



**HYDRAULICS CONSTRUCTION
CORPORATION NO. 4 – JSC**

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No: 2.99/CV-BTC-TCT

“Explanation for the over 10% variance in post-tax profit and the net loss in the Separate and Consolidated Financial Statements for Q3/2026 compared to the same period last year”.

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;

- Pursuant to the Separate Financial Statements and the Consolidated Financial Statements for Q3/2026 of Hydraulics Construction Corporation No. 4 – Joint Stock Company;

Hydraulics Construction Corporation No. 4 – JSC hereby provides the explanation for the over 10% decrease in profit after tax and the incurred loss for the period compared to the same period last year as follows:

- Regarding core business operations: Revenue for Q3/2026 increased year-on-year, driven by the office leasing segment, which subsequently led to a corresponding increase in the cost of goods sold.
- Financial activities: Financial income for Q3/2026 recorded an insignificant year-on-year increase, primarily driven by interest income from bank deposits. Meanwhile, financial expenses decreased due to a lower provision for investments compared to the same period last year.
- Other profit: Other income for Q3/2026 decreased year-on-year, due to lower gains from breach of contract penalties and other irregular income items. Simultaneously, an increase in other expenses led to a decline in other profit compared to the same period last year.
- General and administrative (G&A) expenses: General and administrative (G&A) expenses for Q3/2026 significantly increased year-on-year, primarily due to higher provisions for doubtful debts, while the reversal of provisions (from recovered bad debts) was lower than in the prior period. This is one of the material factors that severely impacted net profit and resulted in a net loss compared to the same period last year.

As a result of the aforementioned factors, the profit after tax for Q3/2026 in both the Separate and Consolidated Financial Statements decreased by over 10% and recorded a higher net loss compared to the same period last year.

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

Respectfully yours.

Recipients:

- As above;
- Board of Directors; Audit Committee (for reporting);
- Filed: Archives.

SOCIALIST REPUBLIC OF VIETNAM

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Ho Chi Minh City, October 28, 2026

LEGAL REPRESENTATIVE
TỔNG GIÁM ĐỐC



Nguyễn Xuân Hòa