholders and the company, managers or supervisors are not litigants of the company's Articles of Association. Therefore, any penalty of damages that claims to managers or supervisors who violate their obligations shall be regulated in their service contracts. From the prospect of Cayman Island's law, the company's Articles of Association is the agreement between shareholders and the applying company and directors of the applying company are not litigants of the company's Articles of Association, so lawyers of Cayman Islands think the Articles of Association do not have bonding force to directors. If the company wants to make the relevant clauses have a contractual effect on the directors, lawyers of Cayman Islands think the company shall regulate relevant rights in contracts with individual directors, such as service contracts.
Upon review, the Company intends to pass amendments to its Articles of Incorporation at the Annual General Shareholders' Meeting this year, in order to align with the shareholder rights protection items listed in the Checklist for Protecting Shareholders' Rights. As for certain discrepancies, they either involve provisions stricter than those under ROC regulations or do not materially violate the content of the checklist; therefore, they are not expected to have any adverse impact on shareholders' rights.	

6. The Company's 2024 Financial Report:

Relevant information is also disclosed on the "MOPS" in accordance with regulations. Investors are welcome to refer to it.

Query methods for disclosure : <https://mops.twse.com.tw/mops/web/index>

Click on the website above: Basic Information> E-book > Financial Report>Enter the date "Year" °

1. The Company's Financial Report for the Year 2024:

Stock code : 4807

**REGAL HOLDING CO., LTD. AND
SUBSIDIARIES**

Consolidated Financial Statements
With Independent Auditor's Report

For the Years Ended December 31, 2024 and 2023

Address: The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay
Road P.O. Box 32052, Grand Cayman KY 1-1208, Cayman Islands.

Telephone: 66-24-207440-1074

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Independent Auditor's Report

To the Board of Directors of

Regal Holding Co., Ltd. :

Opinion

We have audited the consolidated financial statements of Regal Holding Co., Ltd. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretation developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our judgment, the key audit matter that should be disclosed in this audit report is subsequent measurement of inventories.

Subsequent measurement of inventories

Please refer to Note 4(h), Note (5), and Note 6(d) for accounting policies, accounting assumptions and estimation uncertainty, inventory valuation, and related disclosure information for inventory, respectively.

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Description of key audit matter:

The inventory of the Group comprises gems, jewelry and raw materials. Since fashion and trends keep changing rapidly and constantly, inventories might become out of date and difficult to meet market demand resulting in the risk that net realizable value of inventories is likely to be lower than costs.

The inventories are measured and recognized subsequently by the Group's management based on both internal and external evidence. Therefore, the subsequent measurement of inventories is considered the key audit matter in our audit.

How the matter was addressed in our audit:

Our audit procedures included:

Assessing the reasonableness of accounting policies for subsequent measurement of inventories; obtaining aging analysis of inventories and analyzing changes in inventory age categories to verify the appropriateness of the changes, selecting samples to examine verify the accuracy of inventory aging ; obtaining details of subsequent measurement of inventories and understanding the reasonableness of selling prices adopted; verifying net realizable value of inventories by vouching the source documents of samples and determining whether related subsequent measurement of inventories has been appropriately disclosed.

Responsibilities of Management and Those Charged Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,

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individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partners on the audit resulting in this independent auditors' report are Chun-I Chang and Min-Ju Chao.

KPMG

Taipei, Taiwan (Republic of China)
February 27, 2025

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(English Translation of Consolidated Financial Statements and Originally Issued in Chinese)

REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2024		December 31, 2023			December 31, 2024		December 31, 2023	
	Amount	%	Amount	%		Amount	%	Amount	%
Assets					Liabilities and Equity				
110x Current Assets:					210x Current Liabilities:				
1100 Cash and Cash equivalents (Note 6(1))	\$ 64,249	4	139,418	11	2100 Short-Term Borrowings (Notes 6(9) and 8)	\$ 558,134	35	243,459	20
1170 Trade Receivable (Notes 6(2) and 16)	513,756	32	224,675	18	2150 Notes Payables	39	-	87	-
1200 Other Receivables (Note 6(3))	10,104	1	7,367	1	2170 Trade Payables	19,100	1	14,671	1
1220 Current Tax Assets	13,180	1	14,260	1	2200 Other Payables	74,843	5	68,425	6
130x Inventories (Note 6(4))	496,795	31	392,382	31	2280 Current Lease liabilities (Note 6(11))	636	-	177	-
1470 Other Current Assets	18,938	1	27,369	2	2322 Long-Term borrowings, current portion (Note 6(9))	4,042	-	3,787	-
1476 Other Current Financial Assets (Note 8)	14,435	1	-	-	2399 Other Current Liabilities (Note 6(16))	10,808	1	2,055	-
150x Total Current Assets	1,131,457	71	805,471	64	250x Total Current Liabilities	667,602	42	332,961	27
150x Non-Current Assets:					250x Non-Current Liabilities:				
1600 Property, Plant, and Equipment (Notes 6(5), 8, and 9)	360,535	23	370,050	29	2540 Long-Term Borrowings (Note 6(9))	13,039	1	7,783	1
1755 Right-of-Use Assets (Notes 6(7) and 11)	820	-	372	-	2570 Deferred Tax Liabilities (Note 6(13))	28,139	2	34,034	3
1780 Intangible Assets (Note 6(3))	16,948	1	16,695	1	2580 Non-current lease liabilities (Note 6(11))	272	-	222	-
1840 Deferred Tax Assets (Note 6(13))	73,169	4	56,393	5	2640 Net Defined Benefit Liabilities - Non-current (Note 6(12))	41,432	3	30,543	2
1884 Other Financial Assets - Non-Current (Note 8)	10,722	1	10,208	1	2645 Guarantee deposits received	4,741	-	4,437	-
190x Total Non-current Assets	462,294	29	453,718	36	2645 Total Non-current Liabilities	87,623	6	77,019	6
					270x Total Liabilities	755,225	48	409,980	33
					310x Equity Attributable to Owners of the Company (Note 6(5), (10), and (14))				
					3100 Common Stock	383,090	24	383,090	30
					3300 Capital Surplus	375,469	24	375,469	30
					330x Retained Earnings				
					3310 Legal Reserve	86,840	5	86,840	7
					3320 Special Reserve	121,175	8	121,175	10
					3350 Accumulated Deficit	(219,120)	(14)	(150,630)	(12)
					3400 Total Retained Earnings	(11,165)	(1)	57,385	5
					Other Equity:				
					3410 Exchange differences on translation of foreign financial statements	13,163	1	(37,109)	(3)
					3420 Losses from investments in equity instruments measured at fair value through other comprehensive income	(12,200)	(1)	(12,200)	(1)
					350x Total other equity	963	-	(49,309)	(4)
					360x Total equity attributable to owners of the Company:	749,317	47	787,535	61
					360x Non-controlling interests (note 6(5) and (14))	80,009	5	81,774	6
					370x Total equity	829,326	52	869,309	67
190x Total Assets	\$ 1,593,751	100	1,259,189	100	370x Total liabilities and equity	\$ 1,593,751	100	1,259,189	100

See accompanying notes to financial statements.

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(English Translation of Consolidated Financial Statements and Originally Issued in Chinese)
REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(Expressed in thousands of New Taiwan Dollars, except earnings per share)

	2024		2023	
	Amount	%	Amount	%
4000 Operating Revenues (Note 6(16))	\$ 1,779,357	100	1,148,730	100
5000 Operating Costs (Note 6(4), (6), (7), (8), (11), (12), and (12))	1,547,023	87	1,105,640	96
5900 Gross Profit	232,334	13	43,090	4
6000 Operating Expenses (Note 6(2), (6), (7), (8), (11), (12), (7), and (12))				
6100 Selling Expenses	83,686	5	68,559	6
6200 Administrative Expenses	152,968	9	131,673	11
6300 Research and Development Expenses	65,263	3	66,425	6
6450 Impairment loss (reversal of impairment loss) determined in accordance with IFRS 9	15	-	(460)	-
Total Operating Expenses	301,932	17	266,197	23
6900 Operating Income (Losses)	(69,598)	(4)	(223,107)	(19)
7000 Non-operating Income and Expenses (Note 6(10), (11), and (18)):				
7100 Interest Income	908	-	5,660	-
7010 Other Income	7,663	1	6,648	-
7020 Other Gains and Losses	2,119	-	3,814	-
7050 Finance Costs	(14,049)	(1)	(7,754)	-
Total Non-operating Income and Expenses	(3,359)	-	8,368	-
7900 Profit (Losses) before income tax	(72,957)	(4)	(214,739)	(19)
7950 Less: income tax expenses (note 6 (13))	(15,666)	(1)	(51,819)	(5)
8200 Profit (losses) for the period	(57,291)	(3)	(162,920)	(14)
8300 Other comprehensive income (note 6 (12)) :				
8310 Components of other comprehensive income that will not be reclassified subsequently to profit or loss				
8311 Gains (losses) on remeasurements of defined benefit plans	(9,076)	(1)	(5,654)	-
8349 Less: Income Tax Related to Items Not to Be Reclassified to Profit or Loss	-	-	-	-
Total Components of other comprehensive (loss) income that will be not be reclassified to profit or loss	(9,076)	(1)	(5,654)	-
8360 Components of other comprehensive income that may be reclassified subsequently to profit or loss				
8361 Exchange differences on translation of foreign operations	55,892	3	10,114	-
8399 Less: income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-
Total Components of other comprehensive (loss) income that will be reclassified to profit or loss	55,892	3	10,114	-
8300 Other Comprehensive Income	46,816	2	4,460	-
8500 Total Comprehensive loss	\$ (10,475)	(1)	(158,460)	(14)
8600 Profit (losses) attributable to (note 6 (14)) :				
8610 Owners of the Company	\$ (59,741)	(3)	(158,144)	(14)
8620 Non-controlling Interests	2,450	-	(4,776)	-
	\$ (57,291)	(3)	(162,920)	(14)
8700 Total Comprehensive Income Attributable to (Note 6(14)):				
8710 Owners of the Parent Company	\$ (18,218)	(1)	(154,429)	(14)
8720 Non-controlling Interests	7,743	-	(4,031)	-
	\$ (10,475)	(1)	(158,460)	(14)
Earnings (losses) per share (New Taiwan dollars) (Note 6(15))				
9750 Basic earnings (losses) per share	\$ (1.56)		(4.12)	
9850 Diluted earnings (losses) per share	\$ (1.56)		(4.12)	

See accompanying notes to financial statements.

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(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Consolidated Statement of Changes in Equity
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											Other Equity Items		
	Retained Earnings						Exchange Differences on Translation of Foreign Financial Statements	Unrealized losses on financial assets measured at fair value through other comprehensive income	Total	Total Equity Attributable to Owners of the company	Non-controlling Interests	Total Equity		
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings (Accumulated deficit)	Total retained earnings								
Balance as of January 1,2023	\$ 383,960	375,499	83,469	121,175	33,708	238,352	(46,369)	(12,200)	(58,569)	939,242	101,226	1,040,468		
Appropriation and Distribution of Earnings														
Legal reserve appropriated	-	-	3,371	-	(3,371)	-	-	-	-	-	-	-		
Special reserve appropriated	-	-	-	-	(17,278)	(17,278)	-	-	-	(17,278)	-	(17,278)		
Losses for the Period	-	-	-	-	(158,144)	(158,144)	-	-	-	(158,144)	(4,776)	(162,920)		
Other Comprehensive Loss	-	-	-	-	(5,545)	(5,545)	9,260	-	9,260	3,715	745	4,460		
Total Comprehensive Loss	-	-	-	-	(163,689)	(163,689)	9,260	-	9,260	(154,429)	(4,031)	(158,460)		
Changes in Non-controlling interests	-	-	-	-	-	-	-	-	-	-	43	43		
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(15,464)	(15,464)		
Balance as of December 31,2023	383,960	375,499	86,840	121,175	(150,630)	57,385	(37,109)	(12,200)	(49,309)	767,535	81,774	849,309		
Losses for the Period	-	-	-	-	(59,741)	(59,741)	-	-	-	(59,741)	2,450	(57,291)		
Other Comprehensive Loss	-	-	-	-	(8,749)	(8,749)	50,272	-	50,272	41,523	5,293	46,816		
Total Comprehensive Loss	-	-	-	-	(68,490)	(68,490)	50,272	-	50,272	(18,218)	7,743	(10,475)		
Changes in Non-controlling interests	-	-	-	-	-	-	-	-	-	-	(508)	(508)		
Balance as of December 31,2024	\$ 383,960	375,499	86,840	121,175	(219,120)	(11,105)	13,163	(12,200)	963	749,317	\$9,009	\$39,326		

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash Flows from Operating Activities		
Profit (loss) before tax	\$ (72,937)	(214,739)
Adjustments:		
Adjustments to reconcile profit (losses)		
Depreciation Expense	62,039	62,973
Amortization Expense	4,126	3,091
Expected Credit Losses (gains)	15	(460)
Interest Expense	14,049	7,754
Interest Income	(908)	(5,660)
Loss (Gain) on disposal of property, plant and equipment	1,649	(162)
Loss on Disposal of Intangible Assets	163	191
Loss on Disposal of Investment	671	1,406
Unrealized Foreign Exchange Gains (Losses)	(3,160)	175
Expense arising from derecognition of intangible assets	70	376
Gain on lease modification	(26)	(6)
Expense arising from derecognition of property, plant and equipment	-	137
Total adjustments to reconcile profit	78,690	69,813
Changes in operating assets and liabilities:		
Trade Receivables	(285,903)	154,076
Other Receivables	(2,737)	(7)
Inventories	(104,413)	(64,884)
Other Current Assets	8,405	(1,372)
Total changes in operating assets	(384,648)	87,813
Notes Payables	(48)	24
Trade Payables	4,372	(4,003)
Other Payables	5,968	(14,092)
Other Current Liabilities	8,753	(2,526)
Net defined benefit liabilities	(38)	(993)
Net change in liabilities related to operating activities	19,007	(21,590)
Total net changes in assets and liabilities related to operating activities	(365,641)	66,223
Total adjustments	(286,951)	136,038
Cash inflows generated from (used in) operations	(359,908)	(78,701)
Interest received	908	5,952
Interest paid	(13,809)	(6,067)
Income taxes paid	-	(8,729)
Cash inflows generated from (used in) operations	(650)	-
Net Cash Outflow from Operating Activities	(373,459)	(87,545)
Cash Flows from Investing Activities:		
Acquisition of property, plant and equipment	(31,184)	(68,086)
Proceeds from disposal of property, plant and equipment	668	852
Acquisition of intangible assets	(3,538)	(10,604)
Increase in Other financial assets – current	(14,435)	-
Increase in Other financial assets – non-current	(714)	(337)
Net cash flows used in investing activities	(49,003)	(78,175)
Cash flows from (used in) financing activities:		
Increase in Short-Term loans	283,929	45,025
Repayment of Corporate Bonds	-	(88,700)
Issuance of Long-Term Borrowings	5,466	12,501
Repayment of Long-Term Borrowings	(962)	(946)
Increase (Decrease) in guarantee deposits received	304	(169)
Payments of lease liabilities	(439)	(963)
Cash dividends paid	-	(17,278)
Changes in non-controlling interests	(508)	43
Cash dividends paid to non-controlling interests	-	(11,464)
Net cash flows used in financing activities	287,790	(65,951)
Effect of exchange rate changes on cash and cash equivalents	59,503	7,231
Net increase (decrease) in cash and cash equivalents	(75,169)	(224,440)
Cash and cash equivalents at the beginning of period	139,418	363,858
Cash and cash equivalents at the end of period	\$ 64,249	139,418

See accompanying notes to consolidated financial statements.

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(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023
(Expressed in thousands of New Taiwan Dollars, unless otherwise specified)

1. Company History

Regal Holding Co., Ltd. (the "Company") was established in the Cayman Islands in October 2014. The main purpose of the establishment was to restructure its group entities for application to list on Taiwan Stock Exchange ("TWSE") in the Republic of China. The Company become the holding company of Regal Jewelry Manufacture Co., Ltd. ("RJM") by using share swaps with previous shareholders of RJM to restructure the group. The Company's shares have been listed and traded on the TWSE since June 26, 2017. The main business of the Company and subsidiaries are designing, manufacturing, electroplating and selling jewelry gems. Please refer to note 6 (16)

2. Approval date and procedures of the consolidated interim financial statements:

The consolidated financial statements were reported to the Board of Directors on February 27, 2025.

3. New standards, amendments and interpretations adopted:

(A) The impact of adopting the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. ("FSC")

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

- Amendment to IAS 1 "Classification of Liabilities as Current or Non-Current"
- Amendment to IAS 1 "Non-Current Liabilities with Covenants"
- Amendment to IAS 7 and IFRS 7 "Supplier Financing Arrangements"
- Amendment to IFRS 16 "Lease Liabilities in Sale and Leaseback"

(B) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its consolidated financial statements:

- Amendment to IAS 21 "Lack of Convertibility"

(C) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following are the standards and interpretations issued and revised by the International Accounting Standards Board (IASB) but not yet approved by the Financial Supervisory Commission (FSC), which may be relevant to the Consolidated Group:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures.	January 1, 2027

REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements (Continued)

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure of Financial Statements"	The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

4. Summary of Significant Accounting Policies

The material accounting policies presented in the consolidated financial statements are summarized below. The following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

(a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (the 'Regulations') and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations, and SIC Interpretations as endorsed and issued into effect by the Financial Supervisory Commission (collectively referred to as the 'IFRSs endorsed by the FSC').

(b) Basis of Preparation

1. Basis of Measurement

Except for the following significant items in the balance sheet, these consolidated financial statements have been prepared on a historical cost basis:

(1) Financial assets measured at fair value through other comprehensive income (FVOCI) are measured at fair value;

(2) Net defined benefit liabilities are measured at the fair value of plan assets less the present value of the defined benefit obligations, adjusted for the effect of the asset ceiling as described in Note 4(14).

2. Functional Currency and Presentation Currency

Each entity within the consolidated group measures its financial statements using the currency of the primary economic environment in which it operates as its functional currency. These consolidated financial statements are presented in the Company's functional currency, which is the New Taiwan Dollar (NTD). All financial information presented in NTD is expressed in thousands of New Taiwan Dollars.

(c) Basis of Consolidation

1. Basis of Consolidation of the Consolidated Financial Statements

The consolidation of the financial statements includes the Company and its subsidiaries. The financial statements of subsidiaries are included in the consolidated financial statements from the date control is obtained, until the date control is lost. The profit or loss attributable to non-controlling interests in subsidiaries should be allocated to non-controlling interests, even if this results in a negative balance for non-controlling interests.

Transactions, balances, and any unrealized gains and expenses between consolidated entities are eliminated upon the preparation of the consolidated financial statements.

Changes in the ownership interests in a subsidiary that do not result in the loss of control are accounted for as equity transactions between the owners.

REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements (Continued)

2. List of subsidiaries in the consolidated financial statements:

Name of the Investee Company	Name of the Subsidiary	Nature of Business	Percentage of Ownership(%)	
			2024.12.31	2023.12.31
The Company	Regal Jewelry Manufacture Co., Ltd. (RJM)	Designing, manufacturing and selling jewelry and gems	99.99%	99.99%
The Company	Regal Management Solution Co., Ltd. (RMS)	Technical services and resources consulting	- % (Notes 1&7)	99.90%
The Company	Reunite Inspiring Creation Co., Ltd. (RIC)	Selling jewelry and gems	- % (Notes 5&6)	100.00% (Notes 5)
RJM	Regal Plating Co., Ltd. (RGP)	Jewelry and gems plating	51.00%	51.00%
RJM	Regal Precious Metal Innovation Co., Ltd. (RPM)	Metal recycling operation	99.90%	99.90% (Notes 2)
RJM	Linden Integrated Co., Ltd. (Linden)	Selling jewelry and gems	- % (Notes 3&8)	49.00%

Note 1: The Company increased its capital by THB 1,998 thousand on March 29, 2023, June 20, 2023, August 2023, and October 2023."

Note 2: RJM increased its capital in RPM by THB 39,960 thousand on October 12, 2023

Note 3: The governing body, key management personnel, business activities, locations, and products of Linden are all appointed or provided by the Company or RJM, thus having substantial control.

Note 4: The consolidated company decided to terminate the operations of the subsidiary on March 11, 2023, through a resolution by the board of directors. GVG Hong Kong obtained the deregistration certificate on October 20, 2023. For the year 2023, a disposal loss of THB 1,406 thousand was recognized due to the disposal of the company, recorded under other income and expenses.

Note 5: On February 23, 2023, the Company decided at a board meeting to reduce its capital by 25,000 thousand yuan to offset losses and carry out a cash increase of 2,500 thousand, the capital reduction was completed and registered in June 2023. The actual paid-up capital after the reduction and increase is 22,500 thousand, with a par value of 10 yuan per share, totaling 2,250 thousand shares.

Note 6: The consolidated company decided to terminate the operations of the subsidiaries by a resolution of the board of directors on November 12, 2023. For the year 2024, a disposal loss of THB 543 thousand was recognized due to the disposal of the companies, recorded under other income and expenses. The liquidation was completed on November 21, 2024

Note 7: The consolidated company decided to terminate the operations of the subsidiaries by a resolution of the board of directors on November 12, 2023. For the year 2024, a disposal loss of THB 128 thousand was recognized due to the disposal of the companies, recorded under other income and expenses. The certificate was obtained on January 30, 2025, and the liquidation was completed

Note 8: The consolidated company decided to terminate the operations of the subsidiaries by a resolution of the board of directors on November 12, 2023. The liquidation was completed on January 30, 2025.

All subsidiaries of the Company are included in the consolidated financial statements

(d) Foreign Currency

1. Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rate on the transaction date. At the end of each reporting period (hereinafter referred to as the reporting date), foreign currency monetary items are translated into the functional currency using the exchange rate at that date.

Foreign currency non-monetary items measured at fair value are translated into the functional currency using the exchange rate on the date the fair value is measured. Foreign currency non-monetary items measured at historical cost are translated using the exchange rate on the transaction date. Foreign exchange differences arising from these translations are typically recognized in profit or loss.

REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements (Continued)

2. Foreign Operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from acquisitions, are translated into the functional currency using the exchange rate at the reporting date. Revenue and expense items are translated into the functional currency using the average exchange rate for the period, and the resulting exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of, resulting in the loss of control, joint control, or significant influence, the cumulative exchange differences related to that foreign operation are reclassified entirely to profit or loss. In the case of a partial disposal involving a subsidiary with foreign operations, the related cumulative exchange differences are reallocated proportionally to non-controlling interests. In the case of a partial disposal involving an associate or joint venture with foreign operations, the related cumulative exchange differences are reclassified proportionally to profit or loss.

For monetary receivables or payables of foreign operations, if there is no plan for settlement and it is not possible to settle them in the foreseeable future, the resulting foreign exchange gains or losses are considered part of the net investment in the foreign operation and are recognized in other comprehensive income.

(e) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as non-current.

1. It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is expected to be realized within twelve months after the reporting period;
4. The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non-current.

An entity shall classify a liability as current when:

1. It is expected to be settled in the normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period, despite the fact that a long-term refinancing is completed or a debt agreement is rearranged during the period between the reporting date and the approval date.
4. It does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(f) Cash and Cash Equivalents

Cash includes cash on hand, checks, and demand deposits. Cash equivalents refer to short-term, highly liquid investments that are readily convertible into a known amount of cash and have an insignificant risk of changes in value. Time deposits that meet the above definition and are held for the purpose of fulfilling short-term cash commitments rather than for investment or other purposes are classified as cash equivalents.

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

(g) Financial Instruments

All regular way purchases or sales of financial assets are recognized and derecognized using trade date accounting on a consistent basis.

Trade receivables issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (except for a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issuance of the financial asset or financial liability. A trade receivable without a significant financing component is initially measured at the transaction price.

1. Financial assets

On initial recognition, a financial asset is classified as measured at amortized cost or fair value through other comprehensive income ("FVOCI").

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(1) Financial Assets Measured at Amortized Cost

Financial assets are measured at amortized cost if they meet the following conditions and are not designated as financial assets measured at fair value through profit or loss:

- The financial asset is held under a business model whose objective is to collect contractual cash flows.
- The contractual terms of the financial asset give rise to cash flows on specific dates that are solely payments of principal and interest on the outstanding principal amount.

These assets are subsequently measured at amortized cost using the effective interest method, with adjustments for any loss allowances. Interest income, foreign exchange gains and losses, and impairment losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(2) Financial Assets Measured at Fair Value Through Other Comprehensive Income

At initial recognition, the consolidated company may make an irrevocable election to present subsequent changes in the fair value of equity investments, which are not held for trading, in other comprehensive income. This election is made on an instrument-by-instrument basis.

Such assets are equity investments, and they are subsequently measured at fair value. Dividend income (unless it clearly represents a recovery of part of the investment cost) is recognized in

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

profit or loss. The remaining net gains or losses are recognized in other comprehensive income and are not reclassified to profit or loss.

Dividend income from equity investments is recognized when the consolidated company has the right to receive the dividend (typically on the ex-dividend date).

(3) Financial Asset Impairment

At each reporting date, the consolidated company assesses financial assets for impairment, considering reasonable and supportable information (obtained without excessive cost or effort), including both qualitative and quantitative information, and based on the consolidated company's historical experience, credit assessments, and forward-looking analysis. For financial assets where there has been no significant increase in credit risk since initial recognition, impairment is measured based on the 12-month expected credit loss. If credit risk has significantly increased since initial recognition, impairment is measured based on the lifetime expected credit loss. For receivables and contract assets that do not have significant financial components, impairment loss is measured using the lifetime expected credit loss method.

The lifetime expected credit loss refers to the expected credit loss over the entire expected life of the financial instrument arising from all possible default events.

The 12-month expected credit loss refers to the expected credit loss arising from possible default events within the next 12 months (or a shorter period, if the expected life of the financial instrument is shorter than 12 months).

The maximum period for measuring expected credit losses is the longest contract term to which the consolidated company is exposed to credit risk.

When assessing whether credit risk has significantly increased since initial recognition, the consolidated company considers reasonable and supportable information (obtained without excessive cost or effort), including both qualitative and quantitative information, and based on the consolidated company's historical experience, credit assessments, and forward-looking analysis.

Expected credit loss is the probability-weighted estimate of the credit losses over the financial instrument's expected life. Credit loss is measured as the present value of all shortfalls in cash flows, i.e., the difference between the contractual cash flows that the consolidated company is entitled to receive and the cash flows the consolidated company expects to receive. Expected credit loss is discounted using the effective interest rate of the financial asset.

For financial assets measured at amortized cost, the loss allowance is deducted from the carrying amount of the asset. The amount of the allowance for credit losses or its reversal is recognized in profit or loss.

When the consolidated company reasonably expects that the recovery of the financial asset, in whole or in part, is not possible, the carrying amount of the financial asset is directly reduced. This usually refers to situations where the consolidated company determines that the debtor's assets or sources of income cannot generate enough cash flows to repay the written-off amount. However, written-off financial assets may still be subject to enforcement in accordance with the consolidated company's procedures for recovering overdue amounts.

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

However, written-off financial assets may still be subject to enforcement in accordance with the consolidated company's procedures for recovering overdue amounts

(4) Derecognition of Financial Assets

The consolidated company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when the financial asset has been transferred and substantially all of the risks and rewards of ownership of the asset have been transferred to another entity, or when the consolidated company has neither transferred nor retained substantially all of the risks and rewards of ownership and has relinquished control of the financial asset.

2. Financial Liabilities

(1) Classification of Liabilities or Equity

The debt and equity instruments issued by the Group are classified as financial liabilities or equity based on the substance of the contractual agreement and the definitions of financial liabilities and equity instruments.

(2) Equity Transactions

Equity instruments refer to any contracts that represent the residual interest in the assets of the Group after deducting all its liabilities. The equity instruments issued by the Group are recognized at the amount obtained, less the direct issuance costs.

(3) Convertible Bonds

The convertible bonds issued by the consolidated company, which give the holder the option to convert into equity, have a fixed number of shares to be issued and do not vary with changes in their fair value.

The liability component of the convertible bonds is initially recognized at the fair value of a similar liability excluding the equity conversion option. Any embedded repurchase and redemption rights within the convertible bonds are recognized at fair value as financial liabilities measured at fair value through profit or loss. The initial recognition of the conversion option is measured as the difference between the total fair value of the convertible bond and the fair value of the liability component. Any directly attributable transaction costs are allocated between the liability and equity components based on their relative carrying amounts.

After initial recognition, the liability component of the convertible bonds is measured at amortized cost using the effective interest rate method. The conversion option is not remeasured after initial recognition. The repurchase and redemption rights associated with the bonds are valued at fair value using a binomial tree model, and changes in fair value are recognized in profit or loss.

Interest related to financial liabilities is recognized in profit or loss. Upon conversion of the

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REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

bonds into equity, the financial liability is reclassified as equity, and the conversion does not result in a gain or loss.

(4) Other Financial Liabilities

Financial liabilities that are not held for trading and not designated as measured at fair value through profit or loss, including short-term borrowings, accounts payable, and other payables, are initially recognized at fair value plus directly attributable transaction costs. Subsequently, these liabilities are measured at amortized cost using the effective interest method, except for cases where the interest on short-term financial liabilities is immaterial. Interest expenses not capitalized as part of the asset cost are reported under financial costs in the non-operating income and expenses section.

(5) Derecognition of Financial Liabilities

The consolidated company derecognizes a financial liability when the contractual obligation is fulfilled, canceled, or expired. Upon de-recognition of a financial liability, the difference between its carrying amount and the total consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

(6) Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are only offset and presented on a net basis in the balance sheet when the consolidated company currently has a legally enforceable right to offset the amounts and intends to settle on a net basis or simultaneously realize the asset and settle the liability.

(h) Inventory

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(i) Property, Plant, and Equipment

1. Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in

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REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements (Continued)

- profit or loss.
2. Subsequent Costs
Subsequent expenditures are capitalized only when it is highly probable that future economic benefits will flow to the group.
3. Depreciation
Except for land, depreciation is calculated based on the asset's cost less its residual value and is recognized in profit or loss over the estimated useful life of each component using the straight-line method.
- The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:
- | | |
|--------------------------|-------------|
| Buildings | 10~20 years |
| Machinery and equipment | 5 years |
| Transportation equipment | 5 years |
| Office equipment | 3~5 years |
| Land improvement | 5 years |
- Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(j) Leases

The group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which includes the initial measurement of the lease liability, any lease payments made before or at the commencement date, any initial direct costs incurred, and estimated costs for dismantling, removing the leased asset, and restoring the location of the asset, while reducing any lease incentives received.

Subsequently, the right-of-use asset is depreciated on a straight-line basis over the shorter of the asset's useful life or the lease term. Additionally, the group regularly evaluates whether the right-of-use asset has been impaired and addresses any impairment losses that have occurred. The right-of-use asset is adjusted when there is a re-measurement of the lease liability.

The lease liability is initially measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the lease commencement date. Subsequently, the lease liability is measured using the effective interest method to recognize interest, with adjustments made to the carrying amount of the right-of-use asset in response to lease payments and any changes in the lease term or other relevant factors. If the carrying amount of the right-of-use asset is reduced to zero, any remaining re-measurement amount is recognized in profit or loss.

If the implicit interest rate in a lease is readily determinable, the discount rate used will be that rate. If it is not readily determinable, the group's incremental borrowing rate will be used. In general, the group uses its incremental borrowing rate as the discount rate.

For short-term leases and leases of low-value assets, the group has chosen not to recognize a

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

right-of-use asset and lease liability, but instead, lease payments are recognized as an expense on a straight-line basis over the lease term.

(k) Intangible Assets

The Group's intangible assets are computer programs and trademark, which are measured at cost less accumulated amortization and accumulated impairment losses. The amortizable amount is the cost of an asset less its residual value. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives are 3~10 years.

The amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(l) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than assets arising from inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. If it is not possible to determine the recoverable amount for the individual asset, then the Group will have to determine the recoverable amount for the asset's cash generating unit ("CGU").

The recoverable amount for an individual asset or a CGU is the higher of its fair value less costs to sell and its value in use. If, and only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset shall be reduced to its recoverable amount; and that reduction will be accounted as an impairment loss, which shall be recognized immediately in profit or loss.

An assessment is made at the end of each reporting period as to whether there is any indication that an impairment loss recognized in prior periods for an asset other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated. An impairment loss recognized in prior periods for an asset other than goodwill is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(m) Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(n)Employee benefits

1. Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

2. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods, based on the discounted present value of the said defined benefit obligation. The fair values of any plan assets are deducted for purposes of determining the Group's net defined benefit obligation. The discount rate used in calculating the present value is the market yield at the reporting date of high-quality market corporate bonds or government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. If the calculation results in a benefit to the Group, the recognized asset is limited to the total of the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In calculating the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. An economic benefit is available to the Group if it is realizable during the life of the plan, or on settlement of the plan liabilities.

If the benefits of a plan are amended, the pension cost incurred from the portion of the increased benefit relating to past service provided by employees, is recognized immediately in profit or loss.

Remeasurements of the net defined benefit liability (asset), which comprise (1) actuarial gains and losses, (2) the return on plan assets (excluding interest), and (3) the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Group can reclassify the amounts recognized in other comprehensive income to retained earnings.

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

3. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(o) Income taxes

Income tax comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

Current taxes comprise the expected tax payable or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

1. temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or losses at the time of the transaction;
 2. temporary differences related to investments in subsidiaries and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
 3. taxable temporary differences arising on the initial recognition of goodwill
- Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if the following criteria are met:

1. The Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
2. The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (1) The same taxable entity; or
 - (2) Different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered

(p) Earnings per share

The Group discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. The issued shares from capitalization of retained earnings or capitalization of capital surplus are calculated retrospectively, even the record date of capitalization aforementioned is before the submission date of financial statements.

Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares. The Group's dilutive potential ordinary shares include the estimation of employee remuneration and convertible bonds.

(q) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of discrete financial information.

5. Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

The preparation of the consolidated financial statements in conformity with the Regulations and the IFRSs endorsed by the FSC requires management to make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

There are no judgments made in applying accounting policies that have significant effects on the amounts recognized in the consolidated financial statements.

The account of inventories is the one associated with assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year. As inventories are stated at the lower of cost and net realizable value, the management has to determine net realizable value of inventories at the end of reporting period by judgments and estimation. The management estimates the inventory obsolescence and decline in market value and then writes down the cost of inventories to net realizable value.

6、Explanation of significant accounts:

(1) Cash and Cash Equivalents

	December 31, 2024	December 31, 2023
Cash	\$ 544	618
Demand Deposits	63,401	125,062
Checking Deposits	31	52
Fixed deposits	273	13,686
Cash and cash equivalents in consolidated statement of cash flows	<u>\$ 64,249</u>	<u>139,418</u>

Please refer to note 6(19) for the interest risk and sensitivity analysis of the financial assets and liabilities of the Group.

(2) Trade Receivable

	December 31, 2024	December 31, 2023
Trade receivables	\$ 514,004	224,893
Less: loss allowance	(248)	(218)
	<u>\$ 513,756</u>	<u>224,675</u>

The Group applies the simplified approach to assess its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information.

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Notes to the Consolidated Financial Statements (Continued)

The Group's analysis on the expected credit loss of its trade receivables in the region of Thailand as of December 31, 2024 and 2023 was as follows:

December 31, 2024			
	Book value of trade receivables	Lifetime expected credit loss rate (%)	Allowance for lifetime expected credit loss
Not yet due	\$ 321,159	-	-
Past due 1~30 days	35,236	-	-
	<u>\$ 356,395</u>		<u>-</u>

December 31, 2023			
	Book value of trade receivables	Book value of trade receivables	Book value of trade receivables
Not yet due	\$ 103,573	-	-
Past due 1~30 days	29,992	-	-
Past due 31~60 days	194	-	-
	<u>\$ 133,759</u>		<u>-</u>

The Group's analysis on the expected credit loss of its trade receivables in other regions as of December 31, 2024 and 2023 was as follows:

December 31, 2024			
	Book value of trade receivables	Lifetime expected credit loss rate (%)	Allowance for lifetime expected credit loss
Not yet due	\$ 99,098	-	-
Past due 1~30 days	53,316	-	-
Past due 31~60 days	4,667	2.57	120
Past due 61~90 days	245	15.53	38
Past due 91~180 days	196	23.65	46
Past due 181~365 days	87	50.27	44
	<u>\$ 157,609</u>		<u>248</u>

December 31, 2023			
	Book value of trade receivables	Lifetime expected credit loss rate (%)	Allowance for lifetime expected credit loss
Not yet due	\$ 59,537	-	-

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REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

Past due 1~30 days	25,108	-	-
Past due 31~60 days	6,109	2.57	157
Past due 61~90 days	359	15.53	56
Past due 91~180 days	<u>21</u>	<u>23.65</u>	<u>5</u>
	\$ 91,134		218

The movements of the loss allowance for trade receivables were as follows:

	2024	2023
Balance at the beginning	\$ 218	684
Impairment losses recognized (reversal gain)	15	(460)
Written off amounts	-	(11)
Foreign currency translation effects	<u>15</u>	<u>5</u>
Balance at the end	\$ 248	218

(3) Other Receivables

	December 31, 2024	December 31, 2023
Other Receivables	\$ 27,747	23,899
Less: Loss allowance	<u>(17,643)</u>	<u>(16,532)</u>
	\$ 10,104	7,367

The movements of the loss allowance for other receivables were as follows:

	2024	2023
Balance at the beginning	\$ 16,532	16,393
Foreign currency translation effects	<u>1,111</u>	<u>139</u>
Balance at the end	\$ 17,643	16,532

The Group did not have any past due other receivables as of December 31, 2024 and 2023. For further credit risk information, please refers to note 6(19).

(4) Inventory

	December 31, 2024		
	Cost	Allowance for devaluation and obsolescence	Net realizable value
Raw Materials	\$ 355,049	63,991	291,058
Work in Progress	163,585	8,666	154,919
Finished goods	54,834	8,597	46,237
Supplies and spare parts	<u>8,888</u>	<u>4,307</u>	<u>4,581</u>
	\$ 582,356	85,561	496,795

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

	December 31, 2023		
	Cost	Allowance for devaluation and obsolescence	Net realizable value
Raw materials	\$ 324,295	62,638	261,657
Work in process	100,201	8,399	91,802
Finished goods	39,240	5,208	34,032
Supplies and spare parts	9,671	4,780	4,891
	<u>\$ 473,407</u>	<u>81,025</u>	<u>392,382</u>

The movements of the allowance for devaluation and obsolescence in inventories were as follows:

	2024	2023
Beginning balance	\$ 81,025	67,071
Provision (reversal) for the current period	61	13,374
Loss on scrapping	(913)	-
Exchange rate effect	5,388	580
Ending balance	<u>\$ 85,561</u>	<u>81,025</u>

Aside from the transfer of inventory to cost of goods sold through normal sales, the total amount of other expenses and losses directly recognized in operating costs by the consolidated company is as follows:

	2024	2023
Allowance for inventory devaluation and obsolescence losses (reversal gain)	\$ 61	13,374
Loss on inventory write-off	(4,444)	(4,026)
Revenue from sales of scrap	(83,237)	(53,451)
Unallocated expenses	61,416	5,346
	<u>\$ (26,204)</u>	<u>(38,757)</u>

As of December 31, 2024 and 2023, the consolidated company had no pledged inventory as collateral.

(5) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements (Continued)

Subsidiary	Main operation place / country of incorporation	Percentage of non-controlling interests	
		December 31, 2024	December 31, 2023
Regal Plating Co., Ltd.	Thailand	49.00%	49.00%

The following information of the aforementioned subsidiary has been prepared in accordance with the IFRSs endorsed by the FSC. Intra-group transactions were not eliminated in this information.

Regal Plating Co., Ltd.'s collective financial information

	December 31, 2024	December 31, 2023
Current assets	\$ 181,539	158,403
Non-current assets	6,841	13,779
Current liabilities	(4,802)	(5,448)
Non-current liabilities	(2,104)	(1,517)
Net assets	<u>\$ 181,474</u>	<u>165,217</u>
Non-controlling interests	<u>\$ 88,922</u>	<u>80,956</u>
	2024	2023
Sales revenue	<u>\$ 280,907</u>	<u>177,422</u>
Net income	\$ 5,540	(9,280)
Other comprehensive income	\$ 10,717	1,503
	<u>\$ 16,257</u>	<u>(7,777)</u>
Profit for current period attributable to non-controlling interests	<u>\$ 2,715</u>	<u>(4,547)</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 7,966</u>	<u>(3,811)</u>
Net cash flows from operating activities	\$ (57,954)	16,943
Net cash flows used in investing activities	(493)	(256)
Net cash flows used in financing activities	-	(31,560)
Net decrease in cash and cash equivalents	<u>\$ (58,447)</u>	<u>(14,873)</u>
Dividends paid to non-controlling interests	<u>\$ -</u>	<u>(15,464)</u>

(6) Property, plant and equipment

The cost, depreciation, and impairment losses of the property, plant and equipment of the Group for the years ended December 31, 2024 and 2023, were as follows:

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Notes to the Consolidated Financial Statements (Continued)

		Land	Buildings	Machinery and equipment	Transportation equipment	Office equipment	Land improvement	Contract in progress and equipment to be inspected	Total
Cost or deemed cost:									
Balance at January 1, 2024	\$	157,534	273,533	347,745	23,518	157,087	11,914	19,440	990,771
Additions	-	-	391	9,073	402	7,803	277	13,238	31,184
Disposals	-	-	(2,375)	(13,823)	(290)	(3,647)	(329)	-	(20,464)
Reclassification	-	-	5,209	-	-	3,765	-	(8,974)	-
Foreign currency translation effect	-	10,588	18,547	23,130	1,586	10,932	790	1,523	67,096
Balance at December 31, 2024	\$	168,122	295,305	366,135	25,216	175,940	12,652	25,227	1,068,587
Balance at January 1, 2023	\$	156,207	250,199	326,196	23,306	145,199	10,285	27,796	939,188
Additions	-	-	1,800	15,347	16	18,003	1,578	31,342	68,086
Disposals	-	-	(190)	(15,038)	(2)	(8,964)	(205)	-	(24,399)
Reclassification	-	-	19,569	18,442	-	1,606	169	(39,923)	(137)
Foreign currency translation effect	-	1,327	2,155	2,798	198	1,743	87	225	8,033
Balance at December 31, 2023	\$	157,534	273,533	347,745	23,518	157,087	11,914	19,440	990,771
Accumulated depreciation and impairment losses:									
Balance at January 1, 2024	\$	-	204,182	265,300	17,515	123,789	9,935	-	620,721
Depreciation	-	-	13,236	28,991	2,409	16,385	566	-	61,587
Disposals	-	-	(1,295)	(12,869)	(290)	(3,415)	(278)	-	(18,147)
Foreign currency translation effect	-	-	14,328	18,647	1,284	8,955	677	-	43,891
Balance at December 31, 2024	\$	-	230,451	300,069	20,918	145,714	10,900	-	708,052
Balance at January 1, 2023	\$	-	189,947	247,892	14,328	115,649	9,673	-	577,489
Depreciation	-	-	12,666	30,042	3,063	15,895	322	-	61,988
Disposals	-	-	(62)	(14,761)	(2)	(8,744)	(140)	-	(23,709)
Foreign currency translation effect	-	-	1,631	2,127	126	989	80	-	4,953
Balance at December 31, 2023	\$	-	204,182	265,300	17,515	123,789	9,935	-	620,721
Balance as of December 31, 2024	\$	168,122	64,854	66,056	4,298	30,226	1,752	25,227	360,535
Balance as of December 31, 2023	\$	157,534	69,351	82,445	6,003	33,798	1,979	19,440	370,050

Please refer to note 8 for the disclosure of assets pledged as collateral for loans.

(7) Right-of-use assets

The Group leases buildings. Information about leases for which the Group as a lessee was presented below:

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

	<u>Buildings</u>
Cost:	
Balance at January 1, 2024	\$ 536
Additions	1,299
Disposals	(545)
Foreign currency translation effect	9
Balance at December 31, 2024	<u>\$ 1,299</u>
Balance at January 1, 2023	\$ 2,087
Additions	536
Disposals	(2,088)
Foreign currency translation effect	1
Balance at December 31, 2023	<u>\$ 536</u>
Accumulated depreciation:	
Balance at January 1, 2024	\$ 164
Depreciation	452
Disposals	(240)
Foreign currency translation effect	3
Balance at December 31, 2024	<u>\$ 379</u>
Balance at January 1, 2023	\$ 894
Depreciation	985
Disposals	(1,715)
Balance at December 31, 2023	<u>\$ 164</u>
Carrying amount:	
Balance at December 31, 2024	<u>\$ 920</u>
Balance at December 31, 2023	<u>\$ 372</u>

(8) Intangible assets

The cost, amortization, and impairment losses of the intangible assets of the Group for the years ended December 31, 2024 and 2023, were as follows:

Computer
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REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

	software	Trademark	Total
Cost:			
Balance at January 1, 2024	\$ 70,899	785	71,684
Additions	3,536	2	3,538
Disposals	(1,973)	-	(1,973)
Reclassification	(82)	12	(70)
Foreign currency translation effect	4,807	53	4,860
Balance at December 31, 2024	<u>\$ 77,187</u>	<u>852</u>	<u>78,039</u>
Balance at January 1, 2023	\$ 60,147	1,331	61,478
Additions	10,576	28	10,604
Disposals	(237)	(305)	(542)
Reclassification	(96)	(280)	(376)
Foreign currency translation effect	509	11	520
Balance at December 31, 2023	<u>\$ 70,899</u>	<u>785</u>	<u>71,684</u>
Amortization and impairment loss:			
Balance at January 1, 2024	\$ 54,704	285	54,989
Amortization	4,046	80	4,126
Disposals	(1,808)	-	(1,808)
Foreign currency translation effect	3,761	23	3,784
Balance at December 31, 2024	<u>\$ 60,703</u>	<u>388</u>	<u>61,091</u>
Balance at January 1, 2023	\$ 51,673	145	51,818
Amortization	2,839	252	3,091
Disposals	(237)	(114)	(351)
Foreign currency translation effect	429	2	431
Balance at December 31, 2023	<u>\$ 54,704</u>	<u>285</u>	<u>54,989</u>
Carrying Amount:			
Balance at December 31, 2024	<u>\$ 16,484</u>	<u>464</u>	<u>16,948</u>
Balance at December 31, 2023	<u>\$ 16,195</u>	<u>500</u>	<u>16,695</u>

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

(9) Long-term and short-term loans

1. Short-term loans

	December 31, 2024	December 31, 2023
Secured bank loans	\$ 558,134	243,459
Unused credit lines	\$ 529,266	744,876
Interest rate (%)	3.10~3.65	3.12~3.13

Please refer to note 8 for the information of the collateral for loans.

2. Long-term loans:

December 31, 2024			
	Interest rate range (%)	Maturity year	Amount
Unsecured bank lines	2.00-4.50	2028	\$ 17,081
Less: due in one year			(4,042)
Total			\$ 13,039
Unused credit lines			\$ -

December 31, 2023			
	Interest rate range (%)	Maturity year	Amount
Unsecured bank lines	2.00-4.50	2028	\$ 11,570
Less: due in one year			(3,787)
Total			\$ 7,783
Unused credit lines			\$ 9,169

(10) Corporate bonds payable

1. The details of the Group's convertible bonds were as follows:

	December 31, 2024	December 31, 2023
Total convertible corporate bonds issued	\$ -	250,000
Cumulative redeemed amount	-	(249,700)
Cumulative converted amount	-	(300)
Corporate bonds balance at year-end	\$ -	-
Interest expense	\$ -	1,729

A resolution had been made during the board meeting held on October 5, 2020, for the Company to issue its unsecured convertible bonds in the principal amount of \$250,000 thousand for loan repayment and working capital enrichment, with a coupon rate of 0% for 3 years and issued at 100.5% of the par value.

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

The Company issued its unsecured convertible bonds amounting to \$251,250 thousand on December 2, 2020, upon the approval by the Financial Supervisory Commission on November 11, 2020.

2. Terms of issuing unsecured convertible bonds are as follows:

- (a) Coupon rate: 0%.
- (b) Duration period: 3 years (December 2, 2020, to December 2, 2023)
- (c) Repayment term: the bond are repayable in cash upon maturity of the bonds, except for those which were repurchased by the Company, sold back to the Company, or converted to common stock before maturity.
- (d) Conversion period: beginning from three month after the issuance date (March 3, 2021) until maturity (December 2, 2023), bondholders may convert the bonds into common stock according to the conversion rate set in the agreement.
- (e) The Company's call option (right of redemption): beginning from three month after the issuance date (March 3, 2021) until 40 days before maturity (October 23, 2023), if the stock closing price exceeds 30% of the conversion price for 30 consecutive working days, or the remaining principal amount of bonds payable, which have not yet been converted into shares is lower than 10% of the total principal, the Company is entitled to send a "bond redemption notification" to the bondholders and publish an announcement through the TPEx to exercise its call option.
- (f) Bondholders' put option:
bondholders are entitled to exercise the put option on December 2, 2022, with an exercise price at 101.0025% (annual yield rate of the put option is 0.5%) of the par value of the bonds. Upon receipt of a sell back request, the Company shall pay the amount to the bondholders by cheque or electronic transfer within 5 working days of the put date.
- (g) Conversion price and adjustment:
The conversion price at the issue date is TWD 30.5 per share. If there is any increase in the Company's common stock (including but not limited to cash injection by public offering or private offering, capital increase from retained earnings or capital surplus, issuance of new shares for consolidation purposes or as the consideration payable by the Company for its acquisition of another company's shares, stock split, or cash injection by participating in the issuance of overseas depository receipts) except for increases in shares from conversion of securities in which a stock conversion right or stock warrant was embedded or from issuance of new shares as employees' bonus, the Company shall calculate and adjust the conversion price based on the formula stated in the conversion arrangement before publishing an announcement through the TPEx. The adjustment shall be made at the ex-rights date when issuing new shares. However, the adjustment will be made at the date when the new share subscriptions are fully collected if the issuance of new shares involves share subscription collection. If the issue price of new

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REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements (Continued)

shares changes after the ex-rights date for issuing new shares, the conversion price should be adjusted based on the revised issue price by using the formula stated in the conversion arrangement. If such recalculated conversion price is lower than that announced to the public through the TPEx before the ex-rights date for issuing new shares, the Company should re announce the adjustment of the conversion price through the TPEx. The conversion price as of December 31, 2020, is NT\$30.5 per share. The conversion price was adjusted to \$27.2 per share on July 16, 2022.

(h) The domestic unsecured convertible corporate bonds of the merged company have matured and been repaid on December 2, 2023.

3. The balance of the equity component recorded as capital surplus—stock options were as follows:

	December 31, 2024	December 31, 2023
Balance at the beginning	\$ -	3,820
Put option exercised	-	(3,820)
Balance at the end	\$ -	-

(11) Lease liabilities

	2024.12.31		
	Future minimum lease payments	Interests	Present value of minimum lease payments
Less than one year	\$ 660	24	636
Between one and five years	275	3	272
	<u>\$ 935</u>	<u>27</u>	<u>908</u>
Current	\$ 660	24	636
Non-current	<u>\$ 275</u>	<u>3</u>	<u>272</u>

	2023.12.31		
	Future minimum lease payments	Interests	Present value of minimum lease payments
Less than one year	\$ 198	21	177
Between one and five years	231	9	222
	<u>\$ 429</u>	<u>30</u>	<u>399</u>
Current	\$ 198	21	177
Non-current	<u>\$ 231</u>	<u>9</u>	<u>222</u>

The amounts recognized in profit or loss were as follows:

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

The amounts recognized in profit or loss were as follows:

	2024	2023
Interests on lease liabilities	\$ 31	40
Expenses relating to short-term leases	\$ 872	651
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ 394	566

The amounts recognized in the statement of cash flows for the Group were as follows:

	2024	2023
Total cash outflow for leases	\$ 1,736	2,220

A. Building leases

The Group leases buildings for its office space, which typically run for a period of 2 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

B. Other leases

The Group also leases printers and other office equipment with contract terms of one to five years. These leases are short-term leases or leases of low-value items. The Group has elected not to recognize its right-of-use assets and lease liabilities for these leases.

(12) Employee benefits

1. Defined benefit plans

Reconciliation of defined benefit obligation at present value and plan asset at fair value were as follows:

	December 31, 2024	December 31, 2023
Net Defined Benefit Liability	\$ 41,632	30,543

(a.) Movements in present value of the defined benefit obligations

The movements in present value of the defined benefit obligations for the Group were as follows:

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

	2024	2023
Defined benefit obligations at the beginning	\$ 30,543	25,665
Current service costs and interest cost	4,402	3,846
Remeasurements of the net defined benefit liabilities		
— Actuarial gains and losses arising from changes in adjustments based on experiences	1,617	4,952
— Actuarial gains and losses arising from changes in demographic assumptions	880	677
— Actuarial gains and losses arising from changes in financial assumptions	6,579	25
Effect of movements in exchange rates	2,051	217
Benefits paid	(4,440)	(4,839)
Defined benefit obligations at December 31	<u>\$ 41,632</u>	<u>30,543</u>

(b) Expenses Recognized in Profit or Loss

The details of expenses recognized by the merged company are as follows:

	2024	2023
Current Service Cost	\$ 3,529	3,208
Net Interest on the Net Defined Benefit Liability	873	638
	<u>\$ 4,402</u>	<u>3,846</u>
Cost of Goods Sold	\$ 2,988	2,610
Administrative Expenses	1,414	1,236
	<u>\$ 4,402</u>	<u>3,846</u>

(c) Remeasurement of defined benefit liabilities recognized in other comprehensive income

The Group's remeasurements of the defined benefit liabilities recognized in other comprehensive income for the years ended December 31, 2024 and 2023, were as follows:

	2024	2023
Accumulated amounts at the beginning	\$ (20,608)	(14,954)
Amounts recognized during the period	(9,076)	(5,654)
Accumulated amounts at the end	<u>\$ (29,684)</u>	<u>(20,608)</u>

(d) Actuarial assumptions

The principal actuarial assumptions at the reporting date were as follows:

REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements (Continued)

	2024.12.31	2023.12.31
Discount rate (monthly paid employees)	2.45%~2.56%	2.65%~2.76%
Discount rate (daily paid employees)	2.30%~2.54%	2.65%~2.74%
Future salary increase rate (monthly paid employees)	3.32%	3.08%
Future wages increase rate (daily paid employees)	3.49%	3.11%

The expected payments to be made by the Group to the defined benefit plans for the one-year period after the reporting date is \$9,406 thousand.

As of December 31, 2024, the weighted average duration of the defined benefit plans for daily and monthly employees of the merged company is 9–15 years and 12–16 years, respectively.

(e) Sensitivity Analysis

The impact of changes in the major actuarial assumptions adopted as of December 31, 2024 and 2023 on the present value of defined benefit obligations is as follows:

	Impact on defined benefit obligations	
	Increased 0.50%	Increased 0.50%
December 31, 2024		
Discount Rate (Change of 0.50%)	(1,585)	1,701
Future salary increasing rate (changes: 0.50%)	541	(508)
December 31, 2023		
Discount Rate (Change of 0.50%)	(729)	791
Future salary increasing rate (changes: 0.50%)	379	(356)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown above. The method used in the sensitivity analysis is consistent with the calculation of pension liabilities in the balance sheets.

There was no change in the method and assumptions used in the preparation of sensitivity analysis for 2024 and 2023.

2. Defined contribution plans

The Group allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Group allocates a fixed amount to the Bureau of Labor

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

Insurance without additional legal or constructive obligation.

The pension costs incurred from the contributions to the Bureau of Labor Insurance amounted to \$235 thousand and \$557 thousand for the years ended December 31, 2024 and 2023.

(13) Income Taxes

1. The Company were incorporated in the Cayman Islands, where corporate income tax is not required to be paid. RJM, RGP, RMS, Linden, RPM and Linden's statutory income tax rate is 20%.

2. The components of income tax in the years 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Current tax expense		
Current period	\$ 2,379	-
Adjusting the current income tax for the previous period.	211	(205)
Deferred tax expenses (benefits)		
Origination and reversal of temporary differences	(18,256)	(51,614)
Income tax expense (benefit)	<u>\$ (15,666)</u>	<u>(51,819)</u>

Reconciliation of income tax and profit before tax for 2024 and 2023 was as follows:

	<u>2024</u>	<u>2023</u>
Profit excluding income tax	\$ (72,957)	(214,739)
Income tax using the statutory tax rate at each jurisdiction	\$ (10,539)	(37,328)
Tax estimation on subsidiary's earning distribution	(5,894)	(15,308)
Adjust the number according to tax regulations.	556	1,022
Adjustment according to tax act	211	(205)
Total	<u>\$ (15,666)</u>	<u>(51,819)</u>

3. Deferred tax assets and liabilities-Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for 2024 and 2023 were as follow:

	<u>Taxable investment income</u>
Balance at January 1, 2024	\$ (34,034)
Recognized in profit or loss	5,895
Balance at December 31, 2024	<u>\$ (28,139)</u>
Balance at January 1, 2023	\$ (49,342)
Recognized in profit or loss	15,308
Balance at December 31, 2023	<u>\$ (34,034)</u>

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Notes to the Consolidated Financial Statements (Continued)

Deferred Tax Asset :

	Impairment losses on trade receivables	Impairment losses on inventories	Accrued pension liabilities	Loss offset	Others	Total
Balance at January 1, 2024	\$ -	15,878	6,108	33,488	919	56,393
Recognized in profit or loss	8	159	1,720	10,505	(31)	12,361
Effect of exchange rate changes	1	1,075	498	2,782	59	4,415
Balance at December 31, 2024	\$ 9	17,112	8,326	46,775	947	73,169
Balance at January 1, 2023	\$ 21	13,237	5,133	-	1,478	19,869
Recognized in profit or loss	(21)	2,524	931	33,443	(571)	36,306
Effect of exchange rate changes	-	117	44	45	12	218
Balance at December 31, 2023	\$ -	15,878	6,108	33,488	919	56,393

4. Examination and approval

The Company is not required to pay income tax in the country where it is incorporated. Income tax returns for RJM, RGP, RMS, Linden, and RPM in Thailand, the countries where the merged companies are located, do not require approval from the tax authorities. However, proof of payment must be obtained from the tax authorities for income tax settlement declarations up to the fiscal year 2023.

As mentioned in note 4 (2), the liquidation procedures for RIC have been completed, and RIC obtained a local tax clearance certificate on November 21, 2024. Income tax settlement declarations for the Taiwan branch of the company and the profit tax of Nissho International have been approved by the tax authorities up to the fiscal year 2022.

(14) Capital and other equity

Reconciliation of share outstanding for the years ended December 31, 2024 and 2023 was as follow:

	Unit: thousand shares	
	Common Stock	
	2024	2023
Balance of outstanding shares on December 31	38,396	38,396

As of December 31, 2024 and 2023, the total value of authorized ordinary shares each amounted to \$600,000 thousand, with a par value of \$10 per share. There were \$383,960 thousand issuance of common stock.

1. Capital surplus

The balance of capital surplus was as follows:

	December 31, 2024	December 31, 2023
Additional paid-in capital	\$ 354,846	354,846
Restricted shares to employees	9,899	9,899
Issuance of convertible bonds — stock options	-	3,820

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REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

Stock warrant of convertible bonds — expired	10,754	6,934
	<u>\$ 375,499</u>	<u>375,499</u>

2. Profit Distribution

On February 27, 2025, the board of directors proposed a cash dividend of NT\$0 thousand for the year 2024

On May 30, 2024, the shareholders' meeting approved a cash dividend of NT\$0 thousand for the year 2023.

On May 26, 2023, the annual shareholders' meeting approved the distribution of earnings for the year 2022, and the dividends to be distributed to the owners are as follows:

	2022	
	<u>TWD per share</u>	<u>Total Amount</u>
Dividends Distributed to Shareholders:		
Cash	\$ 0.450	<u>17,278</u>

The earnings distribution information resolved during the meeting of the Board of Directors and shareholders would be available on the Market Observation Post System Website.

3. Other Equity

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total
Balance at January 1, 2024	\$ (37,109)	(12,200)	(49,309)
Exchange differences on foreign operations	49,601	-	49,601
Disposal of subsidiaries	671	-	671
Balance at December 31, 2024	<u>\$ 13,163</u>	<u>(12,200)</u>	<u>963</u>
Balance at January 1, 2023	\$ (46,369)	(12,200)	(58,569)
Exchange differences on foreign operations	7,854	-	7,854
Disposal of subsidiaries	1,406	-	1,406
Balance at December 31, 2023	<u>\$ (37,109)</u>	<u>(12,200)</u>	<u>(49,309)</u>

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

4. Non-controlling interests of subsidiaries, net of tax

	2024	2023
Balance at the beginning	\$ 81,774	101,226
Share attributable to non-controlling interests :		
Net income (Loss)	2,450	(4,776)
Exchange differences on foreign operations	5,620	854
Actuarial gains and losses	(327)	(109)
Changes in non-controlling interests	(508)	43
Subsidiary distributes cash dividends to non-controlling interests	-	(15,464)
Balance at the end	<u>\$ 89,009</u>	<u>81,774</u>

(15) Earnings per share

The calculation of basic and diluted earnings per share was as follows:

	Unit: Thousands Shares	
	2024	2023
Basic earnings per share(losses) :		
Net income attributable to common stocks (losses)	<u>\$ (59,741)</u>	<u>(158,144)</u>
Weighted-average number of common stocks outstanding	<u>38,396</u>	<u>38,396</u>
Basic earnings per share(losses) (New Taiwan dollars)	<u>\$ (1.56)</u>	<u>(4.12)</u>

(16) Revenue from contracts with customers

1. Disaggregation of revenue

	2024	2023
Primary geographical markets:		
Thailand	\$ 820,774	392,996
United States	222,199	184,142
France	143,139	144,880
United Kingdom	164,174	118,730
Canada	122,729	141,477

REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements (Continued)

Australia		220,491	64,327
Other		85,851	102,178
		<u>\$ 1,779,357</u>	<u>1,148,730</u>
Main product/service line:			
Designing, manufacturing and selling jewelry and gems	\$	1,597,219	1,078,151
Electroplating		182,138	70,579
		<u>\$ 1,779,357</u>	<u>1,148,730</u>

2. Remaining balances of contracts

	December 31, 2024	December 31, 2024	January 1, 2023
Trade receivables	\$ 514,004	224,893	379,288
Less: loss allowance	(248)	(218)	(684)
Total	<u>\$ 513,756</u>	<u>224,675</u>	<u>378,604</u>
Contractual liabilities (recorded as other current liabilities)	<u>\$ 9,241</u>	<u>976</u>	<u>1,907</u>

For details on trade receivables and impairments, please refer to note 6(2).

The amounts of revenue recognized for the years ended December 31, 2024 and 2023 that were included in the contract liability balance at the beginning of the period were \$664 thousand and \$1,883 thousand, respectively.

The major changes in the balance of contract liabilities were the differences between the time frame in the performance obligation to be satisfied and the payment received.

(17) Employee compensation and directors' remuneration

According to the amendment of the Company's Articles of Incorporation which was approved during the shareholders' meeting at May 20, 2016, no less than 1 % of the current-year profit before tax, excluding employee compensation and directors' remuneration, shall be distributed as employee compensation, and no more than 3% of the profit as remuneration to directors. However, if the Company has an accumulated deficit, the profit should first be used to offset the deficit. The compensation and remuneration shall be made by way of cash or stock, or a combination of both, wherein the recipients may include the employees of the Company's affiliated companies who meet certain conditions decided by the Board of Directors of the Company.

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REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

For the years ended December 31, 2024 and 2023, the Company estimated its employee' remuneration amounting to \$0 thousand and \$0 thousand, respectively, and directors' remuneration both amounting to \$0 thousand.

The Company's employee compensation and directors' remuneration approved by the Board of Directors for the year ended December 31, 2024 and 2023, was \$0 thousand and \$0 thousand, respectively. The resolution to allocate is indifferent from the board's decision. The employee compensation and directors' remuneration information would be available on the Market Observation Post System Website.

(18) Non-operating Income and Expenses

1. Interest Income

The details of interest income were as follows:

	2024	2023
Interest income from bank deposits	\$ 908	5,660

2. Other Income

The details of other income were as follows:

	2024	2023
Others	\$ 7,663	6,648

3. Other gains and losses

The details of other gains and losses were as follows:

	2024	2023
Gains on disposal of property, plant and equipment	\$ (1,649)	162
Losses on disposal of intangible assets	(165)	(191)
Gain on disposal of investments	(671)	(1,406)
Gains on lease modification	26	6
Foreign exchange gains, net	4,578	5,243
Total	\$ 2,119	3,814

4. Financial Costs

The details of finance costs were as follows:

	2024	2023
Interest expenses on loans from banks	\$ 14,018	5,985
Corporate bonds payable	-	1,729
Interest expenses on lease liabilities	31	40
	\$ 14,049	7,754

(19) Financial instruments

1. Credit risk

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REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements (Continued)

(a) Risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

(b) Concentration of credit risk

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also considers the statistical information on the Group's customer base, including the default risk of the industry and country in which customers operate. These factors may have an influence on credit risk. The Group's trade receivables were obviously concentrated on three main customers, which accounted for 75% and 78% of the total amount of trade receivables as of December 31, 2024 and 2023. As of December 31, 2024 and 2023, the Group's trade receivables concentrated on three main customers were \$387,360 thousand and \$174,632 thousand, respectively.

(c) Credit risk of receivables

Please refer to note 6(2) for information on credit risk of trade receivables; and note 6(3) for details of other receivables.

2. Liquidity Risk

The following table shows the contractual maturity of the financial liabilities excluding the impact of estimated interest.

	Carrying amount	Contractual cash flows	Less than 1 year	1-2 years	More than 2 years
December 31, 2024					
Non-derivative financial liabilities					
Short-term loans	\$ 558,134	558,134	558,134	-	-
Payables	93,982	93,982	93,982	-	-
Lease liabilities	908	908	636	272	-
Long-term borrowings (including those due within one year)	17,081	17,081	4,042	4,042	8,997
Guarantee deposits received	4,741	4,741	-	-	4,741
	<u>\$ 674,846</u>	<u>674,846</u>	<u>656,794</u>	<u>4,314</u>	<u>13,738</u>
December 31, 2023					
Non-derivative financial liabilities					
Short-term loans	\$ 243,459	243,459	243,459	-	-
Payables	83,383	83,383	83,383	-	-
Lease liabilities	399	399	177	222	-
Long-term borrowings (including those due within one year)	11,570	11,570	3,787	3,787	3,996
Guarantee deposits received	4,437	4,437	-	-	4,437
	<u>\$ 343,248</u>	<u>343,248</u>	<u>330,806</u>	<u>4,009</u>	<u>8,433</u>

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts

3. Currency Risk

(a) Currency risk exposure

The Group's significant exposure to foreign currency risk was as follows

December 31, 2024			December 31, 2023		
Foreign currency (in thousands)	Exchange rate	Amount	Foreign currency (in thousands)	Exchange rate	Amount

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REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements (Continued)

Financial Assets

Monetary Items

USD	\$	4,877	32.79	159,881	3,533	30.71	108,488
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Financial Liabilities

Monetary Items

USD		334	32.79	10,939	216	30.71	6,643
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(b) Sensitivity analysis

The Group's exposure to foreign currency risk mainly arises from the translation of the foreign currency exchange gains and losses on bank deposits, trade receivables, trade payables and short-term loans, which are denominated in foreign currency

A strengthening (weakening) of the TWD against the USD for 1% as of December 31, 2024 and 2023, would have decreased (increased) profit before tax for the years ended December 31, 2024 and 2023, by \$1,489 thousand and \$1,018 thousand, respectively. The analysis is performed on the same basis for the prior year.

(c) Exchange gains and losses of monetary items

Due to the different types of functional currency of the Group, the Group discloses its exchange gains and losses of monetary items aggregately. The Company's exchange gains, including realized and unrealized, were \$4,578 thousand and \$5,243 thousand for the years ended December 31, 2024 and 2023, respectively

(d) Interest rate analysis

The following sensitivity analysis is based on the exposure to interest rate risk for derivative and non-derivative financial instruments on the reporting date. If the interest rate had increased / decreased by 1%, the Group's profit before tax would have decreased / increased by \$5,752 thousand and \$2,550 thousand for the years ended December 31, 2024 and 2023 with all other variable factors remaining constant. This was mainly due to the Group's borrowing at variable rate.

(e) Fair value information

(I) Categories and fair value of financial instruments

The carrying amount and the fair value of financial assets and financial liabilities, including fair value hierarchy disclosures were as follows; except for financial instruments not measured at fair value whose carrying amount is a reasonable approximation of the fair value and disclosure of fair value information for such instruments is not required:

	Carrying amount	December 31, 2024			
		Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 64,249	-	-	-	-
Trade receivables	513,756	-	-	-	-
Other receivables	10,104	-	-	-	-

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Notes to the Consolidated Financial Statements (Continued)

Other financial assets - current	14,435	-	-	-	-
Other Financial Assets - Non-Current	10,722	-	-	-	-
Total	\$ 613,266	-	-	-	-
Financial liabilities measured at amortized cost					
Short-term loans	\$ 558,134	-	-	-	-
Notes and trade payable	19,139	-	-	-	-
Other payables	74,843	-	-	-	-
Lease liabilities	908	-	-	-	-
Long-term borrowings (including those due within one year)	17,081	-	-	-	-
Guarantee deposits	4,741	-	-	-	-
Total	\$ 674,846	-	-	-	-

December 31, 2023					
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 139,418	-	-	-	-
Trade receivables	224,675	-	-	-	-
Other receivables	7,367	-	-	-	-
Other financial assets - non-current	10,208	-	-	-	-
Total	\$ 381,668	-	-	-	-
Financial liabilities measured at amortized cost					
Short-term loans	\$ 243,459	-	-	-	-
Notes and trade payable	14,758	-	-	-	-
Other payables	68,625	-	-	-	-
Lease liabilities	399	-	-	-	-
Long-term borrowings (including those due within one year)	11,570	-	-	-	-
Guarantee deposits	4,437	-	-	-	-
Total	\$ 343,248	-	-	-	-

(II) The Group seeks to use market observable inputs when measuring the fair values of assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are

REGAL HOLDING CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements (Continued)

observable for the asset or liability, either directly (i.e. such as prices) or indirectly (i.e. derived from calculation of prices).

•Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

(III) Valuation techniques for financial instruments measured at fair value — non-derivative

The fair value of unlisted equity instruments is estimated and calculated by using the comparable company approach with a liquidity discount rate which reflects the time value of money and the investment risk premium.

(IV) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

Quantified information of significant unobservable inputs was as follows

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income-equity investments without an active market	Comparable company Method	•Discount for lack of marketability. •Volatility	•The estimated fair value would decrease if liquidity discount were higher •The higher the volatility, the higher the fair value.
Financial liabilities at fair value through profit or loss.	Binary tree convertible bond evaluation model		

(V) Fair value measurements in Level 3 — sensitivity analysis of reasonably possible alternative assumptions

The Group's measurement of fair values for financial instrument is reasonable.

However, a different valuation technique or possible changes to one of the significant unobservable inputs would have different effects. For fair value measurements in Level 3, one of the key significant unobservable inputs is the annual revenue growth rate forecast. The Group did not disclose the sensitivity analysis of that forecast because the possible changes in the annual revenue growth rate forecast would not cause significant potential financial impact.

(20) Financial risk management

1. Overview

The Group's exposures to the following risks from its financial instruments:

- credit risk
- liquidity risk
- market risk

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Notes to the Consolidated Financial Statements (Continued)

The following likewise discusses the Group's objectives, policies and processes for measuring and managing the above-mentioned risks. For more disclosures about the quantitative effects of these risks' exposures, please refer to the respective notes in the accompanying consolidated financial statements.

2. Structure of risk management

The Group identifies and analyzes its risks to set appropriate control procedures to ensure the effectiveness of risk management.

The Group uses derivatives to hedge risks. In order to lower the exchange rate risk, interest risk and credit risk, derivatives and non-derivative financial instruments are monitored by its finance management committee and regulated by its internal policies. The internal auditors continuously undertake reviews on policy compliance and maximum risk exposures.

The Group does not trade in financial instruments, including derivatives, for the purpose of arbitrage. Finance management committee regularly reports to the Board of Directors on operation of derivative and non-derivative financial instruments.

3. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(a) Trade and other receivable

In order to reduce the credit risk from receivables, the Group evaluate customers' financial status and obtain insurance coverage for trade receivables from overseas customers. In addition, the Group regularly assesses the collectability and records allowance for expected credit loss. In conclusion, the Group's management is able to control credit risk from trade receivable effectively.

In accordance with the credit policy, all of operating units in the Group are required to perform an analysis of each new customer's credit risk and management before offering payment and delivery terms. The internal risk management evaluates customer credit quality based on financial status, past experience and other factors. An individual risk limit is set on the basis of internal and external ratings. The used credit limit is monitored regularly.

(b) Investments

The exposure to credit risk for the bank deposits and other financial instruments is measured and monitored by the Group's finance management committee, and is properly reviewed and approved based on the approval authority. The Group deals with banks and financial institutions with good credit rating, and selects target companies with caution to control its exposure. Consequently, there is no significant credit risk arising from these counterparties.

(c) Guarantees

The combined company can only provide endorsements and guarantees to entities that meet the

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Notes to the Consolidated Financial Statements (Continued)

requirements of the combined company's regulations regarding endorsements/guarantees. As of December 31, 2024 and 2023, the endorsements/guarantees provided by the combined company was NT\$0 thousand. The endorsements / guarantees provided by the subsidiaries was NT\$48,115 thousand and NT\$0 thousand, respectively.

4. Liquidity risk

The finance management committee monitors working capital demand based on forecasts. The Group maintains sufficient fund to fulfill operational requirements and retain sufficient credit line to avoid violation of related terms and conditions. The forecast is in consideration of finance project and compliance with the terms of loan agreements. Besides, as of December 31, 2024 and 2023, the Group's unused credit lines were \$529,266 thousand and \$754,075 thousand, respectively.

5. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(a) Currency risk

The Group is exposed to currency risk on sales and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities, such as NTD, Thai Baht (THB) and Hong Kong Dollar (HKD). The currencies used in these transactions are the US Dollar (USD).

The Group does not have significant net exposure to currency risk arising from its receivables and payables denominated in a foreign currency. The Group uses natural hedge as its policy to hedge currency risk.

(b) Interest rate risk

The Group's financial assets with exposure to fluctuation in fair value due to changes in interest rates are bank deposits; financial liabilities with that exposure are short-term loans. However, the changes in fair value of financial instrument due to changes in interest rates are immaterial.

(c) Other price risk

The Group held unlisted investments for which there is no quoted market price in active markets. These are strategic investments and are not held for trading. The Group does not actively trade the investment positions. The Group does not expect that there is a significant market risk related to these investments.

(21) Capital management

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Notes to the Consolidated Financial Statements (Continued)

The Group's objectives for managing capital to safeguard the capacity to continue to operate, to continue to provide a return on shareholders, to maintain the interest of other related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to the shareholders, reduce the capital for return to shareholders, issue new shares, or sell assets to settle any liabilities.

The Group use the debt-to-equity ratio to manage capital. This ratio is the total debt divided by the total equity. The total debt is derived from the total liabilities in the balance sheet. The total equity includes common stocks, capital surplus, retained earnings, other equity and non-controlling interest. The Group's collective quantitative data is as follows:

	December 31, 2024	December 31, 2023
Total liabilities	<u>\$ 755,425</u>	<u>409,880</u>
Total equity	<u>\$ 838,326</u>	<u>849,309</u>
Debt-to-equity ratio	<u>90.11%</u>	<u>48.26%</u>

As of December 31, 2024, there were no changes in the Group's approach to manage capital.

(22) Investing and financing activities not affecting current cash flow

Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2024	Cash Flow	Non-cash Changes				December 31, 2024
			New Leases	Cancellatio n Lease	Lease Modificatio n	Currency Exchange Rate Changes	
Short-term Borrowings	\$ 243,459	283,929	-	-	-	30,746	558,134
Long-term Borrowings	11,570	4,504	-	-	-	1,007	17,081
Lease Liabilities	399	(439)	1,299	(305)	(26)	(20)	908
Total Liabilities Arising from Financing Activities	<u>\$ 355,428</u>	<u>287,994</u>	<u>1,299</u>	<u>(305)</u>	<u>(26)</u>	<u>31,733</u>	<u>876,133</u>

	January 1, 2023	Cash flows	Non-cash changes			December 31, 2023
			Addition / cancellation of contracts	Discount amortization	Foreign exchange movement	
Short-term Borrowings	\$ 196,702	45,025	-	-	1,732	243,459
Long-term Borrowings	-	11,555	-	-	15	11,570
Lease Liabilities	1,204	(963)	157	-	1	399
Bonds Payable	86,971	(88,700)	-	1,729	-	-
Total Liabilities Arising from Financing Activities	<u>\$ 284,877</u>	<u>(33,083)</u>	<u>157</u>	<u>1,729</u>	<u>1,748</u>	<u>355,428</u>

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Notes to the Consolidated Financial Statements (Continued)

7、Related Party Transactions

Key Management Personnel Compensation Includes :

	2024	2023
Short-term Employee Benefits	\$ 17,381	17,634
Post-employment Benefits	922	889
	<u>\$ 18,303</u>	<u>18,523</u>

8、Pledged Assets

Pledged assets	Object	December 31, 2024	December 31, 2023
Property, plant and equipment:			
Land	Short-term loans	\$ 137,441	128,786
Buildings	Short-term loans	5,009	8,563
Other financial assets - current:			
Restricted Fixed Deposit	Short-term loans	14,435	-
Other Financial Assets - Non-current :			
Refundable deposits	Guarantee for electricity supply and fuel cards	4,664	4,325
		<u>\$ 161,549</u>	<u>141,674</u>

9、Commitments and contingencies:

(a) The credit line of guarantee provided by banks was as follows:

	2024.12.31	2023.12.31
Electricity guarantee	<u>\$ 4,397</u>	<u>4,078</u>

(b) The merged company entered into contracts with suppliers for the purchase of real estate, plant, and equipment for equipment upgrades. As of December 31, 2024 and 2023, the total contract amounts were NT\$24,739 thousand and NT\$23,182 thousand, respectively. The accumulated payments made as of each respective year amounted to NT\$24,317 thousand and NT\$12,999 thousand, recorded under property, plant, and equipment.

10、Significant Disaster Losses: None

11、Significant Subsequent Events: None

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Notes to the Consolidated Financial Statements (Continued)

12. Other

A summary of personnel costs, depreciation, depletion and amortization, by function, is as follows

Function Account	2024			2023		
	Operating costs.	Operating expenses	Total	Operating costs.	Operating expenses	Total
Personnel costs						
Salaries	357,275	174,264	531,539	358,994	153,843	512,837
Health insurance	-	411	411	-	748	748
Pension	3,070	1,567	4,637	2,610	1,793	4,403
Other personnel expense	24,585	14,311	38,896	28,490	14,593	43,083
Depreciation	46,147	15,892	62,039	46,047	16,926	62,973
Amortization	131	3,995	4,126	899	2,192	3,091

13. Other disclosures:

1. Information on significant transactions:

The following were the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the year ended December 31, 2024:

- (1) Lending to other parties: None
- (2) Guarantees and endorsements for other parties:

Unit: Thousand NTD

Code (note 1)	Name of the Endorsing and Guaranteeing Company	Endorsed and Guaranteed Party Name of Relationship (Note 2)	To single company Endorsement and Guarantee Limit (Note 3)	Highest for the Current Period Endorsement and Guarantee Balance (Note 4)	End-of-Period Balance Endorsement and Guarantee Outstanding Balance (Note 5)	Current Period Actual Disbursement Amount	Endorsement and Guarantee Amount Secured by Property	Cumulative Endorsement and Guarantee Amount as a Percentage of the Most Recent Financial Statements' Net Worth	Maximum Endorsement and Guarantee Limit (Note 3)	Endorsement and Guarantee from Parent Company to Subsidiary	Endorsement and Guarantee from Subsidiary to Parent Company	Endorsement and Guarantee to Mainland China
1	RJM	RPM	4	34,932	28,869	-	-	2.35	34,932	Y	N	N
				(TSD00,000)	(TSD00,000)							
1	RJM	RPM	4	34,932	19,246	-	-	2.56	34,932	Y	N	N
				(TSD00,000)	(TSD00,000)							

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Notes to the Consolidated Financial Statements (Continued)

1	RPM	RPM	4	36,002	18,244	-	-	-	-	36,002	Y	N	N
				(THOUSAND)									

Note 1: The numbering method is as follows:

1. The company fills in 0.
2. Invested companies are numbered sequentially starting from 1, according to the company type, using Arabic numerals.

Note 2: The relationships between the endorsing and guaranteeing party and the endorsed and guaranteed party are as follows. Only the applicable category should be indicated:

1. Companies with business dealings.
2. Companies in which the company directly or indirectly holds more than 50% of the voting shares.
3. Companies that directly or indirectly hold more than 50% of the voting shares of the company.
4. Companies in which the company directly or indirectly holds more than 90% of the voting shares.
5. Companies within the same industry or joint contractors providing mutual guarantees as required by contract for project-related work.
6. Companies guaranteed by all shareholders based on their ownership percentage due to a joint investment relationship.
7. Companies within the same industry that provide joint guarantees for performance under pre-sale contracts in compliance with consumer protection laws.

Note 3: The company may provide endorsement and guarantee between companies in which it directly or indirectly holds more than 90% of the voting shares, and the amount of such endorsement and guarantee shall not exceed 10% of the company's net worth. However, there is no such limit for endorsements and guarantees between companies in which the company directly or indirectly holds 100% of the voting shares.

Note 4: The highest outstanding balance of endorsement and guarantee for others from the beginning of the current year to the reporting month.

(3) Information regarding securities held at the reporting date (excluding subsidiary, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account	Ending balance				
				Shares/Units (thousands)	Carrying value	Name of holder	Category and name of security	Relationship with company
RIC	SELF PICK INC.	-	Non-current financial assets at fair value through other comprehensive income	2,400	-	14.58	-	
RIC	SELF TOKEN INC.	-	Non-current financial assets at fair value through other comprehensive income	500	-	6.25	-	

(4) Information regarding purchase or sale of securities for the period exceeding 300 million or 20% of the Company's paid-in capital: None

(5) Information on acquisition of real estate with purchase amount exceeding 300 million or 20% of the Company's paid-in capital: None

(6) Information regarding receivables from disposal of real estate exceeding 300 million or 20% of the Company's paid-in capital: None

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Notes to the Consolidated Financial Statements (Continued)

(7) Information regarding related-parties purchases and/or sales exceeding 100 million or 20% of the Company's paid-in capital:

Name of company	Counterparty	Nature of relationship	Transaction details	Transactions in terms other than the regular terms			Note and accounts receivable (payable)			Purchase/Sale	Amount	Percentage of total purchases (sales)(%)
			Purchase/Sale	Amount	Percentage of total purchases (sales)(%)	Credit terms (days)	Name of company	Counterparty	Nature of relationship			
	RGP	RJM	RJM's subsidiary	Sales	(98,779)	(35.16)	45-60days	Note 1		29,652	26.61	Note 2
	RJM	RGP	Parent Company of RGP	Purchase	98,779	10.57	45d-60days	Note 1		(29,652)	(57.33)	Note 2

Note 1: The price was determined by mutual agreements.

Note 2: Related-party transactions had been eliminated in the preparation of the consolidated financial statements

(8) Information regarding receivables from related-parties exceeding 100 million or 20% of the Company's paid-in capital: None

(9) Information regarding trading in derivative financial instruments: None

(10) Significant transactions and business relationship between the parent company and its subsidiaries for the year ended December 31, 2024

For the year ended December 31, 2021				For the year ended December 31, 2020				
No. (note 1)	Name of company	Name of counter-party	Nature of relationship (note 2)	Trade Relations Account	No. (note 1)	Name of company	Name of counter-party	Nature of relationship (note 2)
1	RGP	RJM		1 Revenue	98,779	The price is calculated based on the mutually agreed price between the parties. 45days-60days		5.55%
1	RGP	RJM		1 Accounts Receivable	29,652			1.86%
2	RPM	RJM		1 Revenue	6,707			0.38%

Note 1: Company numbering as follows:

No.1 represents RGP.

No.2 represents RJM

Note 2: The numbering of the relationship between transaction parties as follows

No.1 represents a subsidiary to the parent company.

Note 3: The account should be disclosed if the amount is over 1% of the total assets from the statement of financial position and total operating revenue from the statement of comprehensive income.

2. Related information on investee companies:

The following is the information on investees for the year ended December 31, 2024 (excluding information on investees in China):

(In Thousands of New Taiwan Dollars/per share)									

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Name of investee	Name of investee	Location	Main business and products	Balance as of December 31, 2024				Not income (losses) of investee (Note 1)	Share of profit/losses of investee (Note 1)	Note
				December 31, 2024 (Note 1)	December 31, 2023	Share (thousands)	Percentage of ownership	Carrying value (Note 1)		
The Company	RJM	Thailand	Jewelry Design, Manufacturing and Sales	300,000	300,000	4,549,998	99.99%	763,023	(46,189)	Eliminated in the consolidated financial statements
The Company	RMS	Thailand	General Investment	-	33,810	-	- %	-	(571)	(571)
The Company	RJC	Taiwan	Jewelry Sales	-	22,500	-	- %	-	(343)	(343)
RJM	ROP	Thailand	Jewelry Plating	12,269	11,497	127,500	51.00%	92,530	5,540	2,814
RJM	Linon	Thailand	Jewelry Sales	(THB12,750)	(THB12,750)	(THB96,155)	(THB96,155)	(THB6,049)	(THB3,072)	(251)
RJM	RJM	Thailand	Metal Recycling Industry	96,134	90,080	999,000	99.90%	86,317	(2,680)	(2,897)
				(THB99,900)	(THB99,900)			(THB89,698)	(THB2,926)	(THB3,163)

Note 1: Investment gains (losses) had been recognized based on the financial statements of the investee companies audited by the Company's auditor.

Note 2: The above contributed capital invested by the Company was calculated at historical exchange rate, and the above contributed capital invested by RJM was calculated by using the exchange rate on December 31, 2024. (BS exchange rate THB/NTD = 1.09623), IS exchange rate THB/NTD = 1.09159.

3. Information on investment in China: None

4. Major shareholders:

Shareholder's Name	Shareholding	Shares	Percentage
Solar Jewelers Group Corp.		13,760,000	35.83%
Bank SinoPac as Custodian for Arianna Investment Co., Ltd. Investment Account		2,549,559	6.64%

Note (1) The major shareholder information in the table above contains a listing of shareholders with 5% or more ownership of the Company. The ownership information was calculated by Taiwan Depository & Clearing Corporation at the last trading date in each quarter using the number of common shares (including treasury stocks) and preferred shares issued in scripless form. There might be a difference between share capital on the financial report and the actual share that have completed non-physical delivered due to different basis of calculation.

(2) Shareholders who transferred their shares to trustees are disclosed by each settlor of the trustee accounts. The ownership information disclosed by shareholders with ownership above 10% include their own shares and those shares that they transfer to trustees while retains the power to decide the allocation of trust property. Information on insider ownership declaration is available on the Market Observation Post System website.

(14) Segment information:

1. General information

The Group has two reportable segments: manufacturing and selling gems and jewelry department and electro-plating department. The Group did not allocate income tax expense to reportable segments.

Each reportable segment profit or loss included depreciation expenses, amortization expenses, and all other significant non-cash items. The reportable amount is consistent with that in the report used by the chief operating decision maker. The accounting policies of the operating segments are the same as described in note (4) significant accounting policies. The Group's operating segments' profits and losses are measured based on the income before income tax, and used as the basis for assessing the segments' performance. Adjustments and eliminations mainly arose from inter-segment transaction.

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Notes to the Consolidated Financial Statements (Continued)

	2024			
	Manufacturing and selling gems and Jewelry department	Electro-plating department	Adjustments And eliminations	Total
Revenue:				
Revenue from external customers	\$ 1,597,219	182,138	-	1,779,357
Revenue from transactions with other operating segments	-	98,769	(98,769)	-
Interest income	433	475	-	908
Total revenue	<u>\$ 1,597,652</u>	<u>281,382</u>	<u>(98,769)</u>	<u>1,780,265</u>
Interest expense	<u>\$ 14,049</u>	<u>-</u>	<u>-</u>	<u>14,049</u>
Depreciation and amortization	<u>\$ 59,528</u>	<u>6,637</u>	<u>-</u>	<u>66,165</u>
Reportable segment profit or loss	<u>\$ (76,930)</u>	<u>3,973</u>	<u>-</u>	<u>(72,957)</u>

	2023			
	Manufacturing and selling gems and Jewelry department	Electro-plating department	Adjustments And eliminations	Total
Revenue:				
Revenue from external customers	\$ 1,078,151	70,579	-	1,148,730
Revenue from transactions with other operating segments	-	106,843	(106,843)	-
Interest income	5,180	480	-	5,660
Total revenue	<u>\$ 1,083,331</u>	<u>177,902</u>	<u>(106,843)</u>	<u>1,154,390</u>
Interest expense	<u>\$ 7,754</u>	<u>-</u>	<u>-</u>	<u>7,754</u>
Depreciation and amortization	<u>\$ 57,919</u>	<u>8,145</u>	<u>-</u>	<u>66,064</u>
Reportable segment profit or loss	<u>\$ (202,901)</u>	<u>(11,838)</u>	<u>-</u>	<u>(214,739)</u>

For the years ended December 31, 2024 and 2023, the adjustments and eliminations of operating segments were (98,769) thousand and (106,843) thousand, respectively.

2.Product and service information: Revenue from external customers: please refer to note 6(16).

3.Geographic information: In presenting information on the basis of geography, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

REGAL HOLDING CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements (Continued)

Revenue from external customers: please refer to note 6(16).

Non-current assets:

Geographical information	2024.12.31	2023.12.31
Thailand	\$ 377,390	386,727
Other countries	1,013	390
Total	<u>\$ 378,403</u>	<u>387,117</u>

Non-current assets include property, plant and equipment, right-of-use assets, and intangible assets, but exclude financial assets measured at fair value through other comprehensive income – non-current, deferred tax assets, and other financial assets – non-current.

4. Information on Major Customers

	2024	2023
Customer D from manufacturing and selling jewelry and gems department	\$ 625,348	312,067
Customer D from the electro-plating department	144,574	144,881
Customer E from manufacturing and selling jewelry and gems department	135,294	20,589
Customer F from manufacturing and selling jewelry and gems department	122,326	136,198
	<u>\$ 1,027,542</u>	<u>613,735</u>