

CÔNG TY CỔ PHẦN QUỐC TẾ  
HOÀNG GIA  
ROYAL INTERNATIONAL CORP

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM  
Độc lập - Tự do - Hạnh phúc  
THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness

Số 2025/04.2/CBTT-RIC

No.: .../...

Hà Long, ngày 02 tháng 04 năm 2025

..., day ... month ... year ...

**CÔNG BỐ THÔNG TIN ĐỊNH KỲ**  
**PERIODIC INFORMATION DISCLOSURE**

**Kính gửi:** - Ủy ban chứng khoán Nhà Nước  
- Sở Giao dịch Chứng khoán Hà Nội

**To:** - The State Securities Commission  
- Hanoi Stock Exchange

1. Tên tổ chức/Name of organization: CÔNG TY CỔ PHẦN QUỐC TẾ HOÀNG GIA

- Mã chứng khoán/ Stock code: RIC

- Địa chỉ/Address: Phường Bãi Cháy, thành phố Hà Long, tỉnh Quảng Ninh

- Điện thoại liên hệ/Tel.: 02033.848.777 Fax: 02033.846728

- Website: <http://royalhalonghotel.com/>

2. Nội dung thông tin công bố/Contents of disclosure:

Báo cáo thường niên năm 2023

Annual Report 2023

3. Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày  
04/2/2025 tại đường dẫn <https://royalhalonghotel.com/vi/our-announcement/> /This  
information was published on the company's website on .../.../... (date), as in the link ....

Chúng tôi xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách  
nhiệm trước pháp luật về nội dung các thông tin đã công bố/We hereby certify that the  
information provided is true and correct and we bear the full responsibility to the law.

**Tài liệu đính kèm/Attached  
documents:**

Báo cáo thường niên năm  
2023/ Annual Report 2023.

**NGƯỜI ĐẠI DIỆN PHÁP LUẬT/ Legal representative**  
**CHỦ TỊCH HỘI ĐỒNG QUẢN TRỊ/Chairman of the BOD**





\*\*\*\*\*

ROYAL INTERNATIONAL JOINT STOCK COMPANY

-----&-----

# **ANNUAL REPORT**

## **2023**

<i>I. GENERAL INFORMATION</i> .....	2
1. Basic information:.....	2
2. Stock information.....	2
3. RIC history and development:.....	2
4. Business lines and location:.....	3
5. Operating model :.....	3
6. Development orientation.....	5
7. Operational risks.....	5
<i>II. ANNUAL BUSINESS PERFORMANCE</i> .....	6
1. Production and business performance for the fiscal year ending December 31, 2023:.....	6
2. Organization and personnel:.....	7
3. Investment situation, project implementation situation:.....	7
4. Financial situation:.....	7
5. Shareholder structure, changes in owner's equity :.....	9
6. Report on the company's environmental and social impact:.....	24
<i>III. REPORT OF THE BOARD OF DIRECTORS</i> .....	26
1. Assessment of business performance:.....	26
2. Financial situation:.....	28
3. Solutions and Plans for 2024.....	28
<i>IV. BOARD OF DIRECTORS' ASSESSMENT OF THE COMPANY'S PERFORMANCE IN 2023</i> .....	29
1. Board of Directors' assessment of the Company's operations:.....	29
2. Board of Directors' assessment of the performance of the Executive Board:.....	29
3. Expected business targets for 2024:.....	29
<i>V. CORPORATE GOVERNANCE</i> .....	29
1. Board of Directors:.....	29
2. Audit Committee:.....	32
3. Transactions, remuneration and benefits of the Board of Directors, the Board of Management and the Audit Committee. ....	32
<i>VI. FINANCIAL STATEMENTS</i> .....	34
1. Auditor's opinion:.....	34
2. Financial statements.....	34



## I. GENERAL INFORMATION

### 1. Basic information:

- Transaction name : Công ty cổ phần quốc tế Hoàng Gia
- English name : Royal International Joint Stock Corporation
- Business Registration Certificate No.: 5700102119 first issued by the Department of Planning and Investment of Quang Ninh province on July 1, 2008, registered for the 13th change on September 8, 2023.
- Charter capital : 703.687.540.000 VND
- Address : Bai Chay Ward, Ha Long City, Quang Ninh Province
- Tel : +84 203 3848777
- Fax : +84 203 3846728
- Website : <http://vn.royalhalonghotel.com>

### 2. Stock information

- Stock code : RIC
- Stock exchange : UpCom
- Initial offering date : 26 May, 2022
- Outstanding shares : 70.368.754 shares
- Par value : 10.000 VND

### 3. RIC history and development:

<u>1994</u>	<u>2002</u>	<u>2005</u>	<u>2007</u>	<u>2014</u>	<u>2022</u>
Established Royal International Limited Liability Joint Venture Company under Investment License No. 953/GP issued by the State Committee for Cooperation and Investment on August 13, 1994	Granted additional license to operate prize-winning games for foreigners	Converted into Royal International Joint Stock Company	Listed RIC shares on Ho Chi Minh City Stock Exchange	Invested in construction and put Royal Ha Long Hotel into operation	The Company's shares are transferred to the Upcom exchange. Completed and put the International Conference Palace into operation

#### 4. Business lines and location:

##### a. Business lines



##### b. Business location

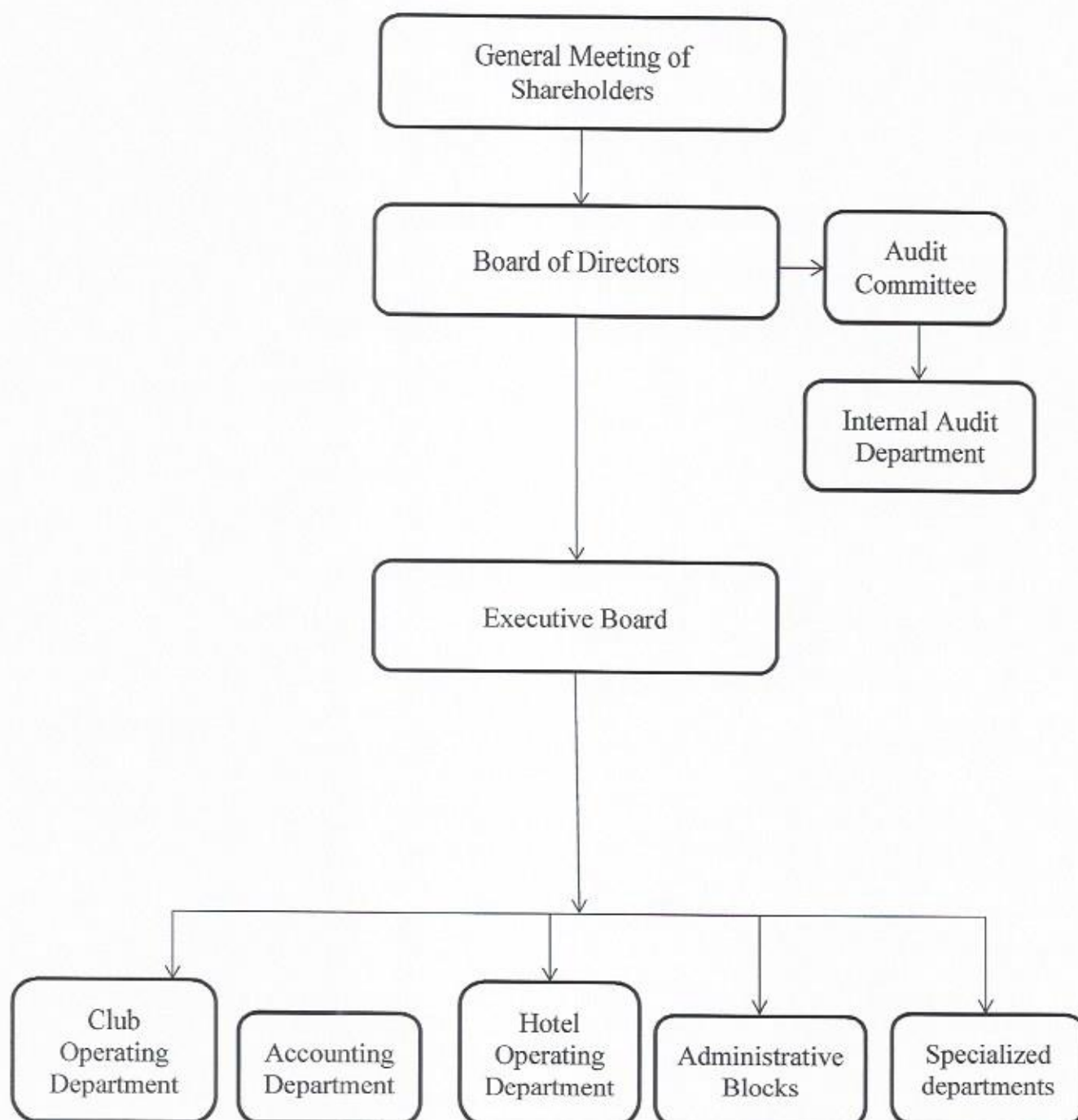
Royal International Joint Stock Company is the owner of Royal Hotel, headquartered at: Ha Long Street, Bai Chay Ward, Ha Long city, Quang Ninh province. The Company's main revenue comes from accommodation services, prize-winning games for foreigners and other related services at Royal Hotel.

#### 5. Operating model :

Royal International Joint Stock Company operates according to the model prescribed in Section b, Clause 1, Article 137 of the Enterprise Law: General Meeting of Shareholders, Board of Directors and General Director. The Company has independent members of the Board of Directors and an Audit Committee under the Board of Directors.

No Subsidiaries and Affiliates.

## ORGANIZATIONAL STRUCTURE





## 6. Development orientation

The Company's development orientation in 2024 includes the following goals::

- Diversify products and fully exploit the functions of the Conference Palace;
- Promote marketing to advertise the brand in domestic and international markets;
- Apply technology to management and administrative operations;
- Strictly manage costs, use capital and assets effectively to achieve good business results.

## 7. Operational risks

The nature of the business is provision of services, the Company is not excluded from the risks arising during operational activities. Specific measures to prevent risks as low as possible has been proposed as follows:

### Exchange rate risk

The company operates casino and prize-winning games for foreigners, conducts transactions in foreign currencies, and revenue will be affected by exchange rate fluctuations.

- Measures: Set up reserve funds, sign future foreign exchange contracts to minimize risks.

### Competitive risks

Ha Long City is an ideal tourist destination for domestic and international tourists, with many advantages to attract investors. Recently, many new hotels have been invested in and built on a large scale, so the accommodation service business and human resources in the area are highly competitive.

- Measures: Build a strong and reputable brand; create branded products, event-based and seasonal products; Constantly change the landscape design to suit each time period, each event and promote marketing, attracting many customers.

### Consumer trends risks

Ha Long, a city located on the shore of Ha Long Bay - a natural wonder of the world, mainly attracts tourists in the summer months, winter is the low season, so hotel revenue has a large difference between the two seasons.

- Measures: Create seasonal products, attract customers with the need to organize events, conferences, seminars, weddings... to use services at the Conference Palace and outdoor parties at Laterrasse restaurant.

### Risks from epidemics and natural disasters

Quang Ninh, which shares a border with China, has a relatively large number of tourists, traders, migrant workers, and local residents who regularly travel between the two countries, so the spread of an epidemic is inevitable. The risk of an epidemic in the Vietnam - China border area has a significant impact on industries, especially the service and tourism sectors, with a high risk of reducing the number of visitors, increasing operating costs, and disrupting business operations.

- Measures: Regularly take care of the health of employees in the company, promote, perform good disease prevention work, find measures to prevent the spread of epidemics, set up reserve funds, strengthen inspection of food origins... to cope with epidemics.

## **II. ANNUAL BUSINESS PERFORMANCE**

### **1. Production and business performance for the fiscal year ending December 31, 2023:**

- INDICATOR	Code	Demo- nstra- tion	2023	2022
			VND	VND
Revenue from sales and services provisions	01	23	111.574.631.316	117.763.629.441
Net revenue from sales and services provisions	10		111.574.631.316	117.763.629.441
Cost of goods sold	11	24	152.612.257.388	125.033.249.511
Gross profit from sales and services provision	20		(41.037.626.072)	(7.269.620.070)
Revenue from financial activities	21	25	7.543.125.908	6.554.616.721
Financial expenses	22	26	24.705.109.062	11.755.950.886
<i>In which: Interest expense</i>	23		22.343.215.748	9.936.522.737
Sales expenses	25	27	13.966.347.602	13.501.801.934
Business management costs	26	27	29.223.426.971	33.622.006.240
Net operating profit	30		(101.389.383.799)	(59.594.762.409)
Other income	31		96.476.368	230.737.590
Other expenses	32		488.771.958	1.104.126.777
Other profits	40		(392.295.590)	(873.389.187)
Total accounting profit before tax	50		(101.781.679.389)	(60.468.151.596)



Current corporate income tax expense	51	29	-	-
<b>Profit after corporate income tax</b>	<b>60</b>		<b>(101.781.679.389)</b>	<b>(60.468.151.596)</b>

## 2. Organization and personnel:

### a. The Board of Directors changes personnel as follows:

- On April 17, 2023, Mrs. Cao Thi Huyen was dismissed from the position of Chief Accountant and Mrs. Mai Thi Dung was appointed to the position of Chief Accountant;
- On May 5, 2023, the new legal representative was changed to Mrs. Chen Yu Chen;
- On May 29, 2023, Mrs. Tran Thi Hong Lieu was appointed as Deputy General Director.

### List of the Company's Board of Directors at the time of reporting :

Mrs. Tran Thi Hong Lieu - Deputy General Director (appointed on 29/05/2023)

Mrs. Nguyen Thi Thu Binh - Acting Chief Accountant (appointed on 15/04/2024).

### b. Staffs:

The total number of officers and employees of the Company as of December 31, 2023 is 455 people.

## 3. Investment situation, project implementation situation:

The Royal Villa renovation project has been suspended since the outbreak of Covid-19. The Board of Directors is reviewing and considering whether to continue the project in the future.

## 4. Financial situation:

### a. Financial situation:

Unit: VND

Indicator	2022	2023	Increase/ decrease %
Total asset value	929.119.314.240	904.078.755.790	(2.77)
Net revenue	117.763.629.441	111.574.631.316	(5.55)

Operating profit	(59.594.762.409)	(101.389.383.799)	41.22
Other profit	(873.389.187)	(392.295.590)	(122.64)
Profit before tax	(60.468.151.596)	(101.781.679.389)	40.59
Profit after tax	(60.468.151.596)	(101.781.679.389)	40.59

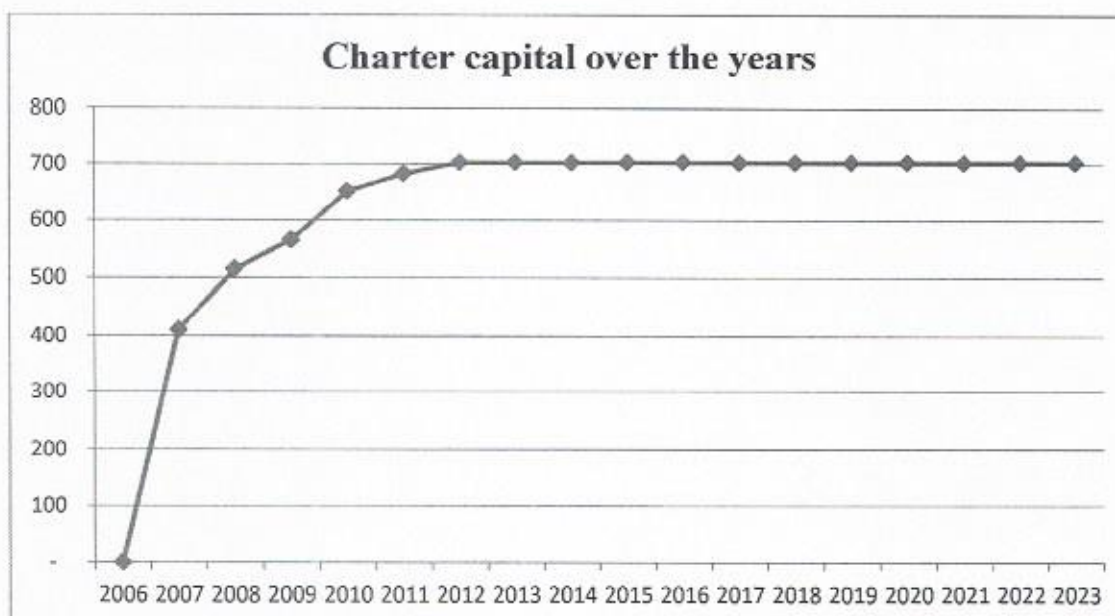
**b. Main financial indicators:**

Indicator	2021	2022	2023
<i>1. Solvency ratios</i>			
+ Current ratio:			
Current Assets/Current Liabilities	0,15	0,22	0,18
+ Quick ratio:			
$\frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}}$	0,11	0,18	0,16
<i>2. Capital structure indicators</i>			
+ Debt/Total assets ratio	0,20	0,31	0,38
+ Debt/Equity ratio	0,25	0,69	0,62
<i>3. Performance indicators</i>			
+ Inventory turnover ratio			
Cost of goods sold/Average Inventory	11,04	15,99	25,10
+ Asset turnover ratio			
Net sales/Average total assets	0,08	0,13	0,12
<i>4. Profitability ratios</i>			
+ Profit after tax/Net sales ratio	(1,37)	(0,51)	(0,98)
+ Profit after tax/Equity ratio	(0,15)	(0,09)	(0,20)
+ Profit after tax/Total assets ratio	(0,12)	(0,07)	(0,12)
+ Operating Profit/Net sales Ratio	(1,37)	(0,50)	(0,91)

## 5. Shareholder structure, changes in owner's equity :

### a. Shares:

- Stock exchange: Upcom
- Total number of shares outstanding as of December 31, 2023: 70,368,754 shares
- Type of outstanding shares : Common stock
- Number of freely transferable shares : 70,368,754 shares
- Number of shares subject to transfer restrictions : None
- Treasury stock : None
- Other securities : None
- The process of increasing the Company's charter capital to 2023



### b. Shareholder structure according to the list prepared by VSDC on March



PORT



27, 2023:

Shareholders	Number of shares	Ownership ratio
<b>By organization and individual</b>		
1. Institutional shareholders	50.622.278	71,94%
2. Individual shareholders	19.746.476	28,06%
<b>Total</b>	70.368.754	100,00%
<b>By domestic and foreign</b>		
1. Domestic shareholders	19.857.770	28,22%
2. Foreign shareholders	50.510.984	71,78%
<b>Total</b>	70.368.754	100,00%
<b>Listed and unlisted</b>		
Number of listed shares	28.708.169	40,80%
Number of unlisted shares	41.660.585	59,20%
<b>Total</b>	70.368.754	100,00%

**c. Owner's equity changes over the years as follows:**

**In 1994:**

Royal International Limited Liability Joint Venture Company was established under Investment License No. 953/GP issued by the State Committee for Cooperation and Investment on August 13, 1994 in the form of a joint venture company between Hong Gai Import-Export Business Company (Vietnamese side) and Mr. Juan Cheng I (Nguyen Chinh Nghia) - Taiwanese nationality. The investment objective of the Company is to build and operate a five-star international standard hotel and entertainment areas in Bai Chay ward, Ha Long

city, Quang Ninh province. The investment capital of the Joint Venture Company is 39,000,000 USD. The legal capital of the Joint Venture Company is 15,000,000 USD, of which:

\* The Vietnamese party contributed 3,750,000 USD, accounting for 25% of the legal capital, equal to the value of the right to use 8.6 hectares of land, 8 hectares of coastal sand and 10.8 hectares of water surface adjacent to the coast;

\* The foreign party contributed 11,250,000 USD, accounting for 75% of the legal capital, in foreign currency.

#### **In 2002:**

On May 22, 2002, the Ministry of Planning and Investment issued investment license No. 953/GPDC approving the addition of a prize-winning game for foreigners business category to Royal International Joint Venture Company Limited. Accordingly, the Company is allowed to establish a separate area within the project premises to operate prize-winning games for foreigners.

On December 19, 2002, the Ministry of Planning and Investment issued investment license No. 953/GPDC4 approving the increase in the Company's investment capital from 39,000,000 USD to 46,000,000 USD, increasing the Company's legal capital from 15,000,000 USD to 21,000,000 USD.

\* The Vietnamese party contributed 3,150,000 USD, accounting for 15% of the legal capital, equal to the value of the right to use 8.6 hectares of land, 8 hectares of coastal sand and 10.8 hectares of water surface adjacent to the coast;

\* The foreign party contributed 17,850,000 USD, accounting for 85% of the legal capital, in foreign currency.

#### **In 2005:**

##### **Conversion from Joint Venture Company to Joint Stock Company:**

On June 15, 2005, the Ministry of Planning and Investment issued investment license No. 953/CPH-GP allowing Royal International Joint Venture Company Limited to be converted into Royal International Joint Stock Company with a charter capital of 21,000,000 USD, equivalent to 21,000,000 shares, par value of 1 USD/share.

#### **In 2006:**

On March 14, 2006, the Ministry of Planning and Investment issued investment license No. 953 CPH/GPDC1 approving the conversion of the currency stated on the par value of the Company's shares. Accordingly, the par value of shares, charter capital and total number of shares of the Company are:

Par value : 10.000 VND/share



Charter capital : 332.136.000.000 VNĐ

Total number of shares : 33.213.600 shares

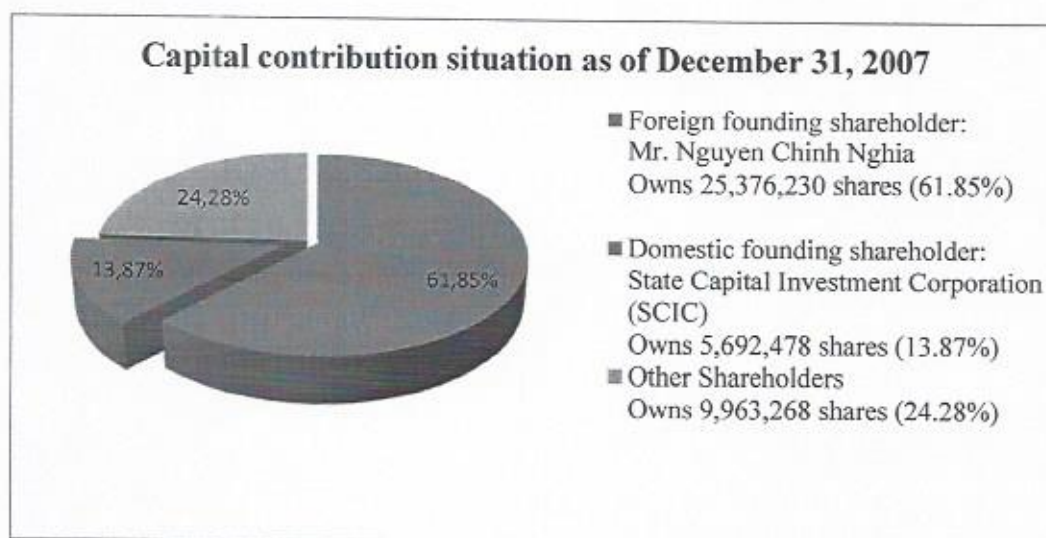
On March 22, 2006, the Ministry of Planning and Investment issued Official Dispatch No. 1868/BKH-DTNN approving Mr. Nguyen Chinh Nghia to transfer shares equivalent to 10.54% of charter capital to 81 foreigners and approving in principle the transfer of shares of existing shareholders and the issuance of an additional 6.5% of charter capital (equivalent to 2,158,884 shares) outside the enterprise.

**In 2007:**

**Listing shares on HOSE stock exchange:**

On April 17, 2007, the Ministry of Finance transferred the right to represent the ownership of state investment capital from Ha Long Tourism Company (under the People's Committee of Quang Ninh province) to the State Capital Investment Corporation (SCIC) according to Decision No. 151/2005/QĐ-TTg dated June 20, 2005 of the Prime Minister.

In July 2007, the Company's shares were officially traded on the Ho Chi Minh City Stock Exchange with the stock code RIC.



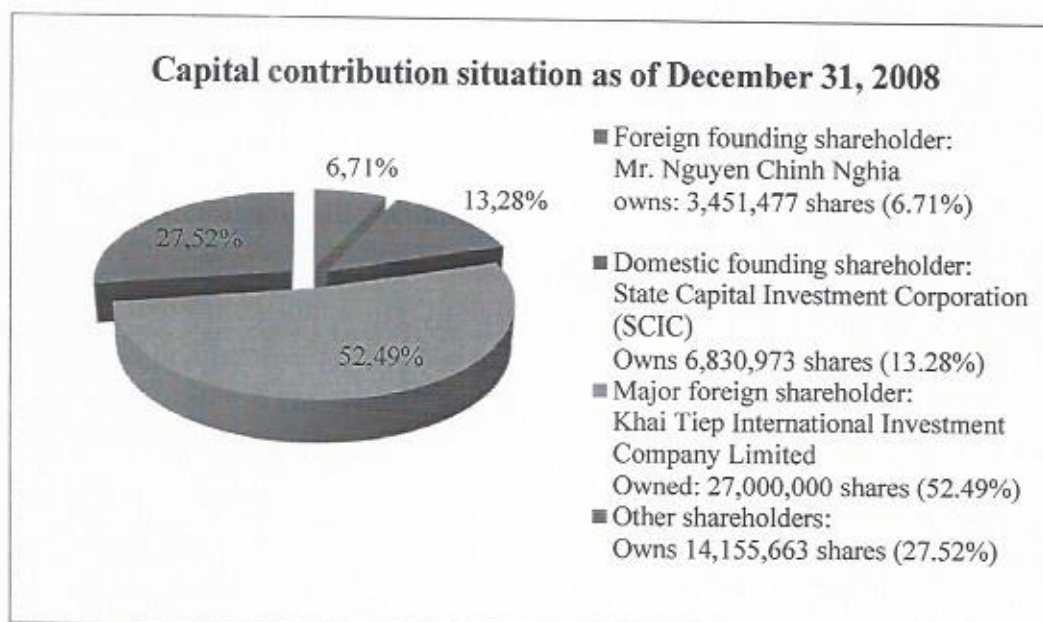
According to the Resolution of the Annual General Meeting of Shareholders, the Company decided to pay 2006 dividends to shareholders in shares equivalent to 16% of contributed capital, the list of beneficiaries is closed on August 22, 2007. This dividend payment increased the total number of shares of the Company to 41,031,976 shares.

**In 2008:**



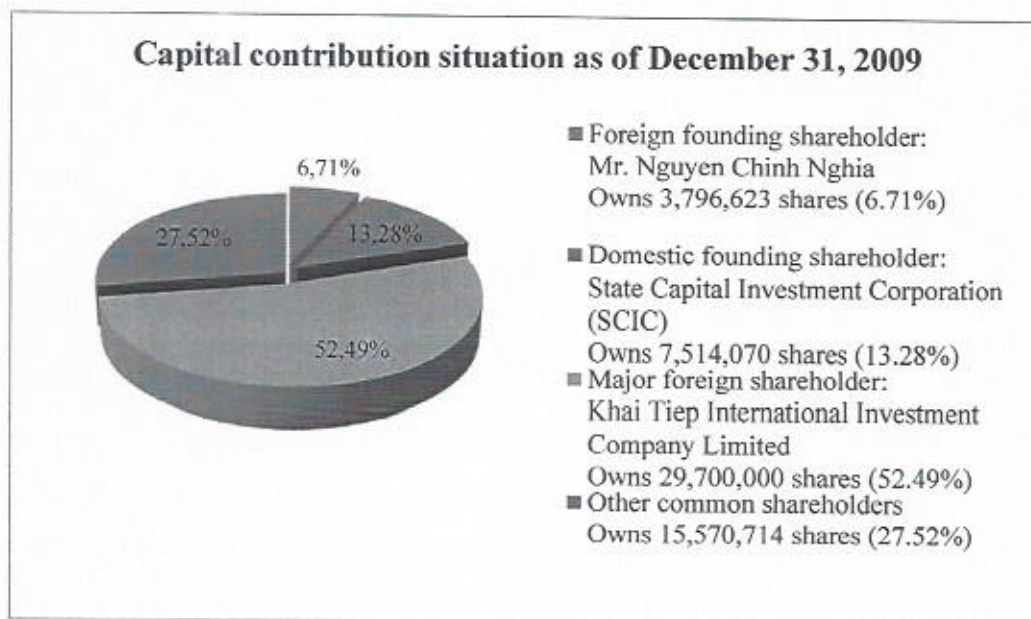
According to the Resolution of the 2008 Annual General Meeting of Shareholders, the Company decided to pay dividends and bonus shares in 2007 to shareholders in shares equivalent to 20% of contributed capital, the list of beneficiaries was closed on July 18, 2008. This dividend payment increased the Company's number of shares to 49,238,113 shares. After that, the Company issued an additional 2,200,000 shares to increase its charter capital, the total number of shares after the capital increase was 51,438,113 shares.

From October 28, 2008 to December 22, 2008, Mr. Nguyen Chinh Nghia - Chairman of the Board of Directors of the Company transferred 27,000,000 shares (equivalent to 52.49% of the Company's charter capital) out of his total 30,451,477 shares to Kai Chieh International Investment Ltd. (Khai Tiep International Investment Company Limited). This is a company with financial potential, and has committed to supporting all conditions for the Company to continue implementing and developing Royal Company's projects.



**In 2009:**

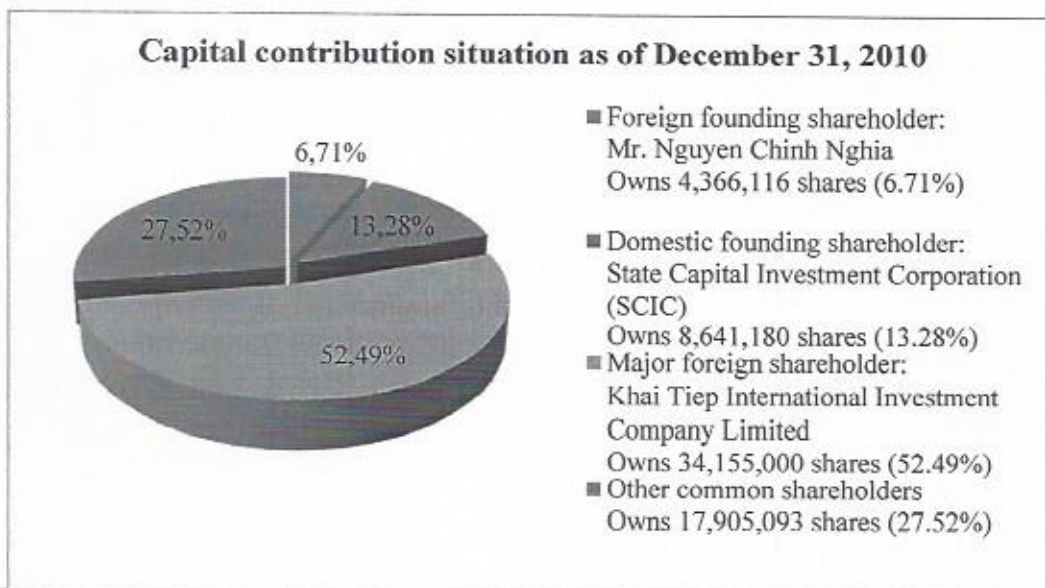
According to the Resolution of the General Meeting of Shareholders, the Company paid bonus shares in 2008 in shares equivalent to 10% of contributed capital, the list of beneficiaries is closed on June 10, 2009. The total number of shares after the Company's capital increase is: 56,581,407 shares.



**In 2010:**

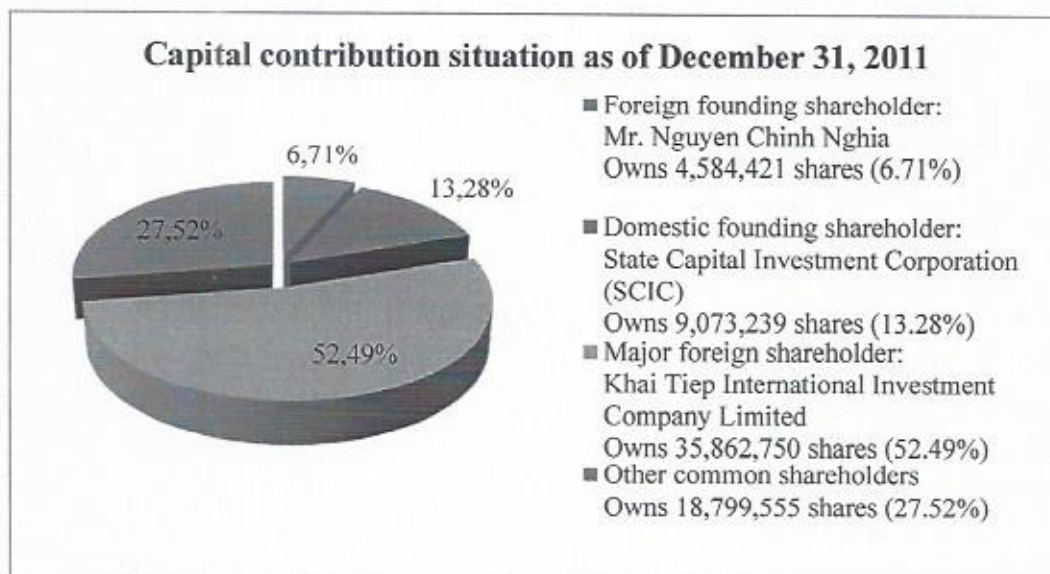
According to the Resolution of the General Meeting of Shareholders, the company paid 2009 dividends in shares and distributed bonus shares equivalent to 15% of contributed capital, the list of beneficiaries was closed on July 27, 2010.

Accordingly, the Company's contributed capital increased from 56,581,407 shares to 65,067,389 shares.



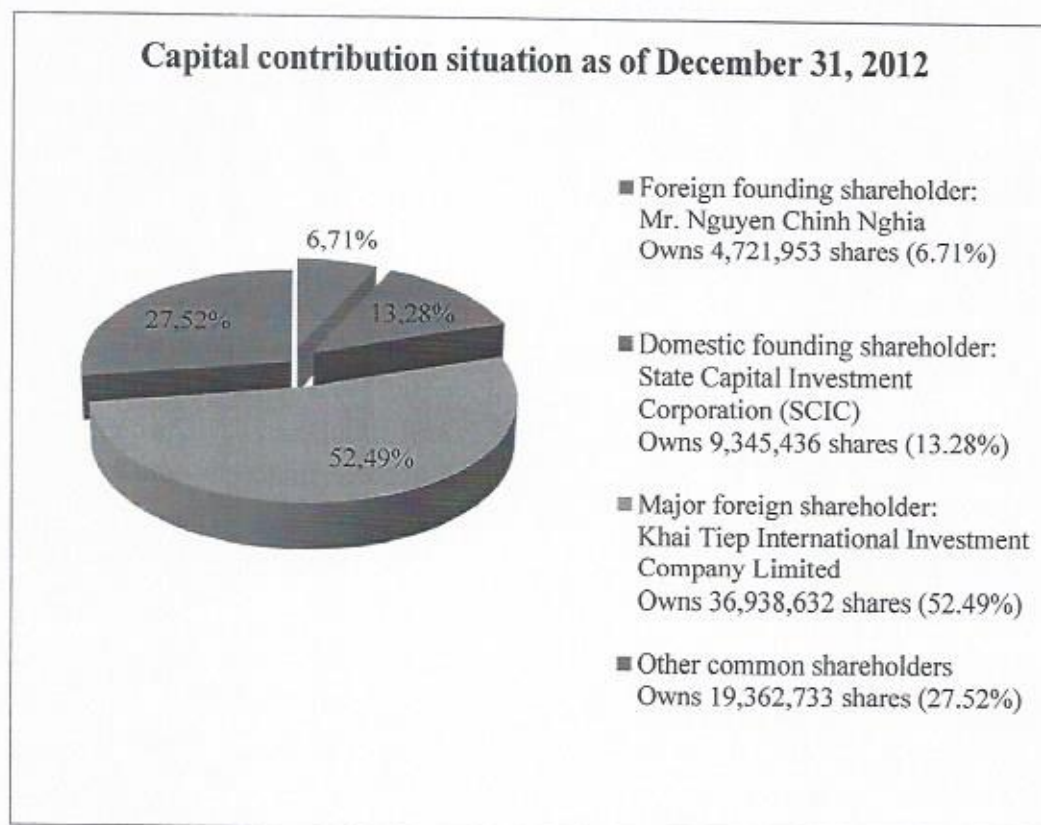
### In 2011:

The Company paid 2010 dividend in shares equivalent to 5% of contributed capital, the list of beneficiaries was closed on June 10, 2011. The payment of dividend in shares increased the Company's contributed capital from 65,067,389 shares to 68,319,965 shares.





**In 2012:** The General Meeting of Shareholders approved the plan to pay dividends in 2011 in shares corresponding to 3% of capital contribution, the list of beneficiaries was closed on June 26, 2012. The payment of dividends in shares increased the Company's contributed capital from 68,319,965 shares to 70,368,754 shares.



### **In 2013 and 2014:**

Investment Certificate No. 221.032.000.118, amended for the 9th time on September 12, 2014, certified that Royal International Joint Stock Company registered to increase its investment capital from 46,000,000 USD to 67,000,000 USD for the project of building a five-star international standard hotel, entertainment areas and accompanying services; operating an prize-winning area exclusively for foreigners in Bai Chay Ward, Ha Long City, Quang Ninh Province.

Due to low profits, the Company did not pay dividends in 2012 and 2013 to shareholders. Therefore, the capital contribution of shareholders in 2013 and 2014 remained unchanged at 70,368,754 shares.

**Capital contribution situation as of December 31, 2014**



### **In 2015 and 2016:**

In 2015, the founding shareholder, State Capital Investment Corporation - LLC (abbreviated name SCIC), sold all of its capital contributions at Royal International Joint Stock Company to two individual investors. As of December 31, 2015, State Capital Investment Corporation - LLC is no longer a shareholder of the Company. In 2015 and 2016, the Company did not pay dividends.

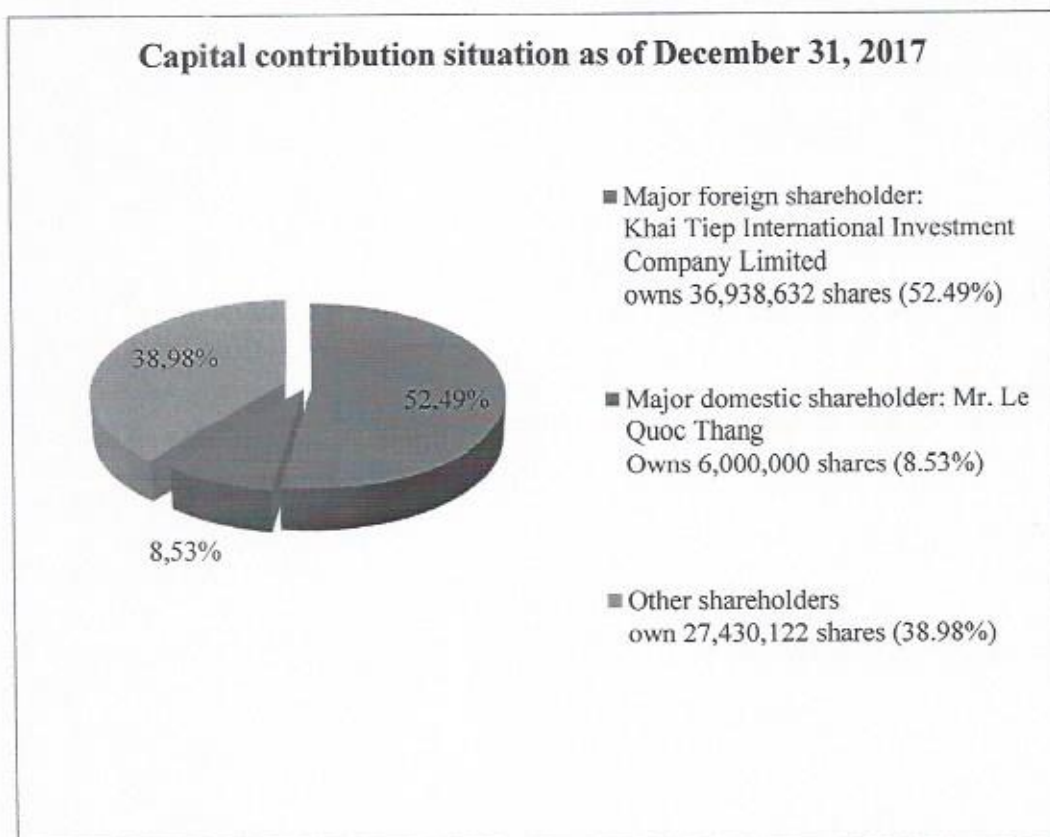
#### **Capital contribution situation as of December 31, 2015**





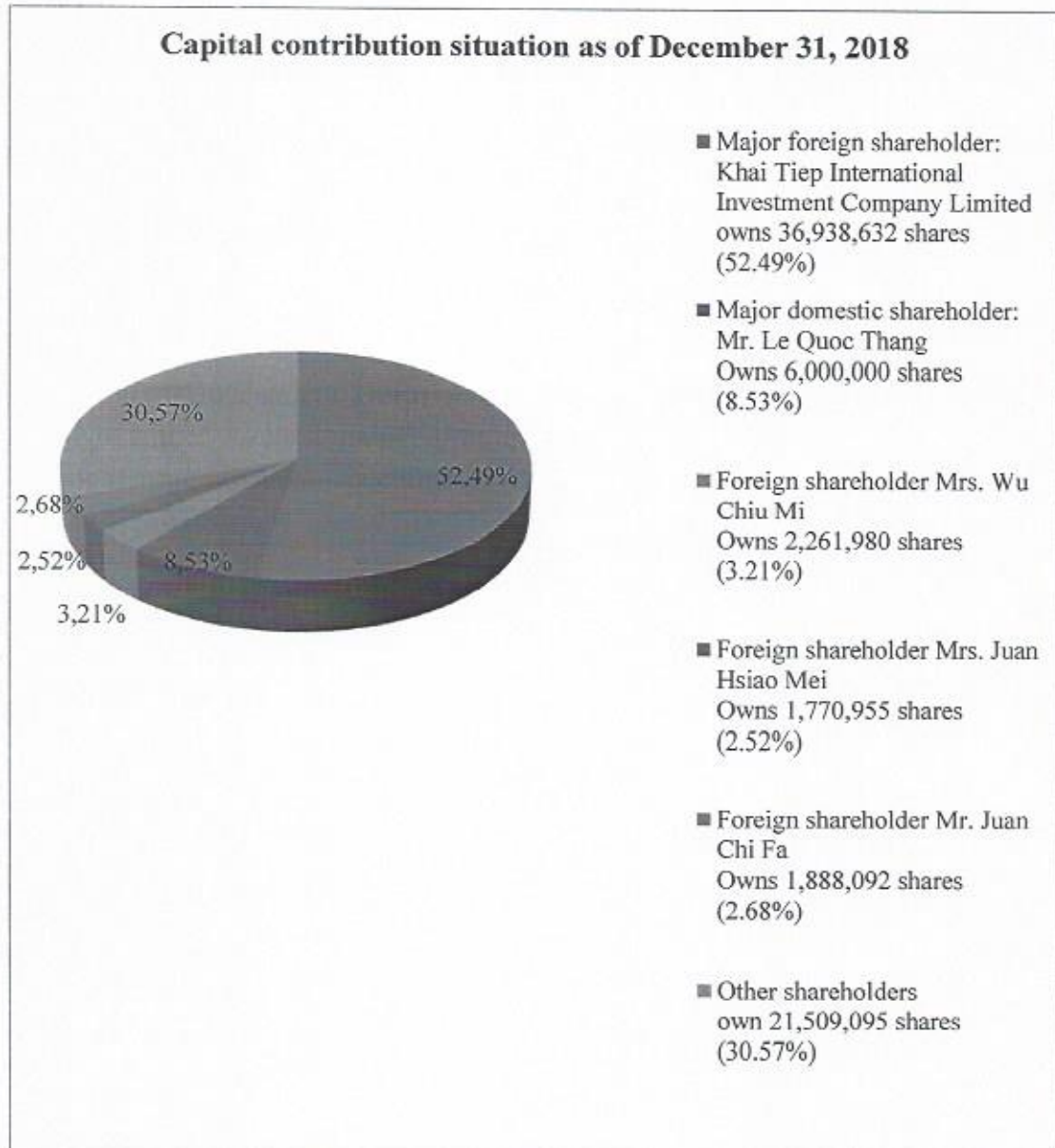
**In 2017:**

Mr. Nguyen Chinh Nghia's family has completed the inheritance procedures (Because Mr. Nguyen Chinh Nghia, a foreign founding shareholder, passed away on March 21, 2011). The capital structure as of December 31, 2017 is as follows:



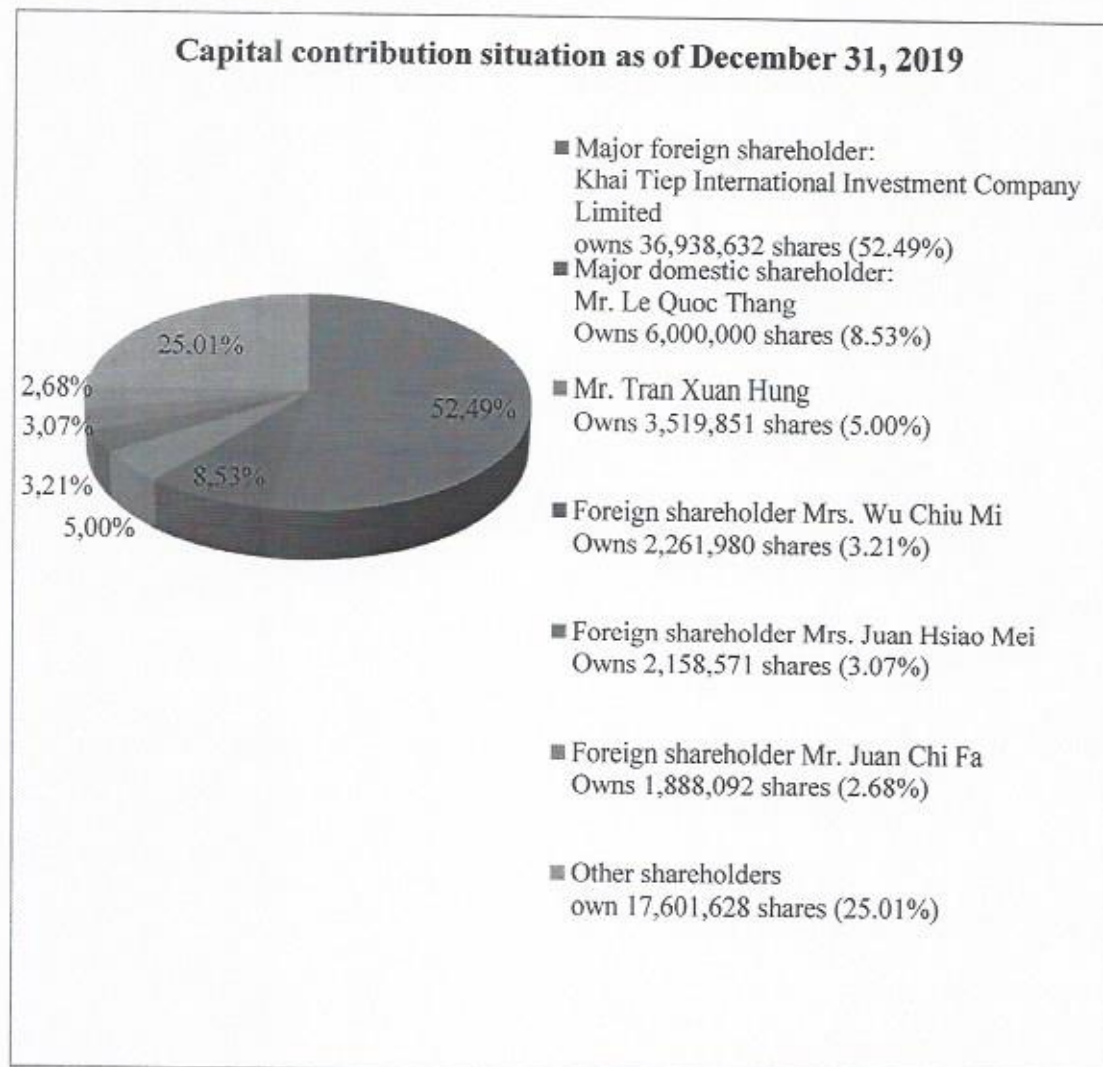
**In 2018 :**

According to Investment Certificate No. 221,032,000,118, the 11th revision dated November 1, 2018 changed the investment capital structure. Specifically, the capital structure as of December 31, 2018 is as follows:



**In 2019:**

The company did not pay dividends in 2018. The capital structure as of December 31, 2019 is as follows:

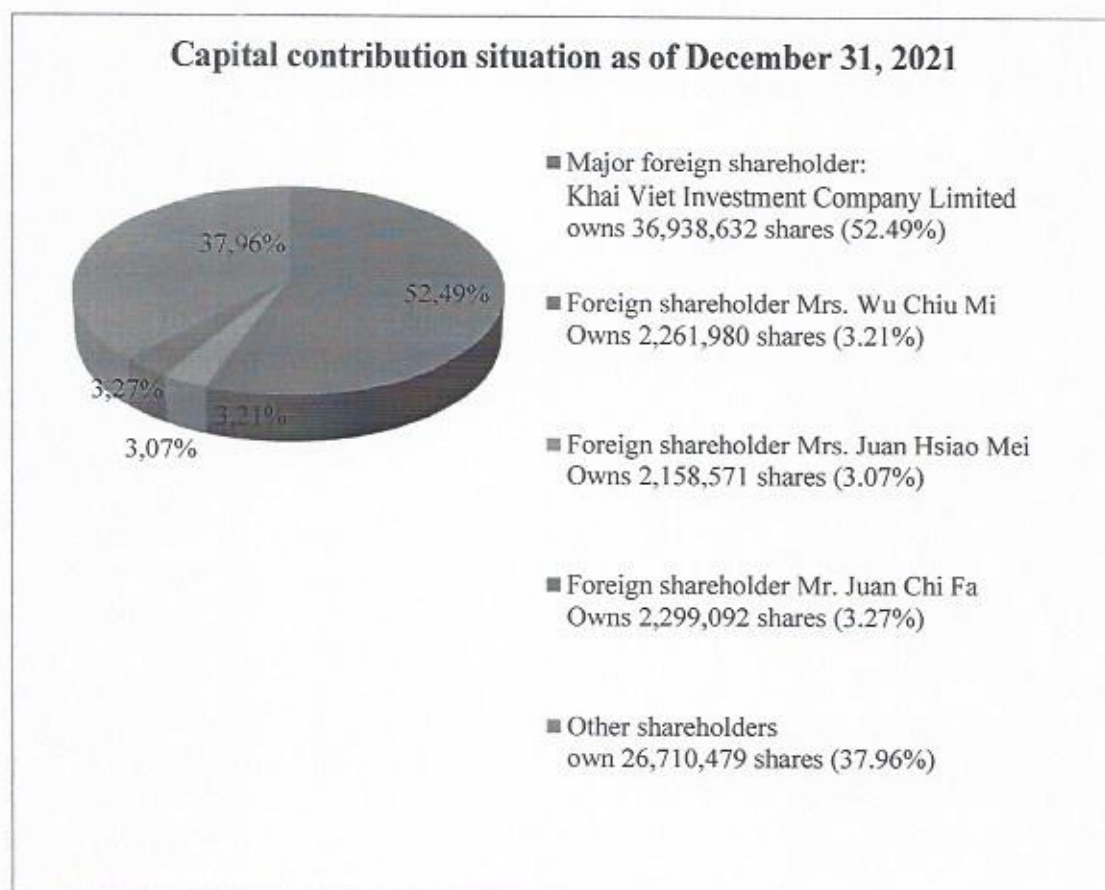




### **In 2021:**

In 2021, the major shareholder, Khai Tiep International Investment Company Limited, transferred ownership of 52.49% of RIC shares to its subsidiary, Khai Viet Investment Company Limited. A number of other major shareholders have executed share transfer agreements. The company did not pay dividends in 2020.

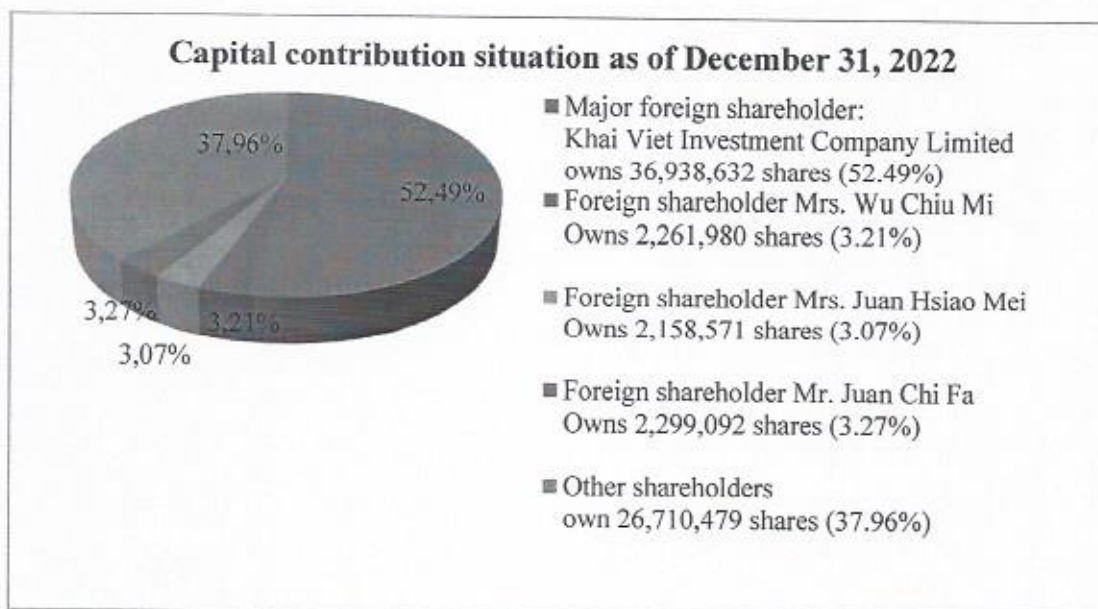
The shareholder structure in 2021 is as follows:



### **In 2022:**

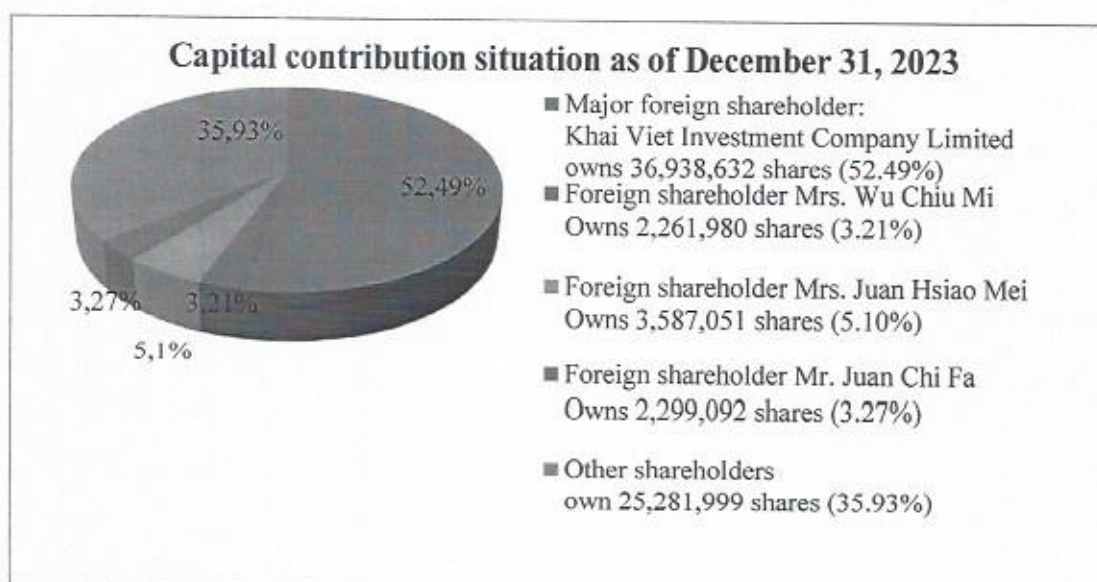
From May 13, 2022, RIC shares will be delisted from the Ho Chi Minh City Stock Exchange according to Decision No. 216/QD-SGDHCM of the Ho Chi Minh City Stock Exchange.

RIC shares are approved for trading on the Upcom market according to Decision No. 327/QD-SGDHN dated May 19, 2022 of the Hanoi Stock Exchange. The first trading day is May 26, 2022.



### **In 2023:**

Charter capital in 2023 remains unchanged, capital structure is as follows:



## **6. Report on the company's environmental and social impact:**

### **6.1. Environmental impact mitigation measures implemented:**

#### **a. Measures to reduce the impact on the air environment:**

- Regularly maintain air conditioning, ventilation and heating systems to reduce energy consumption and avoid dust emission.
- Apply energy-saving technology such as temperature sensors, automatically adjust air conditioning according to usage capacity.
- Arrange reasonable parking lots to reduce emissions from idling vehicles.
- Install air filtration systems in crowded areas such as lobbies, restaurants, casinos.
- Promote tree planting in hotel premises to absorb CO<sub>2</sub> and create a fresh space.
- Limit the use of toxic cleaning chemicals and replace them with biological and organic cleaning products.
- Install exhaust and grease filters to reduce air pollution in the kitchen area.
- Limit industrially processed foods to reduce emissions from the food supply chain and production.
- Encourage a green lifestyle for employees and customers.
- Examine and maintain ventilation systems and generators regularly to promptly repair or replace if damaged.

#### **b. Measures to minimize impacts on the water environment:**

- Ensure that wastewater from hotels, restaurants and casinos is properly treated before being discharged into the environment.
- Use grease traps to prevent grease from the kitchen from entering the wastewater system.
- Use environmentally friendly cleaning agents, avoid discharging strong chemicals into the sewer system.
- Encourage customers and employees to use water sparingly.
- Dredging sewer systems periodically to increase treatment efficiency.

#### **c. Measures to minimize the impact of solid waste:**

- Require employees and customers to classify waste.
- Apply the "Zero Waste" standard to minimize waste.
- Reduce the use of disposable materials, replace them with reusable or biodegradable materials.
- Optimize raw material management, reduce waste in production and consumption.
- Register the source of hazardous waste with the Department of Natural Resources and Environment of Quang Ninh with the management code: 22000374T issued on June 20, 2011.
- Contract with the functional unit for transportation and treatment according to



regulations.

#### 6.2. Energy consumption:

The amount of electricity consumed in 2023 was 3,875,598 kwh, equivalent to VND 10,968,349,489.

#### 6.3. Water consumption:

The amount of water consumed in 2023 was 36,914 m3, equivalent to VND 897,236,619.

#### 6.4. Compliance with environmental protection laws:

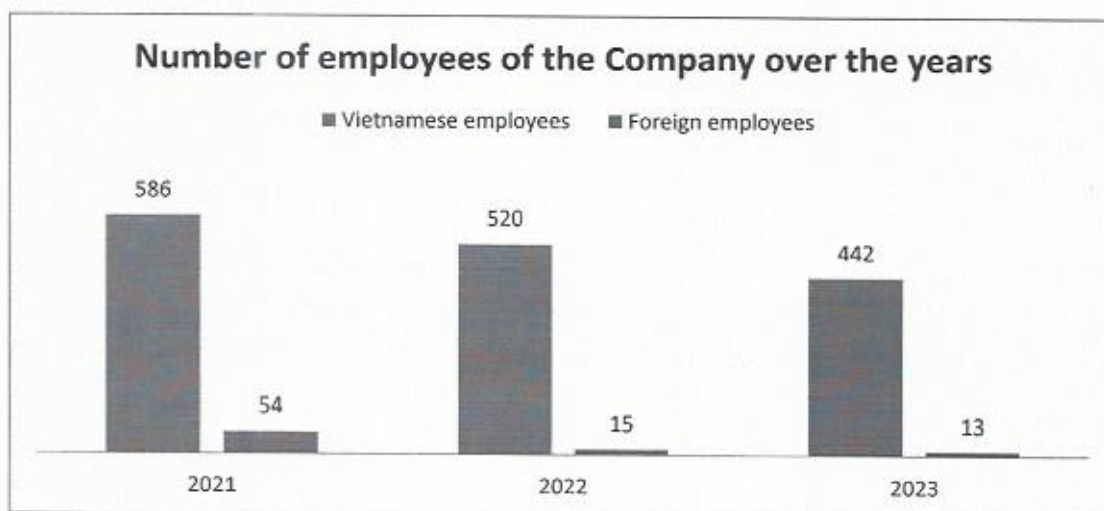
The company conducts periodic environmental monitoring and signs a contract with Quang Ninh Urban Environment Development Investment Joint Stock Company to collect and treat domestic waste. For hazardous waste, the Company has its own storage area and signs a treatment contract with TCN Recycling Company Limited.

#### 6.5. Policies related to employees:

Level	Number (of people)	Percentage (%)
<i>1. Skilled labor</i>		
- Undergraduate and postgraduate degrees	122	26.81%
- College, Intermediate, Vocational, Elementary level	94	20.66%
- Technical workers, highly skilled	211	46.37%
<i>2. Unskilled labor</i>	28	6.15%
<i>3. Foreign labor</i>	13	0.02%
<b>4. Total</b>	<b>455</b>	<b>100%</b>

Average income of officers and employees (As of December 31, 2023):

Employees by nationality	Number (of people)	Average income/month (VND)
1. Vietnamese staffs	442	8.511.000
2. Foreign staffs	13	51.766.000



- Working regime, employee benefits: Employee benefits are always guaranteed such as: social insurance, health insurance, unemployment insurance; Vacation, holidays, Tet according to the provisions of the Labor Code; Free mid-shift meals; housing rental support for employees from other provinces; travel expenses support...

#### **6.6. Community activities:**

The company not only focuses on business activities but also actively contributes to the local community such as: Contributing to charity funds launched by the locality such as: New rural construction, supporting breeding animals for people in mountainous areas, provincial education promotion fund, Agent Orange/dioxin fund, fund for the poor, etc. In addition, the company also organizes charity programs for children being raised at the Center for Protection of Children with Special Circumstances in Quang Ninh province every Tet holiday.

The trade union and youth union regularly participate in the "For a Green Ha Long" campaign, collecting coastal waste, planting flowers and trees in public areas, etc.

### **III. REPORT OF THE BOARD OF DIRECTORS**

#### **1. Assessment of business performance:**

In 2023, the Company continues to face many challenges in its business operations, especially the impact of the global economic situation and increasing competition in the hotel, restaurant and casino sector. Despite efforts to improve

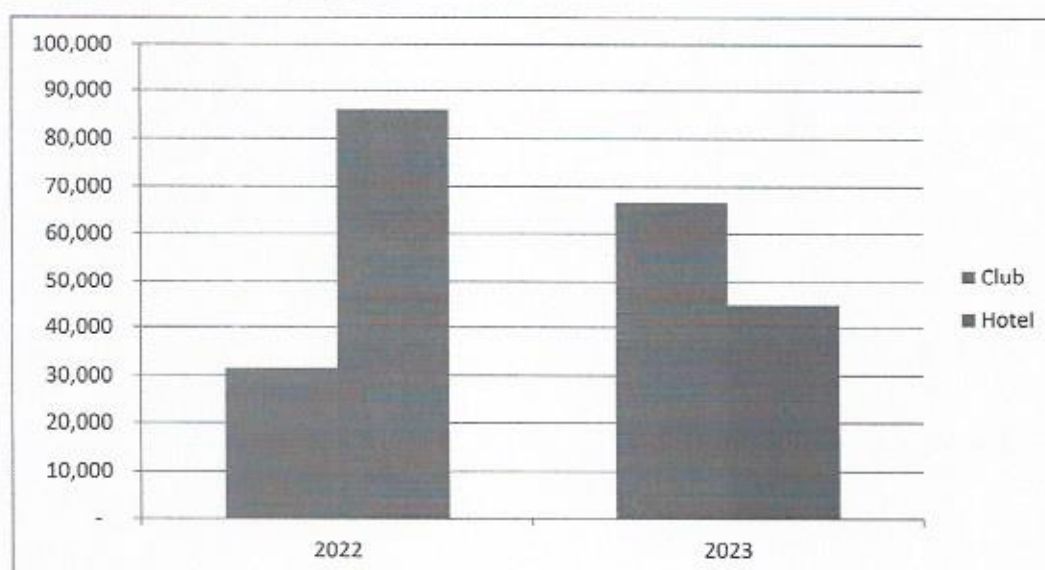


services and optimize operations, the Company's financial results have not yet met expectations. The main factors affecting business results include:

- High financial costs: The Company continues to be under pressure from interest and operating costs.
- Competition from competitors in the industry: Other resorts and casinos in Vietnam and Southeast Asia are increasingly attractive to international customers.
- Slow tourism recovery: Although domestic tourism shows signs of recovery, the number of domestic and international visitors has not increased.

However, with the solidarity and efforts of the Board of Directors and the staff of the Company, the total net revenue in 2023 reached VND 111,574,631,316. Although the business results in 2023 are still limited, with appropriate reform measures and development strategies, the Board of Directors believes that the Company will have a strong recovery in 2024. The Board of Directors is committed to continuing to innovate, improve service quality, optimize costs and focus on core activities to bring the Company back to sustainable growth.

Revenue results by segment are as follows:



#### a. Hotels and Villas:

The number of guests staying at Royal Hotel and Villas decreased sharply compared to 2022, with 23,013 guests using accommodation services in 2023, with revenue reaching VND 44,835,446,165 (including revenue from providing room rental and premises rental services, and revenue from food and beverage



services).

#### **b. International Club:**

The number of international guests using services at the International Club for foreigners increased, resulting in a 210% increase in net revenue in 2023 compared to 2022, reaching VND 66,739,185,151 with 27,082 guests.

#### **2. Financial situation:**

The Company's financial situation in 2023 continues to face many challenges. Revenue from the casino and hotel segments shows signs of recovery but is not enough to cover operating and financial costs. The Board of Directors has made efforts to manage cash flow, optimize operating costs to reduce management costs, and the year-end cash flow has increased sharply, helping the Company maintain liquidity.

#### **3. Solutions and Plans for 2024**

To improve the business situation and ensure sustainable development, the Board of Directors has set out the following key strategies for 2024:

##### **a. Control costs, optimize finances**

Negotiate with credit institutions to restructure debt, reduce financial cost pressure. Review and cut unnecessary costs, optimize operations in service segments.

##### **b. Innovate products and services**

- Upgrade the room and utility system, improve the interior in a modern style.
- Innovate the menu and culinary style, create unique dishes, build seasonal menus and special themed menus.
- Install LED screen system, combine smart sound and lighting, provide global conference organization service, integrate professional livestream platform for events.

##### **c. Improve the performance of the entertainment area with prizes for foreigners**

Upgrade casino services to enhance the experience for VIP guests. Enhance security and apply modern technology to improve operational efficiency. Build a loyalty program to retain potential customers.

##### **d. Strengthen marketing and branding:**

Promote online marketing and cooperate with travel companies to attract more international visitors. Develop all-inclusive service packages (hotel - cuisine - entertainment) to enhance customer experience. Strengthen cooperation with strategic partners to expand the market.

#### IV. BOARD OF DIRECTORS' ASSESSMENT OF THE COMPANY'S PERFORMANCE IN 2023

##### 1. Board of Directors' assessment of the Company's operations:

2023 is a year of many challenges and difficulties in business operations at Royal International Joint Stock Company. Revenue decreased slightly compared to 2022, and profit after tax continued to be negative, reflecting a narrowing market share due to fierce competition from businesses operating in the same industry.

The Board of Directors believes that, although the Company is facing challenges, with appropriate strategies in 2024, the ability to improve business results is completely feasible.

##### 2. Board of Directors' assessment of the performance of the Executive Board:

The Executive Board has had many flexible, responsible and dedicated management solutions in all business operations, has applied many policies to promote business, increase sales revenue and service provision while minimizing costs to achieve the business targets set by the Board of Directors.

##### 3. Expected business targets for 2024:

Unit: USD

No.	Indicator	2024 results
1	Total revenue from sales, services and business operations	6.394.441
2	Profit after tax	1.258.319

#### V. CORPORATE GOVERNANCE

##### 1. Board of Directors:

###### a. The Company's Board of Directors in 2023 consists of 05 members:

- Mr. Lin Yi Huang - Chairman of the Board of Directors  
Year of birth: 1970

Professional qualification: Master of Business Administration, Bachelor of



## Finance

Time of service with the Company: Since 2021

- Mrs. Chen Yu Chen – Chairman of the Board of Directors (appointed on April 26, 2023)

Year of birth: 1982

Professional qualification: Bachelor of Economics

Time of service with the Company: Since 2023

- Mrs. Nguyễn Tiểu Mai - Member of the Board of Directors

Year of birth: 1979

Professional qualification: Bachelor of Business Administration

Time of service with the Company: Since 2011

- Mrs. Nguyễn Khoa Hoàng Oanh - Independent member of the Board of Directors

Year of birth: 1975

Professional qualification: Bachelor of English, Bachelor of Accounting

Time of service with the Company: Since 2021

- Mrs. Nguyễn Mai Phương - Non-executive Board Member

Year of birth: 1975

Professional qualification: Master of Law

Time of service with the Company: Since 09/09/2021

- Mrs. Trần Gia Ngọc Phương - Board Member

Year of birth: 1988

Professional qualification: Master of Hotel & Tourism Management

Time of service with the Company: Since 2021

- Mr. Đậu Quốc Dũng - Board Member/Chairman of the Audit Committee

Year of birth: 1991

Professional qualification: Master of Economic Law

Time of service with the Company: Since 2023

- Mrs. Trần Thị Hồng Liễu - Board Member

Year of birth: 1976

Professional qualification: Bachelor of Economics, Bachelor of Foreign Languages



Time of service with the Company: Since 2000

**b. Subcommittees of the Board of Directors:**

➤ Audit Committee:

- Mr. Đậu Quốc Dũng - Chairman
- Mrs. Trần Gia Ngọc Phương - Member

**c. The Resolutions of the Board of Directors in 2023 are summarized as follows:**

No.	Resolution No.	Date	Content	Passage Rate (%)
1	230302/NQ-RIC	02/03/2023	Approval of the policy to organize the 2023 Annual General Meeting of Shareholders	5/5
2	20230405/NQ-HĐQT	05/04/2023	Approval of documents of the 2023 Annual General Meeting of Shareholders	5/5
3	20230417-1/NQ-HĐQT	17/04/2023	Dismissal of Chief Accountant Cao Thi Huyen	4/5
4	20230417-2/NQ-HĐQT	17/04/2023	Appointment of Chief Accountant Mai Thi Dung	4/5
5	20230425/NQ-HĐQT	25/04/2023	Approval of nomination of candidates for the Board of Directors and revision of documents for the 2023 Shareholders' Meeting	4/5
6	0505/2023/NQ-HĐQT	05/05/2023	Change the Chairman of the Audit Committee to Mr. Dau Quoc Dung; change the Chairman of the Board of Directors and Legal Representative to Mrs. Chen Yu Chen	5/5

No.	Resolution No.	Date	Content	Passage Rate (%)
7	20230529/NQ-HĐQT	29/05/2023	Appointment of Deputy General Director Tran Thi Hong Lieu	5/5
8	20230908/NQ-HĐQT	08/09/2023	Borrowing and trading at Vietnam Joint Stock Commercial Bank for Industry and Trade	5/5
9	20231229/NQ-HĐQT	29/12/2023	Borrow capital at Ho Chi Minh City Development Joint Stock Commercial Bank	5/5

## 2. Audit Committee:

The Audit Committee has performed the role of supervising senior management over the activities of the Board of Directors, the Company's business operations and completed other plans according to the Company's Audit Regulations. In 2023, the Audit Committee held 02 meetings with full participation of members. The Audit Committee developed an internal audit plan, action plan and other professional issues in 2024, specifically:

- Reviewing quarterly and annual financial reports before submitting them to management agencies;
- Monitoring the implementation of recommendations of the Internal Audit;
- Monitoring information disclosure according to regulations;
- Monitoring the implementation of Resolutions of the General Meeting of Shareholders.

## 3. Transactions, remuneration and benefits of the Board of Directors, the Board of Management and the Audit Committee.

### a. Insider Stock Transactions in 2023:

No.	Transaction maker	Number of shares owned at the beginning of the period	Number of shares owned at the end of the period	Reason for increase, decrease
-----	-------------------	---	---	-------------------------------

		Number of shares	Percentage	Number of shares	Percentage	(buy, sell, convert, bonus...)
1	Juan Hsiao Mei	2.15.571	3,07%	3.587.051	5,10%	Buy

**b. Remuneration and benefits of the Board of Directors, Executive Board and Audit Committee:**

STT	Name	Position	Amount (VND)
1	Lin Yi Huang	Chairman of the Board of Directors	451.007.802
2	Chen Yu Chen	Chairman of the Board of Directors	241.479.196
3	Nguyễn Tiểu Mai	Board Member	41.055.307
4	Nguyễn Khoa Hoàng Oanh	Member of The Board of Directors/Audit Committee	82.110.614
5	Nguyễn Mai Phương	Board Member	121.556.380
6	Đậu Quốc Dũng	Member of The Board of Directors/Audit Committee	160.978.123
7	Trần Gia Ngọc Phương	Member of The Board of Directors/Audit Committee	170.154.909
8	Nguyễn Thắng Hiền	Deputy General Director	741.277.711
9	Trần Thị Hồng Liễu	Deputy General Director	268.553.117
10	Cao Thị Huyền	Chief Accountant	148.149.841
11	Mai Thị Dung	Chief Accountant	402.433.296
	<b>Total</b>		<b>2.828.756.296</b>



c. **Contracts or transactions with insiders:** (none)

d. **Implementation of regulations on corporate governance:**

The Company complies with the provisions of the Law on corporate governance of listed companies, promptly and fully disclosing information as prescribed.

## VI. FINANCIAL STATEMENTS

### 1. Auditor's opinion:

In our opinion, the financial statements converted into Vietnamese Dong have reflected fairly, in all material respects, the financial position converted into Vietnamese Dong of the Company as of 31 December 2023, as well as the results of its operations converted into Vietnamese Dong, and the cash flows converted into Vietnamese Dong of the Company for the fiscal year ending on the same date as above, in accordance with the guidance in Circular 200 presented in Note 2 of the financial statements converted into Vietnamese Dong.

### 2. Financial statements

The Company's 2023 financial statements audited by UHY Auditing and Consulting Co., Ltd. are attached.

*Hà Long, March 25, 2025*

**CONFIRMATION OF THE COMPANY'S  
LEGAL REPRESENTATIVE**



**Chen Yu Chen**