



REGAL HOLDING CO.,LTD.

**TW.4807**

# Investor Conference

Sep 23, 2021



**Established**

**2014.10.06**



**Chairman**

**PHACHARAPON  
PHAIBOONSUNTORN**



**Shares  
Paid in Capital**

**38,386,000  
NTD 384 million**



**Headquarter**

**Thailand(1991.02.21-)**



**Staffs**

**2,800+**

## Thailand Production Base

- ◇ 65,896 square meters
- ◇ 3 jewelry factories
- ◇ 1 jewelry plating factory entity

# Industry Status

## Upstream

- Raw metal mining and production
- Stone rough material mining and production

## Midstream -- 1

- Gemstones/artificial stones cutting and polishing
- Gemstones/artificial stones wholesale
- Jewelry Design and Brand operators
- Manufacturers of jewelry process equipment and material supply

## Midstream -- 2

- Jewelry manufacturing plant
- Jewelry plating plant
- Jewelry accessories supplier

## Downstream

- Jewelry brand shops
- Department stores/malls
- Discount stores
- Non- physical shops ( Catalogue and B2C e-commerce )
- Network Community channels

# Special Certification



Member of amfori, the leading global business association for open and sustainable trade. We improve the social performance of our supply chain via amfori BSCI. For more information visit [www.amfori.org](http://www.amfori.org)



Member



Cert No. 81019009



# Main Products Harmonized System Codes (HS Code)

## **7117 Imitation jewellery**

- 711711 Jewellery: imitation, cuff links and studs, of base metal, whether or not plated with precious metal
- 711719 Jewellery: imitation, (excluding cuff links and studs), of base metal, whether or not plated with precious metal
- 711790 Jewellery: imitation, of other than base metal, whether or not plated with precious metal

## **7113 Jewellery articles and parts thereof, of precious metal or of metal clad with precious metal**

- 711311 Jewellery: of silver, whether or not plated or clad with other precious metal, and parts thereof
- 711319 Jewellery: of precious metal (excluding silver) whether or not plated or clad with precious metal, and parts thereof
- 711320 Jewellery: of base metal clad with precious metal, and parts thereof

# 7117 & 7113 Reporting Countries Export Statistics

Thailand is the world's top ten 7117 & 7113 exporters

HS Code : 7117 export statistics (2018-2020)								Unit : USD million			
Rank	Country (2018)	Amount	%	Rank	Country (2019)	Amount	%	Rank	Country (2020)	Amount	%
1	China	1,760.26	26.19	1	China	1,881.87	29.65	1	China	1,651.18	36.90
2	Hong Kong	739.03	11.00	2	Hong Kong	795.59	12.53	2	Hong Kong	602.68	13.47
3	France	494.84	7.36	3	France	471.84	7.43	3	France	550.86	12.31
4	Austria	475.64	7.08	4	Singapore	444.14	7.00	4	Germany	344.14	7.69
5	Singapore	459.44	6.84	5	Thailand	417.28	6.57	5	Thailand	241.05	5.39
6	Thailand	421.26	6.27	6	Italy	308.24	4.86	6	Singapore	187.96	4.20
7	Germany	382.93	5.70	7	Austria	317.05	5.00	7	India	141.63	3.17
8	Italy	373.85	5.56	8	Germany	313.33	4.94	8	United States	137.56	3.07
9	United States	253.87	3.78	9	United States	220.53	3.47	9	United Kingdom	128.04	2.86
10	India	198.66	2.96	10	India	160.89	2.53	10	South Korea	106.69	2.38

HS Code : 7113 export statistics (2018-2020)								Unit : USD million			
Rank	Country (2018)	Amount	%	Rank	Country (2019)	Amount	%	Rank	Country (2020)	Amount	%
1	China	13,333.20	14.37	1	China	13,294.79	14.49	1	Switzerland	8,125.27	14.08
2	India	12,452.40	13.42	2	Switzerland	11,626.02	12.67	2	China	7,988.76	13.84
3	Switzerland	11,748.63	12.67	3	India	11,528.48	12.56	3	India	7,714.96	13.37
4	United States	9,930.20	10.71	4	United States	9,187.84	10.01	4	Hong Kong	6,330.66	10.97
5	Hong Kong	7,099.77	7.65	5	Hong Kong	7,855.00	8.56	5	United States	5,333.12	9.24
6	Italy	7,064.52	7.62	6	France	6,207.61	6.77	6	France	4,373.80	7.58
7	France	5,786.93	6.24	7	United Kingdom	6,141.85	6.69	7	Turkey	3,572.77	6.19
8	United Kingdom	4,446.99	4.79	8	Italy	5,978.80	6.52	8	United Kingdom	3,403.71	5.90
9	Turkey	4,410.97	4.76	9	Turkey	5,100.99	5.56	9	Thailand	2,596.87	4.50
10	Thailand	3,865.32	4.17	10	Thailand	3,684.68	4.02	10	Singapore	1,767.50	3.06

# Thailand Major Export Country (2018-2021)

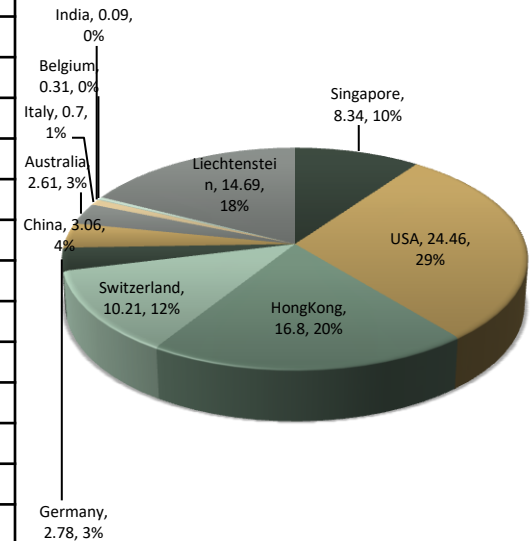
#7117 Imitation Jewelry

Thailand Major Export Country (2018-2021) #7117 Imitation Jewelry								
Country	Quarter 2				Total			
	2018	2019	2020	2021	2018	2019	2020	2021(1-6)
Singapore	16.66	21.12	5.1	<b>4.02</b>	73.7	76.33	24.54	<b>8.34</b>
USA	8.42	9.01	5.26	<b>13.24</b>	44.36	39.18	32.81	<b>24.46</b>
Hong Kong	3.79	4.43	4.41	<b>8.62</b>	17.61	22.48	24.67	<b>16.8</b>
Switzerland	1.8	3.39	4.38	<b>4.85</b>	7.95	13.85	17.61	<b>10.21</b>
Germany	4.3	2.71	1.52	<b>1.57</b>	16.25	9.79	7.54	<b>2.78</b>
China	0.83	2.47	1.77	<b>1.91</b>	4.38	5.35	4.84	<b>3.06</b>
Australia	0.79	0.67	0.5	<b>1.35</b>	3.05	3.00	3.02	<b>2.61</b>
Italy	1.54	0.72	0.35	<b>0.28</b>	5.9	2.71	2.11	<b>0.7</b>
India	0.13	0.57	0.02	<b>0.05</b>	1.1	1.38	0.21	<b>0.09</b>
Belgium	0.21	0.2	0.09	<b>0.16</b>	0.93	1.08	0.56	<b>0.31</b>
Liechtenstein	38.68	37	14.15	<b>8.12</b>	165.05	157.29	56.17	<b>14.69</b>

Unit : USD million

Source: Gem and Jewelry Information Center

## 2021 Jan - Jun



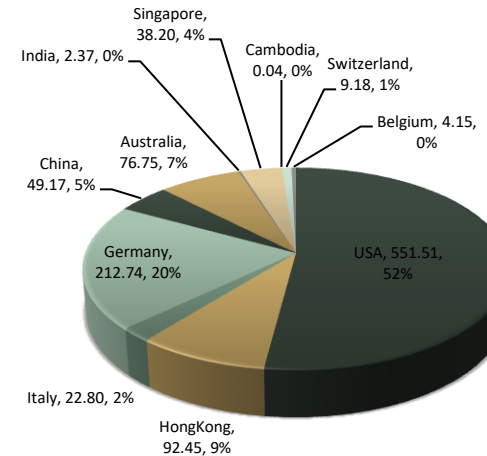
# Thailand Major Export Country (2018-2021)

#7113 Jewellery articles and parts thereof, of precious metal or of metal clad with precious metal

Thailand Major Export Country (2018-2021)								
#7113 Articles Of Jewelry And Parts Thereof, Of Precious Metal Or								
Of Metal Clad With Precious Metal								
Unit : USD million								
Country	Quarter 2				Total			
	2018	2019	2020	2021	2018	2019	2020	2021(1-6)
USA	272.84	208.27	103.48	<b>301.95</b>	1000.81	904.10	771.40	<b>551.51</b>
Hong Kong	99.57	103.95	21.46	<b>45.44</b>	618.15	541.13	190.03	<b>92.45</b>
Italy	15.57	14.13	8.28	<b>11.77</b>	78.8	191.74	81.17	<b>22.80</b>
Germany	107.24	72.44	84.18	<b>96.43</b>	596.68	506.88	480.34	<b>212.74</b>
China	41.45	34.17	34.83	<b>33.1</b>	212.45	179.20	126.80	<b>49.17</b>
Australia	35.36	25.21	14.13	<b>34.46</b>	176.4	132.34	143.05	<b>76.75</b>
India	13.63	20.67	0.11	<b>1.33</b>	41.35	70.92	16.90	<b>2.37</b>
Singapore	9.07	8.3	3.88	<b>10.83</b>	43.99	45.90	56.67	<b>38.20</b>
Cambodia	2.36	0.68	0	<b>0.02</b>	4.02	22.45	5.22	<b>0.04</b>
Switzerland	18.99	21.11	5.28	<b>4.74</b>	109.35	91.64	26.30	<b>9.18</b>
Belgium	1.75	1.73	0.53	<b>2.56</b>	6.09	6.05	5.40	<b>4.15</b>
Total	617.83	510.66	276.16	<b>542.63</b>	2888.09	2692.35	1903.28	<b>1059.36</b>

Source: Gem and Jewelry Information Center

## 2021 Jan - Jun

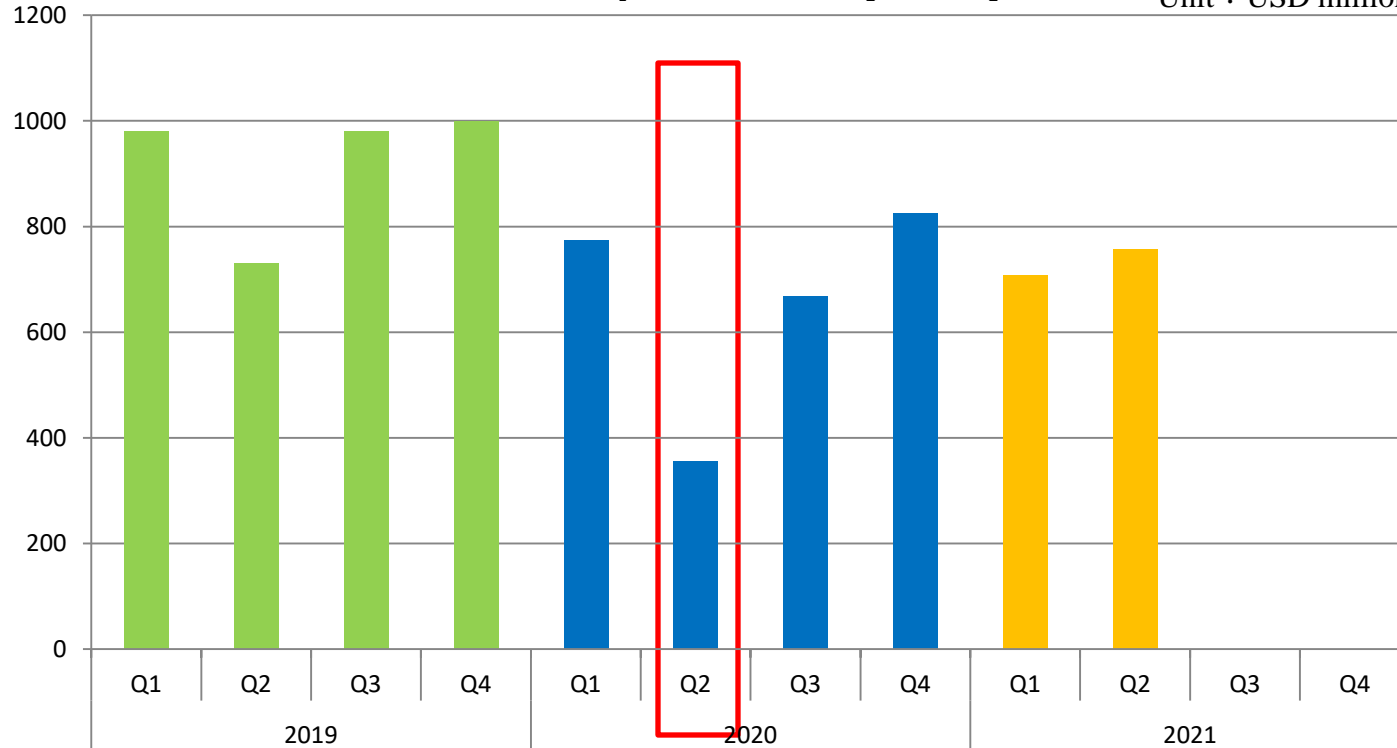




# Thailand Major Export Country (2018-2020)

#7113 Jewellery articles and parts thereof, of precious metal or of metal clad with precious metal

## Thailand Export Value(QoQ)#7113 Unit : USD million



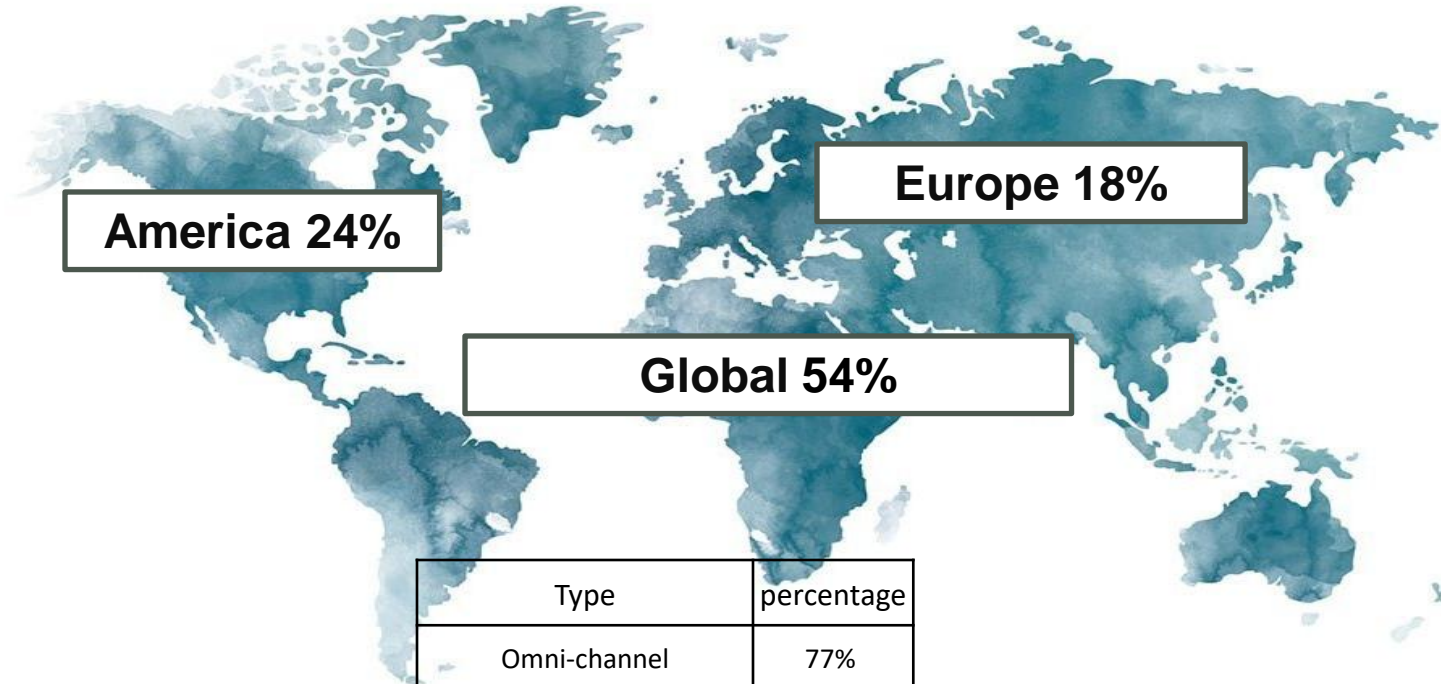
※ Thailand's export value fell sharply due to the COVID-19 outbreak in Q2 of 2020.



# January to June of 2021 Operation Report

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# Distribution of Regal Group Customers



Type	percentage
Omni-channel	77%
Online channel	22%
Offline channel	1%

# Regal Group 2021/01-06 Operating Overview

Unit : NTD thousand	2020Q2		2021Q2		2020/01-06		2021/01-06		Month	Operating revenues	YoY	Accumulated
Operating revenues	279,270	100%	510,363	100%	785,560	100%	906,488	100%	7	209,716	94.80%	1,116,204
Operating costs	223,312	80%	396,475	78%	609,601	77%	706,520	78%	8	174,273	-2.28%	1,290,477
Gross profit	55,958	20%	113,888	22%	175,959	23%	199,968	22%	<b>Gross margin : 22%</b>			
Selling expenses	12,439	4%	21,392	4%	31,788	4%	39,681	4%				
R&D expenses	13,321	5%	15,629	3%	29,359	4%	31,120	3%				
Administrative expenses	33,771	12%	39,830	8%	74,873	9%	82,213	9%	<div style="border: 1px solid black; padding: 5px; background-color: #f0e68c;">           Accumulated Revenue from 2021/01-08 is NTD 1.29 billion (YoY+20.05%)         </div>			
Total operating expenses	55,662	20%	72,268	14%	133,472	17%	148,372	15%				
Operating income	296	0%	41,620	8%	42,487	6%	51,596	7%				
Interest income	314	0%	223	0%	466	0%	239	0%				
Interest expense	1,366	0%	1,877	0%	4,808	1%	4,925	1%				
Foreign exchanges	(5,914)	-2%	(2,504)	0%	25,461	3%	14,570	2%				
Total non-operating income and expenses	(4,149)	-1%	(2,627)	0%	25,872	3%	13,480	1%				
Profit before tax	(3,853)	-1%	38,993	8%	68,359	9%	65,076	8%				
Tax expenses	4,334	2%	14,727	3%	22,151	3%	25,592	3%				
Profit	(8,187)	-3%	24,266	5%	46,208	6%	39,484	5%	<b>N/I rate : 5%</b>			
Common stock	384,000		383,860		384,000		383,860					
EPS	(0.21)		0.63		1.13		0.97		<b>EPS:0.97</b>			

# RH Operating revenues (QoQ) Unit : NTD thousand

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	Q1	Q2	Q3	Q4	Total
2021	396,125	510,363	383,989	na	1,290,477
2020	506,290	279,270	497,332	482,665	1,765,557
2019	412,359	246,476	463,801	686,661	1,809,297

※2021 Q3 figure only include the revenue from JUL to AUG.



# **July to December of 2021 Management Policy & Outlook**

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# Thailand Covid-19 Situation

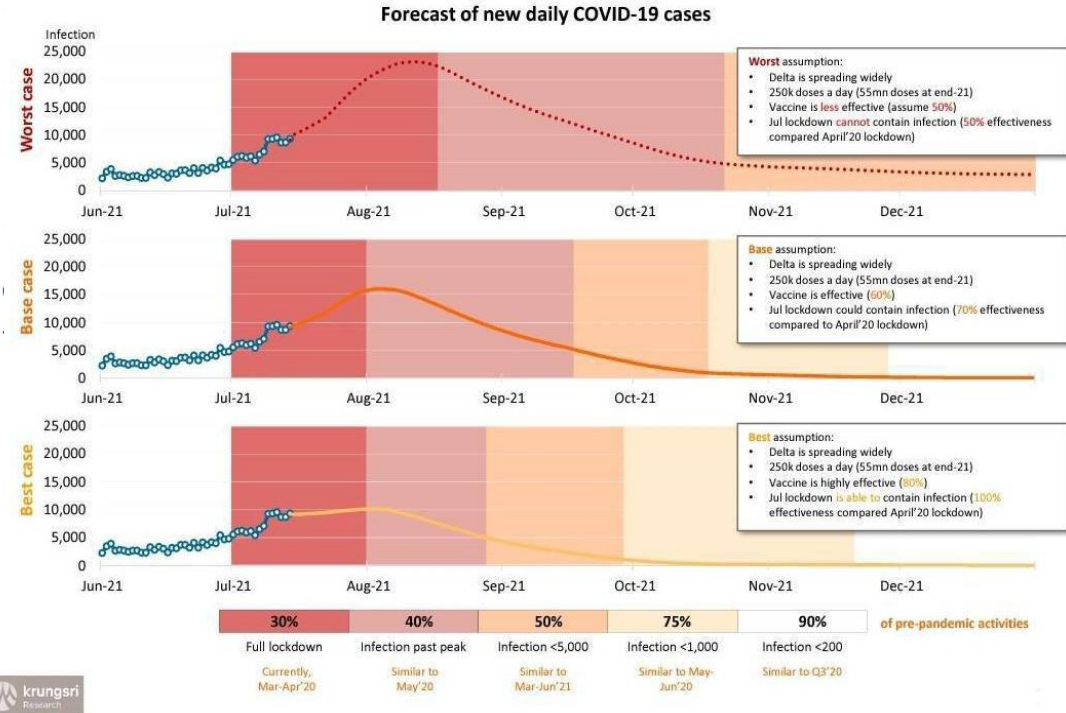


Source: JHU CSSE COVID-19 Data

## Factory Current Situation :

1. First dose vaccine rate: 90%.
2. Second dose vaccine rate: 35%.
3. Joined "Sandbox Project" to reduce the risk of manpower loss.
4. Thailand has launched its third vaccination dose campaign.

## Assumption for each scenario and expected containment measures

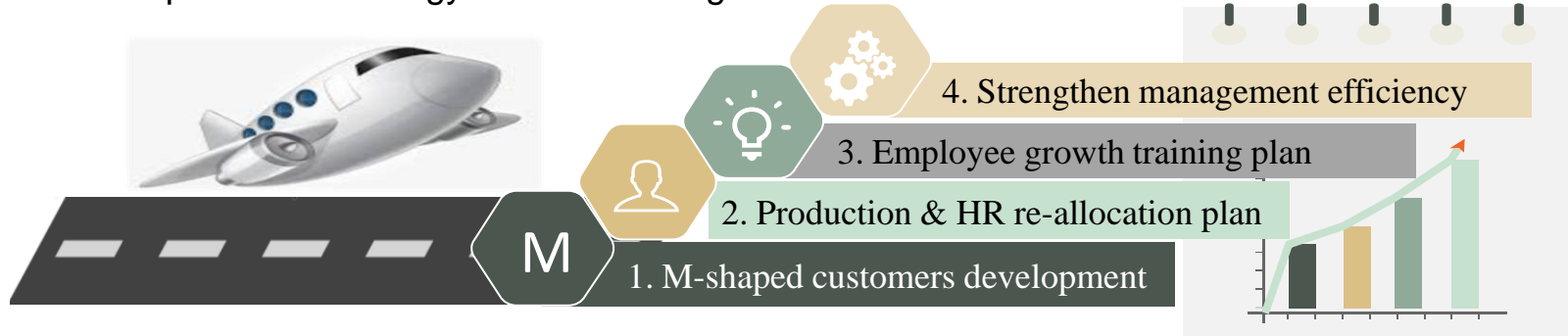


Source: krungsri Research

# Jul to Dec of 2021

## Management Policy & Outlook

1. Continuous encouragements of epidemic precautions. Employees' health and safety are always our first priority.
2. Balancing between valued customers' orders and factory manpower, with the goal of maximizing unit output value.
3. Upgraded computer software and hardware to improve the efficiency of information security protection and departmental management.
4. Post-pandemic strategy review & strengthen the foundations of our business.





# The Growth of OEM/ODM

## Reengineering: Three Forces



## Market Expansion: Three Arrows

Leverage Strengths  
Leverage Outsourcing  
Balance Peak & Low  
Seasons  
Growth Mindset

Planning Power  
Speed Flexibility  
Welcome  
Changes

Competitiveness  
Quality, Delivery,  
Cost  
Strengthen

### Expand Market Share

- Quick quotation, design sample for new order opportunities
- Defeat competitors and seize the share of winners
- Leading competitors and expanding the ESG market

### Expand Product Line

- Gold jewelry & Fashion jewelry
- IP jewelry (Disney, Marvel, Gamer)
- Non traditional jewelry

### Expand New Customer Base

- Omni-channel jeweler in Europe and US
- Europe and US customer referrals to reduce the impact of epidemic.
- Regional expansion

# The Stage of Designer

- **Inspiring and encouraging people or corporations to create mix-match business opportunities.**
- Through “**D.Vita**” and “**ReModa**” two platforms. aid to incubate designers from their inspiration till products roll out to markets.

## 2020 :

1. June 18th: Establishment of the D.Vita project and ReModa’s platform.
2. Improved the operation of social media channels and E-platforms.
3. **Oct:** Co-develop IP products with Hua Xing Entertainment. Built and developed teams for designer competition project.
4. **Nov:** Co-designed jewelry pieces with a Taiwanese celebrity for Jin Ma Award candidate.
5. **Dec:** Sponsored the “Xiao Len Tao Gei” festival event organized by The Eslite Spectrum Corporation.  
Coached candidates of the D. Vita designer project and developed products from their sketches.

## 2021 :

**Jan:** Train designers on jewelry production process.

**Mar:** Custom 1 on 1 lessons for designers.

**Apr:** Pitch Demo event.

**Jul:** Incubating selected designers.

**Aug:** Sample 3D printing.

**Oct:** 2nd D.Vita competition designer team recruitment.

**Nov:** D.Vita selects designer products to crowdfund through pre-orders.

**Dec:** Accelerated training for the selected designers of the 2nd D.Vita competition.

# Brand Channel Expansion

- **E-Commerce** : AMAZON(USA) 、 MOMO(TW) 、 Shopee(TW) 、 ReModa(TW) 、 Pinkoi(TH) 、 Shopee(TH) 、 Lazada(TH) & T-MALL(CN) etc.
- **Retail Stores** : Central-shop in shop(TH) 、 Song Jiang main store sales event (TW) 、 & pop-up shops etc.
- **Brand Collaborations** : Taiwanese film, television, and online dramas to create a win-win opportunity for collaborators.

# Regal Group's strategy & expectation

- The ultimate in craftsmanship
- The core green supplier of brand customers
- The partner who accompanies with customer's growth
- The incubator of potential brands
- The leader of the Total service solution

Today, Jewelry is not just Jewelry.  
The Industry is Changing,  
same as Fashion & Luxury Industry.

Regal is transforming into

**Jewelry + Stage**

**Technique . Craftsmanship . Design . Innovation**



REGAL HOLDING CO.,LTD.

**Thank You**

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