



REGAL HOLDING CO., LTD

Investor Conference

TW. 4807

Mar 17, 2022





Listed Date

June 26, 2017



Chairman

Phacharapon Phaiboonsuntorn



Shares

38,389,344 shares

Paid in Capital

NTD 384 million



Group Staffs

3,000+



Headquarters

Thailand



Production Base

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

Industry Status

Upstream

- Metal mining and production
- Rough stone mining and production

Midstream - 1

- Gemstones/artificial stones cutting and polishing
- Gemstones/artificial stones wholesale
- Jewelry design and brand marketing
- Manufacturers of jewelry process equipment and material supply

Midstream - 2

- Jewelry manufacturing and metalworking
- Jewelry plating
- Jewelry findings manufacturing

Downstream

- Jewelry brand stores
- Department stores, malls, and outlets
- Non-physical stores (Catalogues and B2C e-commerce)
- Group buying in social communities

Special Certification



Main Products Harmonized System Codes (HS Code)

7117 Imitation jewelry

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

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

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

** symbol indicates our main product types

7117 & 7113 Reporting Countries Export Statistics

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

HS Code : 7117 export statistics (2019-2021)								Unit : USD million			
Rank	Country (2019)	Amount	%	Rank	Country (2020)	Amount	%	Rank	Country (2021)	Amount	%
1	China	1,881.87	29.65	1	China	1,651.18	29.47	1	China	3,610.60	51.18
2	Hong Kong	795.59	12.53	2	Hong Kong	602.68	10.76	2	Hong Kong	723.77	10.26
3	France	471.84	7.43	3	France	552.80	9.87	3	France	672.73	9.54
4	Singapore	444.14	7.00	4	Italy	359.66	6.42	4	Germany	418.00	5.92
5	Thailand	417.28	6.57	5	Germany	356.60	6.36	5	Thailand	263.50	3.73
6	Italy	308.24	4.86	6	Thailand	241.04	4.30	6	United States	166.17	2.36
7	Austria	317.05	5.00	7	Austria	198.71	3.55	7	India	165.67	2.35
8	Germany	313.33	4.94	8	Singapore	187.96	3.35	8	United Kingdom	134.61	1.91
9	United States	220.53	3.47	9	Israel	166.28	2.97	9	Singapore	132.20	1.87
10	India	160.89	2.53	10	India	141.63	2.53	10	Spain	106.69	1.68

HS Code : 7113 export statistics (2019-2021)								Unit : USD million			
Rank	Country (2019)	Amount	%	Rank	Country (2020)	Amount	%	Rank	Country (2021)	Amount	%
1	China	13,294.79	14.49	1	Switzerland	8,130.29	12.41	1	China	14,485.52	17.77
2	Switzerland	11,626.02	12.67	2	China	7,988.76	12.19	2	Switzerland	11,397.90	13.98
3	India	11,528.48	12.56	3	India	7,716.69	11.78	3	India	10,540.62	12.93
4	United States	9,187.84	10.01	4	Hong Kong	6,330.66	9.66	4	Hong Kong	9,283.19	11.39
5	Hong Kong	7,855.00	8.56	5	Italy	5,303.99	8.10	5	United States	7,247.30	8.89
6	France	6,207.61	6.77	6	United States	5,282.91	8.06	6	Turkey	6,805.88	8.35
7	United Kingdom	6,141.85	6.69	7	France	4,457.50	6.80	7	France	5,154.98	6.32
8	Italy	5,978.80	6.52	8	Turkey	3,572.73	5.45	8	Thailand	3,323.06	4.08
9	Turkey	5,100.99	5.56	9	United Kingdom	2,938.73	4.49	9	Singapore	2,885.30	3.54
10	Thailand	3,684.68	4.02	10	Thailand	2,596.44	3.96	10	United Kingdom	2,849.12	3.49

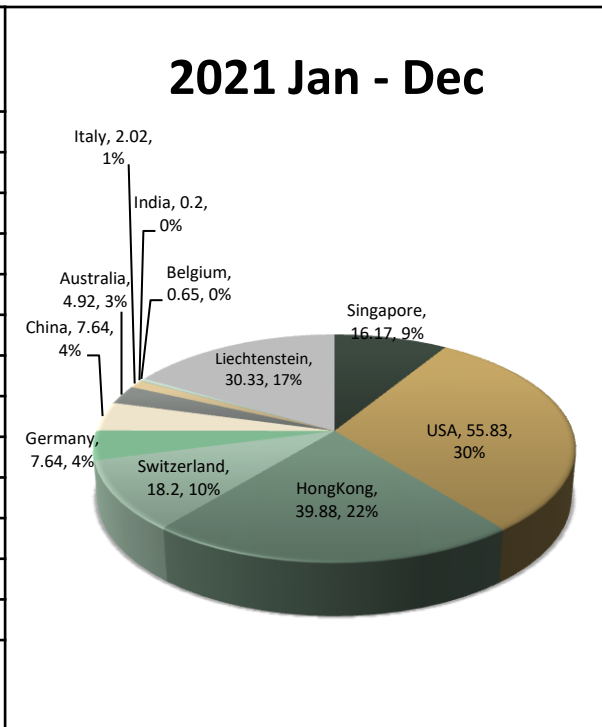
Source: IHS Markit

Thailand Major Export Country (2018-2021)

#7117 Imitation Jewelry

Thailand Major Export Country (2018-2021) #7117 Imitation Jewelry								
Country	Quarter 4				Total			
	Unit : USD million							
	2018	2019	2020	2021	2018	2019	2020	2021
Singapore	21.45	17.32	4.3	4.48	73.7	76.33	24.54	16.17
USA	11.63	11.43	10.9	15.05	44.36	39.18	32.81	55.83
Hong Kong	5.36	6.16	7.87	13.55	17.61	22.48	24.67	39.88
Switzerland	2.32	3.44	5.18	3.92	7.95	13.85	17.61	18.2
Germany	3.48	2.68	2.09	2.95	16.25	9.79	7.54	7.64
China	0.16	1.04	1.4	3.32	4.38	5.35	4.84	7.64
Australia	0.63	0.77	1.02	0.96	3.05	3.00	3.02	4.92
Italy	2.05	0.55	0.5	1.01	5.9	2.71	2.11	2.02
India	0.1	0.28	0.05	0.05	1.1	1.38	0.21	0.2
Belgium	0.2	0.23	0.12	0.19	0.93	1.08	0.56	0.65
Liechtenstein	44.32	40.42	9.11	8.65	165.05	157.29	56.17	30.33

Source: Gem and Jewelry Information Center



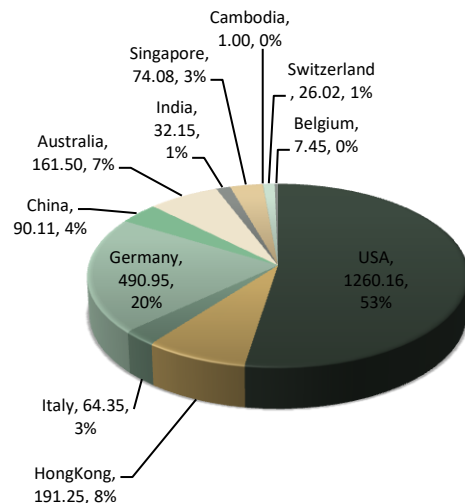
Thailand Major Export Country (2018-2021)

#7113 Jewelry 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 4				Total			
	2018	2019	2020	2021	2018	2019	2020	2021
USA	253.69	271.82	260.1	356.67	1000.81	904.10	771.40	1260.16
Hong Kong	55.48	68.36	59.86	49.09	618.15	541.13	190.03	191.25
Italy	13.71	12.98	13.94	22.63	78.8	191.74	81.17	64.35
Germany	179.91	194.62	130.7	161.31	596.68	506.88	480.34	490.95
China	65.71	55.54	20.86	15.88	212.45	179.20	126.80	90.11
Australia	61.03	50.44	63.47	53.26	176.4	132.34	143.05	161.50
India	2.47	20.2	4.18	21.62	41.35	70.92	16.90	32.15
Singapore	12.39	13.29	22.37	19.38	43.99	45.90	56.67	74.08
Cambodia	0.46	12.62	0	0.94	4.02	22.45	4.54	1.00
Switzerland	10.04	10.59	5.65	8.25	109.35	91.64	26.30	26.02
Belgium	1.89	1.83	2.39	1.98	6.09	6.05	5.40	7.45
Total	656.78	712.29	583.52	711.01	2888.09	2692.35	1902.60	2399.02

Source: Gem and Jewelry Information Center

2021 Jan - Dec

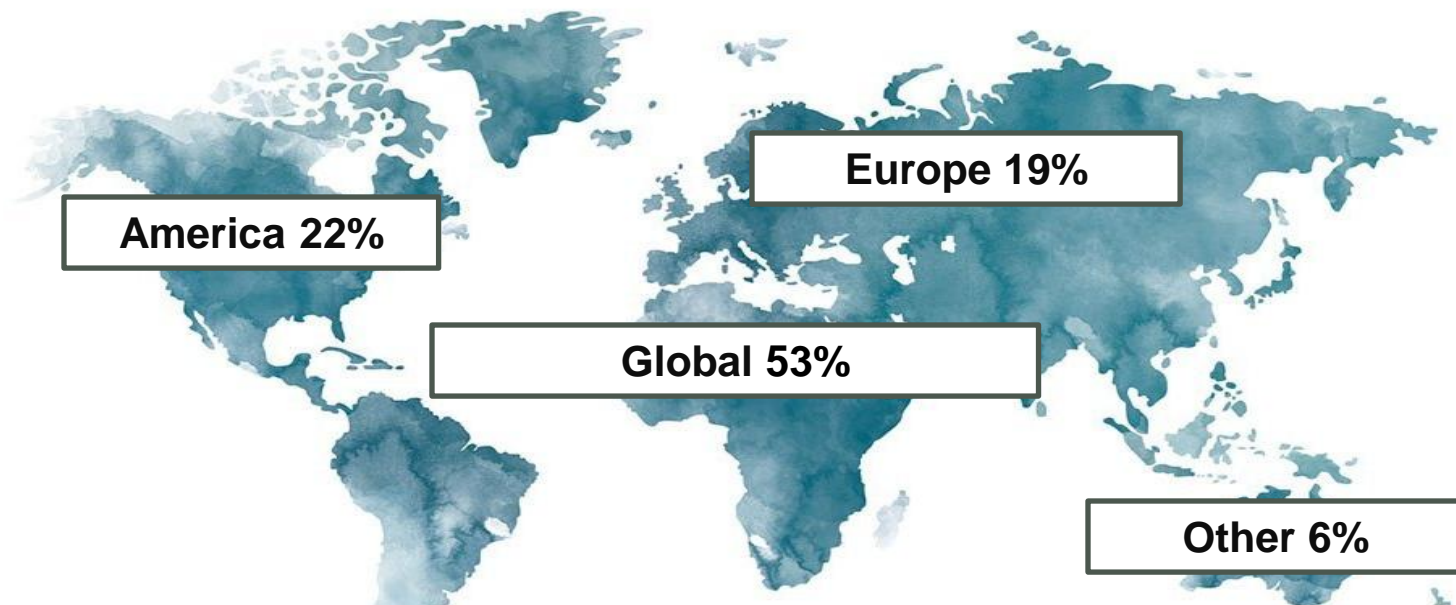




Regal Group 2021 Operation Report



Distribution of Regal Group Customers



Type	Percentage
Omni-channel	89.03%
Online channel	7.45%
Offline channel	3.52%

Regal Group 2021 Operating Overview

Unit : NTD thousand	2019		2020		2021	
Operating revenue	1,809,297	100%	1,766,557	100%	2,088,363	100%
Operating costs	1,583,125	87%	1,363,969	77%	1,600,569	77%
Gross profit	226,172	13%	401,588	23%	487,794	23%
Selling expenses	68,965	4%	69,764	4%	62,662	3%
R&D expenses	70,286	4%	60,775	3%	57,697	3%
Administrative expenses	180,582	10%	166,382	9%	169,104	8%
Expected credit loss(gain)	10,337	0%	(10,228)	0%	17,114	1%
Total operating expense	330,170	18%	286,693	16%	306,577	15%
Operating income	(103,998)	-5%	114,895	7%	181,217	8%
Interest income	3,399	0%	643	0%	368	0%
Other income	9,179	0%	7,238	0%	10,928	1%
Other gain or loss	(15,200)	-1%	10,196	1%	18,699	1%
Finance costs	(4,228)	0%	(8,678)	0%	(8,245)	0%
Total non-operating income and expenses	(6,850)	-1%	9,399	0%	21,750	1%
Profit before tax	(110,848)	-6%	124,294	7%	202,967	10%
Tax expenses	7,522	0%	26,646	2%	65,961	3%
Profit	(118,370)	-6%	97,648	5%	137,676	7%
Common stock	384,700		383,860		383,893	
EPS	(3.83)		2.31		3.32	

← Operating revenue: 2.088 bn

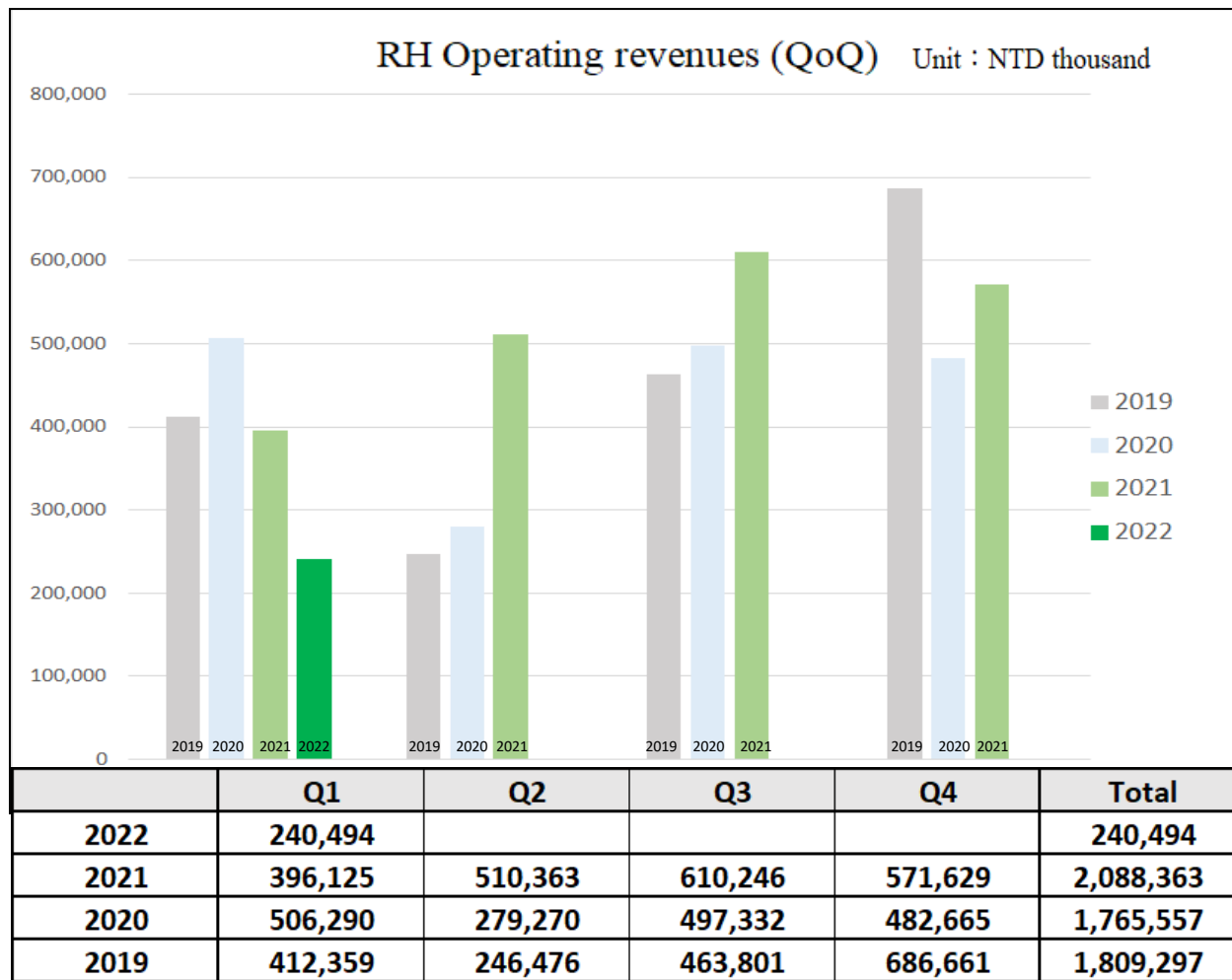
← Gross margin: 23%

Accumulated Revenue
from 2022/01-02 is NTD
240 million.

Month	Operating revenues
1	136,005
2	104,489

← N/I rate : 7%

← EPS : 3.32



※ 2022Q1 figure only include the revenue of Jan & Feb.



2022 Management Policy & Outlook



2022-2025 Personal Luxury Goods Market Trend

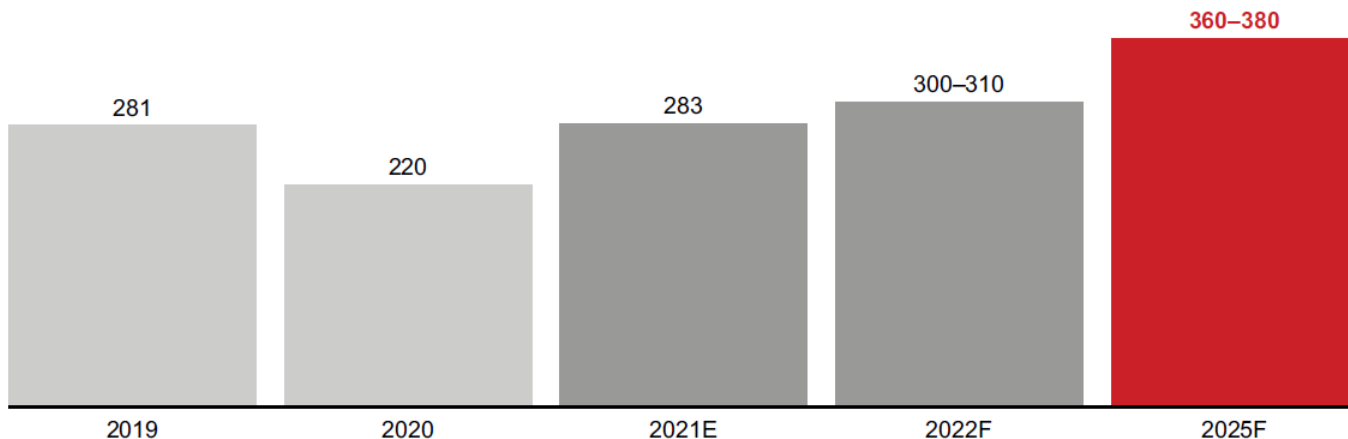
- Bain & Company: The rebound of global luxury goods sales in 2021 can be regarded as a strong predictor of the healthy growth of the market in mid-term.

Global personal luxury goods market (€ billions)

CAGR 2019–25F +4%/+5%

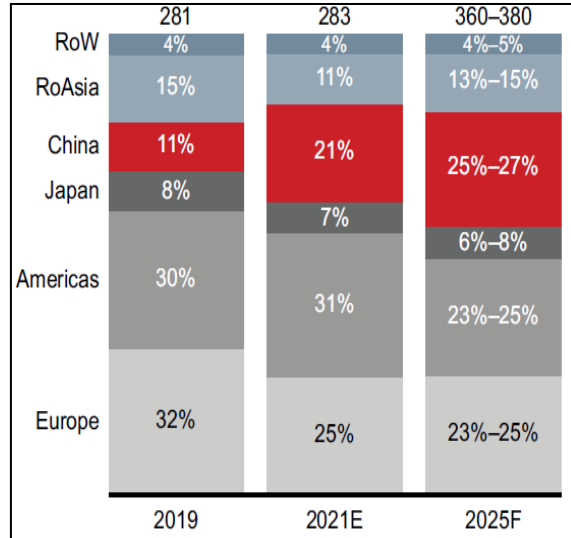
CAGR 2020E–25F +10%/+12%

CAGR 2021E–25F +6%/+8%

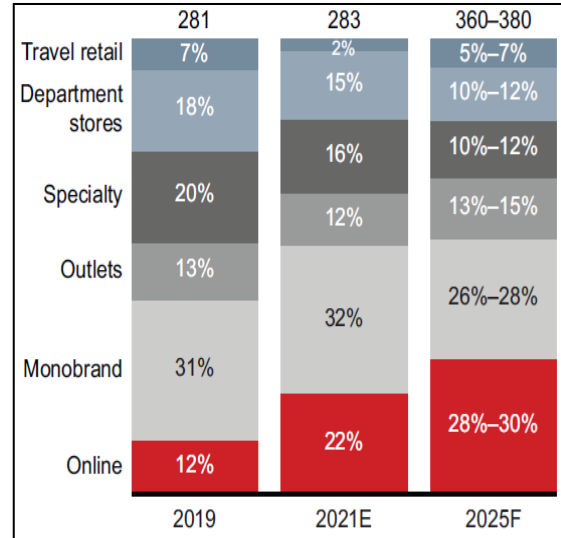


Source: Bain & Company & Altagamma, 2021/12/20

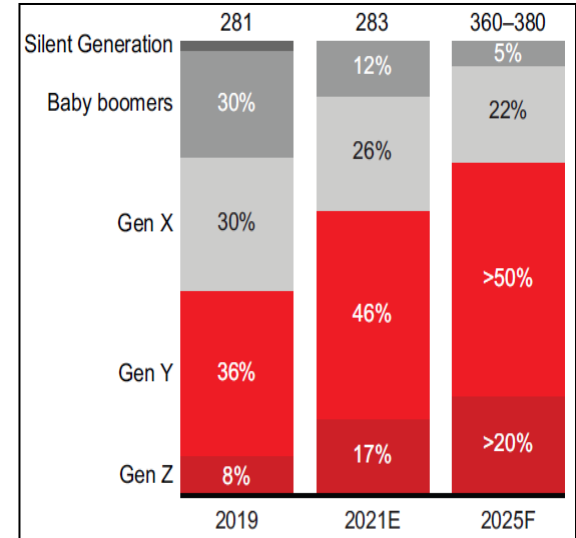
2022-2025 Personal Luxury Goods Market Trend



Americas sales value have solid rebound, and China is the fastest-growing and the most important markets in the future.



Online and brand channels are the key to the recovery in 2021, which will lead the mid-term growth of the fashion industry.



The new generation of consumers under the age of 40 (Generation Y and Generation Z) has become the main consumer group of the fashion industry.

Source: Bain & Company & Altgamma, 2021/12/20

2022 Business Strategies

McKinsey's report in June 2021 pointed out that the estimated CARG for 2018-2025 of Fine Jewelry market is 8-12%, and there will be 3 major waves of changes in the jewelry industry within 3 years:



1. Buying Into Brands

- **Strategy:** 1. improve corporate image.
- 2. goal alignment and communication.
- 3. department coordination.



2. Online Magic

- **Strategy:** set up customers evaluation mechanism for online sales channel.



3. Sustainability Surge

- **Strategy:** 1. confirm ESG standards of customers, make plans and adjustments.
- 2. regularly update the implementation of internal ESG projects.

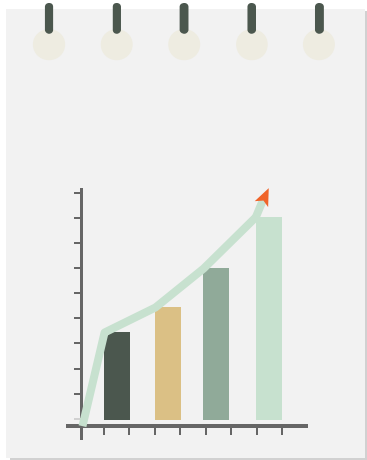


2022 Business Strategies

RJM
REGAL JEWELRY MANUFACTURE

Vision

“The Most Valued
Global Jewelry Enterprise”



1. Balancing between valued customers' orders and factory manpower, with the goal of maximizing unit output value.



2. Outsourcing improvement, recycling and refining, and accessories sales project execution.



3. Implementation of ESG issues such as carbon footprint verification, contribution to society, and strengthening corporate governance.



4. Upgraded computer software and hardware to improve the efficiency of information security protection and departmental management.

Regal Group's strategy & expectation

- The peak in craftsmanship
- The core green supplier for brand customers
- The partner for customer's growth
- The supporter of new brands
- The leader of total solutions

Nowadays, jewelry is no longer just a simple piece of jewelry.
Just as the fashion and luxury industry has changed,

Regal Group is transforming into

Jewelry⁺ Stage

Technique . Craftsmanship . Design . Innovation



REGAL HOLDING CO., LTD

Thank You

TW. 4807

