ROYAL INTERNATIONAL CORPORATION

No.: 280616/CV/HG

Re: Explanation of the variance in reviewed profit for the first six months of 2026 compared with the first six months of 2025 and the reasons for the change from profit in the same period of the previous year to loss in the first six months of 2026

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Quang Ninh, August 13, 2026

To: STATE SECURITIES COMMISSION OF VIETNAM
HANOI STOCK EXCHANGE

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance providing guidelines on information disclosure in the securities market;

Royal International Corporation (stock code: RIC) hereby provides an explanation of the variance in profit for the first six months of 2026 compared with the first six months of 2025, based on the reviewed financial statements, as well as the reasons for the change from profit in the same period of the previous year to loss in the first six months of 2026.

Comparison of certain items in the statements of profit or loss for the first six months of 2026 and the first six months of 2025:

No.	Interpretation	First 6 months of 2026 (Reviewed)	First 6 months of 2025 (Reviewed)	Increase / Decrease amount	% Increase / Decrease
I	**Gross revenue from goods sold and services rendered**	**76,853,849,535**	**76,268,124,585**	**585,724,950**	**1**
II	**Financial income**	**1,664,998,848**	**5,648,799,105**	**(3,983,800,257)**	**(71)**
III	**Other income**	**31,648,392**	**34,272,870**	**(2,624,478)**	**(8)**
IV	**Expenses**	-	-	-	
1	**Financial expenses**	10,163,875,851	12,533,624,420	(2,369,748,569)	(19)
2	Cost of goods sold	53,530,530,372	52,384,032,595	1,146,497,777	2
3	Selling expenses	6,249,954,843	6,073,188,425	176,766,418	3
4	General and administrative expenses	10,171,971,342	10,175,328,215	(3,356,873)	(0.03)
5	Other expenses	136,287,198	225,591,305	(89,304,107)	(40)
	Total expenses (1-5)	**80,252,619,606**	**81,391,764,960**	**(1,139,145,354)**	**(1)**
V	**Profit after tax**	**(1,702,122,831)**	**559,431,600**	**(2,261,554,431)**	**(404)**

I. Explanation of variances in financial indicators:

1. Decrease in financial income: Due to the revaluation of foreign exchange differences at the end of the period.

2. Decrease in financial expenses: Primarily due to a decrease in interest expenses during the period in 2026.

3. Decrease in other expenses: During the first six months of 2025, the Company recognized administrative penalties and expenses related to the Board of Directors.

4. Decrease in profit after corporate income tax: The Company proactively implemented various flexible business measures to promote revenue growth. However, the total revenue recorded in the first six months of 2026 remained lower than that of the same period last year and was insufficient to cover the operating expenses and fixed costs incurred during the period, resulting in a significant decrease in profit after corporate income tax compared with the same period in 2025.

II. Explanation of the reasons for the change from profit in the same period of the previous year to loss in the first six months of 2026:

During the first six months of 2026, the Company proactively and comprehensively implemented various measures to maintain its existing customer base, promote revenue growth, and strengthen cost control and optimization. However, the pace of revenue recovery, particularly in the Company's core business segment, was not sufficient to offset the expenses incurred during the period. Consequently, the Company's business results changed from a profit in the same period of the previous year to a loss in the current period.

The above is the explanation provided by Royal International Joint Stock Corporation. The Company respectfully submits this explanation to the State Securities Commission of Vietnam and the Hanoi Stock Exchange for their consideration.

Sincerely,

ROYAL INTERNATIONAL JOINT STOCK CORPORATION

Deputy General Director

M.S.D.N: 5700102...
CÔNG TY
CỔ PHẦN QUỐC TẾ
HOÀNG GIA
P. BÃI CHÁY - T. QUẢNG NINH

Tran Thi Hong Lieu