

**THAI NGUYEN
INTERNATIONAL HOSPITAL
JSC**

**SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness**

Thai Nguyen, July 20, 2023

No.: 1175/CV-CTCP

V/v: Explanation of the difference
in business results in the 2nd
quarter of 2023 compared to the
2nd quarter of 2022 and
accumulated in the first 6 months
of 2023 compared to the same
period of last year

To: - State Securities Commission
- Ho Chi Minh City Stock Exchange

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding the disclosure of information on the stock market;

Based on the reality of Thai Nguyen International Hospital Joint Stock Company.

Thai Nguyen International Hospital Joint Stock Company (Stock code: TNH) explains its business results in the 2nd quarter of 2023 compared to the 2nd quarter of 2022 and accumulated for the first 06 months of 2023 compared to the same period of last year as follows:

Accumulated business results in the first 6 months of 2023 compared to the same period of last year:

| ARTICLES | Accumulation from the beginning of the year to the end of this quarter | | Difference | Rate |
|---|--|-----------------------|-----------------------|-------------|
| | This year | Previous year | | |
| 3. Net sales from goods and services sold | 229.584.908.399 | 207.503.351.299 | 22.081.557.100 | 11% |
| 4. Cost of goods sold | 126.656.614.679 | 118.110.153.364 | 8.546.461.315 | 7% |
| 5. Gross profit from goods and services sold | 102.928.293.720 | 89.393.197.935 | 13.535.095.785 | 15% |
| 6. Revenue from financial activities | 85.889.681 | 10.651.137 | 75.238.544 | 706% |
| 7. Expenses from financial activities | 18.456.495.771 | 19.929.689.142 | (1.473.193.371) | -7% |
| - In there: Loan interest expense | 18.456.495.771 | 19.475.849.142 | (1.019.353.371) | -5% |
| 9. Administration expenses | 17.086.034.769 | 13.595.957.797 | 3.490.076.972 | 26% |
| 10. Net profit from business activities | 67.471.652.861 | 55.878.202.133 | 11.593.450.728 | 21% |
| 11. Other incomes | 296.306.582 | 35.000.000 | 261.306.582 | 747% |
| 12. Other expenses | 445.756.061 | 69.246.000 | 376.510.061 | 544% |
| 13. Other profits | (149.449.479) | (34.246.000) | (115.203.479) | 336% |
| 14. Profit before tax | 67.322.203.382 | 55.843.956.133 | 11.478.247.249 | 21% |
| 15. Current income tax expense | 6.715.631.476 | 1.550.520.356 | 5.165.111.120 | 333% |
| 17. Profit after income tax | 60.606.571.906 | 54.293.435.777 | 6.313.136.129 | 12% |
| 18. Primary earning per share | 632 | 566 | 66 | 12% |

Cause of Variation:

Profit after CIT increased by 12% compared to the same period of last year, mainly because the revenue increased by 11% while the cost price increased by only 7%, so gross profit increased by 15%. In addition, Financial revenue and other income both increased strongly (but small value); Business administration expenses increased by 26%, corporate income tax expenses increased by 333% (Mainly because the Company has expired the tax exemption period at Yen Binh Thai Nguyen General Hospital and the tax incentives period at Thai Nguyen International Hospital has expired. On the other hand, it is also because of the impact of previous year's CIT adjustment of previous years and this year) while the financial cost decreased by 7%; Other expenses increased sharply but the value was small. The above result is due to the first 6 months of 2023, the number of patients coming to the hospital for medical examination (while in the same period last year, due to the impact of the Covid-19 pandemic, the number of patients coming to the hospital for direct examination was less) and at the same time, the Hospital deploys a number of new technical services and package services for customers, so the added value is greater. At the same time, due to the influence of inflation, the cost of raw materials and services purchased from outside increased, salary costs for employees also increased, but the growth rate was lower than revenue. The hospital has also been in stable operation, so there is no sharp fluctuation in costs. In summary, profit after CIT in the first 6 months of 2023 increased by 12% compared to the same period last year.

Business results in the 2nd quarter of 2023 compared to the same period of last year:

| ARTICLES | 2 nd quarter of 2023 | 2 nd quarter of 2022 | Difference | Rate |
|---|---------------------------------|---------------------------------|------------------------|-------------|
| 3. Net sales from goods and services sold | 123.464.416.102 | 118.595.118.766 | 4.869.297.336 | 4% |
| 4. Cost of goods sold | 64.686.831.165 | 60.702.581.063 | 3.984.250.102 | 7% |
| 5. Gross profit from goods and services sold | 58.777.584.937 | 57.892.537.703 | 885.047.234 | 2% |
| 6. Revenue from financial activities | 72.843.539 | 4.243.723 | 68.599.816 | 1617% |
| 7. Expenses from financial activities | 9.116.739.050 | 9.932.361.149 | (815.622.099) | -8% |
| - In there: Loan interest expense | 9.116.739.050 | 9.705.441.149 | (588.702.099) | -6% |
| 9. Administration expenses | 8.798.735.675 | 8.552.429.530 | 246.306.145 | 3% |
| 10. Net profit from business activities | 40.934.953.751 | 39.411.990.747 | 1.522.963.004 | 4% |
| 11. Other incomes | 8.466.602 | 35.000.000 | (26.533.398) | -76% |
| 12. Other expenses | 445.756.061 | 69.246.000 | 376.510.061 | 544% |
| 13. Other profits | (437.289.459) | (34.246.000) | (403.043.459) | 1177% |
| 14. Profit before tax | 40.497.664.292 | 39.377.744.747 | 1.119.919.545 | 3% |
| 15. Current income tax expense | 4.350.829.569 | 1.211.705.008 | 3.139.124.561 | 259% |
| 17. Profit after income tax | 36.146.834.723 | 38.166.039.739 | (2.019.205.016) | -5% |
| 18. Primary earning per share | 377 | 398 | (21) | -5% |

Cause of Variation:

Profit after CIT in the 2nd quarter of 2023 decreased by 5% compared to the same period of last year, mainly because revenue increased by 4% while the cost price increased by 7%, so gross profit increased by 2%. In addition, Financial revenue increased sharply while other income decreased sharply (but small value); Administration expenses increased by 3%, corporate income tax expenses increased by 259% (Mainly because the Company has expired the tax exemption period at Yen Binh Thai Nguyen General Hospital and the tax incentives period at Thai Nguyen International Hospital has expired. On the other hand, it is also because of the impact of previous year's CIT adjustment of previous years and this year) while the financial cost decreased by 8%; Other expenses increased sharply but the value was small. In the second quarter of 2023, the number of patients coming to the hospital for examination and treatment continued to increase (while in the same period last year, due to the impact of the Covid 19 pandemic, the number of patients coming to the hospital for direct examination was less) and at the same time, the hospital deploys a number of new technical services and package services for customers, so the added value is greater. However, due to the influence of inflation, the cost of raw materials and services purchased from outside increased, salary costs for employees also increased at a higher rate than revenue growth. In summary, profit after CIT in the second quarter of 2023 decreased slightly by 5% compared to the same period last year.

Best regards,

Recipients:

- As above;
- The Board of Directors, the Board of General Directors (for reporting)
- Archives: VT, QT.

**LEGAL REPRESENTATIVE
CHAIRMAN OF THE BOARD**

