

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

**Consolidated Financial Statements
With Independent Auditors' Report**

For the Years Ended December 31, 2025 and 2024

**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 Auditors' Report

To the Board of Directors of
Regal Holding Co., Ltd.:

Opinion

We have audited the accompanying consolidated financial statements of Regal Holding Co., Ltd. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the 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, 2025 and 2024, 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 the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China (Taiwan).

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in 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 Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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 Group for the year ended December 31, 2025. 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. We have determined the following key audit matters to be communicated in our report:

1. Revenue Recognition

Please refer to Note 4(13) "Revenue Recognition" for the accounting policies related to revenue recognition, and Note 6(15) "Revenue" for the disclosures of revenue in the consolidated financial statements.

Description of the Key Audit Matter:

The sales revenue of the Group is a primary indicator used by investors and management to evaluate the Group's financial or operational performance and is of high interest to the investing public. Therefore, whether the timing and amount of revenue recognition are accurate has a significant impact on the consolidated financial statements. Consequently, we have identified revenue recognition as a key audit matter.

Audit Procedures in Response:

Our primary audit procedures in response to the above key audit matter included:

- Testing the effectiveness of the design and implementation of internal controls over the sales and collection cycle;
- Inspecting relevant vouchers of sales transactions to evaluate the accuracy and timing of revenue recognition;
- Performing trend analysis of revenue from the top ten customers and comparing relevant fluctuations or differences to evaluate if there are any significant anomalies;
- Testing samples of sales transactions for a period before and after the end of the financial reporting period to evaluate the appropriateness of the period to which the revenue is attributed and the accuracy of its recognition (commonly referred to as Cut-off Testing).

2. Subsequent Measurement of Inventories

Please refer to Note 4(8) "Inventory" for the accounting policies related to the subsequent measurement of inventory; Note 5 for the critical accounting estimates and key sources of estimation uncertainty regarding inventory evaluation; and Note 6(4) "Inventory" for information on the subsequent measurement of inventory.

Description of the Key Audit Matter:

The Group's inventory primarily consists of products such as jewelry and ornaments, as well as their raw materials. Due to the rapidly changing fashion trends, existing inventory may become obsolete or no longer meet market demand, which could impact the demand for related inventory and lead to the risk that the cost of inventory exceeds its net realizable value (NRV). Since the subsequent measurement of inventory relies on management's evaluation and recognition based on various evidence, it is therefore identified as a key audit matter.

Audit Procedures in Response:

Our primary audit procedures in response to the above key audit matter included:

- Evaluating the reasonableness of the accounting policies for the subsequent measurement of

inventory;

- Reviewing the inventory aging report, analyzing the reasonableness of changes in inventory aging, and verifying the accuracy of the aging through sampling;
- Obtaining the net realizable value evaluation report and assessing the reasonableness of the selling prices used by management in estimating the allowance for inventory valuation losses at the end of the period;
- Selecting samples to verify relevant transaction documents to validate the accuracy of the net realizable value of inventory, and evaluating whether the disclosures made by management regarding the subsequent measurement of inventory are appropriate.

Responsibilities of Management and Those Charged with 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 the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (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 auditors' 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 auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

When conducting the audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism to perform the following procedures:

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 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 auditors' 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 controls identified during the audit.

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 of the Group for the year ended December 31, 2025 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 Chia-Han Wu and Chun-I Chang.

KPMG

Taipei, Taiwan (Republic of China)

August 26, 2025

REGAL HOLDING CO., LTD. AND ITS SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2025, December 31, 2024

(Expressed in Thousands of New Taiwan Dollars)

		2025.12.31		2024.12.31				2025.12.31		2024.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets						Liabilities and Equity					
11xx	Current assets:					21xx	Current liabilities:				
1100	Cash and cash equivalents (note 6(a))	\$ 90,822	6	64,249	4	2100	Short-term loans (Note 6 (i) and 8)	\$ 453,523	29	558,134	35
1170	Trade receivables, net (note 6(b) and (o))	448,582	29	513,756	32	2150	Notes payable	47	-	39	-
1200	Other receivables (note 6 (c))	8,089	1	10,104	1	2170	Trade payables	44,641	3	19,100	1
1220	Current tax assets	18,457	1	13,180	1	2200	Other payables	73,547	5	74,843	5
130x	Inventories (note 6 (d))	478,969	31	496,795	31	2280	Current lease liabilities (note 6 (j))	272	-	636	-
1470	Other current assets	25,623	1	18,938	1	2322	Long-term loans, current portion (note 6 (i))	4,185	-	4,042	-
1476	Other financial assets – current (note 8)	14,946	1	14,435	1	2399	Other current liabilities — others (note 6 (o))	8,131	1	10,808	1
Total current assets		1,085,488	70	1,131,457	71	Total current liabilities		584,346	38	667,602	42
15xx	Non-current assets:					25xx	Non-current liabilities:				
1600	Property, plant and equipment (note 6(f) 、8 and 9)	358,438	23	360,535	23	2540	Long-term loans (note 6 (i))	9,316	1	13,039	1
1755	Right-of-use assets (note 6 (g) and (j))	271	-	920	-	2570	Deferred tax liabilities(note 6 (l))	30,057	2	28,139	2
1780	Intangible assets (note 6 (l))	14,552	1	16,948	1	2580	Non-current lease liabilities (note 6 (j))	-	-	272	-
1840	Deferred tax assets	69,460	5	73,169	4	2640	Net defined benefit liabilities — non-current(note 6 (k))	34,478	2	41,632	3
1984	Other financial assets — non-current (note 8)	11,174	1	10,722	1	2645	Guarantee deposits received	4,979	-	4,741	-
Total non-current assets		453,895	30	462,294	29	Total non-current liabilities		78,830	5	87,823	6
						Total liabilities		663,176	43	755,425	48
						2xxx	Equity attributable to owners of the Company (note 6 (e) and (m)):				
						31xx		383,960	25	383,960	24
						3100	Share Capital	375,499	24	375,499	24
						3200	Capital Surplus				
						33xx	Retained earnings:				
						3310	Legal reserve	86,840	6	86,840	5
						3320	Special reserve	121,175	8	121,175	8
						3350	Deficit to be compensated	(219,665)	(14)	(219,120)	(14)
							Total retained earnings	(11,650)	-	(11,105)	(1)
							Other equity :				
						3410	Exchange differences on translation of foreign financial statements	40,193	3	13,163	1
						3420	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	(12,200)	1	(12,200)	(1)
							Total other equity	27,993	2	963	-
							Total equity attributable to owners of the Company	775,802	51	749,317	47
						36xx	Non-controlling interests (note 6(e) and 6(m))	100,405	6	89,009	5
						3xxx	Total equity	876,207	57	838,326	52
1xxx	Total assets	\$ 1,539,383	100	1,593,751	100	2-3xxx	Total liabilities and equity	\$ 1,539,383	100	1,593,751	100

See accompanying notes to consolidated financial statements.

CHAIRMAN: PHACHARAPON PHAIBOONSUNTORN

CEO: LIN, JU-YING

CAO: NARISSARRANEE KEATBHOONYARRITH

REGAL HOLDING CO., LTD. AND ITS SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Except for EPS)

		2025		2024	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenues (note 6 (o))	\$ 2,128,126	100	1,779,357	100
5000	Operating costs (note 6(d), (f), (g), (h), (j), (k) and(l))	<u>1,818,876</u>	<u>86</u>	<u>1,547,023</u>	<u>87</u>
5900	Gross profit	<u>309,250</u>	<u>14</u>	<u>232,334</u>	<u>13</u>
6000	Operating expenses (note 6 (b), (f), (g), (h) (j), (k), 7 and 12):				
6100	Selling expenses	86,335	4	83,686	5
6200	Administrative expenses	125,594	6	152,968	9
6300	Research and development expenses	71,123	3	65,263	3
6450	Expected credit impairment loss (gain on reversal)	<u>(1,510)</u>	<u>-</u>	<u>15</u>	<u>-</u>
	Total operating expenses	<u>281,542</u>	<u>13</u>	<u>301,932</u>	<u>17</u>
6900	Operating losses	<u>(27,708)</u>	<u>1</u>	<u>(69,598)</u>	<u>(4)</u>
7000	Non-operating income and expenses (note 6 (j) and (q)):				
7100	Interest income	595	-	908	-
7010	Other income	8,456	-	7,663	1
7020	Other gains and losses	(5,628)	-	2,119	-
7050	Finance costs	<u>(20,568)</u>	<u>(1)</u>	<u>(14,049)</u>	<u>(1)</u>
	Total non-operating income and expenses	<u>(17,145)</u>	<u>(1)</u>	<u>(3,359)</u>	<u>-</u>
7900	Losses before income tax	10,563	-	(72,957)	(4)
7950	Less: income tax expenses (benefit) ((note 6 (l))	<u>11,988</u>	<u>-</u>	<u>(15,666)</u>	<u>(1)</u>
8200	Losses for the period	<u>(1,425)</u>	<u>-</u>	<u>(57,291)</u>	<u>(3)</u>
8300	Other comprehensive income (note 6 (k)):				
8310	Items that will not be reclassified to profit or loss				
8311	Remeasurements of defined benefit plans	8,760	-	(9,076)	(1)
8349	Less: Income tax related to items that will not be reclassified	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total items that will not be reclassified	<u>8,760</u>	<u>-</u>	<u>(9,076)</u>	<u>(1)</u>
8360	Items that may be reclassified subsequently to profit				
8361	Exchange differences on translation of foreign operation	30,571	2	55,892	3
8399	Less: income tax related to items that may be reclassified subsequently to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total items that may be reclassified subsequently to profit or loss	<u>30,571</u>	<u>2</u>	<u>55,892</u>	<u>3</u>
8300	Other comprehensive income	<u>39,331</u>	<u>2</u>	<u>46,816</u>	<u>2</u>
8500	Total comprehensive income	<u><u>\$ 37,906</u></u>	<u><u>2</u></u>	<u><u>(10,475)</u></u>	<u><u>(1)</u></u>
8600	Profit (losses) attributable to (note 6 (m)):				
8610	Owners of the parent	\$ (9,076)	-	(59,741)	(3)
8620	Non-controlling interests	<u>7,651</u>	<u>-</u>	<u>2,450</u>	<u>-</u>
		<u><u>\$ (1,425)</u></u>	<u><u>-</u></u>	<u><u>(57,291)</u></u>	<u><u>(3)</u></u>
8700	Total comprehensive income attributable to (Note 6(m)) :				
8710	Owners of the parent	\$ 24,485	1	(18,218)	(1)
8720	Non-controlling interests	<u>11,421</u>	<u>1</u>	<u>7,743</u>	<u>-</u>
		<u><u>\$ 37,906</u></u>	<u><u>2</u></u>	<u><u>(10,475)</u></u>	<u><u>(1)</u></u>
	Loss per share (NT\$) (Note 6(n)):				
9750	Basic loss per share	<u><u>\$ (0.24)</u></u>		<u><u>(1.56)</u></u>	
9850	Diluted loss per share	<u><u>\$ (0.24)</u></u>		<u><u>(1.56)</u></u>	

See accompanying notes to consolidated financial statements.

**CHAIRMAN: PHACHARAPON
PHAIBOONSUNTORN**

CEO: LIN, JU-YING

**CAO: NARISSARRANEE
KEATBHOONYARRITH**

Regal Holding Co., Ltd. and its Subsidiaries
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

Equity attributable to owners of the Company

	Retained Earnings						Other equities		Total	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Retained Earnings (Accumulated Deficit)	Total Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized losses on financial assets measured at fair value through other comprehensive income				
Balance as of January 1, 2024	\$ 383,960	375,499	86,840	121,175	(150,630)	57,385	(37,109)	(12,200)	(49,309)	767,535	81,774	849,309
Net Profit or Loss	-	-	-	-	(59,741)	(59,741)	-	-	-	(59,741)	2,450	(57,291)
Other Comprehensive Income	-	-	-	-	(8,749)	(8,749)	50,272	-	50,272	41,523	5,293	46,816
Total Comprehensive Income	-	-	-	-	(68,490)	(68,490)	50,272	-	50,272	(18,218)	7,743	(10,475)
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(508)	(508)
Balance as of January 1, 2025	383,960	375,499	86,840	121,175	(219,120)	(11,105)	13,163	(12,200)	963	749,317	89,009	838,326
Net Profit or Loss	-	-	-	-	(9,076)	(9,076)	-	-	-	(9,076)	7,651	(1,425)
Other Comprehensive Income	-	-	-	-	8,531	8,531	27,030	-	27,030	35,561	3,770	39,331
Total Comprehensive Income	-	-	-	-	(545)	(545)	27,030	-	27,030	26,485	11,421	37,906
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(25)	(25)
Balance as of December 31, 2025	\$ 383,960	375,499	86,840	121,175	(219,665)	(11,650)	40,193	(12,200)	27,993	775,802	100,405	876,207

See accompanying notes to consolidated financial statements.

CHAIRMAN: PHACHARAPON PHAIBOONSUNTORN

CEO: LIN, JU-YING

CAO: NARISSARRANEE KEATBHOONYARRITH

Regal Holding Co., Ltd. and its Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from (used in) operating activities:		
Profit (losses) before tax	10,563	(72,957)
Adjustments:		
Income and Expense Items		
Depreciation expenses	58,296	62,039
Amortization expenses	4,614	4,126
Expected credit impairment loss (gain on reversal)	(1,510)	15
Interest expenses	20,568	14,049
Interest income	(595)	(908)
Loss from disposal and retirement of property, plant and equipment	22	1,649
Loss on disposal of intangible assets	-	165
Loss on disposal of investments	-	671
Unrealized foreign exchange (gain) loss	1,184	(3,160)
Intangible assets reclassified to expenses	-	70
Gain on Lease Modification	-	(26)
Total Income and Expense Items	<u>82,579</u>	<u>78,690</u>
Changes in Assets and Liabilities Related to Operating Activities:		
Accounts Receivable	68,819	(285,903)
Other Receivables	3,351	(2,737)
Inventories	32,756	(104,413)
Other Current Assets	<u>(6,137)</u>	<u>8,405</u>
Total Net Changes in Assets Related to Operating Activities	<u>98,789</u>	<u>(384,648)</u>
Notes Payable	6	(48)
Accounts Payable	23,954	4,372
Other Payables	(1,132)	5,968
Other Current Liabilities	(2,909)	8,753
Net Defined Benefit Liabilities	<u>125</u>	<u>(38)</u>
Total Net Changes in Liabilities Related to Operating Activities	<u>20,044</u>	<u>19,007</u>
Total Net Changes in Assets and Liabilities Related to Operating Activities	<u>188,833</u>	<u>(365,641)</u>
Total Adjustments	<u>201,412</u>	<u>(286,951)</u>
Net Cash Inflows (Outflows) from Operating Activities	211,975	(359,908)
Interest Received	595	908
Interest Paid	(20,727)	(13,809)
Income Tax Paid (Refunded)	<u>(8,649)</u>	<u>(650)</u>
Net Cash Inflows (Outflows) from Operating Activities	<u>183,194</u>	<u>(373,459)</u>
Cash Flows from Investing Activities :		
Acquisition of Property, Plant, and Equipment	(44,024)	(31,184)
Disposal of Property, Plant, and Equipment	512	668
Acquisition of Intangible Assets	(1,761)	(3,538)
Acquisition of Right-of-Use Assets	-	(14,435)
Other Financial Assets – Non-Current (Increase) Decrease	<u>(72)</u>	<u>(514)</u>
Net Cash Outflows from Investing Activities	<u>(45,345)</u>	<u>(49,003)</u>
Cash Flows from Financing Activities:		
Increase in Short-Term Borrowings	-	283,929
Decrease in Short-Term Borrowings	(118,421)	-
Proceeds from Long-Term Borrowings	-	5,466
Repayment of Long-Term Borrowings	(3,984)	(962)
Increase in guarantee deposits received	238	304
Repayments of the principal portion of lease liabilities	(636)	(439)
Changes in non-controlling interests	<u>(25)</u>	<u>(508)</u>
Net Cash Inflows from Financing Activities	<u>(122,828)</u>	<u>287,790</u>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	11,552	59,503
Net Increase (Decrease) in Cash and Cash Equivalents for the Period	26,573	(75,169)
Cash and Cash Equivalents at Beginning of Period	<u>64,249</u>	<u>139,418</u>
Cash and Cash Equivalents at End of Period	<u><u>\$ 90,822</u></u>	<u><u>64,249</u></u>

See accompanying notes to consolidated financial statements.

CHAIRMAN: PHACHARAPON
PHAIBOONSUNTORN

CEO: LIN, JU-YING

CAO: NARISSARRANEE
KEATBHOONYARRITH

REGAL HOLDING CO., LTD. AND ITS SUBSIDIARIES

Notes to the Consolidated Financial Statements

REGAL HOLDING CO., LTD. AND ITS SUBSIDIARIES

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

(Unless otherwise stated, all amounts are expressed in thousands of New Taiwan Dollars)

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 the Taiwan Stock Exchange ("TWSE") in the Republic of China. The Company became the holding company of Regal Jewelry Manufacture Co., Ltd. ("R.JM") 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 its subsidiaries are designing, manufacturing, electroplating and selling jewelry gemstones. Please refer to note 6(o).

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

The consolidated financial statements were approved by the Board of Directors on March 6, 2026.

3. New standards, amendments and interpretations adopted:

(1) The impact of adopting new and amended the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission (FSC), R.O.C. The Group has applied the following newly amended International Financial Reporting Standards (IFRS) effective January 1, 2025, which did not have a material impact on the consolidated financial statements:

- Amendment to IAS 21 "The Effects of Changes in Foreign Exchange Rates" – Lack of Exchangeability
- Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments", relating to the application guidance in Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

(2) Impact of IFRS not yet adopted by the FSC

The Group has assessed that the application of the following newly issued or amended International Financial Reporting Standards (IFRS) effective January 1, 2026 will not have a material impact on the consolidated financial statements.

See accompanying notes to consolidated financial statements.

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- IFRS 17 “Insurance Contracts” and its amendments
- Amendments to IFRS 9 and IFRS 7 “Classification and Measurement of Financial Instruments”, relating to the application guidance in Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7

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- Annual improvements to IFRS
- Amendments to IFRS 9 and IFRS 7 “Contracts in the Scope of Reliance on Natural Electricity”

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

The standards and interpretations that have been issued and amended by IASB but not yet been endorsed by FSC, and may be relevant to the Company are as follows:

Newly issued or revised standards	Key amendments	Effective date as issued by the board
International Financial Reporting Standard 18 (IFRS 18) "Presentation and Disclosure of Financial Statements"	The new standard introduces three categories of income and expenses, two subtotals on the statement of profit or loss, and a single note on management performance measures (MPMs). These three amendments enhance guidance on how information is disaggregated in financial statements, providing users with better and more consistent information, and will affect all companies. • More structured statement of profit or loss: Under current standards, companies use different formats to present their operating results, making it difficult for investors to compare financial performance across companies. The new standard adopts a more structured statement of profit or loss, introduces a newly defined “operating profit” subtotal, and requires all income and expenses to be classified into three new categories based on the company’s main operating activities. • Management performance measures (MPMs): The new standard introduces a definition of MPMs and requires companies to explain in a single note for each measure why it provides useful information, how it is calculated, and how it reconciles to amounts recognized under IFRS. • More detailed information: The new standard provides guidance on how companies should enhance disaggregation of information in financial statements, including whether information should be presented in the primary financial statements or further detailed in the notes.	January 1, 2027 Note: According to the press release issued by the FSC on September 25, 2025, IFRS 18 will be effective for fiscal years beginning on or after January 1, 2028. Early adoption is permitted subject to FSC endorsement.

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The Group is currently in the process of assessing the impact of the aforementioned standards and interpretations on its financial position and results of operations. The related impact will be disclosed upon completion of the assessment.

The Group anticipates that the application of other newly issued and amended IFRSs and Interpretations not yet endorsed by the FSC will not have a significant impact on the Group's financial position and financial performance.

- IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- IFRS 19 "Disclosure of Subsidiaries That Are Not Publicly Accountable"
- Amendments to IAS 21 "Lack of Exchangeability"

4. Summary of significant accounting policies

The significant accounting policies applied in the preparation of these consolidated financial statements are summarized as follows. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and Interpretations endorsed and issued into effect by the FSC

(2) Basis of consolidation

1. Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis, except for the following significant items in the balance sheets:

- (1) Financial assets measured at fair value through other comprehensive income (FVTOCI);
- (2) Net defined benefit liabilities, which are measured at the fair value of plan assets less the present value of the defined benefit obligation and the effect of the asset ceiling as described in Note 4(n).

2. Functional and presentation currency

Each entity in the Group measures its items using the currency of the primary economic environment in which the entity operates (the "functional currency"). These consolidated

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financial statements are presented in New Taiwan Dollars (NT\$), which is the Company's functional currency. All financial information presented in NT\$ has been rounded to the nearest thousand, unless otherwise stated.

(3) Basis of Consolidation

1. Principles for Preparation

The consolidated financial statements include the Company and its subsidiaries.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Comprehensive income is attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions with owners.

2. The subsidiaries included in the consolidated financial statements are as follows:

Name of investor	Name of subsidiary	Main Business	2025.12.31	2024.12.31
The Company	Regal Jewelry Manufacture Co., Ltd. (RJM)	Designing, manufacturing and selling jewelry and gem	99.99%	99.99%
The Company	Regal Management Solution Co., Ltd. (RMS)	Technical services and resources consulting	- % (Note1)	- % (Note1)
The Company	Reunite Inspiring Creation Co., Ltd. (RIC)	Selling jewelry and gems	- % (Note2)	- % (Note2)
RJM	Regal Plating Co., Ltd. (RGP)	Plating jewelry and gems	51.00%	51.00%
RJM	Regal Precious Metal Innovation Co., Ltd. (RPM)	Metal recycling	99.90% (Note3)	99.90%
RJM	Linden Integrated Co., Ltd. (LIC)	Selling jewelry and gems	- % (Note4)	- % (Note4)

Note 1: The Group, by resolution of the Board of Directors on November 12, 2023, decided to cease the operations of the subsidiary. In 2024, a disposal loss of NT\$128 thousand was recognized under "Other Gains and Losses" due to the disposal of the subsidiary. The liquidation was completed on January 30, 2025, upon obtaining the relevant certification.

Note 2: The Group, by resolution of the Board of Directors on November 12, 2023, decided to cease the operations of the subsidiary. In 2024, a disposal loss totaling NT\$543 thousand was recognized under "Other Gains and Losses" due to the disposal of the subsidiary. The liquidation was completed on November 21, 2024.

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Note 3: At the meeting of the Board of Directors held on September 17, 2025, the Company approved a capital reduction of its Thai subsidiary, Regal Precious Metal Innovation Co., Ltd., in the amount of THB 24,975 thousand.

Note 4: The governance, key management, business activities, premises, and products of Linden were appointed or provided by the Group or RJM, giving the Group substantive control. The Group, by resolution of the Board of Directors on November 12, 2023, decided to cease Linden's operations, and the liquidation was completed on January 30, 2025.

There are no subsidiaries that are not included in the consolidated financial statements.

(4) Foreign Currencies

1. Foreign Currency Transactions

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period (hereinafter referred to as the "reporting date"), foreign currency monetary items are retranslated into the functional currency using the exchange rate at that date.

2. Translation of Foreign Operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the functional currency at the exchange rates at the reporting date. Income and expenses are translated into the functional currency at the average exchange rates for the period. All resulting exchange differences are recognized in other comprehensive income (OCI).

On the disposal of a foreign operation that results in a loss of control, joint control, or significant influence, the cumulative exchange differences relating to that foreign operation are reclassified in their entirety to profit or loss. In the case of a partial disposal of a subsidiary that includes a foreign operation, the relevant proportion of the cumulative exchange differences is reattributed to non-controlling interests. In any other partial disposal of a foreign operation (e.g., associates or joint ventures), the relevant proportion of the cumulative exchange differences is reclassified to profit or loss.

Exchange differences arising from a monetary item receivable from or payable to a foreign operation, for which settlement is neither planned nor likely to occur in the foreseeable future, are considered to form part of a net investment in that foreign operation and are recognized in other comprehensive income.

(5) Classification of Current and Non-current Assets and Liabilities

The Group classifies an asset as current when it meets any of the following criteria; all other assets that do not meet these criteria are classified as non-current assets:

1. It expects to realize the asset, or intends to sell or consume it, in its normal operating

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cycle;

2. It holds the asset primarily for the purpose of trading;
3. It expects to realize the asset within twelve months after the reporting period; or
4. The asset is cash or a cash equivalent (as defined in IAS 7), unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies a liability as current when it meets any of the following criteria; all other liabilities that do not meet these criteria are classified as non-current liabilities:

1. It expects to settle the liability in its normal operating cycle;
2. It holds the liability primarily for the purpose of trading;
3. The liability is due to be settled within twelve months after the reporting period; or
4. It does not have a right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(6) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the aforementioned definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes are classified as cash equivalents.

Bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(7) Financial Instruments

Regular way purchases or sales of financial assets are recognized and derecognized, as applicable, using trade date accounting consistently for all purchases and sales of financial assets that belong to the same category.

Accounts receivable 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 (unless it is an accounts receivable

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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 issue. Accounts receivable without a significant financing component are initially measured at the transaction price.

1. Financial Assets

At initial recognition, financial assets are classified as financial assets measured at amortized cost or financial assets at fair value through other comprehensive income (FVOCI).

The Group reclassifies all affected financial assets only when it changes its business model for managing financial assets, effective from the first day of the next reporting period.

(1) Financial Assets at Amortized Cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold financial assets to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(2) Financial Assets at FVOCI - Equity Instruments

At initial recognition, the Group can make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument that is not held for trading in other comprehensive income. This election is made on an instrument-by-instrument basis.

These assets are equity investments and are subsequently measured at fair value. Dividend income (unless it clearly represents a recovery of part of the cost of the investment) is recognized in profit or loss. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

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Dividend income from equity investments is recognized when the Group's right to receive payment is established (usually the ex-dividend date).

(3) Impairment of Financial Assets

The Group recognizes a loss allowance for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, accounts receivable, other receivables, refundable deposits, and other financial assets).

At each reporting date, for financial assets other than accounts receivable and contract assets that do not contain a significant financing component, the Group evaluates reasonable and supportable information (attainable without undue cost or effort), including qualitative and quantitative information, and analysis based on historical experience, credit assessment, and forward-looking information. If credit risk has not increased significantly since initial recognition, the loss allowance is measured at 12-month ECL. If credit risk has increased significantly, it is measured at lifetime ECL. For accounts receivable and contract assets without a significant financing component, the Group always measures the loss allowance at an amount equal to lifetime ECL.

12-month ECL are the portion of ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period to consider when measuring ECL is the maximum contractual period over which the Group is exposed to credit risk.

In assessing whether credit risk has increased significantly since initial recognition, the Group considers reasonable and supportable information (attainable without undue cost or effort), including qualitative and quantitative information, and analysis based on historical experience, credit assessment, and forward-looking information.

Expected credit losses (ECL) are a probability-weighted estimate of credit losses over the expected life of a financial instrument. Credit losses are measured as the present value of all cash shortfalls, i.e., the difference between the contractual cash flows and the cash flows the Group expects to receive, discounted at the effective interest rate.

Loss allowances for financial assets measured at amortized cost are deducted from the gross

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carrying amount of the assets. The amount of loss allowance recognized or reversed is recognized in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when it has no reasonable expectations of recovering the asset in its entirety or a portion thereof. This usually occurs when the debtor's assets or sources of income are determined not to generate sufficient cash flows to repay the amount. However, financial assets that are written off could still be subject to enforcement activities to comply with the Group's procedures for recovery of amounts due.

(4) Derecognition of Financial Assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, or it neither transfers nor retains substantially all the risks and rewards of ownership and has not retained control of the financial asset.

2. Financial Liabilities

(1) Classification of Liabilities or Equity

Debt and equity instruments issued by the Group are classified as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(2) Equity Transactions

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

(3) Other Financial Liabilities

Financial liabilities that are not held for trading and are not designated as at FVTPL (including short-term borrowings, accounts payable, and other payables) are initially measured at fair value plus directly attributable transaction costs. Subsequent measurement is at amortized cost using the effective interest method. However, this excludes cases where interest recognition for short-term financial liabilities is immaterial. Interest expense not capitalized as part of the cost of an asset is reported under finance costs in non-operating income and expenses.

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(4) Derecognition of Financial Liabilities

The Group derecognizes a financial liability when, and only when, the Group's obligations are discharged, cancelled, or have expired.

The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

(5) Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet only when there is a legally enforceable right to offset and an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(8) Inventories

Inventories are measured at the lower of cost and net realizable value (NRV). Cost includes all costs of purchase, conversion, or processing and other costs incurred in bringing the inventories to their present location and condition, and is calculated using the first-in, first-out (FIFO) method. The cost of finished goods and work-in-progress inventories includes manufacturing overhead allocated based on normal capacity in appropriate proportions.

Net realizable value (NRV) refers to the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(9) Property, Plant and Equipment

1. Recognition and Measurement

Property, plant, and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures directly attributable to the acquisition of the asset.

When significant parts of an item of property, plant, and equipment have different useful lives, they are treated as separate items (major components) of property, plant, and equipment.

Gains or losses on the disposal of property, plant, and equipment are recognized in profit or loss.

2. Subsequent Costs

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Subsequent expenditures are capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the Group.

3. Depreciation

With the exception of land, depreciation is calculated based on the cost of the asset less its residual value, and is recognized in profit or loss using the straight-line method over the estimated useful lives of each component.

The estimated useful lives for the current and comparative periods are as follows:

- Buildings and structures: 5 ~ 20 years
- Machinery and equipment: 5 ~ 7 years
- Transportation equipment: 5 years
- Office equipment: 2 ~ 5 years
- Leasehold improvements: 5 years

Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted if appropriate.

(10) Leases

The Group recognizes a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which comprises the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred in dismantling and removing the underlying asset and restoring the site on which it is located or the underlying asset, less any lease incentives received.

Right-of-use assets are subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. Furthermore, the Group periodically assesses the right-of-use assets for impairment and treats any impairment losses accordingly, adjusting the assets for any remeasurement of the lease liabilities.

Lease liabilities are initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate. Subsequently, interest is recognized using the effective interest method, and the carrying amount of the right-of-

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use asset is adjusted for any changes in lease payments or lease terms. If the carrying amount of the right-of-use asset is reduced to zero, any remaining remeasurement is recognized in profit or loss.

The discount rate is the interest rate implicit in the lease if that rate can be readily determined. If not, the Group's incremental borrowing rate is used. Generally, the Group applies its incremental borrowing rate as the discount rate.

For short-term leases and leases of low-value underlying assets, the Group elects not to recognize right-of-use assets and lease liabilities, but recognizes the related lease payments as an expense on a straight-line basis over the lease term.

(11) Intangible Assets

The Group's intangible assets consist of computer software and trademarks, which are measured at cost less accumulated amortization and accumulated impairment losses. The amortizable amount is calculated as the cost of the asset less its residual value.

Intangible assets are amortized on a straight-line basis over their estimated useful lives of three to ten years, starting from the date they are available for use. Amortization is recognized in profit or loss.

The residual value, useful life, and amortization method of intangible assets are reviewed at each reporting date and adjusted if appropriate.

(12) Impairment of Non-financial Assets

For non-financial assets other than inventories and deferred tax assets, the Group assesses at each reporting date whether there is any indication of impairment. If such indicators exist, the Group estimates the recoverable amount of the asset. If the recoverable amount cannot be estimated for an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

The recoverable amount is the higher of an asset's (or CGU's) fair value less costs of disposal and its value in use. If the recoverable amount of an individual asset or CGU is lower than its carrying amount, the carrying amount is reduced to the recoverable amount, and an impairment loss is recognized. Impairment losses are recognized immediately in profit or loss.

At each reporting date, the Group re-evaluates whether there are indications that an impairment loss recognized in prior years (excluding goodwill) may no longer exist or may have decreased. If the estimates used to determine the recoverable amount have changed, the impairment loss is reversed to increase the carrying amount of the individual asset or CGU to its recoverable

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amount. However, the increased carrying amount shall not exceed the carrying amount (net of depreciation or amortization) that would have been determined had no impairment loss been recognized in prior years.

(13) Revenue Recognition

Revenue is measured at the consideration to which the Group expects to be entitled in exchange for transferring goods or services. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or service to a customer. Control of the product is transferred when the product has been delivered to the customer, the customer has full discretion over the channel and price to sell the product, and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the product has been shipped to a specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the product 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.

(14) Employee Benefits

1. Defined Contribution Plans

Obligations for contributions to defined contribution retirement 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

Defined benefit plans are post-employment benefit plans other than defined contribution plans. The Group's net obligation is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount to its present value, and deducting the fair value of any plan assets. The discount rate is determined by reference to market yields at the reporting date on high-quality corporate bonds or government bonds that are denominated in the same currency and have terms approximating the terms of the Group's obligations.

The net obligation is calculated annually by qualified actuaries using the projected unit credit method. Remeasurements of the net defined benefit liability (asset), which comprise actuarial gains and losses, the return on plan assets, and the effect of the asset ceiling, are recognized immediately in other comprehensive income (OCI) and accumulated in retained earnings.

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When plan amendments result in benefit improvements, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

Remeasurements of the net defined benefit liability (asset) comprise: (1) actuarial gains and losses; (2) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and (3) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset). Remeasurements of the net defined benefit liability (asset) are recognized in other comprehensive income (OCI). The Group recognizes remeasurements of defined benefit plans in retained earnings.

3. Short-term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(15) Employee Benefits

Income tax expense comprises current and deferred tax. Except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income, current and deferred tax are recognized in profit or loss.

The Group has determined that interest or penalties related to income taxes (including uncertain tax treatments) do not meet the definition of income tax; therefore, they are accounted for under IAS 37 (Provisions, Contingent Liabilities and Contingent Assets).

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date, based on the best estimate of the expected amount to be paid or received.

Deferred tax is measured and recognized based on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes at the reporting date. Deferred tax is not recognized for temporary differences arising from the following situations:

1. The initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction: (i) affects neither accounting profit nor taxable profit (tax loss), and (ii) does not give rise to equal taxable and deductible temporary differences.
2. Temporary differences associated with investments in subsidiaries and joint ventures, where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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3. Taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax assets are recognized for 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. Such deferred tax assets are reassessed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; conversely, such reductions are reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates that have been enacted or substantively enacted by the reporting date.

The Group offsets deferred tax assets and deferred tax liabilities only if it has a legally enforceable right to set off current tax assets against current tax liabilities and 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 either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(16) Earnings Per Share

The Group presents basic and diluted earnings per share (EPS) attributable to ordinary equity holders of the Company. Basic EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted-average number of ordinary shares outstanding during the period. Shares newly issued through the capitalization of retained earnings or capital surplus are adjusted retrospectively. If the record date for such capitalization occurs before the date the financial statements are authorized for issue, the retrospective adjustment is also applied.

Diluted EPS is calculated by adjusting the profit or loss attributable to ordinary equity holders of the Company and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. The Group's potential ordinary shares include the estimated amount of employee compensation.

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(17) Segment Information

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). The operating results of all operating segments are regularly reviewed by the Group's chief operating decision-maker to make decisions about resources to be allocated to the segment and assess its performance. Separate financial information is available for each operating segment.

5. Critical Accounting Judgments, Estimates and Key Sources of Estimation Uncertainty

In preparing these consolidated financial statements, management is required to make judgments and estimates regarding the future (including climate-related risks and opportunities), which affect the adoption of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Management continuously reviews estimates and underlying assumptions, ensuring consistency with the Group's risk management and climate-related commitments. Changes in accounting estimates are recognized prospectively in the period of change and any affected future periods.

There are no accounting policies involving significant judgments that have a material impact on the amounts recognized in these consolidated financial statements.

The primary source of estimation uncertainty that carries a significant risk of causing a material adjustment within the next financial year is inventory. Since inventory must be measured at the lower of cost and net realizable value (NRV), management must exercise judgment and estimation to determine the NRV of inventory at the balance sheet date. Management assesses the amount of inventory write-downs due to obsolescence or decline in market value at the reporting date, reducing the cost of inventory to its net realizable value.

6. Notes to Consolidated Financial Statement Items

(a) Cash and cash equivalents

	<u>2025.12.31</u>	<u>2024.12.31</u>
Cash	\$ 463	544
Demand deposits	83,637	63,401
Checking deposits	65	31
Fixed deposits	<u>6,657</u>	<u>273</u>
Cash and cash equivalents stated in the consolidated statements of cash flows	<u>\$ 90,822</u>	<u>64,249</u>

For the interest rate risk and sensitivity analysis of the Company's consolidated financial

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assets and liabilities, please refer to Note 6(r)

(b) Account receivable

	<u>2025.12.31</u>	<u>2024.12.31</u>
Account receivable	\$ 448,582	514,004
Less: allowance for loss	-	(248)
	<u><u>\$ 448,582</u></u>	<u><u>513,756</u></u>

The Group applies the simplified approach to assess its expected credit losses, i.e. the use of lifetime expected credit 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.

The Group's analysis on the expected credit loss of its trade receivables in Thailand were as follows :

	<u>2025.12.31</u>		
	<u>Book value of trade receivables</u>	<u>Credit loss rate (%)</u>	<u>Allowance for lifetime expected credit losses</u>
Not yet due	\$ 298,830	-	-
Past due 1~30 days	29,735	-	-
Past due 31~60 days	49	-	-
Past due 61~90 days	100		
Past due 91~180 days	29	-	-
	<u><u>\$ 323,743</u></u>		<u><u>-</u></u>
	<u>2024.12.31</u>		
	<u>Book value of trade receivables</u>	<u>Credit loss rate (%)</u>	<u>Allowance for lifetime expected credit losses</u>
Not yet due	\$ 321,159	-	-
Less than 30 days past due	35,236	-	-
	<u><u>\$ 356,395</u></u>		<u><u>-</u></u>

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The analysis of expected credit losses on accounts receivable from sales to other regions by the consolidated entities is as follows :

	2025.12.31		
	Book value of trade receivables	Credit loss rate (%)	Allowance for lifetime expected credit losses
Not yet due	\$ 110,191	-	-
Less than 30 days past due	14,296	-	-
31-60 days past due	325	-	-
181-365 days past due	27	-	-
	\$ 124,839		-

	2024.12.31		
	Book value of trade receivables	Credit loss rate (%)	Allowance for lifetime expected credit losses
Not yet due	\$ 99,098	-	-
Less than 30 days past due	53,316	-	-
31-60 days past due	4,667	2.57	120
61-90 days past due	245	15.53	38
91-180 days past due	196	23.65	46
181-365 days past due	87	50.27	44
	\$ 157,609		248

	2025	2024
Beginning balance	\$ 248	218
Reversal of impairment recognized	(244)	15
Effect of exchange rate changes	(4)	15
Ending balance	\$ -	248

The movements in the allowance for doubtful accounts of the consolidated entities are as follows:

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(c) Other account receivable

	2025.12.31	2024.12.31
Other receivables	\$ 29,401	31,971
Less: Allowance for losses	<u>(21,312)</u>	<u>(21,867)</u>
	<u>\$ 8,089</u>	<u>10,104</u>

The movements in the allowance for losses on other receivables of the consolidated entities are as follows :

	Year 2025	Year 2024
Beginning balance	\$ 21,867	20,578
Reversal of impairment losses recognized	(1,266)	(91)
Effect of exchange rate changes	<u>711</u>	<u>1,380</u>
Ending balance	<u>\$ 21,312</u>	<u>21,867</u>

As of December 31, 2025 and 2024, none of the Group's other receivables were past due.

For other credit risk information, please refer to Note 6(r).

(d) Inventory

	2025.12.31	
	Cost	Allowance for impairment
Raw materials	\$ 383,149	60,499
Work in progress	119,669	4,731
Finished goods	39,009	2,818
Supplies	<u>9,016</u>	<u>3,826</u>
	<u>\$ 500,843</u>	<u>71,874</u>

	2024.12.31	
	Cost	Allowance for impairment
Raw materials	\$ 355,049	63,991
Work in progress	163,585	8,666
Finished goods	54,834	8,597
Supplies	<u>8,888</u>	<u>4,307</u>
	<u>\$ 582,356</u>	<u>85,561</u>

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The movements in the allowance for inventory write-downs of the consolidated entities are as follows:

	<u>2025</u>	<u>2024</u>
Beginning balance	\$ 85,561	81,025
Provision (reversal) for the period	(15,917)	61
Loss on Disposal and Scrap	-	(913)
Effect of exchange rate changes	2,230	5,388
Ending balance	<u><u>\$ 71,874</u></u>	<u><u>85,561</u></u>

The total amount of other expenses directly recognized as operating costs by the consolidated entities, aside from inventory transferred to cost of goods sold from normal sales, is as follows :

	<u>2025</u>	<u>2024</u>
Allowance for inventory write-downs (reversal)	\$ (15,317)	61
Proceeds from the sale of scrap and waste materials	(131,005)	(83,237)
Unallocated expenses	122,301	61,416
	<u><u>\$ (24,621)</u></u>	<u><u>(21,760)</u></u>

Inventory write-downs are recognized as losses when the cost of inventory is written down to its net realizable value (NRV). Conversely, a gain on reversal of inventory write-downs is recognized when the NRV of previously written-down inventory increases or when the inventory is sold, as the circumstances that previously caused the NRV to be lower than cost no longer exist. Such reversals are limited to the amount of the original write-downs.

As of December 31, 2025 and 2024 , none of the Group's inventories were pledged as collateral.

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(e) Subsidiaries with significant non-controlling interests

The subsidiaries whose non-controlling interests are significant to the consolidated entities are as follows:

Name of subsidiary	Principal place of business	Ownership and voting interest of non-controlling interests	
		2025.12.31	2024.12.31
Regal Plating Co.,Ltd.	Thailand	49.00%	49.00%

The summarized financial information of the above subsidiaries is as follows. This financial information has been prepared in accordance with the International Financial Reporting Standards approved by the Financial Supervisory Commission, and the amounts shown are before the elimination of intercompany transactions among the consolidated entities:

Summarized financial information of Regal Plating Co., Ltd.:

	2025.12.31	2024.12.31
Current assets	\$ 213,608	181,539
Non-current assets	3,611	6,841
Current liabilities	(10,799)	(4,802)
Non-current liabilities	(1,667)	(2,104)
Net assets	<u>\$ 204,753</u>	<u>181,474</u>
Carrying amount of non-controlling interests at the end of the period	<u>\$ 100,329</u>	<u>88,922</u>

	2025	2024
Sales revenue	<u>470,213</u>	<u>280,907</u>
Net income or (loss)	<u>\$ 15,595</u>	5,540
Other comprehensive income	<u>7,684</u>	10,717
	<u>\$ 23,279</u>	<u>16,257</u>
Profit (loss) attributable to non-controlling interests	<u>\$ 7,642</u>	<u>2,715</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 11,407</u>	<u>7,966</u>
Net cash flows from operating activities	\$ 9,195	(57,954)
Net cash flows from investing activities	(236)	(493)
Net increase (decrease) in cash and equivalents	<u>\$ 8,959</u>	<u>(58,447)</u>

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(f) Property, plant and equipment

The movements in the cost, accumulated depreciation, and impairment loss of property, plant, and equipment for the years 2025 and 2024 are as follows:

	Land	Building	Equipment	Transportation Equipment	Office Equipment	Land improvements	Unfinished equipment	Total
Cost or deemed cost:								
Balance as of January 1, 2025	\$ 168,122	295,305	366,125	25,216	175,940	12,652	25,227	1,068,587
Additions	-	2,495	12,405	3	9,351	426	19,344	44,024
Disposals	-	(55)	(12,812)	(12)	(5,387)	(7)	-	(18,273)
Reclassifications	-	-	23,426	-	-	-	(23,426)	-
Foreign currency translation effects	5,957	10,587	14,134	893	6,423	468	689	39,151
Balance as of December 31, 2025	\$ 174,079	295,305	408,278	26,100	186,327	13,539	21,834	1,133,489
Balance as of January 1, 2024	\$ 157,534	273,533	347,745	23,518	157,087	11,914	19,440	990,771
Depreciation for the year	-	391	9,073	402	7,803	277	13,238	31,184
Disposals	-	(2,375)	(13,782)	(290)	(3,647)	(329)	-	(20,464)
Reclassifications	-	5,209	-	-	3,765	-	(8,974)	-
Foreign currency translation effects	10,588	18,547	(23,130)	1,586	(10,932)	790	1,523	67,096
Balance as of December 31, 2024	\$ 168,122	295,305	366,125	25,316	175,940	12,652	25,227	1,068,587
Depreciation and impairment losses :								
Balance as of January 1, 2025	\$ -	230,451	300,069	20,918	145,714	10,900	-	708,052
Depreciation for the period	-	13,578	26,614	1,946	14,982	527	-	57,647
Disposals	-	(52)	(12,390)	(11)	(5,283)	(3)	-	(17,739)
Foreign currency translation effects	-	8,848	11,350	839	5,643	411	-	27,091
Balance as of December 31, 2025	\$ -	252,825	325,643	23,692	161,056	11,835	-	775,051
Balance as of January 1, 2024	\$ -	204,182	265,300	17,515	112,789	9,935	-	620,721
Depreciation for the period	-	13,236	28,991	2,409	16,385	566	-	60,587
Disposals	-	(1,295)	(12,869)	(290)	(3,415)	(278)	-	(18,147)
Foreign currency translation effects	-	14,328	18,647	1,284	8,955	677	-	43,891
Balance as of December 31, 2024	\$ -	230,451	300,069	20,918	145,714	10,900	-	708,052
Book value :								
Balance as of December 31, 2025	\$ 174,079	55,507	77,635	2,408	25,271	1,704	21,834	358,438
Balance as of December 31, 2024	\$ 168,122	64,854	66,056	4,298	30,226	1,752	25,227	360,535

For information on assets pledged as collateral for bank loans by the consolidated entities, please refer to Note 8.

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(g) Right-of-use assets

The details of changes in the cost and depreciation of the leased houses and buildings of the consolidated companies are as follows:

	<u>Buildings</u>
Cost of right-of-use assets :	
Balance as of Year, 2025 (i.e., balance as of January 1, 2025)	<u>\$ 1,299</u>
Balance as of January 1, 2024	\$ 536
Additions	1,299
Decreases (early termination)	(545)
Foreign currency translation effects	<u>9</u>
Balance as of December 31, 2024	<u>\$ 1,299</u>
Depreciation of right-of-use assets :	
Balance as of January 1, 2025	\$ 379
Depreciation for the period	<u>649</u>
Balance as of December 31, 2025	<u>\$ 1,028</u>
Balance as of January 1, 2024	\$ 164
Depreciation for the period	452
Decreases (early termination)	(240)
Foreign currency translation effects	<u>3</u>
Balance as of December 31, 2024	<u>\$ 379</u>
Carrying amount :	
Balance as of December 31, 2025	<u>\$ 271</u>
Balance as of December 31, 2024	<u>\$ 920</u>

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(h) Intangible assets

The details of cost, amortization, and impairment losses of intangible assets of the consolidated companies for the six-month periods ended June 30, 2025 and 2024 are as follows:

	<u>Software</u>	<u>Copy rights</u>	<u>Total</u>
Cost :			
Balance as of January 1, 2025	\$ 77,187	852	78,039
Additions during the period	1,757	4	1,761
Foreign currency translation effects	2,824	30	2,854
Balance as of December 31, 2025	\$ 81,768	886	82,654
Balance as of January 1, 2024	\$ 70,899	785	71,684
Additions during the period	3,536	2	3,538
Disposals	(1,973)	-	(1,973)
Reclassification	(82)	12	(70)
Foreign currency translation effects	4,807	53	4,860
860 Balance as of December 31, 2024	\$ 77,187	852	78,039
Amortization and impairment losses :			
Balance as of January 1, 2025	\$ 60,703	388	61,091
Amortization for the period	4,425	89	4,614
Effect of exchange rate changes	2,379	18	2,397
Balance as of December 31, 2025	\$ 67,607	495	68,102
Balance as of January 1, 2024	\$ 54,704	285	54,989
Amortization for the period	4,046	80	4,126
Disposals	(1,808)	-	(1,808)
Foreign currency translation effects	3,761	23	3,784
Balance as of December 31, 2024	\$ 60,703	388	61,091
Carrying amount: :			
Balance as of December 31, 2025	\$ 14,161	391	14,552
Balance as of December 31, 2024	\$ 16,484	464	16,948

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(i) Long-term and short-term loans

1. short-term loan

	2025.12.31	2024.12.31
Trust loans	\$ 183,338	-
Guaranteed bank loans	270,185	558,134
Total	\$ 453,523	558,134
Unused credit lines	\$ 458,183	529,266
Interest rate (%)	3.35~5.5	3.10~3.65

For information on assets pledged as collateral for bank borrowings by the consolidated entities, please refer to Note 8.

2. Long-term loan

	2025.12.31		
	Interest rate range	Maturity year	Amount
Unsecured bank loans	2.00~4.50	117	\$ 13,501
Less: Portion due within one year			(4,185)
Total			\$ 9,316
Unused credit			\$ -

	2024.12.31		
	Interest rate range	Maturity year	Amount
Unsecured bank loans	2.00~4.50	117	\$ 17,081
Less: Portion due within one year			(4,042)
Total			\$ 13,039
Unused credit			\$ -

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(j) Lease liabilities

The lease liabilities of The Company are as follows:

2025.12.31			
	Future minimum lease payment	Interest	Present value of minimum lease Payment
Current	<u>\$ 275</u>	<u>3</u>	<u>272</u>
2024.12.31			
	Future minimum lease payment	Interest	Present value of minimum lease Payment
Current	<u>\$ 660</u>	<u>24</u>	<u>636</u>
Non-current	<u>275</u>	<u>3</u>	<u>272</u>
	<u>\$ 935</u>	<u>27</u>	<u>908</u>
Current	<u>\$ 660</u>	<u>24</u>	<u>636</u>
Non-current	<u>\$ 275</u>	<u>3</u>	<u>272</u>

The amounts recognized in profit or loss are as follows:

	2025	2024
Interest on lease liabilities	<u>\$ 23</u>	<u>31</u>
Expenses for short-term leases	<u>\$ 555</u>	<u>872</u>
Expenses for low-value lease assets (excluding low-value short-term leases)	<u>\$ 314</u>	<u>394</u>

The amounts recognized in the statement of cash flows are as follows:

	2025	2024
Total cash outflows for leases	<u>\$ 1,528</u>	<u>1,736</u>

1. Leases of houses and buildings

The consolidated companies lease houses and buildings as office premises, typically for a period of two to three years, with some leases including options to extend at the end of the lease term.

2. Other leasing

The consolidated companies lease office equipment such as copiers for a period of one to five years. These leases are classified as short-term or low-value leases, and the consolidated companies have elected to apply the exemption, not recognizing the related right-of-use assets and lease liabilities.

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(k) Employee benefits

1. Defined benefit plan

The Company reported the following details as costs and expenses :

	2025	2024
Net Defined Benefit Liability	<u>\$ 34,478</u>	<u>41,632</u>

(1) The amounts recognized in profit or loss are as follows:

	2025	2024
PV of DBO at the beginning of the year	\$ 41,632	30,453
Current service cost and interest cost	5,569	4,402
Remeasurements (Actuarial gains and losses)		
- Experience adjustments	(10,928)	1,617
- Changes in demographic assumptions	727	880
- Changes in financial assumptions	1,441	6,579
Exchange differences on foreign plans	1,481	2,051
Benefits paid	(5,444)	(4,440)
Expenses for low-value lease assets (excluding low-value short-term leases)	<u>\$ 34,478</u>	<u>41,632</u>

(2) Expenses Recognized in Profit or Loss

The details of the expenses reported by the Group are as follows:

	2025	2024
Current service cost	\$ 4,561	3,529
Net interest on net defined benefit liability	1,008	873
	<u>\$ 5,569</u>	<u>4,402</u>
Cost of Goods Sold	3,762	2,988
General & Administrative	1,807	1,414
	<u>\$ 5,569</u>	<u>4,402</u>

(3) Remeasurements of Net Defined Benefit Liability

The remeasurements of the net defined benefit liability accumulated in other comprehensive income (OCI) for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024
Beginning accumulated balance	\$ (29,684)	(20,608)
Gain (loss) recognized in the current period	8,760	(9,076)
Accumulated balance at December 31	<u>\$ (20,924)</u>	<u>(29,684)</u>

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(4) Actuarial Assumptions

The principal actuarial assumptions used by the Group to determine the present value of the defined benefit obligation at the reporting date are as follows:

	<u>2025.12.31</u>	<u>2024.12.31</u>
Discount rate (Monthly)	1.95%-2.20%	2.45%-2.56%
Discount rate (Daily)	1.73%-2.20%	2.30%-2.54%
Future salary increase rate (Monthly)	3.56%	3.32%
Future salary increase rate (Daily)	3.86%	3.49%

The Group expects to make a contribution of \$9,671 thousand to the defined benefit plans within one year after the reporting date of 2025.

As of December 31, 2025, the weighted average duration of the defined benefit plans for daily-paid and monthly-paid employees were 10–16 years and 12–16 years, respectively.

(5) Sensitivity Analysis

The impact on the present value of the defined benefit obligation as of December 31, 2025 (Year 114) and 2024 (Year 113), resulting from changes in the key actuarial assumptions, is as follows:

	<u>Impact on the Defined Benefit Obligation</u>	
	<u>Increase0.50%</u>	<u>Decrease0.50%</u>
December 31, 2025		
Discount rate (0.50% change)	(1,320)	1,415
Future salary increase rate (0.50% change)	703	(662)
December 31, 2024		
Discount rate (0.50% change)	(1,585)	1,701
Future salary increase rate (0.50% change)	541	(508)

The aforementioned sensitivity analysis is based on the impact of a single assumption changing while all other assumptions remain constant. In practice, many assumptions may be correlated. The methodology used in the sensitivity analysis is consistent with the method used to calculate the net pension liability on the balance sheet.

The methods and assumptions used in preparing the sensitivity analysis for the current period are consistent with those used in the prior period.

2. Defined contribution plans

See accompanying notes to consolidated financial statements.

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The defined contribution plans of the Taiwan branch and Regal International Co., Ltd. of the consolidated companies are in accordance with the Labor Pension Act. Contributions are made at a rate of 6% of each employee's monthly salary to individual pension accounts with the Bureau of Labor Insurance. Under this plan, after the consolidated companies make fixed contributions to the Bureau of Labor Insurance, they have no further legal or constructive obligation to pay additional amounts.

Pension expenses under the defined contribution plans for the years ended December 31, 2025 and 2024 were NT\$200 thousand and NT\$235 thousand, respectively. These amounts have been fully contributed to the Bureau of Labor Insurance.

(l) Income tax

1. The Company is incorporated in the Cayman Islands and is not subject to corporate income tax under local laws. Among the consolidated companies, RJM, RGP, Linden, RPM, and Regal International are subject to a local corporate income tax rate of 20%.
2. The details of income tax expenses (benefits) of the consolidated companies are as follows :

	2025	2024
Current income tax expense (benefit)		
Generated in the current period	\$ 4,070	2,379
Adjustment of current income tax for prior periods	-	211
Deferred income tax expense (benefit)		
Occurrence and reversal of temporary differences	7,918	(18,256)
Income tax benefit	<u>\$ (11,988)</u>	<u>(15,666)</u>

The reconciliation between the Group's income tax expense (benefit) and net income (loss) before tax is as follows:

	2025	2024
Net income (loss) before tax	<u>\$ 10,563</u>	<u>(72,957)</u>
Income tax calculated at the statutory rate of each company's location	\$ 5,577	(10,539)
Estimated tax on distribution of subsidiaries' earnings	1,918	(5,894)
Adjustments according to tax laws	4,493	556
Underestimation of prior periods	-	211
Total	<u>\$ (11,988)</u>	<u>(15,666)</u>

3. Deferred Income Tax Assets and Liabilities — Recognized Deferred Income Tax Assets and Liabilities

See accompanying notes to consolidated financial statements.

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The movements of deferred income tax assets and liabilities for the years ended December 31, 2025 and 2024 were as follows:

Deferred Income Tax Liabilities:

	Taxable investment income
January 1, 2025	\$ (28,139)
Credited to income statement company's location	<u>(1,918)</u>
December 31, 2025	<u>\$ (30,057)</u>
January 1, 2024	\$ (34,034)
Credited to income statement company's location	<u>5,895</u>
December 31, 2024	<u>\$ (28,139)</u>

Deferred Income Tax Assets:

	Impairment loss on receivables	Loss on decline in value of inventory	Accrued pension liabilities	Loss carryforwards	Others	Total
January 1, 2025	\$ 9	17,112	8,326	46,775	947	73,169
Credited to income statement company's location	(6)	(3209)	(1,642)	(942)	(200)	(6,000)
	<u>-</u>	<u>445</u>	<u>213</u>	<u>1,610</u>	<u>23</u>	<u>2,291</u>
December 31, 2025	<u>\$ 3</u>	<u>14,348</u>	<u>6,896</u>	<u>47,443</u>	<u>770</u>	<u>69,460</u>
January 1, 2024	\$ -	15,878	6,108	33,488	9199	56,393
Credited to income statement company's location	<u>8</u>	159	1,720	10,505	(31)	12,361
Effect of exchange rate changes	<u>1</u>	<u>5,895</u>	<u>498</u>	<u>2,782</u>	<u>59</u>	<u>4,415</u>
December 31, 2024	<u>\$ 9</u>	<u>17,112</u>	<u>8,236</u>	<u>46,775</u>	<u>947</u>	<u>73,169</u>

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4. Status of Income Tax Assessment and Filing

The Company is exempt from income tax in accordance with the laws of its country of incorporation.

The income tax filings of the Group's subsidiaries, RJM, RGP, and RPM, located in Thailand, do not require formal assessment by the tax authorities. However, payment certificates for the income tax settlements up to the year 2024 (Year 113) have been issued by the tax authorities.

The corporate income tax settlement filings of the Company's Taiwan branch have been assessed by the tax authorities through the year 2023 (Year 112). Linden, RMS, and Regal International have completed their liquidation procedures; please refer to Note 4(3) for further details.

(m) Capital and Other Equity

The reconciliation of the number of shares outstanding and issued for the years ended December 31, 2025 and 2024 is as follows:

	Ordinary Share	
	2025	2024
Balance of shares outstanding as of December 31 (equivalent to the balance of shares issued as of January 1)	<u>38,396</u>	<u>38,396</u>

1. As of December 31, 2025, December 31, 2024, the consolidated companies' authorized capital was NT\$600,000 thousand, with a par value of NT\$10 per share. The paid-in capital was NT\$383,960 thousand.

2. Earnings distribution

. The components of the Company's capital surplus are as follows:

	Number of shares: in thousands	
	2025.12.31	2024.12.31
Share premium	\$ 354,846	354,846
Restricted stock for employees	9,899	9,899
Stock options of convertible bonds — expired	10,754	10,754
	<u>\$ 375,499</u>	<u>38,396</u>

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3. Other equity (net of tax)

The shareholders' meetings of the Company held on May 27, 2025 and May 30, 2024 resolved not to distribute the earnings for the years 2024 and 2023.

Information related to the Company's earnings distribution can be accessed via the Market Observation Post System (MOPS).

4. Other equity (net of tax)

	Exchange differences arising from translation of foreign operations' financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total
Balance as of January 1, 2025	\$ 13,163	(12,200)	963
Exchange differences arising from the translation of net assets of foreign operations	27,030	-	27,030
Balance as of December 31, 2025	<u>\$ 40,193</u>	<u>(12,200)</u>	<u>27,993</u>
Balance as of January 1, 2024	\$ (37,109)	(12,200)	(49,309)
Exchange differences arising from the translation of net assets of foreign operations	49,601		49,601
Disposal of Subsidiaries	671	-	671
Balance as of December 31, 2024	<u>\$ (50,259)</u>	<u>(12,200)</u>	<u>(62,459)</u>

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5. Non-controlling interests (net of tax)

	2025	2024
Beginning balance	\$ 89,009	81,774
Share attributable to non-controlling interests:		
Net income (loss) for the period	7,651	2,450
Exchange differences arising from translation of foreign operations' financial statements	3,541	5,620
Actuarial gains and losses	229	(327)
Disposal of subsidiaries	-	(508)
Cash reduction of capital by subsidiaries	(25)	-
	<u>\$ 100,405</u>	<u>89,009</u>

(n) Loss per share

The calculation of basic and diluted loss per share of the consolidated company is as follows:

	Number of shares: in thousands 2025	2024
Basic loss per share (equal to diluted loss per share) :		
Net loss attributable to ordinary shareholders of the Company	<u>\$ (9,076)</u>	<u>(59,741)</u>
Weighted-average number of ordinary shares outstanding	<u>38,396</u>	<u>38,396</u>
Basic loss per share (equal to diluted loss per share) (NT\$)	<u>\$ (0.24)</u>	<u>(1.56)</u>

(o) Revenue from customer contracts

1. Revenue breakdown

	2025	2024
Major regional markets :		
Thailand	\$ 1,107,989	820,774
United States	326,266	222,199
France	187,158	220,491
United Kingdom	178,069	164,174
Canada	150,004	122,729
Australia	104,145	143,139
Others	74,495	85,851
	<u>\$ 2,128,126</u>	<u>1,779,357</u>
Major product/service lines :		
Jewelry design, manufacturing, and sales	\$ 1,859,269	1,597,219
Electroplating processing	268,857	182,138
	<u>\$ 2,128,126</u>	<u>1,779,357</u>

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REGAL HOLDING CO., LTD. AND ITS SUBSIDIARIES**Notes to the Consolidated Financial Statements****2. Contract balances**

	2025.12.31	2024.12.31	2024.1.
Accounts receivable	\$ 448,582	514,004	224,893
Less: allowance for doubtful accounts	-	(248)	(218)
Total	\$ 448,582	513,756	224,675
Contract liabilities (recorded under other current liabilities)	\$ 4,910	9,241	976

For disclosures of accounts receivable and their impairment, please refer to Note 6(b)

Revenue recognized during the years ended December 31, 2025 and 2024, which was included in the contract liability balance at the beginning of the years, amounted to NT\$9,006 thousand and NT\$664 thousand, respectively.

Changes in contract liabilities are primarily due to the difference in timing between the Group's satisfaction of performance obligations through the transfer of goods or services to customers and the timing of customer payments.

(p) Employee and director remuneration

According to the Company's Articles of Incorporation approved at the shareholders' meeting on May 20, 2016, if the Company reports a profit in a given year, no less than 1% shall be allocated as employee remuneration and no more than 3% as director remuneration. However, if the Company has accumulated losses, an amount sufficient to cover such losses shall be reserved first. Employee remuneration may be paid in cash or shares, and the recipients include employees of subsidiaries who meet certain criteria.

For the Year 2025 and 2024, the Company reported pre-tax net losses; therefore, no employee or director remuneration was estimated. Any differences between actual distributions in subsequent years and the estimated amounts will be treated as changes in accounting estimates and recognized in the profit or loss of the following year. If the Board of Directors decides to issue stock as employee remuneration, the number of shares will be calculated based on the closing price on the day prior to the Board resolution.

For the fiscal years 2024 and 2023, the Company also had accumulated losses; thus, no employee or director remuneration was estimated. Relevant information can be accessed on the Market Observation Post System.

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(q) Non-operating income and expense

1. Interest income

Details of interest income of the consolidated company are as follows:

	2025	2024
Interest on bank deposits	\$ 595	908

2. Other income

Details of interest income of the consolidated company are as follows:

	2025	2024
Others	\$ 8,456	7,663

3. Other gains and losses

Details of other gains and losses of the consolidated company are as follows:

	2025	2024
Gain (loss) on disposal of property, plant and equipment	\$ (22)	(1,649)
Loss on disposal of intangible assets	-	(165)
Loss on disposal of investments	-	(671)
Gain on lease modification	-	26
Net foreign exchange gain (loss)	(5,606)	4,578
Net other gains and losses	\$ (5,628)	2,119

4. Finance costs

Details of finance costs of the consolidated company are as follows:

	2025	2024
Bank loans	\$ 20,545	14,018
Lease liabilities	23	31
	\$ 20,568	14,049

(r) Financial instruments

1. Credit Risk

(1) Credit risk exposure

The carrying amounts of financial assets represent the maximum credit risk exposure.

(2) Concentration of credit risk

The consolidated company's credit risk exposure is primarily influenced by the individual circumstances of each customer. However, management also considers statistical information about the company's customer base, including the default risks associated with the customers' industries and countries, as these factors may affect

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credit risk. As of December 31, 2025, and December 31, 2024, the consolidated company's credit risk was significantly concentrated in the three largest customers, with year-end accounts receivable balances of NT\$375,035 thousand, NT\$387,360 thousand, and NT\$220,821 thousand, respectively, representing approximately 84%, and 75% of the year-end net accounts receivable balances.

(3) Credit risk of receivables

For information on credit risk exposure of accounts receivable, please refer to Note 6(b). For details of other receivables, please refer to Note 6. (c).

2. Liquidity risk

The table below presents the contractual maturities of financial liabilities, excluding the effects of estimated interest.

	Carrying amount	Contractual cash flow	Within in one year	1-2 year	Over 2 years
December 31, 2025					
Non-derivative financial liabilities					
Short-term loans	\$ 453,523	453,523	453,523	-	-
Payables	118,235	118,235	118,235	-	-
Lease liabilities	272	272	272	-	-
Long-term loans	13,501	13,501	4,185	4,185	5,131
Guarantee deposits received	4,979	4,979	-	-	4,979
	\$ 590,510	590,510	576,215	4,185	10,110
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 loans	17,081	17,081	4,042	4,042	8,997
Guarantee deposits received	4,741	4,741	-	-	4,741
	\$ 674,846	674,846	656,794	4,314	13,738

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier, or the actual amounts to be significantly different.

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3. Foreign exchange risk

(1) Exposure to foreign exchange risk

The consolidated company's financial assets and liabilities exposed to significant foreign currency exchange rate risk are as follows:

	2025.12.31			2024.12.31		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
Financial assets						
Monetary items						
US Dollar	\$ 3,991	31.42	125,418	4,877	32.79	159,881
Financial liabilities						
Monetary items						
US Dollar	103	31.42	3,235	334	32.79	10,939

(2) Sensitivity analysis

The Group's foreign exchange risk primarily arises from bank deposits, accounts receivable, accounts payable, and accrued expenses denominated in foreign currencies, which generate foreign exchange gains or losses upon translation. As of December 31, 2025 and 2024, if the New Taiwan Dollar (NTD) and Thai Baht (THB) had weakened or strengthened by 1% against the U.S. Dollar (USD), with all other variables held constant, net income before tax for the years ended December 31, 2025 and 2024 would have decreased or increased by approximately NT\$1,222 thousand and NT\$1,489 thousand, respectively. The analysis was performed on the same basis for both periods.

(3) Exchange gains or losses of monetary items

The foreign exchange gains and losses on the Company's monetary items (including both realized and unrealized) translated into the functional currency, as well as the exchange rate information used to translate into the parent company's functional currency, the New Taiwan Dollar (i.e., the Company's presentation currency), are as follows:

	2025		2024	
	Foreign exchange gain (loss)	Average exchange rate	Foreign exchange gain (loss)	Average exchange rate
THD	\$ (533)	1.0000	337	1.0000
Thai Baht	THB (5,349)	0.9486	THB 4,632	0.9159

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4. Interest rate analysis

The Group's exposure to interest rate risk on financial assets and financial liabilities is described in the liquidity risk management section of this note. If interest rates had increased or decreased by 1%, the Group's net income before tax for the years ended December 31, 2025 and 2024 would have increased or decreased by NT\$4,535 thousand and NT\$5,581 thousand, respectively. This is primarily attributable to the Group's variable-rate borrowings.

5. Fair Value Information

(1) Types of Financial Instruments and Their Fair Value

The carrying amounts and fair values of the Group's financial assets and financial liabilities (including fair value hierarchy information, but excluding those financial instruments not measured at fair value whose carrying amounts are a reasonable approximation of fair value, as well as lease liabilities, for which fair value disclosure is not required) are presented as follows:

		2025.12.31			
		Fair value			
	Carrying value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at Amortized Cost					
Cash and Cash Equivalents	\$ 90,822	-	-	-	-
Accounts Receivable	448,582	-	-	-	-
Other Receivables	8,089	-	-	-	-
Other Financial Assets - Current	14,946	-	-	-	-
Other Financial Assets - Non-current	11,174	-	-	-	-
Total	<u>\$ 573,613</u>	-	-	-	-
Financial Liabilities Measured at Amortized Cost					
Short-term loan	\$ 453,523	-	-	-	-
Notes and Accounts Payable	44,688	-	-	-	-
Other Payables	73,547	-	-	-	-
Lease Liabilities	272	-	-	-	-
Long-term loans (including current portion)	13,501	-	-	-	-
Deposits Paid	4,979	-	-	-	-
Total	<u>\$ 590,510</u>	-	-	-	-

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		2024.12.31			
		Fair value			
	Carrying value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at Amortized Cost					
Cash and Cash Equivalents	\$ 64,249	-	-	-	-
Accounts Receivable	513,756	-	-	-	-
Other Receivables	10,104	-	-	-	-
Other Financial Assets - Current	14,435	-	-	-	-
Other Financial Assets - Non-current	10,722	-	-	-	-
Total	\$ 613,266	-	-	-	-
		2024.12.31			
		Fair value			
	Carrying value	Level 1	Level 2	Level 3	Total
Financial Liabilities Measured at Amortized Cost					
Short-term loan	\$ 558,134	-	-	-	-
Notes and Accounts Payable	19,139	-	-	-	-
Other Payables	74,843	-	-	-	-
Lease Liabilities	908	-	-	-	-
Long-term loans (including current portion)	17,081	-	-	-	-
Guarantee deposits	4,741	-	-	-	-
Total	\$ 674,846	-	-	-	-

(2) The Group measures its assets and liabilities using observable market inputs whenever possible. The fair value hierarchy is classified based on the inputs used in the valuation techniques as follows :

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs for the asset or liability other than quoted prices included in Level 1 that are directly (i.e., prices) or indirectly (i.e., derived from prices) observable.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(3) Fair value measurement techniques for financial instruments measured at fair value non-derivative financial instruments

For equity instruments held by the consolidated company without publicly quoted prices, a valuation method based on the Company Act for comparable listed companies is used, and a liquidity discount model is applied to adjust the equity valuation. °

(4) Quantitative information on fair value measurements with significant unobservable inputs (Level 3)

The quantitative information on significant unobservable inputs is summarized as follows:

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Item	Evaluation Technique	Significant Unobservable Inputs	Relationship between Significant Unobservable Inputs and Fair Value
Equity instrument investments without an active market measured at fair value through other comprehensive income	Comparable to the Company Act applicable to listed and over-the-counter (OTC) companies	Discount for lack of marketability	The higher the discount for lack of marketability, the lower the fair value.

(5) Sensitivity is of Fair Value Measurement for Level 3 Inputs

The fair value measurements of financial instruments by the consolidated company are considered reasonable; however, the use of different valuation models or parameters may result in different valuation outcomes. For financial instruments classified as Level 3, the significant unobservable input used in estimating fair value is the discount for lack of marketability. Nevertheless, since potential variations in this discount are not expected to have a material financial impact, a sensitivity analysis is not disclosed.

(s) Risk Management

1. Overview

The Group is exposed to the following risks arising from the use of financial instruments:

- (1) Credit risk
- (2) Liquidity risk
- (3) Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies, and processes for measuring and managing risk. For further quantitative disclosures, please refer to the respective notes to the consolidated financial statements.

2. Risk management framework

The Group identifies and analyzes the risks faced by the Group and ensures the effectiveness of risk control through appropriate control procedures.

The Group mitigates risk exposure through the use of derivative financial instruments to reduce the impact of such risks. The use of both derivative and non-derivative financial instruments is overseen by the Finance Department and governed by the Group's internal policies to minimize the Group's exposure to foreign exchange risk, interest rate risk, and credit risk. Internal auditors continuously review policy compliance and exposure limits.

The Group does not engage in transactions involving financial instruments (including derivative financial instruments) for speculative purposes.

The Finance Department periodically reports the use of derivative and non-

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derivative financial instruments to the Group's Board of Directors.

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.

(1) Accounts receivable and other receivables

To reduce credit risk on accounts receivable, the Group continuously evaluates the financial condition of its customers and insures foreign accounts receivable with insurance companies to mitigate the Group's exposure. The Group also periodically assesses the collectability of accounts receivable and provides for expected credit losses; overall, management is able to effectively control accounts receivable risk.

In accordance with internal credit policies, each operating entity within the Group must manage and perform credit risk analysis for each new customer before setting payment and delivery terms and conditions. Internal risk control is conducted by considering financial status, past experience, and other factors to evaluate the customer's credit quality. Individual risk limits are established based on internal or external ratings and the use of credit limits is monitored regularly.

(2) Investments

Credit risk from bank deposits and other financial instruments is measured by the Group's Finance Department and reported to management based on the hierarchy of authorization. The Group's counterparties and performing parties are all highly-rated banks and financial institutions, or carefully selected investment targets. The Group also controls its held positions to manage credit risk.

(3) Guarantees

The Group only provides endorsements/guarantees to entities that comply with the Group's "Procedures for Endorsement and Guarantee." As of December 31, 2025 and 2024, the amount of endorsements/guarantees provided by the Company was both NT\$0; the amounts provided by subsidiaries were NT\$49,820 thousand and NT\$48,115 thousand, respectively.

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4. Liquidity Risk

The Group monitors forecasts of its liquidity requirements through the Finance Department to ensure it has sufficient cash to meet operational needs while maintaining sufficient undrawn borrowing facilities at all times. This ensures that the Group does not breach borrowing limits or covenants. Such forecasts take into consideration the Group's debt financing plans and compliance with debt covenants. In addition, as of December 31, 2025 and 2024, the Group's unused borrowing facilities amounted to NT\$458,183 thousand and NT\$529,266 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 on investment.

(1) Foreign exchange risk

The functional currencies of the Group entities are primarily the New Taiwan Dollar (NTD), along with the Thai Baht (THB) and the Hong Kong Dollar (HKD). The Group is exposed to foreign exchange risk arising from sales and borrowing transactions denominated in currencies other than the functional currency. The primary currency for such transactions is the U.S. Dollar (USD).

(2) Interest rate risk

The financial assets of the Group exposed to fair value interest rate risk are bank deposits; financial liabilities are short-term borrowings. However, the impact of interest rate fluctuations on the fair value of relevant financial assets and liabilities is not significant.

(3) Other price risk

The Group holds unquoted equity instruments measured at fair value that do not have an active market. However, these investments are primarily long-term strategic investments and are not held for trading purposes. As the Group does not actively trade these investments, it does not expect significant market risk from this item.

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(t) Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders 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 amount of dividends paid to shareholders, return capital to shareholders via capital reduction, issue new shares, or sell assets to reduce debt.

The Group monitors capital on the basis of the debt-to-capital ratio. This ratio is calculated as total debt divided by total capital. Total debt is the total liabilities as shown in the consolidated balance sheet. Total capital is calculated as the sum of all components of equity (i.e., share capital, capital surplus, retained earnings, other equity, and non-controlling interests).

The summary quantitative data of the Group's capital management are as follows:

	<u>2025.12.31</u>	<u>2024.12.31</u>
Total liabilities	<u>\$ 663,176</u>	<u>755,425</u>
Total capital	<u>\$ 876,207</u>	<u>838,326</u>
Debt-to-capital ratio	<u>75.69%</u>	<u>90.11%</u>

There were no changes in the Group's approach to capital management as of December 31, 2025.

(u) Non-cash investing and financing activities

The reconciliation of liabilities arising from financing activities of the consolidated company for the year of 2025 and 2024 is as follows:

	<u>2025.1.1</u>	<u>Cash flow</u>	<u>Non-cash changes</u> <u>Exchange rate changes</u>	<u>2025.12.31</u>
Short-term loan	\$ 558,134	(118,421)	13,810	453,523
Long-term loan	17,081	(3,984)	404	13,501
Lease liabilities	908	(636)	-	272
Total liabilities from financing activities	<u>\$ 576,123</u>	<u>(123,041)</u>	<u>14,214</u>	<u>467,296</u>

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	2024.1.1	Cash flow	New leases	Non-cash changes			2024.12.31
				Terminated leases	Gain on lease modification	Exchange rate changes	
Short-term loan	\$ 243,459	286,929	-	-	-	(30,746)	558,134
Long-term loan	11,570	4,504	-	-	-	1,007	17,081
Lease liabilities	399	(439)	1,299	(305)	(26)	(20)	908
Total liabilities from financing activities	<u>\$ 255,428</u>	<u>287,994</u>	<u>1,299</u>	<u>(305)</u>	<u>(26)</u>	<u>31,733</u>	<u>576,123</u>

7. Related party transactions

Key management personnel compensation includes : :

	2025	2024
Short-term employee benefits	\$ 18,563	17,381
Post-employment benefits	483	922
	<u>\$ 19,046</u>	<u>18,303</u>

Short-term employee benefits for the years ended December 31, 2025 and 2024, do not include the provision of company cars for the Chairman, General Manager, and Vice General Manager. The total costs of these vehicles amounted to NT\$7,146 thousand and NT\$6,901 thousand, respectively. As of December 31, 2025 and 2024, the carrying amounts of these vehicles totaled NT\$1,542 thousand and NT\$2,868 thousand, respectively, and were classified under Property, Plant, and Equipment.

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8. Pledged assets

Asset type	Pledged collateral	2025.12.31	2024.12.31
Property, plant, and equipment:			
Land	Shot-term loan	\$ 174,079	168,122
Buildings and structures	Shot-term loan	923	5,009
Other financial assets - current:			
Restricted bank deposits	Shot-term loan	14,946	14,435
Other financial assets -non-current:			
Time deposits	Refundable deposits for electricity and fuel cards	4,880	4,664
		<u><u>\$ 194,828</u></u>	<u><u>192,230</u></u>

9. Significant contingent liabilities and unrecognized contractual commitments

(1) Guarantee facilities provided to the company by banks:

	2025.12.31	2024.12.31
Electricity guarantee limit	<u><u>\$ 4,601</u></u>	<u><u>4,397</u></u>

(2) The Group entered into contracts with vendors for the acquisition of property, plant, and equipment for the purpose of upgrading equipment. As of December 31, 2025 and 2024, the total contract prices were NT\$49,071 thousand and NT\$24,739 thousand, respectively. The cumulative payments made as of each of those dates were NT\$46,772 thousand and NT\$24,317 thousand, respectively.

10. Significant disaster losses: None

11. Significant subsequent events:

The Company's 2025 cash capital increase through the issuance of new shares was approved and became effective as per the Financial Supervisory Commission (FSC) Letter No. 1140369247 dated January 28, 2026. On February 9, 2026, the Board of Directors resolved that the record date for the cash capital increase would be March 11, 2026. The Company expects to issue 10,600 thousand new shares with a par value of NT\$10 per share at an issuance price of NT\$14.20 per share.

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12. Others

The summary of employee benefits, depreciation, depletion, and amortization expenses by function is as follows :

By function By nature	2025			2024		
	Classified as operating costs	Classified as operating expenses	Total	Classified as operating costs	Classified as operating expenses	Total
Employee benefit expenses						
Salaries and wages	433,340	159,594	592,934	357,275	174,264	531,539
Labor and health insurance expenses	-	459	459	-	411	411
Pension expense	3,786	1,983	5,769	3,070	1,567	4,637
Other employee benefits	24,862	12,619	37,481	24,585	14,311	38,896
Depreciation expenses	46,169	12,127	58,296	46,147	15,892	62,039
Amortization expenses	140	4,474	4,614	131	3,995	4,126

13. Notes to the financial statements

(1) Information on significant transactions

For the year of 2025, the consolidated company, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, discloses the following information on significant transactions that should be further disclosed :

1. Lending of funds to others: A (In Thousands of New Taiwan Dollars)

No. (Note 1)	Lender	Borrower	Account name	Related party (Yes/No)	Maximum balance for the period (Note 4)	Ending balance	Actual amount drawn	Interest rate range (%)	Nature of loan (Note 2)	Amount of business transactions	Reason for short-term financing	Allowance for bad debts	Collateral : Name / Value	Individual loan limit (Note 3)	Aggregate loan limit (Note 3)
1	RPM	RJM	Other receivables – related parties	Yes	9,964 (THB10,000)	9,964 (THB10,000)	9,964 (THB10,000)	3.35	2	-	Working capital	-	-	- 29,860 (THB 29,968)	29,860 (THB 29,968)

Note 1: The numbering method is as follows:

- The Company is represented by "0".
- Investees are numbered sequentially starting from "1" by entity. The same code should be used for the same company.

Note 2: The nature of the loan is explained as follows:

Fill in "1" for those with business transactions.

Fill in "2" for those with a necessity for short-term financing.

Note 3: According to RPM's "Procedures for Lending Funds to Others":

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The aggregate limit for loans to companies or firms with short-term financing needs shall not exceed 40% of RPM's net worth.

The individual limit for each borrower shall not exceed 40% of RPM's net worth.

Furthermore, according to the Company's procedures, the authorized credit limit for loans to a single enterprise by the Company or its subsidiaries shall not exceed 10% of the lender's net worth as shown in its most recent financial statements.

Note 4: The maximum balance of loans to others for the current year up to the reporting month.

2. Endorsements and guarantees provided for others:

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser Company Name	Endorsed Parties		Endorsement Limit for Single Enterprise (Note 3)	Maximum Endorsement Balance for the Period (Note 4)	Endorsement Balance in End of Period (Note 5)	Actual Expenditure for Current Period	Endorsement Amount Guaranteed by Property	Cumulative Endorsement Amount as Percentage of Net Value of the Most Recent Financial Statements	Maximum Endorsement Amount (Note 3)	Endorsements by Parent Company to Subsidiary	Endorsements by Subsidiary to Parent Company	Endorsement for Mainland China
		Company name	Relationship (Note 2)										
1	RJM	RPM	4	77,580	49,820 (THB50,000)	49,820 (THB50,000)	-	-	6.23	77,580	Y	N	N

Note 1: The number is filled out as follows:

- The Company is numbered as 0.
- The investee companies are numbered according to their order, starting with the number 1.

Note 2: The relationship between the endorser and the endorsed party can be divided into the following seven categories:

- Companies with businesses.
- Companies in which the Company directly or indirectly holds more than 50% of the voting shares.
- Companies that directly or indirectly holds more than 50% of the voting shares.
- Between companies that the Company directly and indirectly holds more than 90% of the voting shares.
- Companies that guarantee each other in accordance with the contract between peers or joint builders based on the need to contract projects.
- Companies that are endorsed and guaranteed by all of the shareholders in accordance with their shareholding ratios due to a joint investment relationship.
- Inter-companies guarantees for pre-sale contracts in accordance with the Consumer Protection Act.

Note 3: Inter-company endorsement and guarantee is allowed for companies in which the Company directly and indirectly holds 90% or more of the voting shares, and the amount of endorsement and guarantee shall not exceed 10% of the Company's net worth; however, intercompany endorsement and guarantee is not limited to this rule for companies in which the Company directly and indirectly owns 100% of the voting shares.

Note 4: The maximum balance of endorsement and guarantees for others until the current year of the reporting month

3. Information about securities held at the reporting date (excluding subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account	Ending balance				Note
				Number of shares (thousands)	Carrying amount	Ownership percentage (%)	Fair value	
Regal Holding Co., Ltd.	SELF TOKEN INC.	-	Financial assets at fair value through OCI	2,400	-	14.58	-	
Regal Holding Co., Ltd.	SELF PICK INC.	-	Financial assets at fair value through OCI	500	-	6.25	-	

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4. Transactions of purchases or sales with related parties amounting to NT\$100 million or 20% or more of paid-in capital:

(In Thousands of New Taiwan Dollars)

Name of company	Name of counterparty	Relationship	Transactions				Transaction Terms and Reasons for Differences		Receivables / Payables		Note
			Purchases / Sales	Amount	% of total purchase/sale	Credit Period	Price	Credit Period	Unit Price	% of Total Receivables / Payables	
RGP	RJM	Subsidiaries of RJM	Sales	(201,355)	(42.82)	45-60 days	(Note 1)		40,618	36.45	(Note 2)

Note 1: The transaction prices were determined based on the prices mutually agreed upon by both parties.

Note 2: The transaction prices were determined based on the prices mutually agreed upon by both parties.

5. Receivables from related parties amounting to NT\$100 million or 20% or more of paid-in capital: None.

6. Business relationships and significant transactions between parent and subsidiary companies :

(In Thousands of New Taiwan Dollars)

No.(Note 1)	Name of company	Name of counterparty	Relationship (Note 2)	Transactions				Percentage of the consolidated revenue or total assets
				Account	Amount	Trading terms		
1	RGP	RJM	1	Operating revenues	201,355	The price is based on mutually agreed prices.		9.46%
1	RGP	RJM	1	Trade receivables	40,618	45days~60days		2.64%
2	RPM	RJM	1	Operating revenues	22,976	The price is based on mutually agreed prices.		1.08%

Note 1: The number is filled out as follows: No.1 represents RGP

Note 2: The type of relationship with the counterparty is indicated as follows: No.1 represents a subsidiary to the parent company

Note 3: Disclosure is made for accounts that are balance sheet accounts and account for more than 1% of total consolidated assets and profit or loss accounts that account for more than 1% of total consolidated revenue

(2) Information on investee companies:

The information on investee companies for the period from January 1 to June 30, 2025, is as follows:

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main business and products	Original investment amount		Balance as of June 30, 2024					
				June 30, 2025 (Note 2)	December 31, 2024	Shares	Percentage of ownership	Carrying amount (Note 1)			
The company	RJM	Thailand	Jewelry design, manufacturing, and sales	300,000	300,000	4,549,998	99.99%	799,271	11,218	11,218	Eliminated in the consolidated financial statement
RJM	RGP	Thailand	Jewelry plating processing	12,704 (THB 12,750)	12,269 (THB 12,750)	127,500	51.00%	104,377 (THB 104,754)	16,040 (THB 16,909)	7,930 (THB 8,360)	"
RJM	RPM	Thailand	Metal recycling industry	74,655 (THB 74,925)	96,134 (THB 99,900)	999,000	99.90%	74,254 (THB 74,522)	9,382 (THB 9,890)	9,295 (THB 9,798)	"

Note 1: Investment gains (losses) were based on the investee's financial statements audited by the Company's certified public accountants.

Note 2: The above amounts of paid-in capital of subsidiaries invested by the Company were calculated based on historical exchange rates; the amount

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of paid-in capital of subsidiaries invested by RJM were calculated based on the exchange rate as of December 31, 2025 (the closing rate of THB: NTD=0.9964), and the remaining amounts were calculated based on the average rate (THB: NTD=1:0. 0.9486).

(3) Information on investments in China: None

14. Segment information

(1) General Information

The Group has two reportable segments: the jewelry manufacturing and sales segment and the electroplating segment. The Group does not allocate income tax expense to these reportable segments. In addition, the profit or loss of all reportable segments includes depreciation and amortization, as well as other significant non-cash items. The reported amounts are consistent with the reports used by the chief operating decision maker. The accounting policies of the operating segments are the same as the summary of significant accounting policies described in Note 4. The profit or loss of the Group's operating segments is measured based on net income before tax, which serves as the basis for performance evaluation. Adjustments and eliminations primarily consist of the elimination of inter-segment transactions.

2025				
	Jewelry Manufacturing and Sales Division	Plating Division	Adjustments and Eliminations	Total
Revenue :				
Revenue from external customers	\$ 1,859,269	268,857		2,128,126
Inter-segment revenue	-	201,355	(201,355)	-
Interest income	756	(161)	-	595
Total revenue	<u>\$ 1,860,025</u>	<u>470,051</u>	<u>(201,355)</u>	<u>2,128,721</u>
Interest expense	<u>\$ 20,568</u>	<u>-</u>	<u>-</u>	<u>20,568</u>
Depreciation and amortization	<u>\$ 60,410</u>	<u>25,500</u>	<u>-</u>	<u>62,910</u>
Reportable segment profit or loss	<u>\$ (9,033)</u>	<u>19,596</u>	<u>-</u>	<u>10,563</u>

2024				
	Jewelry Manufacturing and Sales Division	Plating Division	Adjustments and Eliminations	Total
Revenue :				
Revenue from external customers	\$ 1,597,219	182,138	-	1,779,357
Inter-segment revenue	-	98,769	(98,769)	-

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Inter-segment revenue	433	475	908
Total revenue	<u>\$ 1,597,652</u>	<u>281,382</u>	<u>(98,769)</u>
Interest expense	<u>\$ 14,049</u>	<u>-</u>	<u>14,049</u>
Depreciation and amortization	<u>\$ 59,528</u>	<u>6,637</u>	<u>66,165</u>
Reportable segment profit or loss	<u>\$ (76,930)</u>	<u>3,973</u>	<u>(72,957)</u>

For the years ended December 31, 2025 and 2024, inter-segment revenues of NT\$201,355 thousand and NT\$98,769 thousand, respectively, were eliminated from the total revenue of the reportable segments.

(2) Information about products and services

Please refer to Note 6(15) for related information for the years ended December 31, 2025 and 2024.

(3) Geographical information

The Group's geographical information is as follows, where revenue is categorized based on the geographical location of customers, and non-current assets are categorized based on the geographical location of the assets.

Please refer to Note 6(15) for related information regarding revenue from external customers for the years ended December 31, 2025 and 2024.

Non-current assets:

	<u>Region</u>	<u>2025.12.31</u>	<u>2024.12.31</u>
Thailand		\$ 372,935	377,390
Other		326	1,013
Total		<u>\$ 373,261</u>	<u>378,403</u>

Non-current assets include property, plant and equipment, right-of-use assets, and intangible assets, but exclude financial assets at fair value through other comprehensive income – non-current, deferred tax assets, and other financial assets – non-current.

(4) Information about major customers

For the years ended December 31, 2025 and 2024, the details of customers whose sales revenue accounted for 10% or more of the operating revenue in the consolidated statement of comprehensive income are as follows:

	<u>2025</u>	<u>2024</u>
Customer D from Jewelry Manufacturing and Sales Division	\$ 815,228	625,348
Customer D from Plating Division	214,060	135,294
	<u>\$ 1,029,288</u>	<u>760,642</u>

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