

Stock Code : 4807

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

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

**Consolidated Interim Financial Statements**

**With Independent Auditor's Report  
June 30, 2024 and 2023**

**Address : Oleander Way, 802 West Bay Road, P. O. Box 32052, Grand  
Cayman KY1-1208, Cayman Islands**

**Telephone : 66-24-207440-1074**

## Table of Contents

<b>Contents</b>	<b>Page</b>
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Report	3~6
4. Consolidated Balance Sheets	7
5. Consolidated Statements of Comprehensive Income	8
6. Consolidated Statements of Changes in Equity	9
7. Consolidated Statements of Cash Flows	10
8. Notes to the Consolidated Interim Financial Statements	
(1) Company history	11
(2) Approval date and procedures of the consolidated financial statements	11
(3) New standards, amendments and interpretations adopted	11~13
(4) Summary of significant accounting policies	13~15
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	15
(6) Explanation of significant accounts	15~40
(7) Related-party transactions	41
(8) Pledged assets	41
(9) Significant commitments and contingencies	41
(10) Losses due to major disasters	42
(11) Subsequent events	42
(12) Other	42
(13) Other disclosures	
1. Information on significant transactions	43~45
2. Related information on investee companies	45
3. Information on investments in China	45
4. Information on major shareholders	45~46
(14) Segment information	46~47

## **Independent Auditors' Review Report**

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

### **Opinion**

We have audited the consolidated financial statements of Regal Holding Co., Ltd. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of balance sheets as of June 30, 2024 and 2023, and the consolidated statement of comprehensive income, changes in equity and cash flows for the three months ended June 30, 2024 and 2023, and six months ended June 30, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the three months ended June 30, 2024 and 2023, and for the six months ended June 30, 2024 and 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **Basis for Opinion**

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

### **Key Audit Matters**

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

For details of the accounting policy for the subsequent measurement of inventories, please refer to Note 4(h),

Inventories, of the 2023 Consolidated Financial Reports. For details of the accounting estimates and assumptions used in the evaluation of inventories, please refer to Note 5 of the 2023 Consolidated Financial Reports; and for information on impairment of inventories, please refer to Note 6(d), Inventories, of the 2023 Consolidated Financial Reports.

Description of key audit matter:

The Group's inventory consists mainly of gems, jewelry products and their raw materials. Due to the rapid changes in fashion trends, the original inventory may become obsolete or no longer meet the market demand, which may result in the risk that the cost of inventory may exceed its net realizable value. Since the subsequent measurement of inventories is dependent on management's assessment through various internal and external evidence, it is a key audit matter.

How the matter was addressed in our audit:

Our audit procedures included:

Assessing the reasonableness of accounting policies for subsequent measurement of inventories; obtaining aging analysis of inventories and analyzing changes in inventory age categories to verify the appropriateness of the changes, and then verified the age of the inventories on a random basis; obtaining statements of net realizable value of inventories and to understand the reasonableness of the selling prices used by managements in evaluating the allowance for inventory losses at the end of the period; verifying net realizable value of inventories by vouching the source documents of samples and determining whether related subsequent measurement of inventories has been appropriately disclosed by managements.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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.

As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the six months ended June 30, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

KPMG

Taipei, Taiwan (Republic of China)

August 23, 2024

**REGAL HOLDING CO., LTD. AND ITS SUBSIDIARIES****Consolidated Balance Sheets****June 30, 2024, December 31, 2023 and June 30, 2023****(Expressed in Thousands of New Taiwan Dollars)**

		<b>June 30, 2024</b>		<b>December 31, 2023</b>		<b>June 30, 2023</b>				<b>June 30, 2024</b>		<b>December 31, 2023</b>		<b>June 30, 2023</b>	
<b>Assets</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>			<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
11xx	<b>Current assets:</b>							21xx	<b>Liabilities and Equity</b>						
1100	Cash and cash equivalents (note 6(a))	\$ 123,167	9	139,418	11	292,579	22	2100	<b>Current liabilities:</b>	\$ 390,148	30	243,459	20	193,952	15
1170	Trade receivables, net (note 6(b) and 6(p))	278,225	21	224,675	18	197,073	15	2150	Short-term loans (note 6(i) and note 8)	140	-	87	-	159	-
1200	Other receivables (note 6(c))	7,874	1	7,367	1	7,442	1	2170	Notes payables	17,251	1	14,671	1	9,661	1
1220	Current tax assets	8,386	1	14,260	1	11,307	1	2200	Trade payables	46,202	4	68,625	6	52,150	5
130x	Inventories (note 6(d))	444,041	34	392,382	31	344,776	27	2216	Other payables	-	-	-	-	17,278	1
1470	Other current assets	18,056	1	27,369	2	24,770	2	2280	Dividend payables	624	-	177	-	923	-
	<b>Total current assets</b>	<b>879,749</b>	<b>67</b>	<b>805,471</b>	<b>64</b>	<b>877,947</b>	<b>68</b>	2321	Current lease liabilities (note 6(k))	-	-	-	-	87,903	7
15xx	<b>Non-current assets:</b>							2322	Bonds payable, current portion (note 6(j))	3,724	-	3,787	-	-	-
1600	Property, plant and equipment (note 6(f), note 8 and note 9)	353,195	27	370,050	29	360,290	28	2399	Long-term loans, current portion (note 6(i))	3,566	-	2,055	-	3,738	-
1755	Right-of-use assets (note 6(g) and 6(k))	1,245	-	372	-	1,193	-		Other current liabilities (note 6(p))	461,655	35	332,861	27	365,764	29
1780	Intangible assets (note 6(h))	17,774	1	16,695	1	15,666	1	25xx	<b>Total current liabilities</b>						
1840	Deferred tax assets	55,454	4	56,393	5	19,591	2	2540	<b>Non-current liabilities:</b>	11,947	1	7,783	1	-	-
1984	Other financial assets – non-current (note 8)	10,117	1	10,208	1	10,161	1	2570	Long-term loans (note 6(i))	27,374	2	34,034	3	34,574	3
	<b>Total non-current assets</b>	<b>437,785</b>	<b>33</b>	<b>453,718</b>	<b>36</b>	<b>406,901</b>	<b>32</b>	2580	Deferred tax liabilities	594	-	222	-	304	-
								2580	Non-current lease liabilities (note 6(k))	32,236	3	30,543	2	26,529	2
								2640	Net defined benefit liabilities – non-current	4,309	-	4,437	-	4,555	-
								2645	Guarantee deposits received	76,460	6	77,019	6	65,962	5
									<b>Total non-current liabilities</b>	538,115	41	409,880	33	431,726	34
								2xxx	<b>Total liabilities</b>						
								31xx	<b>Equity attributable to owners of the Company (note 6(e) 、 6(j) 、 and 6(n)) :</b>						
								3100	Common stock	383,960	29	383,960	30	383,960	30
								3200	Capital surplus	375,499	29	375,499	30	375,499	29
								33xx	Retained earnings:						
								3310	Legal reserve	86,840	6	86,840	7	86,840	7
								3320	Special reserve	121,175	9	121,175	10	121,175	9
								3350	Accumulated deficits	(203,728)	(15)	(150,630)	(12)	(125,512)	(10)
									Total retained earnings	4,287	-	57,385	5	82,503	6
									Other equity:						
								3410	Exchange differences on translation of foreign financial statements	(50,259)	(4)	(37,109)	(3)	(56,786)	(4)
								3420	Losses from investments in equity instruments measured at fair value through other comprehensive income	(12,200)	(1)	(12,200)	(1)	(12,200)	(1)
									Total other equity	(62,459)	(5)	(49,309)	(4)	(68,986)	(5)
									Total equity attributable to owners of the Company	701,287	53	767,535	61	772,976	60
								36xx	<b>Non-controlling interests (note 6(e) and 6(n))</b>	78,132	6	81,774	6	80,146	6
								3xxx	<b>Total equity</b>	779,419	59	849,309	67	853,122	66
1xxx	<b>Total assets</b>	<b>\$ 1,317,534</b>	<b>100</b>	<b>1,259,189</b>	<b>100</b>	<b>1,284,848</b>	<b>100</b>	2-3xxx	<b>Total liabilities and equity</b>	<b>\$ 1,317,534</b>	<b>100</b>	<b>1,259,189</b>	<b>100</b>	<b>1,284,848</b>	<b>100</b>

See accompanying notes to consolidated interim financial statements.

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

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

**Consolidated Statements of Comprehensive Income**

**For the three months and six months ended at June 30, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)**

	<b>For the three months ended at June 30</b>				<b>For the six months ended at June 30</b>					
	<b>2024</b>		<b>2023</b>		<b>2024</b>		<b>2023</b>			
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>		
4000	<b>Operating revenues (note 6(p))</b>									
	\$	352,741	100	250,599	100	643,701	100	485,395	100	
5000	<b>Operating costs (note 6(d) 、6(f) 、6(g) 、6(h) 、6(k) 、6(l) and note 12)</b>									
		310,526	88	270,490	108	566,335	88	530,580	109	
5900	<b>Gross profit (loss)</b>									
		42,215	12	(19,891)	(8)	77,366	12	(45,185)	(9)	
6000	<b>Operating expenses (note 6(b) 、6(f) 、6(g) 、6(h) 、6(k) 、6(l) 、note 7 and note 12):</b>									
6100	Selling expenses	17,979	5	13,737	5	38,967	6	27,913	5	
6200	Administrative expenses	38,742	11	29,564	12	77,374	12	66,432	14	
6300	Research and development expenses	15,145	4	16,055	7	30,462	5	32,173	7	
6450	Impairment loss	(343)	-	(92)	-	(126)	-	(316)	-	
	<b>Total operating expenses</b>	<b>71,523</b>	<b>20</b>	<b>59,264</b>	<b>24</b>	<b>146,677</b>	<b>23</b>	<b>126,202</b>	<b>26</b>	
6900	<b>Operating losses</b>									
		(29,308)	(8)	(79,155)	(32)	(69,311)	(11)	(171,387)	(35)	
7000	<b>Non-operating income and expenses (note 6(j) 、6(k) and 6(r)):</b>									
7100	Interest income	495	-	1,879	1	528	-	3,058	1	
7010	Other income	2,868	1	2,411	1	4,193	1	4,709	1	
7020	Other gains and losses	1,354	-	10,362	4	8,524	1	8,903	2	
7050	Finance costs	(2,584)	(1)	(1,823)	(1)	(4,692)	(1)	(3,464)	(1)	
	<b>Total non-operating income and expenses</b>	<b>2,133</b>	<b>-</b>	<b>12,829</b>	<b>5</b>	<b>8,553</b>	<b>1</b>	<b>13,206</b>	<b>3</b>	
7900	<b>Losses before income tax</b>									
		(27,175)	(8)	(66,326)	(27)	(60,758)	(10)	(158,181)	(32)	
7950	<b>Less: income tax expenses (note 6(m))</b>									
		(2,282)	(1)	(6,945)	(3)	(5,378)	(1)	(14,973)	(3)	
8200	<b>Losses for the period</b>									
		(24,893)	(7)	(59,381)	(24)	(55,380)	(9)	(143,208)	(29)	
8300	<b>Other comprehensive income :</b>									
8360	<b>Items that may be reclassified subsequently to profit or loss</b>									
8361	Exchange differences on translation of foreign operations	2,493	1	(15,845)	(6)	(14,510)	(2)	(11,744)	(3)	
8399	Less: income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-	
8300	<b>Other comprehensive income</b>									
		2,493	1	(15,845)	(6)	(14,510)	(2)	(11,744)	(3)	
8500	<b>Total comprehensive income</b>									
	<b>\$</b>	<b>(22,400)</b>	<b>(6)</b>	<b>(75,226)</b>	<b>(30)</b>	<b>(69,890)</b>	<b>(11)</b>	<b>(154,952)</b>	<b>(32)</b>	
8600	<b>Profit (losses) attributable to (note 6(n)):</b>									
8610	Owners of the Company	\$	(25,374)	(7)	(58,375)	(23)	(53,098)	(9)	(138,571)	(28)
8620	Non-controlling interests		481	-	(1,006)	(1)	(2,282)	-	(4,637)	(1)
	<b>\$</b>	<b>(24,893)</b>	<b>(7)</b>	<b>(59,381)</b>	<b>(24)</b>	<b>(55,380)</b>	<b>(9)</b>	<b>(143,208)</b>	<b>(29)</b>	
8700	<b>Comprehensive income attributable to (note 6(n)):</b>									
8710	Owners of the Company	\$	(23,117)	(6)	(72,516)	(29)	(66,248)	(10)	(148,988)	(31)
8720	Non-controlling interests		717	-	(2,710)	(1)	(3,642)	(1)	(5,964)	(1)
	<b>\$</b>	<b>(22,400)</b>	<b>(6)</b>	<b>(75,226)</b>	<b>(30)</b>	<b>(69,890)</b>	<b>(11)</b>	<b>(154,952)</b>	<b>(32)</b>	
	<b>Earnings (losses) per share (New Taiwan Dollars) (note 6(o))</b>									
9750	Basic earnings (losses) per share	<b>\$</b>	<b>(0.66)</b>	<b>(1.52)</b>	<b>(1.38)</b>	<b>(1.38)</b>	<b>(3.61)</b>	<b>(3.61)</b>	<b>(3.61)</b>	
9850	Diluted earnings (losses) per share	<b>\$</b>	<b>(0.66)</b>	<b>(1.52)</b>	<b>(1.38)</b>	<b>(1.38)</b>	<b>(3.61)</b>	<b>(3.61)</b>	<b>(3.61)</b>	

See accompanying notes to consolidated interim financial statements.



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

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

**Consolidated Statements of Changes in Equity**

**For the six months ended at June 30, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of the Company							Other equity		Non-controlling interests	Total equity	
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Undistributed earnings (loss to be recovered)	Total retained earnings	Exchange differences on translation of foreign operations	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	Total equity attributable to owners of the Company			
<b>Balance at January 1, 2023</b>	\$ 383,960	375,499	83,469	121,175	33,708	238,352	(46,369)	(12,200)	(58,569)	939,242	101,226	1,040,468
Appropriation and distribution of retained earnings:												
Legal reserve appropriation	-	-	3,371	-	(3,371)	-	-	-	-	-	-	-
Special reserve appropriation	-	-	-	-	(17,278)	(17,278)	-	-	-	(17,278)	-	(17,278)
Profit (losses) for the period	-	-	-	-	(138,571)	(138,571)	-	-	-	(138,571)	(4,637)	(143,208)
Other comprehensive income	-	-	-	-	-	-	(10,417)	-	(10,417)	(10,417)	(1,327)	(11,744)
Total comprehensive income	-	-	-	-	(138,571)	(138,571)	(10,417)	-	(10,417)	(148,988)	(5,964)	(154,952)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	3	3
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(15,119)	(15,119)
<b>Balance at June 30, 2023</b>	<b>\$ 383,960</b>	<b>375,499</b>	<b>86,840</b>	<b>121,175</b>	<b>(125,512)</b>	<b>82,503</b>	<b>(56,786)</b>	<b>(12,200)</b>	<b>(68,986)</b>	<b>772,976</b>	<b>80,146</b>	<b>853,122</b>
<b>Balance at January 1, 2024</b>	\$ 383,960	375,499	86,840	121,175	(150,630)	57,385	(37,109)	(12,200)	(49,309)	767,535	81,774	849,309
Profit (losses) for the period	-	-	-	-	(53,098)	(53,098)	-	-	-	(53,098)	(2,282)	(55,380)
Other comprehensive income	-	-	-	-	-	-	(13,150)	-	(13,150)	(13,150)	(1,360)	(14,510)
Total comprehensive income	-	-	-	-	(53,098)	(53,098)	(13,150)	-	(13,150)	(66,248)	(3,642)	(69,890)
<b>Balance at June 30, 2024</b>	<b>\$ 383,960</b>	<b>375,499</b>	<b>86,840</b>	<b>121,175</b>	<b>(203,728)</b>	<b>4,287</b>	<b>(50,259)</b>	<b>(12,200)</b>	<b>(62,459)</b>	<b>701,287</b>	<b>78,132</b>	<b>779,419</b>

See accompanying notes to consolidated interim financial statements.

**REGAL HOLDING CO., LTD. AND ITS SUBSIDIARIES****Consolidated Statements of Cash Flows****For the six months ended at June 30, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars)**

	<b>For the six months ended June 30</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from (used in) operating activities:</b>		
<b>Profit (losses) before tax</b>	\$ (60,758)	(158,181)
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit (losses):</b>		
Depreciation expenses	30,235	31,242
Amortization expenses	1,863	1,760
Reversed benefits from expected credit impairment	(126)	(316)
Interest expenses	4,692	3,464
Interest income	(528)	(3,058)
Gains (losses) from disposal and retirement of property, plant and equipment	114	(543)
Restatement to expenses of property, plant and equipment	-	59
Losses on disposal of intangible assets	134	-
Unrealized foreign exchange losses (gains)	(2,768)	(3,829)
Intangible assets reclassification as expenses	-	362
Gains on lease modification	(25)	-
<b>Total adjustments to reconcile profit (losses)</b>	<u>33,591</u>	<u>29,141</u>
<b>Changes in operating assets and liabilities:</b>		
Trade receivables	(50,381)	185,864
Other receivables	(507)	278
Inventories	(51,659)	(17,278)
Other current assets	9,369	1,227
<b>Total changes in operating assets</b>	<u>(93,178)</u>	<u>170,091</u>
Notes payables	53	96
Trade payables	2,299	(9,338)
Other payables	(22,460)	(30,456)
Other current liabilities	1,511	(843)
Net defined benefit liabilities	2,202	1,246
<b>Total changes in operating liabilities</b>	<u>(16,395)</u>	<u>(39,295)</u>
<b>Total changes in operating assets and liabilities</b>	<u>(109,573)</u>	<u>130,796</u>
<b>Total adjustments</b>	<u>(75,982)</u>	<u>159,937</u>
Cash inflows (outflows) generated from operations	(136,740)	1,756
Interest received	528	2,990
Interest paid	(4,644)	(2,681)
Income tax refunded (paid)	4,301	(6,025)
<b>Net cash flows from operating activities</b>	<u>(136,555)</u>	<u>(3,960)</u>
<b>Cash flows from investing activities:</b>		
Acquisition of property, plant and equipment	(19,551)	(34,777)
Proceeds from disposal of property, plant and equipment	32	830
Acquisition of intangible assets	(3,351)	(8,377)
Acquisition of right-of-use assets	(26)	-
Decrease (increase) in other financial assets — non-current	91	(290)
<b>Net cash flows from investing activities</b>	<u>(22,805)</u>	<u>(42,614)</u>
<b>Cash flows from financing activities:</b>		
Increase in short-term loans	150,756	-
Borrowing long-term loans	6,155	-
Payment of long-term loans	(1,862)	-
Decrease in guarantee deposits received	(128)	(51)
Payments of lease liabilities	(126)	(503)
Changes in non-controlling interests	-	3
Cash dividends paid to non-controlling interests	-	(15,119)
<b>Net cash flows from financing activities</b>	<u>154,795</u>	<u>(15,670)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(11,686)	(9,035)
<b>Net decrease in cash and cash equivalents</b>	(16,251)	(71,279)
<b>Cash and cash equivalents at the beginning of period</b>	139,418	363,858
<b>Cash and cash equivalents at the end of period</b>	<u>\$ 123,167</u>	<u>292,579</u>

See accompanying notes to consolidated interim financial statements.

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

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

**Notes to the Consolidated Interim Financial Statements**

**June 30, 2024 and 2023**

**(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)**

**(1) Company history**

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

**(2) Approval date and procedures of the consolidated interim financial statements:**

The consolidated financial statements were approved by the Board of Directors on August 23, 2024.

**(3) New standards, amendments and interpretations adopted:**

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

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

- Amendments to IAS 1, "Classification of Liabilities as Current or Noncurrent"
- Amendments to IAS 1, "Non-current Liabilities with Contractual Provisions"
- Amendments to IAS 7 and IFRS 7, "Supplier Finance Arrangement"
- Amendments to IFRS 16, "Lease Liability in a Sale and Leaseback"

- (b) The impact of IFRS endorsed by FSC but not yet effective

The Group assesses that the application of the following newly amended IFRS, which are effective as of January 1, 2025, will not have a material impact on the consolidated financial statements:

- Amendments to IAS 21, "Lack of Exchangeability"

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

(c) 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:

<u>New or Revised Standards</u>	<u>Major amendments</u>	<b>Effective Date Published by IASB</b>
IFRS 18, "Presentation and Disclosure in Financial Statements"	<p>The new standard introduces three categories of income and expense, two income statement subtotals and a single note on management performance measures. These three amendments, together with enhanced guidance on how information should be broken down in the financial statements, provide the basis for better and more consistent information for users and will affect all companies.</p> <ul style="list-style-type: none"> <li>· More structured income statement: Under the current standard, companies used different formats to present their operating results, making it difficult for investors to compare financial performance between companies. The new standard adopts a more structured income statement, introduces a new definition of the "operating profit" sub-total, and requires that all revenues and expenses will be categorized into three new categories based on the company's principal operating activities.</li> <li>· Management Performance Measurement (MPM): The new standard introduces a definition of management performance measurement and requires companies to explain in a separate note to the financial statements, for each measure, why it provides useful information, how it is calculated and how it reconciles the measure to the amounts recognized under IFRS accounting standards.</li> <li>· More disaggregated information: The new standard includes guidance on how companies can enhance the disaggregation of information in the financial statements. This includes guidance on whether information should be included in the primary financial statements or further disaggregated in the notes.</li> </ul>	January 1, 2027

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

### **Notes to the Consolidated Interim Financial Statements**

The Company is continuously evaluating the impact of the above standards and interpretations on the presentation and disclosure of the Company's financial position and operating results, and the related impact will be disclosed when the evaluation is completed.

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

- Amendments to IFRS 10 and IAS 28, "Disposal of or Contribution to Assets between an Investor and its Affiliates or Joint Ventures"
- IFRS 17 "Insurance Contracts" and related amendments
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"
- Amendments to IFRS 9 and IFRS 7, "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards

#### **(4) Summary of significant accounting policies:**

Except as described below, the significant accounting policies used in this consolidated financial statements are the same as those used in the 2023 consolidated financial statements. For related information, please refer to Note 4 of it.

##### **(a) Statement of compliance**

The consolidated financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" (Regulations) and International Accounting Standard 34, "Interim Financial Reporting", as endorsed by FSC and in effect. These consolidated financial reports do not include all information that is required to be disclosed in annual consolidated financial report prepared in accordance with International Financial Reporting Standards, International Accounting Standards, Interpretations and Explanatory Notes as endorsed and issued by FSC.

##### **(b) Basis of consolidation**

The principles of preparation of the consolidated financial statements are consistent with those of the consolidated financial statements for fiscal year 2023. For related information, please refer to Note 4(c) of the 2023 consolidated financial statements.

1. List of subsidiaries in the consolidated financial statements

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

### Notes to the Consolidated Interim Financial Statements

Name of investor	Name of subsidiary	Main business	Percentage of ownership (%)		
			June 30, 2024	December 31, 2023	June 30, 2023
The Company	Regal Jewelry Manufacture Co., Ltd. (RJM)	Designing, manufacturing and selling jewelry and gems	99.99%	99.99%	99.99%
The Company	GIO VAN GOGH (International) Jewelry Ltd. (GVG Hon Kong)	Investment activities	- % (Note 4)	- % (Note 4)	- % (Note 4)
The Company	Regal Management Solution Co., Ltd. (RMS)	Technical services and resources consulting	99.90% (Note 1 and 6)	99.90% (Note 1 and 6)	99.90% (Note 1)
The Company	Reunite Inspiring Creation Co., Ltd. (RIC)	Selling jewelry and gems	100.00%	100.00% (Note 5 and 6)	100.00%
RJM	Regal Plating Co., Ltd. (RGP)	Plating jewelry and gems	51.00%	51.00%	51.00%
RJM	Regal Precious Metal Innovation Co., Ltd. (RPM)	Metal recycling	99.90%	99.90% (Note 2)	99.90%
RJM	Linden Integrated Co., Ltd. (Linden)	Selling jewelry and gems	49.00% (Note 3 and 6)	49.00% (Note 3 and 6)	49.00%

Note 1 : On March 29, 2023, June 20, 2023, August 2023 and October 2023, the Company all increased its capital by 1,998 thousand Thai Baht.

Note 2 : RJM injected its capital into RPM by 39,960 thousand Thai Baht on October 12, 2023.

Note 3 : Linden's administration, key managements, business activities and locations, and products are all assigned or provided by the Company or RJM, and therefore have substantial control over it.

Note 4 : The Company's Board of Directors resolved to terminate the operation of this subsidiary on March 11, 2022, and GVG Hong Kong obtained a certificate of deregistration on October 20, 2023. In 2023, due to the disposal of this company, the Company recognized a loss of \$1,406 thousand, and it was accounted for other gains and losses.

Note 5 : On February 23, 2023, the Board of Directors resolved that RIC reduced its capital by NT\$25,000 thousand to cover its losses and increased its capital by NT\$2,500 thousand in cash. The capital reduction was registered in June 2023, and the paid-in capital after the capital reduction and increase amounted to NT\$22,500 thousand, which was divided into 2,250 thousand shares at NT\$10 per share.

Note 6 : The Company's Board of Directors resolved to terminate the operations of the subsidiary on November 12, 2023, of which the Company has obtained the approval from the Department of Investment Review of the Ministry of Economic Affairs for RIC's dissolution application on January 22, 2024, and the relevant liquidation procedures are still in progress.

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

#### (c) Employee benefits

Defined benefit pensions plan for the interim period are calculated using actuarially determined

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

pension cost rates as of the end of the prior fiscal year, based on the beginning of the year through the end of the current period, adjusted for significant market fluctuations and significant curtailments, liquidations or other significant one-time events after that end date.

(d) Income taxes

Income tax expense is measured by multiplying net income before income taxes for the period under review by management's best estimate of the estimated effective tax rate for the full year and is recognized as income tax expense in current period.

Income tax expense recognized directly in equity or other comprehensive income is measured at the tax rates that are expected to apply when the related assets and liabilities are realized or settled, based on temporary differences between their carrying amounts for financial reporting purposes and their tax bases.

**(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty**

The preparation of the consolidated financial statements in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34, "Interim Financial Reporting," as endorsed by the FSC, requires managements to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

The significant judgments made by managements in the adoption of the Group's accounting policies and the key sources of estimation uncertainty in the preparation of the consolidated financial statements are consistent with Note 5 in 2023 consolidated financial statements.

**(6) Explanation of significant accounts**

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2023. Please refer to Note 6 of the 2023 annual consolidated financial statements.

(a) Cash and cash equivalents

	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Cash	\$ 569	618	609
Demand deposits	109,043	125,062	134,280
Checking deposits	50	52	53
Fixed deposits	13,505	13,686	157,637
Cash and cash equivalents in	<b>\$ 123,167</b>	<b>139,418</b>	<b>292,579</b>

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

consolidated statement of cash flows

For the interest rate risk and sensitivity analysis of the Company's consolidated financial assets and liabilities, please refer to Note 6(s).

(b) Trade receivables

	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Trade receivables	\$ 278,313	224,893	197,437
Less: allowance for loss	(88)	(218)	(364)
	<b><u>\$ 278,225</u></b>	<b><u>224,675</u></b>	<b><u>197,073</u></b>

The Group applies the simplified approach to assess its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information.

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

	<b>June 30, 2024</b>		
	<b>Book value of trade receivables</b>	<b>Lifetime expected credit loss rate (%)</b>	<b>Allowance for lifetime expected credit loss</b>
Not yet due	\$ 178,703	-	-
Past due 1~30 days	22,146	-	-
Past due 31~60 days	35	-	-
	<b><u>\$ 200,884</u></b>		<b><u>-</u></b>
	<b>December 31, 2023</b>		
	<b>Book value of trade receivables</b>	<b>Lifetime expected credit loss rate (%)</b>	<b>Allowance for lifetime expected credit loss</b>
Not yet due	\$ 103,573	-	-
Past due 1~30 days	29,992	-	-
Past due 31~60 days	194	-	-
	<b><u>\$ 133,759</u></b>		<b><u>-</u></b>



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

	<b>June 30, 2023</b>		
	<b>Book value of trade receivables</b>	<b>Lifetime expected credit loss rate (%)</b>	<b>Allowance for lifetime expected credit loss</b>
Not yet due	\$ 109,155	-	-
Past due 1~30 days	19,925	-	-
Past due 31~60 days	8	-	-
Past due 91~180 days	12	-	-
	<b>\$ 129,100</b>		<b>-</b>

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

	<b>June 30, 2024</b>		
	<b>Book value of trade receivables</b>	<b>Lifetime expected credit loss rate (%)</b>	<b>Allowance for lifetime expected credit loss</b>
Not yet due	\$ 68,183	-	-
Past due 1~30 days	6,073	-	-
Past due 31~60 days	3,130	2.57	80
Past due 61~90 days	31	15.53	4
Past due 91~180 days	11	23.65	3
Past due 181~365 days	1	50.27	1
	<b>\$ 77,429</b>		<b>88</b>

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

	<b>December 31, 2023</b>		
	<b>Book value of trade receivables</b>	<b>Lifetime expected credit loss rate (%)</b>	<b>Allowance for lifetime expected credit loss</b>
Not yet due	\$ 59,537	-	-
Past due 1~30 days	25,108	-	-
Past due 31~60 days	6,109	2.57	157
Past due 61~90 days	359	15.53	56
Past due 91~180 days	21	23.65	5
	<b>\$ 91,134</b>		<b>218</b>
	<b>June 30, 2023</b>		
	<b>Book value of trade receivables</b>	<b>Lifetime expected credit loss rate (%)</b>	<b>Allowance for lifetime expected credit loss</b>
Not yet due	\$ 60,613	0.10	58
Past due 1~30 days	6,294	1.02	64
Past due 31~60 days	1,091	11.59	127
Past due 61~90 days	339	34.00	115
	<b>\$ 68,337</b>		<b>364</b>

The movements of the allowance for loss for trade receivables were as follows:

	<b>For the six months ended June 30</b>	
	<b>2024</b>	<b>2023</b>
Balance at the beginning	\$ 218	684
Impairment losses recognized (reversed gains)	(126)	(316)
Exchange rate effects	(4)	(4)
Balance at the end	<b>\$ 88</b>	<b>364</b>

(c) Other receivables

	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Other receivables	\$ 24,131	23,899	23,606
Less: allowance for loss	(16,257)	(16,532)	(16,164)
	<b>\$ 7,874</b>	<b>7,367</b>	<b>7,442</b>

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

The movements of the allowance for loss for other receivables were as follows:

	For the six months ended June 30	
	2024	2023
Balance at the beginning	\$ 16,532	16,393
Exchange rate effects	(275)	(229)
Balance at the end	<b>\$ 16,257</b>	<b>16,164</b>

Group did not have any past due other receivables as of June 30, 2024, December 31, 2023 and June 30, 2023.

For further credit risk information, please refer to Note 6(s).

(d) Inventories

	June 30, 2024		
	Cost	Allowance for devaluation and obsolescence	Net realizable value
Raw materials	\$ 369,464	69,009	300,455
Work in process	123,616	17,199	106,417
Finished goods	37,852	5,456	32,396
Supplies and spare parts	9,078	4,305	4,773
	<b>\$ 540,010</b>	<b>95,969</b>	<b>444,041</b>

	December 31, 2023		
	Cost	Allowance for devaluation and obsolescence	Net realizable value
Raw materials	\$ 324,295	62,638	261,657
Work in process	100,201	8,399	91,802
Finished goods	39,240	5,208	34,032
Supplies and spare parts	9,671	4,780	4,891
	<b>\$ 473,407</b>	<b>81,025</b>	<b>392,382</b>

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

	<b>June 30, 2023</b>		
	<b>Cost</b>	<b>Allowance for devaluation and obsolescence</b>	<b>Net realizable value</b>
Raw materials	\$ 310,546	55,154	255,392
Work in process	76,651	8,645	68,006
Finished goods	19,008	4,521	14,487
Supplies and spare parts	10,643	3,752	6,891
	<b>\$ 416,848</b>	<b>72,072</b>	<b>344,776</b>

The movements of the allowance for devaluation and obsolescence in inventories were as follows:

	<u>For the six months ended June 30</u>	
	<b>2024</b>	<b>2023</b>
Balance at the beginning	\$ 81,025	67,071
Provision of the allowance for inventory devaluation and obsolescence	16,278	6,035
Foreign currency translation effects	(1,334)	(1,034)
Balance at the end	<b>\$ 95,969</b>	<b>72,072</b>

In addition to the regular costs of goods sold, the following profit and loss were the components included in the Group's operating costs:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Loss on the allowance for inventory devaluation and obsolescence	\$ 15,771	7,803	16,278	6,035
Revenue from sales of scrap	(17,201)	(13,894)	(25,572)	(21,335)
Unallocated costs	14,983	-	28,262	-
	<b>\$ 13,553</b>	<b>(6,091)</b>	<b>18,968</b>	<b>(15,300)</b>

As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group did not pledge the inventories as collateral.

(e) Subsidiaries with material non-controlling interests

The non-controlling interests of subsidiaries that are material to the Group were as follows:

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

<u>Subsidiary</u>	<u>Main operation place / country of incorporation</u>	<u>Percentage of non-controlling interests</u>		
		<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Regal Plating Co., Ltd.	Thailand	49.00%	49.00%	49.00%

The following information of the aforementioned subsidiary has been prepared in accordance with the IFRS endorsed by the FSC, and the intra-group transactions were not eliminated in this information.

The collective financial information of the Regal Plating Co., Ltd. was as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Current assets	\$ 153,538	158,403	152,170
Non-current assets	10,382	13,779	14,807
Current liabilities	(4,470)	(5,448)	(3,980)
Non-current liabilities	(1,626)	(1,517)	(1,376)
Net assets	<u>\$ 157,824</u>	<u>165,217</u>	<u>161,621</u>
Non-controlling interests	<u>\$ 77,334</u>	<u>80,956</u>	<u>79,194</u>

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Sales revenue	<u>\$ 45,971</u>	<u>31,132</u>	<u>84,054</u>	<u>77,069</u>
Net income (losses)	986	(2,010)	(4,645)	(9,395)
Other comprehensive income	476	(3,444)	(2,748)	(2,682)
	<u>\$ 1,462</u>	<u>(5,454)</u>	<u>(7,393)</u>	<u>(12,077)</u>
Profit (losses) for current period attributable to non-controlling interests	<u>\$ 483</u>	<u>(985)</u>	<u>(2,276)</u>	<u>(4,604)</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 716</u>	<u>(2,673)</u>	<u>(3,623)</u>	<u>(5,918)</u>
Net cash flows from operating activities			\$ 977	28,849
Net cash flows from investing activities			(196)	(131)
Net cash flows from financing activities			-	(30,856)
Net decrease in cash and cash equivalents			<u>\$ 781</u>	<u>(2,138)</u>
Dividends paid to non-controlling interests			<u>\$ -</u>	<u>(15,119)</u>

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

(f) Property, plant and equipment

The cost, depreciation, and impairment losses of the property, plant and equipment of the Group of the six months ended at June 30, 2024 and 2023 were as follows:

	Land	Buildings	Machinery and equipment	Transportation equipment	Office equipment	Land improvement	Uncompleted works and equipment to be inspected	Total
Cost or deemed as cost:								
Balance at January 1, 2024	\$ 157,534	273,533	347,745	23,518	157,087	11,914	19,440	990,771
Additions	-	255	3,104	14	4,115	72	11,991	19,551
Disposals	-	(11)	(5,675)	(4)	(1,415)	(12)	-	(7,117)
Reclassification	-	5,043	-	-	3,645	-	(8,688)	-
Foreign currency translation effect	(2,620)	(4,550)	(5,784)	(392)	(2,604)	(193)	(324)	(16,467)
Balance at June 30, 2024	<u>\$ 154,914</u>	<u>274,270</u>	<u>339,390</u>	<u>23,136</u>	<u>160,828</u>	<u>11,781</u>	<u>22,419</u>	<u>986,738</u>
Balance at January 1, 2023	\$ 156,207	250,199	326,196	23,306	145,199	10,285	27,796	939,188
Additions	-	1,763	11,528	10	11,626	438	9,412	34,777
Disposals	-	-	(12,537)	-	(5,461)	(180)	-	(18,178)
Reclassification	-	19,528	14,821	-	1,354	168	(35,930)	(59)
Foreign currency translation effect	(2,184)	(3,901)	(4,821)	(326)	(2,165)	(148)	113	(13,432)
Balance at June 30, 2023	<u>\$ 154,023</u>	<u>267,589</u>	<u>335,187</u>	<u>22,990</u>	<u>150,553</u>	<u>10,563</u>	<u>1,391</u>	<u>942,296</u>
Accumulated depreciation and impairment losses:								
Balance at January 1, 2024	\$ -	204,182	265,300	17,515	123,789	9,935	-	620,721
Depreciation	-	6,263	14,229	1,336	8,024	259	-	30,111
Disposals	-	(11)	(5,620)	(4)	(1,333)	(3)	-	(6,971)
Foreign currency translation effect	-	(3,397)	(4,414)	(293)	(2,053)	(161)	-	(10,318)
Balance at June 30, 2024	<u>\$ -</u>	<u>207,037</u>	<u>269,495</u>	<u>18,554</u>	<u>128,427</u>	<u>10,030</u>	<u>-</u>	<u>633,543</u>
Balance at January 1, 2023	\$ -	189,947	247,892	14,328	115,649	9,673	-	577,489
Depreciation	-	6,393	14,920	1,692	7,572	139	-	30,716
Disposals	-	-	(12,322)	-	(5,443)	(126)	-	(17,891)
Foreign currency translation effect	-	(2,777)	(3,516)	(232)	(1,651)	(132)	-	(8,308)
Balance at June 30, 2023	<u>\$ -</u>	<u>193,563</u>	<u>246,974</u>	<u>15,788</u>	<u>116,127</u>	<u>9,554</u>	<u>-</u>	<u>582,006</u>
Carrying amount:								
Balance at January 1, 2024	<u>\$ 157,534</u>	<u>69,351</u>	<u>82,445</u>	<u>6,003</u>	<u>33,298</u>	<u>1,979</u>	<u>19,440</u>	<u>370,050</u>
Balance at June 30, 2024	<u>\$ 154,914</u>	<u>67,233</u>	<u>69,895</u>	<u>4,582</u>	<u>32,401</u>	<u>1,751</u>	<u>22,419</u>	<u>353,195</u>
Balance at June 30, 2023	<u>\$ 154,023</u>	<u>74,026</u>	<u>88,213</u>	<u>7,202</u>	<u>34,426</u>	<u>1,009</u>	<u>1,391</u>	<u>360,290</u>

Please refer to Note 8 for the disclosure of assets pledged as collateral for loans.

(g) Right-of-use assets

The information for the cost and depreciation about the leases for which the Group as lessee was as follows:

	<u>Buildings</u>
Cost:	
Balance at January 1, 2024	\$ 536
Additions	1,299
Reduction (early termination)	(528)
Exchange rate effects	(8)
Balance at June 30, 2024	<u>\$ 1,299</u>

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

Balance at January 1, 2023	\$	2,087
Additions		535
Exchange rate effects		<u>(10)</u>
Balance at June 30, 2023	<b>\$</b>	<b><u>2,612</u></b>
Accumulated depreciation:		
Balance at January 1, 2024	\$	164
Depreciation		124
Reduction (early termination)		(232)
Exchange rate effects		<u>(2)</u>
Balance at June 30, 2024	<b>\$</b>	<b><u>54</u></b>
Balance at January 1, 2023	\$	894
Depreciation		526
Exchange rate effects		<u>(1)</u>
Balance at June 30, 2023	<b>\$</b>	<b><u>1,419</u></b>
Carrying amount		
Balance at January 1, 2024		<b><u>372</u></b>
Balance at June 30, 2024		<b><u>1,245</u></b>
Balance at June 30, 2023		<b><u>1,193</u></b>

(h) Intangible assets

The cost, amortization and impairment losses of the intangible assets of the Group for the six months ended at June 30, 2024 and 2023 were as follows:

	<u>Computer software</u>	<u>Trademark</u>	<u>Total</u>
Costs:			
Balance at January 1, 2024	\$ 70,899	785	71,684
Additions	3,349	2	3,351
Disposal	(1,466)	-	(1,466)
Reclassification	(12)	12	-
Exchange rate effects	<u>(1,147)</u>	<u>(14)</u>	<u>(1,161)</u>
Balance at June 30, 2024	<b><u>\$ 71,623</u></b>	<b><u>785</u></b>	<b><u>72,408</u></b>
Balance at January 1, 2023	\$ 60,147	1,331	61,478
Additions	8,362	15	8,377
Reclassification	(95)	(267)	(362)
Exchange rate effects	<u>(969)</u>	<u>(14)</u>	<u>(983)</u>
Balance at June 30, 2023	<b><u>\$ 67,445</u></b>	<b><u>1,065</u></b>	<b><u>68,510</u></b>

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

Amortization and impairment loss:

Balance at January 1, 2024	\$	54,704	285	54,989
Amortization		1,824	39	1,863
Disposal		(1,332)	-	(1,332)
Exchange rate effects		(881)	(5)	(886)
Balance at June 30, 2024	<b>\$</b>	<b>54,315</b>	<b>319</b>	<b>54,634</b>
Balance at January 1, 2023	\$	51,673	145	51,818
Amortization		1,562	198	1,760
Exchange rate effects		(728)	(6)	(734)
Balance at June 30, 2023	<b>\$</b>	<b>52,507</b>	<b>337</b>	<b>52,844</b>

Carrying amount:

Balance at January 1, 2024	<b>\$</b>	<b>16,195</b>	<b>500</b>	<b>16,695</b>
Balance at June 30, 2024	<b>\$</b>	<b>17,308</b>	<b>466</b>	<b>17,774</b>
Balance at June 30, 2023	<b>\$</b>	<b>14,938</b>	<b>728</b>	<b>15,666</b>

(i) Short-term loans

1. Short-term loans

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
Credit loans	\$ -	-	44,080
Guaranteed bank loans	390,148	243,459	149,872
Total	<b>\$ 390,148</b>	<b>243,459</b>	<b>193,952</b>
Unused credit lines	<b>\$ 536,454</b>	<b>744,876</b>	<b>774,030</b>
Interest rate (%)	<b><u>3.08~3.8</u></b>	<b><u>3.12~3.13</u></b>	<b><u>2.80</u></b>

2. Long-term loans

	<u>June 30, 2024</u>		
	<u>Interest rate (%)</u>	<u>Maturity Year</u>	<u>Amount</u>
Unsecured bank loans	2.00~4.50	2028	\$ 15,671
Less: portion due within one year			(3,724)
Total			<b>\$ 11,947</b>
Unutilized credit			<b>\$ 1,930</b>



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

	<b>December 31, 2023</b>		
	<b>Interest rate (%)</b>	<b>Maturity Year</b>	<b>Amount</b>
Unsecured bank loans	2.00~4.50	2028	\$ 11,570
Less: portion due within one year			(3,787)
Total			<b>\$ 7,783</b>
Unutilized credit			<b>\$ 9,169</b>

3. Please refer to Note 8 for the Company's assets pledged as collateral for bank loans.

(j) Corporate bonds payable

1. The information on the issuance of corporate bonds was as follows:

	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Total convertible corporate bonds issued	\$ -	250,000	250,000
Unamortized discount amount on corporate bonds payable	-	-	(797)
Cumulative redemption amount	-	(249,700)	(161,000)
Cumulative conversion amount	-	(300)	(300)
Balance of corporate bonds payable at year-end	<b>\$ -</b>	<b>-</b>	<b>87,903</b>
Equity component – conversion rights (recorded as capital surplus - stock options)	<b>\$ -</b>	<b>-</b>	<b>3,820</b>
	<b>For the three months ended June 30 For the six months ended June 30</b>		
	<b>2024</b>	<b>2023</b>	<b>2024</b>
Interest expenses	<b>\$ -</b>	<b>470</b>	<b>-</b>
			<b>932</b>

The Group did not issue, repurchase or repay the corporate bonds payables for the six months ended at June 30, 2024 and 2023. For more information, please refer to Note 6(j) of the consolidated financial report for the year 2023. On July 16, 2023, the price of the Company's convertible bonds was adjusted from NT\$27.8 to NT\$27.2 per share, the aforesaid bonds payable to the Company were due for repayment on December 2, 2023.

2. The equity components were recorded as Capital surplus – stock options, and the information were as follows:

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

	June 30, 2024	December 31, 2023	June 30, 2023
Balance at the beginning	\$ -	3,820	3,820
Less: redemption in the period	-	(3,820)	-
Balance at the end	<u>\$ -</u>	<u>-</u>	<u>3,820</u>

(k) Lease liabilities

The lease liabilities of the Group were as follows:

	June 30, 2024		
	Future minimum lease payments	Interests	Present value of minimum lease payments
Less than one year	\$ 660	36	624
Between one to five year	605	11	594
	<u>\$ 1,265</u>	<u>47</u>	<u>1,218</u>
Current	<u>\$ 660</u>	<u>36</u>	<u>624</u>
Non-current	<u>\$ 605</u>	<u>11</u>	<u>594</u>

	December 31, 2023		
	Future minimum lease payments	Interests	Present value of minimum lease payments
Less than one year	\$ 198	21	177
Between one to five year	231	9	222
	<u>\$ 429</u>	<u>30</u>	<u>399</u>
Current	<u>\$ 198</u>	<u>21</u>	<u>177</u>
Non-current	<u>\$ 231</u>	<u>9</u>	<u>222</u>

	June 30, 2023		
	Future minimum lease payments	Interests	Present value of minimum lease payments
Less than one year	\$ 956	33	923
Between one to five year	322	18	304
	<u>\$ 1,278</u>	<u>51</u>	<u>1,227</u>
Current	<u>\$ 956</u>	<u>33</u>	<u>923</u>
Non-current	<u>\$ 322</u>	<u>18</u>	<u>304</u>

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

The amounts recognized in profit or losses were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Interests on lease liabilities	<u>\$ 4</u>	<u>13</u>	<u>10</u>	<u>21</u>
Expenses related to short-term leases	<u>\$ 272</u>	<u>205</u>	<u>619</u>	<u>316</u>
Expenses related to leases of low-value assets (excluding short-term leases of low-value assets)	<u>\$ 97</u>	<u>144</u>	<u>205</u>	<u>286</u>

The amounts recognized in the statement of cash flows for the Group were as follows:

	<u>For the six months ended June 30</u>	
	<b>2024</b>	<b>2023</b>
Total cash outflow for leases	<u>\$ 960</u>	<u>1,126</u>

1. Leases about buildings

The Group leases buildings for its office space, which typically run for a period from 2 to 3 years. Some leases include an option to renew the lease for an additional period after the end of the contract.

2. Other leases

The Group leases printers and other office equipment with contract terms of one to five years. These leases are short-term leases or leases of low-value items. The Group has chosen not to recognize as right-of-use assets and lease liabilities for these leases.

(l) Employee benefits

1. Defined benefit plans

Since there were no material market fluctuations, material reductions, liquidations or other material one-off events after the end of the previous fiscal year, the Group adopted the pension plan calculated on December 31, 2023 and 2022 to measure and disclose in interim periods.

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

The details of the Group's costs and expenses were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Operating costs	\$ 793	649	1,516	1,302
Operating expenses	344	523	686	832
	<b><u>\$ 1,137</u></b>	<b><u>1,172</u></b>	<b><u>2,202</u></b>	<b><u>2,134</u></b>

2. Defined contribution plans

The Taiwan branch of the Group and Reunite Inspiring Creation Co., Ltd. allocate 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Group allocates a fixed amount to the Bureau of Labor Insurance without additional legal or deductive obligation.

The pension costs incurred from the contributions to the Bureau of Labor Insurance amounted to \$30 thousand and \$149 thousand for the three months ended June 30, 2024 and 2023; and amounted to \$67 thousand and \$285 thousand for the six months ended June 30, 2024 and 2023, respectively.

(m) Income taxes

1. The Company was incorporated in the Cayman Islands, where corporate income tax is not required to be paid. In the Group, RJM, RGP, RMS, Linden, RPM and RIC's statutory income tax rate are 20%.

2. The information for the income tax benefits of the Group were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Current period income tax benefits				
Current period income tax benefits	\$ (2,292)	(6,945)	(5,593)	(14,767)
Current income tax for the period prior to the adjustment	10	-	215	(206)
Income tax benefits	<b><u>\$ (2,282)</u></b>	<b><u>(6,945)</u></b>	<b><u>(5,378)</u></b>	<b><u>(14,973)</u></b>

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

3. Situation of levy and approval of income tax

The Company is not required to pay income tax in the country where it is incorporated.

In Thailand, where RJM, RGP, RMS, Linden and RPM are operating, the corporate income tax declarations are examined by the tax authority without issuing official approval certificates. Income taxes paid in prior years have received income tax receipts up to 2023. Corporate income tax declarations submitted by the Company's Taiwan branch and RIC had been approved by the tax authority department through 2021. As mentioned in Note 4(b), the RIC has entered into the liquidation process and the relevant filing was completed in January 2024.

(n) Capital and other equity

Except for the following, there were no significant changes in the Group's capital and other equity during the six months ended June 30, 2024 and 2023. For the relevant information, please refer to Note 6(n) of the consolidated financial statements for 2023.

Reconciliation of shares outstanding and issued of the Group for the six months ended June 30, 2024 and 2023 were as follows:

		(Unit: thousand shares)	
		<b>Common Stock</b>	
		For the six months ended June 30	
		<b>2024</b>	<b>2023</b>
Balance of outstanding shares on January 1 and June 30 (Balance of total shares issued on June 30)		<b>38,396</b>	<b>38,396</b>

As of June 30, 2024, December 31, 2023 and June 30, 2023, the total value of authorized ordinary shares of the Group were all amount to \$600,000 thousand, with a par value of \$10 per share. The paid-in capital of the Group was all \$383,960 thousand as of June 30, 2024, December 31, 2023 and June 30, 2023.

1. Capital surplus

The balance of capital surplus of the Group was as follows:

	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Share premium on stock issuance	\$ 354,846	354,846	354,846
Restricted shares for employees	9,899	9,899	9,899
Issuance of convertible bonds-stock options	-	-	3,820
Convertible bond options - lapsed	10,754	10,754	6,934
	<b>\$ 375,499</b>	<b>375,499</b>	<b>375,499</b>

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

2. Earnings distribution

The earnings distribution proposal for the year 2023 was resolved by the shareholders' meeting on May 30, 2024, and the dividend distributed to the shareholders were \$0 thousand.

The earnings distribution proposal for the year 2022 was resolved by the shareholders' meeting on May 26, 2023, and the dividend distributed to the shareholders were as follows:

	2022	
	Amount per share	Total Amount
Dividends distributed to shareholders:		
Cash	\$ 0.450	<u>\$ 17,278</u>

The information resolved about earnings distribution by the shareholders' meeting of the Company would be available on the website of Market Observation Post System.

3. Other equity, net of tax

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through profit or loss	Total
Balance at January 1, 2024	\$ (37,109)	(12,200)	(49,309)
Exchange differences on foreign operations	(13,150)	-	(13,150)
Balance at June 30, 2024	<u>\$ (50,259)</u>	<u>(12,200)</u>	<u>(62,459)</u>
Balance at January 1, 2023	\$ (46,369)	(12,200)	(58,569)
Exchange differences on foreign operations	(10,417)	-	(10,417)
Balance at June 30, 2023	<u>\$ (56,786)</u>	<u>(12,200)</u>	<u>(68,986)</u>

4. Non-controlling interests, net of tax

	For the six months ended June 30	
	2024	2023
Balance at the beginning	\$ 81,774	101,226
Share attributable to non-controlling interests:		
Net losses	(2,282)	(4,637)

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

Exchange differences on foreign operations	(1,360)	(1,327)
Increase in non-controlling interests	-	3
Subsidiaries distributed cash dividends to non-controlling interests	-	(15,119)
	<b>\$ 78,132</b>	<b>80,146</b>

(o) Earnings per share

The information about basic and diluted losses per share was as follows:

	(Unit: thousand shares)			
	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Basic losses per share / Diluted losses per share:				
Net losses attributable to common stocks	<u>\$ (25,374)</u>	<u>(58,375)</u>	<u>(53,098)</u>	<u>(138,571)</u>
Weighted-average number of common stock outstanding	<u>38,396</u>	<u>38,396</u>	<u>38,396</u>	<u>38,396</u>
Basic / Diluted losses per share (New Taiwan Dollar)	<u>\$ (0.66)</u>	<u>(1.52)</u>	<u>(1.38)</u>	<u>(3.61)</u>

(p) Revenue from contracts with customers

1. Disaggregation of revenue

	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Primary markets:				
Thailand	\$ 178,761	106,894	295,545	195,768
United States	52,089	39,553	91,562	70,715
France	32,041	29,228	73,057	70,374
United Kingdom	26,934	19,341	61,256	35,385
Canada	19,848	21,116	39,084	41,384
Australia	32,982	7,878	46,320	24,203
Others	10,086	26,589	36,877	47,566
	<b>\$ 352,741</b>	<b>250,599</b>	<b>643,701</b>	<b>485,395</b>

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

	For the three months ended June 30		For the six months ended June 30	
	2024	2023	2024	2023
Main products/service lines:				
Designing, manufacturing and selling jewelry and gems	\$ 324,890	236,942	599,035	456,091
Electroplating	27,851	13,657	44,666	29,304
	<b>\$ 352,741</b>	<b>250,599</b>	<b>643,701</b>	<b>485,395</b>

2. Remaining balance of contracts

	June 30, 2024	December 31, 2023	June 30, 2023
Trade receivables	\$ 278,313	224,893	197,437
Less: allowance for loss	(88)	(218)	(364)
Total	<b>\$ 278,225</b>	<b>224,675</b>	<b>197,073</b>
Contract liabilities (recorded as other current liabilities)	<b>\$ 2,708</b>	<b>976</b>	<b>2,283</b>

For details on trade receivables and impairments, please refer to Note 6(b).

The opening balances of contract liabilities on January 1, 2024 and 2023 which were recognized as income from April 1 to June 30, 2024, April 1 to June 30, 2023, and January 1 to June 30, 2024, and January 1 to June 30, 2023 were \$334 thousand, \$1,568 thousand, \$626 thousand and \$1,744 thousand, respectively.

The change in contract liabilities was mainly due to the difference between the point at which the Company transfers goods or services to customers to satisfy its obligations and the point at which customers pay.

(q) Employees' and directors' compensation

According to the amendment of the Company's Articles of Incorporation which was approved during the shareholders' meeting at May 20, 2016, no less than 1% of the current-year profit before tax, shall be distributed as employee compensation, and no more than 3% of the current-year profit before tax as remuneration to directors. However, if the Company has an accumulated deficit, the profit should first be used to offset the deficit. The compensation and remuneration shall be made by way of cash or stock, or a combination of both, wherein the recipients may include the employees of the Company's affiliated companies who meet certain conditions decided by the Board of Directors of the Company.

There were all net losses for the periods of January 1, 2024 to June 30, 2024 and January 1, 2023 to



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

June 30, 2023; therefore, employees' compensation and directors' remuneration did not be estimated. If there is a difference between the actual distribution amount in the next year and the estimated amount, it will be treated according to the change in accounting estimates, and the difference will be recognized as the profit or loss of the following year. If the Board of Directors decides to pay employees in stock, the basis for calculating the number of shares for stock compensation is based on the closing price on the day before the decision of the Board of Directors.

The Company's employees' compensation approved by the Board of Directors for the year 2023 and year 2022 were \$0 thousand and \$437 thousand, respectively, and the directors' remuneration were all \$0 thousand. The amount of compensation distributed did not differ from the resolution by the Board of Directors. The employees' compensation and directors' remuneration information would be available on the website of Market Observation Post System.

(r) Non-operating income and expenses

1. Interest income

The details of interest income of the Group were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Interest income from bank deposits	<b>\$ 495</b>	<b>1,879</b>	<b>528</b>	<b>3,058</b>

2. Other income

The details of other income of the Group were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Others	<b>\$ 2,868</b>	<b>2,411</b>	<b>4,193</b>	<b>4,709</b>

3. Other gains and losses

The details of other gains or losses of the Group were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Gains (losses) on disposal of property, plant and equipment	<b>\$ (80)</b>	<b>551</b>	<b>(114)</b>	<b>543</b>
Losses on disposal of intangible assets	-	-	<b>(134)</b>	-
Gains on lease modification	<b>25</b>	-	<b>25</b>	-

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

Foreign exchange gains	1,409	9,811	8,747	8,360
Total	<u>\$ 1,354</u>	<u>10,362</u>	<u>8,524</u>	<u>8,903</u>

4. Financial costs

The details of financial costs of the Group were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Interest expenses from bank loans	\$ 2,580	1,340	4,682	2,511
Corporate bonds payable	-	470	-	932
Interest expenses from lease liabilities	4	13	10	21
	<u>\$ 2,584</u>	<u>1,823</u>	<u>4,692</u>	<u>3,464</u>

(s) Financial instruments

Except for the following, there were no significant changes in the fair value of the Group's financial instruments and exposure to credit risk, liquidity risk and market risk due to financial instruments. For relevant information, please refer to Note 6(s) of the 2023 consolidated financial statements.

1. Credit risk

(1) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

(2) Concentration of credit risk

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the managements also consider the statistical information on the Group's customer base, including the default risk of the industry and country in which customers operate. These factors may have an influence on credit risk. As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group's credit risk were significantly concentrated on the trade receivables of three main customers amounted to \$220,821 thousand, \$174,632 thousand and \$140,986 thousand, respectively, and as a percentage of net trade receivables at the end of the period was approximately 79%, 78%, and 72%, respectively.

(3) Credit risk of receivables

For information about credit risk of trade receivables, and details about other receivables, please refer to Note 6(b) and Note 6(c) respectively.

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

2. Liquidity risk

The following table shows the contractual maturities of financial liabilities, excluding the effect of estimated interests:

	Carrying amount	Contractual cash flows	Less than 1 year	1-2 years	More than 2 years
<b>June 30, 2024</b>					
Non-derivative financial liabilities					
Short-term loans	\$ 390,148	390,148	390,148	-	-
Payables	63,593	63,593	63,593	-	-
Lease liabilities	1,218	1,218	624	594	-
Long-term loans	15,671	15,671	3,724	3,724	8,223
Guarantee deposits received	4,309	4,309	-	-	4,309
	<b>\$ 474,939</b>	<b>474,939</b>	<b>458,089</b>	<b>4,318</b>	<b>12,532</b>
<b>December 31, 2023</b>					
Non-derivative financial liabilities					
Short-term loans	\$ 243,459	243,459	243,459	-	-
Payables	83,383	83,383	83,383	-	-
Lease liabilities	399	399	177	222	-
Long-term loans	11,570	11,570	3,787	3,787	3,996
Guarantee deposits received	4,437	4,437	-	-	4,437
	<b>\$ 343,248</b>	<b>343,248</b>	<b>330,806</b>	<b>4,009</b>	<b>8,433</b>
<b>June 30, 2023</b>					
Non-derivative financial liabilities					
Short-term loans	\$ 193,952	193,952	193,952	-	-
Payables	79,248	79,248	79,248	-	-
Lease liabilities	1,227	1,227	923	304	-
Corporate bonds payable (including embedded derivative financial instruments)	87,903	87,903	87,903	-	-
Guarantee deposits received	4,555	4,555	-	-	4,555
	<b>\$ 366,885</b>	<b>366,885</b>	<b>362,026</b>	<b>304</b>	<b>4,555</b>

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

3. Currency risk

(1) Currency risk exposure

The Group's financial assets and liabilities which exposed to significant foreign currency exchange rate risk were as follows:

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

	June 30, 2024			December 31, 2023			June 30, 2023		
	Foreign currency (in thousand dth)	Exchan ge rate	Amoun t	Foreign currenc y (in thousa ndth)	Exchan ge rate	Amoun t	Foreign currenc y (in thousa ndth)	Exchan ge rate	Amoun t
<u>Financial assets</u>									
<u>Monetary items</u>									
USD	\$ 2,232	32.45	72,413	3,533	30.71	108,488	7,487	31.14	233,142
<u>Financial liabilities</u>									
<u>Monetary items</u>									
USD	188	32.45	6,113	216	30.71	6,643	130	31.14	4,063

(2) Sensitivity analysis

The Group's exposure to foreign currency risk mainly arises from the translation of the foreign currency exchange gains or losses on bank deposits, trade receivables, trade payables and expenses, which are denominated in foreign currency.

With all other factors held constant, a weakening (strengthening) of the TWD against the USD for 1% as of June 30, 2024 and 2023 would have decreased (increased) losses before tax for the six months ended June 30, 2024 and 2023, by \$663 thousand and \$2,291 thousand, respectively. The analysis was performed on the same basis.

(3) Exchange gains or losses of monetary items

Due to the different types of functional currency of the Group, the Group disclosed its exchange gains or losses of monetary items aggregately. Foreign currency exchange gains or losses for the Group (including both realized and unrealized) from April 1 to June 30, 2024, April 1 to June 30, 2023, January 1 to June 30, 2024 and January 1 to June 30, 2023 were \$1,409 thousand, \$9,811 thousand, \$8,747 thousand and \$8,360 thousand, respectively.

4. Interest rate analysis

The interest rate risk exposure of the Group's financial assets and financial liabilities would be described in "Liquidity risk management" in this Note.

If the interest rate increases / decreases by 1%, the Group's losses before tax will increase or decrease by \$2,029 thousand and \$1,940 thousand for the six months ended June 30, 2024 and 2023 with all other variable factors remaining constant. This was mainly due to the Group's borrowing at variable rate.

5. Information about fair value

(1) Categories and fair value of financial instrument

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

The carrying amounts and fair values of the Group's financial assets and financial liabilities (including fair value hierarchy information, except that if the carrying amounts of financial instruments not carried at fair value are a reasonable approximation of fair value, disclosure of fair value information is not required by regulation) were as follows:

	<b>June 30, 2024</b>				
	<b>Carrying amount</b>	<b>Fair value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 123,167	-	-	-	-
Trade receivables	278,225	-	-	-	-
Other receivables	7,874	-	-	-	-
Other financial assets— non-current	10,117	-	-	-	-
<b>Total</b>	<b>\$ 419,383</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Financial liabilities measured at amortized cost					
Bank loans	\$ 390,148	-	-	-	-
Notes and accounts payables	17,391	-	-	-	-
Other payables	46,202	-	-	-	-
Lease liabilities	1,218	-	-	-	-
Long-term loans (including those due within one year)	15,671	-	-	-	-
Guarantee deposits received	4,309	-	-	-	-
<b>Total</b>	<b>\$ 474,939</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	<b>December 31, 2023</b>				
	<b>Carrying amount</b>	<b>Fair value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 139,418	-	-	-	-
Trade receivables	224,675	-	-	-	-
Other receivables	7,367	-	-	-	-
Other financial assets— non-current	10,208	-	-	-	-
<b>Total</b>	<b>\$ 381,668</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Financial liabilities measured at amortized cost					
Bank loans	\$ 243,459	-	-	-	-
Notes and accounts	14,758	-	-	-	-

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

payables					
Other payables	68,625	-	-	-	-
Lease liabilities	399	-	-	-	-
Long-term loans (including those due within one year)	11,570	-	-	-	-
Guarantee deposits received	4,437	-	-	-	-
<b>Total</b>	<b>\$ 343,248</b>	-	-	-	-
		<b>June 30, 2023</b>			
	<b>Carrying</b>	<b>Fair value</b>			
	<b>amount</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 292,579	-	-	-	-
Trade receivables	197,073	-	-	-	-
Other receivables	7,442	-	-	-	-
Other financial assets— non-current	10,161	-	-	-	-
<b>Total</b>	<b>\$ 507,255</b>	-	-	-	-
Financial liabilities measured at amortized cost					
Bank loans	\$ 193,952	-	-	-	-
Notes and accounts payables	9,820	-	-	-	-
Other payables	52,150	-	-	-	-
Dividend payables	17,278	-	-	-	-
Lease liabilities	1,227	-	-	-	-
Bonds payables	87,903	-	-	-	-
Guarantee deposits received	4,555	-	-	-	-
<b>Total</b>	<b>\$ 366,885</b>	-	-	-	-

(2)The Group seeks to use market observable inputs when measuring the fair values of assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments, and the classifications are as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: other than quoted prices included within Level 1, inputs are observable for assets or liabilities, either directly (i.e. such as prices) or indirectly (i.e. derived from calculation of prices).
- Level 3: inputs for assets or liabilities are not based on observable market data (unobservable

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

inputs).

- (3) Valuation techniques for financial instruments measured at fair value — non-derivative financial instruments

The fair value of unlisted equity instruments that the Group possesses are estimated and calculated by using the comparable company approach with the Liquidity Discount Model to adjust prices.

- (4) Evaluation of derivative financial instruments

The put options and call options of the corporate bonds payables are based on Binomial Pricing Model to estimate the fair value.

- (5) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

Quantified information of significant unobservable inputs was as follows:

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Relationship between significant unobservable inputs and fair value measurement</u>
Financial assets at fair value through other comprehensive income — equity investments without active markets	Comparable company method	· Discount for lack of market liquidity	· The estimated fair value would decrease if liquidity discount were higher
Financial liabilities at fair value through profit or loss — non-current	Binomial pricing model	· Volatility	· The higher the volatility, the higher the fair value

- (6) Fair value measurement in Level 3 — sensitivity analysis of reasonably possible alternative assumptions

The Group's fair value measurement of financial instruments is reasonable, but the use of different valuation models or valuation parameters may result in different valuation results. For financial instruments classified as Level 3, the significant unobservable inputs to the fair value

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

were mainly the lack of market liquidity discount. However, since the potential changes in the lack of market liquidity discount would not result in a significant potential financial impact, the Group is not intended to disclose its sensitivity analysis.

(t) Financial risk management

There were no significant changes in the Group's financial risk management objectives and the policies from those disclosed in Note 6(t) of the 2023 consolidated financial statements.

(u) Capital management

The Group's capital management objectives, policies and procedures are consistent with those disclosed in the 2023 consolidated financial statements, and there were no significant changes in the aggregated quantitative information for capital management. For related information, please refer to Note 6(u) of the 2023 consolidated financial statements.

(v) Investing and financing activities not affecting cash flows

The reconciliation of the Group's liabilities from financing activities for the six months ended June 30, 2023 and 2022 was as follows:

	January 1, 2024	Cash flows	Non-cash changes			June 30, 2024
			New lease	Cancel lease	Foreign exchange movement	
Short-term loans	\$ 243,459	150,756	-	-	(4,067)	390,148
Long-term loans	11,570	4,293	-	-	(192)	15,671
Lease liabilities	399	(126)	1,273	(321)	(7)	1,218
Total liabilities from financing activities	<b>\$ 255,428</b>	<b>154,923</b>	<b>1,273</b>	<b>(321)</b>	<b>(4,266)</b>	<b>407,037</b>

	January 1, 2023	Cash flows	Non-cash changes			June 30, 2023
			New / Cancel lease	Discount amortization	Foreign exchange movement	
Short-term loans	\$ 196,702	-	-	-	(2,750)	193,952
Lease liabilities	1,204	(503)	535	-	(9)	1,227
Corporate bonds payable	86,971	-	-	932	-	87,903
Total liabilities from financing activities	<b>\$ 284,877</b>	<b>(503)</b>	<b>535</b>	<b>932</b>	<b>(2,759)</b>	<b>283,082</b>



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

**(7) Related-party transactions:**

The compensation of main management personnel included:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Short-term employee benefits	\$ 4,213	3,890	9,063	9,020
Post-employment benefits	63	51	122	103
	<b>\$ 4,276</b>	<b>3,941</b>	<b>9,185</b>	<b>9,123</b>

**(8) Pledged assets:**

<b>Pledged assets</b>	<b>Object</b>	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Property, plant and equipment:				
Land	Short-term loans	\$ 126,644	128,786	125,915
Buildings	Short-term loans	6,529	8,563	10,274
Other financial assets — non-current:				
Fixed deposits	Guarantee for electricity supply and fuel cards	4,260	4,325	4,212
		<b>\$ 137,433</b>	<b>141,674</b>	<b>140,401</b>

**(9) Commitments and contingencies:**

(a) The guarantee amount provided by the bank for the Company was as follows:

	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Electricity guarantee	<b>\$ 4,017</b>	<b>4,078</b>	<b>3,972</b>

(b) The Group entered into contracts for the purchase of property, plant and equipment for the purpose of upgrading equipment with vendors, and the total contract prices as of June 30, 2024, December 31, 2023, and June 30, 2023, were \$22,796 thousand, \$23,182 thousand, and \$22,665 thousand, respectively. And the prices paid for each of these years were \$20,394 thousand, \$12,999 thousand, and \$0 thousand, respectively, which were recorded as property, plant and equipment.

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

(10) Losses due to major disasters: None

(11) Subsequent events: None

(12) Other:

(a) The summary of personnel costs, depreciation, depletion, and amortization by function was as follows:

Function	For the three months ended June 30					
	2024			2023		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Account						
Personnel costs						
Salaries	76,919	43,492	120,411	89,256	34,507	123,763
Health insurance	-	78	78	-	208	208
Pension	793	374	1,167	649	672	1,321
Other personnel expense	6,642	3,180	9,822	6,840	3,328	10,168
Depreciation	11,032	4,129	15,161	11,789	3,897	15,686
Amortization	31	905	936	249	608	857

Function	For the six months ended June 30					
	2024			2023		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Account						
Personnel costs						
Salaries	153,404	87,479	240,883	188,464	72,156	260,620
Health insurance	-	155	155	-	416	416
Pension	1,516	753	2,269	1,302	1,117	2,419
Other personnel expense	12,552	6,753	19,305	15,530	7,406	22,936
Depreciation	21,963	8,272	30,235	22,956	8,286	31,242
Amortization	61	1,802	1,863	497	1,263	1,760

(b) Seasonality of operation

The Group's operations are not affected by seasonal or cyclical factors.

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

**(13) Other disclosures:**

(a) Information on significant transactions

Information regarding significant transactions that the Group should disclosed in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the period from January 1, 2024 to June 30, 2024 was as follows:

1. Lending to other parties: None.
2. Guarantees and endorsements for other parties:

(In Thousand 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)	Endorsement by Parent Company to Subsidiary	Endorsement by Subsidiary to Parent Company	Endorsement for Mainland China
1	RJM	RPM	2	70,128	17,734 (THB20,000)	17,734 (THB20,000)	-	-	2.53	70,128	Y	N	N

Note 1: The number is filled out as follows:

1. The Company is numbered as 0.
2. 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:

1. Companies with businesses.
2. Companies in which the Company directly or indirectly holds more than 50% of the voting shares.
3. Companies that directly or indirectly holds more than 50% of the voting shares.
4. Between companies that the Company directly and indirectly holds more than 90% of the voting shares.
5. Companies that guarantee each other in accordance with the contract between peers or joint builders based on the need to contract projects.
6. Companies that are endorsed and guaranteed by all of the shareholders in accordance with their shareholding ratios due to a joint investment relationship.
7. 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)

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

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account	Ending balance				Note
				Shares (unit: thousands)	Carrying amount	Percentage of ownership (%)	Fair value	
RIC	SELF PICK INC.	-	Financial assets at fair value through other comprehensive income - non current	2,400	-	14.58	-	
RIC	SELF TOKEN INC.	-	Financial assets at fair value through other comprehensive income - non current	500	-	6.25	-	

4. Information regarding purchase or sale of same securities for the period exceeding \$300 million or 20% of the Company's paid-in capital: None
5. Information on acquisition of real estate with purchase amount exceeding \$300 million or 20% of the Company's paid-in capital: None
6. Information regarding receivables from disposal of real estate exceeding \$300 million or 20% of the Company's paid-in capital: None
7. Information regarding related-parties purchases and/or sales exceeding \$100 million or 20% of the Company's paid-in capital: None.
8. Information regarding receivables from related-parties exceeding \$100 million or 20% of the Company's paid-in capital: None
9. Information regarding trading in derivative financial instruments: None
10. Significant transactions and business relationship between the parent company and its subsidiaries:

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Name of company	Name of counterparty	Relationship (Note 2)	Transactions			
				Account	Amount	Trading terms	Percentage of the consolidated revenue or total assets
1	RGP	RJM	1	Operating revenues	39,388	The price is based on mutually agreed prices. 45~60 days	6.11%
1	RGP	RJM	1	Trade receivables	18,138		1.38%

Note 1: The number is filled out as follows:

No.1 represents RGP.

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

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.

(b) Related information on investee companies:

Information on investees for the period from January 1, 2024 to June 30, 2024 was 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			Net income (losses) of investee (Note 1)	Investment income or loss recognized in the period (Note 1 and Note 2)	Note
				June 30, 2024 (Note 2)	December 31, 2023	Shares	Percentage of ownership	Carrying amount (Note 1)			
The Company	RJM	Thailand	Designing, manufacturing, and selling jewelry and gems	300,000	300,000	4,549,998	99.99%	717,529	(50,307)	(50,307)	Eliminated in the consolidated financial statements
The Company	RMS	Thailand	Investment activities	33,810	33,810	7,392,600	99.90%	1,235	(2)	(2)	"
The Company	RIC	Taiwan	Selling jewelry and gems	22,500	45,000	2,250,000	100.00%	3,619	(349)	(349)	"
RJM	RGP	Thailand	Plating jewelry and gems	11,305	11,497	127,500	51.00%	80,485	(4,645)	(2,366)	"
RJM	Linden	Thailand	Selling jewelry and gems	(THB 12,750 )	(THB 12,750 )	392,000	49.00%	(THB 90,769 )	(THB 5,238 )	(THB 2,668 )	"
RJM				3,476	3,535			688	(8)	(4)	
RJM				(THB 3,920 )	(THB 3,920 )			(THB 776 )	(THB 9 )	(THB 4 )	
RJM	RPM	Thailand	Metal recycling	88,581	90,080	999,000	99.90%	80,227	(2,093)	(2,113)	"
				(THB 99,900 )	(THB 99,900 )			(THB 90,478 )	(THB 2,360 )	(THB 2,383 )	

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 of paid-in capital of subsidiaries invested by RJM were calculated based on the exchange rate as of June 30, 2024 (the closing rate of THB: NTD=1:0.8867), and the remaining amounts were calculated based on the average rate (THB: NTD=1:0.8868).

(c) Information on investments in China: None.

(d) Information about major shareholders:

Shareholder's name	Shareholding	Shares	Percentage
Solar Jewelers Group Corp.		13,760,000	35.83%
Bank SinoPac as Custodian for Arianna Investment Co., Ltd. Investment Account		2,549,559	6.64%

Note: (1) The major shareholders information in the table above contains a listing of shareholders with 5% or more ownership of the Company. The ownership information was calculated by Taiwan Depository & Clearing Corporation at the last trading date in each quarter using the number of common stocks (including treasury stocks) and preferred stocks issued in paperless form. There might be a difference between share capital on the financial report and the actual share that have completed non-physical

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

delivered due to different basis of calculation.

- (2) Shareholders who transferred their shares to trustees are disclosed by each settler of the trustee accounts. The ownership information disclosed by shareholders with ownership above 10% include their own shares and those shares that they transfer to trustees while retains the power to decide the allocation of trust property. Information on insider ownership declaration is available on the website of Market Observation Post System.

**(14) Segment information:**

	<b>April 1, 2024 to June 30, 2024</b>			
	<b>Manufacturing and selling jewelry and gems department</b>	<b>Electroplating department</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
Revenues:				
Revenues from external customers	\$ 324,890	27,851	-	352,741
Inter-segment revenues	-	18,121	(18,121)	-
Total revenues	<b>\$ 324,890</b>	<b>45,972</b>	<b>(18,121)</b>	<b>352,741</b>
Profit or loss of reportable segment	<b>\$ (28,150)</b>	<b>975</b>	<b>-</b>	<b>(27,175)</b>

	<b>April 1, 2023 to June 30, 2023</b>			
	<b>Manufacturing and selling jewelry and gems department</b>	<b>Electroplating department</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
Revenues:				
Revenues from external customers	\$ 236,942	13,657	-	250,599
Inter-segment revenues	-	17,475	(17,475)	-
Total revenues	<b>\$ 236,942</b>	<b>31,132</b>	<b>(17,475)</b>	<b>250,599</b>
Profit or loss of reportable segment	<b>\$ (64,317)</b>	<b>(2,009)</b>	<b>-</b>	<b>(66,326)</b>

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

**January 1, 2024 to June 30, 2024**

	<b>Manufacturing and selling jewelry and gems department</b>	<b>Electroplating department</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
Revenues:				
Revenues from external customers	\$ 599,035	44,666	-	643,701
Inter-segment revenues	-	39,388	(39,388)	-
Total revenues	<b>\$ 599,035</b>	<b>84,054</b>	<b>(39,388)</b>	<b>643,701</b>
Profit or loss of reportable segment	<b>\$ (55,898)</b>	<b>(4,860)</b>	<b>-</b>	<b>(60,758)</b>

**January 1, 2023 to June 30, 2023**

	<b>Manufacturing and selling jewelry and gems department</b>	<b>Electroplating department</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
Revenues:				
Revenue from external customers	\$ 456,091	29,304	-	485,395
Inter-segment revenues	-	47,765	(47,765)	-
Total revenues	<b>\$ 456,091</b>	<b>77,069</b>	<b>(47,765)</b>	<b>485,395</b>
Profit or loss of reportable segment	<b>\$ (148,581)</b>	<b>(9,600)</b>	<b>-</b>	<b>(158,181)</b>

The eliminating inter-segment revenues from total reportable segment revenues for the periods of April 1 to June 30, 2024, April 1 to June 30, 2023, January 1 to June 30, 2024 and January 1 to June 30, 2023 were \$18,121 thousand, \$17,475 thousand, \$39,388 thousand and \$47,765 thousand, respectively.