

vietjet Air.com

VIETJET AVIATION JOINT STOCK COMPANY
Quarter I/2019 - Business Results



Agenda

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QUARTERLY BUSINESS OVERVIEW

- Q1.2019 witnessed an increase of **14.1%** in passengers carried to **5.81m passengers** as compared to Q1 2018.
- Total number of flights in Q1.2019 grew by **14.6%** to **33,646 flights** as compared to Q1.2018
- In line with the strategic plan of Vietjet, Q1.2019 witnessed strengthening 72 international routes and 39 domestic routes by adding additional capacity, Vietjet also launched **6 new international routes** in Q1.2019.
- Vietjet continues to maintain its leading market share position in the domestic Vietnam market for Q1.2019.
- Vietjet achieved an average load factor of **84.18%** in Q1 2019.
- Vietjet recorded an increase of **28%** in its Q1 2019 Consolidated Revenues of VND **13,637 bn** as compared to Q1.2018.
- Avg. Price of Fuel Jet (MOPS) Q1.2019 is 76.5 USD/barrel, a **9.8%** decrease compared to the end of 2018 and a decrease of **4.4%** compared to Q1.2018.
- Exchange rate of VND/USD at the end Q1 2019 23,318 VNĐ/USD compare to 23,095 VNĐ/USD at the end of 2018.



Vietjet awarded the highest ranking for safety with 7-stars from AirlineRatings

Agenda



QUARTERLY BUSINESS OVERVIEW



OPERATING & FINANCIAL STATISTICS Q1 2019



COST LEADERSHIP POSITION



ANCILLARY PRODUCTS AND REVENUES

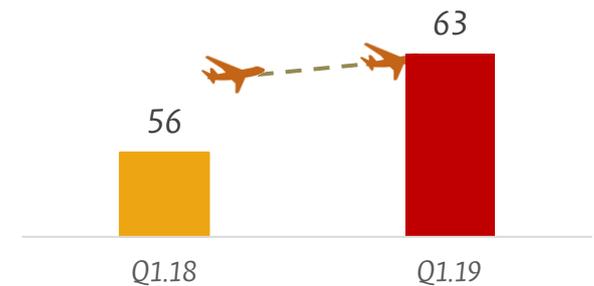


TYPICAL ACTIVITIES & AWARDS

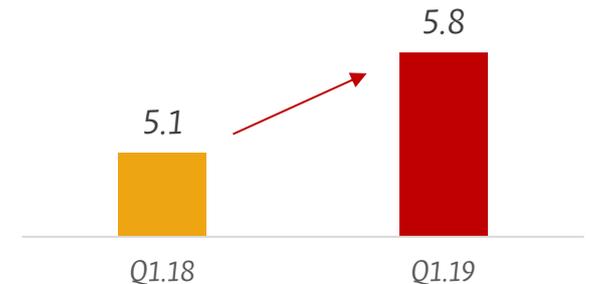
Operating statistics in Quarter 1/2019

- Q1 2019 ended with a net fleet growth of 7 aircraft as compared to Q1 2018.
- The total fleet of **63 aircraft** at end of Q1 2019 included 22 A320 and 34 A321 CEO and 07 latest fuel efficient A321 NEO aircraft.
- Vietjet inducted **3 A320** and **10 long range A321** between Q1 2018 and Q1 2019, while maintaining an average fleet age of **3 years**.
- As compared to Q1 2018, international passengers grew at **30%*** in Q1 2019.
- For Q1 2019, Vietjet was successful in leveraging its network and market presence to increase the Average fare per passenger by **2.6%** as compared to Q1 2018.

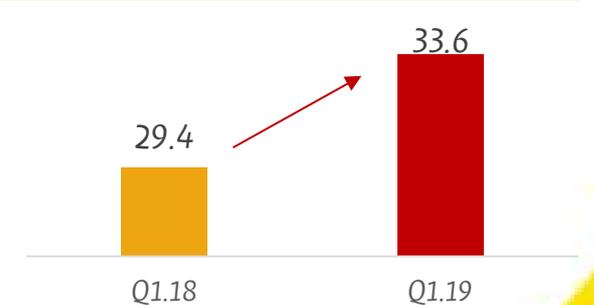
Number of Aircraft EOP



Total passengers flown of VJC (m pax.)



Total sector flown ('000)

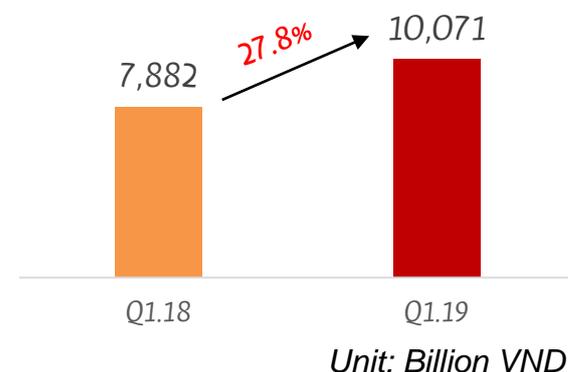


Financial statistics in Quarter 1/2019

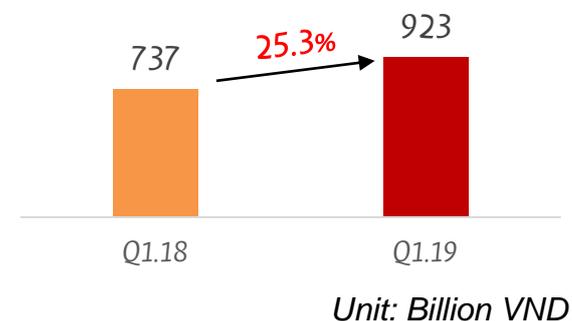
Vietjet leveraged its market share and capacity share in Vietnam effectively to increase in core operation profitability by **25.3% in Q12019** as compared to Q12018, resulted from total airline revenue of **27.8% in Q12019** as compared to Q12018.

- Q1 2019 **Yield gained 3.12%** as compared to Q1 2018 to USD **5.43** cents
- Q1 2019 **RASK gained 0.31%** as compared to Q1 2018 to USD **4.50** cents
- Q1 2019 **CASK decreased by 0.87%** as compared to Q1 2018)

Airline Revenues



Airline Profit before Tax

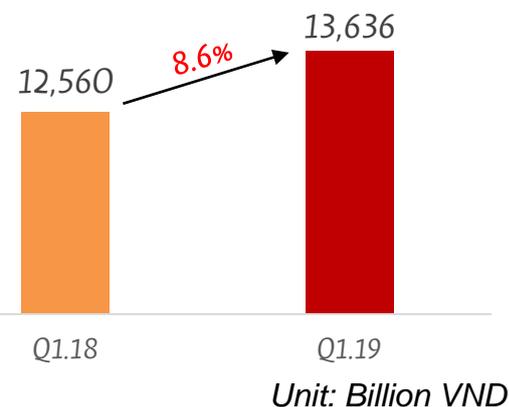


Financial statistics in Quarter 1/2019

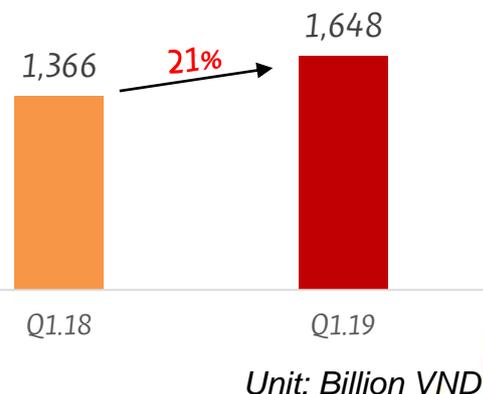
Consolidated Revenues and Profit before tax in Q1.2019:

- Vietjet recorded a consolidated revenue of **VND 13,636 bn** (equivalent to USD 587 millions), reflecting an increase of **8.6%** as compared to Q1 2018. Vietjet continues to build up its strategic investments in subsidiaries to improve shareholder returns.
- Vietjet achieved a Consolidated profit before tax margin of **12%** for Q1.2019 as compared to **10.8%** for Q1.2018.
- Vietjet achieved an EBITDAR and EBITDA margin of **32%** and **19%** respectively for quarter ending Q1.2019, a significant improvement over the EBITDA margin of 15% for Q1.2018.
- Strategic investments and aircraft trading have helped Vietjet maintain a strong total debt/equity ratio to enhance its positioning in the capital market.
- Over the period from Q1.2018 to Q1 2019, Vietjet was able to expand its fleet, while the Total debt/equity was only **0.45x** end of Q1.2019.

Consolidated Revenues



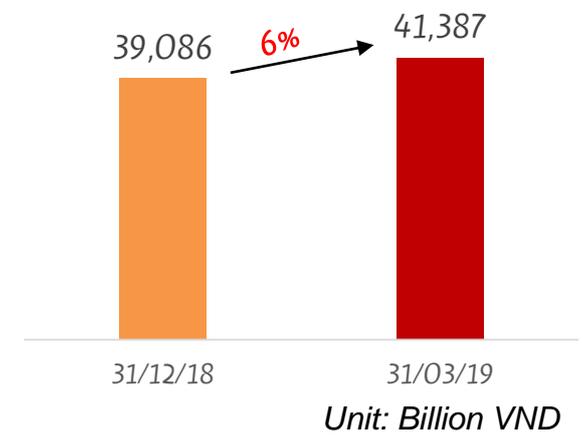
Consol. Profit before Tax



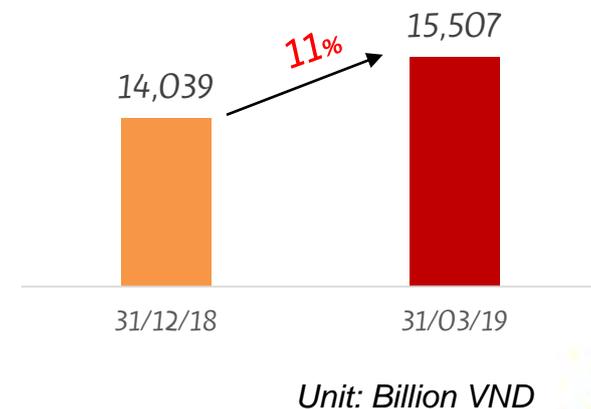
Financial statistics in Quarter 1/2019

- Vietjet maintained its cash and cash reserves in Q1.2019 to **VND 5,098 bn** further strengthening the capital sufficiency to meet operating cash flow requirements to pursue growth strategy of Vietjet.
- The total debt of Vietjet increased from **VND 5,530 bn** at end of 2018 to **VND 7,032 bn** at end of Q1.2019 mainly driven by PDP payments for aircraft.
- Vietjet ended Q1.2019 with an Equity value of **VND 15,507 bn**, a **11%** increase over its Equity value of **VND 14,039 bn** at end of 2018.
- **Current ratio** achieves 1.2x and Cash equivalent in Q1.2019 achieve VND **5,098 bn.** accounting **26.8% current assets**

Total Assets



Total Equity



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OVERVIEW OF VIETJET AIR



KEY OPERATING PERFORMANCES



COST LEADERSHIP POSITION



ANCILLARY PRODUCTS AND REVENUES



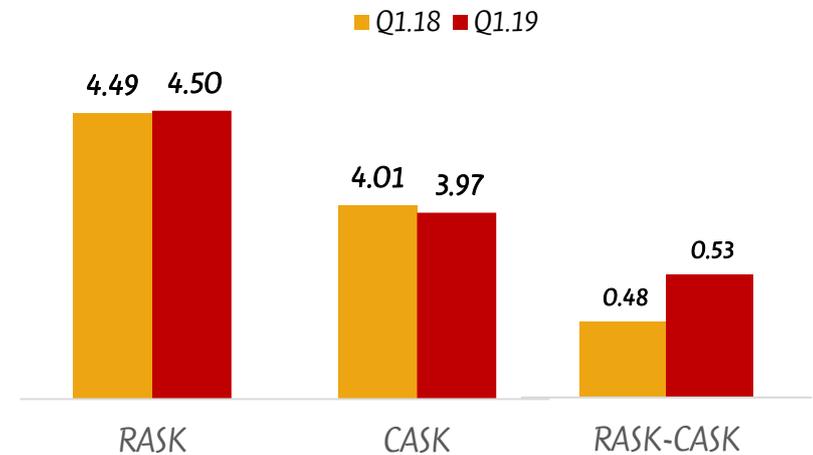
TYPICAL ACTIVITIES & AWARDS

COST LEADERSHIP POSITION

- Vietjet continues to maintain its cost leadership position in the Vietnamese market through implementation of economies of scale in operations.
- While Q1.2019 witnessed a decrease of **8.7%** in Fuel CASK due to decrease in fuel price as compared to Q1.2018, RASK-CASK achieved 0.53 cents increased in 10.4%.
- The non fuel CASK in Q1 2019 increasing slightly by adjusting salary records due to inflation, FX rates as well as some adjustment increasing reserves of maintenance provision.

RASK, CASK & RASK - CASK

(USD cents / ASK)



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OVERVIEW OF VIETJET AIR



KEY OPERATING PERFORMANCES



COST LEADERSHIP POSITION



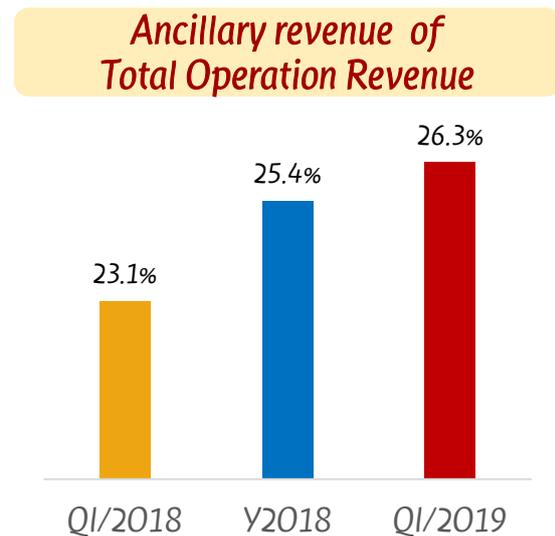
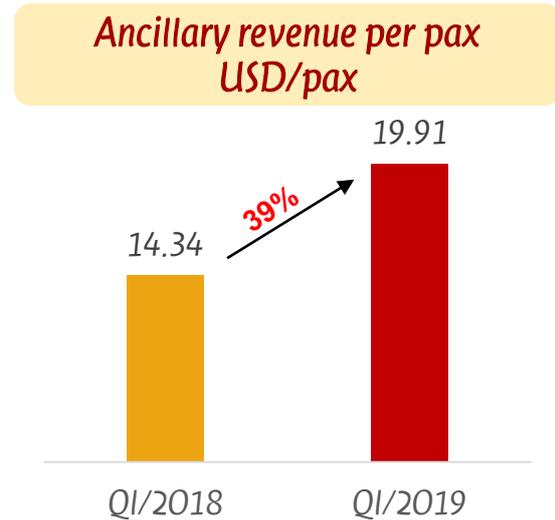
ANCILLARY PRODUCTS AND REVENUES



TYPICAL ACTIVITIES & AWARDS

ANCILLARY REVENUE - CONTINUED FOCUS

- Ancillary revenue continues to be a critical focus area for Vietjet management to consistently provide lowest fares to its customers and increase profitability for VJ.
- Q1 2019 witnessed a growth of ancillary revenue per passenger by **39%** as compared to Q1 2018 and by **16%** compared to 2018.
- The total ancillary revenue for Q1 2019 increased by **45.1%** to **VND 2,647 bn** as compared to Q1 2018.
- Q1 2019 ancillary revenue contribution to total airline revenue stood at **26.3%** as compared to **23.1%** in Q12018 and **25.4%** compared to last year.



ANCILLARY PRODUCTS AND SERVICES

- ✈ Reasonable and economical price with varied ticket types for choosing. Added services were offered, such as check-in priority, boarding priority, hot meals, pre-ordered beverages, and much more, were made available.
- ✈ “12pm, It’s time to Vietjet” promotion campaign offered millions of tickets from VNDO to bring flying opportunities for domestic and foreign passengers
- ✈ Travel insurance products to minimize travel risks were adjusted and sold to passengers via www.vietjetair.com
- ✈ Our Sky shop continued to improve its services. Apart from hot meals and typical Vietjet souvenirs, many seasonal products were purchased onboard by passengers, for example, summertime products, wintertime products, Tet holiday products, and more.
- ✈ Duty-free products proved popular on Vietjet’s international flights; a wide-range of cosmetics, perfumes, alcohols, cigarettes, and more, were sold at reasonable prices



Phu Quoc - Hong Kong route connects two beautiful islands, two attractive destinations in the region



Agenda



OVERVIEW OF VIETJET AIR



KEY OPERATING PERFORMANCES



COST LEADERSHIP POSITION



ANCILLARY PRODUCTS AND REVENUES



TYPICAL ACTIVITIES & AWARDS

Events

- Chairwoman of National Assembly of Vietnam Nguyen Thi Kim Ngan visited and conveyed Tet wishes to Vietjet, HDBank.
- Chairwoman Nguyen Thanh Ha, Vice Chairman Nguyen Thanh Hung, CEO Nguyen Thi Phuong Thao attended the Conference on tourism development in the Central Coast and Highlands.
- CEO Nguyen Thi Phuong Thao represented the private business sector to deliver a speech with recommendations to contribute to the development of Vietnam at Vietnam Economic Forum 2019.



Events

- Signed MoU with Vietnam National Administration of Tourism
- Accompanied the Tourism Authority of Thailand to promote tourism.
- Attended the first Business Meeting in 2019 hosted by Dien Bien Province.
- Participated in the International Aeronautical Conference 2019, Routes Asia Conference 2019 in Philippines.
- Signed deals with Boeing on the occasion of United States - North Korea Summit in Hanoi.
- Promoted Vietjet's images in Singapore, Myanmar, Singapore Festival... Attended the Seminar to introduce Indonesia destinations.



Events

- Welcome the first passengers in 2019 to Ho Chi Minh City on January 1st.
- Celebrated the Lunar New Year with many joyful activities for passengers, staffs...
- Launching Hanoi - Tokyo (Narita), Ho Chi Minh City - Van Don (Quang Ninh), Phu Quoc - Hong Kong (China) routes.
- Sharing business strategy with investors at Vietnam Access Day 2019.
- Heated up the Stock Market Development 2019 Conference.



Events

- Organized the ceremony of Implementing 2019 Plan with the theme "Blooming in the Sky" .
- Organized "Warm Tet of Love" for SOS Children's Village Ho Chi Minh City, Hue City.
- Accompanied with Civil Aviation Authority of Vietnam to hold the conference "Propagating and popularing laws on aviation safety and security" in Nghe An Province.
- Launched "Clean the Sea with Vietjet" campaign.
- Accompanied with Asia's Got Talent 2019



Awards

- Being awarded the Third-Grade Labor Order of State President for outstanding achievements in charity and humanitarian work and contributions to the country's development.
- Being honored as one of the Vietnam's 50 best listed companies by Forbes.
- Ranked among the world's 50 best airlines (in the 22nd) by Air finance Journal, one of the leading magazines in the aviation finance sector.
- Honored as "The Best Service Foreign Low Cost Carrier" at the award ceremony of "Korea Prestige Brand Awards 2019"
- Thai Vietjet won "Global Best Employer Brand 2019" Award



Definitions And Abbreviations

Term	Description
ASK	Available Seat Kilometer
CASK	Total Cost (excluding cost of aircraft sold) per Available Seat Kilometer.
CASK ex-fuel	Total Cost (excluding cost of aircraft sold, fuel) per Available Seat Kilometer.
RASK	Total Revenue (excluding Revenue from sale aircraft) per Available Seat Kilometer.
EBITDA	Earning before Interest, Tax, Depreciation and Amortization.
EBITDAR	Earning before Interest, Tax, Depreciation and Amortization, and Rent.
Load Factor	Passenger Carried / Capacity.
LCC	Low Cost Carrier
OTP	On Time Performance.
RPK	Revenue Passenger Kilometer.
Capacity	Available seat
Aircraft Utilization	Average numbers of hours during each 24-hour period that an aircraft is actually in flight

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