

THAI NGUYEN INTERNATIONAL HOSPITAL JOINT STOCK COMPANY
(Incorporated in the Socialist Republic of Vietnam)

REVIEWED INTERIM FINANCIAL STATEMENTS

For the 6-month period ended 30 June 2023



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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Thai Nguyen International Hospital Joint Stock Company (the "Company") presents this report together with the Company's interim financial statements for the 6-month period ended 30 June 2023.

THE BOARDS OF DIRECTORS AND EXECUTIVE OFFICERS

The members of the Boards of Directors and Executive Officers of the Company during the period and to the date of this report are as follows:

Board of Directors

Mr. Hoang Tuyen	Chairman
Mr. Le Xuan Tan	Vice Chairman
Mr. Nguyen Van Thuy	Member
Mr. Nguyen Xuan Don	Member
Mr. Vu Hong Minh	Member
Mr. Tran Thien Sach	Member
Mr. Ly Thai Hai	Member

Board of Executive Officers

Mr. Le Xuan Tan	Chief Executive Officer
Mr. Nguyen Van Thuy	Deputy Chief Executive Officer
Mr. Tran Thien Sach	Deputy Chief Executive Officer
Mr. Dao Manh Duy	Deputy Chief Executive Officer
Mr. Nguyen Huu Diep	Deputy Chief Executive Officer
Ms. Cao Thi Hong	Director of Human Resources - Marketing
Ms. Le Thi Thuy An	Chief Financial Officer (resigned on 31 May 2023)

BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of the Company is responsible for preparing the interim financial statements, which give a true and fair view of the financial position of the Company as at 30 June 2023, and its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting. In preparing these interim financial statements, the Board of Directors is required to:

STATEMENT OF THE BOARD OF DIRECTORS (Continued)

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the interim financial statements;
- prepare the interim financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the interim financial statements so as to minimize errors and frauds.

The Board of Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the interim financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting. The Board of Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in preparing these interim financial statements.

For and on behalf of the Board of Directors,



Hoang Tuyen

Chairman

14 August 2023

No.: 0196/VN1A-HN-BC

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To: **The Shareholders**
 The Board of Directors and Board of Executive Officers
 Thai Nguyen International Hospital Joint Stock Company

We have reviewed the accompanying interim financial statements of Thai Nguyen International Hospital Joint Stock Company (the "Company"), prepared on 14 August 2023 as set out from page 05 to page 30, which comprise the interim balance sheet as at 30 June 2023, the interim income statement and interim cash flow statement for the 6-month period then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Directors' Responsibility for the Interim Financial statements

The Board of Directors is responsible for the preparation and fair presentation of these interim financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting and for such internal control as the Board of Directors determines is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on the accompanying interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements (VSRE) 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS (Continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting.

Other Matter

The financial statements of the Company for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 13 March 2023.

The interim financial statements of the Company for the 6-month period ended 30 June 2022 were reviewed by another auditor who expressed an unmodified conclusion on those statements on 12 August 2022.



Tran Xuan Anh

Deputy General Director

Audit Practising Registration Certificate

No. 0723-2023-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

14 August 2023

Hanoi, S.R. Vietnam

INTERIM BALANCE SHEET

As at 30 June 2023

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		635,812,905,875	192,762,445,738
I. Cash	110	4	496,563,965,984	73,783,104,379
1. Cash	111		466,563,965,984	73,783,104,379
2. Cash equivalents	112		30,000,000,000	-
II. Short-term receivables	130		125,286,795,027	103,606,881,125
1. Short-term trade receivables	131	5	26,992,662,840	15,704,571,779
2. Short-term advances to suppliers	132	6	98,246,328,800	87,780,791,902
3. Other short-term receivables	136		47,803,387	121,517,444
III. Inventories	140	7	12,048,615,759	14,883,761,752
1. Inventories	141		12,048,615,759	14,883,761,752
IV. Other short-term assets	150		1,913,529,105	488,698,482
1. Short-term prepayments	151	8	1,283,554,229	488,698,482
2. Taxes and other receivables from the State budget	153	16	629,974,876	-
B. NON-CURRENT ASSETS	200		1,469,901,545,465	1,206,695,892,349
I. Fixed assets	220		1,029,040,521,450	1,048,566,972,644
1. Tangible fixed assets	221	9	948,311,833,518	966,823,232,800
- Cost	222		1,073,992,940,034	1,073,188,385,634
- Accumulated depreciation	223		(125,681,106,516)	(106,365,152,834)
2. Intangible assets	227	10	80,728,687,932	81,743,739,844
- Cost	228		86,360,747,725	86,360,747,725
- Accumulated amortisation	229		(5,632,059,793)	(4,617,007,881)
II. Investment property	230	11	36,421,880,930	36,888,619,463
- Cost	231		38,563,232,591	38,563,232,591
- Accumulated depreciation	232		(2,141,351,661)	(1,674,613,128)
III. Long-term assets in progress	240		296,048,456,022	5,913,647,000
1. Construction in progress	242	12	296,048,456,022	5,913,647,000
IV. Long-term financial investments	250	13	96,000,000,000	96,000,000,000
1. Investments in associates	252		96,000,000,000	96,000,000,000
V. Other long-term assets	260		12,390,687,063	19,326,653,242
1. Long-term prepayments	261	8	12,390,687,063	19,326,653,242
TOTAL ASSETS (270=100+200)	270		2,105,714,451,340	1,399,458,338,087

The accompanying notes are an integral part of these interim financial statements

INTERIM BALANCE SHEET (Continued)

As at 30 June 2023


Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		575,390,928,376	474,432,450,710
I. Current liabilities	310		269,578,605,684	285,727,722,411
1. Short-term trade payables	311	14	15,435,343,551	15,097,061,786
2. Short-term advances from customers	312	15	1,225,765,807	3,953,535,902
3. Taxes and amounts payable to the State budget	313	16	2,460,237,825	2,789,585,948
4. Payables to employees	314		6,299,630,568	5,028,642,554
5. Short-term accrued expenses	315		604,128,989	-
6. Short-term unearned revenue	318	17	240,000,000	240,000,000
7. Other current payables	319		-	4,192,200
8. Short-term loans	320	18	243,313,498,944	258,614,704,021
II. Long-term liabilities	330		305,812,322,692	188,704,728,299
1. Long-term unearned revenue	336	17	6,918,181,819	7,038,181,819
2. Long-term loans	338	19	298,894,140,873	181,666,546,480
D. EQUITY	400		1,530,323,522,964	925,025,887,377
I. Owners' equity	410	20	1,530,323,522,964	925,025,887,377
1. Owners' contributed capital	411		958,746,100,000	518,749,980,000
2. Share premium	412		258,967,990,000	-
3. Retained earnings	421		312,609,432,964	406,275,907,377
- Retained earnings accumulated to the prior year end	421a		250,654,777,377	265,700,205,176
- Retained earnings of the current period/current year	421b		61,954,655,587	140,575,702,201
TOTAL RESOURCES (440=300+400)	440		2,105,714,451,340	1,399,458,338,087


Luu Thi Hai Yen
Preparer


Nguyen Thi Thu Thuy
Chief Accountant


Le Xuan Tan
Chief Executive Officer


Hoang Tuyen
Chairman

14 August 2023

The accompanying notes are an integral part of these interim financial statements

INTERIM INCOME STATEMENT

For the 6-month period ended 30 June 2023


Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01	22	229,584,908,399	207,503,351,299
2. Net revenue from goods sold and services rendered (10=01)	10		229,584,908,399	207,503,351,299
3. Cost of sales and services rendered	11	23	127,450,253,981	118,110,153,364
4. Gross profit from goods sold and services rendered (20=10-11)	20		102,134,654,418	89,393,197,935
5. Financial income	21		85,889,681	10,651,137
6. Financial expenses	22	25	18,863,362,148	19,929,689,142
- In which: Interest expense	23		18,863,362,148	19,475,849,142
7. General and administration expenses	26	26	15,618,503,919	13,595,957,797
8. Operating profit (30=20+(21-22)-(25+26))	30		67,738,678,032	55,878,202,133
9. Other income	31		296,306,582	35,000,000
10. Other expenses	32		445,756,061	69,246,000
11. (Losses) from other activities (40=31-32)	40		(149,449,479)	(34,246,000)
12. Accounting profit before tax (50=30+40)	50		67,589,228,553	55,843,956,133
13. Current corporate income tax expense	51	27	5,634,572,966	1,550,520,356
14. Net profit after corporate income tax (60=50-51)	60		61,954,655,587	54,293,435,777
15. Basic earnings per share	70	28	888	805


Luu Thi Hai Yen
Preparer


Nguyen Thi Thu Thuy
Chief Accountant


Le Xuan Tan
Chief Executive Officer


Hoang Tuyen
Chairman

14 August 2023

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INTERIM CASH FLOW STATEMENT

For the 6-month period ended 30 June 2023


Unit: VND

ITEMS	Codes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	67,589,228,553	55,843,956,133
2. Adjustments for:			
Depreciation and amortisation of fixed assets and investment properties	02	20,797,744,127	19,585,078,481
(Gain) from investing activities	05	(78,821,188)	(10,651,137)
Interest expense	06	18,863,362,148	19,929,689,142
3. Operating profit before movements in working capital	08	107,171,513,640	95,348,072,619
Changes in receivables	09	(11,657,687,646)	(42,951,239,468)
Changes in inventories	10	2,835,145,993	(1,734,937,471)
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	(419,006,111)	27,565,415,751
Changes in prepaid expenses	12	6,141,110,432	6,372,275,479
Interest paid	14	(18,456,495,771)	(19,959,622,832)
Corporate income tax paid	15	(6,083,997,588)	(1,916,352,488)
Net cash generated by operating activities	20	79,530,582,949	62,723,611,590
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(302,097,911,848)	(61,846,351,526)
2. Interest earned, dividends and profits received	27	78,821,188	10,651,137
Net cash used in investing activities	30	(302,019,090,660)	(61,835,700,389)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from share issue and owners' contributed capital	31	543,342,980,000	-
2. Proceeds from borrowings	33	243,362,341,037	129,604,471,023
3. Repayment of borrowings	34	(141,435,951,721)	(145,288,010,554)
Net cash generated by/(used in) financing activities	40	645,269,369,316	(15,683,539,531)
Net increase/(decrease) in cash (50=20+30+40)	50	422,780,861,605	(14,795,628,330)
Cash and cash equivalents at the beginning of the period	60	73,783,104,379	133,571,316,553
Cash and cash equivalents at the end of the period (70=50+60+61)	70	496,563,965,984	118,775,688,223


 Luu Thi Hai Yen
Preparer


 Nguyen Thi Thu Thuy
Chief Accountant


 Le Xuan Tan
Chief Executive Officer


 Hoang Tuyen
Chairman

14 August 2023

The accompanying notes are an integral part of these interim financial statements

NOTES TO THE INTERIM FINANCIAL STATEMENTS*These notes are an integral part of and should be read in conjunction with the accompanying financial statements***1. GENERAL INFORMATION****Structure of ownership**

Thai Nguyen International Hospital Joint Stock Company (the "Company") was established under Business Registration Certificate of Joint Stock Company No. 4601039023 issued by the Authority for Planning and Investment of Thai Nguyen Province on 19 March 2012. According to the 10th amended Business Registration Certificates on 06 July 2023, the authorized charter capital of the Company is VND 958,746,100,000, equivalent to 95,874,610 shares. The Company's shares are listed on Ho Chi Minh Stock Exchange (HOSE) with the stock code of TNH.

The Company's total number of employees of as at 30 June 2023 was 662 (as at 31 December 2022: 644).

Operating industry and principal activities

The Company's operating industry including:

- Operations of hospitals and health stations;
- Trading in real estate, land use rights belonging to the owner, user or tenant;
- Short-stay services; and
- Restaurants and mobile catering services.

The main activities of the Company are medical examination and treatment.

Normal production and business cycle

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

The Company's structure

The Company's headquarters is located at No. 328 Luong Ngoc Quyen Street, Dong Quang Ward, Thai Nguyen City.

As at 30 June 2023, the Company's subsidiaries include:

No	Name	Place of incorporation and operation	Principal activity
1	Thai Nguyen International Hospital Branch	No. 328 Luong Ngoc Quyen Street, Dong Quang Ward, Thai Nguyen City, Thai Nguyen Province, Vietnam	Medical examination and treatment
2	Yen Binh General Hospital Branch	Chua Hamlet, Nam Tien Commune, Pho Yen Town, Thai Nguyen Province, Vietnam	Medical examination and treatment
3	Branch of Viet Yen Hospital	YT land lot, Nguyen The Nho street, Nguyen The Nho residential area, Bich Dong town, Viet Yen district, Bac Giang Province, Vietnam	Medical examination and treatment

Disclosure of information comparability in the interim financial statements

The comparative figures of the interim balance sheet and corresponding notes are the figures of the Company's audited financial statements for the year ended 31 December 2022.

The comparative figures of the interim income statement, interim cash flow statement and corresponding notes are the figures of the reviewed interim financial statements for the 6-month period ended 30 June 2022.

Some comparative figures have been restated to be consistent with the figures for this period, specifically as follows:

Items	Codes	Previously reported amount	Reclassification	Reclassification	Notes
		VND	VND	VND	
Balance sheet					
Tangible fixed assets	221	968,132,528,075	(1,309,295,275)	966,823,232,800	(i)
- Cost	222	1,075,329,066,880	(2,140,681,246)	1,073,188,385,634	(i)
- Accumulated depreciation	223	(107,196,538,805)	831,385,971	(106,365,152,834)	(i)
Intangible assets	227	81,419,171,619	324,568,225	81,743,739,844	(i)
- Cost	228	86,035,480,000	325,267,725	86,360,747,725	(i)
- Accumulated amortisation	229	(4,616,308,381)	(699,500)	(4,617,007,881)	(i)
Investment property	230	35,901,349,486	987,269,977	36,888,619,463	(i)
- Cost	231	37,564,119,824	999,112,767	38,563,232,591	(i)
- Accumulated depreciation	232	(1,662,770,338)	(11,842,790)	(1,674,613,128)	(i)
Long-term prepayments	261	13,997,742,203	5,328,911,039	19,326,653,242	(i)
Taxes and amounts payable to the State budget	313	1,681,736,849	1,107,849,099	2,789,585,948	(i)
Short-term unearned revenue	318	-	240,000,000	240,000,000	(ii)
Long-term unearned revenue	336	7,278,181,819	(240,000,000)	7,038,181,819	(ii)
- Retained earnings accumulated to the prior year end	421a	261,476,600,309	4,223,604,867	265,700,205,176	(i), (ii)

(i) Adjustment following tax inspection.

(ii) Reclassify some items to be consistent with the comparative figures of this period.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

Accounting convention for interim financial statements

The accompanying interim financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting.

The accompanying interim financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Accounting period

The Company's financial year begins on 01 January and ends on 31 December.

These interim financial statements were prepared for the 6-month period ended 30 June 2023.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these interim financial statements, are as follows:

Estimates

The preparation of interim financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting requires the Board of Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenses during the reporting period. Although these accounting estimates are based on the Board of Directors' best knowledge, actual results may differ from those estimates.

Cash and cash equivalent

Cash and cash equivalents comprise cash on hand, demand deposits, cash in transit and short-term, highly liquid investments (not exceeding 3 months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Interests in associates are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the interim income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in associates are carried in the interim balance sheet at cost less provision for impairment of such investments (if any). Provisions for impairment of investments in associates are made when there is reliable evidence for declining in value of these investments at the interim balance sheet date.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt according to the Board of Directors' assessment.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution. Inventories are recorded under perpetual method.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	Years
Buildings and structures	05 - 48
Machinery and equipment	06 - 15
Office equipment	08 - 10
Motor vehicles	10 - 15

Leasing

All other leases are classified as operating leases.

The Company as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the interim income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Intangible assets and amortisation

Land use rights

Intangible assets represent land use rights that are stated at cost less accumulated amortisation. Land use rights are amortised using the straight-line method over the duration of the right to use the land within 50 years.

Computer Software

Intangible assets representing computer software is measured initially at purchase price and amortized using the straight-line method over the duration of 8 - 20 years.

Investment properties

Investment properties includes a part of Thai Nguyen International Hospital and a part of Yen Binh International Hospital which is held by the Company to earn rentals or for capital appreciation. Investment properties held to earn rentals are stated at cost less accumulated depreciation. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

Investment properties held to earn rentals are depreciated using the straight-line method over their estimated useful lives within 42 years to 46 years.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost including costs that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Prepayments

Prepayments are expenses which have already been paid for but relate to results of operations of multiple accounting periods, including costs of repairing fixed assets, costs to purchase property insurance and other prepayments.

Property insurance expenses represent property insurance expenses incurred periodically and amortized to the interim income statement on a straight-line basis over a period of no more than 12 months.

Repair cost of fixed assets represents fixed assets overhaul expenses incurred yearly and of great value and amortized to the interim income statement on a straight-line basis over a period of no more than 3 years.

Other types of prepayments comprise costs of small tools, supplies and spare parts issued for consumption, advertising expenditures incurred in the production and business activities of the Company which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as prepayments and are allocated to the interim income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Unearned revenue

Unearned revenue is the amounts received in advance relating to results of operations of for multiple accounting periods for services at Yen Binh General Hospital Branch that have been yet provided or

delivered. The Company recognizes unearned revenue in proportion to its obligations that the Company will have to perform in the future. When the revenue recognition conditions are satisfied, unearned revenue will be recognized in the income statement for the period corresponding to the portion that meets the revenue recognition conditions.

Revenue recognition

Sales of services

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in the period by reference to the percentage of completion of the transaction at the balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably;
- and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Borrowing costs

Borrowing costs are recognised in the interim income statement in the period when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No.16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets, borrowing costs are capitalised even when the construction period is under 12 months. Other borrowing costs are recognized in the interim income statement when incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the interim income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the interim financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. As at 30 June 2023, the Company did not have any material temporary difference between carrying amounts of assets or liabilities in the interim balance sheet and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

4. CASH

	Closing balance	Opening balance
	VND	VND
Cash on hand	3,445,175,970	154,784,526
Bank demand deposits	463,118,790,014	73,628,319,853
Cash equivalents (i)	30,000,000,000	-
	496,563,965,984	73,783,104,379

- (i) As at 30 June 2023, cash equivalents represent deposits with original term of 1 month at Joint Stock Commercial Bank for Investment and Development of Vietnam – Nam Thai Nguyen Branch with interest rate of 4.3 %/year.

5. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
Social Insurance of Thai Nguyen Province	26,025,117,952	14,799,209,528
Others	967,544,888	905,362,251
	26,992,662,840	15,704,571,779

6. SHORT-TERM ADVANCES TO SUPPLIERS

	Closing balance	Opening balance
	VND	VND
Taurus Health Technology Joint Stock Company	72,000,000,000	-
Duc Dung Construction and Development Co., Ltd	22,300,000,000	-
Dong Nam Trading Construction Co., Ltd	-	78,992,798,868
Others	3,946,328,800	8,787,993,034
	98,246,328,800	87,780,791,902

7. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND		VND	
Raw materials	11,589,357,763	-	14,604,907,549	-
Work in progress	459,257,996	-	278,854,203	-
	12,048,615,759	-	14,883,761,752	-

8. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Current		
- Tools and dies issued for consumption	427,079,490	354,218,657
- Assets insurance premium	541,832,161	78,819,825
- Others	314,642,578	55,660,000
	1,283,554,229	488,698,482
b. Non-current		
- Tools and dies issued for consumption	8,991,867,382	13,591,257,075
- Fixed asset repair cost	2,926,730,469	5,371,994,372
- Others	472,089,212	363,401,795
	12,390,687,063	19,326,653,242

As presented in Note 19, the Company has mortgaged tools and instruments with the carrying amount as at 30 June 2023 of VND 3,071,147,844 (as at 31 December 2022: VND 6,200,306,195) to secure loans at commercial banks and credit institutions.

9. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Office equipment VND	Motor vehicles VND	Total VND
COST					
Opening balance (Restated)	892,646,562,098	170,117,483,052	330,714,600	10,093,625,884	1,073,188,385,634
Purchases	-	804,554,400	-	-	804,554,400
Closing balance	892,646,562,098	170,922,037,452	330,714,600	10,093,625,884	1,073,992,940,034
ACCUMULATED DEPRECIATION					
Opening balance (Restated)	62,227,188,976	40,671,889,977	109,766,315	3,356,307,566	106,365,152,834
Charge for the period	12,805,668,053	6,061,143,531	17,354,775	431,787,323	19,315,953,682
Closing balance	75,032,857,029	46,733,033,508	127,121,090	3,788,094,889	125,681,106,516
NET BOOK VALUE					
Opening balance (Restated)	830,419,373,122	129,445,593,075	220,948,285	6,737,318,318	966,823,232,800
Closing balance	817,613,705,069	124,189,003,944	203,593,510	6,305,530,995	948,311,833,518

As presented in Notes 18 and 19, the Company has pledged its machinery, equipment, motor vehicles, buildings and structures with the carrying amount as at 30 June 2023 of VND 530,081,421,714 (as at 31 December 2022: VND 570,833,086,482) to secure loans at commercial banks and credit institutions.

10. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Computer software	Total
	VND	VND	VND
COST			
Opening balance (Restated)	68,624,267,725	17,736,480,000	86,360,747,725
Closing balance	68,624,267,725	17,736,480,000	86,360,747,725
ACCUMULATED AMORTISATION			
Opening balance (Restated)	284,395,973	4,332,611,908	4,617,007,881
Charge for the period	284,395,974	730,655,938	1,015,051,912
Closing balance	568,791,947	5,063,267,846	5,632,059,793
NET BOOK VALUE			
Opening balance (Restated)	68,339,871,752	13,403,868,092	81,743,739,844
Closing balance	68,055,475,778	12,673,212,154	80,728,687,932

As at 30 June 2023, the cost of the Company's intangible assets includes VND 300,000,000 (as at 31 December 2022: VND 300,000,000) of assets which have been fully amortised but are still in use.

As presented in Note 19, the Company mortgaged computer software with the carrying amount as at 30 June 2023 of VND 5,460,953,414 (as at 31 December 2022: VND 5,682,286,747) to secure loans at commercial banks and credit institutions.

11. INCREASES, DECREASES IN INVESTMENT PROPERTY

	Buildings and structures
	VND
COST	
Opening balance (Restated)	38,563,232,591
Closing balance	38,563,232,591
ACCUMULATED DEPRECIATION	
Opening balance (Restated)	1,674,613,128
Charge for the period	466,738,533
Closing balance	2,141,351,661
NET BOOK VALUE	
Opening balance (Restated)	36,888,619,463
Closing balance	36,421,880,930

According to VAS No. 05 - *Investment Properties*, fair value of investment property as at 30 June 2023 is required to be disclosed. At the time of issuance of the interim financial statements, the Company has not determined the fair value of investment properties because there is no comprehensive guidance on the determination of the fair value of investment properties.

12. CONSTRUCTION IN PROGRESS

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Viet Yen Hospital Project in Bac Giang	291,099,051,022	964,242,000
Project of Obstetrics and Gynecology Hospital - International Hospital	4,949,405,000	4,949,405,000
	<u>296,048,456,022</u>	<u>5,913,647,000</u>

As presented in Notes 19, the Company has pledged assets formed from the Projects' loans to secure the loans obtained from commercial banks and financial institutions.

During the period, total interest expense capitalized into construction in progress was VND 3,772,861,048 (prior period: VND 0).

13. FINANCIAL INVESTMENTS

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>VND</u>		<u>VND</u>	
	Cost	Provision	Cost	Provision
TNH Lang Son Hospital Joint Stock Company	96,000,000,000	-	96,000,000,000	-
	<u>96,000,000,000</u>	<u>-</u>	<u>96,000,000,000</u>	<u>-</u>

The Company has not assessed fair value of its financial investments as at the interim balance sheet date since there is no comprehensive guidance of relevant prevailing regulations on determination of fair value of these financial investments.

The operation status of associates is as follows:

<u>Associates</u>	<u>Current period</u>	<u>Prior period</u>
TNH Lang Son Hospital Joint Stock Company	Under construction	Under construction

14. SHORT-TERM TRADE PAYABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>Amount/Amount able to be paid off</u>	<u>Amount/Amount able to be paid off</u>
	<u>VND</u>	<u>VND</u>
ACT Vietnam Development Investment Joint Stock Company	3,550,042,883	2,070,836,297
A Chau Pharmaceutical and Medical Equipment Joint Stock Company	1,503,247,020	853,843,442
Others	10,382,053,648	12,172,382,047
	<u>15,435,343,551</u>	<u>15,097,061,786</u>

15. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance	Opening balance
	VND	VND
Cash advance from patients	1,161,523,807	3,904,293,902
Others	64,242,000	49,242,000
	<u>1,225,765,807</u>	<u>3,953,535,902</u>

16. TAXES AND AMOUNTS RECEIVABLE/PAYABLE TO THE STATE BUDGET

	Opening balance (Restated)	Receivable/Payable during the period	Received/Paid during the period	Closing balance
	VND	VND	VND	VND
a. Receivables				
Land tax	-	628,974,876	-	628,974,876
Business License tax	-	8,000,000	7,000,000	1,000,000
	-	<u>636,974,876</u>	<u>7,000,000</u>	<u>629,974,876</u>
b. Payables				
Value- Added Tax	2,941,905	140,595,064	121,426,162	22,110,807
Corporate income tax	2,580,216,453	5,634,572,966	6,083,997,588	2,130,791,831
Personal income tax	206,427,590	1,529,856,385	1,428,948,788	307,335,187
Housing, Land Tax & Land Rental	-	289,962,690	289,962,690	-
Others	-	402,678,517	402,678,517	-
	<u>2,789,585,948</u>	<u>7,997,665,622</u>	<u>8,327,013,745</u>	<u>2,460,237,825</u>

17. UNEARNED REVENUE

	Closing balance	Opening balance (Restated)
	VND	VND
a. Short-term unearned revenue		
Revenue received in advance	240,000,000	240,000,000
	<u>240,000,000</u>	<u>240,000,000</u>
b. Long-term unearned revenue		
Revenue received in advance	6,918,181,819	7,038,181,819
	<u>6,918,181,819</u>	<u>7,038,181,819</u>

18. SHORT-TERM LOANS

	Opening balance		In the period	Closing balance
	Amount/Amount able to be paid off	Increases	Decreases	Amount/Amount able to be paid off
	VND		VND	VND
Short-term loans	192,998,704,021	86,838,746,644	108,539,951,721	171,297,498,944
Individual loan (i)	92,020,000,000	-	-	92,020,000,000
Joint stock Commercial Bank for Investment and Development of Viet Nam - Thai Nguyen Branch (ii)	67,692,173,526	74,985,996,738	72,587,073,363	70,091,096,901
Vietnam Bank for Agriculture and Rural Development- Thai Nguyen Branch (iii)	33,286,530,495	11,852,749,906	35,952,878,358	9,186,402,043
Current portion of long-term borrowings (Details stated in Note 19)	65,616,000,000	39,296,000,000	32,896,000,000	72,016,000,000
In which:				
Short-term loans from related parties (Details stated in Note 29)	92,020,000,000	-	-	92,020,000,000
	258,614,704,021	126,134,746,644	141,435,951,721	243,313,498,944

(i) Short-term unsecured loan from the Company's employees with a term of 12 months from 29 August 2022, the interest rate is 5.45%/year. The loan purpose is to mature bonds issued in 2020 and other lawful purposes as prescribed by law. At the date of these interim financial statements, the loans were extended to 31 May 2024.

(ii) Unsecured loan from Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch under Credit Contract No. 01/2022/5745705/HDTD dated 7 July 2022 with the credit limit of VND 80,000,000,000,000, the loan interest rate is determined according to each disbursement. The purpose of the loan is to supplement working capital, guarantee and open L/C. The time limit for granting the limit of from the date of signing the contract until the end of 7 July 2023. The loan term is determined according to each Debt Receipt but must not exceed 12 months. As at 30 June 2023, the principal outstanding balance of the loan is VND 70,091,096,901 with interest rates ranging from 8.4% pa to 9.5% per annum.

(iii) Short-term loan from Bank for Agriculture and Rural Development - Thai Nguyen Branch under Credit Contract No. 8500-LAV20 2300229 dated 15 March 2023 and Amended and Supplemented Contract dated 4 May 2023 with an actual credit limit of VND 30,000,000,000, the interest rate for the term loan is specified in each Debt Receipt at the time of capital withdrawal. The purpose of the loan is to supplement working capital for medical examination and treatment activities. The loan term is according to each specific debt receipt but must not exceed 12 months. As at 30 June 2023, the principal outstanding balance of the loan is VND 9,186,402,043 with a loan interest rate of 9.3%/year. The loan is secured by collateral.

The Company has mortgaged machinery, equipment, means of transport, factories and structures to secure bank loans with a residual value as at 30 June 2023 of VND 8,341,984,890 (at 31 December 2022: 40,999,619,669 VND) (see Note 9).

19. LONG-TERM LOANS

	Opening balance	In the period		Closing balance
	Amount/Amount able to be paid off	Increases	Decreases	Amount/Amount able to be paid off
	VND		VND	VND
Long-term loans				
Joint stock Commercial Bank for Investment and Development of Viet Nam - Thai Nguyen Branch (i)	218,297,410,816	-	28,000,000,000	190,297,410,816
Military Commercial Joint Stock Bank- Thai Nguyen Branch (ii)	11,223,935,664	156,523,594,393	2,808,000,000	164,939,530,057
Joint Stock Commercial Bank For Foreign Trade Of Vietnam- Thai Nguyen Branch (iii)	17,761,200,000	-	2,088,000,000	15,673,200,000
	247,282,546,480	156,523,594,393	32,896,000,000	370,910,140,873
In which:				
Amount due for settlement within 12 months	65,616,000,000			72,016,000,000
Amount due for settlement after 12 months	181,666,546,480			298,894,140,873

- (i) Long-term loans from Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch include:

- Loan under Credit Contract No. 01/2019/5745705/HDTD dated 26 August 2019 with a credit limit of VND 200,000,000,000, loan term 96 months, loan interest rate for the first 12 months is 8.2%/year, the next 12 months is 8.3%/year; The loan interest rate for the remaining period is floating according to the formula specified in the loan contract. The purpose of the loan is to invest in the construction of Thai Nguyen International Hospital Phase II. As at 30 June 2023, the principal outstanding balance of the loan is VND 136,000,000,000. The loan is secured by the entire assets formed from the Thai Nguyen International Hospital Construction Investment Project Phase II and other assets of the Company to serve the project operation.

- Loan under Credit Contract No. 02/2022/5745705/SDBS dated 10 August 2022 with a credit limit of VND 72,750,000,000, loan term until 20 March 2025. Loan interest rate for the first 12 months from the time of disbursement is 6.2%/year, for the remaining period, the loan interest rate is applied by floating method according to the formula specified in the contract. The purpose of the loan is to repay the loan early for the construction investment project of Yen Binh Thai Nguyen General Hospital, phase I. As of 30

June 2023, the principal balance of the loan is VND 54,297,410,816. The loan is secured by all assets formed after the investment, which is the Yen Binh Thai Nguyen General Hospital project.

(ii) Long-term loans from Military Commercial Joint Stock Bank - Thai Nguyen Branch include:

- Loan under Credit Contract No. 5956.19.093.1699479.TD dated 5 March 2019 with a credit limit of VND 35,000,000,000, maximum loan term of 72 months, loan interest rate for the term is specified in each Debt Receipt. The purpose of the loan is to pay for the purchase of machinery and equipment for medical examination and treatment activities of Thai Nguyen International Hospital. As at 30 June 2023, the principal outstanding balance of the loan is VND 8,415,935,664 with an interest rate of 12.2%. The loan is secured by machinery and equipment formed in the future from the project's loan capital.

- Loan under Credit Contract No. 99608.22.090.1699479.TD dated 7 February 2023 with a credit limit of VND 370,000,000,000, the loan term is 10 years from the next day of the day the Lender disbursed the loan. Firstly, Loan interest rate is according to each disbursement, debt receipt and general agreement. The purpose of the loan is to invest in the construction and purchase of medical machinery and equipment for the implementation of the Investment Project to build TNH Viet Yen Hospital, Bac Giang at the Medical land area of Nguyen The Nho residential area, Bich Dong town, Viet Yen district, Bac Giang province. As at 30 June 2023, the principal outstanding balance of the loan is VND 156,523,594,393 with an interest rate of 11.5%. The loan is secured by assets according to the List of collaterals in the Contract and documents amending, supplementing and detailing the security specified in the security contract signed with the lender.

(iv) Loan from Joint Stock Commercial Bank for Foreign Trade of Vietnam – Thai Nguyen Branch under Credit Contract No. 171/21/HDTD/TN dated 10 June 2021 and revised Contract on 20 September 2021 with maturity credit level is VND 19,634,000,000 under the method of one-time loan. The loan purpose, interest rate and loan term are specified in each loan contract. As of June 30, 2023, the interest rate of the loan is from 8.3%/year to 9.8%/year. The loan is secured by collateral including the MAGNETOM Semptra 1.5 Tesla Magnetic Imaging System and hospital software-connected imaging software, an anesthesia machine with breathing capabilities with alveolar mobilization and anesthesia monitoring Carestation 650 under the mortgage contract No. 188/21/HDTN/TN, 1-chip full HD laparoscopic surgery system and laparoscopic surgery kit formed from loans and own capital of the Company.

Details of long-term loans are as follows:

	Closing balance VND	Opening balance VND
On demand or within one year	72,016,000,000	65,616,000,000
In the second year	67,427,818,368	82,995,935,664
In the third to fifth year inclusive	95,290,795,388	98,670,610,816
After five years	136,175,527,117	-
	370,910,140,873	247,282,546,480
Less: Amount due for settlement within 12 months (shown under short-term loans)	72,016,000,000	65,616,000,000
Amount due for settlement after 12 months	298,894,140,873	181,666,546,480

The Company has mortgaged machinery, equipment, means of transport, buildings and structures, computer software and tools to secure long-term bank loans with residual value as at 30 June 2023 is VND 530,271,538,082 (as at 31 December 2022: VND 509,583,062,309) (see Notes 8,9,10,12).

20. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital VND	Share premium VND	Retained earnings VND	Total VND
<i>For the financial year ended 31 December 2022</i>				
Opening balance	415,000,000,000	-	365,226,580,309	780,226,580,309
Issuance of shares paying dividends in 2020	103,749,980,000	-	(103,749,980,000)	-
Profit for the year	-	-	144,799,307,068	144,799,307,068
Closing balance (Restated)	518,749,980,000	-	406,275,907,377	925,025,887,377
<i>For the 6-month period ended 30 June 2023</i>				
Opening balance (Restated)	518,749,980,000	-	406,275,907,377	925,025,887,377
Issuance of shares to the public (i)	259,374,990,000	258,967,990,000	-	518,342,980,000
Issuance of ESOP shares (ii)	25,000,000,000	-	-	25,000,000,000
Issuance of shares paying dividends in 2021 (iii)	155,621,130,000	-	(155,621,130,000)	-
Profit for the period	-	-	61,954,655,587	61,954,655,587
Closing balance	958,746,100,000	258,967,990,000	312,609,432,964	1,530,323,522,964



- (i) According to the Resolution of the 2022 Annual General Meeting of Shareholders No. 551/NQ-DHDCD dated 20 May 2022 and the Resolution of the 1st Extraordinary General Meeting of Shareholders in 2022 No. 110/2022/NQ-DHDCD dated 10 October 2022, during the period, the Company issued shares to existing shareholders at the rate of 50% of the number of outstanding shares at the closing date of the list of shareholders to exercise the right to buy at a price offering of VND 20,000/share. The number of additional shares to be issued is 25,937,499,000 shares with par value of VND 10,000/share, corresponding to the additional capital contributed by owners from the issuance of VND 259,374,990,000.
- (ii) According to the Resolution of the 2022 Annual General Meeting of Shareholders No. 551/NQ-DHDCD dated 20 May 2022, during the period, the Company issued shares under the employee selection program ("ESOP").) in 2022 with an offering price of VND 10,000/share. The number of additional shares to be issued is 2,500,000 shares with par value of VND 10,000/share, corresponding to the additional capital contributed by the owner from the issuance of VND 25,000,000,000.
- (iii) According to the Resolution of the 2022 Annual General Meeting of Shareholders No. 551/NQ-DHDCD dated 20 May 2022 and the Resolution of the 1st Extraordinary General Meeting of Shareholders 2022 No. 110/2022/NQ-DHDCD dated 10 October 2022, during the period, the Company paid dividends for 2021 in shares to existing shareholders at the rate of 30% compared to the number of outstanding shares. The number of additional shares to be issued is 15,562,113 shares with par value of VND 10,000/share, corresponding to the additional capital contributed by owners from the issuance of VND 155,621,130,000.

Shares

	<u>Closing balance</u>	<u>Opening balance</u>
	Share	Share
Number of shares issued to the public	95,874,610	51,874,998
<i>Ordinary shares</i>	95,874,610	51,874,998
Number of outstanding shares in circulation	95,874,610	51,874,998
<i>Ordinary shares</i>	95,874,610	51,874,998

A common share has par value of VND 10,000/share.

Including 4,584,801 common shares subject to transfer restriction as at 30 June 2023 (as at 31 December 2022: 0).

21. BUSINESS AND GEOGRAPHICAL SEGMENTS

Geographical segments

The Company does not have any operations outside the territory of Vietnam; business activities of the Company are mainly carried out at Thai Nguyen Province. Therefore, the Company does not report by geographical segments.

Business segments

During the period, the principal activities of the Company are medical examination and treatment. Therefore, the Company does not report by business segments. Revenue and cost of sales have been detailed by revenue, cost of goods sold and services rendered in Note 22 and Note 23.

22. REVENUE OF GOODS SOLD AND SERVICES RENDERED

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Revenue from medical examination and treatment services	228,548,097,471	206,925,266,300
Other service revenues	1,036,810,928	578,084,999
	<u>229,584,908,399</u>	<u>207,503,351,299</u>

23. COST OF SALES

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Cost of medical examination and treatment services	126,983,515,448	117,678,746,913
Cost of other services	466,738,533	431,406,451
	<u>127,450,253,981</u>	<u>118,110,153,364</u>

24. PRODUCTION COST BY NATURE

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Labour	57,498,854,258	47,379,402,519
Raw materials and consumables	41,634,886,204	42,808,843,705
Depreciation and amortization of fixed assets and investment properties	20,513,348,153	19,585,078,481
Out-sourced services	21,569,570,819	20,206,380,311
Other monetary expenses	2,032,502,259	1,726,406,145
	<u>143,249,161,693</u>	<u>131,706,111,161</u>

25. FINANCIAL EXPENSES

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Interest expense	18,863,362,148	19,929,689,142
	<u>18,863,362,148</u>	<u>19,929,689,142</u>

26. ADMINISTRATION EXPENSES

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Administration staff	10,906,591,697	8,053,448,474
Raw materials and consumables	978,563,187	2,188,327,757
Out-sourced service expenses	1,981,322,872	1,715,430,612
Other monetary expenses	1,752,026,163	1,638,750,954
	<u>15,618,503,919</u>	<u>13,595,957,797</u>

27. CURRENT CORPORATE INCOME TAX EXPENSE

	Current period VND	Prior period VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current period	5,634,572,966	1,550,520,356
Total current corporate income tax expense	5,634,572,966	1,550,520,356

Current corporate income tax expense in the period was computed as follows:

	Current period VND	Prior period VND
Profit before tax	67,589,228,553	55,843,956,133
Adjustments for taxable profit	1,529,324,708	243,555,838
<u>Less:</u> Non-taxable income	-	-
<u>Add back:</u> Non-deductible expenses	1,529,324,708	243,555,838
Income subject to tax exemption	-	26,811,359,860
Taxable profit	69,118,553,261	29,276,152,111
In which:		
Profit entitled to tax rate of 5%	28,331,491,760	28,698,067,112
Profit entitled to tax rate of 10%	39,394,139,221	
Profit entitled to tax rate of 20%	1,392,922,280	578,084,999
Tax rate	5%, 10% và 20%	5%, 10% và 20%
Corporate income tax expense based on taxable profit in the period	5,634,572,966	1,550,520,356

- (i) For income arising from business activities licensed under the Investment Certificate for the construction project of Yen Binh General Hospital, the Company is obliged to pay corporate income tax at the current tax rate of 10% for the duration of the operation. The Company is exempt from tax for 04 years from the date of taxable profit (in 2019) and is entitled to a 50% reduction of payable tax for the next 5 years. 2023 is the first year that the Company is entitled to a 50% reduction in payable tax.
- (ii) For income arising from business activities licensed under the Investment Certificate for Thai Nguyen International Hospital construction project, the Company is obliged to pay corporate income tax at the rate of 10% based on taxable profit from main business activities.

For other projects, the Company has not generated taxable profit.

Taxable profit from other activities is subject to the current tax rate of 20%.

28. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share as at 30 June 2023 is based on the amount of profit attributable to holders of ordinary shares and the weighted average number of ordinary shares outstanding for the period, details are as follows:

	Current period VND	Prior period VND
Accounting profit after corporate income tax	61,954,655,587	54,293,435,777
The profits attributable to common shareholders own common shares	61,954,655,587	54,293,435,777
Average ordinary shares in circulation for the period	69,798,989	67,437,111
Basic earnings per share	888	805

- (i) Basic earnings per share for the six-month period ended 30 June 2022 are restated as a result of the dividend payment for 2021 as presented in Notes 20 according to the guidance of Vietnamese Accounting Standard No. 30 – Earnings per share, specifically as follows:

	Reported amount VND	Adjustment from reported amount VND	Restated amount VND
Net profit after corporate income tax	54,293,435,777	-	54,293,435,777
Profit attributable to ordinary shareholders	54,293,435,777	-	54,293,435,777
Average ordinary shares in circulation for the period	51,874,998	15,562,113	67,437,111
Basic earning per share	1,047		805

29. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties with transactions and significant balances during the period:

Related parties	Relationship
Mr. Hoang Tuyen	Chairman of the Board of Directors
Mr. Nguyen Van Thuy	Member of the Board of Directors cum Deputy Chief Executive Officer
Mr. Le Xuan Tan	Vice Chairman of the Board of Directors cum Chief Executive Officer
Mr. Nguyen Xuan Don	Member of the Board of Directors

During the period, the Company entered into the following significant transactions with its related parties:

	Current period VND	Prior period VND
Interest expense		
Mr. Hoang Tuyen	967,985,699	-
Mr. Nguyen Van Thuy	951,136,990	-
Mr. Le Xuan Tan	309,798,903	-
Mr. Nguyen Xuan Don	271,753,424	-
	2,500,675,016	-

Significant balances with related parties at the balance sheet date:

	Current period	Prior period
Short-term Loans		
Mr. Hoang Tuyen	35,620,000,000	35,620,000,000
Mr. Nguyen Van Thuy	35,000,000,000	35,000,000,000
Mr. Le Xuan Tan	11,400,000,000	11,400,000,000
Mr. Nguyen Xuan Don	10,000,000,000	10,000,000,000
	92,020,000,000	92,020,000,000

The total income of the Board of Directors, remuneration of the Board of Directors, Supervisory Board and chief accountant in the period is as follows:

Name	Position	Current period VND	Prior period VND
Mr. Hoang Tuyen	Chairman of the Board of Directors	666,958,456	575,727,274
Mr. Le Xuan Tan	Vice Chairman of the Board of Directors cum Chief Executive Officer	578,824,365	539,727,274
Mr. Nguyen Van Thuy	Member of the Board of Directors cum Deputy Chief Executive Officer	484,722,091	453,437,272
Mr. Vu Hong Minh	Member of the Board of Directors	96,000,000	96,000,000
Mr. Nguyen Xuan Don	Member of the Board of Directors	96,000,000	96,000,000
Mr. Tran Thien Sach	Member of the Board of Directors cum Deputy Chief Executive Officer	455,579,666	312,389,860
Mr. Ly Thai Hai	Member of the Board of Directors	56,000,000	-
Mr. Vu Van Thanh	Supervisory Board	120,000,000	120,000,000
Ms. Le Thi Hao	Member of the supervisory board	96,000,000	96,000,000
Mr. Hoang Thang	Member of the supervisory board	40,000,000	96,000,000
Ms. Le Thi Anh Hang	Member of the supervisory board	56,000,000	-
Mr. Dao Manh Duy	Deputy Chief Executive Officer	215,412,999	205,507,691
Ms. Le Thi Thuy An	Chief Financial Officer cum Chief Accountant (Until 31 May 2023)	135,717,546	135,981,818
Ms. Cao Thi Hong	Director of Human Resources - Marketing	193,598,384	168,439,424
Ms. Nguyen Thi Thu Thuy	Chief Accountant (From June 1, 2023)	13,900,000	-
		3,304,713,507	2,895,210,613

30. SUBSEQUENT EVENTS

Regarding the transfer of land use rights

On 20 July 2023, the Company signed a contract to transfer the land use right of the land plot at Block 10, Tam Thanh ward, Lang Son city, Lang Son province according to the Certificate of land use right and ownership rights of houses and other assets attached to land with cover book DL 066480 to TNH Lang Son Hospital Joint Stock Company according to Resolution No. 631/2023/NQ-HDQT dated July 20, 2023 and the contract for the transfer of land use rights on the same day with the transfer price of VND 54,050,000,000 to invest in the construction of TNH Lang Son Hospital.

About the registration to adjust the investment project of Thai Nguyen International Hospital

According to the Board of Directors' Decision No. 675/2023/QĐ-HDQT dated 9 August 2023, the Board of Directors of the Company has approved the amendment of the registration content for adjustment of the Thai Nguyen International Hospital Project ("Project") related to adjusting the Project scale from 450 hospital beds to 500 hospital beds, adjusting the total investment capital from VND 657.8 billion to VND 803.24 billion and adjusting the project implementation schedule from 2 phases to 3 phases (adding phase 3 from July 2023 to July 2025, transferring 100 invested hospital beds in Phase 1 Hospital Building to Phase 2 Hospital Building; repairing and renovating the Phase 1 Building in the direction of upgrading the invested 50 hospital beds, and investing in 50 more hospital beds for high-quality departments, clinics, specialized medical service centers...).


Luu Thi Hai Yen
Preparer


Nguyen Thi Thu Thuy
Chief Accountant


Le Xuan Tan
Chief Executive Officer


Hoang Tuyen
Chairman

14 August 2023

