HYDRAULICS CONSTRUCTION CORPORATION NO. 4 – JSC	SOCIALIST REPUBLIC OF VIETNAM
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No: 220/CV-BTC-TCT	-----------o0o-----------
	Ho Chi Minh City, August 28, 2026

Explanation for the post-tax profit variance of over 10%, turnaround from loss to profit compared to the prior period, and discrepancies between pre-and-post reviewed figures in the Combined and Consolidated Semi-Annual Financial Statements for the year 2026.

To: - HANOI STOCK EXCHANGE

- Pursuant to the regulations on information disclosure as stipulated in Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance;

- Based on the Interim Combined and Consolidated Semi-Annual Financial Statements for the year 2026 of of Hydraulics Construction Corporation No. 4 – Joint Stock Company;

Hydraulics Construction Corporation No. 4 – JSC hereby provide the explanations for the post-tax profit variance of over 10%, the turnaround from loss to profit compared to the prior period, and the discrepancies between the pre-and-post reviewed figures in the Separate and Consolidated Semi-Annual Financial Statements for the year 2026 as follows:

1. **Explanation for the post-tax profit variance of over 10% and the turnaround from loss to profit compared to the prior period:**

- Regarding core business operations: Revenue for the first 6 months of 2026 recorded an increase compared to the prior period, leading to a corresponding rise in the cost of goods sold. However, thanks to expense optimization and cost-saving initiatives, gross profit witnessed an expansion compared to the same period last year.
- Regarding financial activities: Financial income for the first 6 months of 2026 recorded an increase compared to the prior period due to the recognition of deposit interest. Concurrently, financial expenses decreased sharply as a result of lower provisioning and the reversal of provisions for investments, which served as a significant driver for the year-on-year expansion in post-tax profit.
- Regarding other profit: Other income for the first 6 months of 2026 recorded an increase compared to the prior period, driven by the recognition of breach of contract penalties and other miscellaneous income. This increase was substantial enough to fully offset the rise in other incurred expenses (which arose from the settlement of outstanding costs from legacy projects), thereby resulting in a year-on-year expansion in other net profit.
- Regarding general and administrative expenses: General and administrative expenses for the first 6 months of 2026 decreased compared to the prior period, driven by a reduction in land rental costs, alongside cost savings in personnel expenses and other operational overheads.

As a result of the aforementioned factors, post-tax profit for the first 6 months of 2026 in both the Separate and Consolidated Financial Statements recorded a variance of over 10%, successfully achieving a turnaround from loss to profit compared to the prior period.

2. **Explanation for the post-tax profit discrepancies between the pre-and-post reviewed figures in the Semi-Annual Financial Statements for the year 2026:** There were no discrepancies in the post-tax profit for the first 6 months of 2026 between the pre-and-post reviewed figures in both the Separate and Consolidated Semi-Annual Financial Statements for the year 2026.

The above is the explanation provided by Hydraulics Construction Corporation No. 4 – JSC, which is respectfully submitted to the Hanoi Stock Exchange.

Respectfully yours!

LEGAL REPRESENTATIVE

TỔNG GIÁM ĐỐC

M.S.D.N: 0300540... CÔNG TY CP TỔNG CÔNG TY XÂY DỰNG THỦY LỢI 4 - CTCP Q. BÌNH THẠNH - TP. HỒ CHÍ MINH

Nguyễn Xuân Hòa

Recipients:

- As above;

- Board of Directors; Audit Committee (for reporting);

- Filed: Archives.